COLLEGE STUDENTS ARE NOT POOR:
Reassessing Poverty Rates in College Towns

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

<table>
<thead>
<tr>
<th>County</th>
<th>Poverty Rate</th>
<th>Rank (of 105)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ellis (Ft. Hays SU)</td>
<td>14.3%</td>
<td>75</td>
</tr>
<tr>
<td>Douglas (KU)</td>
<td>19.3%</td>
<td>100</td>
</tr>
<tr>
<td>Lyon (ESU)</td>
<td>20.6%</td>
<td>101</td>
</tr>
<tr>
<td>Crawford (PSU)</td>
<td>21.8%</td>
<td>102</td>
</tr>
<tr>
<td>Wyandotte</td>
<td>22.0%</td>
<td>103</td>
</tr>
<tr>
<td>Riley (KSU)</td>
<td>22.1%</td>
<td>104</td>
</tr>
</tbody>
</table>
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
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- 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)

\[
\text{PovertyRate}_{\text{traditional}} = \frac{\text{TotPoor}}{\text{Tot Poor} + \text{Tot Not}}
\]

- Removing Students from the Poverty Rate (Adjusted Rate)

\[
\text{PovertyRate}_{\text{adjusted}} = \frac{\text{Tot Poor} - \text{College Poor}}{(\text{Tot Poor} - \text{College Poor}) + (\text{Tot Not} - \text{College Not})}
\]
HOW MUCH THE COLLEGE STUDENTS EFFECT THE POVERTY RATE
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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