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New Poverty and Food Insecurity Data Illustrate Persistent Racial Inequities

Data make it clear that policymakers must finally commit to an expansive racial equity agenda to ensure that racial and gender economic disparities do not continue into the future.

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A person receives free food as part of an outreach program, December 2013, in the Brooklyn borough of New York City. (Getty/John Moore)

Authors' note: The authors conducted analyses for this column exclusively on non-Hispanic white, non-Hispanic Black, and Hispanic households. Due to small sample sizes, data on Asian Americans, Pacific Islanders, and Native Americans were not included in this study.

New Poverty and Food Insecurity Data Illustrate Persistent Racial Inequities - Center for American Progress

This month, both the <u>U.S. Census Bureau</u> and the <u>U.S. Department of Agriculture</u> released new official data that detail American households' economic well-being and hardship in 2020. The <u>topline numbers</u> show that the official poverty rate increased from 10.5 percent to 11.4 percent, a much smaller increase than expected due to expanded federal aid in response to the COVID-19-induced recession. Those overall national statistics, however, hide an enduring and pervasive pattern: In both good economic times and bad, Black and Hispanic families consistently experience crisis-level rates of poverty and food insecurity, especially when compared with their white counterparts.

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These disparities do not exist by chance. They are direct consequences of <u>decisions</u> made by policymakers, <u>over centuries</u> and <u>at every level of government</u>, to exclude Black and Hispanic families from the systems and institutions that allow many white families to build financial security, collect generational wealth, and experience economic mobility. Sexism, racism, ableism, and other forms of marginalization also manifest in today's labor market through well-documented realities such as <u>occupational segregation, gender</u> and <u>racial</u> wage and <u>wealth</u> gaps, persistent <u>racial</u> and gender unemployment disparities, hiring discrimination, <u>barriers to employment for</u> those involved in the criminal justice system, and more. Policymakers should consider implementing a comprehensive social safety net to reverse these disparate trends in poverty and food insecurity, and they must commit to a thorough racial equity agenda.

The COVID-19 pandemic and recession have only exacerbated the conditions that allow this oppression to persist. <u>Black and Hispanic</u> communities have been particularly hard hit by the health and economic crises, experiencing more job losses, <u>higher rates of infection</u> and mortality, and <u>greater likelihood of evictions</u> and <u>hunger</u> than their white counterparts—and more—in just the past year-and-a-half.

This column highlights a series of figures that display the stark racial disparities in poverty rates over the past few decades, highlighting the effects of racial and economic inequities on poverty, food insecurity, and other determinants that reflect all families' overall well-

Black and Hispanic communities have been particularly hard hit by the health and economic crises, experiencing more job losses,

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being and economic security. Unless policymakers act in a deliberate and targeted manner, the already troubling racial trends demonstrated in the data will continue unabated. higher rates of infection and mortality, and greater likelihood of evictions and hunger than their white counterparts—and more—in just the past year-and-a-half.

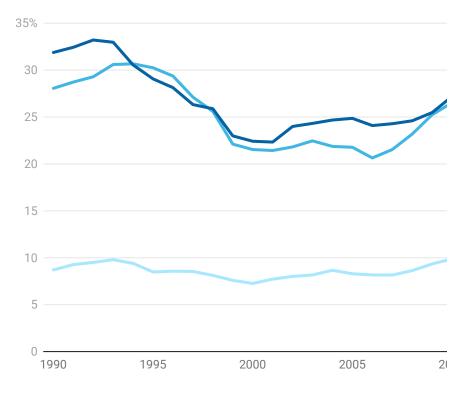
Multiple measures of poverty demonstrate extreme racial disparities

The official poverty rate, as calculated by the official poverty measure (OPM), reveals that for the past three decades, Black and Hispanic poverty rates have been significantly and consistently 2 times to 3 times higher than the poverty rates of white Americans. In 2019, Black and Hispanic poverty rates reached historic lows at 18.8 percent and 15.7 percent, respectively; in contrast, the white poverty rate over those same decades was 10.1 percent at its highest, in 2014. In fact, historically low poverty rates for Black and Hispanic people are still significantly higher than the worst poverty rates experienced by their white counterparts—a clear indicator that systemic racism shapes the U.S. economy.

