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Ten Findings about Poverty in Latin America and the Caribbean

Jillie Chang, David K. Evans, Carolina Rivas Herrera[1]

Abstract

Poverty continues to challenge Latin American and Caribbean countries, with approximately one in three people in the region in poverty and one in seven in extreme poverty. This paper provides up-to-date insights through analysis of who the poor are, where they are located, and how they live in the region. First, it uses a large collection of household surveys that extend through 2023 to characterize poverty in the region. It examines (1) how many people in the region are poor, (2) how the poor are distributed geographically within and across countries, (3) how poverty affects specific groups (e.g., women, children, Afro-descendants, and Indigenous people), (4) how much of the poverty in the region is chronic and how much is transitory, and (5) how poverty numbers have changed over time. Second, it identifies how the poor live relative to others in their same countries, providing insights into policy responses. Specifically, it discusses (6) the living arrangements of the poor, (7) the assets they have access to, (8) how they earn their incomes, (9) how they access human capital services such as education and health, and (10) what access they have to social safety nets. While this analysis is descriptive, it may be useful both for targeting efforts and for generating new hypotheses for poverty reduction that can subsequently be tested causally.

Keywords: poverty, development, Latin America and the Caribbean

JEL codes: I25, J20, O10, O12, O15, O18

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1. Introduction

Latin America and the Caribbean made impressive progress on reducing poverty in the first years of the twenty-first century, with a drop in poverty of nearly 30 percentage points.[2] But since then, progress has slowed, with one in three people still in poverty in the region and one in seven people still in extreme poverty. Reducing or eliminating poverty is a high priority in many countries and in the international community. “End poverty in all its forms everywhere” is the first of the UN Sustainable Development Goals (UN 2023). “Reducing poverty and inequality” is the first of three strategic objectives of the Inter-American Development Bank, and the first part of the mission of the World Bank is to “end extreme poverty” (IDB 2024a; WB 2024a).

This study provides an overview of poverty in Latin America and the Caribbean. We draw on household survey data from 18 countries in the region (representing 97 percent of the region’s population). First, this study characterizes the poor in the region: how many are there, where are they, how are specific subgroups affected, how much of poverty in the region is chronic versus transitory, and how much has poverty changed over time? This analysis provides guidance for how to target the poor in the region with programs to improve their opportunities. Second, it characterizes how poor people in the region live: what are their living arrangements, what assets do they have access to, how do they earn their incomes, how do they access education and health services, and what access do they have to social programs? In providing insight into how the poor live differently from those with higher levels of income, this analysis provides guidance for the design of interventions intended to reduce poverty.

We summarize our results with ten key findings, one from each of the questions above. In the study, we provide additional findings and greater detail on each of these questions, including characterizing cross-country variation across the region. The first five findings relate to a characterization of the poor in the region.

1. More than 200 million people in the region live in poverty, with nearly 100 million of them living in extreme poverty. More than half of the extreme poor in the region are concentrated in Brazil, Mexico, and Venezuela.
2. Two-thirds of the region’s poor and just over half of the region’s extreme poor live in urban areas.[3]
3. Afro-descendants, Indigenous people, and children are all between 11 and 15 percentage points more likely to be poor than the overall population.
4. On average, 88 percent of households in extreme poverty were also chronically poor.
5. Poverty has dropped by roughly half since 2003, with almost all of that improvement in the first ten years.

The second five findings relate to how the poor live, relative to the non-poor.

6. The households of the poor have twice as many young people—but fewer elderly.
7. The poor are much less likely to have a computer but not much less likely to have a mobile phone.

[2] For this paper, the percentage of people in poverty is the combination of people in extreme poverty (living on under USD 3.65 per day) and people in moderate poverty (living between USD 3.65 and USD 6.85 per day). For more detail on poverty lines, see Section 2.

[3] The reported aggregate number for Latin America and the Caribbean (LAC) is the population-weighted average across the 18 countries with available information.

8. The non-poor are five times more likely to be in formal employment than the extreme poor and twice as likely as the moderate poor.
9. The poorest are 2.3 times more likely than the richest to lack health insurance, and their secondary school completion rates are significantly lower than those of the non-poor.[4]
10. Fewer than half of the poor live in a household that benefits from conditional cash transfers.

Our analysis is descriptive; in the discussion section, we briefly explore what these findings imply for future work on approaches to reduce poverty. This study contributes to and updates previous descriptive work. After the enormous shock of the global COVID-19 pandemic, there is value in taking stock of the state of poverty in the region. We update the analysis of Stampini et al. (2016) examining the distribution of chronic versus transitory poverty in the region. In examining how the poor live, we build on earlier analysis by Banerjee and Duflo (2007). That study included just two Latin American countries and no Caribbean countries. We complement earlier efforts to characterize subsets of poverty in the region, such as Vakis, Rigolini, and Lucchetti's (2015) analysis of chronic poverty in the region. The overview and characterization of poverty across the region in our paper complement the efforts of institutions to provide regular updates on poverty in the region, such as the World Bank's regional poverty updates (WB 2024b) or the Economic Commission for Latin America and the Caribbean's annual social panorama publication, which provides detailed poverty analysis (ECLAC 2022b; 2023a).

2. Methods

Analytical approach: This study is primarily descriptive, drawing on household surveys and comparing people below various poverty lines with people above those poverty lines. The associations are not causal: these findings neither imply that if one provided more money to a poor household, the associated characteristics (such as the specific assets) would necessarily change, nor if one changed one of the household characteristics (such as the household structure), that the poverty level of the household would change. These descriptive characterizations are useful for generating hypotheses which can then be tested with rigorous evaluations of interventions, policies, and programs.

Poverty lines: We use two poverty lines for this paper. Rather than constructing new lines, we draw on lines already monitored by the World Bank. For extreme poverty, we use the cutoff of USD 3.65 per capita per day, which the World Bank defines as the median poverty line for lower-middle income countries (Tetteh-Baah et al. 2022). Moderate poverty refers to individuals living with an income between USD 3.65 and USD 6.85 per day, where USD 6.85 is defined by the World Bank as the median poverty line for upper-middle income countries. Total poverty includes all those living on less than USD 6.85 per day, encompassing both extreme and moderate poverty.[5]

Both cutoffs use the 2017 purchasing power parity conversion factor (PPP). PPP is a price deflator and currency converter that controls for price level differences between countries and

[4] We draw on a different source of data for our finding on health. It uses income quintiles instead of poverty lines, so the comparison group for the poor is slightly different than for other findings.

[5] Previous poverty estimates from the Inter-American Development Bank used lower poverty lines for the region and 2011 PPP exchange rates: USD 3.10 for extreme poverty and USD 5.00 for moderate poverty.

equalizes the purchasing power of the various currencies used across economies. Thus, it enables cross-country comparisons (WB 2020).

These are higher cutoffs than the World Bank's international cutoff for extreme poverty of USD 2.15, which is the median poverty line for low-income countries. Yet they are the most relevant lines for the countries in Latin America and the Caribbean on the whole: of the 18 countries in our sample, 2 are lower-middle income, 11 are upper-middle income, 4 are high-income, and one is not classified.[6] While we use the labels “extreme poverty” and “moderate poverty,” these are more precisely “those considered poor in the poorer countries in our sample” versus “those considered poor in the richer countries in our sample.” Individual countries have their own poverty lines, and so our estimates will vary from individual country estimates. For a region-wide exercise like ours, using common lines across countries enhances comparability.

Data and sample: We use surveys from 18 countries: Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, the Dominican Republic, Ecuador, Guatemala, Guyana, Honduras, Mexico, Panama, Peru, Paraguay, El Salvador, Uruguay, and Venezuela. (The specific surveys are listed in Appendix Table A0A.) This paper utilizes household surveys for 14 countries, as they provide comprehensive information on all household members, including data on income, education, demographic characteristics, and employment status. In the four cases where household surveys are not available or suitable, we use labor force surveys. Our historical analysis begins in 2003, as data from this year onward are standardized, comparable across countries, and meet our statistical criteria, including representativeness, data quality, and sample integrity. We limit our analysis to data up to 2023, as most 2024 databases remain unreleased at the time of analysis. All countries in our sample have a survey at least as late as 2021. For the majority of our analyses, we use the most recent available survey; these range from 2021 to 2023 (median year 2022). These surveys have been harmonized through the Inter-American Development Bank’s Social Data program (IDB 2024b). The reported aggregate data for Latin America and the Caribbean (LAC) is the population-weighted average of all the 18 mentioned countries with available information.

Certain countries are excluded from the analysis: countries with no comparable surveys (e.g., Haiti and Belize), countries with comparable surveys that are out of date (e.g., the Bahamas), and countries with limited years of available data (e.g., Suriname). This does not mean these countries do not have poor populations. For example, estimates place nearly 60 percent of Haiti’s population under the USD 3.65 extreme poverty line (UNICEF 2023; WB 2024d). In Barbados, 8 percent of the population reports an income level below the minimum wage (Arteaga Garavito et al. 2020); and a study puts 25 percent of its population in poverty, although which line is being used is unclear (UNICEF and MYSCE 2020). According to the World Bank (2024c) 14 percent of the population in Nicaragua lives below USD 3.65 per day, and 42 percent fall under the USD 6.85 line. In Trinidad and Tobago, these rates are lower, with 4 percent below USD 3.65 and 18 percent below USD 6.85.

Calculating poverty: We determine poverty status by calculating daily per capita income, which combines income sources from harmonized household surveys: monetary labor income (salaries from primary, secondary, and other activities), monetary non-labor income (such as social

[6] Low-income economies are defined as those with a GNI per capita of USD 1,145 or less in 2023; lower middle-income (USD 1,146 - USD 4,515); upper middle-income (USD 4,516 - USD 14,005); high-income (USD 14,005 or higher). Because the World Bank does not calculate income per capita for Venezuela, it is not officially classified according to the schema.

transfers and remittances), and non-monetary income (like food and transportation benefits). We classify individuals as extremely poor if their daily per capita income is below USD 3.65 per day, and as moderately poor if it is between USD 3.65 and USD 6.85 per day.

We calculate poverty at the household level. Thus, when we describe poverty rates for specific groups (e.g., women, Afro-descendants, or children), we are characterizing the average for a household. Household income is divided by the number of members of the household, and that same income is assigned to each member of the household. So if the average income for the household is below the poverty line, then each member (with their characteristics) is considered to be in poverty.

Calculating chronic versus transitory poverty: Following Stampini et al. (2016), we constructed synthetic panels in a subset of countries that have available data for 11 consecutive years to analyze poverty dynamics.[7] We use cross-sectional household surveys from each year over an 11-year period (2013-2023). First, for each year, we regress per capita income on a series of covariates, including the household head's education, gender, age, industry, household size, and geographic area. In addition, we control for regional variables that are likely to shift over time using 2013 values: inequality, the extreme poverty rate, and average per capita income, among others. As a result, we obtain a set of year-specific coefficients and residuals showing the association between the covariates and household per capita income.

Then, we take each household from 2013 (Year 0) and apply the year-specific coefficients and residuals to predict household per capita income in each of the subsequent 10 years (2014-2023). Based on this income prediction, we estimate whether each household would likely have been poor in each year from 2014-2023, based on its Year 0 characteristics.

Thus, we estimate income mobility, including transitions into and out of poverty. In this analysis, we categorize households in four groups. The chronic poor are those who are poor in Year 0 and remain poor for five or more years over the next decade. The transient poor are poor in Year 0 but experience poverty in four or fewer years within the same period. The future poor are initially not poor but fall into poverty at least once during the following decade. Lastly, the never-poor are individuals who consistently remain above the poverty line throughout the entire period.

3. Results

3.1 Five findings characterizing the poor population

3.1.1 How many people in the region are poor?

Finding 1: More than 200 million people in the region live in poverty, with nearly 100 million of them in extreme poverty. More than half of the extreme poor in the region are concentrated in Brazil, Mexico, and Venezuela.

Poverty remains widespread. We estimate that 209 million (and 33 percent of) people in the region live in poverty, and 89 million (and 14 percent of) people live in extreme poverty (Figure

[7] These countries are Argentina, Bolivia, Brazil, Colombia, Costa Rica, Dominican Republic, Ecuador, Paraguay, Peru, El Salvador, and Uruguay.

1A).[8] Poverty estimates rely on many assumptions: other organizations provide different estimates, but all estimates underline the fact that poverty remains a major challenge in the region.[9] The countries with highest poverty rates are Venezuela, Honduras, Guatemala, and Guyana, each with more than half of the population in poverty and more than 30 percent in extreme poverty. If one's policy objective were to reduce the number of countries with high rates of poverty, these are obvious candidates. These high rates also mean that social programs intended to alleviate poverty are easier to target directly to the poor (i.e., a lower risk of inclusion errors), since so much of the population is poor. Uruguay and Chile have the lowest poverty rates in the region, at 14 and 11 percent, respectively. However, even in these countries, poverty rates are still two to three times higher than the OECD average of 5 percent.[10]

What do these percentages translate to in terms of absolute numbers of people? The three countries with the largest numbers of people in overall poverty are Brazil, Mexico, and Colombia (with Venezuela in a close fourth); for extreme poverty, Venezuela replaces Colombia in the top three (Figure 1B). Brazil and Mexico have the largest overall populations in the region by far (with each having more than double the population of the next largest country, Colombia). As a result, even though their poverty rates are below the regional average, the middling poverty rates translate to high numbers of poor people. Venezuela is significantly smaller (with roughly the sixth largest population in the region) but with the highest poverty rates in the region. Indeed, as expressed above, 60 percent of the poor (and 59 percent of the extreme poor) are concentrated in those countries.

3.1.2 How are the poor distributed within countries?

Finding 2: Two-thirds of the region's poor and just over half of the region's extreme poor live in urban areas.

The geographic distribution of poverty depends on many factors: whether an area is urban vs. rural, north vs. south, or whether it has other geographic features, such as being mountainous or near a coast. As a first indication of this variation, we examine urban versus rural poverty in the region. Obstacles faced by the poor will vary significantly in urban and rural areas. Likewise, strategies for tackling poverty—whether through job creation, human capital investment, or simple redistribution—may vary dramatically across parts of a country. Job creation strategies and mechanisms for distributing transfers depend on available infrastructure.

Across the region as a whole, more than three-quarters of the population lives in urban areas (Appendix Figure A2A); yet poverty rates are significantly higher in rural areas. The next result is that on average, just over 50 percent of the extreme poor live in urban areas (Figure 2A). But this disguises massive variation across countries. In several countries, most of the extreme poor are in rural areas: in Bolivia and Panama the number exceeds three-quarters, and Guatemala, Guyana, and Paraguay all have more than two-thirds in rural areas. On the other hand, extreme

[8] These numbers—and all subsequent numbers in this study—refer to the 18 countries included in our sample, which represent 97 percent of the population of the entire Latin American and Caribbean region. If we were to assume the same average poverty rate in the remaining countries in the region, for which we lack comparable data, the number of total poor (and extreme poor) in the region would be 215 million (and 92 million).

