

Income and Poverty

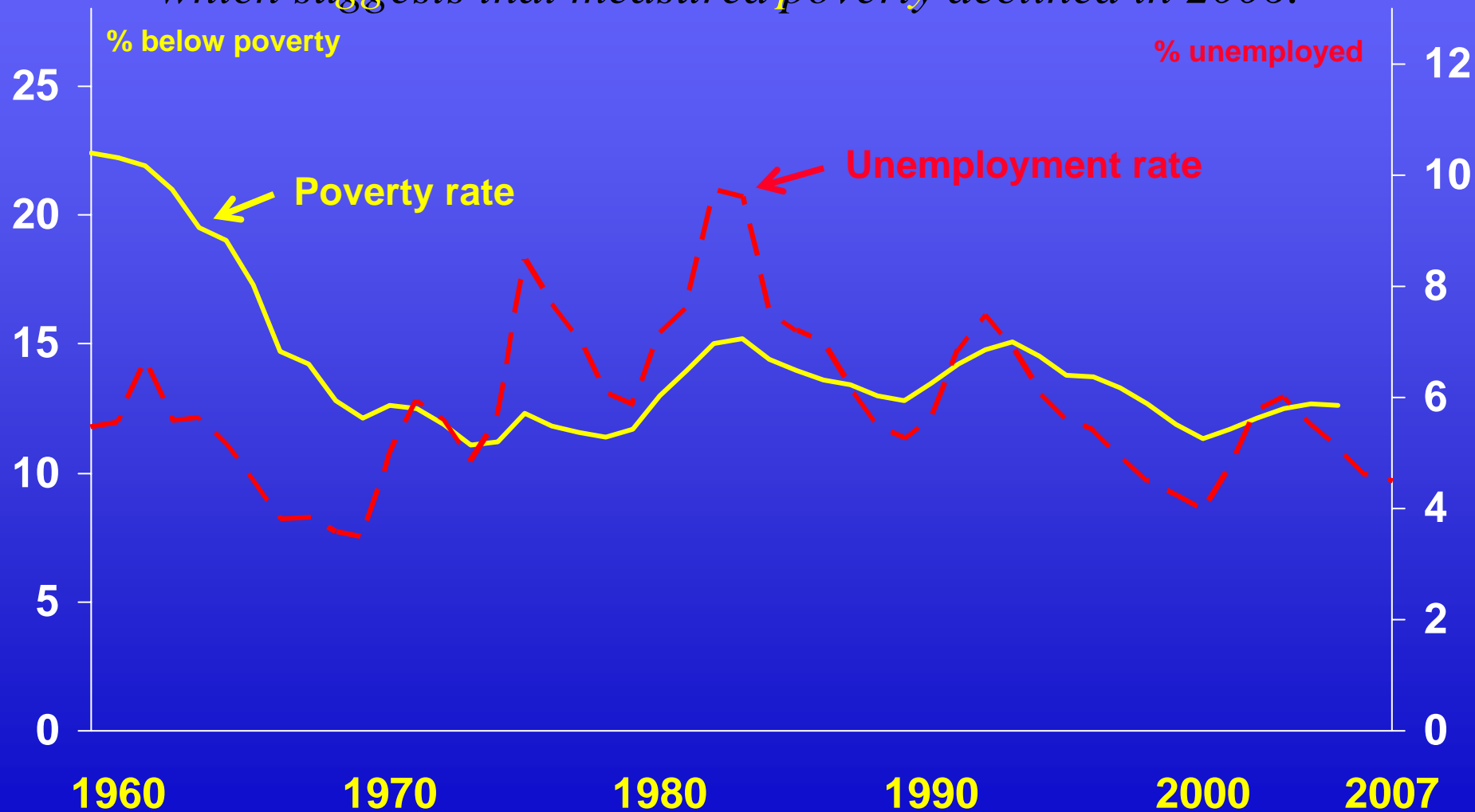
The Story behind the New Numbers

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American Enterprise Institute

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Poverty and Unemployment (1959–2007)

