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# The Likelihood of Poverty across the American Adult Life Span

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*This article estimates the likelihood of poverty across the life span (ages 20 to 85) for American adults. These proportions were derived through a set of life tables built on 25 waves of longitudinal data. They represent the first time in the social or behavioral sciences that such figures have been calculated. By age 35 nearly one-third of the U.S. population will have experienced a year in poverty. By age 65 more than half of all Americans will have spent a year below the poverty line, and by age 85, two-thirds. Rather than an isolated event that occurs primarily among what has been labeled the "underclass," the reality is that the majority of Americans will encounter poverty firsthand during adulthood. In addition, the authors analyzed the racial differences in the risk of poverty across the life span. For black Americans who reach age 75, a startling 91 percent will have been touched by the experience of poverty, whereas for white Americans, slightly more than half will have encountered poverty. Implications for the social work profession are discussed.*

**Key words:** inequality; life span; poverty; race

One of the most significant and far-reaching issues in the social work profession has been the condition of poverty. Whether the discussion revolves around welfare use, racial inequalities, single-parent families, infant mortality, economic insecurity, or a host of other topics, poverty underlies each and every one of these subjects. Ultimately, it is one of the great challenges that the profession and society as a whole must face.

Yet how we confront this challenge depends in part on an accurate assessment of the magnitude of the problem. Until recently, the longitudinal dynamics of poverty in America were

largely unknown. Point-in-time estimates gathered from cross-sectional surveys such as the decennial census were the sole source of information available to researchers. However, with the advent of several large national panel studies, considerable insight has been gained over the past 20 years.

Analyses of these data sets have revealed a number of important dimensions surrounding the longitudinal dynamics of poverty. Yet in spite of this growing body of knowledge, a pivotal question that remains unaddressed—the answer to which would significantly contribute to our research and policy understanding—is,

What is the likelihood of an American's experiencing poverty at some point during his or her adult lifetime? This article represents the first attempt to answer this fundamental question.

## Literature Review

With the advent of several national panel studies, including the Panel Study of Income Dynamics (PSID), the National Longitudinal Survey of Youth, and the Survey of Income and Program Participation, considerable light has been shed on understanding the longitudinal dynamics of poverty spells. These data sets have allowed researchers to observe and track the individual dynamics of poverty and income mobility. Several broad conclusions can be drawn from this body of work.

First, most spells of poverty are fairly brief. The typical pattern is that households are impoverished for several years and then manage to rise above the poverty line (Bane & Ellwood, 1986; Blank, 1997; Duncan et al., 1995; U.S. Bureau of the Census, 1996; Walker, 1994). They may stay there for a period of time, only to experience an additional fall into poverty at some point. Because their economic distance above the poverty threshold is often modest, a detrimental economic event such as the loss of a job or the breakup of a family can throw a family back below the poverty line.

In contrast, a much smaller number of households experience chronic poverty for years at a time. These are the cases that we generally think of when the term "underclass" is used (Wilson, 1987, 1996). Typically they have characteristics that put them at a distinct disadvantage vis-a-vis the labor market (for example, individuals with serious work disabilities, female-headed families with large numbers of children, racial minority groups living in inner-city areas). As a result their prospects for getting out of poverty for any significant time are severely diminished (Duncan, 1984).

And of course some individuals and households fall between these two ends of the spectrum. As an example of these patterns, Blank (1997) relied on the PSID to calculate the occurrence of poverty over a 13-year period. During the years from 1979 to 1991, she found that one-third of Americans experienced a spell of

poverty. However, of those who fell below the poverty line, one-half were poor for three years or less, one-third were in poverty between four and nine years, and 14.6 percent fell below the poverty line for 10 of 13 years (only 4.5 percent of poor people fell below the poverty line for each of the 13 years).

Blank also found that the likelihood and duration of poverty varied sharply by race. One-quarter of white Americans experienced poverty at some point during the 13-year period compared with two-thirds of black Americans. Furthermore, 67 percent of white Americans who experienced poverty were poor for three years or less, whereas the figure for black Americans was only 30 percent. Consequently, black Americans were more likely to be touched by poverty and more likely to be exposed to poverty for substantially longer periods.

In a similar analysis, Devine and Wright (1993) used the PSID to examine the dynamics of poverty from 1969 to 1987. They found that 38.1 percent of the total population experienced a spell of poverty during this time, but that only 1.1 percent of the sample were poor during all 19 years. They also reported that race was a powerful factor in increasing the probability of experiencing poverty, particularly long-term poverty.

Research into the dynamics of poverty also has shown that many households will re-experience poverty in the future. For example, using annual estimates of poverty from the PSID data, Stevens (1994) calculated that of all people who had managed to get themselves above the poverty line, more than half would return to poverty within five years.

Thus, although the typical spell of poverty may not last long, poverty can touch a fairly large percentage of the overall population. This is illustrated in the work of Devine and Wright (1993):

While the proportion of families officially designated as poor in any given year is somewhere between 11% and 15% (for the years in question), the proportion who experience at least one year of poverty over a two-decade span is nearly 40 percent—two or three times the annual poverty rate. If one could extend

this analysis over the average lifetime of a family, the proportion experiencing at least a year of poverty would have to increase and might easily reach or exceed half. Is it truly possible that half the households in this affluent, postindustrial society are destined to spend at least one of their years beneath the poverty line? Remarkably, the answer appears to be yes. (p. 105)

The hypothetical that Devine and Wright have proposed is precisely the question that we confront in this analysis. Specifically, what is the likelihood of experiencing poverty across the entire adult life span? Furthermore, how do these probabilities vary with respect to race? This article provides the first empirical basis within the social or behavioral sciences for estimating such probabilities. To do so we turn to the PSID data, which allow us to construct a set of life tables estimating the lifetime probabilities of poverty for the adult American population.