[9] Appendix A discusses the relationship between our poverty estimates and those provided by the World Bank and by the Economic Commission for Latin America and the Caribbean.

[10] The OECD numbers—using the same poverty lines—include not just founding OECD members but all current members, not only high-income countries. A restriction to high-income countries would reveal an even higher gap.

poverty is almost entirely an urban problem in low-poverty countries like Chile and Uruguay, and it is mostly an urban problem in Brazil and the Dominican Republic. Programs to eliminate extreme poverty—or ways of implementing those programs—will differ dramatically across these contexts.

Moderate poverty tends to have more of an urban face across the region (Figure 2B). With the exceptions of Guatemala and Guyana, most countries in the region have around 50 percent or fewer of the moderate poor in rural areas.

3.1.3 How does poverty affect specific groups?

Finding 3: Afro-descendants, Indigenous people, and children are all between 11 and 15 percentage points more likely to be poor than the overall population.

Poverty in Latin America and the Caribbean is not only unevenly distributed across geographic areas: it also affects particular groups differently. Across the groups for which we have data available, we find rates higher than that of the general population among Indigenous people and Afro-descendants (Figure 3A). This is largely consistent across countries (Appendix Table A3A). Even in Honduras, where Indigenous people are less likely to be in extreme poverty, they are more likely to be in moderate poverty.

Households with children are also more likely than average to be poor (Figure 3A), consistent with previous analysis in the region (ECLAC 2022a). This is consistent across countries (Appendix Table A3A). While children are more likely to be poor in high-income countries, the differences are much smaller there: in our sample, children are 14 percentage points more likely to be poor than the overall population (47 percent versus 33 percent). In the OECD, by contrast, children are just 2 percentage points more likely to be poor than working age adults (OECD 2019; 2024). Even in the United States, with higher inequality than many countries in the OECD, the child poverty rate was 16 percent, less than 4 percentage points higher than the overall rate. These are small relative to the Latin American and Caribbean estimates in our sample (Benson 2023).

Women have similar poverty rates to men on average (Figure 3A), although previous research suggests that women are more likely to be in poverty between the ages of 20 and 40, with the largest gap at 7 percentage points between the ages of 25 and 35 (Buitrago-Hernandez et al. 2024): exactly the ages when they are most likely to have young children in the home, consistent with our finding of high poverty rates among children. This is consistent across countries (Appendix Table A3A).

We find lower than average poverty rates among people with disabilities and the elderly. Our finding for the elderly is in contrast to the OECD, where the elderly are more likely to be poor than average as well as more likely to be poor than children (OECD 2024). Our finding on individuals with disabilities is surprising, given that certain disabilities limit income earning ability: our result could partly reflect higher reporting of disabilities among higher income households or other limitations in the data on disability.

We reiterate that our findings identify poverty at the household level; in some cases, individuals within households may experience aspects of poverty (e.g., malnutrition) even if the household as a whole does not (Brown, Ravallion, and Van De Walle 2019). There are other groups for which we lack systematic data across countries, such as the LGBTQ+ community. Existing research suggests significant variation in whether same-sex couples, for example, have higher or lower incomes than other groups (Muñoz, Sansone, and Ysique Neciosup 2024).

In terms of the total composition of poverty, nearly 50 percent of all people in extreme poverty in the region are Afro-descendants (Figure 3B). Fifty-three percent of all people in extreme poverty are women. And a full 39 percent of those in extreme poverty are under the age of 15. Across countries, understanding these concentrations may be useful. For example, in Brazil three-quarters of those in extreme poverty and two-thirds of those in moderate poverty are Afro-descendants (Appendix Table A3B). In Guatemala and Panama, more than half of those in moderate poverty are indigenous people.

Combining analysis across Finding 2 (how are the poor distributed) and Finding 3 (how are specific groups affected) yields important further variation. For example, while both Afro-descendants and indigenous populations are more likely than other groups to be in extreme poverty in the region, indigenous people in extreme poverty are much more likely to be in rural areas, whereas Afro-descendants are roughly evenly split between urban and rural areas (Appendix Table A3C).

3.1.4 How much of poverty in the region is chronic versus transitory?

Finding 4: On average, 88 percent of households in extreme poverty were also chronically poor.

Whether a household remains mired in poverty year after year (chronic poverty) or briefly experiences poverty after a shock like a job loss (transitory poverty) has important implications for interventions to reduce poverty: do households need a brief period of support, or do they need comprehensive, sustained support to increase their income generating capacity?

Our analysis of data from 2013 to 2023 shows a high overlap between extreme poverty and chronic poverty (Figure 4A). Around 88 percent of individuals who were extremely poor in 2013 likely remained in extreme poverty in at least five of the following ten years. This pattern is consistent across all countries.

Moderate poverty is evenly split between chronic and transitory poverty: nearly half of individuals who were moderately poor in 2013 remained in moderate poverty for at least five of the following ten years (Figure 4A). This varies much more across countries: for example, Costa Rica and Peru face the highest levels of chronic poverty among the moderately poor, 74 and 99 percent, respectively.

Over the course of a decade, many households will enter or exit poverty (Figure 4B). For example, across the region, 24 percent of households were poor in 2013 and would remain poor at least five of the subsequent ten years. Another 9 percent were poor in 2013 but would only be poor for less than half of the subsequent decade. 27 percent were not poor in 2013 but would be at least once; and 40 percent were not poor and would not be at any time in the next decade. These dynamics mean that many households that are not poor are close enough to the line that they will be in the future. In Colombia, 56 percent of households were not poor in 2013, but more than half of those would fall into poverty at least once in the next ten years (Figure 4B). Reducing poverty involves both lifting those in poverty out but also making it easier for those who are not in poverty to stay out, both by helping them to get further from the poverty line and through effective safety nets. Our findings are consistent with earlier analysis of data from 2000 to 2013 (Stampini et al. 2016), in which 91 percent of those who were extremely poor were also chronically poor, and 50 percent of the moderately poor were chronically poor.

3.1.5 How have poverty numbers changed over time?

Finding 5: Poverty has dropped by roughly half since 2003, with almost all of that improvement in the first ten years.

Poverty in the region has dropped by nearly half over the past 20 years, from 58 percent in 2003 to 30 percent in 2023, equivalent to a decline of 28 percentage points (Figure 5A). Argentina, Chile, the Dominican Republic, and Brazil have experienced the most significant reductions in poverty during this period, with decreases between 31 and 61 percentage points. The trend is downward in all but three countries. In Guatemala and Honduras, poverty has remained roughly constant over the available data period. Venezuela is the only country where poverty has increased overall, from 65 to 71 percent during this period.[11]

Most of the regional decrease in poverty occurred between 2003 and 2014, during the high prices of the global commodity boom (Bolch, Lopez-Calva, and Ortiz-Juárez 2023; De la Torre, Filippini, and Ize 2016). In the following five years, the reduction stagnated, only with minor variation. Then, during the COVID-19 pandemic in 2020, poverty jumped in the region from 35 percent in 2019 to 39 percent in 2020. All countries showed an increase, but this situation was especially severe in Venezuela and Peru, where poverty rates rose between 17 and 30 percentage points. From 2021 onwards, poverty rates again showed a decreasing trend in the region, declining from 38 percent in 2021 to 30 percent in 2023, finally reaching lower poverty levels in 2023 than before the pandemic.

Focusing on extreme poverty, we also observe a large drop—from 33 percent to 12 percent—over the last two decades (Figure 5B). Exceptionally, extreme poverty in Venezuela increased from 32 percent in 2003 to 54 percent in 2023. Moderate poverty dropped less in the region, from 25 percent in 2003 to 18 percent in 2023 (Figure 5C).

3.2 Five facts on how the poor live

3.2.1 What are the living arrangements of the poor like?

Finding 6A: The households of the poor have twice as many young people—but fewer elderly.

The poor—whether the extreme or moderate poor—have at least twice as many children (aged 0-14) as a proportion of household members than the non-poor (Figure 6A). On average, poor households have more than 1.5 children, whereas non-poor households have just one child (Figure 6B). This is unsurprising, given the earlier finding that children and youth are more likely to be poor (Finding 3). In some countries, this is particularly salient: in Ecuador and Uruguay, for example, more than 40 percent of household members in extremely poor households are children (Appendix Table A6A). In contrast, the poor have fewer elderly (aged 65 and older) members than non-poor households. The lower number may be due to the large expansion of non-contributory pensions in the region in the last two decades. These programs can reduce poverty (Arteaga Garavito et al. 2020; Martinez et al. 2020; Bando, Galiani, and Gertler 2016; Galiani, Gertler, and

[11] Poverty in Venezuela decreased from 65 percent in 2003 to 22 percent in 2014. It then increased, reaching 60 percent in 2019. During the COVID-19 pandemic in 2020, poverty jumped to 90 percent, partially recovering to 71 percent in 2021. The rising trend of poverty in recent years is associated with the collapse of the national economy, which has deeply affected household incomes and living conditions (Marcano and Rodriguez 2024).

Bando 2016). On net, this translates to a much higher ratio of children and elderly to working-age members of the household (the dependency ratio) in poor households: for those in extreme poverty, the ratio is more than double that of non-poor households (Figure 6B).

Focusing on the size of the household, poor households have about four members on average, whereas non-poor households have three (Figure 6B). This result is consistent with the findings from , which also showed that the wealthier households have fewer members than poorer households. The gap is larger in Uruguay, Ecuador, and Panama, where poor households have about two additional members (5 in poor households versus 3 in non-poor households). By contrast, in Chile, Colombia, Paraguay, and El Salvador there are no significant differences in the number of members between poor and non-poor households (Appendix Table A6B).

Even though households of the poor have more members, the quality of the household structures themselves is less distinct (on average) than one might expect (Figure 6C). Across the region, even the extreme poor tend to have roofs constructed with permanent materials (above 93 percent for all income groups). This result is consistent across countries (Appendix Table A6C Panel A). Likewise, walls made of permanent materials are common: more than 93 percent of even extremely poor households across the region have them.[12] Floors made with permanent materials are less common (Appendix Table A6C Panel C): but even there, 87 percent of the extreme poor have them. Floors have more country variation: only 57 percent of the extremely poor in Bolivia, for example, have an improved floor, versus 93 percent of the non-poor (Appendix Table A6C Panel C). Ecuador, Guatemala, and Peru similarly have larger differentials on floors. In cases where we see a lack of variability in dwelling characteristics, it may partially be due to either public investments in housing improvement programs—like Mexico's *Piso Firme* program (Cattaneo et al. 2009) or to household surveys not capturing all the nuances of the quality of household materials.

3.2.2 What assets do they have access to?

Finding 7: The poor are much less likely to have a computer but not much less likely to have a mobile phone.

The poor, unsurprisingly, have fewer assets than the non-poor (Figure 7A). However, the gradient differs across assets, with implications for anti-poverty efforts. On average, across the region, the extreme and moderate poor are much less likely than the non-poor to have homes with sewerage systems connected to networks (20 to 30 percentage point difference). They are much less likely to report having internet access, a computer, a landline telephone, or a private car. Other assets exhibit a narrower gradient, like access to piped water. Alternatively, the poor in the region are almost as likely as the non-poor to have access to electricity in their homes or to have a mobile phone.

There is, of course, variation across countries. In Chile, the extremely poor are only ten percentage points less likely to have sewerage connected to the local network than the non-poor; but in Bolivia, Colombia, and Ecuador, the difference is 40 percentage points.[13] Access to electricity is above 80 percent even for the extremely poor in every country in our sample except Panama, where it is 56 percent (versus 82 percent for the moderately poor and 97 percent for the non-poor). Mobile phone access is likewise relatively high, even among the extreme poor in every

[12] For more details by country, see Appendix Table A6C Panel B.

[13] For more information on assets by country, see Appendix Table A7A: Panel A to Panel I.

country except Panama (where it is 62 percent). Computer ownership is relatively low even for the non-poor in many countries: across the region, 43 percent of the non-poor have a computer whereas just 10 percent of the extremely poor do. Chile has the highest rate of computer ownership among the non-poor (at nearly 60 percent), with a narrower gradient (with nearly 40 percent of the extremely poor having computers). This pattern of asset ownership provides hints of effective and ineffective ways to reach the poor, as well as sparking reflection on which assets might be most helpful in exiting poverty.

3.2.3 How do they earn their incomes?

Finding 8: The non-poor are five times more likely to be in formal employment than the extreme poor and twice as likely as the moderate poor.

Overall, 81 percent of the extreme poor are employed, compared to 89 percent of the moderate poor and 96 percent of the non-poor (Figure 8A). Employment levels across these groups are narrower in Guatemala, Peru, and Mexico. By contrast, Chile, Uruguay, and Costa Rica exhibit more significant disparities. In Costa Rica, for example, the employment rate gap between the extreme poor and non-poor is 29 percentage points, while in Chile, this difference is 42 percentage points.

The difference in access to formal employment—characterized by greater stability and benefits—is much larger than the difference in overall employment levels, and the difference is remarkably consistent across countries (Figure 8B).[14] In all but one country in our sample, the non-poor are at least 15 percentage points more likely than even the moderate poor to be formally employed. In most countries, the gap is even larger: in Costa Rica, nearly 80 percent of the non-poor have formal employment whereas only 45 percent of the moderately poor have formal employment. Previous research in five Latin American countries found that labor market events (getting a job or experiencing a wage change) were the factor most associated with exits from poverty (Beccaria et al. 2011). While these findings are descriptive, they certainly suggest a close link between formal employment and exit from poverty.

How does this manifest in terms of specific sectors or jobs? We use three countries with different poverty rates—Honduras, Brazil, and Chile—to illustrate this point. In all three countries, the extreme poor are much more likely to be employed in agriculture (e.g., as farmers or crop pickers), whereas the non-poor are much more likely to be in social services (such as nurses or teachers) and somewhat more likely to be in retail services (such as cashiers or store clerks) (Appendix Figure A8A).

One characteristic of formal employment is that formal jobs are generally associated with higher wages. Consistent with that, we find that conditional on working, those in extreme poverty earn just one quarter of the non-poor in hourly wages (on average), and those in moderate poverty earn less than half of what the non-poor earn (Figure 8C).

We see a smaller difference between the poor and the non-poor in reported working hours (Figure 8D). We find that on average, the non-poor report working three more hours per week than the moderate poor and seven more hours per week than the extremely poor. It is possible

[14] Formal employment refers to employees or self-employed individuals who contribute to social security, either voluntarily or through their employer, during the reference period. This definition considers only contributions to the public or private pension system, excluding health insurance, for both primary and secondary occupations.

that the poor are more involved in unpaid care work, given more dependent members in their households. Or there may be other reasons. Since hourly wages are a function of total earnings and hours, the fact that we observe hourly wages that are so much lower among the poor, despite their reporting fewer hours, underlines just how much lower their labor earnings are.

