

## Statistics on the Consequences of Poverty

In this report, Hanover Research provides statistics that illustrate the major consequences of poverty. The data presented in this report are intended to help readers understand in statistical terms the impact of poverty on a variety of outcomes.

## Introduction

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The first section of this report provides a series of tables and graphs comparing risk factors for children who grow up in poverty to their more affluent counterparts. In selecting data for this section, we only included categories in which there is a statistically significant difference between poor and non-poor outcomes. Areas in which there does not appear to be a significant impact of poverty – for example, obesity rates or diabetes risk – were not included in this report. All information was taken from scholarly journals and other reputable studies, as documented throughout this report. Additionally, because the information presented here is based on a variety of data sources and uses a number of criteria for analysis, we identify the sources of data and definitions of poverty measures along with all tables. The data presented in this section are organized by six categories of outcomes: home and family trends, academics, health, fertility, behavior, and employment and income.

In the second section, we provide three tables comparing Georgia state and national figures in three key areas: the proportion of the population living in poverty, uninsured populations, and educational attainment trends. All data in this section were obtained from the U.S. Census Bureau's American Community Survey.

## Section I: Review of National Data on the Impact of Poverty

In this section, we provide a series of tables and graphs comparing risk factors for children who grow up in poverty to their more affluent counterparts. The data are organized into six categories of outcomes: home and family trends, academics, health, fertility, behavior, and employment and income. In selecting data for this section, we only included categories in which there is a statistically significant difference between poor and non-poor outcomes. All information was taken from scholarly journals and other reputable studies, as documented throughout this report. Additionally, because the information presented here is based on a variety of data sources and uses a number of criteria for analysis, we identify the sources of data and definitions of poverty measures along with all tables.

### Home/Family

A report from the Brookings Institution’s Social Genome Project revealed that **poor families differ from moderate- to high-income families on a number of characteristics.**<sup>1</sup> The table below lists the percentages of poor families and moderate or high income families that experience various negative qualities that may affect school readiness and subsequent outcomes. The percentages shown stem from Brookings tabulations of Early Childhood Longitudinal Study-Birth Cohort (ECLS-B) data. Families with a household income of less than 100 percent of the federal poverty line were defined as “poor,” while families with a household income of at or above 185 percent of the poverty line were defined as “moderate or high income.”

**Table 1: Percentage of Families with Various Characteristics by Income Level**

School Readiness Characteristic	% of Poor Families	% of Moderate or High Income Families
Mother has less than HS degree	42%	4%
Mother not married	64%	17%
Teen mother	23%	5%
Low birth weight	10%	6%
Smoking during pregnancy	19%	7%
Mother in poor/fair health	14%	4%
Mother depressed	55%	28%
Low on maternal supportiveness	27%	8%
Low on cognitive stimulation	30%	12%

Source: The Brookings Institution

<sup>1</sup> Isaacs, J. 2012. “Starting School at a Disadvantage: The School Readiness of Poor Children.” Center on Children and Families at Brookings, 6.  
[http://www.brookings.edu/~media/Files/rc/papers/2012/0319\\_school\\_disadvantage\\_isaacs/0319\\_school\\_disadvantage\\_isaacs.pdf](http://www.brookings.edu/~media/Files/rc/papers/2012/0319_school_disadvantage_isaacs/0319_school_disadvantage_isaacs.pdf)

More evidence of the impact of poverty on home and family characteristics is listed in a 1997 report by Jeanne Brooks-Gunn and Greg Duncan. Based on an analysis of data from multiple datasets, including the second National Health and Nutrition Examination Survey (NHANES II), the Study of National Incidence and Prevalence of Child Abuse and Neglect, and the Survey of Income and Program Participation, Brooks-Gunn and Duncan revealed that several home-based indicators of well-being are more common among poor children (defined as “growing up in a low-income household”) compared to non-poor children.<sup>2</sup>

**Table 2: Selected Home and Family Indicators of Well-Being for Poor and Non-Poor Children in the United States**

Indicator of Well-Being	% of Poor Children	% of Non-poor Children
Experienced hunger (food insufficiency) at least once in past year	15.9%	1.6%
Reported cases of child abuse and neglect	5.4%	0.8%
Afraid to go out in their neighborhood	19.5%	8.7%

Source: Brooks-Gunn and Duncan, 1997

### Academics

A high level perspective on the impact of poverty and academic outcomes is provided by Isabel Sawhill at the Brookings Institute. Sawhill analyzed data collected by the Social Genome Project to identify the percentage of children born “advantaged” and “disadvantaged” that attain success at different life stages. Sawhill defines “advantaged” as having family income above the poverty line, married parents, a mother with at least a high school degree, and being born normal birth weight; conversely, children born “disadvantaged” are those who fail on at least one of the specified criteria.<sup>3</sup>

Early and middle childhood success are described as “displaying appropriate math and reading skills and having appropriate behavior,” while adolescent success means “graduating from high school with at least a 2.5 GPA, not being convicted of a crime, and not becoming a parent.”<sup>4</sup> Across all three life stages, Sawhill found that **disadvantaged youth are far less likely to be successful, with the greatest difference seen in adolescence.**

<sup>2</sup> Brooks-Gunn, J. and Duncan, G. 1997. “The Effects of Poverty on Children.” *Children and Poverty*, 7:2, 58-59. [http://www.princeton.edu/futureofchildren/publications/docs/07\\_02\\_03.pdf](http://www.princeton.edu/futureofchildren/publications/docs/07_02_03.pdf)

<sup>3</sup> Sawhill, I. 2012. “Are We Headed Toward A Permanently Divided Society?” Center on Children and Families at Brookings, CCF Brief #48, 6. [http://www.brookings.edu/~media/Files/rc/papers/2012/0330\\_divided\\_society\\_sawhill/0330\\_divided\\_society\\_sawhill.pdf](http://www.brookings.edu/~media/Files/rc/papers/2012/0330_divided_society_sawhill/0330_divided_society_sawhill.pdf)

<sup>4</sup> Ibid.

