

## **II.B. Counting the Poor and Malnourished**

**II.B.1. Counting the Poor**

**II.B.2. Counting the Malnourished**

## **II.B.1. COUNTING THE POOR**

# **COUNTING THE POOR:**

**Extent: Headcount**

**# or % below poverty line**

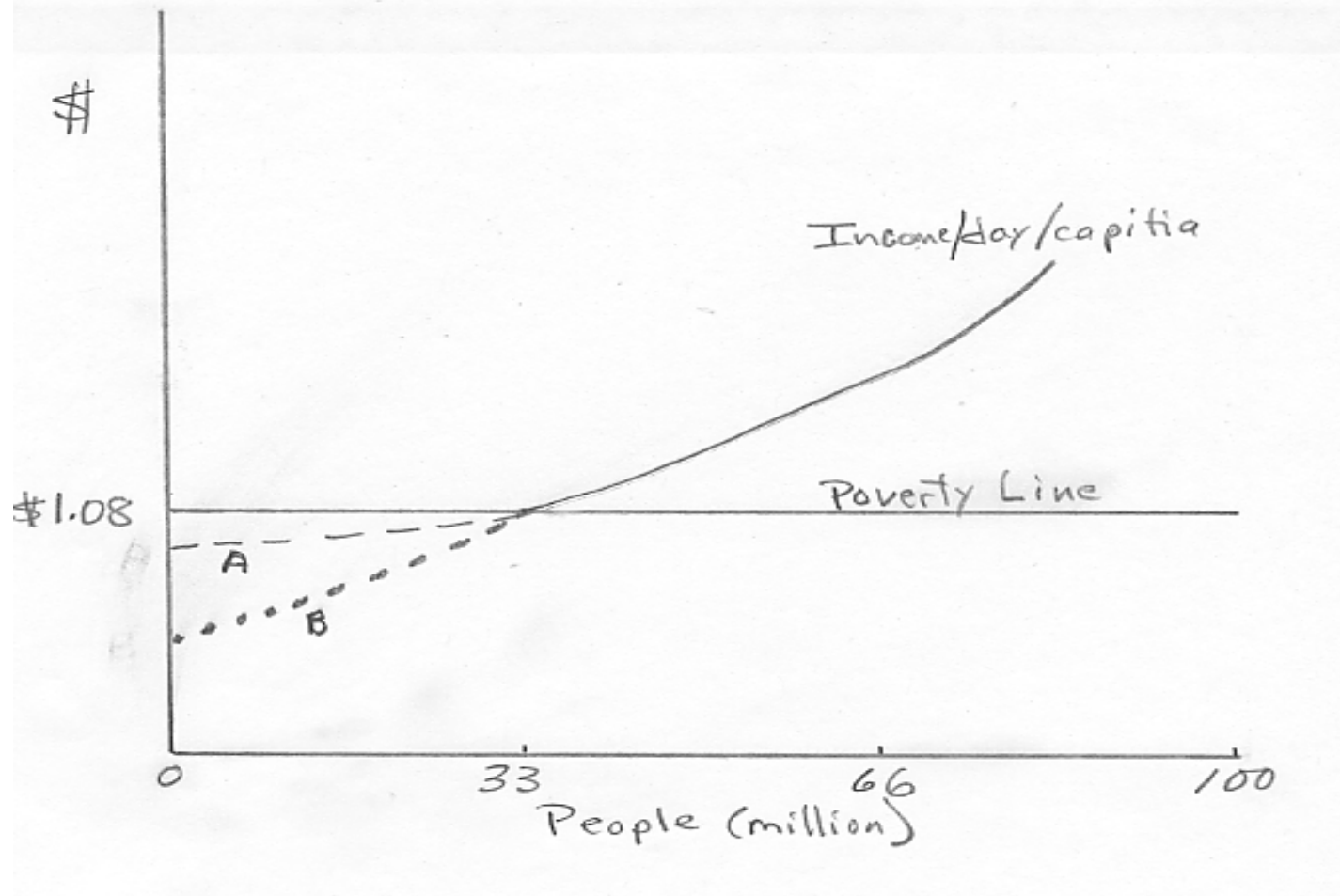
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**Severity: Poverty Gap**