3.2.4 How do they access health and education services?

Finding 9: The poorest are 2.3 times more likely than the richest to lack health insurance, and their secondary school completion rates are significantly lower than those of the non-poor.

There are many aspects of access to health and education services. Investments in education and health form a virtuous cycle with moving out of poverty: for example, those with increased education are less likely to be poor, and the non-poor accumulate more education. In this analysis, we focus on just a few illustrative indicators.[15] In 2019, 77 percent of Latin America's population had health coverage, a significant increase from 65 percent in 2000. This expanded coverage was associated with improved population health, as life expectancy at birth rose from 73.7 years in 2000 to 77 years in 2019 (PAHO 2022). Yet in the world's most unequal region, a third of the population continued to face significant barriers to accessing healthcare, despite these overall improvements (PAHO 2022). The poorest are 2.3 times more likely than the richest to lack health insurance (Figure 9A).[16] In other words, almost 50 percent of people in the poorest quintile lack health insurance, while 20 percent of people in the richest quintile do.

Likewise, the poor accumulate significantly less education. While children in Latin America and the Caribbean attend two fewer years of schooling than children in the OECD (Arias et al. 2024), there is a three year schooling gap between the extreme poor and the non-poor with the region (Figure 9B). Educational disparities may start from the preschool level, where attendance rates among children from extremely poor households (ages 4 to 5) lag significantly behind those from non-poor households. At those ages, around 72 percent of non-poor children attend school, while 64 percent of those who are among the extreme poor do (Figure 9C). These gaps in early years continue to later years. The non-poor are twice as likely to complete secondary education as the extremely poor (Figure 9D). Those gaps are particularly high in certain countries: in Uruguay, the non-poor are more than five times as likely to complete secondary school than the extremely poor (and the moderately poor are closer to the extremely poor than to the non-poor). In Guatemala, the non-poor are roughly 2.5 times more likely to complete secondary school than the extremely poor. Honduras has a similarly large gap.

These gaps in access between the poor and the non-poor are reflected in the quality of learning (Fernandez et al. 2023). For example, primary test scores in math among the richest quintile are 11 percent higher than among the poorest (Appendix Figure A9A), and those gaps widen to 22 percent by secondary school (Appendix Figure A9B).[17]

[15] IDB's *Data and Indicators from Latin America and the Caribbean* do not include harmonized indicators for health, so we draw on other sources for this section.

[16] Results in Figure 9A are presented in quintiles as they come from an external source. We refer to quintile 1 as the poorest group and quintile 5 as the richest.

[17] Notably, the scores of the richest quintile in Latin America and the Caribbean match those of the poorest quintile in OECD countries (Appendix Figure A9B).

3.2.5 What access do they have to social programs?

Finding 10: Fewer than half of the poor live in a household that benefits from conditional cash transfers.

Poor households in Latin America and the Caribbean often benefit from various types of cash transfers: these can include conditional cash transfers, non-contributory pensions, child allowances, transfers for people with disabilities, and others. A recent analysis examined 67 cash transfer programs throughout the region: the most common type of transfer program was conditional cash transfers (CCTs) (Arteaga Garavito et al. 2020). We examine coverage of CCT programs in a subset of 14 countries with available data (Appendix Table A10A). There is significant variation in CCT coverage among the poor compared to the non-poor across the region (Figure 10A). Despite the programs targeting poverty, coverage gaps persist, with only 42 percent of people living in total poverty receiving CCT benefits. Based on household surveys, Brazil and Panama have the highest CCT coverage among the poor (around 75 percent), while El Salvador has extremely low coverage.

Moreover, 11 percent of non-poor individuals in the region are also receiving these benefits. Countries like Bolivia and Panama, which have achieved coverage rates of three-quarters among the poor, also show high coverage among non-poor households. In many cases, this is by design. Bolivia's conditional cash transfer program is intended to be universal across school enrollees (Vera-Cossio 2022). Countries may decide that the costs of targeting (both the administrative cost and the risk of accidentally excluding eligible households) are outweighed by the benefits of broad reach. Coverage measured using surveys can underestimate the number of beneficiaries relative to administrative data.[18]

Of the total conditional cash transfer CCT beneficiaries, 38 percent are extremely poor, 29 percent moderately poor, and 33 percent non-poor. This distribution suggests that while CCT programs are successfully reaching a significant portion of the population in extreme poverty, a considerable share of the benefits is also going to non-poor households (Figure 10B).

If we had included non-contributory pensions, coverage among the poor would likely be higher. While conditional cash transfers generally focus on households with children living in poverty or extreme poverty, as determined through income per capita estimation, non-contributory transfers utilize a combination of targeting criteria to identify beneficiaries, including demographic characteristics, income estimation, and proof of disability. In about half of the countries in the region, almost half of the population living in poverty resides in households receiving non-contributory cash transfers (which include both CCTs and pensions). No country achieves complete coverage, as perfect targeting is neither computationally nor operationally feasible (Stampini et al. 2016).

[18] Stampini, Medellin, and Ibarraran (2023) sought to address this underestimation using data from 2019, showing higher coverage rates than those presented in this paper. While we examine conditional cash transfers based on household surveys, they analyze additional social programs, including conditional cash transfers, non-contributory pensions, and other transfers. In some cases, they impute beneficiaries based on eligibility criteria to promote a more accurate representation of program coverage. They also reweight the data using administrative records, correcting for discrepancies commonly found in household surveys.

4. Discussion

4.1. Limitations of this work

The primary limitation of our study is that the associations we show are not causal. We show many associations, but the direction of causality may be complex. In some cases, poverty may drive the association: youth in poorer households may be less likely to finish secondary school because the opportunity cost of being in school is higher. In other cases, the other factor may drive the association: having no job with the benefits associated with formal sector employment likely leads to more poverty. In still other cases, a third factor could drive both poverty and an associated factor: experiencing more climate-related natural disasters could drive both poverty and fewer opportunities to participate in school. While these relationships are not causal, they are useful for generating hypotheses, as we discuss in section 4.2.

A second limitation is that our work focuses on income poverty. Other analyses have focused on multidimensional poverty measures. An advantage of these measures is that they capture a fuller range of aspects of human deprivation, including complementarities across these aspects of deprivation (Alkire and Foster 2011). A disadvantage of these measures is that they are more difficult to interpret than simple poverty numbers and impose tradeoffs between those aspects which may not make sense across contexts (Ravallion 2012). In Latin America, Santos and Villatoro (2018) show a significant drop in multidimensional poverty between 2005 and 2012, just as we find a significant drop in monetary poverty over a longer time period. Gallardo et al. (2024) also find reductions in multidimensional poverty and highlight that vulnerability to poverty falls more slowly than poverty itself: this is consistent with our finding that many who are not poor today will likely fall into poverty—at least for some period—in the future. Brummund, Mann, and Rodriguez-Castelan (2018) examine how poverty shifts with a key driver of poverty reduction: jobs. Across 15 countries in Latin America, they find that just as poverty has fallen since 2003, job quality has increased, and that certain aspects of job quality (benefits and job satisfaction) are most closely linked with being out of poverty.

A third limitation relates specifically to our estimates of chronic versus transitory poverty. Traditional approaches to tracking chronic poverty require longitudinal data. In the absence of this data, we build synthetic panels using cross-section surveys to characterize poverty dynamics. While synthetic panels do not replace actual panel data, they offer valuable insights into socioeconomic mobility (WB 2013; Bolch, Lopez-Calva, and Ortiz-Juárez 2023). Moreover, we avoid attrition issues typically seen in traditional panel datasets, and unlike cohort-based methods, synthetic panels predict income for the same individual over time, allowing for more precise tracking of mobility.

4.2. What Next?

Reducing or eradicating poverty requires much more than characterizing it. The purpose of this study is to improve our understanding of poverty in Latin America and the Caribbean, but these findings also have implications for how to tackle poverty in the region. For example, knowing that the poor (or the extreme poor) are concentrated in just a few countries (Finding 1) means that international organizations focused on reducing poverty globally may wish to increase efforts in those countries. Knowing where the poor are located within countries—e.g., the extreme poor are mostly in rural areas in Bolivia but mostly in urban areas in Uruguay (Finding 2)—informs the focus of poverty reduction efforts within countries, both geographically and sectorally (i.e., certain sectors are more relevant to urban or rural areas). Likewise, understanding which demographic groups are most likely to be poor (Finding 3) can guide targeting efforts. The differences between chronic and transitory poverty should guide policy efforts, as many of the moderate poor are also transitorily poor (and so potentially protected by a nimbler safety net) whereas most of the extreme poor are chronically poor (likely requiring more concentrated efforts) (Finding 4). Finally, understanding the time path of poverty reduction (Finding 5) is important for benchmarking how meaningful future reductions are.

Characterizing how the poor live is also important for targeting efforts and for generating hypotheses about potential entry points to provide opportunities for the poor. The poor have lots of children in their homes (Finding 6) and so childcare may be needed for employment interventions to be successful. They mostly have mobile phones (Finding 7) and so providing information that way may be effective. They are much more likely to be in the informal sector (Finding 8), and so efforts either to shift them to formal sector jobs or to provide more of the benefits of the formal sector to informal workers may yield returns. They have less access to education and health services (Finding 9) and so examining ways to ease access or increase demand may be important. Many of them remain uncovered by social protection programs (Finding 10) and so there is room for improved reach of those programs to benefit the poor.

What such characterization does not tell us is which entry points will be most productive in alleviating poverty. To boost the poor out of poverty, should interventions focus on boosting educational access, providing productive assets, reducing informality in the economy, or some other aspect? There is evidence for each, in some cases causal—e.g., education reduces poverty (Hofmarcher 2021)—and in other cases suggestive, such as that informality walks hand in hand with poverty. One challenge of understanding the best entry points for alleviating poverty is that evaluations of interventions often focus on proximate outcomes (i.e., did the health intervention improve access to health services, or did the jobs programs boost formal sector access?), but many do not report on poverty or income (Goldstein 2014). In some cases, this may make sense since impacts on poverty may come years in the future. Efforts to compare interventions against a common outcome (in this case, poverty reduction) can be instructive, even though they require significant assumptions and yield significant uncertainty (Evans and Popova 2016). Examples of previous efforts to identify the most effective or cost-effective interventions include those that focus on a sector-specific outcome like learning-adjusted years of schooling for education interventions (Angrist et al. 2024) and those that construct a monetized estimate of all benefits (Lomborg 2023). We have much left to learn and to operationalize about poverty alleviation, especially for the alleviation of chronic, extreme poverty.

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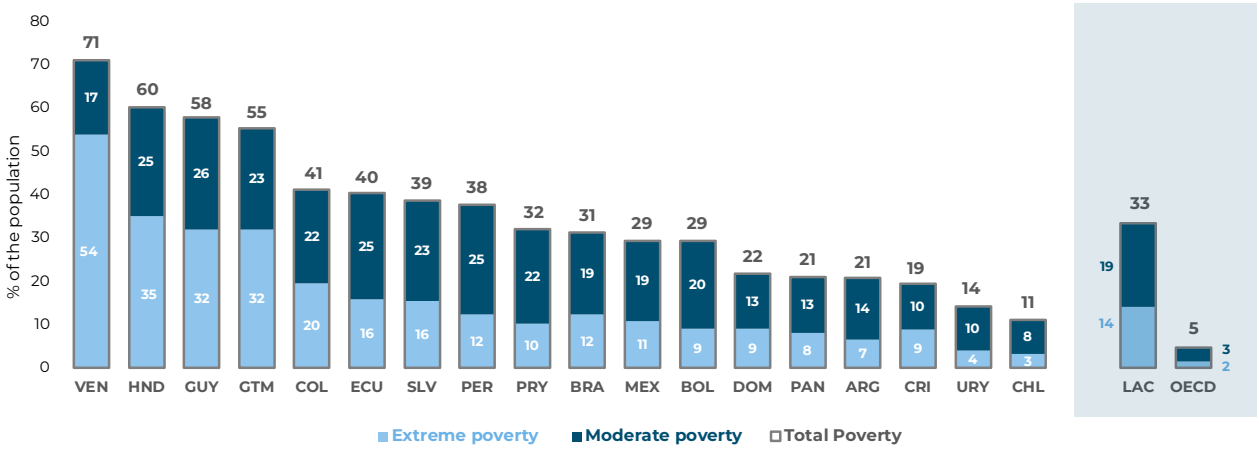
6. Figure and tables

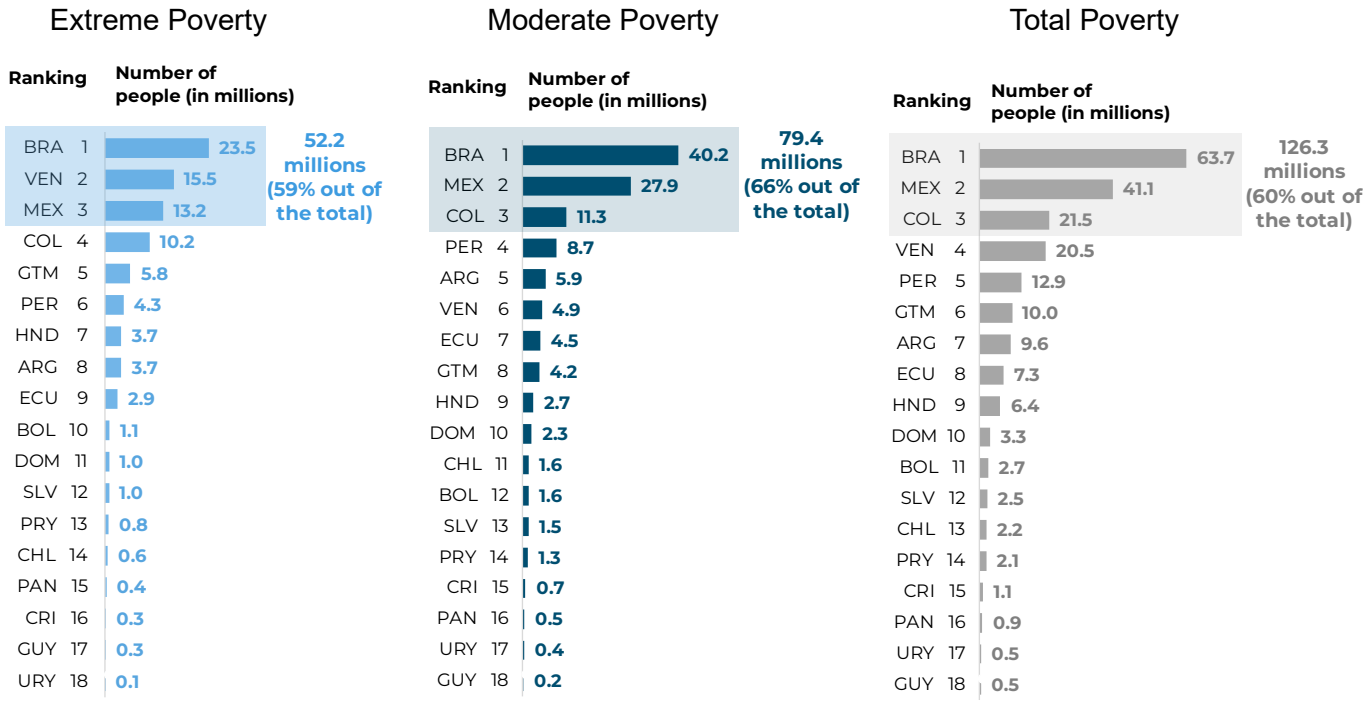
Figure 1A: Percentage of Population by Poverty Status and Country



Source: Authors' calculations based on the most recent data available from the following sources: i) Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection]. ii) UN (2022). World Population Prospects 2022, Online Edition. Department of Economic and Social Affairs, Population Division. https://population.un.org/wpp/. iii) (WB 2024e). The World Bank (2024) Poverty and Inequality Platform. www.pip.worldbank.org [Poverty & Inequality Indicators].

