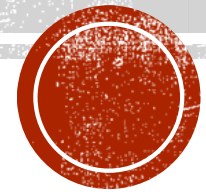


COLLEGE STUDENTS ARE NOT POOR:

Reassessing Poverty Rates in College Towns

Dr. Marc Anthony Fusaro and Tami Schaefer



BY THE STATS: COLLEGE TOWNS ARE THE MOST “POOR”

County	Poverty Rate	Rank (of 105)
Ellis (Ft. Hays SU)	14.3%	75
Douglas (KU)	19.3%	100
Lyon (ESU)	20.6%	101
Crawford (PSU)	21.8%	102
Wyandotte	22.0%	103
Riley (KSU)	22.1%	104



WHY WE CARE ABOUT POVERTY

- Poverty is correlated with Poor Health and Shortened Lifespans
 - Deaton and Case 2003
 - Gould, 2003
 - Krishna, 2007
 - Wisniewski, 2008



THE COLLEGE EDUCATED ARE DIFFERENT

- Poverty is correlated with Poor Health and Shortened Lifespans
 - Deaton and Case 2003
 - Gould, 2003
 - Krishna, 2007
 - Wisniewski, 2008
- College students have Good Health and Long Lifespans



INCOME VS SPENDING

- The Pain of Poverty is Low Spending
- Poverty = Low Income



INCOME VS SPENDING

- The Pain of Poverty is Low Spending
- Poverty = Low Income

- For most people: low income = low spending
- For college students: low income but high spending



HOW MUCH DO THE COLLEGE STUDENTS EFFECT THE POVERTY RATE?

- Measuring the Poverty Rate (Traditional Rate)

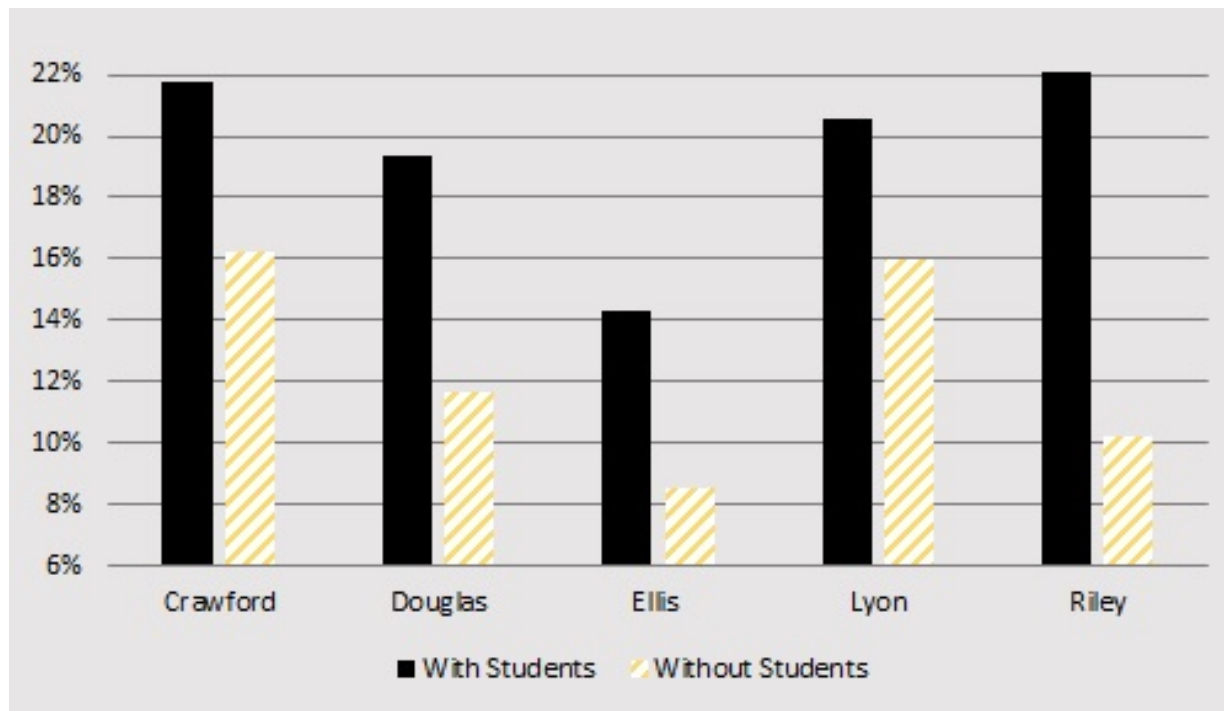
$$PovertyRate_{traditional} = \frac{TotPoor}{TotPoor + TotNot}$$