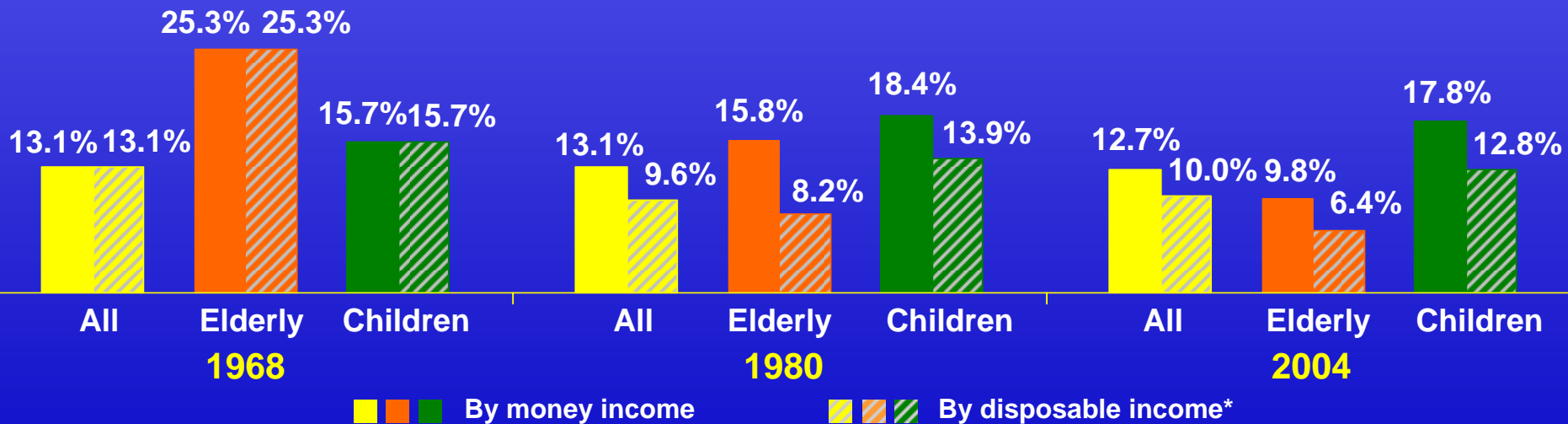
*Unemployment and poverty tend to be correlated,
which suggests that measured poverty declined in 2006.*



Money Income vs. Disposable Income

All Persons, Elderly, and Children (1968, 1980, and 2004)

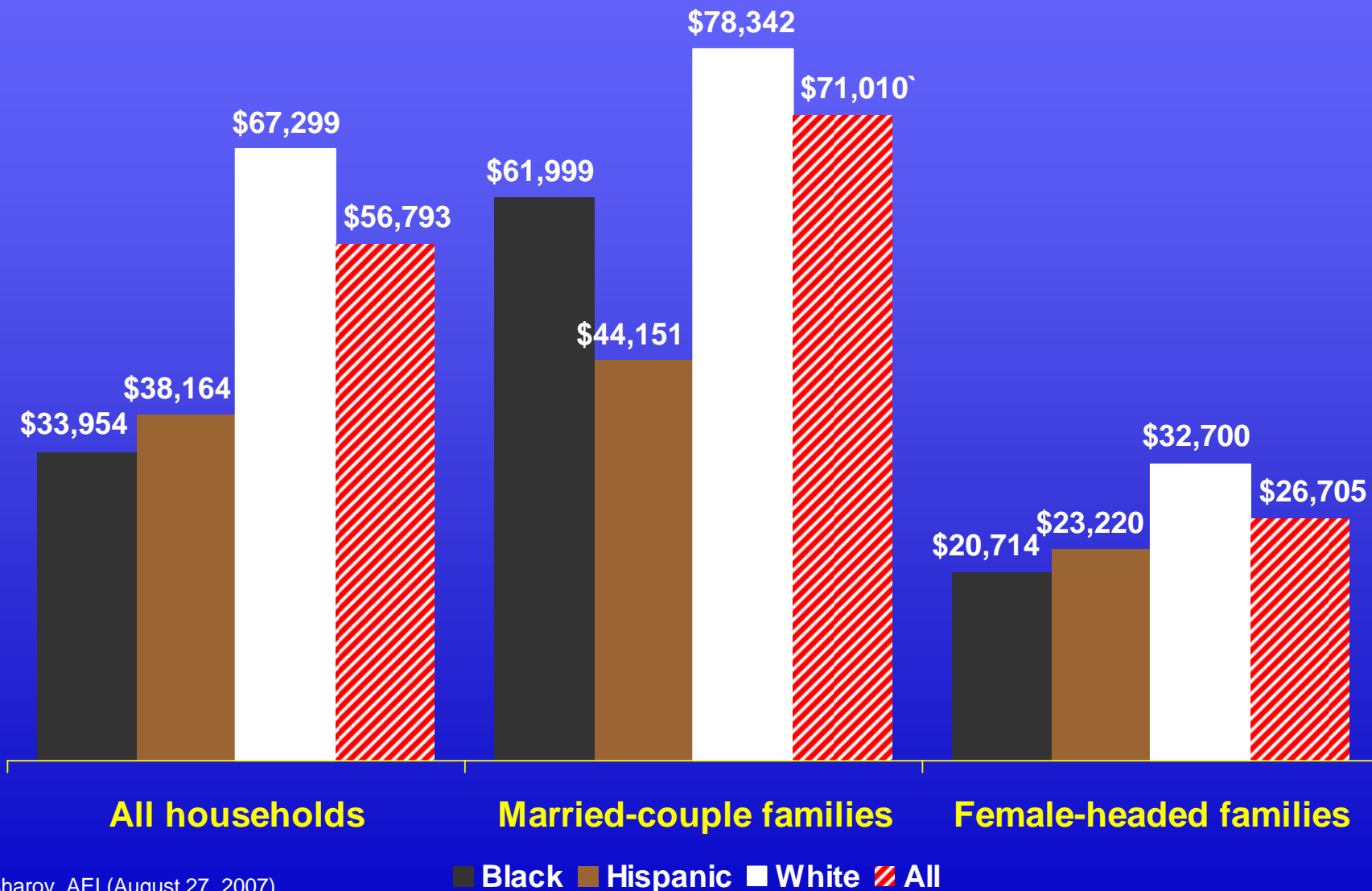
Elder poverty has been all but eliminated, but child poverty is little changed from its 1980 level. Considering disposable income lowers poverty for both groups by more than 25%.



