

POVERTY RATES AND MEDIAN HOUSEHOLD INCOME IN THE UNITED STATES AND LOUISIANA, 1988-2003

The U.S. Department of Commerce, Bureau of the Census, recently released the 2003 report on Income, Poverty, and Health Insurance Coverage in the United States. The data below show the U.S.-Louisiana comparisons for poverty and household income.

Poverty Rates in the United States and Louisiana, 1988-2003

The poverty rate in the United States fell steadily between 1992 and 2000, from 15.1 percent to 11.3 percent. Only in 1973-74 was the poverty rate lower than in 2000. With the recession in 2001, the proportion of Americans living in poverty increased again; this increase continued even during the economic recovery. In 2003, 12.5 percent of all Americans lived in poverty. In Louisiana, poverty also decreased during the period 1993-2000, although not as steadily as in the United States overall. But by 2003, Louisiana's poverty rate was only 4.5 percentage points above the U.S. rate. Only in 1997 was the U.S.-Louisiana difference in poverty smaller (3.0 percentage points). That compared with an 11 point difference in the years 1993-1994.

Median Household Income in the United States and Louisiana, 1988-2003

The medium income of all households in the United States increased steadily from 1988 to 2003. Using current (2003) dollars, medium household income increased from \$27,225 to \$43,318 during this period. While the 2003 medium household income in

Louisiana (\$33,507) is also substantially higher than the corresponding income for 1988 (\$20,497), this rise showed more fluctuations than for the country as a whole. For example, Louisiana's medium household income in 2000 was barely above the 1996 income. State incomes tend to vary more than national incomes. For the nation as a whole, different economic conditions in the various states average out. One source of variation in medium household income in Louisiana is the state's continued strong dependence on the energy industry. Throughout the 1988-2003 period, Louisiana's medium household income remained substantially below the national medium income. While it came closest to the national medium in 1997 (89.9% of national income), it tends to be around 80% of national income. The 2003 ratio of 77.4% is only slightly above the 1988 ratio of 75.3%, reflecting the fact that while national income went up, Louisiana's medium income decreased from 2002 to 2003.

Table 1. Number of Poor and Poverty Rate in Louisiana: 1988 to 2003 (Numbers in thousands)

Year	United States		Louisiana		Difference in Percent [†]
	Number in Poverty	Percent	Number in Poverty	Percent	
2003	35,861	12.5	750	17.0	4.5
2002	34,570	12.1	777	17.5	5.4
2001	32,907	11.7	709	16.2	4.5
2000	31,581	11.3	750	17.2	5.9
1999	32,791	11.9	823	19.2	7.3
1998	34,476	12.7	821	19.1	6.4
1997	35,574	13.3	691	16.3	3.0
1996	36,529	13.7	873	20.5	6.8
1995	36,425	13.8	849	19.7	5.9
1994	38,059	14.5	1,117	25.7	11.2
1993	39,265	15.1	1,119	26.4	11.3
1992	38,014	14.8	1,043	24.5	9.7
1991	35,708	14.2	795	19.0	4.8
1990	33,585	13.5	952	23.6	10.1
1989	31,528	12.8	950	23.3	10.5
1988	31,745	13.0	968	22.8	9.8

† Difference is equal to Louisiana percent minus United States percent

Table 2. Median Household Income for the United States and Louisiana: 1988 to 2003 (In current dollars)

Year	United States	Louisiana	LA-U.S. Income Ratio [†]
2003	43,318	33,507	77.4
2002	42,409	34,008	80.2
2001	42,228	33,322	78.9
2000	41,990	30,718	73.2
1999	40,696	32,654	80.2
1998	38,885	31,735	81.6
1997	37,005	33,260	89.9
1996	35,492	30,262	85.3
1995	34,076	27,949	82.0
1994	32,264	25,676	79.6
1993	31,241	26,312	84.2
1992	30,636	25,439	83.0
1991	30,126	25,299	86.3
1990	29,943	22,405	74.8
1989	28,906	22,861	79.1
1988	27,225	20,497	75.3

[†] Ratio is Louisiana income to United States income.