



American Friends Service Committee

NEWS RELEASE

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WAR FUNDS SHOULD BE SPENT TO REDUCE POVERTY, QUAKER GROUP SAYS *While U.S. spends \$720 million a day on the Iraq war, 37.3 million in U.S. live in poverty*

PHILADELPHIA (AUGUST 26, 2008) — Responding to the release of new U.S. poverty data, Congress should redirect the \$720 million a day it spends on the Iraq war to programs that reduce poverty here at home, says the American Friends Service Committee, an international peace and social justice organization.

About 37.3 million people — one in eight — in the United States are officially “poor,” according to Census Bureau data released today. About 15.6 million live in “deep poverty,” with an income less than one-half the poverty threshold.

More than forty-five million had no health insurance for all or part of the year.

The annual Census Bureau report represents poverty statistics for 2007. The U.S. economy has shed 450,000 jobs since January, so today’s picture is likely to be worse.

“At a time of rising inflation, unemployment, and home foreclosures, the U.S. is spending \$720 million a day — \$500,000 a minute — on the Iraq war,” notes Mary Ellen McNish, General Secretary of the Quaker organization. “We call on Congress to join us in advocating for an end to the war and for stronger human needs programs.”

“One day of the Iraq war could fund more than 34,000 four-year college scholarships, a proven path out of poverty,” says Roberta Spivek, AFSC’s national representative for economic justice. “More than 160,000 people could receive health insurance for an entire year.”

AFSC’s figures on the Iraq war are based on an analysis done by Nobel Prize-winning economists Joseph Stiglitz and Linda Bilmes of Harvard’s Kennedy School of Government.

As one anti-poverty measure, AFSC is working to raise the minimum wage. It is working with other groups to pass legislation this fall that will help hard-hit families through the Child Tax Credit and a new economic recovery package that increases funding for unemployment benefits and food stamps.

The U.S. poverty rate of 12.5 percent is statistically unchanged from 2006 and remains unacceptably high. Although the data show modest gains in median household income and the rate of people with health insurance, poverty remains higher than it was in 2001, the year of the last recession.

The poverty rate showed widespread disparities. In 2007, 8.2% of non-Hispanic whites, 10.2% of Asians, 21.5% of Hispanics, and 24.5% of Blacks were poor. Rates were relatively unchanged for the first three groups, but showed a significant increase among Hispanics.

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Female-headed households were much more likely to fall below the poverty threshold than were those headed by a married couple or a male.

“Targeted public investments like Social Security and the child tax credit work and must be protected,” Spivek notes. “We can reduce poverty right now by reordering our federal budget priorities.”

The official poverty threshold in 2007 was \$10,590 for an individual and \$16,530 for a family of three. Many experts believe that threshold is outdated, since it is based on a decades-old calculation of food costs and fails to reflect the true extent of U.S. poverty.

The American Friends Service Committee (AFSC) 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.