



Photo: Steffan Hacker

## 25 Things You Should Know About Poverty

By Rebekah Daniel

### 25. There are different definitions of poverty.

To define poverty, it is necessary to define what constitutes basic needs. Basic needs may be defined as narrowly as those things necessary for survival, or as broadly as the prevailing standard of living in the community. Thus, poverty in one area or part of the world may have quite a different meaning than in another area or part of the world. In the United States, poverty thresholds are determined by taking the cost of a minimum adequate diet for families of different sizes and multiplying that cost by three to allow for other expenses.

### 24. There is more to being poor than not having money.

"Poverty is not just about money: lack of access to essential resources goes beyond financial hardship to affect people's health, education, security and opportunities for political participation. ... While economic growth is essential to lifting people out of poverty, this alone is not enough." — *United Nations Development Programme Annual Report 2008*

### 23. The lower a family's income, the more difficult it is to find housing.

In 2003, there were 78 rental units affordable to extremely-low-income renters in the United States for every 100 such households, but only 44 were available for these households (the remainder being occupied by higher-income households). Homelessness affects more than 600,000 families and more than 1.35 million children every year. It is estimated that families make up about half of the U.S. homeless population over the course of a year, and more than a third of the homeless are children. — *U.S. Department of Housing and Urban Development; Joint Center for Housing Studies*

### 22. Having a job does not preclude poverty.

Last year in New Jersey, it took an hourly wage of \$22.25 to afford a two-bedroom apartment at fair market rent. In Ohio, it was \$13.07, and in the District of Columbia, it was \$25.46. — *National Low Income Housing Coalition, "Out of Reach 2007-2008"*

### 21. Owning a home does not preclude poverty, either.

At the same time that home prices were rising rapidly during the late 1990s and early 2000s, consumer spending was growing faster than income, as reflected in the falling rate of personal saving. Many observers have concluded that those two facts are linked: that consumers used their growing housing wealth to boost

their spending, in effect letting their houses do their saving for them. Some experts expect U.S. house prices to fall 20 percent from their peak by 2011. — *Congressional Budget Office, "Housing Wealth and Consumer Spending," January 2007*

**20. Women often face more challenges than men in overcoming poverty.**

Women who become single heads of households, particularly in Africa, are significantly more vulnerable, as in many countries in the region they can still access land only through husbands or fathers. Where women's land ownership is relationship-based, they risk losing access to land after widowhood, divorce, desertion or male migration, which can lead to destitution. — *United Nations' Centre for Human Settlements, "State of the World's Cities 2008/2009"*

**19. Yet women are an important part of the solution.**

"Women have proven to be the best poverty fighters. Experience and studies have shown that they use the profits from their businesses to send their children to school, improve their families' living conditions and nutrition, and expand their businesses." — *The Grameen Foundation*

**18. Poorly planned urbanization, especially in developing countries, is aggravating poverty.**

"In cities where spatial and social divisions are stark or extreme, lack of social mobility tends to reduce people's participation in the formal sector of the economy and their integration in society. This exacerbates insecurity and social unrest which, in turn, diverts public and private resources from social services and productive investments to expenditures for safety and security." — *Anna K. Tibaijuka, Under-Secretary-General and Executive Director of the United Nations Human Settlements Programme, "State of the World's Cities 2008/2009"*

**17. Poverty directly affects many, many people every single day.**

Some 1.2 billion people around the world live on less than a dollar a day, while almost 850 million people — almost three times the entire population of the United States — go hungry every night. — *United Nations Development Programme Annual Report 2008*

**16. Adequate housing is a basic human right.**

In 1948, the United Nations Universal Declaration of Human Rights identified housing as a component of the right to an adequate standard of living.

**15. If you know someone who supports a child on a minimum-wage job, you know someone who is poor.**

There is no county in the United States where an individual can work 40 hours per week at the minimum wage and afford even a one-bedroom apartment at the local fair market rent. — *National Low-Income Housing Coalition's "Out of Reach 2007-2008"*

**14. Your "rainy-day cushion" probably isn't thick enough.**

In 2005, the personal savings rate in the United States fell into negative territory at -0.5 percent, the first time the savings rate for a whole year has been negative since 1933. Since then, the savings rate improved to almost 3 percent in the fourth quarter of 2008. — *Bureau of Economic Analysis*

**13. Poverty is a moral issue.**

Almost 9 million children are internally displaced because of armed conflict. Roughly 1.8 million children are trapped in the commercial sex trade, and the annual revenue generated from human trafficking is \$9.5 billion. — *UNICEF, 2007*