1. “aggregate income shortfall of the poor as a percentage of aggregate consumption” (3% 1985; all LDCs)
2. **Poverty Gap Index** = mean distance below poverty line where mean is taken over whole population (non poor have 0 gap)

# Poverty Headcount and Poverty Gap:

A and B have same headcount;  
B has greater poverty gap



## HOW MANY POOR IN DEVELOPING COUNTRIES?

|                  | <b><u>Poor</u><sup>1</sup></b><br># and (%) below \$1.08<br>per person per day |                             | <b><u>Hungry</u><sup>2</sup></b><br># and (%)<br>undernourished |
|------------------|--|-----------------------------|---|
|                  | (# in millions)  |                             |   |
| 1979-81          | —————  |                             | 920<br>(28%)  |
| 1987             | 1,183<br>(28%)   |                             | —————   |
| <u>1990-92</u>   | 1,276<br>(29%)   |                             | 819<br>(20%)  |
| <u>1998-2000</u> | 1,198<br>(24%)   | 2,801 <sup>A</sup><br>(56%) | 799<br>(17%)  |

1. Source: Chen, S. and M. Ravallion. 2000. "How Did the World's Poorest Fare in the 1990's." W.B.

2. Source: FAO. 2002. The State of Food Insecurity in the World.

A. Upper Poverty line = \$ of 2/person/day

# Human Development Index 2001

| <u>HDI Rank</u> |              | <u>HDI</u> | <u>GDP Rank - HDI Rank</u> |
|-----------------|--------------|------------|----------------------------|
| • 1             | Norway       | .944       | +4                         |
| • 7             | U.S.         | .937       | -5                         |
| • 55            | Mexico       | .800       | +3                         |
| • 104           | China        | .721       | -2                         |
| • 127           | India        | .590       | -12                        |
| • 147           | Uganda       | .489       | +1                         |
| • 151           | The Gambia   | .463       | -20                        |
| • 174           | Niger        | .292       | -10                        |
| • 175           | Sierra Leone | .275       | 0                          |

