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ABSTRACT

This report uses data from the Census Bureau's Annual March Current Population Survey to show trends of children in households without available telephones. The percentage of children without phones at home declined significantly during the 1990s, though 4.3 million children were still phoneless. In 2000, 16 percent of children living in poverty did not have phones, compared with 4 percent of children living in households with income above the poverty level. There was a relationship between family income and the likelihood of having a phone at home. About 85 percent of children living in households without a phone also did not have a computer at home. Children who belonged to ethnic and racial groups already suffering from social isolation and marginalization were more likely to be phoneless. Children living in the country's toughest neighborhoods and in central cities or rural areas were the least likely to have telephones. Geographic patterns of phone availability tended to follow patterns of overall disadvantage. There were significant state differences in phone availability. Many state and local governments have implemented lifeline programs to enable low-income households to obtain telephone service at discounted rates. (SM)

SEPTEMBER 2001

KIDS COUNT SNAPSHOT

DISCONNECTED KIDS: Children Without a Phone at Home

By William O'Hare
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INTRODUCTION

Few topics receive more public attention today than the telecommunications explosion.[1] Computers, cell phones, the Internet, websites, e-business, and wireless communications are redefining how we do business and altering our daily routines. We hear repeatedly that the information superhighway is the future.

This steady stream of rhetoric about the "new digital age" must sound strange to the 4 million American kids who can't find the "on ramp" to the information superhighway because they do not even have a phone at home. Advertisements boast that technology is connecting people globally, but in reality one-sixth of poor children in America lack a home phone. While the term "digital divide" typically refers to differences in access to computers, the Internet, and higher levels of technology, focusing on children who do not even have a phone at home underscores the extent to which some members of our society are missing out on these key developments.

The isolation experienced by children in phoneless homes stands in striking contrast to the "connectedness" of kids living in families with multiple telephones in the home, cellular or mobile phones, pagers, and one or more Internet-connected computers.

The isolation experienced by children in phoneless homes stands in striking contrast to the "connectedness" of kids living in families with multiple telephones in the home, cellular or mobile phones, pagers, and one or more Internet-connected computers. As we consider how our society and our economy will function throughout the 21st century, the implications of being left out of the telecommunications revolution are ominous.

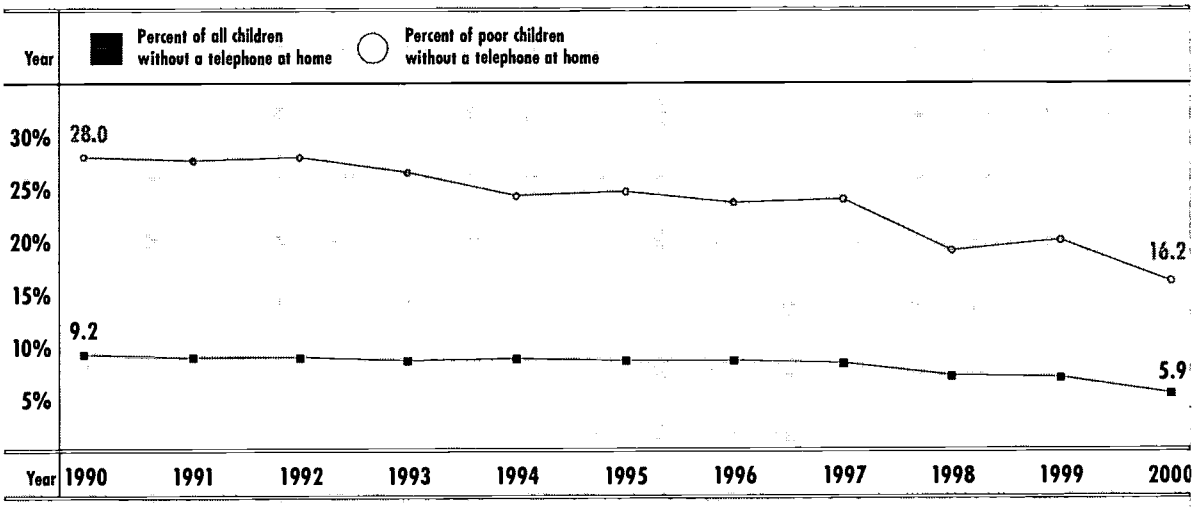
The direct impact on children of living without a phone at home is difficult to assess. However, it is noteworthy that 18 percent of 16- to 19-year-olds who have dropped out of high school do not have a phone at home, while only 4 percent of teens who have not dropped out of school lack a phone at home. The cause and effect relationship is unclear, but the statistical connection shown here underscores the disadvantages faced by children without a phone at home.