## Method

The PSID is a nationally representative, longitudinal sample of households and families interviewed annually since 1968 (see Hill, 1992, for a detailed description of the PSID). It constitutes the longest running panel data set in the United States and was specifically designed to track income dynamics over time. Therefore, it is ideally suited for the purpose at hand.

The PSID initially interviewed approximately 4,800 U.S. households in 1968, obtaining detailed information on roughly 18,000 individuals in those households. The PSID tracks these individuals annually, including children and adults who eventually break off from their original households to form new households (for example, children leaving home, separations, divorce). Thus, the PSID is designed so that in any given year the sample is representative of the entire nonimmigrant U.S. population. Throughout the analysis we used the sampling weights to ensure that the PSID sample would accurately reflect the U.S. population.

We used household and individual levels of information from the initial wave of 1968, through 1992. Taken together we had 25 years of longitudinal information embedded in our analysis, which translates into roughly 245,000

person-years of information. Our analytical strategy was to use the household income and demographic information on individuals throughout this 25-year period to construct several life tables that estimate the risk of poverty across the adult life span. We focused on the adult years, rather than the entire life span, for conceptual clarity. The experience of child poverty is of a sufficiently distinct nature to justify separating those years out (for example, children are dependent on adults for their economic well-being, and consequently their poverty is a direct result of their parents' poverty).

The life table is a technique that demographers and medical researchers often use. Although primarily found in mortality analysis, it can be applied to other areas of research as well (Namboodiri & Suchindran, 1987). The life table examines the extent to which specific events occur across intervals of time. In this analysis our time intervals comprised each year an individual aged. During any one of those years, we can calculate the probability of an event occurring (in this case poverty) for those who have yet to experience the event. Furthermore, based on these probabilities, the cumulative probabilities of an event occurring across the life span can be calculated. These cumulative probabilities represented the core of our analysis.

The process of arriving at the specific probabilities is as follows: For each wave (or year) of the study, we had information about the age of an individual and the total household income. From this information we were able to determine whether the household (and hence the individuals in the household) fell below the official poverty line. If they did not, this information was noted, and the individual was allowed to continue to the next year. If on the other hand they did experience poverty, this information also was noted, but the individual was then removed from any further analysis. In other words, once the event of poverty had occurred, the individual was no longer at risk of experiencing poverty for the first-observed time and was excluded from the calculations of probabilities at later age intervals. Therefore, each age interval contains a large number of individuals who have not experienced poverty and a much smaller number of individuals who have.

From these numbers the overall proportion of the population experiencing a first-observed spell of poverty at each specific age is calculated. Finally, from these age-specific proportions we can generate the cumulative proportions that span the adult life cycle.

One of the consequences (and we believe advantages) of this approach is that period effects are smoothed out within and across age intervals. For example, some of the 10,122 individuals in the 20-year-old group, experienced their 20th year in 1968, some in 1975, some in 1992, and so on. The advantage of this approach is that historical effects such as recessions will not unduly affect any particular age group or our hypothetical cohort as a whole (which can happen if one uses only one point in time to construct a life table). From 1968 to 1992 the overall rate of poverty was fairly stable, averaging between 11 percent and 15 percent (U.S. Bureau of the Census, 1998).

Individuals may contribute from one to 25 person-years in the life table. For example, a woman in the PSID study who turned 20 in 1975 and then in 1979 experienced a year below the poverty line would have contributed five person-years within our analysis. In this case, she would be included in the estimates for ages 20, 21, 22, 23, and 24.

To extend our analysis beyond the 25 years of data points, we allowed individuals to enter our life tables during the ages at which they entered the study, rather than simply at age 20. For example, an individual who was age 30 in 1968 (the start of the study) would have been included in our 30-year-old age-specific probabilities and then followed accordingly (although obviously he or she would have been excluded from the 20 to 29 age-specific probabilities). This procedure enabled us to extend the life table probabilities out to age 85. In addition, it allowed us to use the full array of data found in the PSID, which ensured ample sample size for all age categories from which we derived our estimated probabilities.

A consequence of this approach, however, was that it introduced left censoring into the analysis. Left censoring occurs for individuals who enter the study in midstream and for whom we do not have information as to

whether the event (in this case, poverty) occurred prior to the age of entry. If the behavior of individuals who are left censored is similar to individuals who we know are not left censored (and therefore have yet to experience the event), then there is no bias introduced into the life tables (Allison, 1984; Namboodiri & Suchindran, 1987). However, one could argue in the case of poverty that the behavior of left-censored individuals may be slightly different in that some of them undoubtedly have experienced poverty at an earlier point in their unobserved ages. On the basis of the previous research, we can surmise that individuals who have experienced poverty in the past are at a greater risk of experiencing poverty in the future compared with individuals who have not experienced poverty. As a result, our age-specific and cumulative estimates in the life table could be upwardly biased.