**Table 3: Percent Successful in Early Childhood, Middle Childhood, and Adolescence, by “Advantage” at Birth**

Life Stage	Advantaged at Birth	Disadvantaged at Birth
Early childhood success	68%	53%
Middle childhood success	68%	47%
Adolescent success	69%	40%

Source: The Brookings Institution

Several studies have described links between socioeconomic status and race and school performance and readiness. The table below illustrates the findings from a study by Greg Duncan and Katherine Magnuson, which “considers whether the disparate socioeconomic circumstances of families in which white, black, and Hispanic children grow up account for the racial and ethnic gaps in school readiness among American preschoolers.”<sup>5</sup> The data for the study were drawn from the Early Childhood Longitudinal Study-Kindergarten (ECLS-K), Children of the National Longitudinal Study of Youth (CNLSY), and the Infant Health and Development Program (IHDP).

The numbers listed under “Raw Gap” represent the unadjusted mean racial differences across four studies of school readiness; i.e., black students performed nearly two-thirds of a standard deviation lower than white students in math. The numbers listed under “Adjusted for SES” demonstrate the remaining differences between black students and white students after accounting for socioeconomic status; i.e., when comparing students within the same SES group, black students perform only one-tenth of a standard deviation lower than white students in math, and almost one-tenth of a standard deviation better than white students in reading. Therefore, Duncan and Magnuson conclude that **“a handful of family and child SES-related measures explain nearly all of the racial math gap and the entire racial reading gap.”**<sup>6</sup>

**Table 4: White-Black and White-Hispanic Test Score Gaps**

Study	White-Black Gap		White-Hispanic Gap	
	<i>Raw Gap</i>	<i>Adjusted for SES</i>	<i>Raw Gap</i>	<i>Adjusted for SES</i>
<b>ECLS-K Math</b>	-0.638	-0.102	-0.722	-0.171
<b>ECLS-K Reading</b>	-0.401	0.093	-0.427	-0.076
<b>CNLSY Picture/Vocab</b>	-1.07	-0.502	--	--
<b>IHDP Verbal</b>	-0.973	-0.543	--	--

Source: Duncan and Matheson, 2005

<sup>5</sup> Duncan, G. and Magnuson, K. 2005. “Can Family Socioeconomic Resources Account for Racial and Ethnic Test Score Gaps?” *The Future of Children*, 15, 46.

[http://futureofchildren.org/futureofchildren/publications/docs/15\\_01\\_03.pdf](http://futureofchildren.org/futureofchildren/publications/docs/15_01_03.pdf)

<sup>6</sup> Ibid., 45.

Using Brookings tabulations of data from the ECLS-B, Julia Isaacs of the Brookings Institution also found that **poor and near-poor children are more likely to score very low on measures of school readiness than children from moderate or high income backgrounds.**<sup>7</sup> A “very low” score was defined as more than one standard deviation below average on the academic and behavioral measures and in poor or fair health on the physical health measure. Behavioral measures were drawn from kindergarten teacher reports of children’s learning-related behaviors (e.g., paying attention) and externalizing behaviors (e.g., disrupting others).

**Table 5: Percentage of Children Scoring Very Low on Measures of School Readiness, by Poverty Status**

School Readiness Measure	Poor	Near-Poor	Moderate or High Income
Math Skills	26%	19%	7%
Reading skills	30%	21%	7%
Learning-related behaviors	23%	20%	13%
Externalizing behaviors	20%	15%	13%
Physical health	4%	2%	1%
Any of these measures	52%	41%	25%

Source: The Brookings Institution

Other studies have focused on how the achievement gap changes over time. Although Reardon and Galindo’s 2008 study on growing achievement gaps did not examine socioeconomic status, the authors did find that the achievement gap between white and black students grows in both reading and math between kindergarten and fifth grade.<sup>8</sup> Specifically, **black students start out with math scores over three-quarters of a standard deviation lower than their white counterparts, and that gap widens to more than a standard deviation by 5<sup>th</sup> grade.** The data for this study was provided by the ECLS-K.<sup>9</sup>

**Table 6: Estimated Standardized Math and Reading Achievement Gaps, by Race and Wave**

Race		Fall K	Spring K	Fall 1 <sup>st</sup>	Spring 1 <sup>st</sup>	Spring 3 <sup>rd</sup>	Spring 5 <sup>th</sup>
Math	Hispanic	-.768	-.675	-.606	-.564	-.571	-.502
	Black	-.733	-.802	-.830	-.788	-.925	-1.005
Reading	Hispanic	-.515	-.336	-.212	-.293	-.364	-.377
	Black	-.525	-.562	-.503	-.526	-.756	-.801

<sup>7</sup> Isaacs. Op. cit., 4.

<sup>8</sup> Reardon, S. and Galindo, C. 2008. “The Hispanic-White Achievement Gap in Math and Reading in the Elementary Grades.” Institute for Research on Education Policy and Practice, 50.  
[http://irepp.stanford.edu/publications/documents/wp\\_reardon\\_galindo.pdf](http://irepp.stanford.edu/publications/documents/wp_reardon_galindo.pdf)

<sup>9</sup> Ibid., 8.