Moreover, outreach programs that rely on phone contact miss a significant segment of needy kids. For example, a recent court decision in Texas found that the high rate of phonelessness among low-income families confounded state efforts to provide medical assistance.[2]

Our effort to identify children without phones may help us uncover a group of children who are isolated in many ways. For example, Census data indicate that almost a third of children without a phone at home also lacked a vehicle at home.[3] The approach used in this study also offers a framework for looking more broadly at patterns of advantage and disadvantage by

FIGURE 1

Telephone Availability Among Children: 1990-2000



SOURCE: Analysis of Census Bureau's Current Population Survey, 1990-2000.

Children who belong to ethnic and racial groups that already suffer from social isolation and marginalization are more likely to be phoneless.

examining the specific drawbacks associated with being poor or isolated. This focus also lends itself more readily to specific solutions.

This report draws heavily on data from the Census Bureau's Annual March Current Population Survey (CPS) to show the trends of children in households without an available phone.[4] The most recently available CPS (from March 2000) also is used to highlight patterns in telephone availability among groups of children.

It should be noted that the CPS question assesses whether a person has a phone available at the time of the survey and does not indicate how long the person was without a phone. While some "phoneless" kids may be without a phone for a short period of time, for example during the move from one house to another, data from the March 2000 CPS indicate that two-thirds of the children without a phone had been living in their current residence for more than a year. This suggests that for many of these children, being without a phone is a chronic problem.

RESULTS

The percentage of children who do not have a phone at home declined significantly during the 1990s, falling from 9.2 percent in 1990 to 5.9 percent in 2000 (see Figure 1). Despite this progress, however, 4.3 million children were still without a phone in 2000.

This overall decline in the number of kids without a phone is not surprising, given the strong economy of the 1990s. However, economics doesn't seem to be the whole explanation. Although poor children were much less likely to have a phone at home, there was also a steep decline in phonelessness among poor children between 1990 and 2000. In 2000, 16.2 percent of children

living in poor households did not have a phone, down from 28 percent in 1990. The fact that more poor kids are gaining access to phones suggests that those without phones are being left even further behind in the telecommunications revolution.

In 2000, 16 percent of children living in poor households did not have a phone, compared to 4 percent in households with income above the poverty line. The substantially higher rate of phonelessness among poor children throughout the 1990s reflects the close link between poverty and lack of access to a phone. Nearly half of the children without a phone are living in families with incomes below the poverty line (2.1 million out of 4.3 million). Two-thirds of all children without a phone at home live in families with annual incomes under $30,000.

The higher poverty rate of younger children is also reflected in a higher rate of phonelessness. In 2000, about 1.7 million children under age 6 (7 percent of the total) did not have a phone at home, compared to 1.6 million kids age 6 to 12 (6 percent of total) and 1 million youths age 13 to 17 (5 percent of the total in this age group).

The March 2000 CPS also reveals a predictable relationship between family income and the likelihood of having a phone at home (see Figure 2). More than one out of every six children (16 percent) in the most desperately poor families (under $10,000 annual income) do not have a phone at home. This is 7 times the rate for the most affluent families (those with family incomes of $50,000 or more).

According to the Consumer Expenditure Survey (CES) conducted by the U.S. Bureau of Labor Statistics, the average household spent about $830 on telephone service in 1998.[5] This amounts to nearly 5 percent of the annual income of a family of two adults and two children at the poverty line (which was $16,530 in 1998).[6] The CES also shows that families with children (under age 18) at home typically spend more on telephone service than those without children ($1,013 compared to $850). Even among the poorest households, the CES shows that those with telephone service pay at least $500 a year.

These data on phonelessness illustrate one of the specific disadvantages of being poor. In addition, lack of a phone symbolizes a degree of isolation that is reflected in other dimensions as well. For example, 85 percent of kids who live in households without a phone do not have a computer available at home.[7] Furthermore, children who belong to ethnic and racial groups that already suffer from social isolation and marginalization are more likely to be phoneless. The rate of children living in phoneless households among Non-Hispanic blacks and Hispanics (between 9 percent and 10 percent) is more than twice the rate for Non-Hispanic whites (4 percent). American Indians had the largest share of kids living in households without a phone (19 percent of all children). The high rate for American Indian children reflects the poverty and isolation of life on many reservations. Among American Indian children in poverty, 38 percent do not have a phone at home.

