Two Generations in Poverty: Status and Trends among Parents and Children in the United States, 2000-2010

By Zakia Redd, M.P.P., Tahilin Sanchez Karver, M.P.H., David Murphey, Ph.D., Kristin Anderson Moore, Ph.D., and Dylan Knewstub, B.A. November 2011

Overview. The release of the most recent official Census poverty data confirms that American families are still reeling from the Great Recession. As would be expected during a period of sharp economic downturn, between 2009 and 2010, rates of poverty and low-income status increased across a wide spectrum of families in the United States, particularly among those headed by women. In 2010, 15.1 percent of the U.S. population lived in poverty, up from 14.3 percent in 2009. These numbers reflect broad increases in poverty rates experienced by Blacks, Hispanics and Whites, as well as by all age cohorts, with the exception of adults over age 65. The overall rate of poverty masks much higher rates within particular sub-groups, such as single-mother families, with a poverty rate of 40.7 percent in 2010.

As poverty has become more widespread in the United States, it is important to acknowledge the large body of research documenting the association between poverty or economic hardship and negative outcomes for parents, especially women, and their children. One of the primary concerns about families living in poverty, particularly single parents and children, is that, due to their limited financial resources, they may experience material hardships and struggle to meet basic needs for food, housing, clothing, and so on. However, research on poverty finds that its effects extend beyond purchasing power and into other aspects of life.

Adults living in poverty experience a wide range of physical and mental health problems, as well as negative social, education, and employment outcomes. Among parents, in particular, poverty and economic hardship is associated with psychological distress and parental aggravation, among other negative outcomes. Among children, the effects of poverty are potentially even more pervasive and long-lasting, which is significant, given that they are the age group in which poverty is most prevalent. In addition, children in single parent households are increasingly likely to live in poverty.

Indeed, a large body of literature has focused on the relationship between childhood poverty and short- and long-term outcomes in childhood, adolescence and adulthood, and also finds negative effects on social, health, and educational outcomes. Children experiencing early poverty, deep poverty, and persistent poverty are especially likely to experience deleterious longer- term effects on their development and life circumstances, such as an increased likelihood of economic hardships in adulthood. In fact, several studies indicate a strong intergenerational connection, with poor children much more likely to grow up to be poor themselves. Furthermore, individuals living in areas with higher levels of poverty are more likely than those living in low-poverty neighborhoods to experience negative outcomes, ranging from higher levels of low birth weight to other health, social and educational and parenting outcomes.

Numerous studies document a consistent set of background factors that have been found to predict one’s likelihood of experiencing poverty. In particular, women, single parents, Black and Hispanic adults, and adults with low levels of educational attainment and/or limited work experience are more likely to be poor. Similarly, certain events have been found to be associated with poverty, such as job loss or divorce.

In this brief, we examine recent poverty data and trends over the past decade through a two-generation lens. From this perspective, the increases in poverty experienced by families with children are especially
troubling. Given the negative effects of poverty and economic hardship on parents and children, these increases are most concerning for those groups whose rates of poverty and low-income status were already high, such as families headed by single parents. Poverty affects all individuals within a household; when resources are constrained, families are forced to make difficult decisions—for instance, sacrificing the needs of parents to better meet those of children. In the long run, such trade-offs are not effective remedies, because, within a systems perspective, children’s well-being is closely tied to that of their parents. Numerous studies have made clear the negative effects, for example, of parental stress, unemployment, or depression on both short- and long-term outcomes for children. Likewise, parents’ well-being is directly affected by their concerns for their children—which may include the safety of child care arrangements, their school performance, their health, and so on.

This brief draws on data from the U.S. Census Bureau, and presents a sharpened two-generation lens on the poverty and low-income status of children and families in 2010, and on trends in poverty and low-income status among children and families during the first decade of the 21st century. In addition, it presents data on differences in poverty and low-income status across race and ethnic origin, age, family structure, gender, education, full-time employment status, and geography. The brief is organized into four sections and ends with a summary of findings. Following this overview and a brief summary of the poverty data referenced in this brief, the first section focuses on the two-generation frame of family households with children, highlighting the shifting family structure of families in the United States; the second section focuses on children; the third section focuses on adults; and the fourth section highlights geographic areas with a high concentration of poverty. The brief concludes with a summary of important distinctions in the patterns of poverty and low-income status across a number of different categories.