Family Structure and Income

Households with children under age 18 (2005)

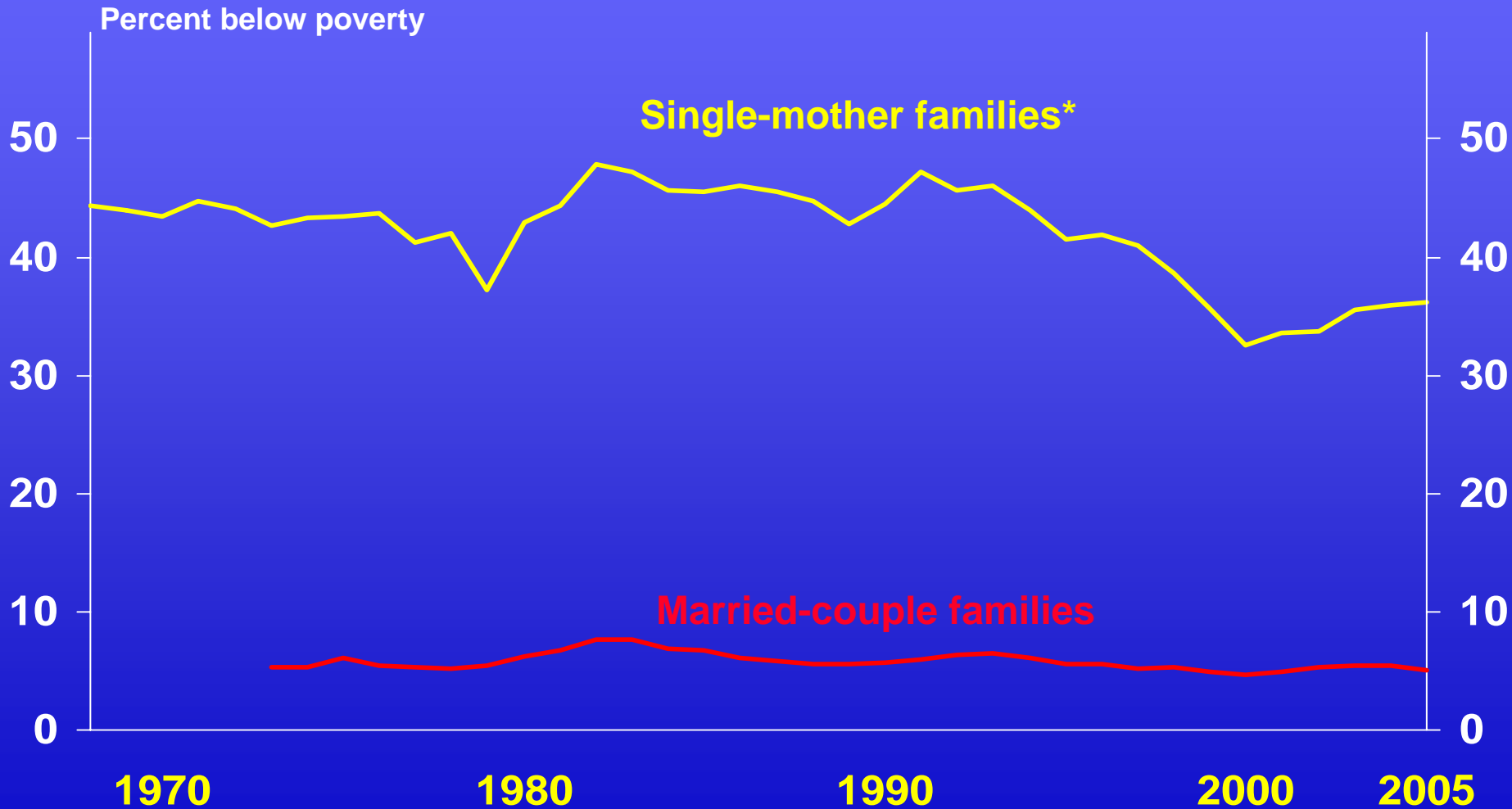
Family structure and family income are highly correlated.