The high poverty rate for minority families is one reason for the racial disparity,

FIGURE 2

Number and Percentage of Children Without a Phone at Home Based on Annual Family Income in 1999

Annual family income	Total number of children	Number living in a household without a phone	Percent of children living in a household without a phone
$50,000+	32,033,000	708,000	2.2%
$40,000-$49,999	7,053,000	244,000	3.5%
$30,000-$39,999	8,145,000	405,000	
$20,000-$29,999	8,396,000	591,000	
$10,000-$19,999	8,861,000	1,037,000	
Under $10,000	7,822,000	1,276,000	
Total	72,309,000	4,261,000	

SOURCE: Analysis of Census Bureau's March 2000 Current Population Survey.

but the fact that minority families tend to be deeper in poverty and remain in poverty longer than whites also is important. Moreover, minority families often are concentrated in rental housing located in high-poverty neighborhoods. While 11 percent of children living in rental housing units do not have a phone at home, only 3 percent of kids in owner-occupied units are without a phone.

Geographic Dimensions of Phonelessness

There is a striking geographic overlay to the advantages and disadvantages associated with the digital divide. This is evident in several different levels of geography, from neighborhoods to cities to states.

Neighborhood-level analysis. Special tabulations from the March 1999 CPS reveal that children living in the country's toughest neighborhoods are the least likely to have telephones available. One out of every six kids living in high-poverty neighborhoods does not have a phone at home.[8] This is four times the rate for low-poverty neighborhoods. For families in high-poverty, inner-city neighborhoods, disadvantages accumulate and reinforce each other. The inability to secure and maintain a phone reflects the fragile economic situation of these families.

Central city, suburb, and rural area analysis. Children living in central cities are much more likely than those living in suburbs to be without a telephone (6.5 percent

TABLE 1

Number of Children With a Phone at Home: 1999

Rank*	State	Total Children	Total without a phone	Percent without a phone	Rank*	State	Total Children	Total without a phone	Percent without a phone
1	Maine	301,000	6,000	2.0	27	New Hampshire	346,000	20,000	5.8
2	Utah	692,000	15,000	2.2	28	Indiana	1,539,000	91,000	5.9
3	Alaska	209,000	7,000	3.3	29	Tennessee	1,445,000	86,000	6.0
4	Maryland	1,222,000	41,000	3.4	30	California	9,365,000	564,000	6.0
5	Nebraska	474,000	16,000	3.4	31	Massachusetts	1,469,000	93,000	6.3
6	Rhode Island	233,000	8,000	3.4	32	North Dakota	171,000	11,000	6.4
7	Connecticut	866,000	31,000	3.6	33	Missouri	1,394,000	90,000	6.5
8	Pennsylvania	2,920,000	105,000	3.6	34	Kentucky	951,000	67,000	7.0
9	Kansas	699,000	26,000	3.7	35	South Dakota	185,000	14,000	7.6
10	Vermont	150,000	6,000	4.0	36	Idaho	375,000	29,000	7.7
11	Colorado	1,064,000	43,000	4.0	37	Texas	5,732,000	467,000	8.1
12	New York	4,770,000	198,000	4.2	38	Florida	3,309,000	289,000	8.7
13	Virginia	1,689,000	73,000	4.3	39	Alabama	1,054,000	93,000	8.8
14	Delaware	205,000	9,000	4.4	40	North Carolina	1,851,000	170,000	9.2
15	Minnesota	1,389,000	62,000	4.5	41	South Carolina	977,000	91,000	9.3
16	Washington	1,510,000	72,000	4.8	42	Illinois	3,454,000	326,000	9.4
17	Oregon	866,000	42,000	4.8	43	Arizona	1,381,000	137,000	9.9
18	Wisconsin	1,390,000	69,000	5.0	44	District of Columbia	110,000	11,000	10.0
19	Ohio	2,994,000	153,000	5.1	45	Louisiana	1,126,000	122,000	10.8
20	Wyoming	136,000	7,000	5.1	46	Georgia	2,109,000	249,000	11.8
21	Montana	249,000	13,000	5.2	47	Arkansas	707,000	88,000	12.4
22	Iowa	743,000	39,000	5.2	48	West Virginia	350,000	44,000	12.6
23	Michigan	2,813,000	148,000	5.3	49	Mississippi	763,000	104,000	13.6
24	New Jersey	2,000,000	110,000	5.5	50	Oklahoma	852,000	129,000	15.1
25	Nevada	532,000	30,000	5.6	51	New Mexica	566,000	100,000	17.7
26	Hawaii	312,000	18,000	5.8					

