

Poverty in the US

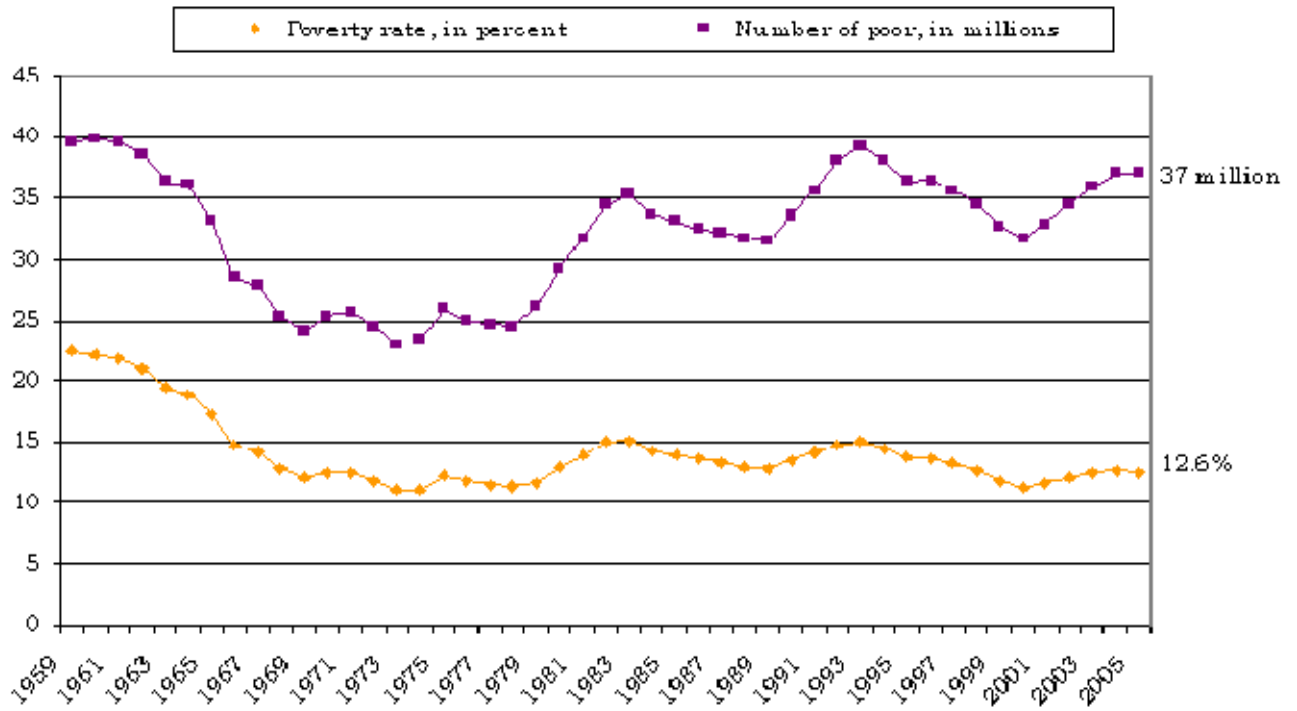
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How Many People Are Poor in the United States?

In 2005, 12.6% of the US population – about 37 million people – were [living below the poverty line](#). The percentage of the population that was poor in 2005 was unchanged from the level in 2004, but had increased in each of the years from 2000 to 2004. The increase during these years reversed a trend in declining poverty between 1993 (15.1%) and 2000 (11.3%). Since poverty was first measured in 1959, the highest levels of poverty both numerically and in percent of the population, were in the years from 1959 to 1961.