Figure 1

The official poverty rate shows drastically wide racial disparities for the past two decades

Official poverty measure by race, 1990-2020



Hover over or click to see values.

Chart: Center for American Progress • Source: Authors' calculations based on the official poverty measure using the 1990–2020 Current Population Survey. Annual Social and

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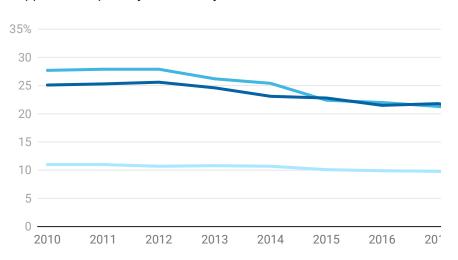
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The disparities may be even larger than the OPM suggests. The OPM is widely regarded as an <u>outdated metric</u> of financial deprivation; it doesn't account for <u>disparate costs</u> of living across the country, or necessary costs such as housing, child care, or medical expenses.

Figure 2

After accounting for government benefits, the supplemental poverty measure still has wide racial disparities

Supplemental poverty measure by race, 2010-2020



Hover over or click to see values.

Chart: Center for American Progress • Source: Authors' calculations based on the official poverty measure using the 1990–2020 Current Population Survey. Annual Social and

Another measure—the supplemental poverty measure (SPM)—takes into consideration a more comprehensive range of expenses and income sources when determining poverty rates. Even with a poverty rate inclusive of government programs and refundable tax credits, Black and Hispanic people have been more than twice as likely to experience poverty as their white counterparts every year for the past 10 years.

Racial disparities in the Black and Hispanic poverty rates persisted in 2020

U.S. poverty rates in 2020 according to the official poverty measure (OPM) and the supplemental poverty measure (SPM), by race and ethnicity

OPM rate	SPM rate				
Black, non-Hisp	anic				
					19.5%
			14.6%		
Hispanic					
				17%	
			14%		
White, non-Hisp	anic				
	8.2%				
	8.1%				
Overall					
		11.4%			
	9.1%				
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For women of color, racism and sexism compound economic inequities

While women overall are more likely to experience poverty than men (12.6 percent, compared with 10.2 percent in 2020), the disparities are even more pronounced for women of color. Black and Hispanic women experienced poverty rates of 21.5 percent and 18.8 percent, respectively, in 2020. (see Figure 3)

Black and Hispanic women are <u>disproportionately represented</u> in jobs that offer low wages and insufficient workplace protections and benefits. They also experience lower wages than men employed in the same occupations. A <u>lack of work-family policies</u> to support work and caregiving—such as national paid family and medical leave and affordable child care—also fuel these stark disparities.

Both poverty measures show disparate rates between Black, Hispanic, and white men and women of color.

Disparities in poverty rates by race/ethnicity and gender were stark in 2020

U.S. poverty rates in 2020 according to the official poverty measure (OPM) and the supplemental poverty measure (SPM), by race/ethnicity and gender

Men	OPM		SPM	
Black, non- Hispanic men		17.3%		13.7%
Hispanic men		15.2%		13.5%
White, non- Hispanic men	7.3%		6.1%	
All men	10.2%		8.6%	
Women Black, non-	OPM		SPM	

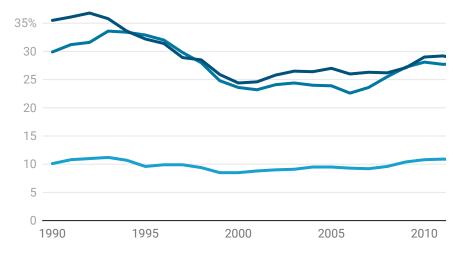
Black, non- Hispanic women	2	1.5%	15.5%
Hispanic women	18.8	%	14.5%
White, non- Hispanic women	9%	6.9%	
All women	12.6%	9.6%	/ D

Moreover, Black and Hispanic women have been twice as likely to experience poverty than their white counterparts.

