



Stereotypes about Poverty

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Abstract: *There are misconceptions and stereotypes about people who experience poverty. Due to the stigma associated with poverty, individuals may have difficulty accessing and utilizing public assistance and resources. This could contribute to the persistent opportunity gaps that afflict people living in poverty. This NebGuide outlines five common stereotypes about individuals experiencing poverty and concludes with strategies for addressing these stereotypes.*

A common definition of ‘poverty’ is a condition in which individuals lack the financial resources for a minimum standard of living. Poverty is officially determined by comparing the incomes of all family members to the poverty threshold. In 2020, the poverty threshold for a family of three in Nebraska and the other 47 contiguous states is \$21,720 per year, meaning that if the monthly income falls under \$1,810, they are considered “in poverty.”

2020 POVERTY GUIDELINES FOR THE 48 CONTIGUOUS STATES AND THE DISTRICT OF COLUMBIA

Persons in family/household	Poverty guideline
1	\$12,760
2	17,240
3	21,720
4	26,200
5	30,680
6	35,160
7	39,640
8	44,120

Figure 1. 2020 Federal Poverty Guidelines
Source: Federal Register (2020). Retrieved from <https://www.govinfo.gov/content/pkg/FR-2020-01-17/pdf/2020-00858.pdf>

Table 1. Terms and Definitions

Term	Definition
Bias	A preference or inclination, favorable or unfavorable, which inhibits neutral judgment
Stereotype	A positive or negative trait ascribed to a certain group
Prejudice	A negative attitude toward a group and people received to be members of that group
Bigotry	Extremely negative attitudes leading to hatred of a group
Discrimination	Actions carried out by dominate groups that have a negative impact on subordinate groups

Source: Koppelman, K. L., & Goodhart, R. L. (2011). *Understanding human differences: Multicultural education for a diverse America*. Boston, MA: Pearson/Allyn & Bacon.

Poverty can affect the daily lives of individuals and families, including their health and well-being, relationships, and social interactions. People may experience poverty due to demographic, socioeconomic, and policy changes as well as health problems, mental illness, and natural disasters, even if they are hardworking, are well-educated, and have a good career. Regardless of circumstances, people experiencing poverty may suffer from stigma, prejudice, and discrimination (see Table 1), and have fewer opportunities for advancement. These experiences can lead some to feel degraded, ashamed, and socially excluded.

It is important to recognize that people experiencing poverty come from diverse backgrounds. This NebGuide discusses common misconceptions and stereotypes about people experiencing poverty in hopes of reducing these biases. Negative stereotypes and biases may discourage individuals from accessing and using public support and resources. This may contribute to the persistent opportunity gaps that negatively affect people experiencing poverty. Moreover, increasing self-awareness around our own biases helps us to identify if our behaviors and thoughts are helping or hindering our interactions and relationships, particularly for human services providers working with people experiencing poverty. This NebGuide will outline five common stereotypes of poverty and conclude with strategies to address these misconceptions and stereotypes.

Common Stereotypes about Poverty

Stereotype 1. *“Poor people do not want to work.”* The most prevalent stereotype about people experiencing poverty is that they are unmotivated, lack aspirations, and do not work hard enough. According to a national survey, half of the respondents think that a lack of motivation is a major cause of poverty. Many believe that there are sufficient opportunities, and individuals can get out of poverty if they

are motivated and work diligently. There is a widespread belief that people become poor due to their own fault (e.g., laziness or negative work ethic); therefore, policymakers are believed to focus on improving motivation and work ethic, as well as reducing government assistance (e.g., cash or in-kind benefits).

Concerning this stereotype, it is important to understand how many of those experiencing poverty are also able to work. The U.S. Census Bureau reported that 55% of people experiencing poverty were working-age adults (age 18 to 64) in 2019, whereas the remaining 45% were either children (31%) or the elderly (14%). Among the working-age poor, 39% of them were part-time or full-time employed, 20% had disabilities, 17% were pregnant, 11% were in school, and 6% are early retirees. The remaining 6% were unemployed, which is comparable to the national unemployment rate (5.5%) in the same year. These figures do not support the conclusion that people in poverty are less likely to work.