## GDP Rank - HDI Rank

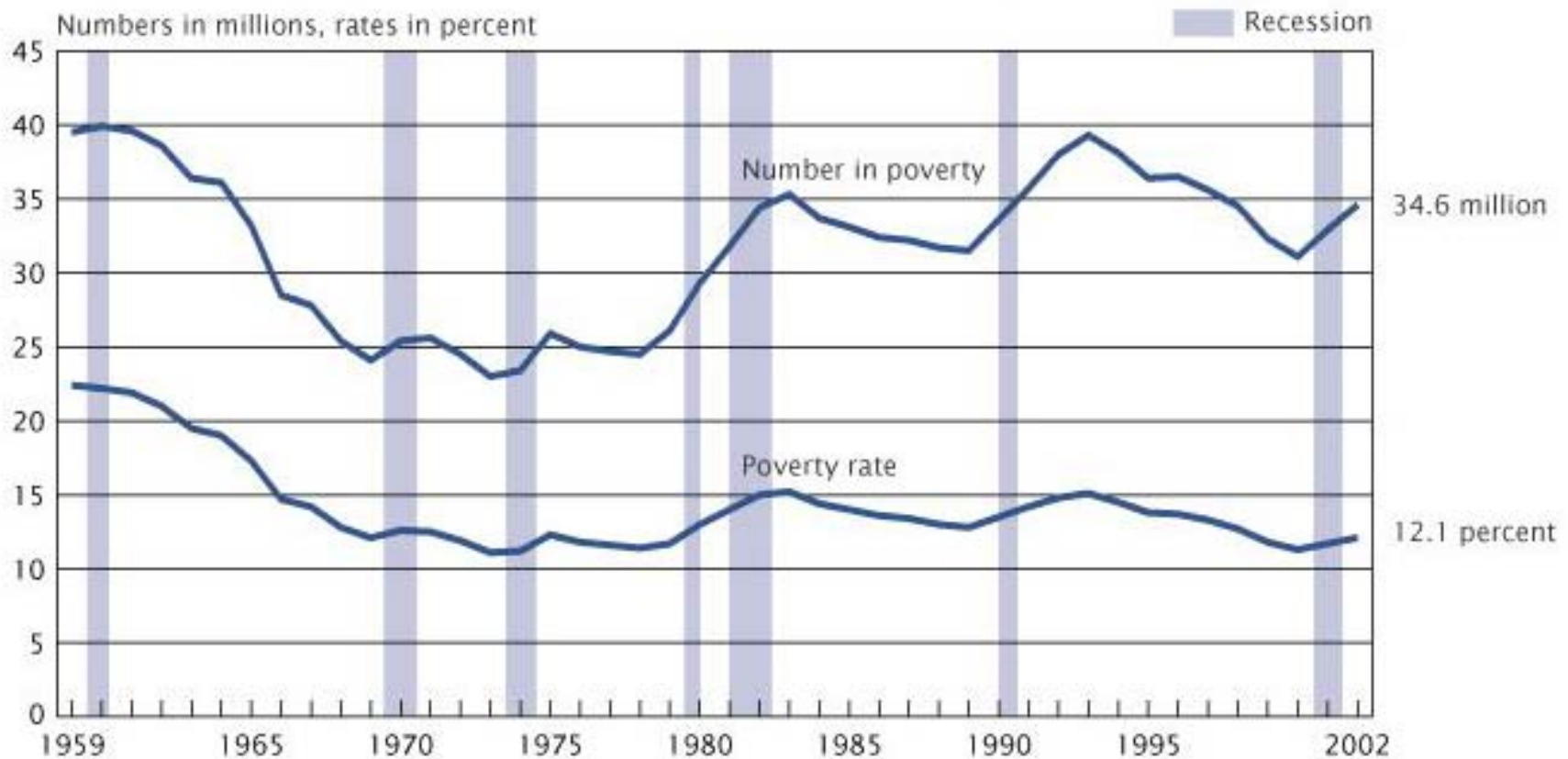
- A negative number means that the country ranked worse (higher number) on Human Development Index than on Gross Domestic Product.
- This could be interpreted as the country being less effective than average in how GDP improves human development because of, e.g, income inequality or policies.

## HDI Changes 1975 - 2001

|              | <u>1975</u> | <u>1985</u> | <u>2001</u> |
|--------------|-------------|-------------|-------------|
| Mexico       | .684        | .748        | .800        |
| China        | .521        | .591        | .721        |
| India        | .416        | .481        | .590        |
| Uganda       | .....       | .402        | .489        |
| Gambia       | .291        | .....       | .463        |
| Niger        | .243        | .254        | .292        |
| Sierra Leone | .....       | .....       | .275        |