Note: Countries for this figure are defined as follows: Argentina (ARG), Bolivia (BOL), Brazil (BRA), Chile (CHL), Colombia (COL), Costa Rica (CRI), Dominican Republic (DOM), Ecuador (ECU), Guatemala (GTM), Guyana (GUY), Honduras (HND), Mexico (MEX), Panama (PAN), Peru (PER), Paraguay (PRY), El Salvador (SLV), Uruguay (URY), and Venezuela (VEN). The reported value for Latin America and the Caribbean (LAC) is the population-weighted average of all the previously mentioned countries. The reported value for the Organisation for the Economic Co-operation and Development (OECD) is the population-weighted average for Australia, Austria, Belgium, Canada, Switzerland, Chile, Colombia, Costa Rica, Czechia, Germany, Denmark, Spain, Estonia, Finland, France, United Kingdom, Greece, Hungary, Ireland, Iceland, Israel, Italy, Japan, the Republic of Korea, Lithuania, Luxembourg, Latvia, Mexico, Netherlands, Norway, Poland, Portugal, Slovak Republic, Slovenia, Sweden, Turkey, and the United States.

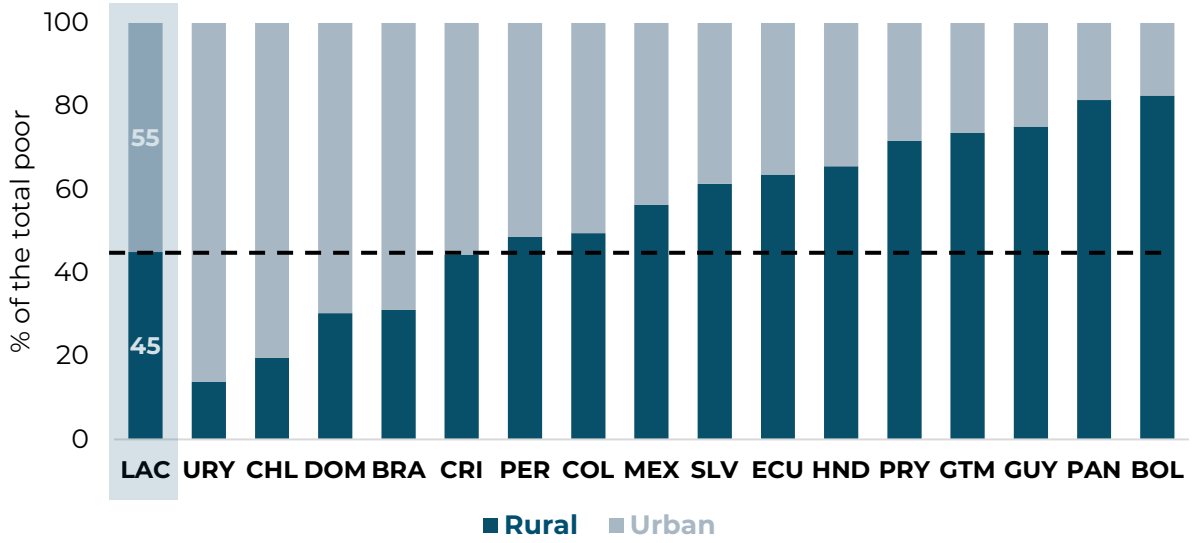
Figure 1B: Population by Poverty Status and Country, 2023



Source: Authors' calculations based on the most recent data available from the following sources: i) Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection]. ii) United Nations (2022). World Population Prospects 2022, Online Edition. Department of Economic and Social Affairs, Population Division. https://population.un.org/wpp/.

Note: For country abbreviation, see note below Figure 1A. The reported value for each country is calculated by multiplying the latest available poverty rate and the projected 2023 population estimated by the United Nations. The projection considers a medium fertility variant scenario.

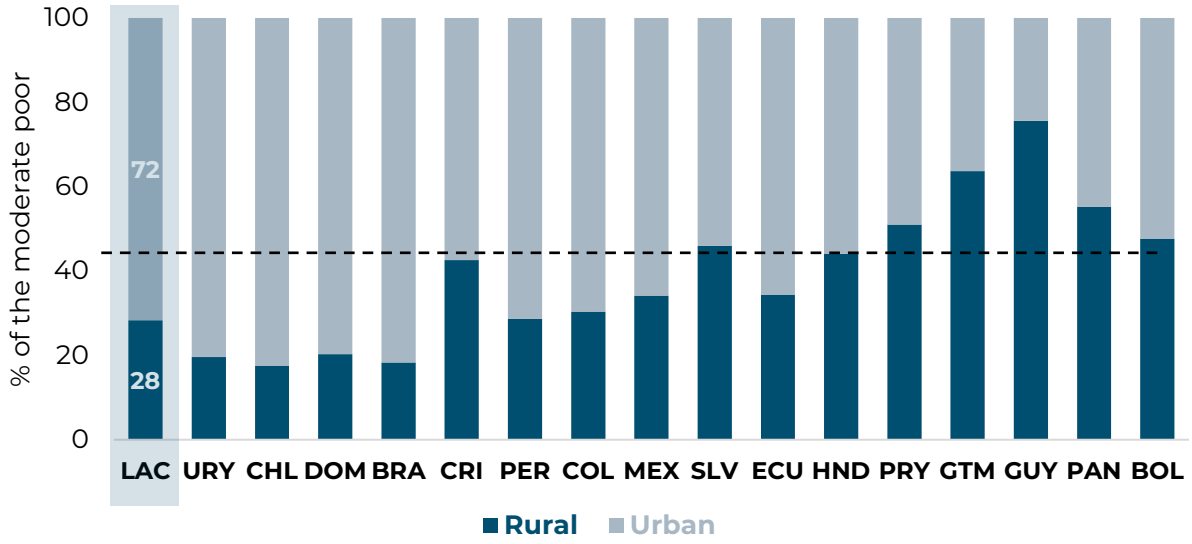
Figure 2A: Population in Extreme Poverty by Area



Source: Authors' calculation based on the most recent data available from the Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection].

Note: For country abbreviation, see note below Figure 1A. Extreme poverty refers to daily per capita income below USD 3.65 in PPP 2017.

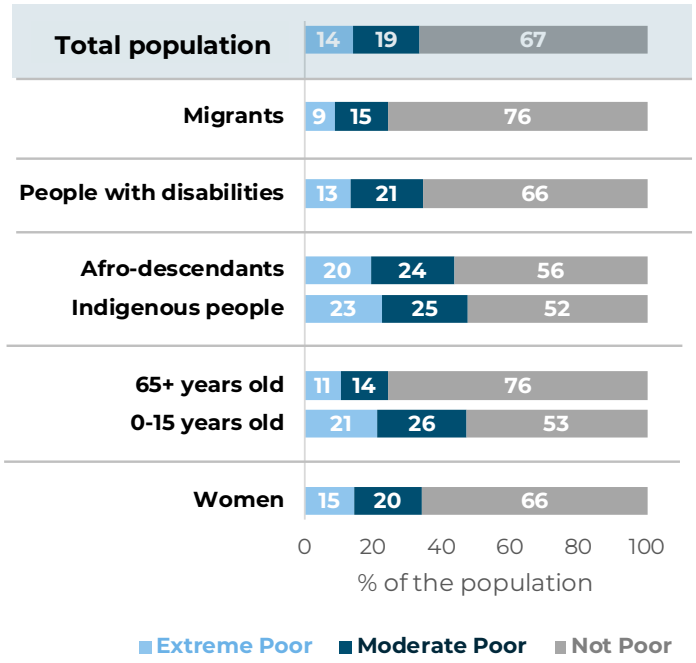
Figure 2B: Population in Moderate Poverty by Area and Country



Source: Authors' calculation based on the most recent data available from the Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection].

Notes: For country abbreviation, see note below Figure 1A. Moderate poverty refers to daily per capita income between USD 3.65 and USD 6.85 in PPP 2017.

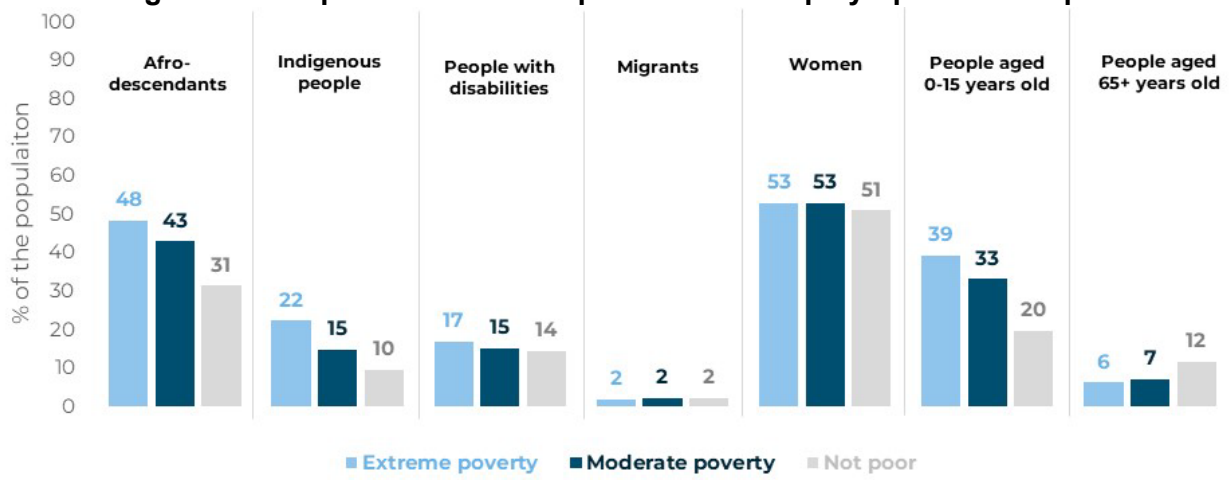
Figure 3A: Proportion of Specific Groups that are in Poverty



Source: Authors' calculation based on the most recent data available from the Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection].

Note: The reported value for Latin America and the Caribbean (LAC) is the population-weighted average of the selected countries listed in Appendix A3A. For each specific group, the percentage of extreme poor, moderate poor, and non-poor is calculated within the group. For example, for the "People aged 0-15 years old" group, the population between 0 and 15 years old inclusive is identified (100 percent). Then, the distribution of this population according to their poverty status is calculated: extreme poor (21 percent), moderate poor (26 percent), and non-poor (53 percent). People with disabilities are estimated according to the Washington Group (WG) flexible criteria. This flexibility means that this variable will be created for countries that include the WG disability question with binary responses or difficulty scales. When the question includes a difficulty scale, individuals are considered to have disabilities if they report having "some difficulty," "a lot of difficulty," or "cannot do it."

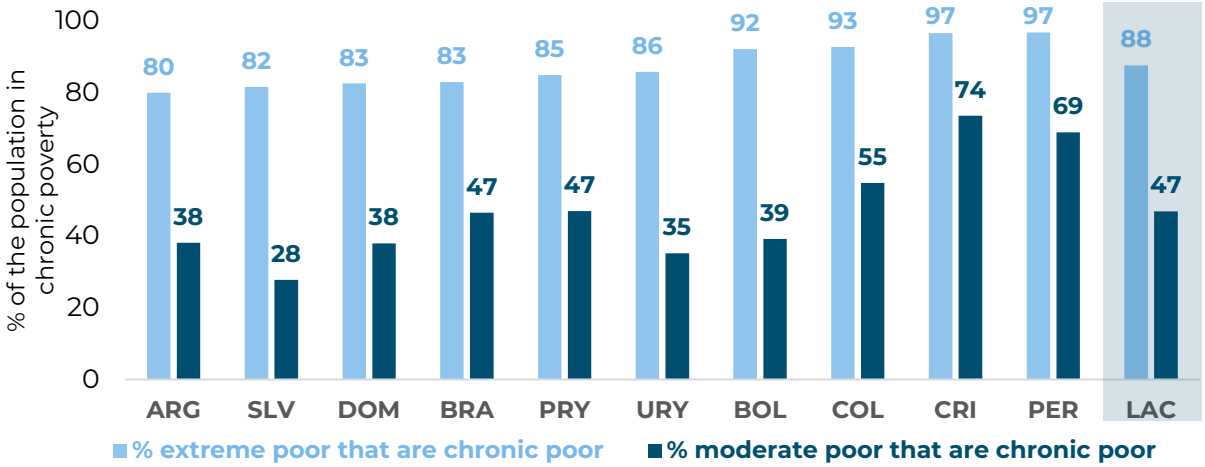
Figure 3B: Proportion of Poor Population Made Up by Specific Groups



Source: Authors' calculation based on the most recent data available from the Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection].

Note: The reported value for Latin America and the Caribbean (LAC) is the population-weighted average of the selected countries with available data listed in Appendix A3B. For the population in extreme poverty, moderate poverty, and non-poor, the percentage of people belonging to specific groups was calculated. For instance, for the "People aged 0-15 years old" group, the percentage of people in each poverty status group was calculated: 39 percent of the total population in extreme poverty is aged between 0 and 15 years old inclusive; 33 percent of those in moderate poverty are aged between 0 and 15 years old inclusive; and 20 percent of the non-poor are aged between 0 and 15 years old inclusive.