Source: Reardon and Galindo, 2008

A 2001 study by Karl Alexander, Doris Entwisle, and Linda Olson examined the summer learning loss of disadvantaged students, using data from the Beginning School Study (BSS).<sup>10</sup> By analyzing scores on the California Achievement Test (CAT), the authors found that children from lower SES backgrounds typically lose some of their knowledge in the areas of reading and math over the summer, starting each school year either “about where they had been the previous spring or even behind their spring levels of performance.”<sup>11</sup>

**Table 7: Summer Achievement Gains and Losses by Socioeconomic level**

Summer	Reading Gains			Math Gains		
	Low SES	Mid SES	High SES	Low SES	Mid SES	High SES
1 <sup>st</sup> Summer	-3.67	-3.11	15.38	-4.89	-8.22	7.18
2 <sup>nd</sup> Summer	-1.70	4.18	9.22	-5.18	-.50	3.14
3 <sup>rd</sup> Summer	2.74	3.68	14.51	-1.25	6.15	2.28
4 <sup>th</sup> Summer	2.89	2.34	13.38	5.50	4.31	6.30
Total gain	.26	7.09	52.49	-5.82	1.74	18.90
Mean gain/month	.02	.44	3.28	-.36	.11	1.18

Source: Alexander, Entwisle, and Olson, 2001

Studies have used other indicators to demonstrate the impact of poverty on academic outcomes. Brooks-Gunn and Duncan reported that, based on data from the 1988 National Health Interview Survey Child Health Supplement (NHIS-CHS), **poor children are far more likely to repeat a grade than non-poor children.**<sup>12</sup>

**Table 8: Grade Repetition for Poor and Non-Poor Children, United States**

Indicator of Well-Being	% of Poor Children	% of Non-Poor Children
Grade Repetition	28.8%	14.1%

Source: Brooks-Gunn and Duncan, 1997

Selcuk Sirin’s 2005 meta-analysis of all literature on the impact of socioeconomic status on academic achievement published between 1990 and 2000 revealed that there is a medium to strong relationship between SES and academic outcomes, but that it “is contingent upon school level, minority status, and school location.”<sup>13</sup> With regard to school level, Sirin found that, “with the exception of the high school students, there seems to be a trend of **increasing effect size from kindergarten to middle**

<sup>10</sup> Alexander, K., Entwisle, D., and Olson, L. 2001. “Schools, Achievement, and Inequality: A Seasonal Perspective.” *Educational Evaluation and Policy Analysis*, 23:2, 177.  
<http://www.bsd405.org/portals/0/curriculum/summerreading/Achievement%20and%20Inequality%20A%20Seasonal%20Perspective.pdf>

<sup>11</sup> Ibid., 177.

<sup>12</sup> Brooks-Gunn and Duncan. Op. cit.

<sup>13</sup> Sirin, S. 2005. “Socioeconomic Status and Academic Achievement: A Meta-Analytic Review of Research.” *Review of Educational Research*, 75:3, 435. Retrieved from ProQuest

school.” Among studies that differentiated between the geographic locations of schools, the **impact of SES on student outcomes was stronger for students in suburban schools** than for students in rural and urban schools. Notably, the effect size of SES on achievement was found to be larger for white students than for minority students.

**Table 9: Moderators of the Relationship between SES and Academic Performance**

Moderator Variable	Categories	Mean Effect Size
<i>Grade Level</i>	Kindergarten	.19
	Elementary School	.27
	Middle School	.31
	High School	.26
<i>Minority Status</i>	White	.27
	Minority Students	.17
<i>School Location</i>	Suburban	.28
	Urban	.24
	Rural	.17

Source: Sirin, 2005

An issue paper for the Partnership for America’s Economic Success written by Greg Duncan, Ariel Kalil, and Kathleen Ziol-Guest revealed a strong link between early childhood poverty and years of completed schooling, as determined by an analysis of data from the Panel Study of Income Dynamics (PSID). All differences were found to be statistically significant, with **children born to families with income below the federal poverty line (FPL) typically completing 2.3 less years of schooling** than children born to families with income more than two times the FPL.

**Table 10: Completed Schooling by Prenatal to Age 5 Family Income<sup>14</sup>**

Outcome	Total Sample	Income below FPL	Income 1-2x FPL	Income >2x the FPL
Completed Schooling (Years)	13.40	11.81	12.94	14.10

Source: The Partnership for America’s Economic Success

Julia Isaacs, Isabel Sawhill, and Ron Haskins of the Brookings Institution also analyzed data from the PSID and found that **“wealthier parents are indeed more likely to have children who attain a college degree.”** As shown in the table below, over half of children from parents in the top income quintile obtain a college degree, compared to just 11 percent of children from the bottom income quintile.

<sup>14</sup> Duncan, G., Kalil, A., and Ziol-Guest, K. 2008. “Economic Costs of Early Childhood Poverty.” Partnership for America’s Economic Success, Issue Paper #4, 22-23.  
[http://www.readynation.org/docs/researchproject\\_duncan\\_200802\\_paper.pdf](http://www.readynation.org/docs/researchproject_duncan_200802_paper.pdf)



**Table 11: Percentage of Children with a College Degree by Parents' Family Income Quintile<sup>15</sup>**

Parents' Family Income Quintile	Percentage with a College Degree
All Adult Children	29%
Top Quintile	53%
4 <sup>th</sup> Quintile	38%
Middle Quintile	25%
2 <sup>nd</sup> Quintile	20%
Bottom Quintile	11%

Source: The Brookings Institution

## Health

Brooks-Gunn and Duncan reported that, based on data from the PSID, the CNLSY, the National Survey of Families and Households (NSFH), the first National Health and Nutrition Examination Survey (NHANES), and the IHDP, **poor children tend to be more likely to exhibit negative health characteristics compared to non-poor children.**<sup>16</sup>

**Table 12: Selected Health-Related Indicators of Well-Being for Poor and Non-Poor Children in the United States**

Indicator of Well-Being	% of Poor Children	% of Non-Poor Children
Reported to be in excellent health	37.4%	55.2%
Reported to be in fair to poor health	11.7%	6.5%
Lead poisoning	16.3%	4.7%
Developmental delay	5.0%	3.8%
Learning disability	8.3%	6.1%

Source: Brooks-Gunn and Duncan, 1997

Paul Newacheck and colleagues analyzed data from the National Health Interview Survey to compare health status, access to care, and use of health services among adolescents. The authors found that “statistically significant disparities were found between poor adolescents and their counterparts in middle and higher income families for all four health status measures, six measures of usual source of care and primary care, and six access and utilization indicators.”<sup>17</sup> The table below lists the

<sup>15</sup> Isaacs, J., Sawhill, I., and Haskins, R. 2008. “Getting Ahead or Losing Ground: Economic Mobility in America.” The Brookings Institution, 96.  
[http://www.brookings.edu/~media/Files/rc/reports/2008/02\\_economic\\_mobility\\_sawhill/02\\_economic\\_mobility\\_sawhill.pdf](http://www.brookings.edu/~media/Files/rc/reports/2008/02_economic_mobility_sawhill/02_economic_mobility_sawhill.pdf)

<sup>16</sup> Brooks-Gunn and Duncan. Op. cit.