Figure 5

Black and Hispanic women experienced higher rates of poverty than white women

Official poverty measure among women, by race, 1990-2020



Hover over or click to see values.

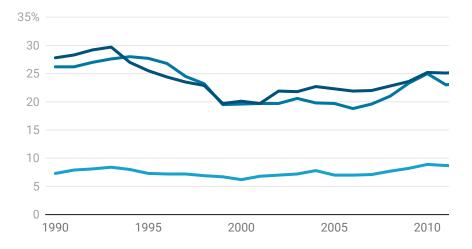
Chart: Center for American Progress • Source: Authors' calculations based on the official povertv measure using the 1990–2020 Current Population Survey. Annual Social and

Black and Hispanic men are also twice as likely to experience poverty than white men.

Figure 6

Twice as many Black and Hispanic men are in poverty than white men

Official poverty measure among men, by race, 1990-2020



Hover over or click to see values.

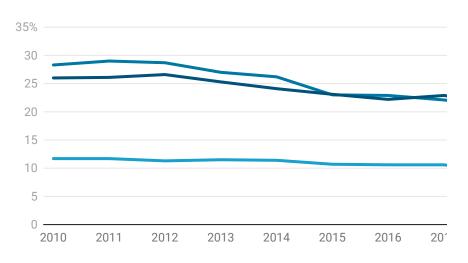
Chart: Center for American Progress • Source: Authors' calculations based on the official poverty measure using the 1990–2020 Current Population Survey, Annual Social and Economic Supplement. See Steven Ruggles and others, "Integrated Public Use Microdata Series, 2019 Current Population Survey, Annual Social and Economic Supplement"

After accounting for funds from government programs and refundable tax credits, disparate poverty trends remain high among Black and Hispanic women.

Figure 7

The supplemental poverty measure decreased among women in 2020

Supplemental poverty measure among women, by race, 1990–2020



Hover over or click to see values.

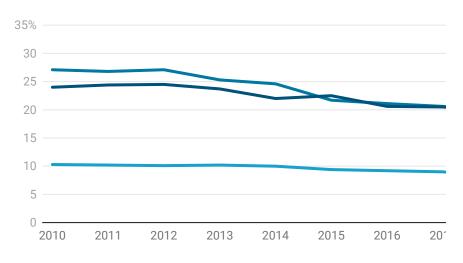
Chart: Center for American Progress • Source: Authors' calculations based on the official poverty measure using the 1990–2020 Current Population Survey, Annual Social and Economic Supplement. See Steven Purgles and others. "Integrated Public Use Microdate

Similarly, Black and Hispanic men still experience twice the poverty rate of white men after accounting for supplemental income from government programs.

Figure 8

The supplemental poverty measure decreased among men in 2020

Supplemental poverty measure among men, by race, 1990–2020



Hover over or click to see values.

Chart: Contar for American Dragrade - Source: Authors' coloulations based on the official

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Black and Hispanic households are more than twice as likely to experience food insecurity

Over the past 20 years, both Black and Hispanic households have consistently been at least twice as likely as white households to experience food insecurity.

The massive influxes of federal aid and nutrition assistance in response to the COVID-19 pandemic and resulting economic recession helped the United States avoid a devastating national increase in poverty during an unprecedented economic shock: From 2019 to 2020, the Department of Agriculture's overall estimate of annual food insecurity remained unchanged at 10.5 percent. Even as the national rates went unchanged, however, Black and Hispanic households experienced an alarming spike in food insecurity. In 2020, 21.7 percent of Black households experienced food insecurity, as did 17.2 percent of Hispanic households and 7.1 percent of white households. These disparities are not natural; deep structural inequities—such as the wage and wealth gaps, elevated poverty rates, <u>disparate and racialized access to food</u>, and more—have created this consistent reality.

