Has Economic Growth Delivered Progress Against Poverty?

Without Government Programs, 1 in 5 Americans Were in Poverty Every Year Since 1967

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A key motivation for analyses of trends in poverty is often the question of whether poverty has become more or less common over time. So what is the answer?

Since 2009, the U.S. Census Bureau has released the Supplemental Poverty Measure (SPM) alongside the official poverty measure to better capture the impact of taxes and transfers and social policy changes.[1] The Center on Poverty and Social Policy created a historical version that makes SPM poverty rates available back to 1967 to provide a consistent measure for assessing long-term trends.[2]

Our team has traditionally examined trends in the poverty rate both (a) before counting resources from taxes and transfers and (b) after counting resources from taxes and transfers. This brief shows trends over the past 60 years for these two scenarios for the non-institutionalized U.S. population under two different historical SPM measures. Our goal is to identify the role that policies have played in reducing poverty over the long-term versus the role that the economy—or "the market"—has played.

KEY FINDINGS

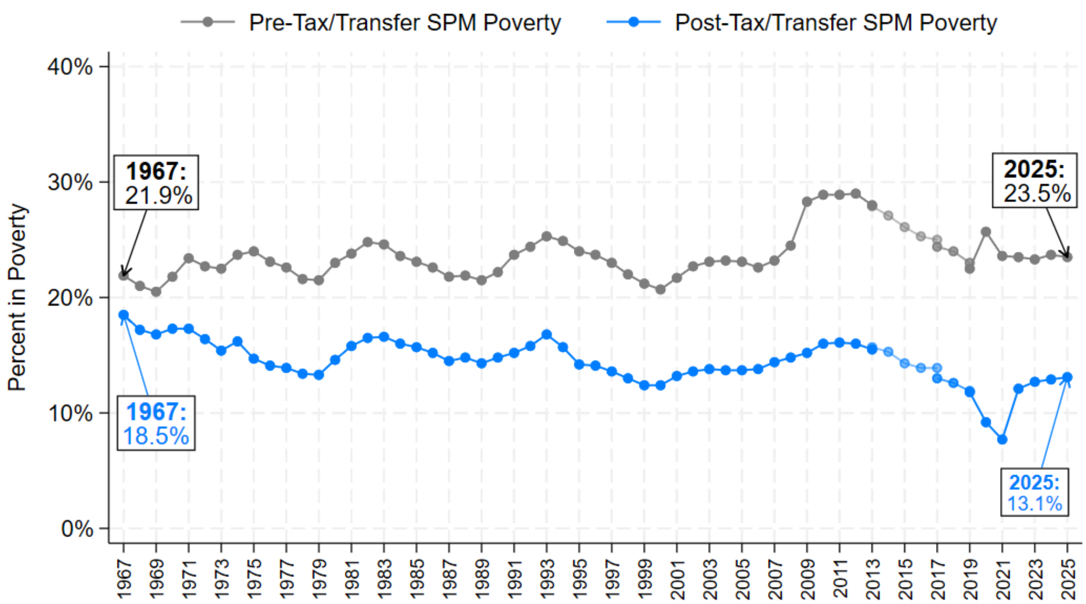
- Despite nearly six decades of economic growth, the national poverty rate *before* counting income from tax credits and transfer programs has never fallen below 20%.
- As a result, if Americans had relied on the economy (or 'the market') alone, at least 1 in 5 people in the US were in poverty each year since 1967.
- Progress on poverty over time has largely been the result of government policies, not the market.

[1] Short. 2011. The Supplemental Poverty Measure: Examining the incidence and depth of poverty in the U.S. taking account of taxes and transfers.
[2] Fox et al. 2015. Waging war on poverty: Poverty trends using a historical supplemental Poverty Measure.