<sup>17</sup> Newacheck, P., Hung, Y., Park, M., Brindis, C., and Irwin, C. 2003. “Disparities in Adolescent Health and Health Care: Does Socioeconomic Status Matter?” *Health Services Research*, 38:5.  
<http://www.ncbi.nlm.nih.gov/pmc/articles/PMC1360944/?tool=pubmed>

adjusted odds ratios for each health indicator by family income group, using family income of at least 300 percent of the FPL as the reference group.

**Table 13: Health Status, Access to Care, and Use of Health Services for Adolescents**

Indicator variable	<100% FPL	100-199% FPL	200-299% FPL
With fair or poor health	4.47	2.15	1.55
With any limitation activity	2.71	2.12	1.53
Number of school absence days due to illness/injury	1.53	1.03	0.56
Had a behavioral/emotional problem	1.87	1.64	1.30
With no health insurance coverage	5.81	5.98	2.65
With no usual source of care when sick	2.52	1.88	1.67
Unable to get medical care due to costs	3.80	2.93	2.72
Had no visits to dentist in past year	3.16	2.65	1.99
Unable to afford dental care due to costs	3.23	3.54	2.38

Source: Newacheck et al., 2003

Mariane Fahlman, Heather Hall, and Robyn Lock conducted a study to determine if high school females differed in various health measures related to fitness and exercise as a result of SES or race.<sup>18</sup> As shown in the table below, the authors found that high school girls from low SES backgrounds had higher BMI and body fat scores and were more likely to agree with statements about barriers to exercise (e.g., “I am not physically active because it makes me sweat too much” or “I am not physically active because I do not feel safe in my neighborhood”<sup>19</sup>).

**Table 14: Health-Related Variables with Significant Differences Based on Ethnicity and Socioeconomic Status, High School Females**

Variable	African American	Hispanic	White	Low SES	High SES
BMI	25.4	27.8	22.5	36.5	20.2
Body Fat	31.2	35.1	24.3	34.6	21.7
One-mile run (minutes)	12.5	14.8	10.5	10.2	14.2
Activity level (1=strongly disagree, 5=strongly agree)*	2.2	2.4	3.7	3.5	2.1
Barriers (1=strongly disagree, 5=strongly agree)*	3.1	3.5	1.4	3.6	1.4

Source: Fahlman, Hall, and Lock, 2006

\*High levels of activity and barriers are indicated by higher numbers.

<sup>18</sup> Fahlman, M., Hall, H., and Lock, R. 2006. “Ethnic and Socioeconomic Comparisons of Fitness, Activity Levels, and Barriers to Exercise in High School Females.” *The Journal of School Health*, 76:1, 14-15. Retrieved from ProQuest.

<sup>19</sup> *Ibid.*, 16.

Other studies have looked instead at future risk of developing health problems as a result of living in poverty. Though the CDC data shown below examines current annual household income rather than parents' income or SES, the authors found that adults in lower income brackets are considerably more likely to exhibit multiple risk factors for heart disease and stroke compared to their higher earning counterparts.<sup>20</sup> The CDC report used data from the Behavioral Risk Factor Surveillance System, and defined "multiple risk factors" as showing at least two of the following: high blood pressure, high cholesterol, diabetes, obesity, currently smoking, or low physical activity levels.

**Table 15: Prevalence of Multiple Health Risk Factors Among Adults Aged 18 and Over, by Selected Characteristics**

Characteristics	% of Adults Showing Risk Factors for Heart Disease and Stroke
White, non-Hispanic	35.5%
Black, non-Hispanic	48.7%
Hispanic	39.6%
Less than high school	52.5%
High School graduate or equivalent	43.8%
Some college	36.9%
College graduate	25.9%
Annual household income <\$10,000	52.5%
Annual household income \$10,000-19,999	49.3%
Annual household income \$20,000-34,999	42.8%
Annual household income \$35,000-49,999	37.0%
Annual household income \$50,000 and over	28.8%

Source: Centers for Disease Control

Rebecca Thurston and her colleagues from the Department of Society, Human Development, and Health at the Harvard School of Public Health analyzed data from the NHANES to determine if there is a relationship between socioeconomic status and coronary heart disease, and whether this differs by gender.<sup>21</sup> The authors found that, when adjusted for age and covariates (including smoking status, leisure time physical activity, and alcohol use), **“education and household income were both separately and inversely associated with incident coronary heart disease.”**<sup>22</sup>

<sup>20</sup> “Racial/Ethnic and Socioeconomic Disparities in Multiple Risk Factors for Heart Disease and Stroke --- United States, 2003.” 2005. Centers for Disease Control, Morbidity and Mortality Weekly Report, 54:5. <http://www.cdc.gov/mmwr/preview/mmwrhtml/mm5405a1.htm>

<sup>21</sup> Thurston, R., Kubzansky, L., Kawachi, I., Berkman, L. 2005. “Is the Association Between Socioeconomic Position and Coronary Heart Disease Stronger in Women than in Men?” *American Journal of Epidemiology*, 162, 52. <http://aje.oxfordjournals.org/content/162/1/57.full.pdf>

<sup>22</sup> *Ibid.*, 60.