Apart from motivation, not everyone in every community has access to jobs that provide a sufficient income. Jobs available to people experiencing poverty may pay the minimum wage (or below) and may not include healthcare or other benefits. As of 2020, the federal minimum wage is \$7.25 per hour. In Nebraska, the minimum wage for most workers is \$9 per hour. To put this into perspective, suppose that a single parent with two children works full-time (40 hours per week) for minimum wage. The person’s monthly gross income (before tax) is \$1,560, which is less than the poverty threshold (\$1,810) for a family of three. In fact, many of the working poor often receive assistance from extended families, friends, and other sources such as charities and non-profit organizations to make ends meet. This extra assistance—including financial help with housing, utilities, food, insurance, medical and day care, a vehicle, and other expenses—is also needed to help find and keep a job. Public subsidy programs for housing, child-care, utilities, and transportation are designed for the same reason, to help sustain employment.

Stereotype 2. *“Poor people want to stay on welfare.”* There is a song titled “Welfare Cadillac,” released in 1970 by Guy Drake. The lyrics depict a welfare recipient who has never worked, has been poor all his life, has 10 children and a wife, does not need to pay rent, receives a government check every month, and drives a new Cadillac. In fact, there was a welfare fraud case in Chicago in 1977. Linda Taylor defrauded various government programs, disguising with dozens of wigs and telephone numbers, and fake identities (e.g., heart surgeon, voodoo practitioner, spiritual advisor). This “welfare queen” anecdote