SOURCE: 3-year average of Current Population Surveys, 1998-2000.

**Ranks are based on unrounded percentages.*

in cities compared to 3.9 percent in suburbs). Children living in rural areas also have a relatively high probability of not having a phone at home (8.4 percent). To some degree, this reflects the extent to which poor children are concentrated within our largest cities and in many remote rural locations. But poverty differences don't explain all of the geographic differences. In 2000, only 11 percent of poor kids in the suburbs lacked a phone, compared to 14 percent of poor kids living in central cities. The figure for poor rural kids was 23 percent.

State-by-state analysis. Table 1 shows states ranked by the percentage of kids in each state without a phone at home. The figures range from 2 percent in Maine to 17.7 percent in New Mexico. The risk of not having a phone at home is eight times higher for kids in New Mexico than it is for kids in the bordering state of Utah (2.2 percent without a phone). Oklahoma had the second highest phoneless rate (15.1 percent). It is likely that the high percentage of American Indian children who do not have a phone at home is reflected in the high phoneless rates for New Mexico and Oklahoma.

Table 1 also shows the number of children in each state without a phone. California, with 564,000 children living in homes with no phone, has the largest number of children in this category. Texas (467,000) is second, and Illinois (326,000) is third. Several states (Alaska, Delaware, Maine, Rhode Island, Vermont, and Wyoming) have less than

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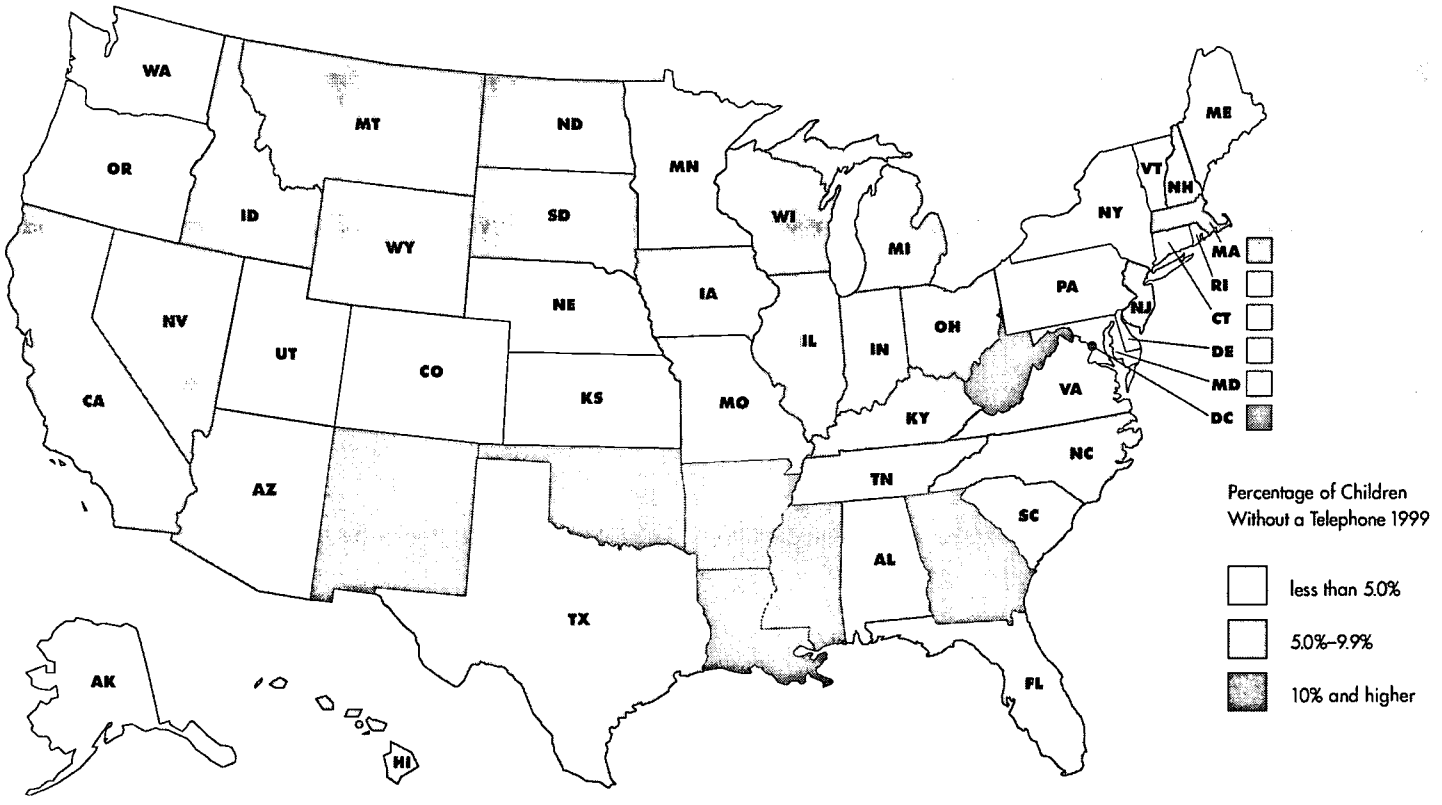