RESULTS

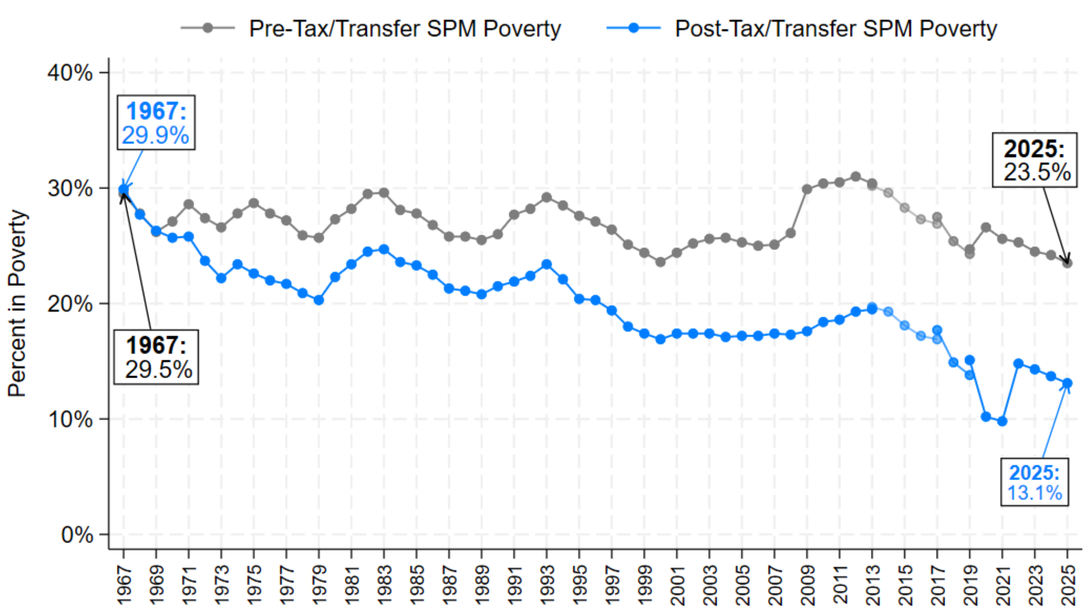
Figure 1 shows data from our historical SPM series. The historical SPM poverty line changes year-to-year based on expenditures, which can change year-to-year based on prices, as well as spending decisions and overall changes in living standards. Figure 2 shows our "anchored SPM", in which the poverty line changes year-to-year based on prices alone. Here the poverty line is anchored to 2025, showing what historical poverty rates would have been when considered against 2025's living standards.

Figure 1. Total population historical SPM poverty rates (1967–2025)



Source: Center on Poverty and Social Policy at Columbia University, 2026. Reproduction of Figure 1, Panel A from Ortiz et al. 2026. Databook: 2025 Poverty Rates in Historical Perspective (updating Fox et al. 2015. Waging war on poverty: Poverty trends using a historical Supplemental Poverty Measure).

Figure 2. Total population anchored 2025 SPM poverty rates (1967–2025)



Source: Center on Poverty and Social Policy at Columbia University, 2026. Reproduction of Figure 1, Panel B from Ortiz et al. 2026. Databook: 2025 Poverty Rates in Historical Perspective (updating Fox et al. 2015. Waging war on poverty: Poverty trends using a historical Supplemental Poverty Measure).

In both cases, much of the attention in recent years given to Figures 1 and 2 focuses on the fact that poverty—*after* counting taxes and transfers (shown by the bottom blue line in each figure)—has fallen quite a bit from 1967 to the present, and that most of that decline comes from the role of antipoverty policies. This is represented by the difference between the top gray line and the bottom blue line, where the top line shows the poverty rate *before* counting resources from government policies as part of family resources.

Less attention has been paid to the trends in poverty *before* counting resources from the tax system and other antipoverty policies, as shown in the top gray lines in Figures 1 and 2. Without taxes and transfers, these lines reflect the poverty rate resulting from the market alone—that is, from earnings and other market-generated sources of income such as alimony, non-government retirement income, and the like.

