



Talking Points

For use by school leaders in papers or presentations about important issues related to public education

The Wealth Gap and How It Affects Children

Key Message: There is a correlation between academic outcomes and the level of support children receive in their lives. The growing wealth gap in the United States likely contributes to low international academic comparisons.

International academic rankings of U.S. schools often disappoint us when we consider those rankings (test scores) in isolation. In truth, those rankings may not only give us a narrow profile about how our students do in school, but may more importantly be an indicator of how our students are supported (or are not supported) out of school.

A 2010 UNICEF report ranks 24 of the world's wealthiest nations in three key areas that appear to be linked to the academic outcomes for kids.

Numbers to know and share:

- In the category of our children's material well-being, the United States ranked 23rd of the 24 wealthy nations.
 - 20 percent of American children live in poverty
 - More than 40 percent of American children live in low-income housing.
 - Over the past decade, the percent of impoverished children has grown by one third.
- On measures of health, U.S. children ranked 23rd of the 24 wealthy nations.
- On measures of education, the U. S. ranked 19th among the 24 wealthy nations.

Although there are other variables, such as which students are tested or language and cultural alignment, there appears to be a strong correlation between the support children experience and the academic accomplishments of those children. (The preceding data is taken from Ken Mitchell, *The School Administrator*, October, 2011.)

The changes in average household income for Americans over the past three decades have increased the wealth gap, and therefore, the childhood well-being gap.

Numbers to know and share:

- The bottom 80 percent of average household incomes have remained relatively constant.
- The top 20 percent of household incomes have doubled.
- The top 1 percent of household incomes have quadrupled.

- The top 20 percent of Americans own 80 percent of the wealth.
- The bottom 80 percent share the remaining 20 percent of the wealth.

A Pew Research Center study – based on U.S. Census data – revealed growing wealth inequity between races that has occurred during the current recession (*Perspective: Tricia Rose on America's growing inequality*, July 29, 2011). Considering the correlation between socioeconomic status and school success, this is a clear and compelling threat to the future prosperity of our country and our state.

Numbers to know and share

- Median wealth in white households has dropped 16 percent.
- Median wealth has dropped 53 percent in African-American households.
- Median wealth has dropped 54 percent in Asian households.
- Median wealth has dropped 66 percent in Hispanic households.

Often our *means* as a state or nation is referred to as if it is a static number—never to change in response to the needs or dynamics of our evolving circumstances. We talk about *means* as a limitation – “we must learn to live within our means” – but rarely as an opportunity to invest in a more prosperous future. In reality, our *means* are defined by politicians, often to reflect a specific political platform including how much and who our lawmakers are willing to tax.

Research has shown, confirmed, affirmed and reaffirmed that the best possible investment of our tax dollars—with the greatest monetary return—is in early childhood education. Research also shows that high school and college graduates will earn more, contribute more and experience greater life-time success than non-graduates. We will all be richer if we take seriously our constitutional responsibility to provide a high-quality and equitable education to all of our children, and if we logically invest in the fundamental support systems necessary for those children's success.

We will not have the means to sustain our quality of life as a state or a country if we do anything less.