MANDATORY SPENDING IN 2019

Billions of Dollars

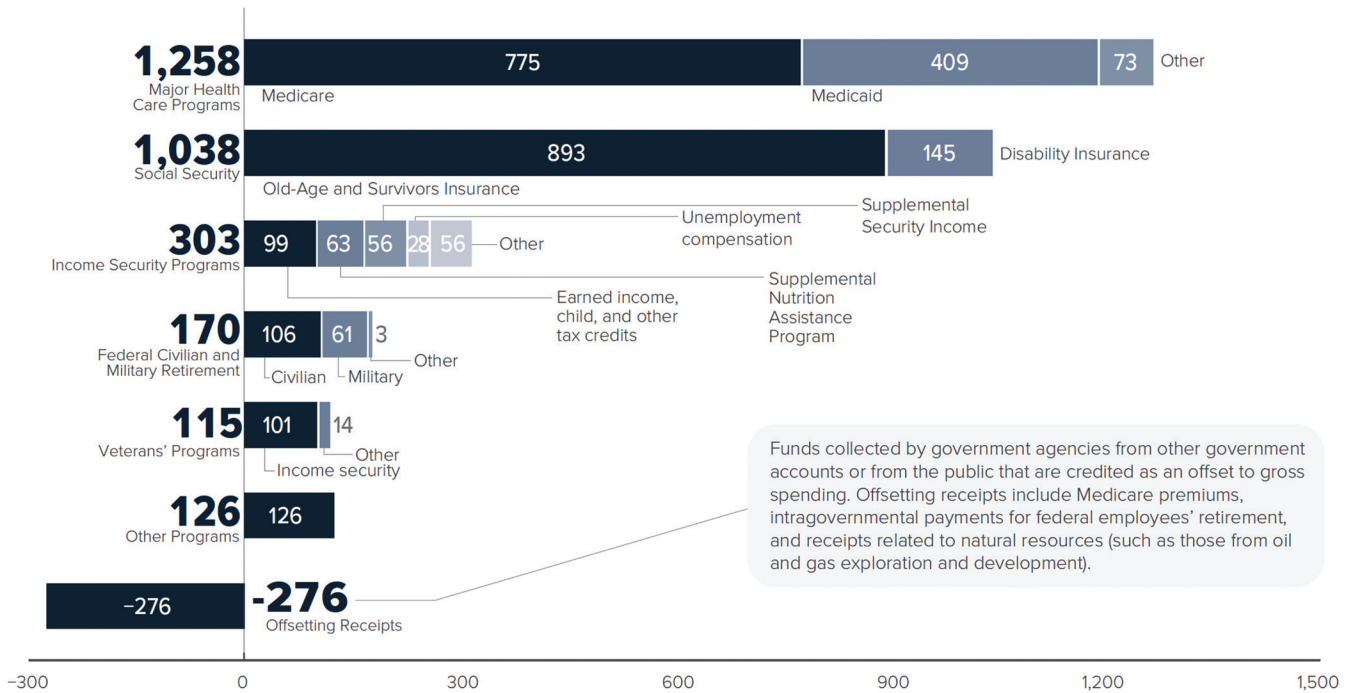


Figure 2. The Federal Budget in 2019

Source: Congressional Budget Office. (2019). The Federal Budget in 2019: An Infographic. Retrieved from <https://www.cbo.gov/publication/56325>

was also politically used in presidential campaigns to rail against the welfare system. Apparently, she was a unique figure charged with many crimes such as kidnapping, baby trafficking, murder, and fraud. This case does not exemplify the trend of any kind of claims for welfare recipients.

After the passage of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, the number of individuals receiving federal welfare dramatically declined. This law prohibits individuals from receiving cash benefits (e.g., Temporary Assistance for Needy Families) more than 60 months in their lifetime, regardless of how poor they are or how many children they have. Any failure to meet work participation requirements also results in benefit sanctions. To maintain eligibility, single-parent families have to participate in work activities (e.g., employment, job-skills training, job search, community service, or education related to employment) at least 30 hours per week. The maximum cash assistance that a single parent with two children can receive in Nebraska was \$450 in 2019. Adjusted for inflation, the amount has decreased about 55% since 1981. That year, the benefit was \$350, which equates to about \$988 in 2019 dollars. Nebraska and 35 other states have welfare family cap policies, which

deny additional benefits or even reduce the cash assistance to families who have additional children while receiving assistance.

Stereotype 3. “The government spends too much on the poor.” Another persistent stereotype is the belief that there are too many government programs and that most benefits are too generous. The U.S. government is believed to dramatically increase federal spending on poverty every year. People may think that a considerable portion of their tax dollars are spent to support welfare recipients, and it should be reduced at least during periods of economic recession. Furthermore, many believe that non-profit organizations, charities, and businesses run programs for people experiencing poverty at the community level, and thus welfare recipients may take advantage of benefits from the government and non-government entities.

There are government programs specifically designed to support people experiencing poverty. These are called means-tested programs, which include health (i.e., Medicaid) and income security programs (i.e., Supplemental Security Income [SSI], the Earned Income Tax Credit [EITC], and the Child Tax Credit [CTC], and Supplemental Nutrition Assistance Program [SNAP]).

