

EconoFact Chats: Can Government Support Reduce Child Poverty?

Leslie Boissiere, Annie E. Casey Foundation

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Michael Klein

I'm Michael Klein, executive editor of EconoFact, a non-partisan web-based publication of The Fletcher School at Tufts University. At EconoFact, we bring key facts and incisive analysis to the national debate on economic and social policies, publishing work from leading economists across the country. You can learn more about us and see our work at www.econofact.org.

Michael Klein

In the first quarter of 2021, the unemployment rate was 6.2%. Over the next three years, it fell, and by the end of 2024 it was 3.6%. You might think that measures of economic distress, like child poverty, would likewise decline over this period, but you would be wrong. In 2021, child poverty was 5%. By 2024, that rate nearly tripled to 13%. As discussed in the 'Measuring Access to Opportunity in the United States: A 10-Year Update,' which was published in October 2025 by the Annie E. Casey Foundation, the rise in child poverty was a consequence of the withdrawal of pandemic era government support. This report paints a distressing picture of the extent of child poverty, but it is also hopeful in showing that child poverty can be reduced with government support. To discuss child poverty in general, and this report in particular, I'm pleased to welcome back to EconoFact Chats Leslie Boissiere, the Vice President for External Affairs at the Annie E. Casey Foundation. Leslie oversees the foundation's KIDS COUNT effort, as well as the areas of policy reform and advocacy, strategic communications, organizational effectiveness and national partnerships. In the interest of full disclosure, the Annie E. Casey Foundation is a financial supporter of EconoFact. Leslie, thanks for joining me once again on this podcast.

Leslie Boissiere

You're welcome, Michael, thank you for having me.

Michael Klein

Leslie, everyone knows that poverty, particularly child poverty, is something that any society should be concerned about. What is it like for a child to live in a poor household?

Leslie Boissiere

Well, Michael, for children, growing up in poverty means you don't have the basics, and it's things that other kids never have to think about, like not knowing if you have food each day, not knowing where your next meal is coming from, whether the lights will be on, if you have clothes and shoes that fit, or even a washer and dryer to clean your clothes. And, children in poverty have families that are experiencing lots of stress almost all the time, and it leads to difficulties in learning and health problems, and overall, makes it impossible for children to reach their full potential and to thrive.

Michael Klein

People may be able to imagine the dire conditions for children living in poverty along the lines of the things you were describing, but I'm not sure that people fully understand the extent to which growing up

in poverty casts a long shadow over a person's entire life. What are the longer run effects of growing up poor?

Leslie Boissiere

Michael, there are actually quite a few. We know that developmentally, when a child is growing in poverty, they are less likely, for example, to be able to do well in school. It's difficult when you are hungry, when you are stressed, to focus. And so, when a child doesn't do well in school, it has the ability to impact their long term prospects – whether or not they're going to graduate from high school on time, and it also just puts a tremendous amount of pressure on them. Poverty increases a child's risk of behavioral challenges or social and emotional delays, and it undercuts a student's ability to learn. And the bottom line is that growing up poor has long-term consequences that can affect a child's economic stability, not only in their current state, but also into adulthood.

Michael Klein

There are different measures of poverty, the statistics I cited in the introduction are based on what's called the Supplemental Poverty Measure. What is this measure, and how is it different from other measures of poverty?

Leslie Boissiere

That's a good question, Michael, and really important to explain. The U.S. Census Bureau generates both the Official Poverty Measure, as you mentioned, which was created in 1960 and actually hasn't changed much since then. And based on the Official Poverty Measure, for example, a family of four is living in poverty if they have an annual income of \$31,812 in 2024, so extremely low. The Supplemental Poverty Measure, or SPM, by comparison, which is the basis for our new report, is a much more complete estimate of families' economic reality, because it accounts for essential expenses that the Official Poverty Measure doesn't, like housing, and medical costs and childcare. The SPM adjusts for rising costs as well. We know inflation has risen. And it also accounts for geographic differences in the cost of living. So the Supplemental Poverty Measure considers how resources like the Earned Income Tax Credit, and the Child Tax Credit, as well as food assistance and housing subsidies, affect child poverty as well. So, it's just a far more accurate and complete reflection of a family's financial status.

Michael Klein

These distinctions might strike some people as a bit technical and maybe in the weeds, but in fact, the differences are important, aren't they?