- [Data in Microsoft EXCEL format](#)
- Reference document: <http://www.census.gov/prod/2006pubs/p60-231.pdf>

Number and Percent Living Below Poverty in the US: 1959 to 2005

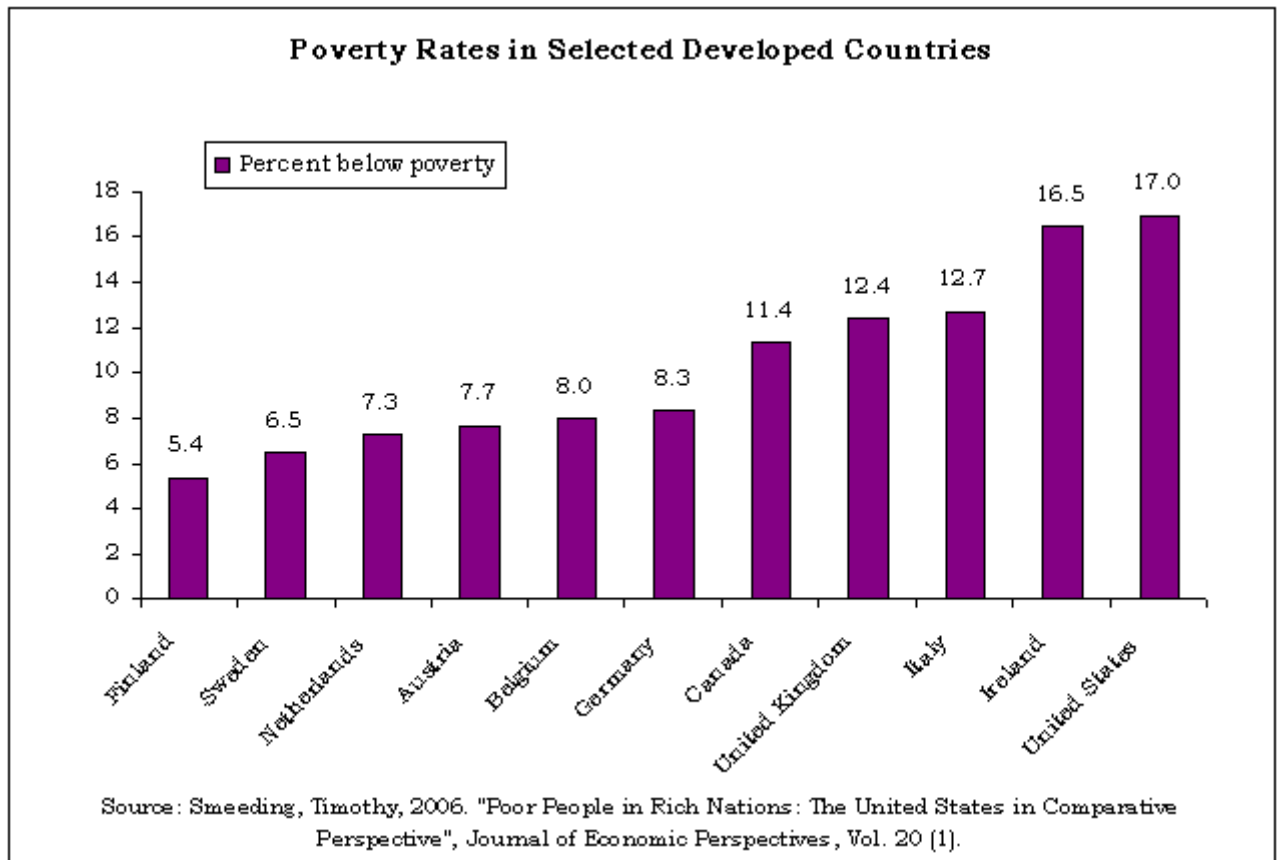


Source: U.S. Census Bureau, "Income, Poverty, and Health Insurance Coverage in the United States, 2005"

How Do U.S. Poverty Rates Compare with Other Developed Countries?

Unlike the United States, most countries do not have an ly defined poverty measure, making international comparisons difficult. In a recent study however, Timothy Smeeding compared poverty rates across a select group of developed countries. He defined the poor as those with disposable income (adjusted for household size) less than 50% of the national median. By this measure, the U.S. poverty rate (17%) was the highest among the 11 countries included in the study. Four of the five countries with the highest poverty rates in this study were Anglophone countries. Similar studies that include Australia (another Anglophone country) have found its poverty rate to be just below that of the U.S.

