OBAMA-BIDEN TRANSITION PROJECT

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Memos to the Next PRESIDENT

To: The Next President

From: Joel Berg & Tom Freedman

Re: Ending Child Hunger in America

First, the bad news: Hunger and food insecurity are soaring in America, and our faltering economy will only make things worse. The federal government reports that nearly 700,000 poor children in the United States directly experience hunger, and more than 12 million children live in low-income families that suffer from food insecurity, which means they struggle to meet their daily nutritional needs.

Now the good news: By implementing your courageous campaign pledge to end child hunger in the United States by 2015, you have a win-win opportunity to strike a blow against a major social problem while also stimulating our ailing economy. Through practical reforms of existing nutrition programs, along with new targeted spending, your administration could end childhood hunger in America.[1]

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America's Hunger Crisis

Food inflation is at its worst level in 17 years. According to the U.S. Department of Agriculture (USDA), food prices rose 4 percent in 2007, compared with an average 2.5 percent annual rise for the last 15 years. Given the financial meltdown and a likely recession, the numbers for 2008 will likely be worse.

The troubled economy and rise in food prices are hitting low-income children especially hard. In 2007, one in six children lived below the poverty line. Fully 12.4 million children lived in households that could not always afford enough food. Of those, 691,000 children were particularly bad off, suffering directly from reduced food intake.

In May 2008, Feeding America, the nation's largest food-bank network, reported that all of its member agencies served more clients in the previous year, with the overall increase estimated to be between 15 percent and 20 percent. Fully 84 percent of food banks were unable to meet the growing demand due to a combination of three factors: an increasing number of clients; decreasing government aid; and soaring food prices.

The new farm bill, passed into law earlier this year over the veto of President Bush, will not help much. While money was added for federal nutrition assistance, it amounted only to an extra 54 cents per week for every American facing hunger.

Recent research shows that food insecurity in America hurts our economy and compromises our international competitiveness. It increases our nation's spending on health care and reduces our productivity and educational performance. A 2007 Sodexho Foundation study puts "the cost burden of hunger" in America at a minimum of $90 billion annually.

> "This means that on average each person living in the U.S. pays $300 annually for the hunger bill. On a household basis this cost is $800 a year. And calculated on a lifetime basis, each of us pays a $22,000 tax for the existence of hunger. And because the $90 billion cost figure is based on a cautious methodology, we anticipate that the actual cost of hunger and food insecurity to the nation is higher."[2]

Ironically, food insecurity also contributes to the nation's growing obesity epidemic, as hunger and obesity are flip sides of the same malnutrition coin. When families can not afford a full supply of nutritious foods (which are usually more expensive than less nutritious foods), they often rely upon junk food, which is far cheaper and more immediately filling.

Public polling shows Americans care deeply about these problems. About one in five Americans say they know poor people who have gone hungry. In a national exit poll conducted on election night, an amazing 73 percent of respondents said they would favor "spending additional tax dollars on federal hunger programs to end child hunger in the United States by 2015." In short, there is a large political constituency that believes we can solve the problem and that is willing to spend more resources to get it done.

Hunger makes it harder for children to learn, for parents to parent, for workers to work, and for sick people to get well. It causes frustration and hopelessness. Put simply, hunger makes it more difficult for a person to lead anything like a full life. Adlai Stevenson said, "A hungry man is not a free man," and this

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remains true. That is why ending hunger must be a key component of your agenda for slashing poverty.

Food Spending as an Economic Stimulus

Democratic leaders in Congress have twice sought over the past year to include more money for nutrition in economic-stimulus packages, and twice were stymied by Republican opposition. Democratic leaders are now making another attempt, and they should keep fighting on this front until they prevail.