Leslie Boissiere

They are Michael, and I admit that the details are a little bit wonky, but the bottom line is that the SPM is a much clearer picture of what's really going on. It incorporates housing, medical, and child care expenses, which the Official Poverty Measure does not. It adjusts for local cost differences, and it counts resources that are the result of public policies, such as tax credits and food assistance. The SPM is a much more accurate measure of a family's situation because it does take into account the full cost of living of a family, as well as any public supports that they may be receiving.

Michael Klein

Well, I have to admit, I like wonky, but I'm glad that you explained it for our listeners who might not be as much of a nerd as I am. In measuring access to opportunity in the United States, you sometimes use the Official Poverty Measure rather than the Supplemental Poverty Measure. Why was that done?

Leslie Boissiere

Well, there are two reasons that we use the Official Poverty Measure, Michael, in particular, when we do the annual KIDS COUNT Data Book, which looks at child well being year over year. The sample size for the Supplemental Poverty Measure is relatively small, so we rely on three year averages, like we did in the current report, rather than year over year changes. The Official Poverty Measure, which is a less complete calculation, does provide a consistent annual measure, so it allows us to track states and provide consistent year to year data and rankings.

Michael Klein

So you have this state by state data. How much do child poverty rates actually vary across states?

Leslie Boissiere

Well, Michael, all states are affected, but the poverty rates vary widely across states. Regionally, we know that the South has the highest child poverty rates, and saw the greatest increase – up 5% between the periods of 2019 to 2021, versus 2022 to 2024. Child poverty rose only 4% in the Northeast and West, and 3% in the Midwest. So that said, it's also important to note that poverty increased in 45 states and the District of Columbia when we compare those two time periods. So again, all states are affected, some more than others.

Michael Klein

And so which states have the highest rates of child poverty, and which have the lowest? You were alluding to some regional differences, can you be a little bit more specific?

Leslie Boissiere

Yes, I can, and unfortunately, my original home state of Louisiana, as well as Washington DC, have the highest rate. 19% of children, almost 1 in 5, live in poverty in those two areas, while if you look at a state like Maine, the poverty rate is only 5%, or 1 in 20 kids. Louisiana also has the largest increase in the poverty rate, if you look at the periods 2019 to 2021 compared to 2022 to 2024. So, there are big swings between the states, and again, states in the South tend to have the highest spikes, and the Midwest tends to have the lowest.

Michael Klein

Leslie, what do you think are some of the sources of these differences across states?

Leslie Boissiere

Well, we know that state policies and programs have a huge impact on poverty rates, and we also know that wages come in as well. Largely, the extent to which state government policies and programs support or don't support struggling families, including how they implement federal programs, is going to have a significant impact on child poverty. So, for example, states that expand or create their own tax credits can

achieve additional substantial reductions in child poverty, demonstrating that federal and state action together have a significant effect on children's well being. And, New Mexico is a great example. In New Mexico, public policies and programs reduce child poverty by 19 percentage points—the largest impact in the country. And states like Alabama and Arkansas similarly saw double digit reductions in child poverty.

Michael Klein

So that goes back to something I alluded to in the introduction, how with the support of the government during COVID, child poverty rates actually fell, but now you're describing not sort of across time, but across states, that's what's going on, right?

Leslie Boissiere

That's exactly right. What we do know from the data, Michael, is that public programs do work to alleviate poverty or reduce poverty. We saw this during the pandemic, when enhanced social supports, as you mentioned, including the one time expanded Child Tax Credit, lifted more than 15 million children out of poverty in 2021, and that brought the child poverty rate to historic low of 5%. We also saw the effect of public programs in the report's data, that today's child poverty rate of 13% would be even higher—it would be 25%, nearly double—without the effect of government interventions and public policies that support low income families.

Michael Klein

So, you mentioned the Child Tax Credit. What other government programs have been shown to be effective in addressing child poverty?

Leslie Boissiere

In the current Supplemental Poverty Measure, Michael, we saw that the Child Tax Credit, the Earned Income Tax Credit, SNAP or food benefits, housing subsidies, Social Security, and SSI all reduce poverty by several percentage points in recent years. And as a result, families were better able to cover food and housing, and other essential costs.

Michael Klein

So, it seems like we can pretty closely trace the rise in child poverty to the retrenchment of these programs, is that right?

Leslie Boissiere

That's right, Michael, and the numbers show that clearly. In March of 2021 the expanded Child Tax Credit was enacted, and it expired in December of that same year. In 2021 we saw child poverty reduce from 13% in the previous year to 5%, again, historic low. And it increased each year, until by 2024 the child poverty rate is up again to pre-pandemic rates of 13%. So without government support, that rate went up just slightly from 24% to 26% in 2021, and leveled off at 25% by 2024. So, we can see directly the effect of poverty alleviating policies that were passed during the pandemic and 2021, and when those programs were allowed to expire, we saw child poverty spike right again.

