

Indeed, those groups with income farthest away from their estimated need in 1959 were the groups that showed the least improvement in economic status.

POVERTY IN THE UNITED STATES, 1959-65

A brief summary of what we know about the poor as we define them may be in order. In 1959, just under 40 million persons, representing 22 percent of the noninstitutional population of the United States, were living in families (including single-person units) with annual incomes below the poverty line. By 1965, the number of persons living in poverty by this count was 32.7 million—6 million fewer—and 17 percent of the noninstitutional population.¹

The drop in the number of poor was largely a result of the increased job opportunities and higher earnings levels resulting from the favorable economic conditions of these years. As a result a larger proportion of the poor in 1965 were persons with limited earning capacity or those whom age, disability, or other factors kept out of the labor market entirely.

In 1959 of all households counted poor, 8 million were headed by a man and 5½ million by a woman; by 1965 the number of poor households headed by a man had dropped to 6 million, but those headed by a woman remained almost unchanged. And although there were now only five households in poverty for every six in 1959, the number of one or two person families with an aged head remained as it had been, close to 4 million. Indeed, despite improvement, accounted for in large measures by the increasing number of aged drawing OASDI, persons aged 65 and over were still the most poverty-stricken group in the Nation.

In 1959, 37 percent of persons 65 and over were living in poverty, compared with 21 percent of all other age groups. Six years later, the poverty rates were 30 percent for the aged and 16 percent for all others.

A majority of the aged live alone or with just one other person. In 1965 two out of five households consisting of one aged person or an elderly couple fell below the poverty line, compared with but one in seven of all other households. The families of the aged generally have lower incomes than younger households of the same size because they are less likely to include a steady earner, and because the public programs which help many of the aged generally pay less than the earnings they are intended to replace. On the average aged couples or persons living alone must get along on less than half the money income available to a young couple or single person—a difference greater than any possible differential in living requirements.

The fact that aged men and women are less likely to work regularly than younger persons is the main reason why poverty is so much more prevalent among the aged. When families are matched by work experience and sex of the head, aged families are not so much worse off than others. For example although the poverty rate for all aged men's families is twice that of younger ones, when the head works full time the year round the rate of poverty among the aged is only 50 percent greater than among others. And indeed when the head does not work at all the average aged family will do better than a corresponding younger family because of the social security and other public support programs more readily available to older people. Among the families of men who did not work at all in 1965, 25 percent of the aged were in poverty compared with 35 percent when the head was 55-64, and 42 percent if he was under 55.

The role of social security and other public programs in ameliorating poverty is quite evident also in the situation of families headed by a woman. Because a woman responsible for a family cannot work as readily as a man and will earn less when she does, the families of women are generally much poorer than men's families. But by age 65 when most men heading a family are not working regularly either, the economic gap between the man's and woman's family lessens. With a head under 55 a woman's family is five times likely to be poor as a man's; between 55 and 64, the woman's family is two and a fourths as likely to be poor as the man's by age 65 or older, the risk of poverty for the woman's family is not quite twice that of man's, and if both are not working at all, the woman's family is no more than one and a fourth times as likely to be poor as the man's.

While the aged, the disabled, and families headed by a woman with children make up the hard-core poor, there is a substantial amount of poverty among

¹ These estimates are based on special tabulations from the Current Population Survey made by the Bureau of the Census for the SSA. The data have been published in a series of articles by Mollie Orshansky in the *Social Security Bulletin*: (See the *Social Security Bulletin* for January and July 1965, and April, May, and December 1966) and summary figures used in the Economic Report of the President and Annual Report of the Council of Economic Advisors for January 1966 and January 1967.