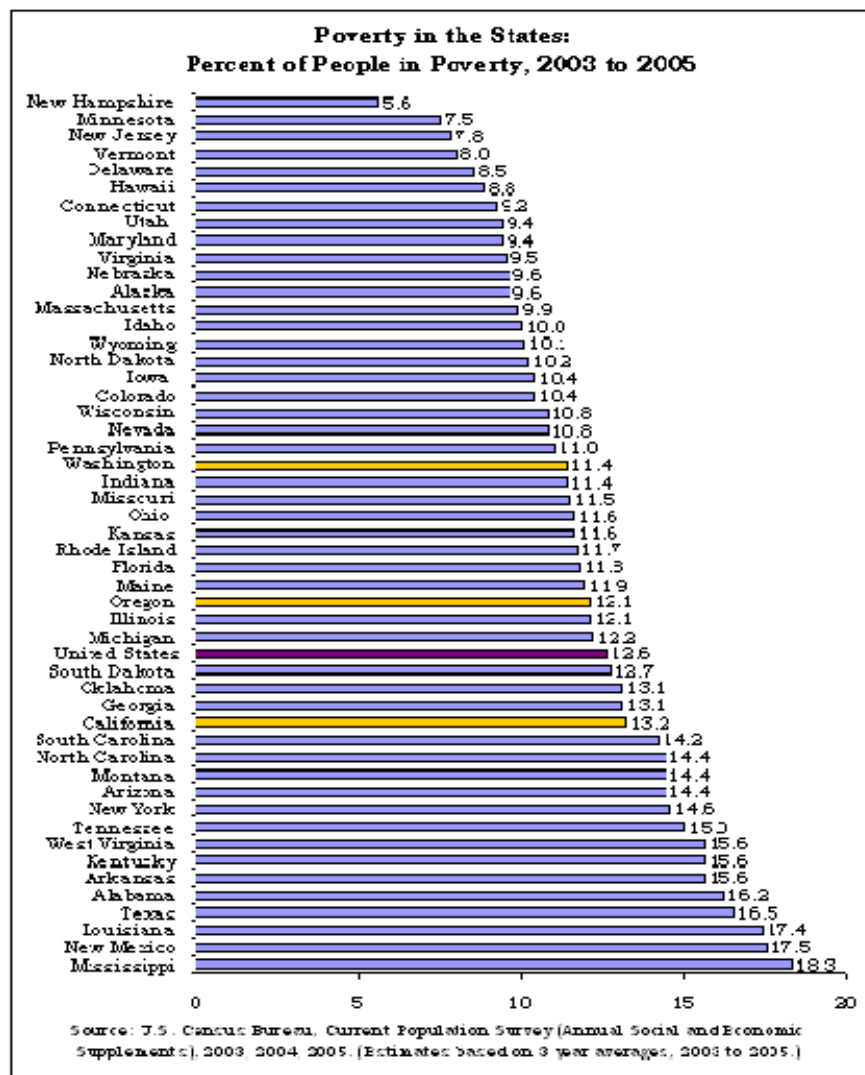
- [Luxembourg Income Study website](#)



How Do the States Stack Up?

The lowest rate of poverty in the country, based on 3-year averages (2003 to 2005), was in New Hampshire. At the other extreme, the poorest states were Mississippi, New Mexico, Louisiana, Texas and Alabama. ([link to poverty in the West Coast States.](#)) It is important to realize that the difference between two poverty rates may not be statistically significant. Comparisons should be made in the context of the standard error associated with each state's poverty estimate. (Follow the link below to see the standard errors and confidence intervals for each estimate.)