Fortunately, we were able to detect and correct for such bias using the following procedure. First, we constructed our life tables for the initial 25 years (ages 20 to 44) according to the previously mentioned method. Then we produced a second group of life tables, but with the left-censored cases removed. By comparing the two, the pattern and extent of any bias resulting from left censoring could be examined. In general, the two sets of estimates were fairly close, with our original probabilities tending to be slightly higher than those without the left-censored cases. This pattern was fairly stable across the ages. From these comparisons we could determine the overall amount and direction of bias in our original estimates. A correction factor then was used to adjust our age-specific life table probabilities accordingly. In this fashion we were able to detect and correct for the fact that left censoring was present in our estimations.

Our measure of poverty is identical to that used by the Census Bureau in estimating the overall U.S. poverty rates (U.S. Bureau of the Census, 1998). Total household income is the measuring stick for determining whether individuals fell below the poverty line or not. Households below specific income levels are considered poor. These levels represent what is considered the least amount of income needed for a household to purchase a minimally

adequate basket of goods (for example, food, clothing, and shelter) throughout the year. To account for inflation, the actual dollar amounts are adjusted each year in accordance with changes in the consumer price index. Thus, the dollar values pertaining to the specific poverty levels for households during the 25 waves of the PSID will vary each year according to changes in the rate of inflation.

The level itself also will vary depending on household size. For example, in 1997 a household of one was considered poor if his or her income fell below \$8,183; a household of two was counted as poor if their income was under \$10,473; for a household of three, the level was \$12,802; a household of four was considered poor if income fell below \$16,400; and so on (U.S. Bureau of the Census, 1998).

As a whole, rates of poverty derived from the PSID tend to be somewhat lower than those derived from the Census Bureau data. This is most likely the result of a more complete accounting of income in the PSID (Duncan, 1984; Minarik, 1975).

In addition to the official measurement of poverty, we examined those who fall below one half of the poverty line as a yardstick for extreme poverty. This benchmark also is consistent with the reporting practice of the Census Bureau. For an extended discussion on various aspects of poverty and its measurement see Institute for Research on Poverty (1998), National Research Council (1995), and Ruggles (1990).

## Results

### Poverty Risk for Total U.S. Adult Population

Beginning with age 20 and continuing through age 85, Table 1 lists the age-specific proportions experiencing poverty, the cumulative proportions, and the cumulative percentages at five-year intervals. The same calculations with regard to the likelihood of falling below one-half of the official poverty line also are included. Our sample sizes for each of the specific ages are very large, allowing for substantial confidence in the estimates. For example, at age 20 (for poverty estimations in Table 1) there are 10,122 cases, by age 50 there are 2,890 cases, and by age 75 there are 1,053 cases.

Looking first at the cumulative percentages of experiencing poverty, by age 30, 27.1 percent of the adult U.S. population will have spent a year below the poverty line. At age 40, slightly more than one-third of the population will have experienced poverty, and at age 50, 41.8 percent. By age 65 our probabilities indicate that just over one-half of all adult Americans will have lived at least a year in poverty, and by age 85, two-thirds.

It is estimated that the average life expectancy for 20-year-olds is an additional 57 years (National Center for Health Statistics, 1997). Consequently the mean length of time that such individuals are at risk of poverty is from age 20 to 77. When used in conjunction with the probabilities in Table 1, we can estimate that on average, 60 percent of 20-year-olds in America will experience poverty at some point during their adult years.

What this analysis strikingly reveals is that rather than being an event occurring among a small minority of the U.S. population, poverty is an experience that will touch a clear majority of Americans at some point during their adult lifetimes. By taking a life table approach, we arrive at a much different understanding about the nature of poverty than either the cross-sectional snapshots provided by surveys such as the U.S. Census Bureau's or the earlier cited studies of limited longitudinal duration.

Looking at the age-specific proportions, we can see that they are higher at the early ages (partially because this is the starting point for our analysis), decline to a low point during the 40s, start to increase in the 50s and early 60s, and increase more rapidly from age 65 on. Thus, they reflect a U shape with regard to the age-specific risks of experiencing poverty for the first time. This U-shape pattern is consistent with that found for age-specific poverty rates in general (U.S. Bureau of the Census, 1998).

In the three right hand columns of Table 1, we estimate the incidence of experiencing dire poverty, as measured by falling below one half of the official poverty line. Here we can see that by age 40, 18.4 percent of Americans will have experienced a year in dire poverty; by age 55, one-quarter; by age 75, one-third; and by age 85, 37.1 percent. Again, referring back to the