**12. Education can help — but only if children can actually attend school.**

The funds to pay for teachers, classroom materials and school uniforms often are out of reach for poor families, even when they recognize the role of education in improving income-earning potential. The average student-teacher ratio in industrialized countries is 13:1; in sub-Saharan Africa, it's 44:1. — *UNICEF, 2007*

**11. Poverty is not inevitable.**

In 1960, roughly 20 million newborns did not live to see their fifth birthday; by 2006, the most recent year for

which firm estimates are available, the annual number of child deaths globally fell below 10 million, to 9.7 million, for the first time since records began. — *UNICEF, "State of the World's Children," 2008*

#### **10. People still die from being poor.**

More than 26,000 children under age 5 die each day, mostly from preventable causes. More than one-third of all child deaths occur within the first 28 days of life. — *UNICEF, "State of the World's Children," 2008*

#### **9. Holistic solutions to poverty are essential.**

Addressing only one area of social services — food security, health, education — may not be enough to create lasting change. In 2006, 2.5 billion people, or 38 percent of the world's population, did not have access to improved sanitation facilities, and unsafe drinking water and a lack of improved sanitation and hygiene contributed to about 88 percent of diarrhoeal deaths. Declining soil fertility, land degradation and the AIDS pandemic have led to a 23 percent decrease in food production per capita in Africa in the last 25 years, even though population has increased dramatically. — *UNICEF, United Nations Millennium Project*

#### **8. Poor people pay back loans.**

The repayment rate for microfinance loans, a development strategy in which very poor people are loaned small amounts of money to incrementally improve their lives, is between 95 and 98 percent. In fact, it is higher than the repayment rate of student loans and credit card debts in the United States. — *The Grameen Foundation*

#### **7. Defeating poverty creates dignity.**

Marrie Gessesse, a mother of eight in the Amhara region of Ethiopia, used microfinance loans to buy goats and cultivate fruits and vegetables for income. Eventually, she was able to send her children to school. "No one used to consider me before," she says. "When they saw that I was becoming autonomous, people started to respect me. Now they have elected me member of the administrative council and the women's association." — *International Fund for Agricultural Development*

#### **6. Reducing poverty here can reduce poverty there, too.**

"For generations, poor people around the world have left their homes to seek better wages abroad. Today, the money they send home totals an estimated US\$200 billion a year. In Latin America, remittances are worth more than direct foreign investment, official development assistance and foreign aid combined." — *International Fund for Agricultural Development*

#### **5. In the United States, the issue is affordability.**

Severe rent burden, not severely inadequate housing, is the only priority housing problem for most households with worst case needs (91 percent). While low-income renters make up the largest share of severely burdened households, a rising number of middle-income homeowners also face cost pressures. Between 2001 and 2006, the number of severely burdened renters in the bottom income quartile increased by 1.2 million, while the number of severely burdened homeowners in the two middle-income quartiles ballooned by 1.4 million — *Department of Housing and Urban Development, 2003; Joint Center for Housing Studies, 2008*

#### **4. AIDS worsens poverty.**

Children are particularly affected by the HIV/AIDS epidemic. Globally, children under age 15 account for one in every seven deaths caused by AIDS. An estimated 15 million children under age 18 have been orphaned by AIDS. Orphans face increased risk of death, violence, exploitation or abuse, and many are growing up in poverty. By 2010, the number of AIDS orphans worldwide may exceed 18 million. — *United Nations Department of Economic and Social Affairs, Population Division, 2007*

#### **3. And poverty worsens AIDS.**

"Often poverty, and the marginalization associated with it, contributes to vulnerability. ... It can keep adolescents out of school, depriving them of an opportunity to find out about how the virus is transmitted and putting them at greater risk of drug abuse and risky sexual encounters. It can exacerbate family tensions that lead to domestic violence. Addressing the underlying causes of vulnerability to infection, including poverty and gender equality, is critical to eventually ending the epidemic." — *United Nations Population Fund*

## **2. Children notice poverty.**

"I applied for a house through Transylvania Habitat for Humanity, on the suggestion of my best friend. A year after that, my children and I were moving into the home of our dreams. Nothing fancy, but it was dry and warm and safe. Most importantly, my children had a home they could take pride in. They were no longer embarrassed to invite a friend over, for fear of being labeled 'poor.' We were no longer poor!" — *Stephanie Grubb, Habitat homeowner in North Carolina*

## **1. You can do something about it.**

"We're making an impact together. We're tending the wounds that poverty housing inflicts upon our neighbors. We're helping them renew the feeling of dignity substandard housing steals away. Like the Good Samaritan, we're committed to compassion, justice and mercy. In whatever way we engage in Habitat for Humanity's mission, we're stopping for our neighbors along the way — and lives are being transformed in the process — starting with mine, and perhaps with yours as well." — *Jonathan Reckford, Habitat for Humanity CEO*