



8 Persistent Myths About Poverty in America

Presented by



- Myth:** Poverty alleviating programs induce laziness and even criminal behaviors, like drug use.
Reality: More than half of the families on the Supplemental Nutrition Assistance Program are currently employed and 80 percent of those families using SNAP were employed at some point in the year before and after they received benefits. Additionally, states that require their safety net recipients to undergo drug testing report lower levels of use amongst recipients than the general public.
- Myth:** Poor people live off of handouts while middle and upper income people earn everything they have.
Reality: The government spends billions on subsidies that help everyone from first time homebuyers, to farmers with bad crop yields, as well as companies looking for the next source of clean energy. Many of these subsidies are less visible, although just as expensive to the government, because people receive them through tax breaks as opposed to cash payments.
- Myth:** Living in poverty means making less than \$20,090 for a family of three.
Reality: Being poor cannot be summed up in one number, especially one that doesn't change depending on where you live. The formula that determines a family's poverty status has not been updated since the 1960s and does not take into account regional differences. The challenges one faces living on \$20,090 are different in Idaho than they are in California.
- Myth:** Welfare spending is the single largest item in the federal budget, even bigger than defense spending.
Reality: In 2014, the United States spent \$615 billion on defense spending. Compare that to the combined \$370 billion spent on the Earned Income Tax Credit, Temporary Assistance for Needy Families, Supplemental Nutrition Assistance Program, Section 8 housing assistance, and other poverty relief programs. There are many government programs that help a lot of people, at different stages in their lives, in different ways. However, the programs that directly target poverty make up a relatively small portion of our federal budget.
- Myth:** The poor could earn a better life for themselves but are content living on government benefits.
Reality: Millions of Americans receiving government benefits work hard but still cannot make ends meet. More than 10 million of those living in poverty are "working poor," they either have jobs or have been looking work for at least half a year. The average length of time a family is on the Supplemental Nutrition Assistance Program is 8 to 10 months.
- Myth:** Education alone is a magic remedy for solving poverty.
Reality: Your parent's wealth is a much better indicator for success than where you went to school. Studies have shown that rich high school dropouts maintain their wealth at the same rate that poor college graduates remain in poverty.
- Myth:** The minimum wage is meant for teenagers working their first job in high school.
Reality: About half of those making the federal minimum are 25 years of age or older and 72 percent of the total federal minimum wage workforce has at least a high school degree.
- Myth:** We won the "War on Poverty."
Reality: President Johnson's "War on Poverty," a series of government programs enacted in the 1960s with the express goal of reducing poverty, resulted in a significant drop of the poverty rate from 26 percent to 16 percent between 1967 to 2012. However, more than 48 million Americans still live below the poverty line, including 15.6 million children.