The Columbia University Center on Poverty and Social Policy's historical SPM poverty data show that the poverty rate without counting resources from government policies and programs has *never* fallen below 20 percent across the entire period from 1967 to the present. Not once. If we think of this as the poverty delivered by the economy, or the market, alone, we see virtually no progress against poverty (in the aggregate; there are of course many year-to-year fluctuations). **This lack of progress is despite almost 60 years of economic growth**, which one would have expected to reduce poverty a lot more than it did.[3] While we are far from the first to look at poverty through the lens of the market,[4] a focus on the successes of government policies alone risks obscuring the failure of the labor market and other institutions to deliver large numbers of Americans out of poverty without the intervention of major income-support policies.

Figures 1 and 2 are for the total U.S. population.[5] Different demographic subgroups of the population show varying trends, and populations can also shrink or grow at different rates—all of which aggregate to what we see in the total population.[6] For example, older adults (age 65 and above) have some of the highest poverty rates before counting taxes and transfers (see Appendix Figure A1 and A2), and the older population has been growing as a share of the total U.S. population. Similarly, trends may differ depending on the measure chosen. The SPM (historical or anchored) is only one potential indicator of poverty, let alone economic well-being. Trends with other measures can and will often look quite different.[7]

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[3] Danziger and Gottschalk. 1994. *Uneven tides: Rising inequality in America*; Danziger. 2007. Fighting poverty revisited: What did researchers know 40 years ago?

[4] Gornick and Smeeding. 2018. Redistributional policy in rich countries.

[5] Minus some important groups, such as those who are institutionalized (e.g., people in jails and prisons) and those in U.S. territories generally not part of the government surveys used to measure these trends.

[6] Vinh et al. 2025. 2024 Older adults' poverty rates in historical perspective; Vinh et al. 2025. 2024 Working age adults' poverty rates in historical perspective; Vinh et al. 2025. 2024 Young adult poverty rates in historical perspective; Vinh et al. 2025. 2024 Child poverty rates in historical perspective.

[7] For additional examples of historical poverty measures, see Ortiz et al., 2026, 2025 poverty rates in historical perspective.

CONCLUSION

Despite nuances across poverty measures, which scholars and others will continue to debate and learn from, the long-term SPM trends from the Columbia historical SPM series show unambiguously that: (a) the market alone is not doing enough to reduce poverty given the vast amounts of economic growth the country has achieved over the past six decades, and (b) progress against poverty over time, as measured by the SPM, is largely the result of government policies.

SUGGESTED CITATION

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DATA SOURCE

Wimer, Christopher, Liana Fox, Sophie Collyer, Irwin Garfinkel, Neeraj Kaushal, Jennifer Laird, Jaehyun Nam, Laura Nolan, Jessica Pac, Ryan Vinh, and Jane Waldfogel. 2025. Historical Supplemental Poverty Measure data. New York: Center on Poverty and Social Policy, Columbia University. Public-use data available through IPUMS.

Visit our site to learn more about how to access the data.