Reagan adviser Martin Feldstein, Clinton administration Treasury Secretary Robert Rubin, and Federal Reserve Chairman Ben Bernanke all agree that increased federal spending on food stamp benefits is actually one of the best ways to stimulate the economy.[3]

President Bush's 2008 stimulus package gave tax refunds to many people who did not need them and who did not immediately spend the money. In contrast, Peter R. Orszag, director of the Congressional Budget Office, testified that increases in food stamps and unemployment benefits would have more immediate economic effects than rebates. "Food stamp and unemployment benefits can affect spending in two months," Mr. Orszag said. "Rebates would affect spending at the end of 2008."[4]

When low-income Americans receive federal nutrition benefits, they tend to spend the money immediately, helping all those involved in growing, processing, shipping, warehousing, and retailing food. Spending more on federal nutrition programs turns out to be a direct and quick way to create new American jobs.

Five Steps for the Next Administration

We urge you to announce early next year a clear plan to achieve your campaign goal to end childhood hunger in the United States during your administration. This is no quixotic venture. It can be accomplished by reforming existing programs and with some new spending, most of which would go into the expansion of school meals and food stamp benefits targeted at children.

Your plan should include five key steps:

1. Provide All Children with a Free School Breakfast

Many low-income children already are eligible for free school breakfasts, but because of logistical hurdles and the stigma involved, only about 20 percent actually receive them. To reverse this trend, you should ask Congress to fund universal school breakfast free of charge, to be provided directly in first-period classrooms.

Both universal and in-classroom breakfasts have already proved successful in select school districts nationwide. For instance, in Newark, N.J.—where both approaches are utilized—the district has a 94 percent breakfast-participation rate.

In 2008, New York City launched a pilot project to test in-classroom breakfasts in a number of schools. At one pilot site, Public School 68 in the Bronx, all students eat breakfast together during their first-period class. According to the school's principal, before the pilot an average of 50 kids came to school late every day—so many that she had to assign extra staff to write out late slips. When the school started serving breakfast in its classrooms,

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kids came in early just for the meals, and now only about five kids a day are late—a 900 percent decrease in tardiness. Absenteeism and visits to school nurses also dropped, and in the afternoons, kids fell asleep in the classrooms less frequently.

In other words, making sure children get enough to eat is not only good nutrition policy; it is also good education policy. The pilot in-classroom project in New York worked so well that Mayor Michael Bloomberg recently announced its expansion from 50 schools to 300 schools. The federal government should provide technical assistance and funding to aid such in-classroom breakfast programs nationwide.

When a district adopts a universal breakfast or lunch policy, it reduces paperwork and bureaucracy and saves time and money. Most school districts currently have a complex system in place to collect forms and data on the income of each student's parents to determine the eligibility of each child for either free, reduced-price, or full-cost meals. This administrative chore takes precious time and energy away from a school's core mission: educating children.

A universal-breakfast system relieves schools of this burden, and just as principals and teachers are liberated to turn their attentions to more vital tasks, students themselves get to concentrate on what matters. When they eat breakfast in a classroom instead of a lunchroom that is a hallway or two away, they have more time to focus on their studies. Crucially, they are also protected from the stigma of having to leave their friends to go to a special breakfast room "for the poor kids."

Textbooks are widely understood to be critical educational tools, and public school districts typically lend them out free of charge to all students. The time is ripe for the nation to view school meals in much the same way. Free breakfast and lunch should be universal in classrooms around the country.

2. Improve Program Efficiency and Accountability

The federal government's welter of food programs must be simplified and better organized. In particular, the Food Stamp program (recently renamed the Supplemental Nutrition Assistance Program) should be combined with other government-sponsored nutrition programs. This will create administrative efficiencies, widen eligibility, and boost participation.

For a variety of reasons, many families who are eligible for hunger programs do not apply. One way to increase participation would be to combine applications for many programs, including the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC); food stamps; school meals; and the Earned Income Tax Credit.

If we are going to provide food assistance to the poor, we owe it to them and to ourselves to do it far more efficiently. Currently, food stamps pay barely $3 a day per person for food, and even that does not reach all those who need it. We can do better—by streamlining forms, employing technology, and putting the savings toward enhanced benefits for those who would otherwise go hungry.