Family Structure and Poverty

(1968–2005)

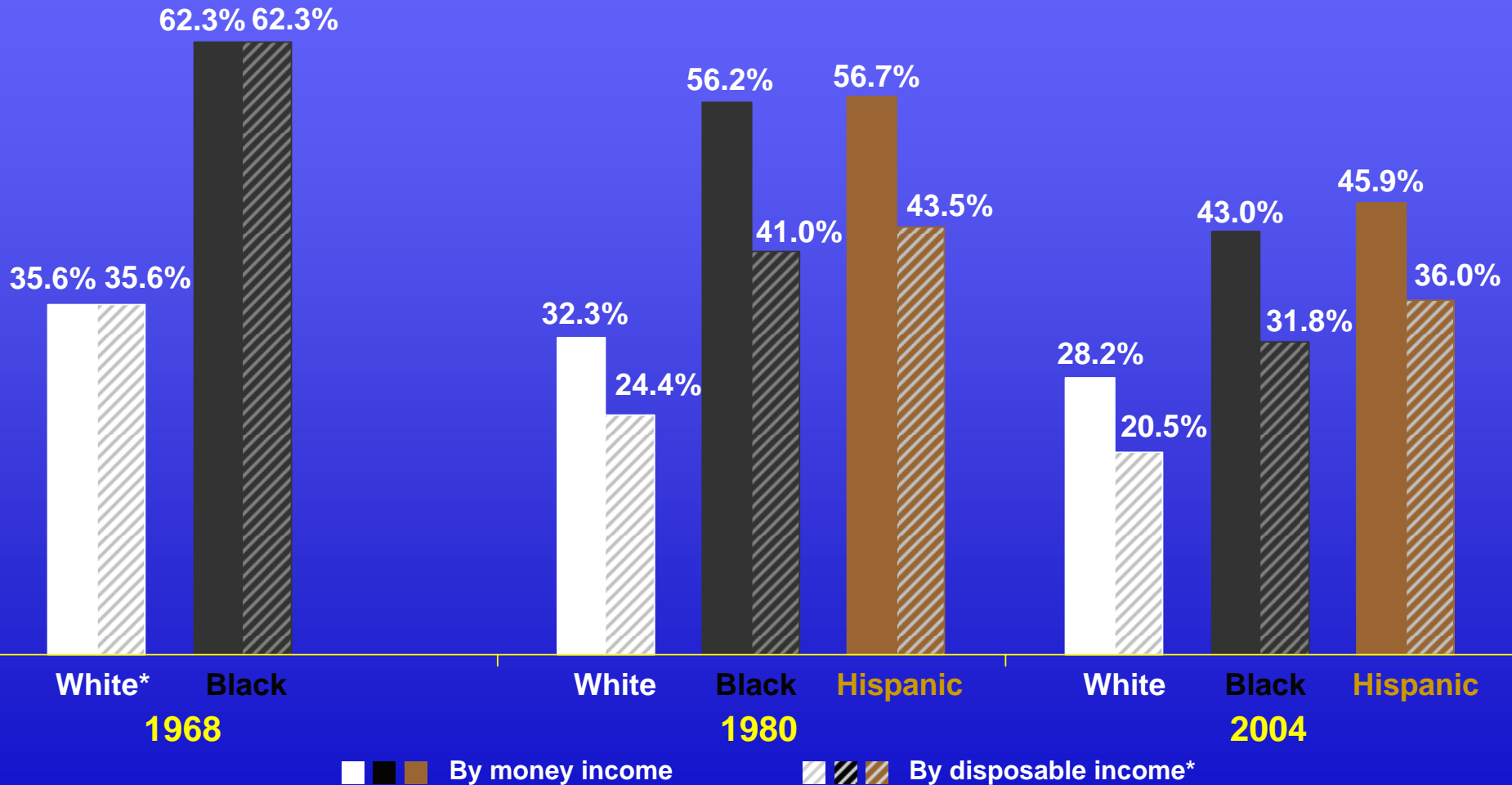
Single mothers are 7 times more likely to be poor than married mothers.