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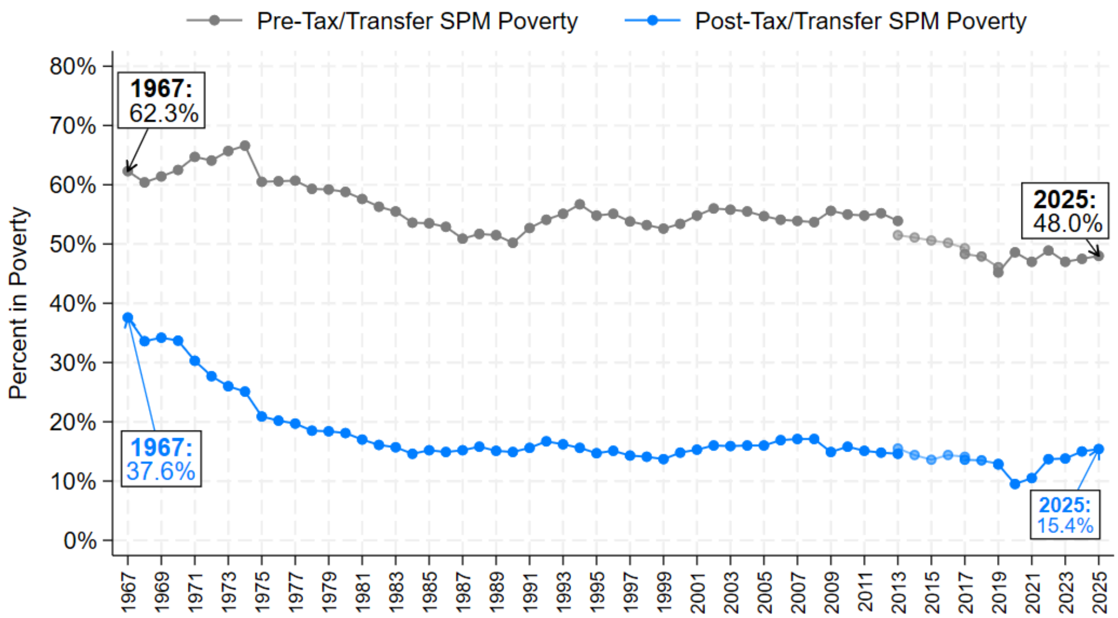
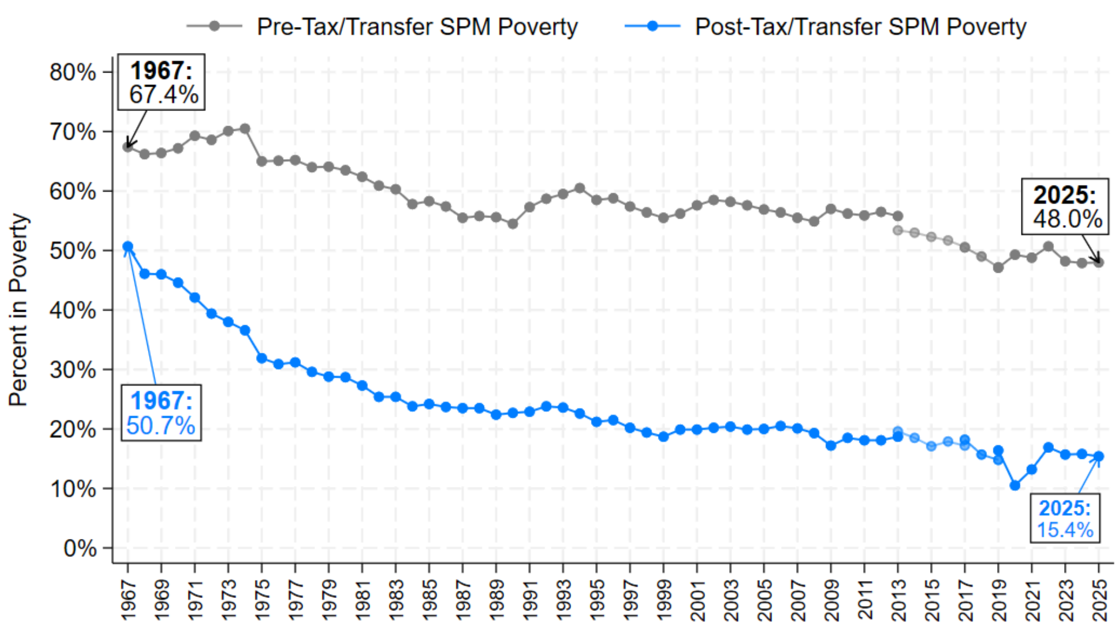
APPENDIX

Appendix Figure A1. Older adult (aged 65 and above) historical SPM poverty rates (1967–2025)



Source: Center on Poverty and Social Policy at Columbia University, 2026. Reproduction of Figure 6, Panel A from Ortiz et al. 2026. Databook: 2025 Poverty Rates in Historical Perspective.

Appendix Figure A2. Older adult (aged 65 and above) anchored 2025 poverty rates (1967–2025)



Source: Center on Poverty and Social Policy at Columbia University, 2026. Reproduction of Figure 6, Panel B from Ortiz et al. 2026. Databook: 2025 Poverty Rates in Historical Perspective.

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