

The Guardian reports;

Concessions to some Republican factions could cut Social Security and leave older women without support. Photograph: Daniel Berehulak/Getty Images
There's a new mystery in the economy. For some reason, the number of older women living in extreme [poverty](#) has rocketed up 18% over the past year.

That's 133,000 more women since just last year who are over 65, living alone, on about \$5,500 a year, or \$458 a month, according to the [National Women's Law Center](#), which just released its analysis of the census. Around 2.6 million elderly women are living in poverty as of last year, the NWLC said, and 733,000 of those live in extreme poverty.

The reason for this, however, is still perplexing. "We don't know right now what it's due to," said Katherine Gallagher Robbins, a senior policy analyst at the NWLC.

Here's what we know: the overall poverty rates are largely unchanged, for men, women and children alike. Those rates are also at historical highs, with more Americans on food stamps and living in poverty. One in five children in America are poor. In a comparison of 35 countries and their rates of child poverty, [America came in 34th](#).

What has changed is the rate of extreme poverty. For elderly women, that rate has increased to 3.1% in 2012, from 2.6% in 2011; it's up to 4.7% for if they were living alone in 2012, compared to 3.6% in 2011. It's up 18%, which is a very sharp uptick in only one year.

It's not surprising that women are behind the eight-ball. To some extent, women are doomed to more financial suffering than men: women live longer and earn less. The NWLC statistics, drawn from the census, show just how bad it is for women: 17.8 million women lived in poverty in 2012, 44% of whom lived in extreme poverty. Extreme poverty means "income at or below 50% of the federal poverty level", which amounts to less than \$5,500 a year.

When the economy is bad for women, it's also bad for children. According to the NWLC, 16 million children lived in poverty in America last year, and 44% of them also lived in extreme poverty. "The poverty rate for female-headed families with children was 40.9%, compared to 22.6% for male-headed families with children," the NWLC noted.

What is surprising is that the slide into deep poverty is happening so soon, and in such massive numbers, among the elderly. It's not clear what could have

changed between 2011 and 2012 to cause it.

One of the biggest risks – cuts in Social Security – hasn't even happened yet. Women over 65 were [expected to suffer](#) if the budget battles in Washington tipped in favor of some Republicans who supported cutting entitlement programs like Social Security and Medicare. To make peace with Republicans, the White House economic team [considered cutting the cost of living adjustments to Social Security](#) – which would be a disaster for older women.

Another option could be that elderly women are suffering disproportionately from the overall drop in incomes, perhaps getting less help from cash-strapped family members. The median income for non-elderly households [fell 11% between 2000 and 2012](#), according to the census, so it might make sense that elderly women would be caught up in that decline as well.

What's not helping: the sequestration cuts, which kicked in earlier this year. Due to one set of cuts, there are [4m fewer meals going to the homebound elderly](#).

As Congress debates Obamacare and other high-level budget points this week, the increase in poverty at home makes those legislative concerns look like indulgences, first-world problems. The growing rate of extreme poverty in the US shows basic problems that Congress has not addressed in years.