**Table 16: Coronary Heart Disease Risk by Socioeconomic Position and Gender**

	Men (adjusted for age)	Men (adjusted for age and covariates)	Women (adjusted for age)	Women (adjusted for age and covariates)
Less than high school	1.58	1.29	2.15	1.61
High school	1.42	1.17	1.47	1.30
Some college	1.43	1.31	1.35	1.34
College	Referent	Referent	Referent	Referent
Annual household <100% of poverty threshold	1.40	1.35	1.64	1.40
Annual household 100- 200% of poverty threshold	1.20	1.15	1.23	1.12
Annual household >200% of poverty threshold	Referent	Referent	Referent	Referent

Source: Thurston et al., 2005

### Fertility

Studies have used different criteria to estimate fertility rates for children from disadvantaged backgrounds. Brooks-Gunn and Duncan, analyzed data from the PSID and found that “the rate of out-of-wedlock births among poor teens is almost three times as high as those” among their non-poor counterparts.<sup>23</sup>

**Table 17: Out of Wedlock Births by Poor and Non-poor Children**

Indicator of Well-Being	% of Poor Children	% of Non-Poor Children
Female teens who had an out-of-wedlock birth	11.0%	3.6%

Source: Brooks-Gunn and Duncan, 1997

Similarly, Duncan, Kalil, and Ziolo-Guest’s analysis of PSID data found that over half of females who grew up in poverty from birth through age 5 would eventually have a child while unmarried.<sup>24</sup> These figures are remarkably higher than the estimates provided by Brooks-Gunn and Duncan; however, the strongest message is that poor children are considerably more likely than non-poor children to experience these outcomes.

<sup>23</sup> Brooks-Gunn and Duncan. Op. cit.

<sup>24</sup> Duncan, Kalil, and Ziolo-Guest. Op. cit.

**Table 18: Non-marital Birth by Prenatal to Age 5 Family Income**

Outcome	Total Sample	Income below FPL	Income 1-2x FPL	Income >2x FPL
Non-marital birth	18.58%	52.42%	20.51%	8.34%

Source: The Partnership for America's Economic Success

Another estimate comes from a 1997 study by Katherine Trent and Kyle Crowder, which examined data from the U.S. National Longitudinal Surveys of Labor Market Experience of Youth to determine the extent to which different race and SES groups engage in non-marital childbearing.<sup>25</sup> As shown in the table below, children who grew up in a poor household were far more likely than their non-poor counterparts to have a non-marital pregnancy during the adolescent years or within the next five years.

**Table 19: Percentage Distribution of Birth Outcomes by Race and Poverty Status**

Race or Poverty Status	Non-marital Birth (Adolescent Years)	Non-marital Birth (Within 5 Years)
African American	19.2%	31.4%
Hispanic	9.4%	15.3%
Non-Hispanic White	4.5%	7.2%
Family Lived in Poverty	17.3%	26.5%
Family Did Not Live in Poverty	5.9%	10.2%

Source: Trent and Crowder, 1997

## Behavior

Several types of behavioral outcomes have been linked to SES in the literature. First, Entwisle, Alexander, and Olson analyzed various measures of classroom behavior from the BSS to determine if there was a difference in behavioral problems by gender or by meal subsidy status. Children were ranked on a two point scale (1=needs improvement, 2=satisfactory), and the scores were averaged to demonstrate trends. As shown in the table below, the authors reported that, at both grade levels and within each gender, **classroom behavior was observed to be more positive for children not receiving a meal subsidy than for children receiving a meal subsidy.**<sup>26</sup>

<sup>25</sup> Trent, K. and Crowder, K. 1997. "Adolescent Birth Intentions, Social Disadvantage, and Behavioral Outcomes." *Journal of Marriage and Family*, 59:3, 530. Retrieved from ProQuest.

<sup>26</sup> Entwisle, D., Alexander, K., and Olson, L. 2007. "Early Schooling: the Handicap of Being Poor and Male." *Sociology of Education*, 80:2, 120. Retrieved from ProQuest.

**Table 20: Measures of Students' Classroom Behavior by Gender and Meal-Subsidy Status**

Measure		Meal Subsidy		No Meal Subsidy	
		Male	Female	Male	Female
Beginning of 1 <sup>st</sup> grade	Conduct	1.62	1.83	1.90	1.91
	Effort	1.56	1.64	1.84	1.91
	Attention	1.48	1.64	1.78	1.89
	Class participation	1.70	1.66	1.88	1.84
	Completes assignments	1.58	1.64	1.84	1.88
	Works independently	1.42	1.53	1.74	1.81
	<i>Classroom Behavior Composite</i>	<b>1.56</b>	<b>1.65</b>	<b>1.82</b>	<b>1.86</b>
End of 4 <sup>th</sup> grade	Conduct	1.52	1.75	1.83	1.92
	Effort	1.49	1.79	1.79	1.91
	Attention	1.38	1.75	1.77	1.91
	Class participation	1.65	1.80	1.85	1.91
	Completes assignments	1.51	1.80	1.79	1.95
	Works independently	1.58	1.76	1.72	1.88
	<i>Classroom Behavior Composite</i>	<b>1.53</b>	<b>1.77</b>	<b>1.79</b>	<b>1.91</b>

Source: Entwisle, Alexander, and Olson, 2007

In the later grades, behavioral indicators shift to suspension and expulsion, as well as completion of secondary education. Using data from the NHIS-CHS and the National Center for Education Statistics, Brooks-Gunn and Duncan found that **poor children were almost twice as likely as non-poor children to be expelled or suspended, and more than twice as likely to drop out of high school.**<sup>27</sup>

**Table 21: Selected Behavioral Indicators of Well-Being for Poor and Non-Poor Children**

Indicators of Well-Being	% of Poor Children	% of Non-poor Children
Ever expelled or suspended	11.9%	6.1%
High school dropout	21.0%	9.6%

Source: Brooks-Gunn and Duncan, 1997

Based on an analysis of PSID data, Duncan, Kalil, and Ziol-Guest reported that **“poor males are nearly twice as likely to be arrested, and their rates of incarceration are twice as high, as those of males in higher-income families.”**<sup>28</sup> For this study, an “arrest” was defined as having been booked or charged for breaking the law, not counting minor traffic offenses, while “incarceration” referred to any time spent in a corrections institution such as jail, prison, or youth training/reform school.<sup>29</sup>

<sup>27</sup> Brooks-Gunn and Duncan. Op. cit.