**Defining Poverty Thresholds**

The data presented in this brief are based on the official poverty measure, which varies by family size and composition, and are updated annually to reflect inflation as measured by the Consumer Price Index. In 2010, for instance, the poverty threshold for a family of four with two related children under 18 years was $22,113. People living in households with incomes below 200 percent of the federal poverty line are considered to be low-income, while those with incomes below 50 percent of the federal poverty line are living in deep or extreme poverty.

In October 2011, the Census also published preliminary poverty estimates based on the Supplemental Poverty Measure, which is being developed and refined based on recommendations from an interagency technical working group with representatives from the U.S. Census Bureau, the Bureau of Labor Statistics and other federal agencies. The Supplemental Poverty Measure uses
poverty thresholds that are based on the Consumer Expenditure Survey data and that are adjusted to account for in-kind benefits, as well as taxes, work and out-of-pocket medical expenses, the cost of basic living expenses, such as housing and food. The number and percent of people living in poverty vary across the two measures. For instance, in 2010, 15.1 percent of all people and 21.0 percent of children in the U.S. were living below poverty using the official poverty measure. By comparison, 16 percent of all people and 18.2 percent of all children were living below poverty using the Supplemental Poverty Measure.

In addition to the Supplemental Poverty Measure, over the past several years, the Census has released poverty estimates for alternative or experimental poverty measures that were developed based on recommendations from a 1995 National Academy of Sciences (NAS) report, Measuring Poverty: A New Approach. While many debate which poverty measure provides the most accurate portrait of poverty in the U.S., each of the poverty measures provide unique and useful information about the financial well-being of families in the U.S. In 2010, the official poverty measure produced estimates that fell in the middle range of the eight poverty estimates produced using the NAS based measures. However, earlier in the decade, the poverty estimates based on the official poverty measure tended to be lower than those produced using the NAS based estimates.

Poverty and Low-Income Status Among Family Households with Children

Status and Trends across Poverty Thresholds by Family Structure

Poverty Status and Trends

- Between 2009 and 2010, poverty rates for family households increased across different types of families. In 2010, 37.2 percent of single-parent families were living in poverty, up from 35.2 percent in 2009. In 2010, 8.8 percent of married-couple households were in poverty, up from 8.3 percent in 2009. (Figure 1)

Low-Income Status and Trends

- Similarly, the percentage of families who were low-income increased across different family-structure types. In 2010, 64.3 percent of single-parent families were low-income, up from 62.8 percent in 2009. In 2010, 25.2 percent of married-couple households were low-income, up from 24.5 percent in 2009. (Figure 1)

Differences by Major Sub-Populations

Differences by Family Structure

- Overall, single-parent families were about four times as likely to be in poverty and more than twice as likely to be low-income, compared to married-couple families.

- As seen above, family structure is strongly related to poverty status and low-income status, with single-parent families—and those families headed by single mothers in particular—having higher levels of poverty than married-couple families. (Figure 2)

- This difference has important implications, given that the proportion of families headed by single mothers has followed an upward trend across the past decade. (Figure 3)

Differences by Race and Hispanic Origin

- Racial and ethnic disparities in poverty levels persist across family-structure types.

- Over the past decade, the poverty rate among Black and Hispanic single-mother families has been consistently higher than the rates of their White and Asian counterparts. For instance, in 2010, 47.6 percent of Black, and 50.3 percent of Hispanic single-mother families were in poverty, compared with 32.7 percent of White, and 30.1 percent of Asian single-mother families. (Figure 2)

Differences by Age of Child or Householder

- Families with the youngest children are most likely to be poor.