Earnings and Benefits

Reduce Single Mothers' Poverty

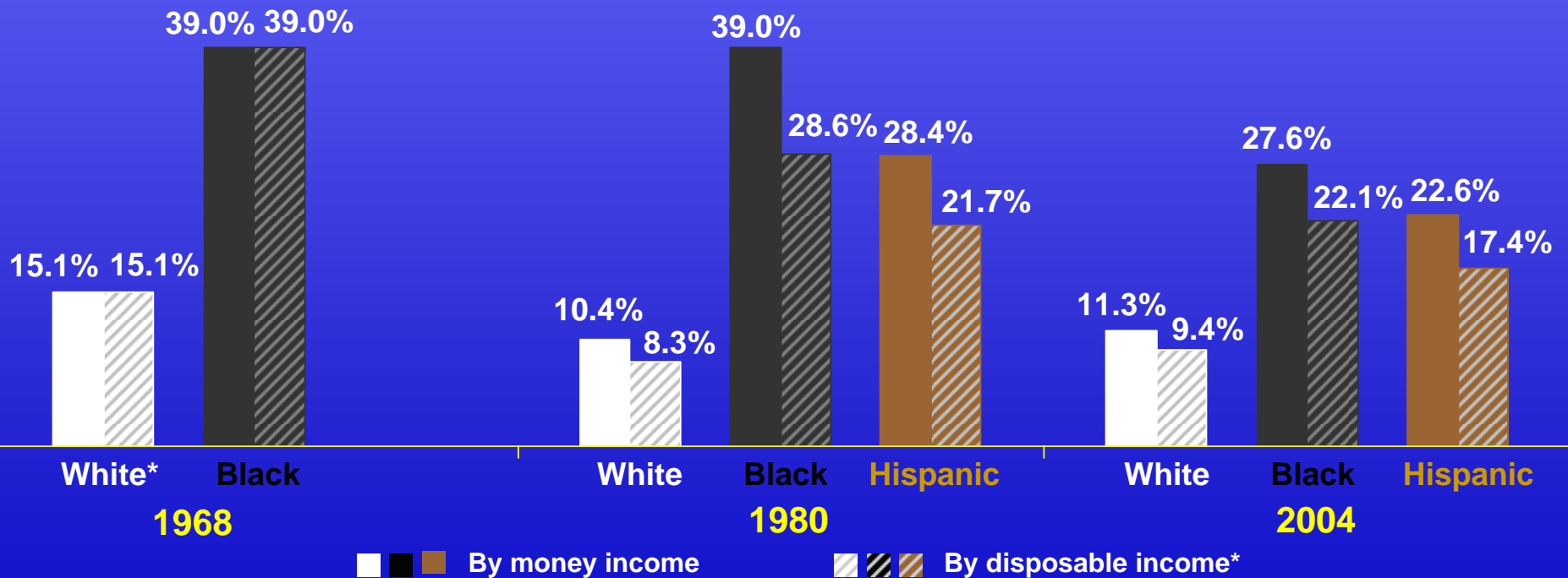
Single-Mother Families by Race/Ethnicity (1968, 1980, and 2004)



Single Men and Poverty

By Race/Ethnicity (1968, 1980, and 2004)

Despite real progress, African American men continue to do poorly, much worse than whites or Hispanics.