<sup>28</sup> Duncan, Kalil, and Ziol-Guest. Op. cit., 4.

<sup>29</sup> Ibid., 12.

**Table 22: Percentage of Men Arrested by Prenatal to Age 5 Family Income**

Outcome	Total Sample	Income below FPL	Income 1-2x FPL	Income >2x FPL
<b>Arrested (Men Only)</b>	16.49%	28.09%	17.48%	13.38%
<b>Incarcerated (Men Only)</b>	8.78%	13.87%	10.70%	6.59%

Source: The Partnership for America's Economic Success

## Employment and Income

A high level assessment of the impact of growing up in poverty on success later in life is provided once again by Sawhill of the Brookings Institution. Sawhill's analysis revealed that children born disadvantaged are considerably less likely to experience success during their transition to adulthood and in adulthood. For this study, Sawhill defined "transition to adulthood success" as living independently by age 29 and either obtaining a college degree or having an income at least 250% of the poverty line. Meanwhile, success in adulthood was defined by having a family income of at least 300% of the poverty line at age 40, or becoming "middle class by middle age."<sup>30</sup>

**Table 23: Percent Successful in the Transition to Adulthood and in Adulthood, by "Advantage" at Birth**

	Advantaged at birth	Disadvantaged at birth
<b>Transition to adulthood success</b>	73%	51%
<b>Adult success</b>	72%	56%

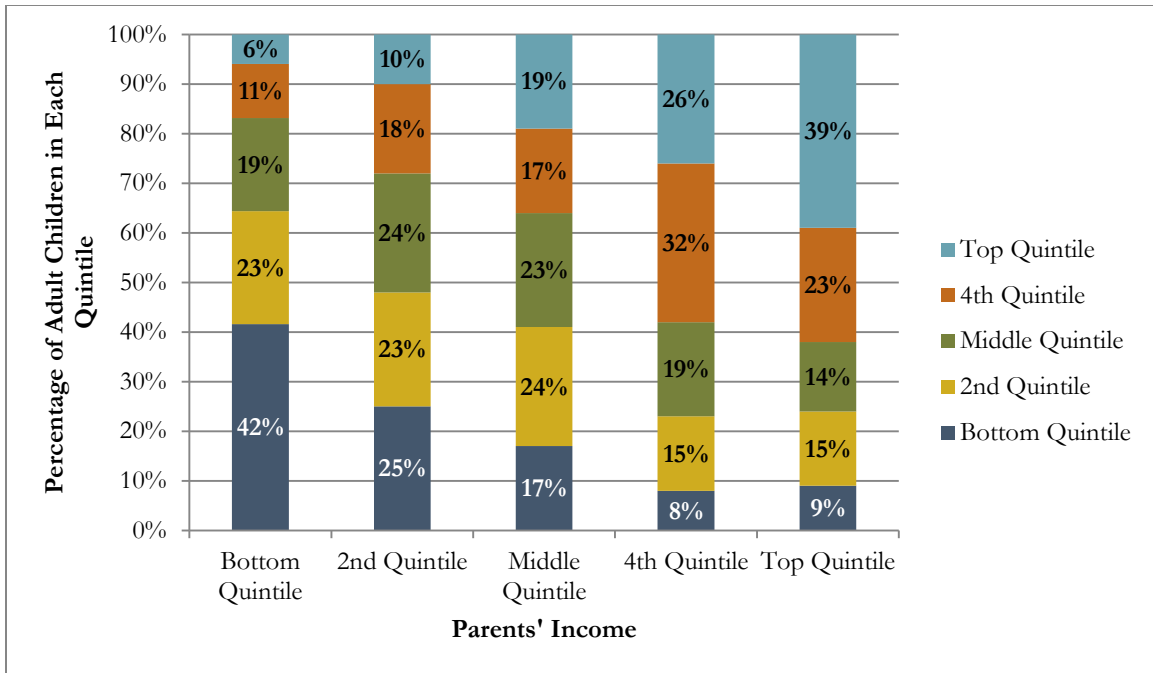
Source: The Brookings Institution

Isaacs, Sawhill, and Haskins of the Brookings Institution analyzed PSID data to determine adult children's chances of getting ahead or falling behind in SES based on their parents' SES.<sup>31</sup> As shown in the table below, the authors observed what they referred to as a "stickiness" phenomenon, such that "the probability of ending up in a particular income quintile as an adult depends on where one's parents were in the income distribution." **Children who grow up with the lowest SES are most likely to remain in the bottom quintile as adults**, while children whose parents are in the highest income quintile are likely to maintain that affluence in adulthood.

<sup>30</sup> Sawhill. Op. cit.

<sup>31</sup> Isaacs, Sawhill, and Haskins. Op. cit., 19.