Table 1

**Life Table Analysis of Experiencing Poverty for Total Adult Population**

Age	Below Poverty Line			Below .50 Poverty Line		
	Age-Specific Proportion	Cumulative Proportion	Cumulative Percentage	Age-Specific Proportion	Cumulative Proportion	Cumulative Percentage
20	.1056	.1056	10.56	.0311	.0311	3.11
21	.0388	.1403		.0203	.0508	
22	.0302	.1663		.0158	.0658	
23	.0250	.1871		.0125	.0774	
24	.0207	.2039		.0108	.0874	
25	.0152	.2160	21.60	.0107	.0972	9.72
26	.0150	.2278		.0095	.1057	
27	.0129	.2378		.0060	.1111	
28	.0153	.2494		.0090	.1191	
29	.0164	.2617		.0070	.1253	
30	.0129	.2713	27.13	.0072	.1316	13.16
31	.0148	.2820		.0076	.1382	
32	.0102	.2894		.0077	.1448	
33	.0107	.2970		.0057	.1497	
34	.0123	.3056		.0061	.1549	
35	.0122	.3141	31.41	.0071	.1609	16.09
36	.0121	.3224		.0051	.1652	
37	.0124	.3308		.0040	.1685	
38	.0159	.3414		.0080	.1751	
39	.0108	.3485		.0058	.1799	
40	.0120	.3564	35.64	.0048	.1839	18.39
41	.0096	.3625		.0080	.1904	
42	.0097	.3687		.0051	.1945	
43	.0095	.3747		.0076	.2006	
44	.0134	.3831		.0058	.2053	
45	.0074	.3877	38.77	.0086	.2121	21.21
46	.0100	.3938		.0044	.2156	
47	.0108	.4003		.0049	.2194	
48	.0070	.4045		.0056	.2238	
49	.0087	.4097		.0049	.2276	
50	.0140	.4180	41.80	.0059	.2322	23.22
51	.0114	.4246		.0057	.2365	
52	.0112	.4311		.0069	.2418	
53	.0091	.4362		.0075	.2475	
54	.0136	.4439		.0073	.2530	
55	.0104	.4497	44.97	.0074	.2585	25.85
56	.0131	.4569		.0081	.2645	
57	.0097	.4622		.0070	.2697	
58	.0132	.4693		.0065	.2744	
59	.0113	.4753		.0060	.2788	
60	.0128	.4820	48.20	.0069	.2837	28.37
61	.0088	.4865		.0042	.2868	
62	.0122	.4928		.0076	.2922	
63	.0096	.4977		.0046	.2954	
64	.0169	.5062		.0041	.2983	
65	.0152	.5137	51.37	.0053	.3020	30.20
66	.0142	.5206		.0043	.3050	
67	.0133	.5269		.0031	.3072	
68	.0169	.5349		.0043	.3102	
69	.0133	.5411		.0029	.3122	

(continued)

**Table 1**  
**Continued**

Age	Below Poverty Line			Below .50 Poverty Line		
	Age-Specific Proportion	Cumulative Proportion	Cumulative Percentage	Age-Specific Proportion	Cumulative Proportion	Cumulative Percentage
70	.0191	.5499	54.99	.0009	.3128	31.28
71	.0137	.5561		.0053	.3164	
72	.0152	.5628		.0043	.3194	
73	.0152	.5694		.0048	.3226	
74	.0189	.5776		.0063	.3269	
75	.0171	.5848	58.48	.0034	.3292	32.92
76	.0191	.5927		.0066	.3336	
77	.0170	.5997		.0048	.3368	
78	.0218	.6084		.0111	.3442	
79	.0173	.6152		.0040	.3468	
80	.0129	.6201	62.01	.0120	.3546	35.46
81	.0180	.6270		.0037	.3570	
82	.0218	.6351		.0043	.3598	
83	.0214	.6429		.0041	.3624	
84	.0317	.6542		.0023	.3639	
85	.0265	.6634	66.34	.0117	.3713	37.13

average life expectancy of an additional 57 years at age 20, our estimate is that 33.7 percent of 20-year-olds will experience dire poverty at some point during their adult years. The likelihood of experiencing extreme poverty is therefore substantially less than that of falling below the official poverty line, but nevertheless will be felt by one-third of the U.S. population during their adult lifetimes.

The age-specific proportions display a somewhat different pattern than those pertaining to the official poverty line. In contrast to the U-shape pattern found earlier, the probability of dire poverty levels off in the early 30s and remains fairly stable for the remainder of the life span (averaging between one-half and two-thirds of 1 percent annually).

### Poverty Risk by Race

Our second and third tables break down the likelihood of experiencing poverty by race. We limit our analysis in Tables 2 and 3 through age 75 as a result of diminishing sample sizes in the black population beyond that point. In addition, our sample sizes do not allow us to construct life tables for other racial or ethnic groups, such as Hispanics.

Previous research has shown that race is perhaps the most important background factor in predicting poverty at any point in time among individuals (Blank, 1997; Devine & Wright, 1993; Oliver & Shapiro, 1995). Yet we know little about the lifetime risk of poverty for black and white Americans and how it might vary across these two groups. Our tables reveal a remarkable story indeed.

Table 2 indicates that by the age of 25, 48.1 percent of black Americans will have experienced at least one year in poverty. At age 40 the figure is two-thirds, and by age 50, more than three-fourths of the black population will have spent some time below the poverty line. For black Americans who reach age 75, 91 percent will have been touched by the experience of poverty (this is made more remarkable by the fact that our analysis precludes the risk of poverty during the first 19 years of life). Although this figure appears startling, it becomes less surprising when considering that on average in any given year, approximately 30 percent of the black population is below the poverty line (U.S. Bureau of the Census, 1998). Now consider that Table 2 is projecting over the course of 56 years. As a result, nine of every 10 black Americans