In addition, you should formally charge the secretary of agriculture with responsibility for achieving quantifiable results in reducing hunger. By instituting such accountability at the cabinet level, you will send a signal that ending hunger is a genuine priority of your administration.

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3. Support Working Families

One of the best ways government can help working families is to make sure that work pays a decent wage. This is especially true for parents struggling on low incomes to feed their children as food prices climb. Even though Congress has raised the minimum wage so that it will reach $7.25 an hour by July 2009, this is not enough. You could propose a one-two punch to make work pay: First, index the minimum wage to the rising cost of living. Second, expand the Earned Income Tax Credit and make sure that it offers men as well as women strong rewards for work.[5]

4. Reward Best Practices in the States

State governments are often the testing ground for the nation's most important policy experiments. Your administration could reward states for successful innovations in feeding the hungry and improving nutrition. For example, every three years, the USDA could finance bonuses to the five states that show the greatest reduction in the agency's measures of food insecurity and hunger. These states could then use their winnings to expand and improve their anti-hunger programs. This would act as an incentive for other states to create truly effective hunger policies.

5. Provide Real Ammo to the Armies of Compassion

Another way to improve the quality of food programs is to encourage and fund new partnerships between the federal government and nonprofit groups, be they secular or religious. Dedicated volunteers and staff from the nonprofit sector not only can help with food distribution, but also with training programs; Earned Income Tax Credit and Food Stamps outreach; and with other self-sufficiency programs.

Not a penny of public money should be used to proselytize or discriminate, but if we want more congregations and civic groups to help in the anti-hunger movement, then government must provide them with a substantial increase in resources—including direct funding; technical assistance; staff support; and surplus property and real estate.

The debate should not be over whether religious groups should be involved in the fight against hunger. They already are, up to their necks. The real debate should be over whether they can obtain the resources they need to do this vital work more effectively.

Conclusion

It is worth noting that the United States achieved its greatest progress against malnutrition during the era of greatest bipartisan cooperation on the issue of hunger—during the late 1960s to mid-1970s, when a broad coalition led by Democratic Sen. George McGovern (S.D.) and his Republican colleague, Sen. Bob Dole (Kans.), created the modern nutrition safety net. America once again needs leaders who can transcend partisanship and bring our people together to solve big problems.

As you put together a stimulus package to help revive our economy, we hope you will focus spending on anti-hunger programs. This would improve the lives of millions of American children who already live on the economic margins and are vulnerable to the devastating effects of a prolonged economic slump.

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Great achievements require great commitments. President Kennedy put the United States on a trajectory to reach the moon. We hope you will accomplish your goal—one that would be equally great, but a bit more down-to-earth: ending childhood hunger in America.

Joel Berg *is a nationally recognized expert on hunger and author of the new book, All You Can Eat: How Hungry Is America?* ***Tom Freedman*** *is a PPI Senior Fellow and has worked as a consultant to leading political figures, foundations, and nonprofits.*

Endnotes

1. This paper grew out of a previous report, "Ending U.S. Child Hunger by 2012: How America Can Break the Political Logjam" in 2006. We are both pleased by President elect-Obama's campaign commitment to end U.S. child hunger by 2015.
2. Brown, J. Larry, Donald Shepard, Timmothy Martin, and John Orwat, "The Economic Cost of Domestic Hunger: Estimated Annual Burden to the United States," The Sodexho Foundation, June 2007.
3. "Food Stamps = Real Stimulus," Food Research and Action Center, *http://www.frac.org/real_stimulus_archive_aug20_2008.htm.*
4. Herszenhorn, David M. , "Bush and House in Accord for $150 Billion Stimulus," *The New York Times*, January 25, 2008.
5. Marshall, Will and Katie McMinn Campbell, "Making Work Pay," The Progressive Policy Institute, November 2007, *http://www.ppionline.org.*

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