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POVERTY AMONG YOUNG ADULTS IS ON THE RISE

New issue brief shows lack of a social safety net is a major factor in young adult poverty

Berkeley, CA - The number of young people (ages 18-24) living in poverty has increased over the last several decades, with young adults among the most poverty-prone age groups since the onset of the Great Recession, according to a new issue brief released today by The Berkeley Institute for the Future of Young Americans (BIFYA).

The issue brief analyzed historical data from IPUMS at the University of Minnesota and the Center on Poverty and Social Policy at Columbia University. The brief found that while poverty rates for the elderly and the very young have declined significantly since the early 1970s, poverty rates for young adults have been on the rise.

"We found that roughly one in five young adults were living below the poverty line during the last decade," said Sarah Swanbeck, Executive Director of BIFYA. "Anti-poverty efforts have targeted the very young and the very old, bringing down rates of poverty for both. But the social safety net largely misses young adults who are now experiencing among the highest rates of poverty for any age group in the U.S."

The brief modeled data to show how anti-poverty programs affected different age groups, and found that programs such as Social Security, the Earned Income Tax Credit, and the Supplemental Nutrition Assistance Program have made progress in reducing poverty for children and the 65+ population. However, young adults, who are often single and childless and therefore frequently ineligible for such programs, benefit considerably less from these anti-poverty programs.

Other key findings from the brief include:

- Young adults have continued to struggle in the wake of the 2008 recession. The findings revealed that 20-22 year-olds experienced greater concentrations of poverty between 2008-2015, while poverty rates generally flattened out for other age groups.
- At the same time, poverty among children and the elderly has dropped significantly since the early 1970s, due in part to social safety net programs that target the oldest and youngest in society.
- Since the 1980's, the share of young adults in full-time university programs and in poverty has doubled.
- The Earned Income Tax Credit (EITC) helps to reduce poverty among young adults; however, the EITC is much more effective at reducing poverty for children.

“These trends show that young people need additional support as they start college and their first jobs,” said James Hawkins, Associate Director of research at BIFYA and author of the brief. “Young adults have come of age during one of the worst recessions in U.S. history without much of a social safety net to protect them. Policymakers need to realize that young adults today largely have been left behind in the war on poverty.”

The Berkeley Institute for the Future of Young Americans (BIFYA) is a research center affiliated with the Goldman School of Public Policy at the University of California, Berkeley that seeks to make national, state, and local policy sustainable and fair across generations. BIFYA's mission is to generate a fact-based, non-partisan discussion about how best to invest in future generations, while promoting bold leadership among the Millennial and Gen Z population. For more information about BIFYA, please visit our website: https://gspp.berkeley.edu/centers/bifya/

To read the issue brief, please visit the BIFYA website: https://gspp.berkeley.edu/centers/bifya/our-research-and-projects/young-adults-in-poverty

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