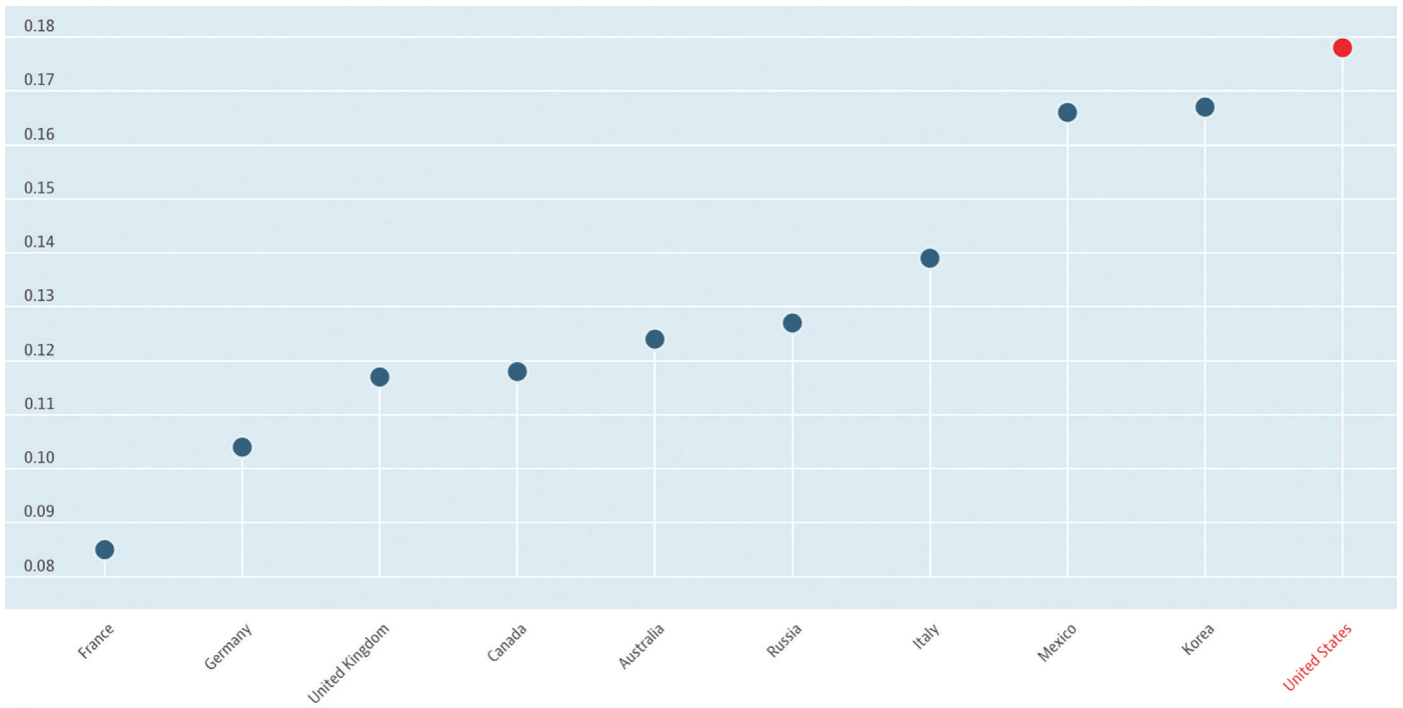


Figure 3. Poverty Rates by Countries
 Source: OECD (2021). Poverty rate (indicator). doi: 10.1787/0fe1315d-en