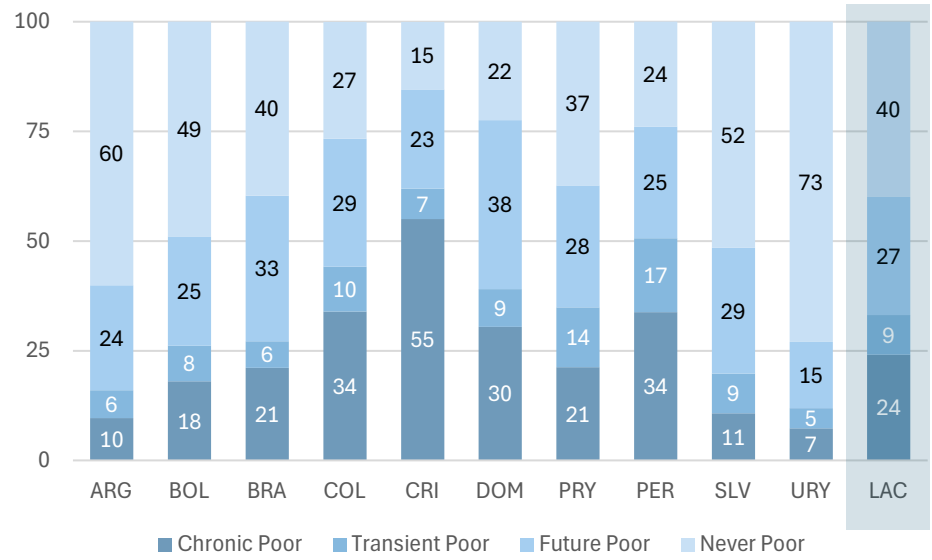
Figure 4A: Chronic Poverty in Latin American Countries (2013-2022)



Source: Authors' calculation based on the data from the Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection].

Note: For country abbreviation, see note below Figure 1A. Chronic poverty refers to being poor in year one and for ≥5 years or more over the next decade. The reported value for Latin America and the Caribbean (LAC) is the population-weighted average of the selected countries with available data.

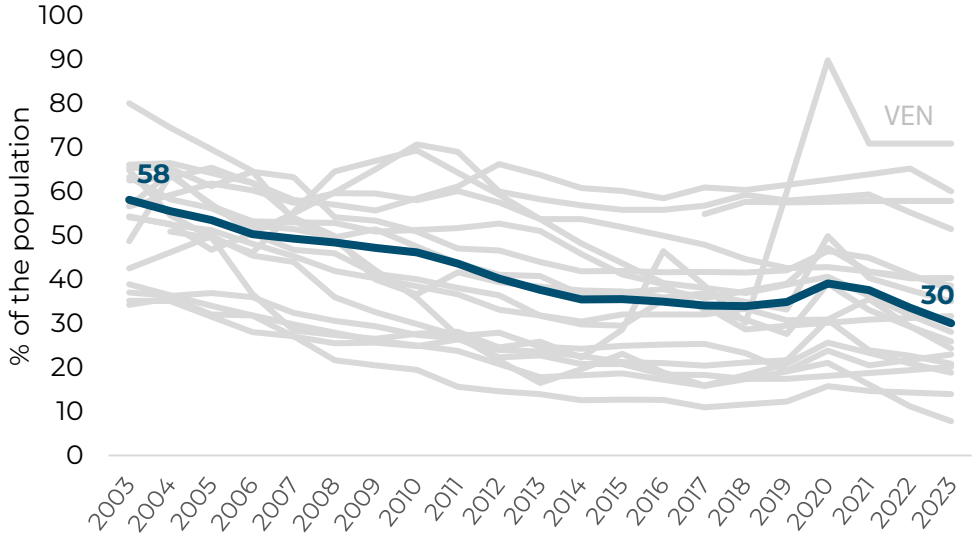
Figure 4B. Entry Into and Exit From Poverty in Latin America (2013-2022)



Source: Authors' calculation based on data from the Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection].

Note: For country abbreviation, see note below Figure 1A. Chronic poor refers to being poor in year one and for ≥5 years over the next decade. Transient poor means being poor in year one and for ≤4 years over the next decade. Future Poor is not poor in year one but will experience poverty at least once in the next decade. Never Poor: Above the USD 6.85 poverty line throughout the period. The reported value for Latin America and the Caribbean (LAC) is the population-weighted average of the selected countries with available data.

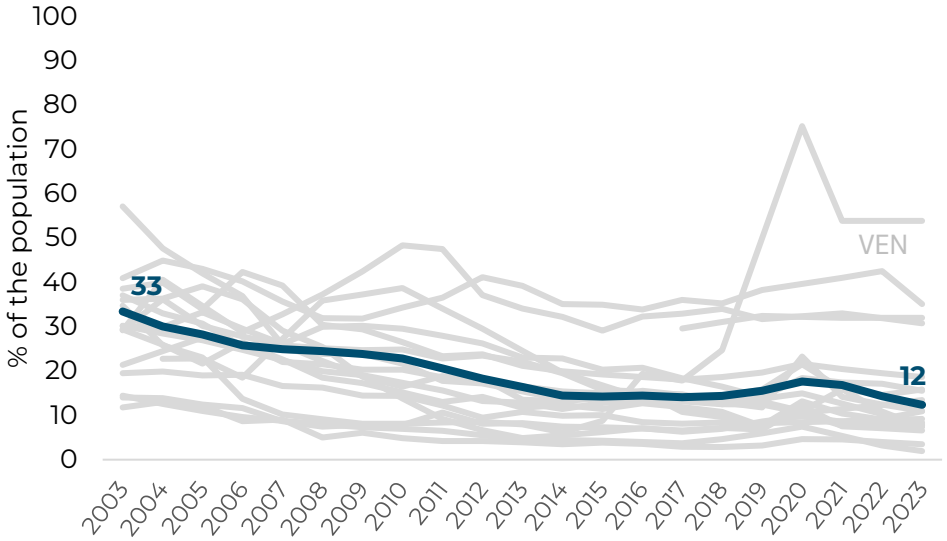
Figure 5A: Trends in Total Poverty in Latin America and the Caribbean, 2003 - 2023



Source: Authors' calculation based on data from the Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection].

Note: The values presented in this figure include interpolated data between years where information was not available. For 2023, data was extrapolated for Argentina, Bolivia, Brazil, Chile, Colombia, the Dominican Republic, Guatemala, Mexico, Panama, Peru, Paraguay, and Uruguay. For Guyana and Venezuela, the value from 2021 was maintained for 2022 and 2023. For Costa Rica, Ecuador, Honduras, and El Salvador, the data from the 2023 household surveys of the respective countries is considered. The reported value for Latin America and the Caribbean (LAC) is the population-weighted average of all the previously mentioned countries represented by grey lines. In Appendix A5A Panel C, the population-weighted average for LAC is estimated with and without Venezuela.

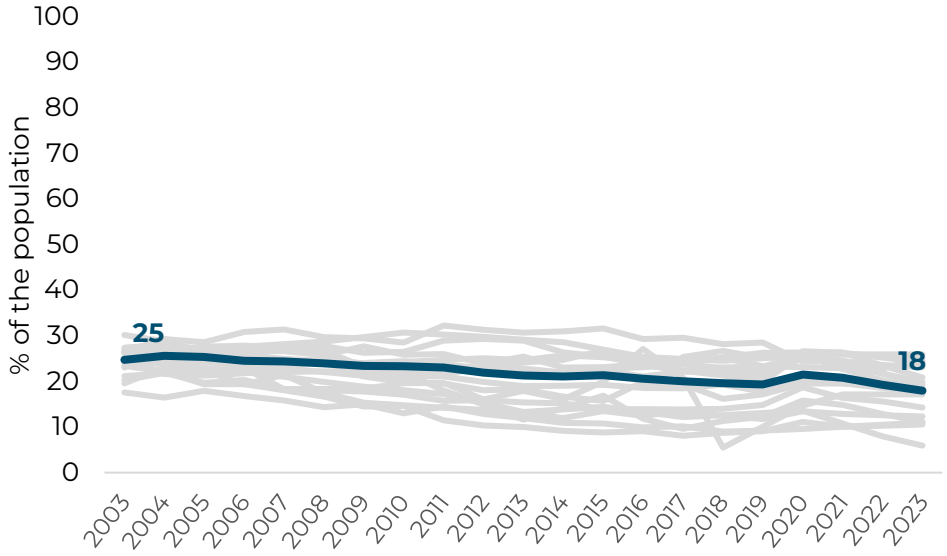
Figure 5B: Trends in Extreme Poverty in Latin America and the Caribbean, 2003 - 2023



Source: Authors' calculation based on data from the Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection].

Note: The values presented in this figure include interpolated data between years where information was not available. For 2023, data was extrapolated for Argentina, Bolivia, Brazil, Chile, Colombia, the Dominican Republic, Guatemala, Mexico, Panama, Peru, Paraguay, and Uruguay. For Guyana and Venezuela, the value from 2021 was maintained for 2022 and 2023. For Costa Rica, Ecuador, Honduras, and El Salvador, the data from the 2023 household surveys of the respective countries is considered. The reported value for Latin America and the Caribbean (LAC) is the population-weighted average of all the previously mentioned countries, represented by grey lines. In Appendix A5A Panel A, the population-weighted average for LAC is estimated with and without Venezuela.

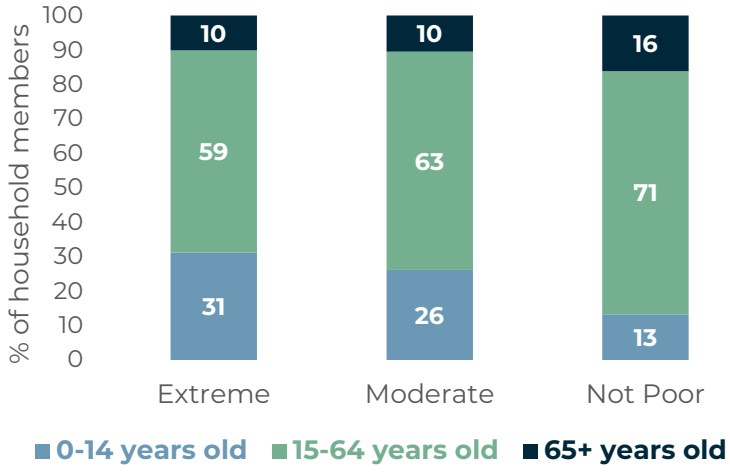
Figure 5C: Trends in Moderate Poverty in Latin America and the Caribbean, 2003 - 2023



Source: Authors' calculation based on data from the Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection].

Note: The values presented in this figure include interpolated data between years where information was not available. For 2023, data was extrapolated for Argentina, Bolivia, Brazil, Chile, Colombia, the Dominican Republic, Guatemala, Mexico, Panama, Peru, Paraguay, and Uruguay. For Guyana and Venezuela, the value from 2021 was maintained for 2022 and 2023. For Costa Rica, Ecuador, Honduras, and El Salvador, the data from the 2023 household surveys of the respective countries is considered. The reported value for Latin America and the Caribbean (LAC) is the population-weighted average of all the previously mentioned countries, represented by grey lines. In Appendix A5A Panel B, the population-weighted average for LAC is estimated with and without Venezuela.

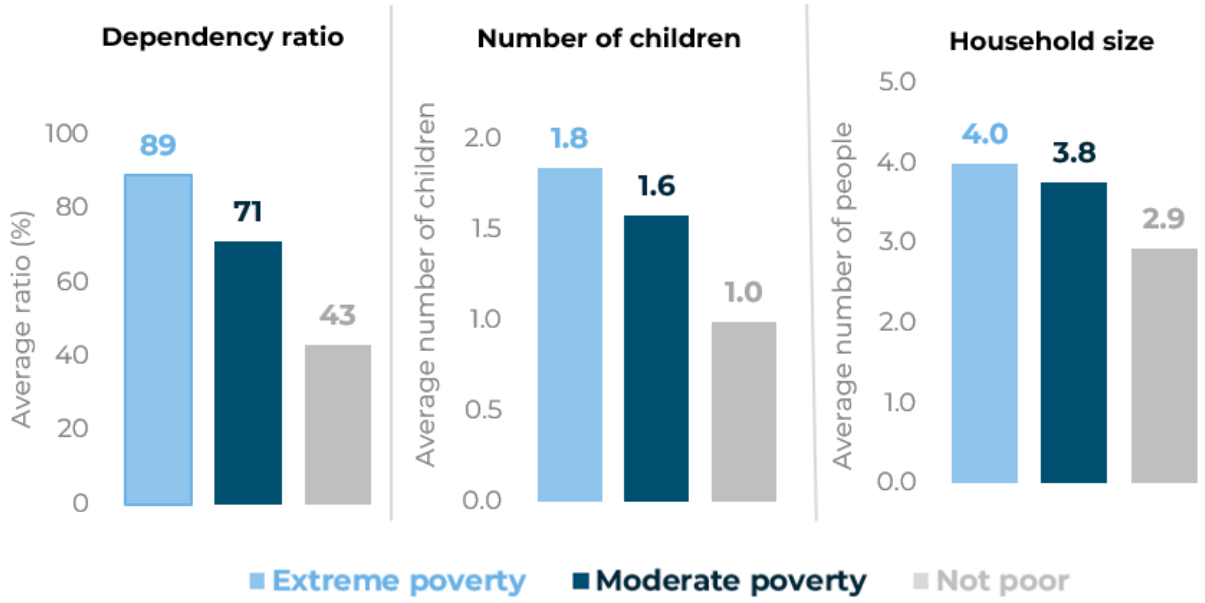
Figure 6A: Age Structure of Family Households in Latin America and the Caribbean by Poverty Status



Source: Authors' calculation based on data from the Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection].

Note: The reported values of this figure are the population-weighted average of all the countries with the most recent available data in Latin America and the Caribbean. The values are calculated from the population aged 0-14, 15-65, and 65+ years old per household. For each country and poverty status group (extreme poverty, moderate poverty, and non-poor), the age distribution of the population is calculated. For more details by country, see Appendix A6A.

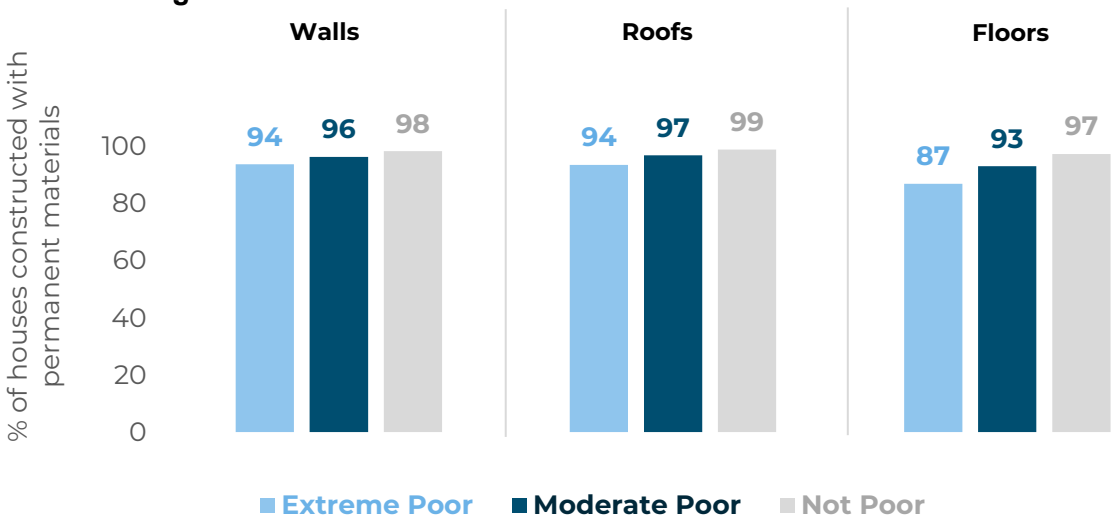
Figure 6B: Household Characteristics



Source: Authors' calculation based on data from the Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection].