- [Data in Microsoft EXCEL format](#)
- Source: <http://www.census.gov/hhes/www/poverty/histpov/hstpov19.html>

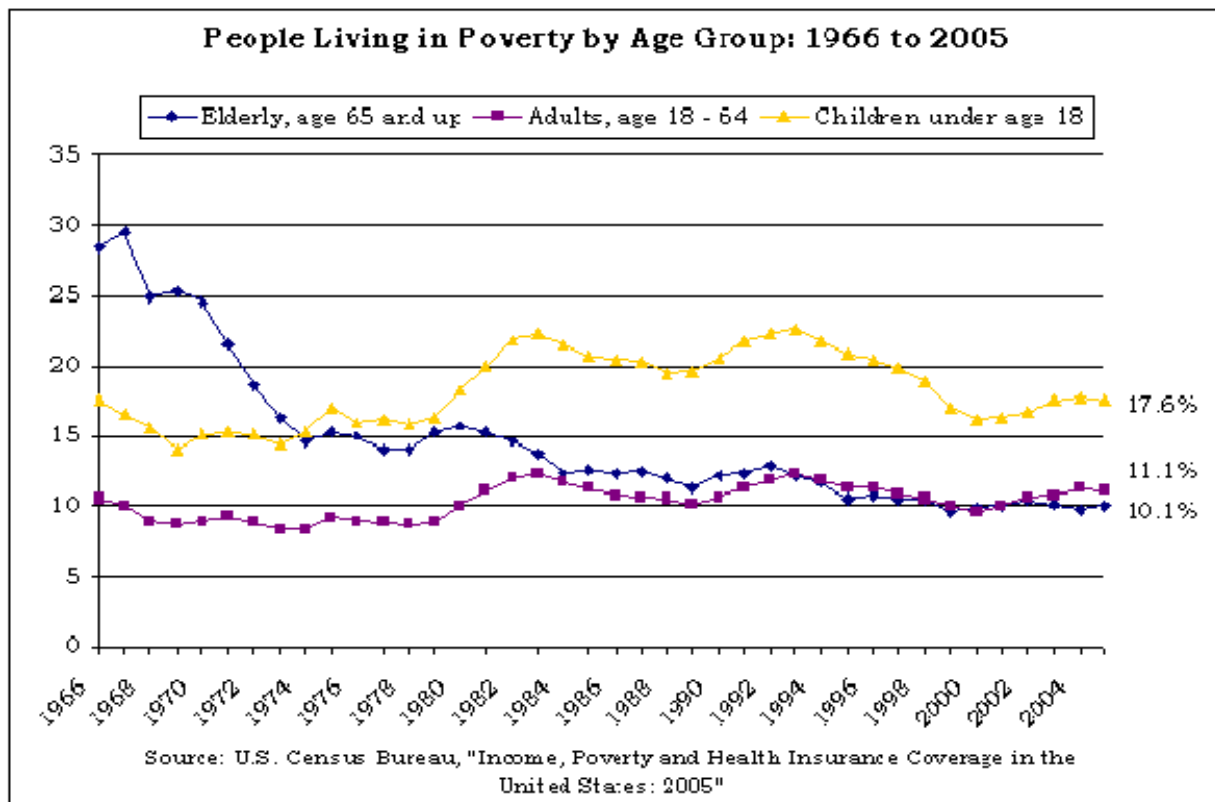


Children and Poverty

When we look at the 2005 poverty rates for different age groups, we find that a higher percentage of children were living in poverty (17.6%), compared with either working age adults (11.1%) or the elderly (10.1%). More than one-third of people who were poor in 2005 (34.9%) were children. The poverty rate among children in 2005 was unchanged over the level in 2004, but is generally trending upward since 2000. That said, a smaller proportion of children are poor in 2005 compared with the period from 1981 to 1998.

Among the elderly, the poverty rate was as low or lower in 2005 than the poverty rate for any year since 1966 (the first year for which Current Population Survey data on the elderly population are available).

- [Data in Microsoft EXCEL format](#)
- Reference document: <http://www.census.gov/prod/2006pubs/p60-231.pdf>



Minorities and Poverty

Continuing longstanding patterns of racial and ethnic disadvantage, we find that poverty in 2005 was generally higher among minorities. Poverty was highest among blacks and Hispanics in 2005 and lowest among non Hispanic whites, who were the only racial group to experience a decrease in poverty since 2004. The poverty rate among Hispanics and blacks was unchanged over the level in 2004, while poverty increased among Asians (up from 9.8%).

- Reference document: <http://www.census.gov/prod/2006pubs/p60-231.pdf>