Table 2

**Life Table Analysis of Experiencing Poverty for Adult Black and White Populations**

Age	Black Population			White Population		
	Age-Specific Proportion	Cumulative Proportion	Cumulative Percentage	Age-Specific Proportion	Cumulative Proportion	Cumulative Percentage
20	.2970	.2970	29.70	.0689	.0689	6.89
21	.0944	.3634		.0306	.0974	
22	.0626	.4032		.0261	.1209	
23	.0520	.4342		.0225	.1407	
24	.0480	.4614		.0181	.1563	
25	.0359	.4807	48.07	.0120	.1664	16.64
26	.0382	.5006		.0114	.1759	
27	.0309	.5160		.0110	.1850	
28	.0321	.5315		.0135	.1960	
29	.0324	.5467		.0154	.2084	
30	.0322	.5613	56.13	.0111	.2171	21.71
31	.0267	.5730		.0136	.2278	
32	.0187	.5810		.0096	.2352	
33	.0308	.5939		.0087	.2419	
34	.0217	.6027		.0107	.2500	
35	.0336	.6161	61.61	.0084	.2563	25.63
36	.0232	.6250		.0106	.2642	
37	.0347	.6380		.0103	.2717	
38	.0202	.6453		.0149	.2826	
39	.0244	.6540		.0098	.2896	
40	.0254	.6628	66.28	.0103	.2969	29.69
41	.0369	.6752		.0073	.3021	
42	.0380	.6875		.0061	.3063	
43	.0326	.6977		.0073	.3114	
44	.0381	.7092		.0115	.3193	
45	.0371	.7200	72.00	.0046	.3224	32.24
46	.0335	.7294		.0075	.3275	
47	.0342	.7387		.0091	.3336	
48	.0311	.7468		.0048	.3368	
49	.0176	.7512		.0086	.3425	
50	.0389	.7609	76.09	.0115	.3501	35.01
51	.0354	.7694		.0095	.3563	
52	.0113	.7720		.0116	.3637	
53	.0224	.7771		.0080	.3688	
54	.0381	.7856		.0123	.3766	
55	.0331	.7927	79.27	.0096	.3826	38.26
56	.0328	.7995		.0128	.3905	
57	.0175	.8030		.0102	.3967	
58	.0297	.8089		.0126	.4043	
59	.0293	.8145		.0102	.4104	
60	.0238	.8189	81.89	.0132	.4182	41.82
61	.0304	.8244		.0075	.4225	
62	.0285	.8294		.0116	.4292	
63	.0186	.8326		.0099	.4349	
64	.0252	.8368		.0180	.4450	
65	.0459	.8443	84.43	.0142	.4529	45.29
66	.0376	.8501		.0135	.4603	
67	.0407	.8562		.0119	.4667	
68	.0924	.8695		.0115	.4729	
69	.0347	.8740		.0131	.4798	

(continued)



**Table 2**  
**Continued**

Age	Black Population			White Population		
	Age-Specific Proportion	Cumulative Proportion	Cumulative Percentage	Age-Specific Proportion	Cumulative Proportion	Cumulative Percentage
70	.0787	.8839	88.39	.0156	.4879	48.79
71	.0326	.8877		.0138	.4950	
72	.0366	.8918		.0150	.5025	
73	.0835	.9009		.0112	.5081	
74	.0631	.9071	90.98	.0180	.5170	
75	.0287	.9098		.0176	.5255	

who live out a normal life span will at some point encounter poverty.

This experience overshadows that of the white population. Here we find that by age 75, slightly more than half (52.6 percent) of white Americans will have spent one of their adult years below the poverty line. The fact that more than one of two white Americans eventually are touched by poverty is a sizeable percentage indeed. Nevertheless, it pales in comparison to the enormity of poverty's grasp in the black population. This contrast is illustrated in Figure 1, which plots the cumulative distribution of experiencing poverty for black Americans, white Americans, and the total population.

Another way of viewing this striking contrast is in the following manner: By age 28 the black

population will have reached the cumulative level of lifetime poverty that the white population arrives at only by age 75. In other words, black Americans have experienced in nine years the same risk of poverty that white Americans do in 56 years.

Table 3 extends the black-white contrast by analyzing the risk of experiencing dire poverty (equivalent to spending a year below one-half of the official poverty line). Again, the divergence between the black and white cumulative percentages is striking. By age 30, one-third of black adults will have spent at least a year in dire poverty; by age 45 the figure is one-half; and by age 75 slightly over two-thirds. In contrast, by age 75, 26.6 percent of whites will have spent at least one of their adult years in dire

**Table 3**  
**Life Table Analysis of Experiencing Dire Poverty for Adult Black and White Populations**

Age	Black Population			White Population		
	Age-Specific Proportion	Cumulative Proportion	Cumulative Percentage	Age-Specific Proportion	Cumulative Proportion	Cumulative Percentage
20	.0950	.0950	9.50	.0193	.0193	1.93
21	.0605	.1498		.0133	.0323	
22	.0473	.1900		.0109	.0429	
23	.0455	.2268		.0079	.0505	
24	.0300	.2500	27.18	.0082	.0582	6.59
25	.0290	.2718		.0081	.0659	
26	.0201	.2864		.0079	.0732	
27	.0180	.2993		.0042	.0771	
28	.0200	.3133		.0075	.0841	
29	.0150	.3236		.0057	.0893	