10,000 kids without a phone at home.

Geographic patterns of phone availability tend to follow patterns of overall disadvantage shown in the annual *KIDS COUNT Data Book*.[9] Southern and southwestern states dominate those with high percentages of phonelessness; similarly, these same states routinely rank near the bottom on child well-being.

The states with low percentages of phonelessness, however, are more diverse geographically. Maine, with the lowest rate (2.0 percent), is followed by Utah (2.2 percent), Alaska (3.3 percent), and then three geographically diverse states: Maryland, Nebraska, and Rhode Island (3.4 percent).

Many state and local governments, in cooperation with the Federal Communications Commission (FCC), have implemented lifeline programs to enable low-income households to obtain telephone service at discounted rates.

POLICY IMPLICATIONS

This analysis underscores the fact that children in low-income households are much more likely to be without telephones than those living in higher-income households. It can be argued that providing a family with communication tools like telephones enhances its ability to function and increases the prospects for higher income. For example, one struggling, young, phoneless couple missed numerous job opportunities because a potential employer could not contact them easily to follow up on an application.[10] Having a chronically unemployed parent adversely affects a child's well-being. The importance of telephone service and the link between income and the ability to afford such service are rarely disputed.

Given the disadvantages associated with the lack of a telephone at home, one must ask, "What public policies can be pursued to rectify the problem?" Federal policies such as the Earned Income Tax Credit and increases in the minimum wage certainly will help more low-income families obtain telephone service by increasing effective income. In addition, federal policies that globally reduce the cost of telephone service—like the recent elimination of the federal excise tax on telephones—also will help.[11]

Perhaps the most effective public policy solutions are at the state and local levels. Many state and local governments, in cooperation with the Federal Communications Commission (FCC), have implemented lifeline programs to enable low-income households to obtain telephone service at discounted rates. In its ongoing reporting on universal service, the FCC has concluded that these programs increase the telephone penetration rate. The FCC describes the impact of lifeline programs as follows:[12]

(P)enetration increases have been greater on average in states with lifeline programs than in states without lifeline programs, both for all households and for low-income households. Between March 1984 and March 1998, the overall average penetration rate for states with lifeline programs increased by 2.6%, which is statistically significant. The increase for states without programs is 0.9%, which is not statistically significant. For households with incomes under $10,000 (expressed in 1984 dollars), which would be the households primarily affected by the lifeline program, the average increase was 6.3% for states with programs, again statistically significant, versus 2.5% for states without programs, also statistically significant.

A joint project of industry and regulatory representatives recently reached a similar conclusion about the impact of lifeline-type programs. According to their analysis, states that go beyond the FCC guidelines regarding lifeline access increase the number of low-income households with telephone service.[13] Their analysis also shows significant variations among states' policies regarding lifeline-type programs.