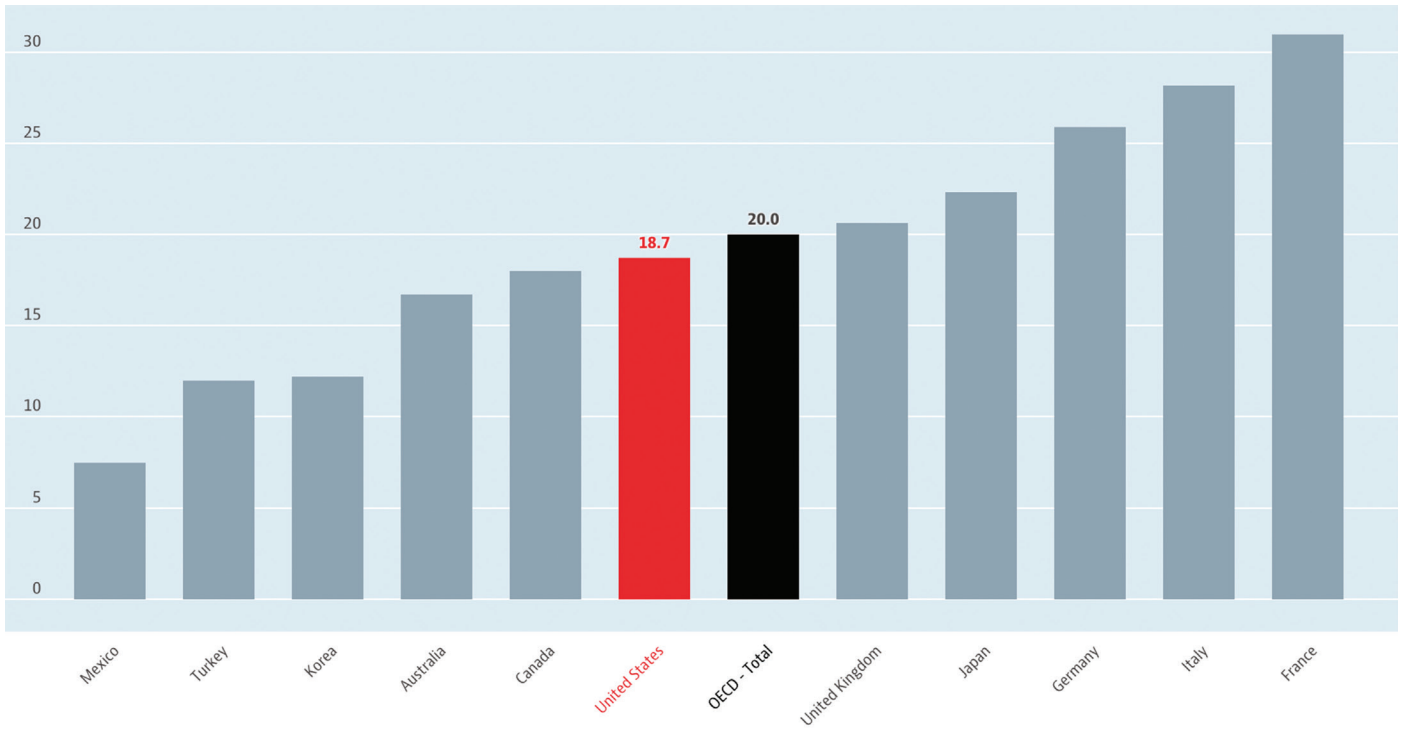


Figure 4. Public Expenditure on Social Benefits by Country
 Source: OECD (2021). Social benefits to households (indicator). doi: 10.1787/423105c6-en

According to the Congressional Budget office, the U.S. federal government spent \$99 billion for EITC and CTC, \$73 billion for SNAP, \$56 billion for SSI, and another \$56 billion for pensions for low-income veterans and other small programs in 2019 (see Figure 2). A total of \$281 billion was spent through income security programs exclusively for low-income families. Medicaid is the largest means-tested program for people living in poverty, which costed \$409 billion. Government spending on these major means-tested programs totaled \$693 billion. Given that the federal government spent \$4.4 trillion in the same year, spending on low-income families and individuals accounts for 15.8%.

When comparing countries, we often use a percentage of Gross Domestic Product (GDP). The 2019 annual report from the Organisation for Economic Co-operation and Development revealed that the U.S. poverty rate (17.8%) was the highest among the G20 countries (see Figure 3). Nonetheless, the share of the U.S. public expenditure including all cash and in-kind benefits, services targeted at low-income households, the elderly, people with disabilities, and unemployed was 19% per GDP in 2019, which is lower than such countries as France (31%), Germany (26%), Japan (22%), and the United Kingdom (21%). Overall, these figures do not suggest that the U.S. government spends excessively on anti-poverty and social protection programs.

Stereotype 4. “*Poor people are more similar than different.*” The widespread belief is that people experiencing poverty are a homogenous group with similar backgrounds and cultures. People often have common mental images of people experiencing poverty based on their race, ethnicity, education, marital status, language register (e.g., slang use), family structure, parenting style, work ethic, and support system. Many vignettes in textbooks and educational materials illustrate that people experiencing poverty are predominantly Black or Hispanic, undereducated, and unmarried but cohabiting. People are also depicted as having substance abuse or mental health issues, speaking in a casual manner with limited (written) language skills and vocabulary, and relying on family support. Additionally, the media portrays the values, beliefs, and lifestyles of people experiencing poverty in ways that are different from those held by the majority of Americans.

These stereotypical perspectives are grounded in a traditional model that categorizes people into three groups: the poor, the middle class, and the wealthy. This classification emphasizes the similarities within each group and the differences between groups while excessively simplifying and generalizing the characteristics of each group. As a

Table 2. Types of Poverty and Definitions

Type	Definition
Situational poverty	Generally caused by a sudden crisis or loss and is often temporary
Generational poverty	Occurs in families where at least two generations have been born into poverty
Absolute poverty	Involves a scarcity of such necessities as shelter, running water, and food
Relative poverty	Refers to the economic status of a family whose income is insufficient to meet its society's average standard of living
Urban poverty	Occurs in metropolitan areas with populations of at least 50,000 people
Rural poverty	Occurs in non-metropolitan areas with populations below 50,000

Source: Jensen, E. (2009). *Teaching with poverty in mind*. Alexandria, VA: ASCD.

result, people experiencing poverty tend to represent deficits rather than strengths. Different types of poverty exist, depending on when they occur, how severe they are, and where they occur (see Table 2). There is also an increasing amount of diversity among people who live in poverty.