# U.S. POVERTY, 1959 - 2002 (#,%)

Figure 1.  
**Number in Poverty and Poverty Rate: 1959 to 2002**

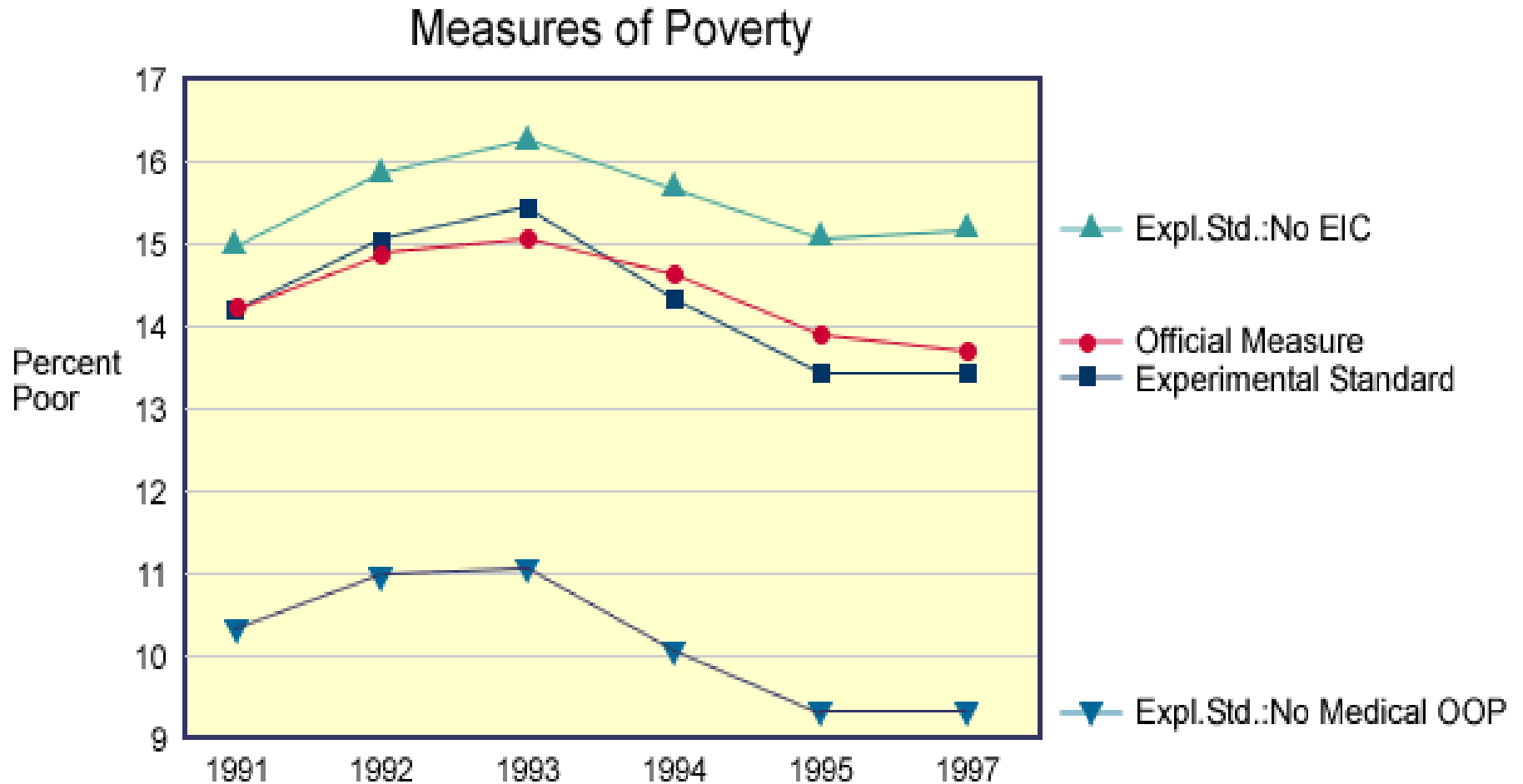


Note: The data points represent the midpoints of the respective years.

Source: U.S. Census Bureau, Current Population Survey, 1960-2003 Annual Social and Economic Supplements.