- Removing Students from the Poverty Rate (Adjusted Rate)

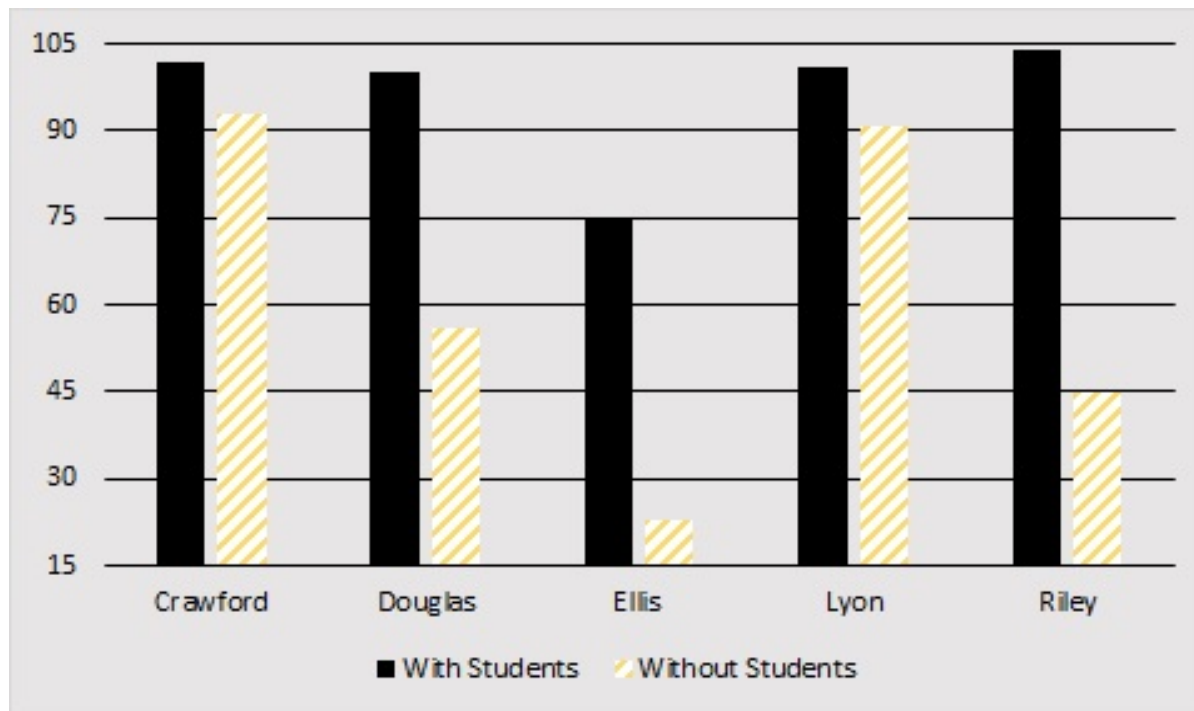
$$PovertyRate_{adjusted} = \frac{TotPoor - CollegePoor}{(TotPoor - CollegePoor) + (TotNot - CollegeNot)}$$



HOW MUCH THE COLLEGE STUDENTS EFFECT THE POVERTY RATE



HOW MUCH THE COLLEGE STUDENTS EFFECT THE POVERTY RATE



CONCLUSION

- We find that the poverty rate does not measure what we think it is measuring.
- Others have found measurement issues with the poverty rate:
 - Meyer and Mittag, 2019
 - Eberstadt, 2008
- We think it is time to reexamine how poverty rates are measured.
 - Kingdon and Knight, 2006