Note: The reported values of this figure are the population-weighted average of all the countries with the most recent available data in Latin America and the Caribbean. The values are calculated from the average of each indicator per household. For each group of poverty status (extreme poverty, moderate poverty, and not poor), the average of all households is calculated for each country. The dependency ratio is the number of young individuals (0-14 years old) and elderly people (65 years and older) divided by the working-age population (15-64 years old).

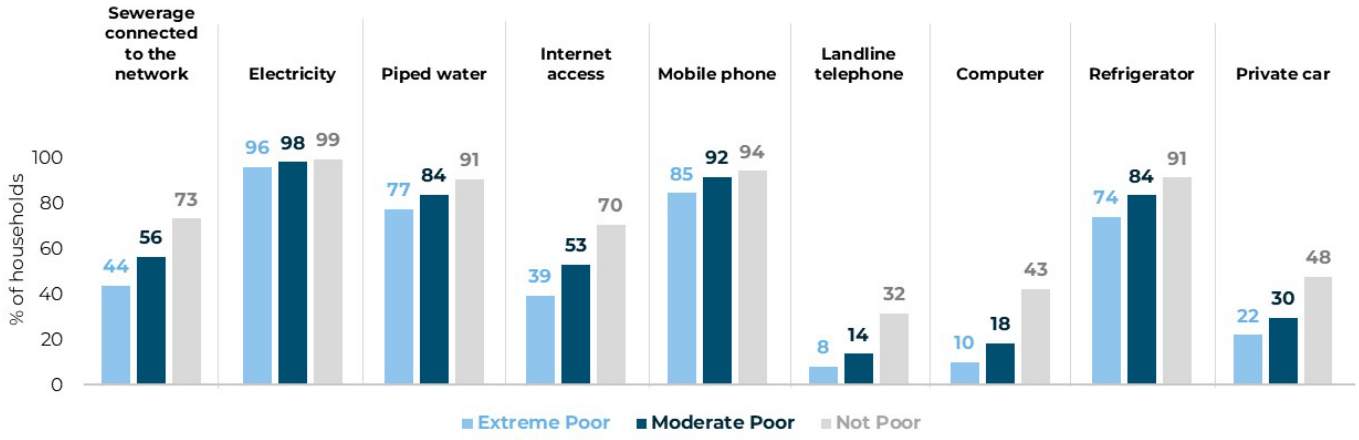
Figure 6C: Permanent Construction Materials of the households



Source: Authors' calculation based on data from the Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection].

Note: The reported values of this figure are the population-weighted average of all the countries with the most recent available data in Latin America and the Caribbean. For each indicator and group of poverty status (extreme poverty, moderate poverty, and not poor), the average of all households is calculated for each country. Permanent wall materials include brick walls, adobe, cement, and concrete**.** Permanent roof materials include metal or zinc sheets, cement, and wood. Permanent materials for floors include cement, ceramic, mosaic, and wood.

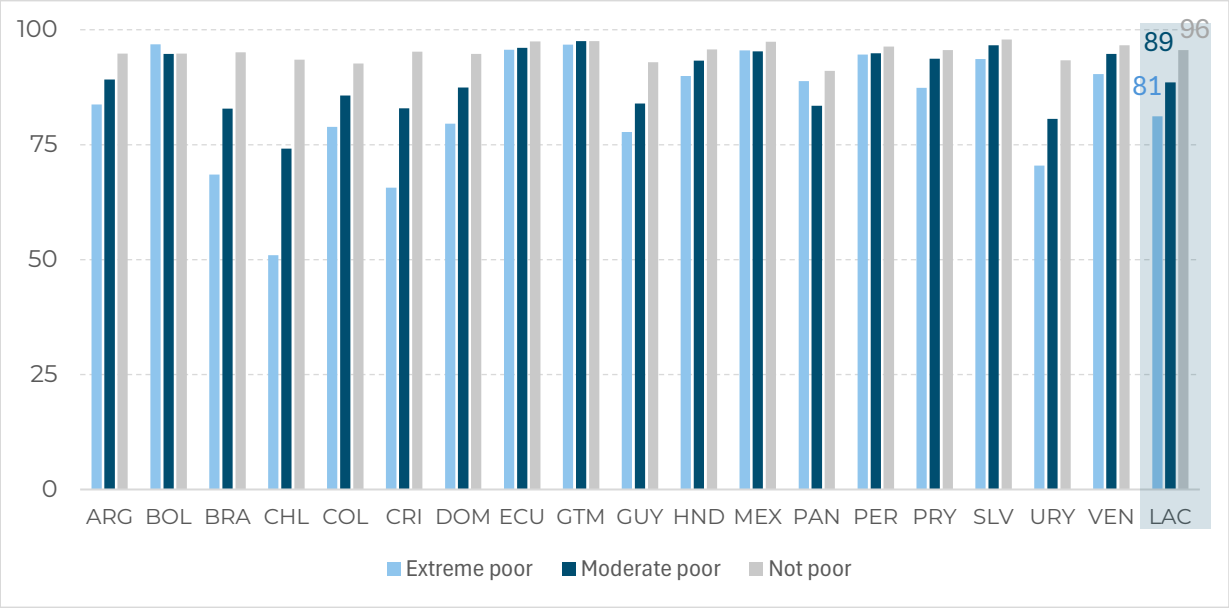
Figure 7A: Assets and Infrastructure Services



Source: Authors' calculation based on data from the Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection].

Note: The reported values of this figure are the population-weighted average of all the countries with the most recent available data in Latin America and the Caribbean. For each indicator and group of poverty status (extreme poverty, moderate poverty, and not poor), the average of all households is calculated for each country. In the case of computers and refrigerators, all countries provide information for years beetween 2007 and 2023, except Guatamala and Chile. Data from these ocuntries is nearly 10-20 years old and my not reflect current accesss to these goods.

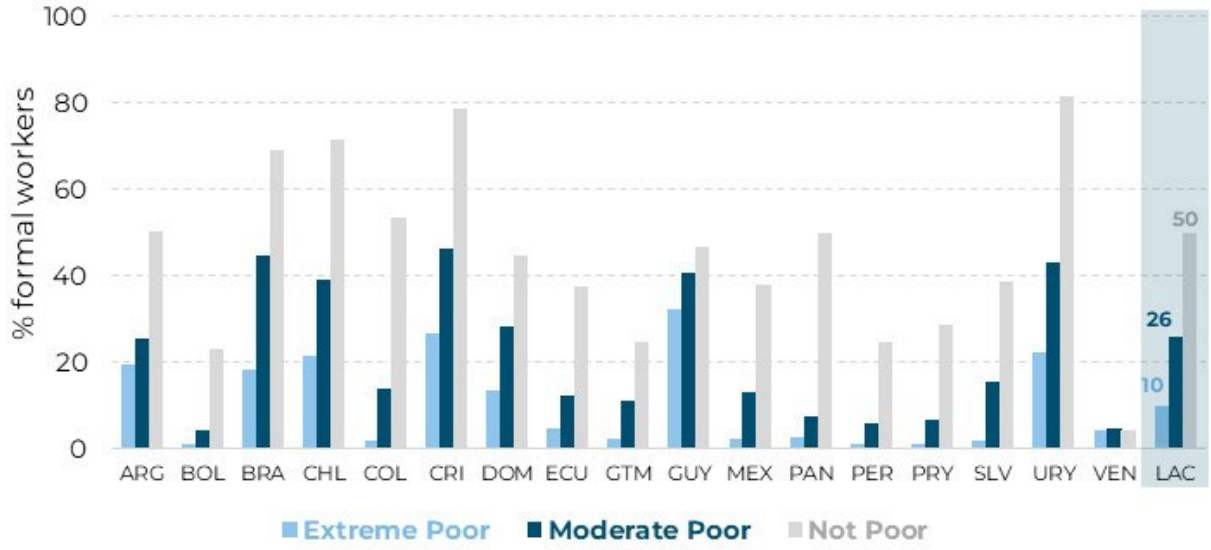
Figure 8A: Employment



Source: Authors' calculation based on the most recent data available from the Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection].

Note: For country abbreviation, see note below Figure 1A. The reported value for Latin America and the Caribbean (LAC) is the population-weighted average of the selected countries with available data.

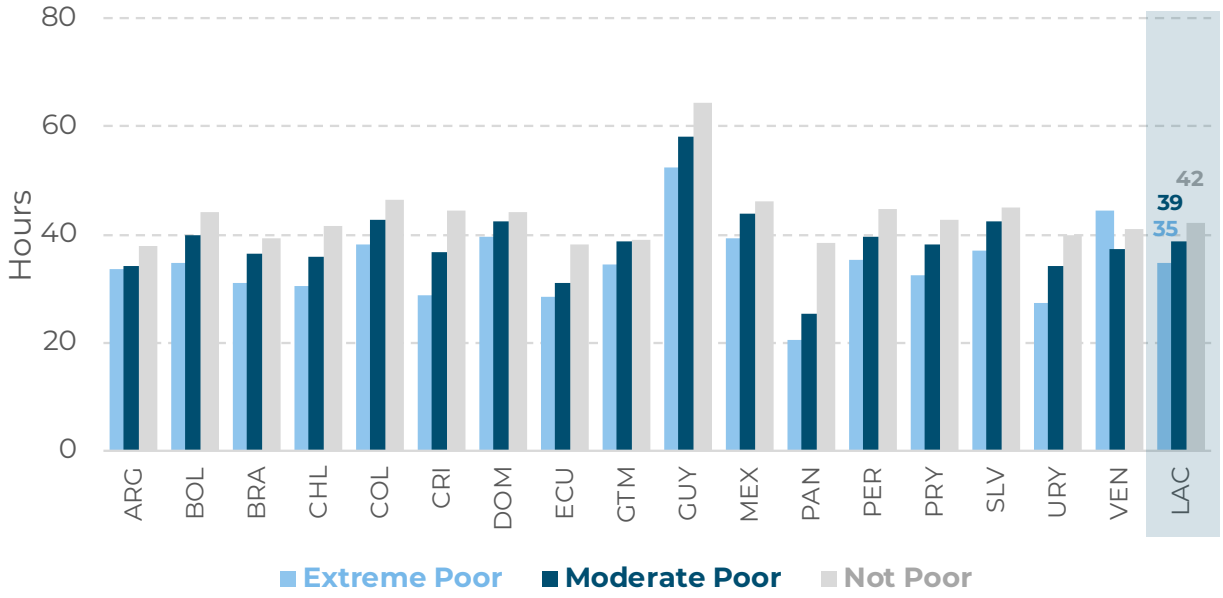
Figure 8B: Formal Employment



Source: Authors' calculation based on data from the Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection].

Note: For country abbreviation, see note below Figure 1A. Formality is identified when the employee or self-employed individual contributes to social security, either voluntarily or through their employer, during the reference period. It only considers the public or private pension system (not health insurance) of the primary or secondary occupation. The reported value for Latin America and the Caribbean (LAC) is the population-weighted average of the selected countries with available data.

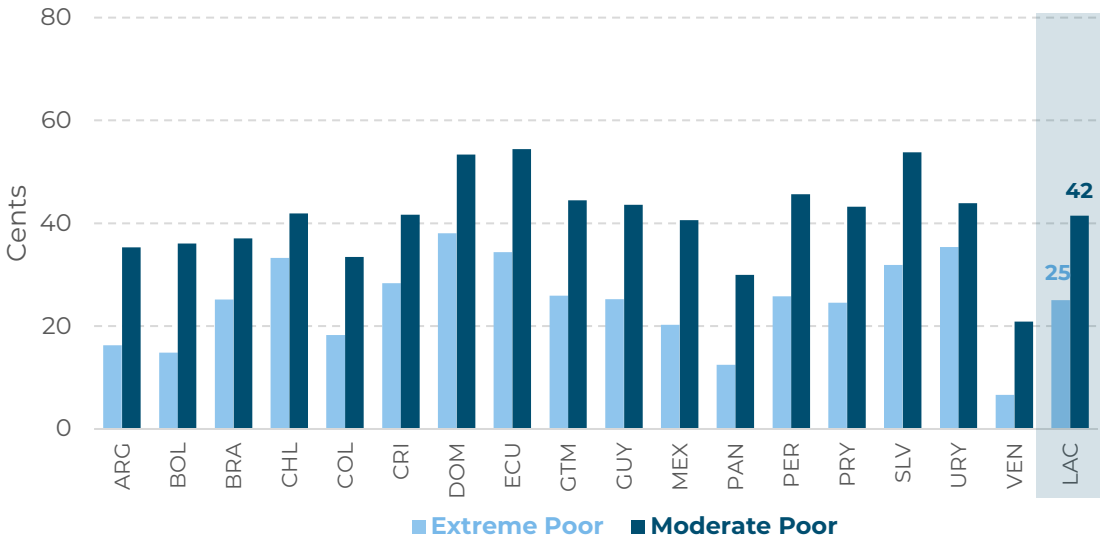
Figure 8C: Working Hours



Source: Authors' calculation based on the most recent data available from the Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection].

Note: For country abbreviation, see note below Figure 1A. Working hours refers to the average number of hours worked in all economic activities in a week. The reported value for Latin America and the Caribbean (LAC) is the population-weighted average of the selected countries with available data.

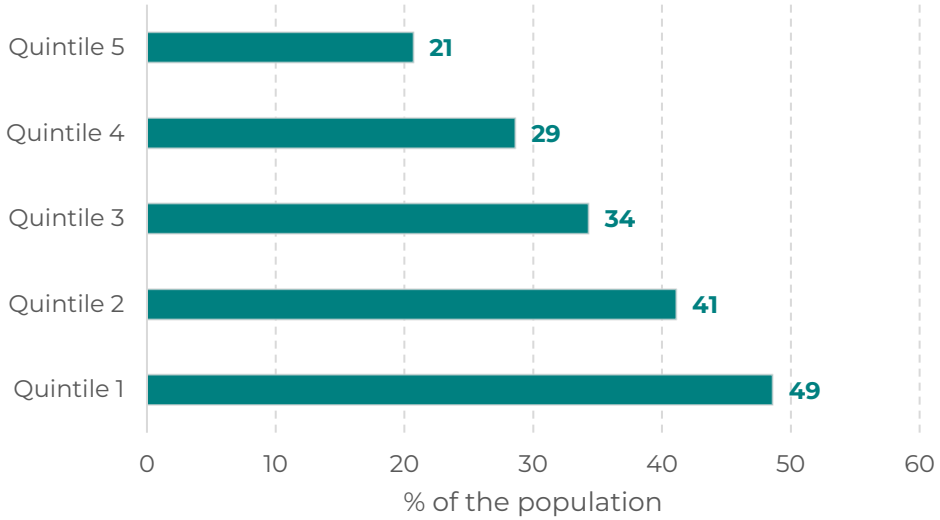
Figure 8D: Hourly Wage in Cents for Every USD Earned by the Non-Poor



Source: Authors' calculation based on the most recent data available from the Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection].