- Families living with children under age six experience higher rates of poverty, compared with all families with children under age 18, and this is especially pronounced among families headed by single-mothers. This trend has been consistent throughout the past decade. In 2010, the poverty rate among single-mother families with children under age six was 54.0 percent, while the poverty rate among

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1Poverty estimates for Native Americans (American Indian and Alaska Natives) are not included in this brief due to the limited sample sizes in the U.S. Census Bureau Current Population Survey. However, according to data from the U.S. Census Bureau American Community Survey, which surveys a larger sample, American Indian and Alaska Natives experience high levels of poverty. For instance, in 2010, 47 percent of American Indian and Alaska Native single-mother families with related children under age 18 were living below the poverty level.
all single-mother families with children under age 18 was 40.7 percent. (Figure 4)

Families headed by younger single parents experience more economic hardships.

- Families headed by householders aged 18-24 have higher rates of poverty and low-income compared to families headed by householders 25 and older, especially among single-mother families. For instance, in 2010, the poverty rate for single-mothers aged 18-24 was 67 percent, compared to 27.9 percent among married-couple families with the householder aged 18-24. In addition, single mothers aged 18-24 had a higher poverty rate when compared to single mothers in the 25-34 age group (at 48.7 percent), the 35-44 age group (at 33.8 percent), and the 45-54 age group (at 30.1 percent). Similarly, the low-income rate for single-mothers within this age group was 88.5 percent, compared with 59.5 percent among married-couple families with the householder aged 18-24. (Figure 5)

Differences by Employment Status of Householder

Families headed by a single parent are more likely to be poor than families headed by married couples, even when at least one family member in the household is working full-time and year-round.

- Single-parent families with children are more likely to be living in poverty or to be low-income, despite having one member of the family working full-time and year-round, than are their married-couple counterparts. This pattern, which has been consistent across the past decade, holds across racial and ethnic groups. For example, in 2010, the poverty rate (at 13 percent) for single-mother families with at least one member of the family working full-time and year-round was more than three times higher than the rate (at 3.9 percent) for married-couple families with at least one family member working full-time and year-round. (Figure 6)

Poverty and Low-Income Status Among Children

Status and Trends across Poverty Thresholds

More than one in five children in the United States lived in poverty in 2010.

- In 2010, the percentage of children living in poverty reached nearly 22 percent, up from 15.6 percent in 2000 (Figure 7).

- The percentage of children living in poverty remained relatively stable during the first half of the decade, but has increased each year since 2006. (Figure 7)

One in ten children in the United States were in deep or extreme poverty in 2010.

- In 2010, approximately one in ten children lived in deep poverty. (Figure 7)

- The percentage of children living in deep poverty remained relatively stable throughout the earlier part of the decade, but began to swing upward after the recession began, with the proportion of children living in deep poverty approximately 8 percent in 2008, almost 9 percent in 2009, and nearly 10 percent in 2010. (Figure 7)

More than two in five children in the United States were low-income in 2010.

- In 2010, approximately 43 percent of children were low-income. Mirroring recent trends in child poverty, the percentage of children who are low-income increased since the recession hit in 2007, after remaining stable throughout much of the decade. (Figure 7)

Differences by Major Sub-Populations

Differences by Race and Hispanic Origin

Black and Hispanic children are disproportionately poor.

- In 2010, poverty levels among Black and Hispanic children (39.1 and 35.0 percent, respectively) were higher than those for White (12.4 percent) and Asian (14.4 percent) children. (Figure 8)

Differences by Age of Child

The youngest children are disproportionately poor.

- Young children under age 5 experience higher levels of poverty compared with children ages 5 to 17 (25.9 versus 20.5 percent in 2010). (Figure 9)

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It is important to note that within racial and ethnic groups there are variations in poverty and low-income rates among subgroups. For example, the poverty rates for people living in the United States who are of Vietnamese or Korean backgrounds may or may not differ from the rates of those from Indian or Japanese backgrounds. Variations among racial and ethnic subgroups are not included in this report.
Differences by Family Structure

Children in single-mother households are four times more likely to be poor, and twice as likely to be low-income, as children in households with two married parents.

- Family structure is also a strong determinant of children’s poverty and low-income status. Children growing up in single-mother households experience higher rates of poverty than those growing up in married-couple households (46.9 versus 11.6 percent, in 2010). (Figure 10)

- In 2010, children from single-mother households were more than twice as likely to be living in low-income households as were children from married-couple households (73.6 versus 30.7 percent). (Figure 10)

Differences by Employment Status of Householder

Children living in families headed by a single parent are more likely to be poor than children in families headed by a married couple, even when at least one family member in the household is working full-time and year-round."