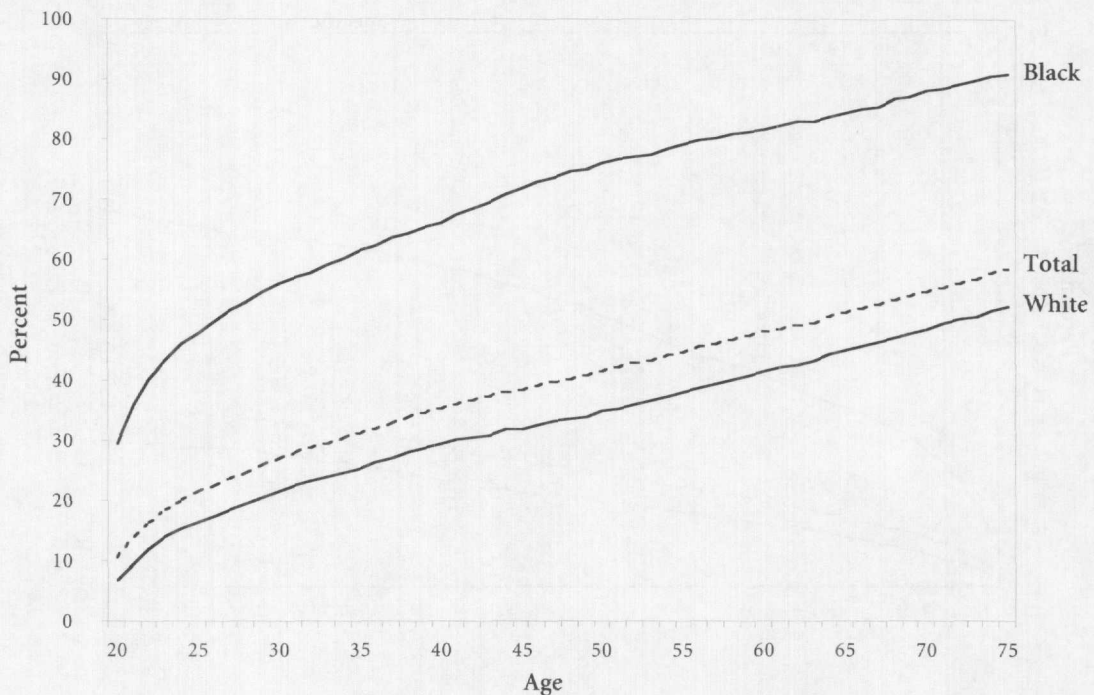
(continued)

**Table 3**  
**Continued**

Age	Black Population			White Population		
	Age-Specific Proportion	Cumulative Proportion	Cumulative Percentage	Age-Specific Proportion	Cumulative Proportion	Cumulative Percentage
30	.0168	.3349	33.49	.0060	.0947	9.47
31	.0111	.3423		.0071	.1012	
32	.0202	.3556		.0061	.1067	
33	.0228	.3703		.0028	.1092	
34	.0178	.3815		.0040	.1127	
35	.0223	.3953	39.53	.0055	.1176	11.76
36	.0096	.4011		.0044	.1215	
37	.0170	.4113		.0027	.1239	
38	.0146	.4199		.0073	.1303	
39	.0180	.4303		.0047	.1343	
40	.0169	.4399	43.99	.0033	.1372	13.72
41	.0257	.4543		.0063	.1426	
42	.0206	.4656		.0037	.1458	
43	.0252	.4790		.0060	.1509	
44	.0123	.4855		.0044	.1547	
45	.0391	.5056	50.56	.0058	.1596	15.96
46	.0128	.5119		.0030	.1621	
47	.0130	.5182		.0039	.1654	
48	.0301	.5327		.0027	.1676	
49	.0183	.5413		.0036	.1706	
50	.0113	.5465	54.65	.0052	.1749	17.49
51	.0292	.5597		.0027	.1771	
52	.0186	.5679		.0055	.1817	
53	.0157	.5747		.0071	.1875	
54	.0105	.5792		.0071	.1933	
55	.0194	.5873	58.73	.0067	.1987	19.87
56	.0134	.5929		.0079	.2050	
57	.0157	.5992		.0067	.2103	
58	.0167	.6059		.0058	.2149	
59	.0125	.6109		.0059	.2195	
60	.0052	.6129	61.29	.0068	.2248	22.48
61	.0164	.6192		.0028	.2270	
62	.0068	.6218		.0080	.2332	
63	.0111	.6260		.0043	.2365	
64	.0036	.6274		.0044	.2398	
65	.0008	.6277	62.77	.0062	.2446	24.46
66	.0091	.6311		.0042	.2477	
67	.0096	.6346		.0026	.2497	
68	.0347	.6473		.0013	.2507	
69	.0106	.6510		.0023	.2524	
70	.0105	.6547	65.47	.0000	.2524	25.24
71	.0043	.6562		.0058	.2567	
72	.0257	.6650		.0023	.2584	
73	.0191	.6714		.0034	.2610	
74	.0120	.6753		.0063	.2656	
75	.0222	.6826	68.26	.0010	.2663	26.63

Figure 1

### Cumulative Lifetime Risk of Poverty, by Race



poverty. Figure 2 illustrates these divergent distributions by graphing the cumulative risk of dire poverty across the adult life span.

Again putting this into a slightly different metric, by the time black adults reach age 25 they will have experienced the overall cumulative level of dire poverty that white adults arrive at only by the age of 75. Thus, black Americans as a group will have been exposed in six years to the same risk of extreme poverty that white Americans have been after 56 years.

Finally, for each of the 56 ages in Tables 2 and 3, we estimated individual logit models to determine whether the black-white age-specific differences were statistically significant. In all but a handful of models, the racial difference at each age was significant at the .001 level.