Note: For country abbreviation, see note below Figure 1A. The reported value for Latin America and the Caribbean (LAC) is the population-weighted average of the selected countries with available data.

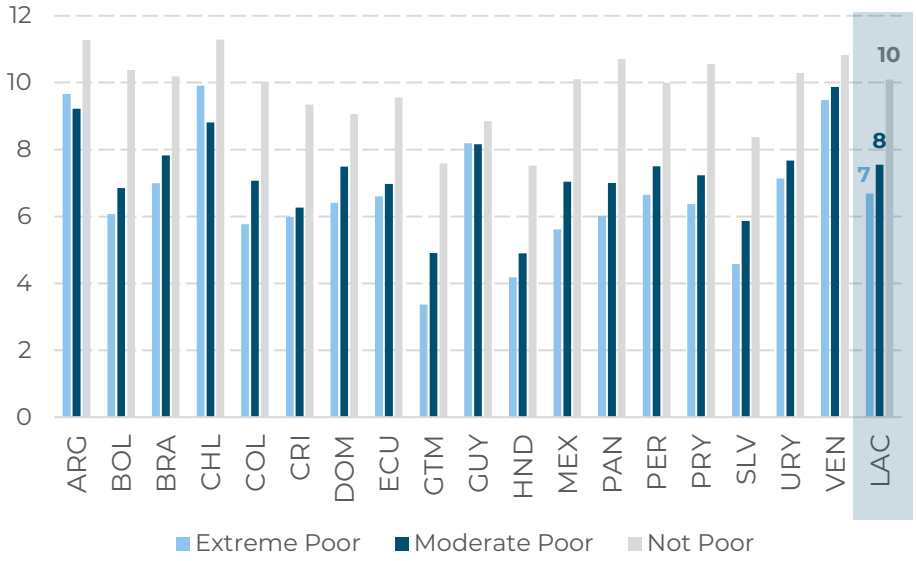
Figure 9A: Percentage of Population Without Health Insurance



Source: Portal of inequalities in Latin America. CEPALSTAT. Economic Commission for Latin America and the Caribbean (ECLAC), 2022. Available at https://statistics.cepal.org/portal/inequalities/.

Note: Quintiles based on income.

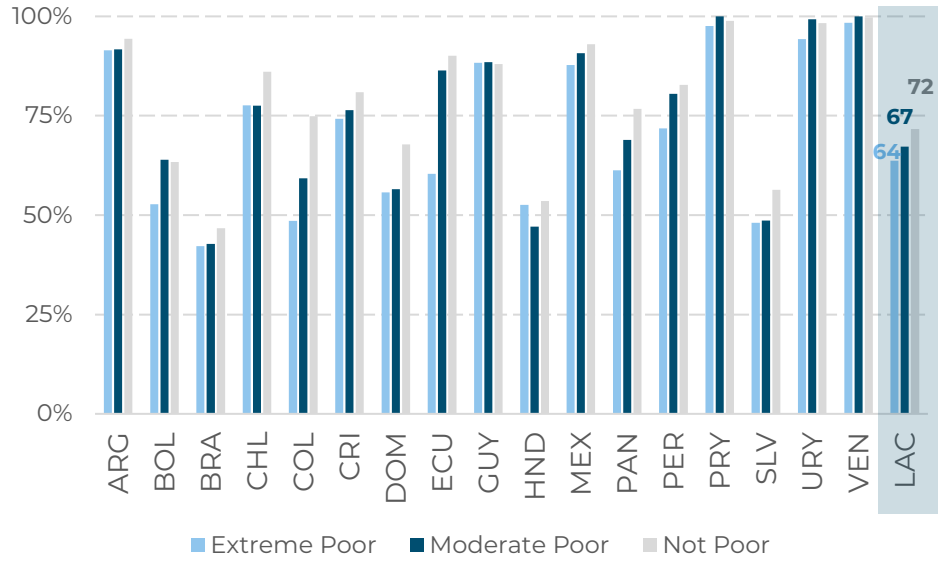
Figure 9B: Years of Education



Source: Authors' calculation based on the most recent data available from the Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection].

Note: For country abbreviation, see note below Figure 1A. Average years of schooling for individuals aged 25 and older. The reported value for Latin America and the Caribbean (LAC) is the population-weighted average of the selected countries with available data.

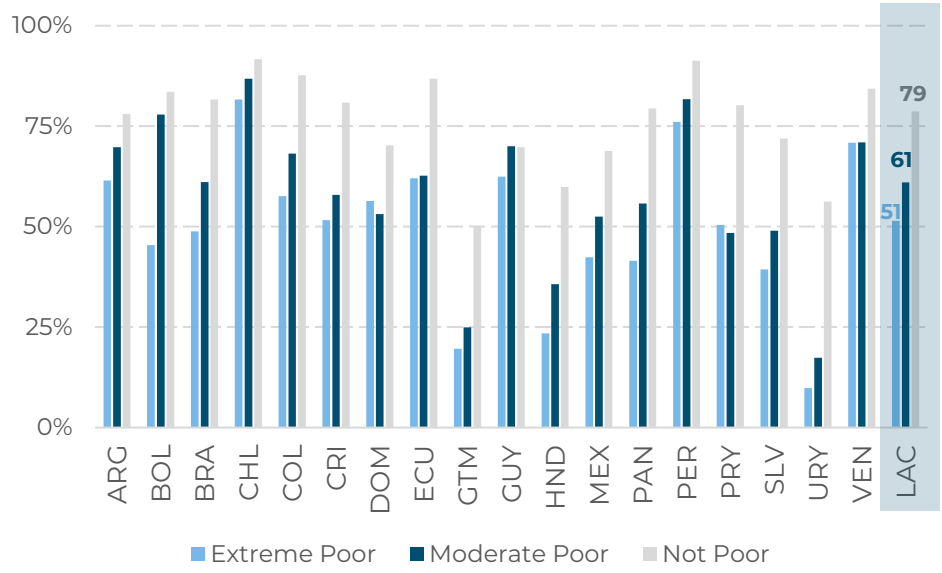
Figure 9C: School Enrollment (4- and 5-year-olds)



Source: Authors' calculation based on the most recent data available from the Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection].

Note: For country abbreviation, see note below Figure 1A. The reported value for Latin America and the Caribbean (LAC) is the population-weighted average of the selected countries with available data.

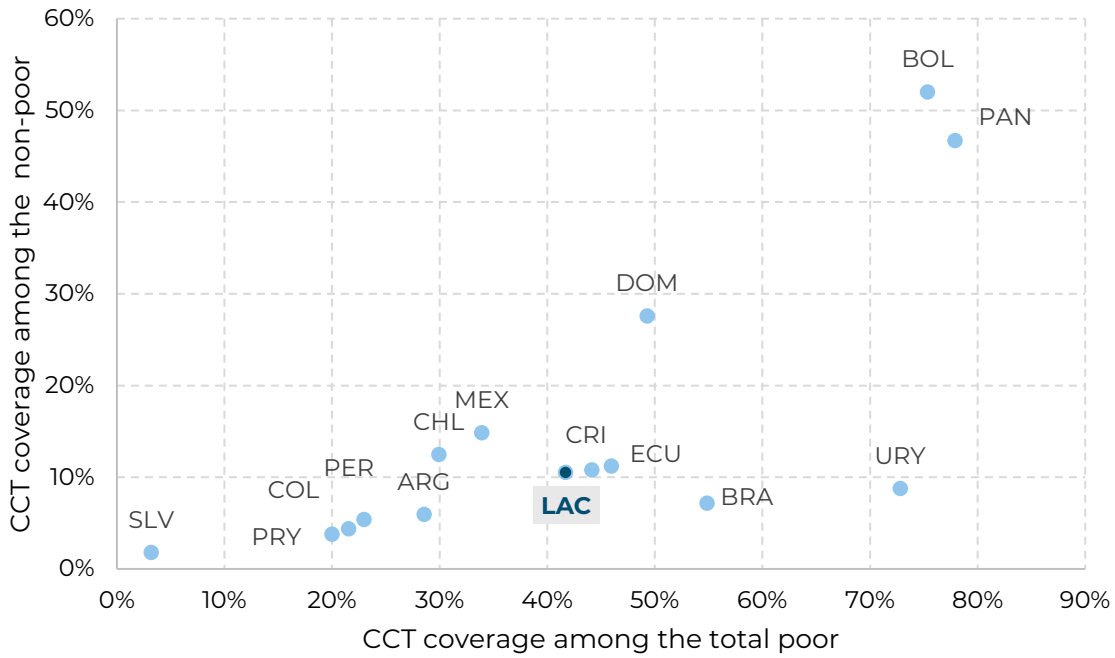
Figure 9D: Secondary Completion Rate



Source: Authors' calculation based on the most recent data available from the Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection].

Note: For country abbreviation, see note below Figure 1A. Secondary completion is defined as the percentage of young people between 21 and 23 years old who have completed that level (according to the country). The reported value for Latin America and the Caribbean (LAC) is the population-weighted average of the selected countries with available data.

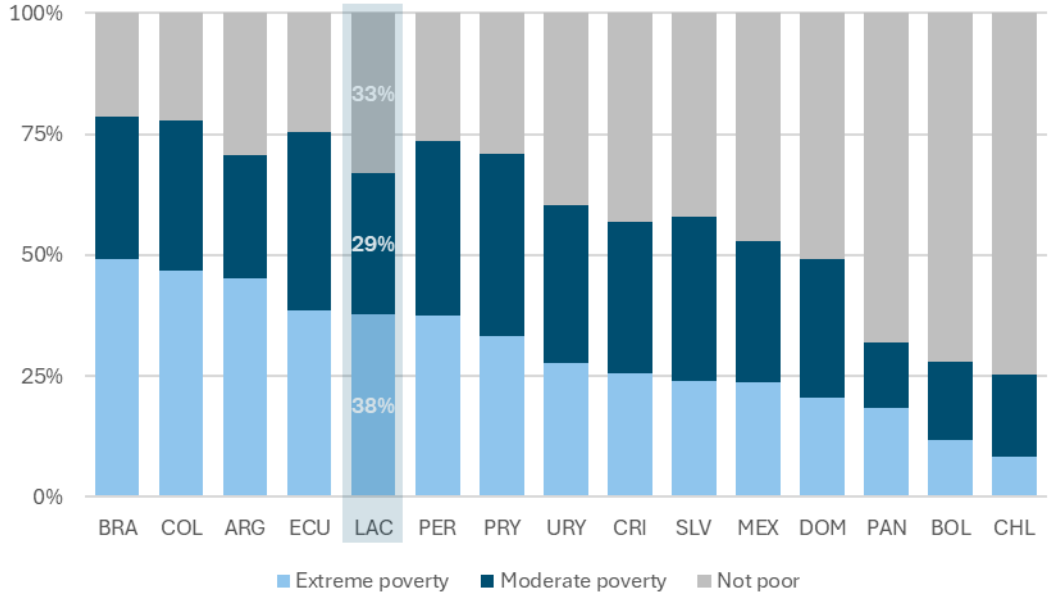
Figure 10A: Coverage of CCT programs in Latin America and the Caribbean



Source: Authors' calculation based on the most recent data available from the Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection].

Note: For country abbreviation, see note below Figure 1A. Total poor refers to individuals living in households with a per capita income below $6.85 per day, while non-poor refers to those living in households with a per capita income above this threshold. The reported value for Latin America and the Caribbean (LAC) is the population-weighted average of the selected countries with available data.

Figure 10B: Distribution of CCT Program Beneficiaries in Latin America and the Caribbean



Source: Authors' calculation based on the most recent data available from the Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection].

Note: For country abbreviation, see note below Figure 1A. The reported value for Latin America and the Caribbean (LAC) is the population-weighted average of the selected countries with available data.

Online appendix

Appendix A. Differences in poverty estimates between our estimates, World Bank estimates, and ECLAC/CEPAL estimates

Estimating the percentage of people in poverty depends on myriad assumptions, and there is significant variation in estimates across international organizations and from national sources. We find a correlation of 0.9 and 0.7 across countries for the latest poverty estimates between the Inter-American Development Bank (IDB), those of the World Bank (WB)[19] and the Economic Commission for Latin America and the Caribbean (ECLAC, or CEPAL for its acronym in Spanish),[20] respectively. For extreme poverty estimates, the correlation is 0.8 and 0.7 between the IDB and the WB and the ECLAC, respectively.

Some of the differences between the IDB and the WB estimates are easily explainable. For example, some data sources and selected years for the estimates differ for some countries (See Table A1 below). In the case of Guatemala, the IDB uses the ENEI 2022 survey, while the WB uses ENCOVI 2014 survey; in Guyana, the IDB uses LFS 2021, while the WB uses the GLSMS 1998, and so on. Other differences are less easily explainable. The WB and IDB poverty estimates in Table A1 are calculated using the same international poverty lines (USD 3.65 per day for extreme poverty and USD 6.85 per day for total poverty), and the purchasing power parity exchange rates are the same; methodologies for harmonization the microdata and estimating aggregate poverty across countries and over time differ. For example, the WB includes housing rent imputations in its aggregation of households' income estimations, while the IDB does not perform any type of imputation (WB 2024a; Castaneda et al. 2024; Arayavechkit et al. 2021).

The estimates for the IDB and the ECLAC exhibit differences as well (See Table A2). First, the ECLAC uses extreme and total poverty national lines by country and area, based on national expenditure surveys (ECLAC, 2019 pp 29, 169-191). In contrast, the IDB applies the international lines of $3.65 and $6.85 per day for extreme and total poverty, respectively. Second, once the extreme and total poverty lines have been established, the ECLAC compares the poverty lines with the income of the population to determine what proportion lies below those thresholds. That income corresponds mainly to total income, complemented by the use of information on wages and salaries net of taxes where available. It also includes imputed rental value for the use of owner-occupied housing, as an income in kind. The ECLAC applies an imputation procedure for non-response[21] and correction procedures to minimize the underreporting bias in the income variable. Conversely, the IDB uses the gross income without any imputation or correction.

[19] Available at https://pip.worldbank.org/poverty-calculator. Accessed August 15, 2024.