- Children living in single-mother families are more likely to be living in poverty or to be low-income despite having at least one family member working full-time and year-round, in comparison with children in married-couple families with at least one family member working full-time and year-round. For example, in 2010, the poverty rate (at 17.5 percent) for children in single-mother families with at least one member of the family working full-time and year-round was more than three times higher than the rate (at 5.7 percent) for children in married-couple families with at least one family member working full-time and year-round. (Figure 11)

Poverty and Low-Income Status Among Adults

Status and Trends across Poverty Thresholds

Nearly one in seven working-age adults is poor.

- In 2010, 13.7 percent of working-age adults (ages 18-64) were living in poverty (Figure 12).

- After remaining relatively stable for most of the decade, the poverty rate for this group has followed an upward trend since 2007, the year the recession began. Specifically, the poverty rate among adults ages 18-64 was 10.9 percent in 2007; 11.7 percent in 2008; 12.9 percent in 2009; and 13.7 percent in 2010. (Figure 12)

- More than one in twenty working-age adults lives in deep poverty. In 2010, 6.3 percent of adults ages 18-64 lived in deep poverty, up from 3.9 percent in 2000. (Figure 12)

- Similar to the trend for children, the percentage of adults living in deep poverty remained stable throughout most of the decade, but began to swing upward after the recession began. (Figure 12)

- Almost one in three working-age adults is low-income. In 2010, approximately 30 percent of adults ages 18-64 were low-income, up from 24.2 percent in 2000. (Figure 12)

Differences by Major Sub-Populations and Education Status

Differences by Gender

- Women are more likely than men to be poor or low-income. This holds across most age groups and major racial and ethnic subgroups. For instance, in 2010, 15.3 percent of women were living in poverty, compared with 12 percent of men. Likewise, 32.1 percent of women were low-income, compared with 27.9 percent of men. (Figure 13) This pattern has remained consistent over the past decade. (Figure 13)

Differences by Race and Hispanic Origin

- Black and Hispanic adults are more likely to be poor than are White and Asian adults.

- Similar to the pattern found for children, poverty levels among Black and Hispanic adults are higher than those for their White and Asian counterparts. (Figure 14)

Differences by Age

- The highest rates of poverty among adults are found for young adults. Young adults (ages 18-24) have higher rates of poverty than older adults (ages 25 and older). Across all age groups, older adults (ages 65 and older) have the lowest levels of poverty, and rates for this group have remained relatively stable in recent years. (Figure 15)
Differences by Educational Status

- Adults living in poverty are more likely to have lower levels of education compared with adults living above the poverty line. Among adults living in poverty, almost two-thirds have a high school diploma or less and only 10.4 percent of them have a Bachelor’s degree or higher. By contrast, among adults living above the poverty line, 39.5 percent have a high school diploma or less education and 30.9 percent of them have a Bachelor’s degree or higher. (Figure 16).

Geographic “Hot Spots” for Poverty

Differences by State

Among the top 10 states with the highest poverty rates in the U.S., all but one are in the South.

- Poverty rates have been highest among the southern states, with Mississippi consistently having the highest poverty rate from 2005 to 2010. In 2010, Mississippi had a poverty rate of 22.4 percent up from 21.3 percent in 2005. (Figure 17)

- Similar patterns are found in state-level child poverty rates, with southern states consistently found to have higher child poverty rates. In addition, Mississippi experienced the highest child poverty rate in the nation in the past five years, with a rate of 32.5 percent of Mississippi’s children living in poverty in 2010, up from 30.9 percent in 2005. (Figure 18)

Differences by Large Metropolitan Area

Metropolitan areas in California and Texas have the highest rates of poverty among large metropolitan areas.

- In 2010, the McAllen-Edinburg-Mission, Texas Metropolitan area and the Fresno, California Metropolitan area had the highest rates of poverty (at 33.4 and 26.8 percent, respectively). (Figure 19)

Summary of Findings and Common Themes:

- In the wake of the recent recession which has resulted in persistently high rates of unemployment, poverty among two generation of families, that is working-age adults and their children, rose in the U.S. Overall, rates increased among almost all demographic groups between 2007, when the recession began, and 2010.