# ALTERNATIVE POVERTY THRESHHOLDS

Source: UW Institute for Research on Poverty



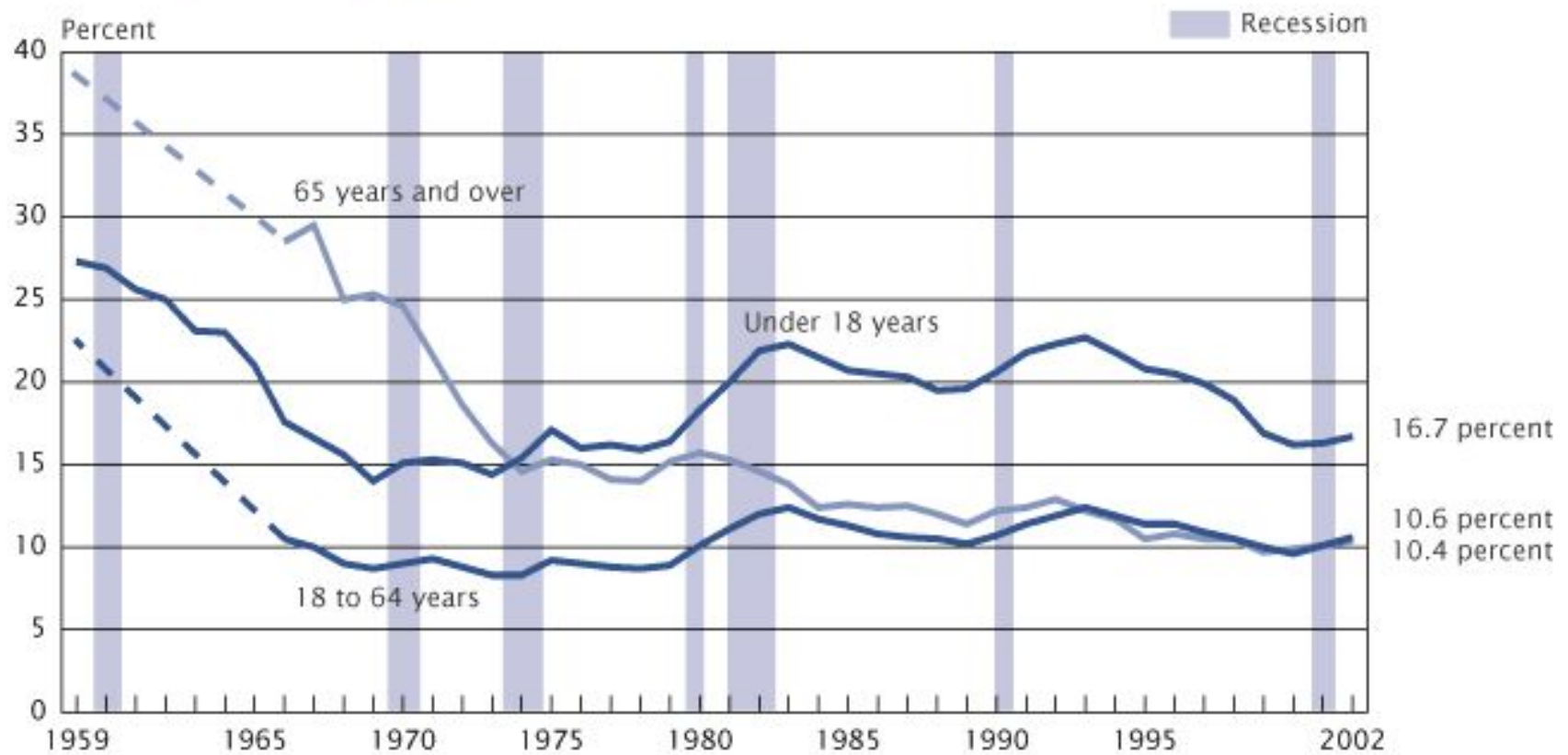
# NOTES FOR ALTERNATIVE POVERTY THRESHHOLDS

- The navy line (square markers) shows what U.S. poverty trends would look like after public benefits such as food stamps and housing subsidies are added to income and the various costs of working, such as taxes, child care, and medical expenses are subtracted. If all these income sources and expenses are taken into account, the incidence of poverty declines slightly. The blue line (inverted triangular markers) shows poverty trends when out-of-pocket (OOP) medical expenses are ignored (the incidence of poverty decreases greatly); the green line (triangular markers) shows the trends when the Earned Income Credit, a federal earnings subsidy for low-income families, is ignored (the incidence of poverty increases somewhat)

Source: UW Institute for Research on Poverty

# U.S. POVERTY BY AGE, 1959 -2002 (%)

Figure 2.  
**Poverty Rates by Age: 1959 to 2002**



Note: The data points represent the midpoints of the respective years.

Data for people 18 to 64 and 65 and older are not available from 1960 to 1965.

Source: U.S. Census Bureau, Current Population Survey, 1960-2003 Annual Social and Economic Supplements.

# U.S. POVERTY BY FAMILY TYPE, 2002 (%)

Figure 4.

## Poverty Rates of People in Families by Family Type and Presence of Workers: 2002

(Percent)



Source: U.S. Census Bureau, Current Population Survey, 2003 Annual Social and Economic Supplement.