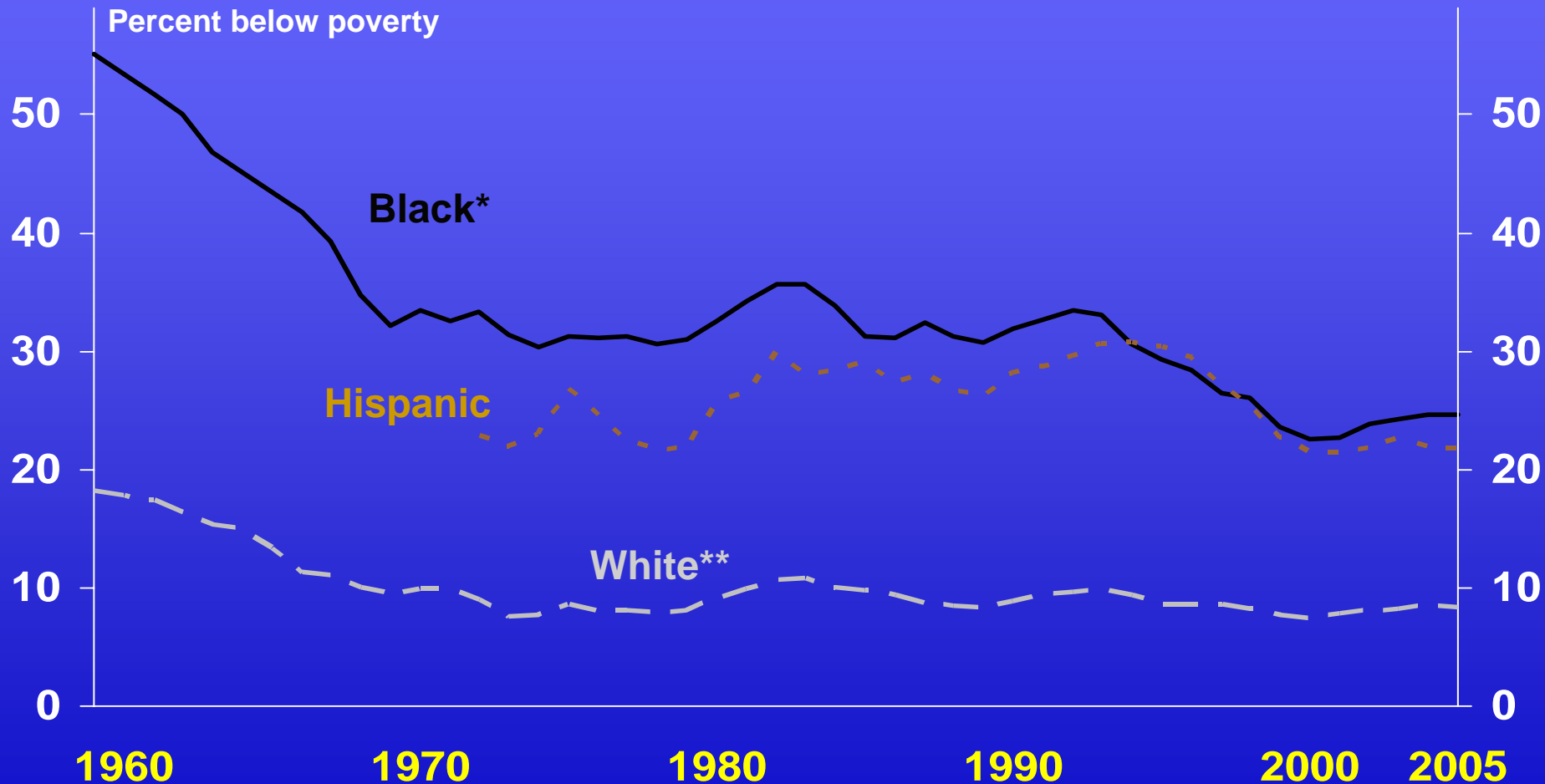
■ ■ ■ By money income

▨ ▨ ▨ By disposable income*

Poverty Rates by Race/Ethnicity

(1959–2005)

