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**STATEMENT BY ROBERT GREENSTEIN, EXECUTIVE DIRECTOR, ON THE
RELEASE OF 2003 POVERTY, INCOME, AND HEALTH INSURANCE
ESTIMATES BY THE CENSUS BUREAU**

2003 marked the third straight year that living standards have deteriorated, with poverty increasing, the number of uninsured climbing, and the income of the typical household stagnating. The income of the typical, middle-class household is \$1,535 below where it was three years earlier, while 4.3 million more Americans were poor than in 2000, and 5.2 million fewer people had health insurance, producing the largest number of uninsured on record, with the data going back to 1987. Further, by some indicators, gaps between the most well-off and other Americans — already at exceptionally wide levels — became still larger in 2003

The federal government's response to these adverse developments has been misdirected. As recent studies indicate, the nation has squandered huge amounts of resources on poorly designed tax cuts that greatly increased budget deficits and further widened gaps between the most well-off and everyone else, and did so without much pay-off in terms of jobs. These policies are burdening future generations with larger amounts of debt and starving the budget of resources that could be used to address such problems as the growing health insurance crisis.

Adding to these concerns, prospects for improvements in 2004 are uncertain. Health insurance coverage is likely to continue to erode, and it is unclear whether there will be substantial improvements on the poverty and income fronts. This uncertainty reflects ongoing softness in the labor market. While the unemployment rate is down somewhat from 2003, jobs are up modestly, and economic growth has been significant, the share of the population that is employed has failed to rise. In addition, average weekly wages have fallen this year, and the safety net for the unemployed has weakened with the untimely termination of the temporary federal unemployment benefits program. Three years into the recovery, early indications are that any improvements in 2004 are likely to be modest.