Michael Klein

So just to reiterate what you were saying, Leslie, you're able to estimate what the child poverty rate would be without government programs. That doesn't budge very much. But, when you look at government programs and the retrenchment of that, that's what really contributes to the very large rise, right?

Leslie Boissiere

Absolutely, particularly for the periods between 2022 and 2024, versus 2019 to 2021 when we saw significant government investments in supporting families during the pandemic era.

Michael Klein

How comprehensive are these social safety net programs? For example, are there sources of support that only help people who have jobs, and they don't help people who don't have regular, steady employment?

Leslie Boissiere

Well, Michael varies from program to program. So we know that the Earned Income Tax Credit, or the EITC, applies to families with steady employment. On the other hand, the Child Tax Credit does not require employment, so each program is administered differently. Some are tied to families' employment, and others don't have the same requirements.

Michael Klein

I guess one of the implications of what you're describing is that work doesn't automatically bring people out of poverty. There are the so-called 'working poor,' whose jobs just don't pay enough to lift them out of poverty.

Leslie Boissiere

That's exactly right, Michael, and a really important point. 61% of children in poverty today have at least one working parent. And what we know is that today's quickly rising costs are straining these families even more, and that's diluting the effectiveness of supporting policies and programs. The government interventions and wages just aren't keeping pace with rising costs. So, families are doing their part, they are working, but they just aren't able to make ends meet, even with government assistance, given the rising costs.

Michael Klein

Leslie, your report makes the case that child poverty does not just affect those directly impacted, but the nation as a whole. How so?

Leslie Boissiere

Well Michael, child poverty is estimated to cost the nation about a trillion dollars annually, and that's calculated based on lost productivity, lower lifetime earnings, and higher spending on social issues like health care, and reducing crime. We know that in general, neighborhoods with high concentrations of poverty often have higher crime rates. Also, on a local level, communities with high poverty rates bear the costs of higher spending on healthcare. Schools in low-income neighborhoods tend to have fewer resources, and also worse outcomes than wealthier districts. So it's a cost to children, it's a cost to families and communities, and there is an overall cost in terms of a slower economy.

Michael Klein

So I would be remiss, and maybe sound like an economist, unless I also mentioned that there is a moral dimension to this as well. For example, the Bible acknowledges that poverty will always exist, and in fact, some people finish the quote there and then sort of throw up their hands and say, “well, there's not much we can do.” But of course, the passage goes on to command us to care for the poor and the needy. But of course, you don't need to be religious to have this view of society.

Leslie Boissiere

Not at all, Michael. Caring about children is a universal value, and every child deserves a healthy childhood, and the resources that they need to place them on a pathway to reach their full potential. That's good for children, again, it's good for families and communities, and it's good for our economy.

Michael Klein

Leslie, this is retrospective, because, of course, you have to look at the data that are available. Prospectively, what do you see happening?

Leslie Boissiere

Michael, I can tell you what I hope will happen. I hope that policy makers and leaders will use the data in reports like the Supplemental Poverty Measure, they'll look at the number of children in their states that are living in poverty, they'll look at the numbers that are lifted out of poverty by programs like the Child Tax Credit, and SNAP, and other supports, and that they'll make decisions that are in the best interest of the children and families that they represent. I also hope that everyone understands the significance of trusted, reliable, publicly available data, so that we understand not only how children are doing, but also how the policies and programs that we put in place; how that affects the well being of children, and how effective they are. So, if I have my crystal ball, that's what I would hope would happen in order to make sure that our children are growing up healthy, and have equal opportunity to thrive in their lives.

Michael Klein

Well, I commend you, and the people at the Annie E. Casey Foundation, for making these data and these statistics available, and I hope, in fact, the report gets the attention it deserves, and is used in the ways that you're suggesting, to help attack this scourge of a society. The last time I spoke to you, I had a quote: ‘a society should be judged by the way it treats its most vulnerable, especially children,’ a quote from Nelson Mandela, and of course, that's still true. So Leslie, thank you for joining me once again on EconoFact Chats, and I really appreciate you being on this episode with me, and of course I really appreciate the work done at the Annie E. Casey Foundation to highlight this really important issue.

Leslie Boissiere

Michael, thank you for focusing on the issue, and it's always a pleasure to speak with you, and to bring attention to how kids are doing in our nation.

Michael Klein

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