Recent years have seen an increase in poverty among white people living in rural areas. Rural populations have a greater risk of poverty. More millennial households are in poverty than households headed by any other generation (e.g., baby boomers or Generation Xers). The working poor population grows due to low wages and an unstable labor market. The steep costs of healthcare are another reason that millions of middle-class Americans are at risk of falling into poverty. Individuals experiencing poverty may have different risk factors, face different struggles, and need different support and resources. It is inaccurate to describe people experiencing poverty as a homogenous, relatively small group that uses similar language, communications, and coping strategies. It should be noted that more than half of Americans will experience poverty for at least one year at some point before the age of 65, implying that many different types of people can experience poverty, even if they are hard-working, are well-educated, and have a good career.

Stereotype 5. “*Poor children in the U.S. are not that poor.*” The U.S. is one of the wealthiest and most developed countries in the world. People often think that conditions for children experiencing poverty in the U.S. cannot be nearly as bad as those in other countries. For instance, nearly half of all children in sub-Saharan Africa are experiencing extreme poverty. South Asia has the second-highest rate of children experiencing extreme poverty, with a child poverty rate of over 30%. More than four out of five children experiencing extreme poverty reside in rural areas in such developing countries. Compared to these children

experiencing poverty in developing countries, children experiencing poverty in the U.S. do, indeed, have many more resources and opportunities.

While these comparisons are often made, it is difficult to make accurate comparisons between children experiencing poverty in the U.S. with those in developing countries. When compared to other developed countries with similar economic structures, the U.S. ranks near the bottom in terms of how well it cares for its poor children. In 2019, approximately 12 million children (16% of those under the age 18) in the U.S. lived in families with incomes below the federal poverty threshold. In comparison to other age groups, the child poverty rate is higher than that of working-age people (11%) and the elderly (9%) in the same year. Each year, about 2 million children who are homeless experience a lack of safety, comfort, privacy, reassuring routines, adequate healthcare, uninterrupted schooling, sustained relationships, and a sense of community. Poverty is the single greatest threat to children's health, well-being, and development (e.g., social, emotional, and behavioral adjustment, and physical and mental health). Risks become greater for children who experience deep and persistent poverty at early ages. Further interventions, including financial investments, in the most vulnerable children are still needed.

Strategies to Address Stereotypes about Poverty

A recognition of these stereotypes is an important step to take actions. This NebGuide also presents five specific strategies to address stereotypes of people experiencing poverty. These strategies will be helpful particularly for Extension educators and specialists, and other human services providers who work with children, parents or individuals experiencing poverty.

Strategy 1. "Fact Check!" Most of the stereotypes discussed earlier originated from unknown, unreliable, and invalid sources of information. Educators should intentionally invest their time in finding facts. It does not necessarily mean having advanced skills to analyze large-scale data and extensive knowledge about the historical and structural causes of poverty. Initially, invest your time by leveraging reliable data and government reports to search and find the information. Examples may include the U.S. Census and the Department of Health & Human Services. Also, educators may face contradicting ideas or opinions among participants when facilitating programs. Use a "fact check" time to validate ideas and comments with factual data, instead of avoiding conflicts or accepting anecdotal evidence, which often reinforces stereotypes. Stereotypes of people experiencing poverty are often based on myths,

which can be changed when using reliable information and factual data.

Strategy 2. "Individualize, don't generalize." Even individuals and professionals who have worked for many years with people experiencing poverty still have personal biases. Instead of generalizing a certain set of behaviors to all people experiencing poverty, focus on individual experiences. You can also create a stereotype when you generalize a set of characteristics to all members of a particular group while ignoring the individual characteristics of each person. A generalization may lead to inaccurate and faulty conclusions. Individuals experiencing poverty may have diverse life experiences, situations, and stressors.