**Figure 1: Children’s Chances of Getting Ahead or Falling Behind, by Parents’ Income**



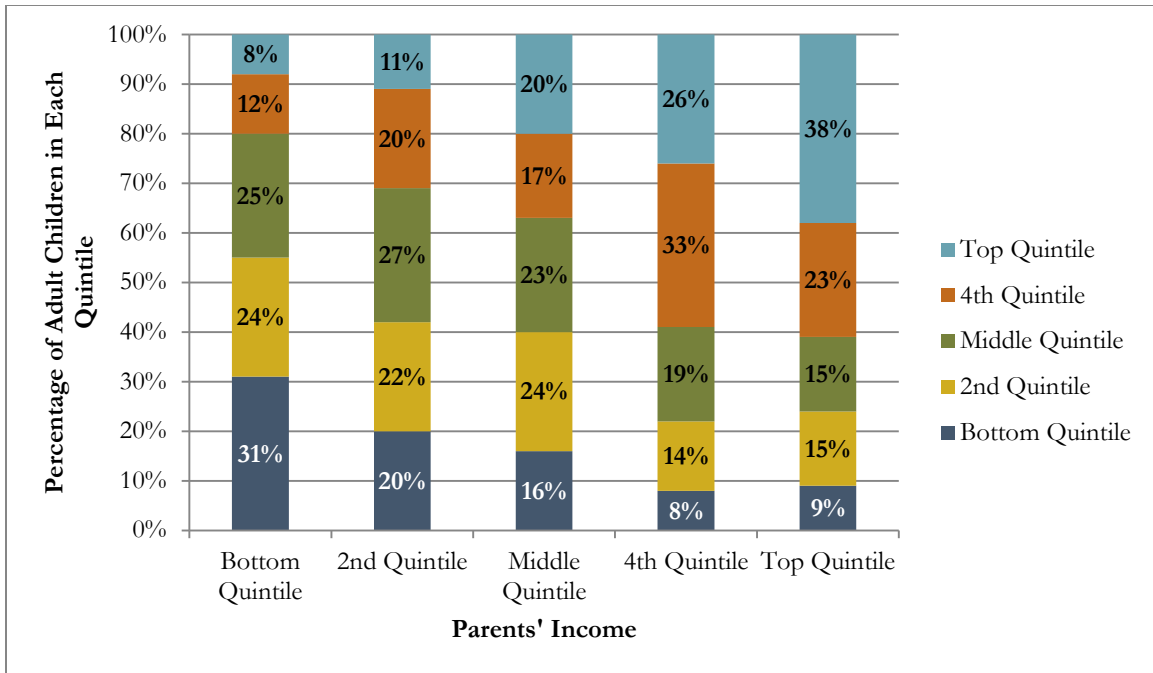
Source: The Brookings Institution

The authors further examined this “stickiness” phenomenon across racial lines and concluded that “black children and white children do not have equal chances of moving up the income ladder.”<sup>32</sup> In particular, over half of black children who grow up in the bottom income quintile will remain at the bottom as adults, compared to less than one-third of white children. In addition, nearly half of black children whose parents are in the 2<sup>nd</sup> or middle quintiles will eventually drop to the bottom quintile as adults.

<sup>32</sup> Ibid., 76.

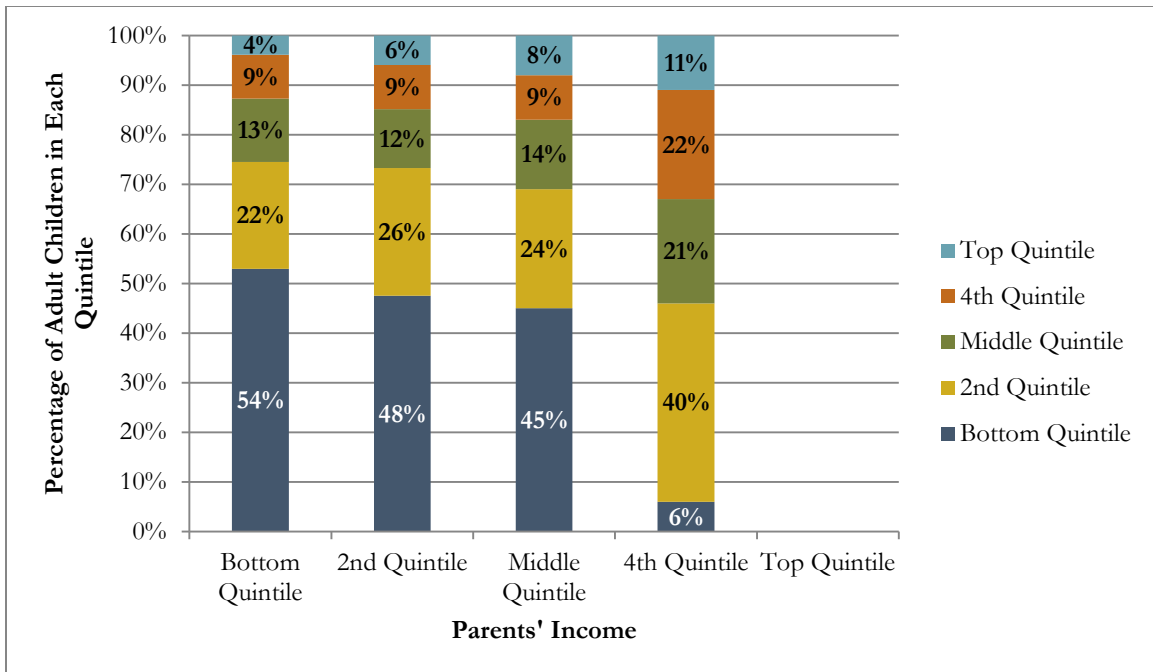


**Figure 2: White Children’s Chances of Getting Ahead or Falling Behind, by Parents’ Income**



Source: The Brookings Institution

**Figure 3: Black Children’s Chances of Getting Ahead or Falling Behind, by Parents’ Income**



Source: The Brookings Institution

Duncan, Kalil, and Ziol-Guest's analysis of PSID data revealed a considerable difference in 2005 earnings between workers who grew up in poverty and those who did not.<sup>33</sup> Overall, **“poor children work 25 percent fewer hours [and] earn only about half as much”** as their more affluent counterparts.<sup>34</sup>

**Table 24: Average Earnings and Hours Worked by Prenatal to Age 5 Family Income**

Outcome	Total Sample	Income below FPL	Income 1-2x FPL	Income >2x FPL
Earnings (2005\$ not discounted)	\$34,462.80	\$17,114.60	\$29,810.31	\$40,752.37
Annual work hours	1,887.33	1,512.88	1,942.70	1,936.66