The thrust of our racial results leads us back to DuBois's (1935/1983) classical formulation that in American society the dynamics of race

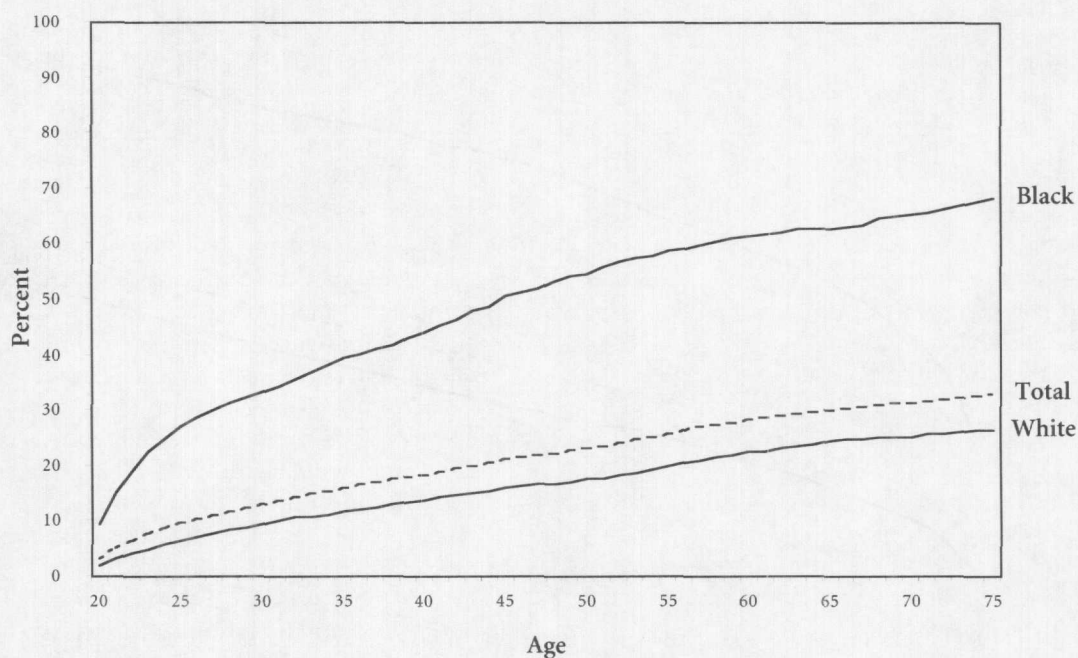
and class are organically interrelated. The fact that virtually every black American will experience poverty at some point during his or her adulthood speaks volumes about the economic meaning of being black in America.

### Summary and Implications

We believe that our findings in Tables 1 through 3 shed a startling new light on poverty in America. First, poverty is an experience that at some point will touch the vast majority of Americans during their adult years. On average, 60 percent of all American adults will experience at least one year of living below the poverty line, whereas one-third will experience dire poverty. Rather than an isolated event that occurs only among what has been labeled the "underclass," the reality is that the majority of Americans will encounter poverty firsthand during their adult lifetimes.

Figure 2

### Cumulative Lifetime Risk of Dire Poverty, by Race



Second, our analysis has revealed that nearly every black American adult in this country will at some point experience a year below the poverty line. By age 75, 91 percent of black Americans will have experienced at least one year in poverty, and 68 percent will have encountered the stark experience of extreme poverty.

Finally, even among white Americans, poverty is an event that will eventually touch more than half the population. For those who believe that poverty is a risk only among black people in this country, these numbers clearly contradict such a position. Hence, poverty is a "mainstream" event experienced by the dominant racial group and not something that can be easily dismissed as a condition of marginalized groups.

What are the implications of such findings for the profession of social work? Although there are many, we conclude by focusing on two of the broader ramifications. They deal

with the ability of the profession to make a persuasive argument for why the United States should focus more of its efforts toward addressing poverty.

Concern for the poor and the alleviation of poverty have always been central to the profession. As Simon (1994) wrote, the original twin missions of social work were "those of relieving the misery of the most desperate among us and of building a more just and humane social order" (p. 23). This statement remains as true today as it was in the past. For example, the NASW (1996) *Code of Ethics* begins by stating, "The primary mission of the social work profession is to enhance human well-being and help meet the basic human needs of all people, with particular attention to the needs and empowerment of people who are vulnerable, oppressed, and living in poverty" (p. 1). Likewise, the curriculum policy statement of the Council on

Social Work Education (1994) begins its discussion of the purpose of social work by stating, "The profession of social work is committed to the enhancement of human well-being and to the alleviation of poverty and oppression" (pp. 97, 135).

Social work has placed a heavy emphasis on poverty and its alleviation for two core reasons. First, poverty has been viewed as undermining the concept of a just society (Gill, 1998; Reamer, 1993). In an affluent nation such as the United States, it appears patently unfair that many not only are left out of such prosperity, but also are living in debilitating and detrimental economic conditions. From the profession's perspective, a just and equitable society ensures that a certain minimum standard of resources is available to all to meet the basic human needs.