Black and Hispanic households experienced increased rates of food insecurity in 2020.

Figure 9

Black and Hispanic households experienced higher rates of food insecurity than other households in 2020

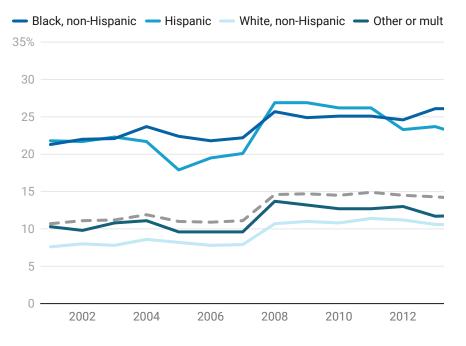
Household food insecurity rates by race, 2020

	Overall household food insecurity rates: 10.5%		
Black, non-Hispanic		21.7%	
Hispanic	17.2%		
White, non-Hispanic	7.1%		
Other or multiple	0 0 %		

The past two decades show a persistent trend in food insecurity for Black and Hispanic households.

For the past two decades, Black and Hispanic households have been twice as likely to experience food insecurity than white households

Household food insecurity by race, 2001–2020



Hover over or click to see values.

Chart: Center for American Progress • Source: U.S. Economic Research Service.

In 2020, household median income decreased across white, Black, and Hispanic households.

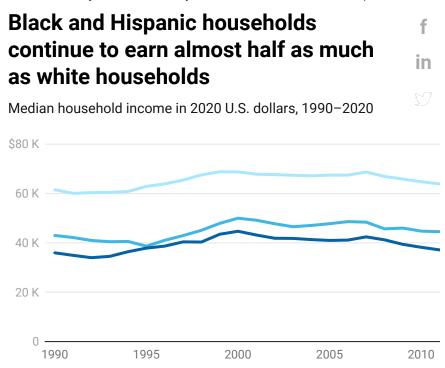
Figure 11

Median household income decreased in 2020

U.S. median household income in 2020 U.S. dollars, by race and ethnicity, 2019–2020

		202	20 2019
Overall		\$67,52	1 \$69,560
White, non- Hispanic			\$74,912 \$77,00
Hispanic	\$55,321	\$56,814	
Black, noŋ ₄₀₉₄ Hispanic	\$9870 \$ \$ \$900\$0	\$60,000	\$70,000 \$80,000

Historically, however, Black and Hispanic households have earned 60 percent to 75 percent of what white households earn.



Hover over or click to see values.

Chart: Center for American Progress • Source: U.S. Census Bureau. "Historical Income

The racial income gaps between Black and Hispanic households and their white counterparts contribute to the cycle of intergenerational poverty. Over the past two decades, Black and Hispanic households have consistently earned a little over half what white households earned.

Conclusion

Year after year, Black and Hispanic families experience unacceptable levels of poverty and food insecurity. Policymakers cannot be complacent in an economy where racial disparities are considered commonplace rather than a national emergency.

A comprehensive social safety net that allows families to meet their basic needs regardless of their experience in the labor market, as well as increased workplace protections and union coverage, higher wages, and more, are all essential parts of an agenda for an equitable economic recovery. But reversing trends in poverty rates, food insecurity, median household incomes, and other markers of well-being will require targeted interventions that address the root causes of structural racism and gender inequity and provide redress for past injustices. The data are clear—now, policymakers must finally commit to an expansive racial equity agenda to ensure these disparities do not continue into the future.

Areeba Haider is a research associate for the Poverty to Prosperity Program at the Center for American Progress. Lorena Roque is a senior policy analyst on the Racial Equity and Justice team at the Center.

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