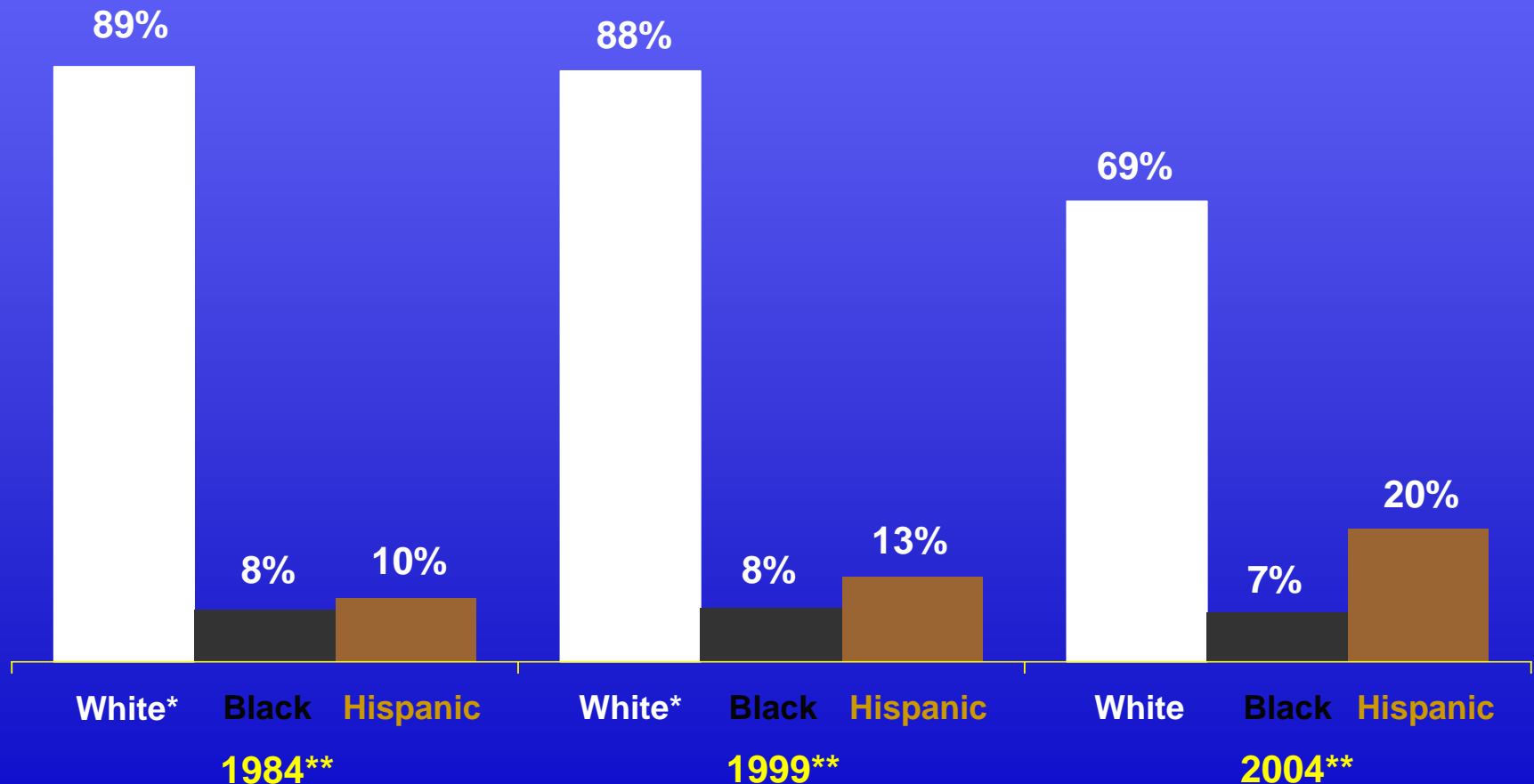
Considering the large and continuing influx of immigrants, Hispanics continue to do relatively well.



Workers in Precision Production, Craft, and Repair Occupations

(Percent Distribution by Race/Ethnicity)

*In these skilled, blue-collar jobs,
Hispanics are gaining at the expense of African Americans.*



Mean Income by Quintile

Money Income in 2005 Dollars (1968, 1980, and 2005)

Income inequality (or income dispersion) continues to grow, with those at the top doing vastly better than the rest of America.