- Though the recent increases in poverty and low-income status were widespread, groups with historically high levels of risk for poverty—including children, young adults, young parents, single-mother families, and Blacks and Hispanics—experienced larger percentage point increases in rates of poverty or low-income during this time period.

- Poverty and low-income status vary greatly by age, racial and ethnic origin, gender, family structure, and geography.

- As individuals age, they are generally less likely to live in poverty. Children have the highest prevalence of poverty across all age groups, especially young children. Likewise, younger parents have higher poverty rates than older parents. And among adults, young adults ages 18-24 have the highest poverty rates, while older adults ages 65 and older have the lowest. These data patterns may be related, as the youngest children are more likely to have young parents who may not have completed their education or found steady employment. Likewise, the presence of children in these young households, particularly for single parents, is likely to exacerbate poverty.

- Blacks and Hispanics have higher levels of poverty and low-income status than their White and Asian counterparts. This finding holds across almost all age groups, family-structure types, and by gender.

- Women have higher levels of poverty than men. This finding holds across most age groups and major racial and ethnic groups.

- Among families living with related children, single-parent households—and especially single-mother households have higher levels of poverty than households headed by married couples.

- Poverty is highly concentrated in the southern region of the United States.
**FIGURE 1**

Percentage of Families with Children\(^1\) Living in Poverty or Low-Income, by Family Structure, 2000-2010

![Graph showing the percentage of families in poverty or low-income by family structure from 2000 to 2010.](image)

\(^1\)Estimates are for families with related children under the age of 18. Low-income estimates are not available for 2000 and 2001.


**FIGURE 2**

Percentage of Families with Children\(^1\) Living in Poverty or Low-Income, by Race, 2010

![Graph showing the percentage of families in poverty or low-income by race for 2010.](image)

\(^1\)Estimates are for families with related children under the age of 18.

Note: Estimates reflect the new OMB race definitions, and include only those who are identified with a single race. Hispanics may be of any race. Native American estimates are not included in the Current Population Survey due to their small sample size.

FIGURE 3

Percentage of Married-Couple Families and Single-Mother Families with Children\(^1\), 2000-2010

<table>
<thead>
<tr>
<th>Year</th>
<th>Married-couple families</th>
<th>Single-mother families</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>71.0</td>
<td></td>
</tr>
<tr>
<td>2001</td>
<td>70.1</td>
<td></td>
</tr>
<tr>
<td>2002</td>
<td>69.6</td>
<td></td>
</tr>
<tr>
<td>2003</td>
<td>69.1</td>
<td></td>
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<tr>
<td>2004</td>
<td>68.9</td>
<td></td>
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<tr>
<td>2005</td>
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<tr>
<td>2006</td>
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<tr>
<td>2007</td>
<td>68.1</td>
<td></td>
</tr>
<tr>
<td>2008</td>
<td>68.0</td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td>67.3</td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td>66.6</td>
<td></td>
</tr>
</tbody>
</table>

\(^1\)Estimates are for families with related children under the age of 18.

Source: Percentages were calculated by Child Trends based on data from the U.S. Census Bureau, Current Population Survey, Annual Social and Economic Supplement (CPS ASEC), September 2011.

FIGURE 4

Percentage of Families Living in Poverty, by Age of Child, and by Family Structure, 2010

<table>
<thead>
<tr>
<th>Family Structure</th>
<th>Families with children under age 6</th>
<th>Families with children under age 18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Married-couple families</td>
<td>11.7</td>
<td>40.7</td>
</tr>
<tr>
<td>Single-mother families</td>
<td>28.3</td>
<td>24.2</td>
</tr>
<tr>
<td>Single-father families</td>
<td>8.8</td>
<td></td>
</tr>
</tbody>
</table>

Figure 5

Percentage of Families with Children\(^1\) Living in Poverty or Low-Income, by Age of Householder, and Family Structure, 2010

![Bar chart showing percentage of families in poverty or low-income by age and family structure.]