Strategy 3. "Empowerment." Human services providers should retain a strengths-based perspective. Empowering people experiencing poverty means actively and continuously finding each person's or family's positive attributes, such as the skills and strengths they have. Educators and human services providers may subconsciously lower their expectations and standards when working with children, parents or individuals experiencing poverty. It is important to view each child as capable of achieving their highest potential to learn, grow, and thrive. While some family situations may complicate the support needed for a child to thrive, standards should never be lowered. All children should be appropriately challenged and taught to believe they can reach their full potential. Consider how you are motivating and empowering all children, including children in poverty to learn and succeed. The empowerment approach can help children experiencing poverty develop resilience by focusing on strengths rather than deficits.

Strategy 4. "Systems knowledge." American welfare programs and healthcare systems are complicated. The knowledge and skills to navigate anti-poverty programs (e.g., TANF, SNAP, SSI, Medicaid, and Children's Health Insurance Program) and understand the benefits, services, and eligibility for each program can be a great asset to provide practical assistance to people experiencing poverty. Understanding policies, programs, and community resources may help reduce stereotypes about our government and community efforts alleviating poverty. Although the use of plain language (e.g., lay terms) has been required in government communications, many people still struggle to understand and use government information. Database portals (e.g., ACCESSNebraska, Nebraska 211) may also help navigate support systems and find local programs and resources; however, they do not necessarily include detailed information for understanding policies and programs. It can be also helpful to continuously develop self-explanatory resource guides and share the information through social media or community events for improving



Figure 5. ACCESSNebraska (dhhs.ne.gov)

individuals' understanding of support systems.

Strategy 5. "Participate in community programs." Experiential learning (e.g., poverty simulations) and community workshops can be an opportunity to learn more about the diversity of those experiencing poverty in the United States. Another strategy is to participate in programs and activities that strive to empower all members of your local community to feel they belong and have the potential to thrive. If organizing a community event, think of ways to engage those experiencing poverty to attend and contribute to that event. Empower individuals who are experiencing poverty in their community to speak up and share their experiences to allow for greater societal inclusion. Personal efforts through self-reflection and research on poverty may help you examine your own biases and stereotypes toward people experiencing poverty. At the same time, collective efforts to strengthen partnerships within your community and build trust in a relationship with people in poverty are also needed.

Conclusions

Poverty affects all types of people in the United States. The causes of poverty vary across diverse groups of people.

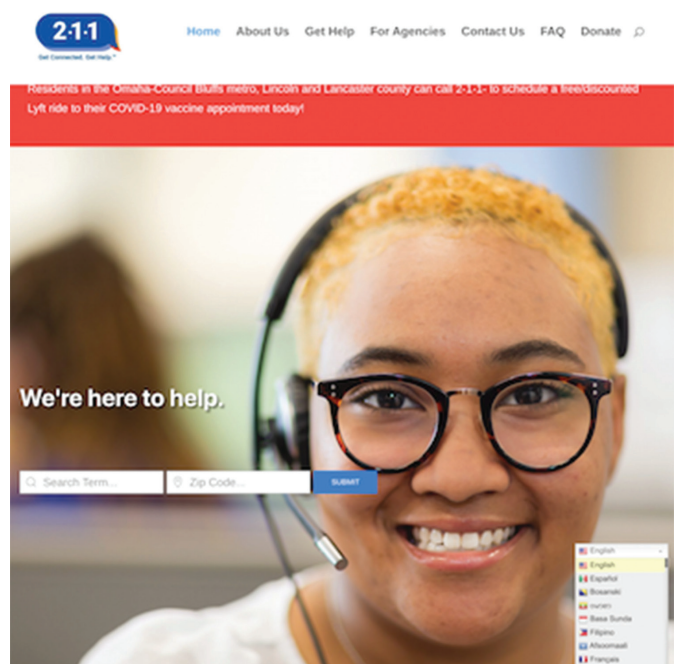


Figure 6. Nebraska 211 (ne211.org)

Individual and collective efforts are needed to reduce biases and stereotypes about people experiencing poverty and raise awareness of the risks of stigmatizing people in poverty. Human services providers, in particular, should have the knowledge and skills to navigate support systems.

RESOURCES

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