

Macro Roundup Article

Headline: [Evaluating the Success of the War on Poverty since 1963 Using an Absolute Full-Income Poverty Measure](#)

Article Link: <https://www.journals.uchicago.edu/doi/10.1086/725705>

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Publication	Journal of Political Economy
Publication Date	November 29, 2023

Tweet: The US won the War on Poverty on LBJ's terms, cutting the absolute full-income poverty rate from 19.5% in 1963 to 1.6% in 2019. During these years the share of working-age adults who earned < half of their income from market sources more than doubled.

Summary: We evaluate progress in the War on Poverty as President Lyndon B. Johnson defined it, which established a 20% baseline poverty rate and adopted an absolute standard. While the official poverty rate fell from 19.5% in 1963 to 10.5% in 2019, our absolute full-income poverty measure—which uses a fuller income measure and updates thresholds only for inflation—fell from 19.5% to 1.6%. However, we also show that relative poverty reductions have been modest. Additionally, government dependence increased over this time, with the share of working-age adults receiving under half their income from market sources more than doubling.

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Primary Topic: Government Spending

Topics: Academic paper, Database, Fiscal Policy, Government Spending, Important!, Poverty/Crime, Weekly, Workforce

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