Second, social workers have understood that poverty underlies many of the problems and issues they confront on a daily basis (Ewalt, 1994). As stated in the beginning of this article, whether the discussion revolves around racial and gender inequalities, family stress, juvenile delinquency, physical illness, learning disabilities, or other topics that social workers routinely confront, research indicates that poverty plays an important role in each of these subjects (Duncan & Brooks-Gunn, 1997; Schiller, 1998; Sherman, 1994; Vosler, 1996; see Mayer, 1997, for a somewhat different interpretation). Consequently, poverty is perceived to be a core issue that must be dealt with to strive toward the goal of being able to "enhance human well-being and help meet the basic human needs of all people" (NASW, 1996, p. 1). An extension of this argument is that poverty affects many of the social problems that our society faces. Thus, alleviating poverty indirectly benefits us all by reducing the costs associated with such problems.

As a result, the social work profession historically has been engaged in advocacy, organizing, and lobbying at the local, state, and federal levels for policies and social programs that address poverty (Poppo & Leighninger, 1996). The profession has argued that such efforts and goals are warranted on the basis of economic and social justice and on the basis of the long-term benefits that will accrue to society.

What the findings in this article suggest is that a third powerful argument can be made to justify resource allocation in alleviating poverty. It is an argument that until now has not been fully revealed—for the majority of Americans, it is in their direct self-interest to have programs and policies that alleviate and provide protection from the ravages of poverty.

Poverty often has been perceived by the U.S. public as something that happens to others (Gans, 1995). Yet by looking across the adult life span, we have been able to demonstrate that poverty will touch a clear majority of Americans. Assuming that most Americans would rather avoid this experience, it is in their self-interest to ensure that society acts to reduce poverty and that a safety net is in place to soften the blow. Such a perspective can be referred to as a risk-sharing argument (Blank, 1997) and has been elaborated most notably by Rawls (1971).

The reason here is similar to the reason most of us have automobile insurance. No one plans to have a traffic accident. Yet we are willing to invest in automobile insurance because we recognize that at some point we may be involved in a serious traffic accident that could incur sizeable costs. Hence, we are willing to pay for automobile insurance now to minimize the risks in the future.

Rather than a traffic risk, poverty can be thought of as an economic risk that accompanies our economic system. If an individual loses a job, becomes ill, sees his or her family split up, or experiences countless other circumstances, he or she runs a risk of dwindling income, resulting in eventual poverty (Rank, 1994). Just as automobile insurance is a form of protection against an unforeseen accident, the social safety net is a form of insurance against the accidents that occur around the rough edges of the free-market system.

Yet in spite of this, many Americans undoubtedly believe that encountering poverty is only a remote possibility, and therefore they fail to perceive the benefits of an antipoverty policy or of an economic safety net in terms of their own self-interest. The research findings in this article directly challenge such beliefs. In doing so they provide a vital piece for making a self-interest argument—most Americans in fact will

be touched directly by poverty. An argument for addressing poverty based on self-interest is a strong complement to those based on economic justice and long-term societal benefits. As the former Australian Prime Minister Gough Whitlam noted, "The punters know that the horse named Morality rarely gets past the post, whereas the nag named Self-Interest always runs a good race" (Andrews, 1993, p. 824).

Our findings have an additional implication that social workers can draw from in making an effective case for their stated goal of alleviating poverty. Much of the general public's resistance toward assisting poor people and particularly those on welfare is that they are perceived to be undeserving of such assistance (Katz, 1989). That is, their poverty is the result of a lack of motivation, questionable morals, and so on. In short, poor people are fundamentally different from the rest of us and, therefore, do not warrant sacrifices on our behalf.

Although the causes of poverty have not been examined directly in this article, our analysis suggests that given its widespread nature, poverty appears systematic to our economic structure. In short, we have met the enemy, and they are us.

Such a realization can cause a paradigm shift in thinking. For example, the economic collapse during the Great Depression spurred a fundamental change in the country's perceptions and policy initiatives as citizens realized the full extent and systematic nature of poverty during the 1930s. Given the enormity of the collapse, it became clear to many Americans that most of their neighbors were not directly responsible for the dire economic situation they found themselves in. This awareness helped provide much of the impetus and justification behind the New Deal (Patterson, 1994).

Or take the case of unemployment as described by sociologist C. Wright Mills (1959),

When, in a city of 100,000, only one man is unemployed, that is his personal trouble, and for its relief we properly look to the character of the man, his skills, and his immediate opportunities. But when in a nation of 50 million employees, 15 million men are unemployed, that is an issue, and we may not hope to find its solution within the range of opportunities

open to any one individual. The very structure of opportunities has collapsed. Both the correct statement of the problem and the range of possible solutions require us to consider the economic and political institutions of the society, and not merely the personal situation and character of a scatter of individuals. (p. 9)

In many ways poverty today is as widespread and systematic as in these examples. Yet we have been unable to see this because we were not looking in the right direction. By focusing on the life-span risks, the prevalent nature of American poverty is revealed. At some point during our adult lives, the bulk of Americans will face the bitter taste of poverty. Consequently, unless the general public is willing to argue that the majority of us are undeserving, the tactic of using character flaws and individual failings as a justification for doing as little as possible to address poverty loses much of its credibility. The ability of social workers to break down this barrier with effective arguments and evidence is a significant step toward increasing social and political support for poverty alleviation (Hoechstetter, 1996).

In short, by conceptualizing and measuring impoverishment over the adult life cycle, we have been able to calculate a set of proportions that we believe truly cast a new light on the subject of poverty in the United States. For the majority of American adults, the question is not if they will experience poverty, but when. Such a reality should cause us to re-evaluate seriously the very nature, scope, and meaning of poverty in the United States. ■

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