



**American Friends
Service Committee**

NEWS RELEASE

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**NATION SHOULD SPEND \$720 MILLION A DAY ON ENDING POVERTY,
NOT ON IRAQ WAR, QUAKER GROUP SAYS**
7.7 Million Families, 36.5 Million People, Lived in Poverty Last Year

PHILADELPHIA [AUGUST 28] — Congress should redirect the \$720 million a day the U.S. is spending on the Iraq war to programs that reduce poverty at home, urged the American Friends Service Committee (AFSC), responding to Census Bureau data released today.

“For \$720 million, we could provide over 400,000 children with health care, or over a million children with free school lunches,” notes Joyce Miller, the American Friends Service Committee assistant general secretary for justice and human rights. “America’s shameful poverty rate should lead everyone to ask ourselves how we want to spend our tax dollars — on war or on education, health care, job training, affordable housing, and the like.”

About 36.5 million people — over one-third of them children — in the United States are officially “poor,” according to today’s Census Bureau report, which covers data for 2006.

The U.S. poverty rate declined slightly from 2005, but remains unacceptably high. Nearly one in eight people, or 12.3% of the population, lives in poverty. About one in twenty people, or 5.2%, lives in “deep poverty,” with an income less than one-half the poverty threshold.

It also shows that median earnings of full-time, year-round workers declined for the third year.

“The data also shows continued inequality and concentration of wealth,” notes Roberta Spivek, the AFSC national representative for economic justice. “On an income-distribution scale, the top twenty percent of households received 50.5% of income, while the lowest twenty percent received just 3.4%.”

“The impact of race, ethnicity and gender is extremely disturbing,” Spivek notes. “Although the Hispanic poverty rate declined about one percent, Blacks and non-white Hispanics are about three times more likely than whites to be poor.”

According to the data, 8.2% of non-Hispanic whites, 10.3% of Asians, 20.6% of Hispanics, and 24.3% of Blacks are poor.

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“Being a single mother also has an alarming effect,” Spivek notes. “More than 28% of female-headed families with no husband present are in poverty, compared to about 5% for married-couple families.”

Forty-seven million lacked health insurance last year, an increase of two million. Hispanics, American Indians and Alaska Natives were three times more likely than whites to lack insurance.

“Reducing poverty is not rocket science,” Miller notes. “We can go a long way by investing in education, health care, housing and job training; increasing the earned income and child tax credits; transforming minimum wages into living wages; protecting workers’ rights to organize; and strengthening the safety net after six years of Bush administration attacks.”

“President Bush has threatened to veto modest increases in human-needs spending bills this fall because our nation can’t afford it,” Spivek adds. “It’s a question of political will and citizens action. It’s a question of redirecting our resources away from war and tax breaks for the highest-income households, toward the common good.”

In July, AFSC celebrated when millions of workers began receiving a higher minimum wage for the first time in ten years. The Service Committee is a cofounder of the *Let Justice Roll Living Wage Campaign*, which helped win the federal raise and numerous state raises.

In partnership with dozens of faith, labor, community and human-needs groups, AFSC is also campaigning to make the minimum wage a true living wage and to increase human needs spending in the federal budget. An AFSC-sponsored toll-free number generated more than 100,000 calls to Congress in the last two years.

AFSC’s figures on the cost of the Iraq war are based on an analysis done by Nobel Prize-winning economists Joseph Stiglitz and Linda Bilmes, of the Kennedy School of Government at Harvard. The analysis includes \$410 billion in Iraq supplemental funding bills, increases embedded in the Pentagon’s annual budgets and interest on the war debt (see <http://tinyurl.com/252u3c>).

The official poverty threshold in 2006, which many experts believe is too low, was \$20,614 for a family of 4; \$16,079 for a family of 3; \$13,167 for a family of 2; and \$10,294 for an individual.

The American Friends Service Committee (AFSC) has played a lead role in efforts to end the war since before the U.S.-led invasion of Iraq and is a co-recipient of the Nobel Peace Prize, accepted on behalf of Quakers worldwide, for humanitarian efforts.

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The American Friends Service Committee is a Quaker organization that includes people of various faiths who are committed to social justice, peace and humanitarian service. Its work is based on the belief in the worth of every person and faith in the power of love to overcome violence and injustice.