While the average income in a state explains some of the variation from state to state, even among low-income states the availability of phones varies enormously. Analysis of 1998 data reveals that among the nine states with annual median household incomes below $35,000 (Arkansas, Mississippi, Montana, New Mexico, North Dakota, Oklahoma, South Dakota, Tennessee, and West Virginia), the percentage of children without a phone at home ranges from a low of 4 percent in North

Dakota to a high of 18 percent in New Mexico. State policies regarding the availability of lifelines may account for most of the differences among low-income states.

While these are simple comparisons, they strongly support the efficacy of lifeline programs for making telephones available to low-income families with children.

CONCLUSION

Powerful social and economic forces shape kids' access to a phone like they shape access to many advantages. Lack of a home telephone is highest for minorities and poor kids. Moreover, there is a strong place-based dimension to the problem of phonelessness. Central cities and rural areas both have much higher rates of kids without phones than do the suburbs. And children living in the highest poverty census tracts are much more likely to be without a phone. State differences in phone availability are striking. In several states (Utah, Alaska, Maryland, Nebraska, and Rhode Island) only 2 or 3 percent of kids lack a phone at home, which stands in stark contrast to the phoneless rate among kids in New Mexico (18 percent) and Oklahoma (15percent).

The recent emphasis on the digital divide underscores the importance of a telephone line as a way to gain access to the information superhighway. However, telephones provide much more. If there is no phone at home, for example, a working parent is unable to make sure that her/his child arrived home safely from school. And a child at home alone is unable to contact his/her working parent should an emergency arise. Telephones allow children to reach people outside their home for both assistance and comfort. The success of state and local lifeline programs suggests that this approach should be expanded to help more children gain access to a telephone at home.

ENDNOTES

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2. Frew et al. v. Gilbert et al., Civil Action No. 3:93CA65, U.S. Federal Court, Eastern District of Texas, Memorandum Opinion issued August 14, 2000, p. 100.

3. Casey Foundation analysis of Public Use Microdata Sample (PUMS) data from the 1990 Census.

4. There are actually two questions in the Current Population Survey on this issue. One asks if there is a telephone in the household, and the other asks if there is a telephone available. We use the first question to identify children living in a household without a phone for two reasons. First, this is the same question that is asked in the Decennial Census, so the data presented here can be compared to more detailed data developed from that source. Second, the meaning of having a telephone "available" is unclear. It may mean that there is a telephone down the hall, or it may mean that the respondent's neighbor or friend has a phone.

The 1990 Census question was, "Do you have a telephone in this house or apartment?" (Yes /No)

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AUTHOR

William O'Hare has been involved in the KIDS COUNT initiative since the first *Data Book* was published in 1990 and has directed the program since 1993. He has a PhD in Sociology and 25 years of experience as an applied demographer.

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IN THIS ISSUE

In the latter part of the 20th century, telephone access became a vital part of work and family life. Phones connect us with coworkers, family members, and the Internet. Consequently, children growing up in a home without a telephone are at a distinct disadvantage. While the percentage of kids without a telephone at home steadily declined during the 1990s, there were still more than 4 million "phoneless" kids in 2000. Nearly one out of every six poor children do not have a home phone. There are also striking differentials among racial groups. Further analysis reveals that "lifeline" programs, which provide low-income families with discounted rates for phones, are an effective public policy approach.

KIDS COUNT, a project of the Annie E. Casey Foundation, is a national and state-by-state effort to track the status of children in the United States. By providing policymakers and citizens with benchmarks of child well-being, KIDS COUNT seeks to enrich local, state, and national discussions concerning ways to secure better futures for all children. At the national level, the principal activity of the initiative is the publication of the annual *KIDS COUNT Data Book,* which uses the best available data to measure the educational, social, economic, and physical well-being of children. The Foundation also funds a nationwide network of state-level KIDS COUNT projects that provide a more detailed community-by-community picture of the condition of children.

The Annie E. Casey Foundation is a private charitable organization dedicated to helping build better futures for disadvantaged children in the United States. It was established in 1948 by Jim Casey, one of the founders of United Parcel Service, and his siblings, who named the Foundation in honor of their mother. The primary mission of the Foundation is to foster public policies, human-service reforms, and community supports that more effectively meet the needs of today's vulnerable children and families. In pursuit of this goal, the Foundation makes grants that help states, cities, and communities fashion more innovative, cost-effective responses to these needs.

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