# **U.S. POPULATION BELOW POVERTY** **LEVEL BY RACE, 2002**

|                            | <u>(million)</u> | <u>(%)</u> |
|----------------------------|------------------|------------|
| <b>All Races</b>           | 34.6             | 12.1       |
| <b>White</b>               | 23.5             | 10.2       |
| <b>Black</b>               | 8.6              | 24.1       |
| <b>Asian</b>               | 1.2              | 10.1       |
| <b>Hispanic (any race)</b> | 8.6              | 21.8       |

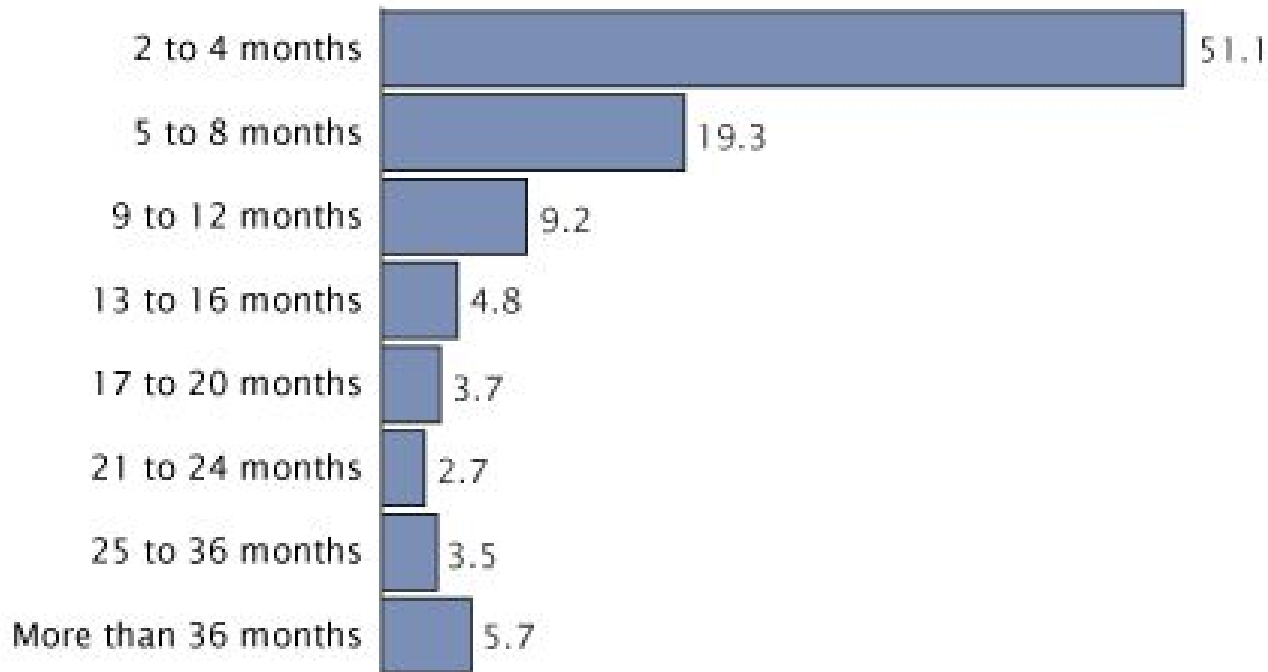
Source: U.S. Census Bureau,  
<http://www.census.gov/hhes/poverty/poverty02/table7.pdf>

# DURATION OF POVERTY, U.S., 1996-99

Figure 6.

## **Duration of Poverty Spells: 1996 to 1999**

(Percent of poverty spells. Excludes spells underway during the first interview month)



Note: 2.0 percent of people were in poverty for all 48 months; they are not included in the above distribution.

Source: U.S. Census Bureau, 1996 Survey of Income and Program Participation; from John Iceland, *Dynamics of Economic Well-Being: Poverty 1996-1999*, P70-91, July 2003. See also [www.census.gov/hhes/www/sipp96/sipp96.html](http://www.census.gov/hhes/www/sipp96/sipp96.html).

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**U.S. POVERTY DATA AT:**

**[http://www.census.gov/hhes/www/  
poverty.html](http://www.census.gov/hhes/www/poverty.html)**