Source: The Partnership for America's Economic Success

DiRago and Vaillant reviewed data from the Core City sample of the Study of Adult Development to identify the impact of various predictors on workers' occupational status at different ages. The predictive factors analyzed included childhood social class (a five-point classification system ranging from 1=upper middle class to 5=unskilled laborers with less than high school education living in tenements), protective environmental factors (relationship with mother, relationship with father, and home atmosphere), IQ, and timely development (no developmental delay). Occupational status was defined using a modified seven-point scale ranging from professional (1) to unskilled laborer (7).<sup>35</sup>

The numbers presented in the table on the following page therefore demonstrate how many standard deviations a person's occupational status would theoretically change at any age given a one standard deviation improvement to one of the predictor variables. In the models shown, for example, an improvement to a person's childhood social class of one standard deviation would significantly increase that person's occupational prestige at age 25 by 0.147 of a standard deviation if education is not considered in the model, and by 0.122 of a standard deviation if education is considered; in other words, childhood social class has a greater impact on occupational status when we do not account for education. Of note, the authors found that the only predictor with a greater effect on occupational status at age 25 was years of education, but this impact of childhood social class on occupational status diminishes as workers age.<sup>36</sup>

<sup>33</sup> Duncan, Kalil, and Ziol-Guest. Op. cit.

<sup>34</sup> Ibid., 4.

<sup>35</sup> DiRago, A. and Vaillant, G. 2007. "Resilience in Inner City Youth: Childhood Predictors of Occupational Status Across the Lifespan." *Journal of Youth and Adolescence*, 36:1, 63. Retrieved from ProQuest.

<sup>36</sup> Ibid., 67.

**Table 25: Standardized Coefficient of Various Predictors on Occupational Status, by Age**

Predictor		Age 25	Age 32	Age 47	Age 65
<i>Excluding years of education</i>	<b>Childhood Social Class</b>	.147	.098	.054	.056
	<b>Protective Environmental Factors</b>	.119	.015	.070	.051
	<b>IQ</b>	-.107	-.301	-.291	-.310
	<b>Timely Development</b>	-.069	-.174	-.150	-.189
<i>Including years of education</i>	<b>Childhood Social Class</b>	.122	.067	.013	.029
	<b>Protective Environmental Factors</b>	.084	-.027	.008	.012
	<b>IQ</b>	-.011	-.179	-.126	-.203
	<b>Timely Development</b>	-.067	-.172	-.147	-.187
	<b>Years of Education</b>	-.283	-.356	-.489	-.316

Source: DiRago and Vaillant, 2007

## Section II: National and Georgia State Descriptive Data

In this section, we provide descriptive data in the areas of poverty status, health insurance coverage, and educational attainment in an effort to compare Georgia State and national statistics. All data were obtained from the 2008-2010 American Community Survey 3-Year Estimates.

**Table 26: Poverty Status in the Past 12 Months: Population Living in Poverty**

Population Group	United States		Georgia	
	Population	Percentage	Population	Percentage
<b>Total Population</b>	42,931,760	14.4%	1,541,544	16.5%
<b>Under 18</b>	14,642,040	20.1%	554,355	22.6%
<b>18-64 years</b>	24,673,397	13.1%	875,644	14.8%
<b>65 years and over</b>	3,616,323	9.4%	111,545	11.4%
<b>White</b>	25,988,866	11.7%	665,837	11.6%
<b>Black</b>	9,475,042	25.7%	689,062	24.4%
<b>Hispanic</b>	11,259,201	23.3%	247,968	30.7%
<b>Less than HS</b>	7,293,434	25.6%	276,445	29.7%
<b>HS graduate</b>	7,015,324	12.5%	258,051	14.7%
<b>Some college or 2-year degree</b>	5,150,707	8.9%	156,121	9.4%
<b>Bachelor's degree or higher</b>	2,219,262	3.9%	66,627	4.0%

Source: 2008-2010 American Community Survey 3-Year Estimates

**Table 27: Health Insurance Coverage Status: Uninsured Population**

Population Group	United States		Georgia	
	Population	Percentage	Population	Percentage
<b>Total Population</b>	45,368,299	15%	1,784,096	19%
<b>Under 18</b>	6,421,415	8.7%	261,847	10.6%
<b>18-64 years</b>	38,586,833	20.4%	1,511,275	25.4%
<b>65 years and over</b>	360,051	0.9%	10,974	1.1%
<b>White</b>	29,670,864	13.2%	902,492	15.7%
<b>Black</b>	6,568,259	17.7%	584,623	20.6%
<b>Hispanic</b>	15,043,083	31%	391,797	48.3%
<b>Under \$25,000</b>	12,996,233	23.8%	590,252	30.3%
<b>\$25,000 to \$49,999</b>	14,593,648	21.3%	568,829	25.1%
<b>\$50,000 to \$74,999</b>	8,512,519	14.7%	325,652	17.7%
<b>\$75,000 to \$99,999</b>	4,187,090	10.1%	143,324	11.6%
<b>\$100,000 and over</b>	4,671,690	6.2%	140,587	6.9%

Source: 2008-2010 American Community Survey 3-Year Estimates, Table S2701

**Table 28: Educational Attainment of the Population 25 Years and Over**

<b>Educational Attainment Level</b>	<b>United States</b>	<b>Georgia</b>
<b>Less than 9th grade</b>	6.2%	6%
<b>9th to 12th grade, no diploma</b>	8.5%	10%
<b>High school graduate (includes equivalency)</b>	28.4%	29.2%
<b>Some college, no degree</b>	21.3%	20.8%
<b>Associate's degree</b>	7.6%	6.6%
<b>Bachelor's degree</b>	17.6%	17.6%
<b>Graduate or professional degree</b>	10.4%	9.8%
<i>High school graduate or higher</i>	85.3%	84%
<i>Bachelor's degree or higher</i>	28%	27.4%

Source: 2008-2010 American Community Survey 3-Year Estimates, Table S1501

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