\(^1\)Estimates are for families with related children under the age of 18.

Figure 6

Percentage of Families with Children\(^1\) Living in Poverty or Low-Income with at Least One Family Member Working Full-Time and Year-Round, by Family Structure, and by Race and Hispanic Origin, 2010

![Bar chart showing percentage of families in poverty or low-income by family structure and race/ethnicity.]

\(^1\)Estimates are for families with related children under the age of 18.
Note: Estimates reflect the new OMB race definitions, and include only those who are identified with a single race. Hispanics may be of any race. Native American estimates are not included in the Current Population Survey due to their small sample size.
**Figure 7**

Percentage of Children\(^1\) Living Below Selected Poverty Thresholds, 2000-2010

![Chart showing percentage of children living below poverty lines from 2000 to 2010.](image)

\(^1\)Estimates are for children related to the household who are under the age of 18.


**Figure 8**

Percentage of All Children Living in Poverty, by Race and Hispanic Origin, 2000-2010

![Chart showing percentage of children living in poverty by race and Hispanic origin from 2000 to 2010.](image)

Note: For 2001 and earlier years, the CPS allowed respondents to report only one race group. The reference race groups for 2001 and earlier poverty data are White, non-Hispanic White, Black, and Asian and Pacific Islander. Since 2002, estimates reflect the new CPS race definitions, and include only those who are identified with a single race. Hispanics may be of any race. Native American estimates are not included in the Current Population Survey due to their small sample size.

**Figure 9**

Percentage of All Children Living in Poverty, by Age Group, 2000-2010

- Under age 5
- Ages 5-17


**Figure 10**

Percentage of Children\(^1\) Living in Poverty or Low-Income, by Family Structure, 2000-2010

\(^1\)Estimates are for related children under the age of 18.

Figure 11

Percentage of Children\(^1\) Living in Poverty or Low-Income with at Least One Family Member Working Full-Time Year-Round, by Family Structure, and by Race and Hispanic Origin, 2010

\(^1\)Estimates are for families with related children under the age of 18.
Note: Estimates reflect the new OMB race definitions, and include only those who are identified with a single race. Hispanics may be of any race. Native American estimates are not included in the Current Population Survey due to their small sample size.


Figure 12

Percentage of Adults, Ages 18-64, Living Below Selected Poverty Thresholds, 2000-2010

**Figure 13**

Percentage of Adults, Ages 18-64, Living in Poverty or Low-Income, by Gender, 2000-2010


**Figure 14**

Percentage of Adults, Ages 18-64, Living in Poverty or Low-Income, by Gender, and by Race and Hispanic Origin, 2010

Note: Estimates reflect the new OMB race definitions, and include only those who are identified with a single race. Hispanics may be of any race. Native American estimates are not included in the Current Population Survey due to their small sample size.

**Figure 15**

Percentage of Adults Living in Poverty, by Age Group, 2000-2010


**Figure 16**

Percentage of Adults, Ages 25 and Older, Living in Poverty, by Educational Attainment, 2010

Source: Percentages were calculated by Child Trends based on data from the U.S. Census Bureau, American Community Survey, September 2011.
**Figure 17**

States with the 10 Highest Poverty Rates in 2010

- Georgia, 17.9
- Texas, 17.9
- West Virginia, 18.1
- South Carolina, 18.2
- Louisiana, 18.7
- Arkansas, 18.8
- Kentucky, 19.0
- Alabama, 19.0
- District of Columbia, 19.2
- New Mexico, 20.4
- Mississippi, 22.4

United States, 15.3

Source: U.S. Census Bureau, American Community Survey, September 2011.

**Figure 18**

States with the 10 Highest Child Poverty Rates in 2010

- Texas, 25.7
- Tennessee, 25.7
- South Carolina, 26.1
- Kentucky, 26.3
- Louisiana, 27.3
- Arkansas, 27.6
- Alabama, 27.7
- New Mexico, 30.0
- District of Columbia, 30.4
- Mississippi, 32.5

United States, 21.6

Source: U.S. Census Bureau, American Community Survey, September 2011.
Figure 19

**Large Metropolitan Areas with 10 Highest Poverty Rates in 2010**