[20] Available at https://statistics.cepal.org/portal/cepalstat/dashboard.html?theme=1&lang=en. Accessed September 22, 2024.

[21] The ECLAC applies an imputation procedure for non-response only for those databases that do not already have missing values corrected. The procedure described is thus usually applied to the household survey series for Ecuador, El Salvador (retirement benefits only), Panama, the Plurinational State of Bolivia, and Uruguay. Corrections have been applied for some years in the series from Argentina (from 2016 on), the Bolivarian Republic of Venezuela (up to 2007), and Costa Rica (up to 2009).

It is beyond the scope of this paper to completely reconcile poverty estimate differences across organizations, but the high correlation suggests that we likely capture the broad trends in poverty across the region (or that all estimates are mistaken together).[22]

Appendix A Table A1. Extreme and Total Poverty Estimations by the IDB and the WB

Country	Extreme poor (rate)			Total Poor (rate)			Source		Level
	IDB (a)	WB (b)	(a)-(b)	IDB (a)	WB (b)	(a)-(b)	IDB	WB	
VEN	54	15	38	71	39	32	2021 ENCOVI	2006 EHM	National
HND	35	26	9	60	50	11	2023 EPHPM	2019 EPHPM	National
GTM	32	26	6	55	55	0	2022 ENEI	2014 ENCOVI	National
GUY	32	25	7	58	57	1	2021 LFS	1998 GLSMS	National
BRA	11	8	2	29	23	6	2022 PNADC I	2022 PNADC I	National
COL	20	14	5	41	35	6	2022 GEIH	2022 GEIH	National
ECU	16	9	6	40	30	10	2023 ENEMDU	2022 ENEMDU	National
SLV	16	9	7	39	27	11	2023 EHPM	2022 EHPM	National
PRY	12	6	7	31	20	11	2022 EPHC	2022 EPH	National
BOL	9	5	4	22	15	7	2022 ECH	2021 EH	National
PAN	9	4	5	19	13	6	2022 EHPM	2023 EH	National
MEX	10	5	6	32	22	10	2022 ENIGH	2022 ENIGH	National
PER	12	9	3	38	32	5	2022 ENAHO	2022 ENAHO	National
DOM	9	4	5	29	23	6	2022 ENCFT Q4	2021 ENCFT Q3	National
CRI	7	3	3	21	14	7	2023 ENAHO	2022 ENAHO	National
ARG	8	3	6	21	11	10	2022 EPHC S2	2022 EPHC S2	Urban
URY	4	1	3	14	6	8	2022 ECH	2022 ECH	National
CHL	3	1	2	11	5	7	2022 CASEN	2022 CASEN	National

Source: Authors' calculations based on the most recent data available from the following sources: i) Inter-American Development Bank (2024e). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection] and ii) WB (2024b). Poverty and Inequality Platform. www.pip.worldbank.org [Poverty & Inequality Indicators].

Note: Countries for this table are defined as follows: Argentina (ARG), Bolivia (BOL), Brazil (BRA), Chile (CHL), Colombia (COL), Costa Rica (CRI), Dominican Republic (DOM), Ecuador (ECU), Guatemala (GTM), Guyana (GUY), Honduras (HND), Mexico (MEX), Panama (PAN), Peru (PER), Paraguay (PRY), El Salvador (SLV), Uruguay (URY), and Venezuela (VEN). For more detail on sources, see Appendix Table A0A.

[22] Significant variation across estimates is also found for income inequality measures, as documented in Alvaredo et al. (2023).

Appendix A Table A2. Extreme and Total Poverty Estimations by the IDB and the ECLAC

Country	Extreme poor (rate)			Total Poor (rate)			Source		Level
	IDB (a)	ECLAC (b)	(a)-(b)	IDB (a)	ECLAC (c)	(a)-(b)	IDB	ECLAC	
VEN	54	12	42	71	28	43	2021 ENCOVI	2014 EHM	National
HND	35	34	1	60	68	-8	2023 EPHPM	2021 EPHPM	National
GTM	32	15	17	55	51	5	2022 ENEI	2014 ENCOVI	National
GUY	32		32	58			2021 LFS		National
BRA	11	5	6	29	20	10	2022 PNADC I	2022 PNADC	National
COL	20	14	5	41	34	7	2022 GEIH	2021 GEIH	National
ECU	16	7	9	40	26	15	2023 ENEMDU	2022 ENEMDU	National
SLV	16	9	7	39	30	9	2023 EHPM	2022 EHPM	National
PRY	12	8	4	31	21	10	2022 EPHC	2022 EPH	National
BOL	9	10	-1	22	29	-7	2022 ECH	2021 ECH	National
PAN	9	7	2	19	14	5	2022 EHPM	2022 EH	National
MEX	10	6	4	32	29	3	2022 ENIGH	2022 ENIGH	National
PER	12	3	9	38	17	20	2022 ENAHO	2022 ENAHO	National
DOM	9	5	4	29	20	9	2022 ENCFT Q4	2022 ENCFT	National
CRI	7	3	3	21	17	4	2023 ENAHO	2022 ENAHO	National
ARG	8	4	4	21	30	-9	2022 EPHC S2	2022 EPHC	Urban
URY	4	0	4	14	4	10	2022 ECH	2022 ECH	National
CHL	3	2	1	11	8	3	2022 CASEN	2022 CASEN	National

Source: Authors' calculations based on the most recent data available from the following sources: i) Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection] and ii) ECLAC (2024). CEPALSTAT Statistical Databases and Publications [Demographic and Social Indicators].

Note: Countries for this table are defined as follows: Argentina (ARG), Bolivia (BOL), Brazil (BRA), Chile (CHL), Colombia (COL), Costa Rica (CRI), Dominican Republic (DOM), Ecuador (ECU), Guatemala (GTM), Guyana (GUY), Honduras (HND), Mexico (MEX), Panama (PAN), Peru (PER), Paraguay (PRY), El Salvador (SLV), Uruguay (URY), and Venezuela (VEN). For more detail on sources, see Appendix Table A0A.

Appendix Tables and Figures

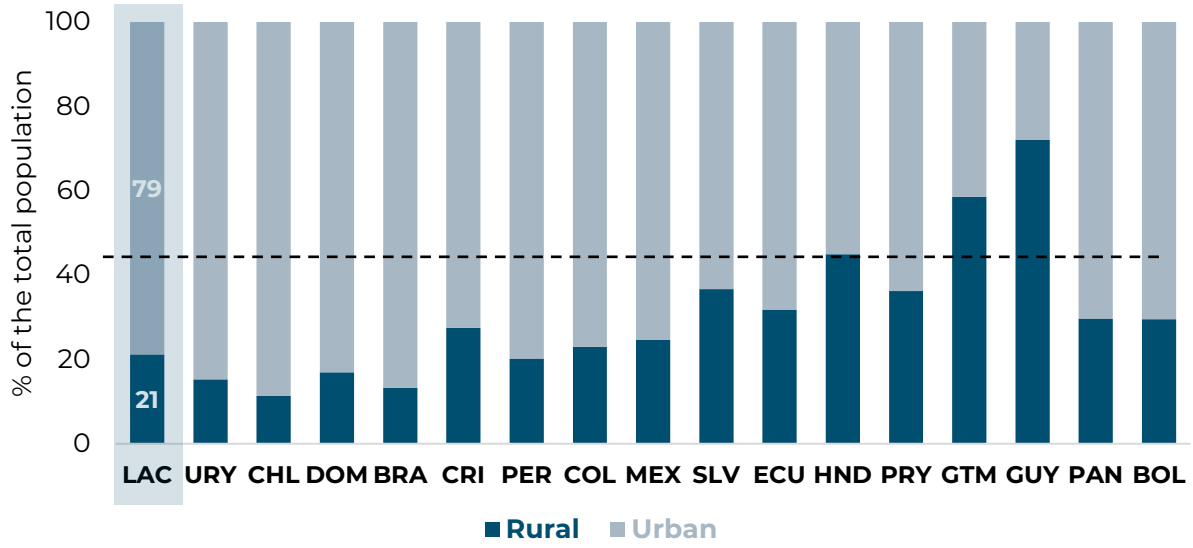
Appendix Table A0A. Surveys Analyzed by Country

Country	Source	Survey	Years
ARG	Instituto Nacional de Estadísticas y Censos (INDEC)	Encuesta Permanente de Hogares - Continua (EPHC)	2003-2014, 2016-2022
BOL	Instituto Nacional de Estadística (INE)	Encuesta Continua de Hogares (ECH)	2003, 2005-2009, 2011-2022
BRA	Instituto Brasileiro de Geografía e Estadística (IBGE)	Pesquisa Nacional por Amostra de Domicilio Continua (PNAD)	2016-2022
		Pesquisa Nacional por Amostra de Domicilio (PNAD)	2003-2009, 2011-2015
CHL	Ministerio de Desarrollo Social (MIDEPLAN)	Encuesta de Caracterización Socioeconómica Nacional (CASEN)	2003, 2006, 2009, 2011, 2013, 2015, 2017, 2020, 2022
COL	Departamento Administrativo Nacional de Estadística (DANE)	Gran Encuesta Integrada de Hogares (GEIH)	2006-2022
		Encuesta Continua de Hogares (ECH)	2003-2005
CRI	Instituto Nacional de Estadísticas y Censos (INEC)	Encuesta Nacional de Hogares (ENAHO)	2010-2023
		Encuesta de Hogares de Propósitos Múltiples (EHPM)	2003-2009
DOM	Banco Central de la República Dominicana (BCRD)	Encuesta Nacional de Fuerza de Trabajo Continua (ENCFT)	2017-2022
		Encuesta Nacional de Fuerza de Trabajo (ENFT)	2003-2016
ECU	Instituto Nacional de Estadística y Censos (INEC)	Encuesta Nacional de empleo, desempleo y subempleo (ENEMDU)	2003-2023
GTM	Instituto Nacional de Estadística (INE)	Encuesta Nacional de Empleo e Ingresos (ENEI)	2003-2004, 2010-2022
		Encuesta Nacional de Condiciones de Vida (ENCOVI)	2006
GUY	Bureau of Statistics	Labor Force Survey (LFS)	2016-2018, 2021
HND	Instituto Nacional de Estadísticas (INE)	Encuesta Permanente de Hogares de Propósitos Múltiples (EPHPM)	2003-2019, 2021-2023

MEX	Instituto Nacional de Estadística y Geografía (INEGI)	Encuesta Nacional de Ingresos y Gastos de los Hogares (ENIGH)	2004-2006, 2008, 2010, 2012, 2014, 2016, 2018, 2020, 2022
PAN	Instituto Nacional de Estadística y Censo (INEC)	Encuesta de Hogares de Propósitos Múltiples (EHPM)	2011-2019, 2022
		Encuesta de Hogares (EH)	2003-2010
PRY	Dirección General de Estadística, Encuestas y Censos (DGEEC)	Encuesta Permanente de Hogares Continua (EPHC)	2018, 2020-2022
		Encuesta Permanente de Hogares (EPH)	2003-2017
PER	Instituto Nacional de Estadística e Informática (INEI)	Encuesta Nacional de Hogares (ENAHO)	2003-2022
SLV	Dirección General de Estadística y Censos (DIGESTYC)	Encuesta de Hogares de Propósitos Múltiples (EHPM)	2003-2023
URY	Instituto Nacional de Estadística (INE)	Encuesta Continua de Hogares (ECH)	2003-2022
VEN	UCAB-USB-UCENTRAL, BID, World Bank	Encuesta Nacional de Condiciones de Vida (ENCOVI)	2016-2018, 2020, 2021
	Instituto Nacional de Estadística (INE)	Encuesta de Hogares por Muestreo (EHM)	2003-2015

Note: Countries for this table are defined as follows: Argentina (ARG), Bolivia (BOL), Brazil (BRA), Chile (CHL), Colombia (COL), Costa Rica (CRI), Dominican Republic (DOM), Ecuador (ECU), Guatemala (GTM), Guyana (GUY), Honduras (HND), Mexico (MEX), Panama (PAN), Peru (PER), Paraguay (PRY), El Salvador (SLV), Uruguay (URY), and Venezuela (VEN).

Appendix Figure A2A. Total Population by Area and Country



Source: Authors' calculation based on the most recent data available from the Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection].

Note: For country abbreviation, see note below Appendix Table A0A. The reported value for Latin America and the Caribbean (LAC) is the population-weighted average of the selected countries with available data.

Appendix Table A3A. Proportion of Specific Groups that are in Poverty by Country Minus the Level of Poverty for the General Population in that Country

Panel A: Extreme Poor

Country	Migrants	Women	0-15 years old	65+ years old	Afro-descendants	People with disabilities	Indigenous people
ARG	0	0	4	-6			
BOL		0	4	-5		-4	8
BRA	-8	0	10	-10	4		7
CHL	-1	0	2	-2		0	2
COL	1	1	10	-1	11	3	30
CRI	2	1	6	-3		0	
DOM	2	0	5	-1			
ECU	-10	0	9	-7	9		33
GTM		1	9	3	7		13
GUY	-5	1	11	-15			
HND	-4	1	8	0	16		-20
MEX		0	5	3		2	8
PAN	-6	0	7	-6	-5	-3	28
PER	-9	0	5	-2	1	3	4
PRY	-3	1	5	-3			
SLV		0	5	5			
URY		0	5	-4	4		1
VEN	-14	1	6	2			

Source: Authors' calculation based on the most recent data available from the Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection].

Note: For country abbreviation, see note below Appendix Table A0A.

Panel B: Moderate Poor

Country	Migrants	Women	0-15 years old	65+ years old	Afro-descendants	People with disabilities	Indigenous people
ARG	-1	0	6	-8			
BOL		0	4	3		5	4
BRA	-8	0	8	-10	4		7
CHL	-1	1	4	-3		0	3
COL	9	0	6	-5	5	0	3
CRI	2	0	9	-3		2	
DOM	3	1	8	-3			
ECU	3	1	5	-5	10		-6
GTM		0	3	-5	0		-1
GUY	-2	0	2	4			
HND	2	-1	3	-2	-5		23
MEX		1	7	-2		0	5
PAN	-7	0	5	-2	-2	1	11
PER	-6	1	6	0	3	3	3
PRY	-1	0	6	4			
SLV		1	8	-4			
URY		0	8	-8	8		-2
VEN	-2	0	0	-1			

Source: Authors' calculation based on the most recent data available from the Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection].

Note: For country abbreviation, see note below Appendix Table A0A.

Appendix Table A3B. Proportion of Poor Population Made up by Specific Groups by Country

Panel A: Afro-descendants

Country	Year	Extreme Poor	Moderate Poor	Not Poor
BRA	2022	76	68	50
COL	2022	13	10	6
ECU	2023	5	5	2
GTM	2022	3	3	2
HND	2023	14	7	7
PAN	2022	11	24	31
PER	2022	10	9	6
URY	2022	9	8	4
LAC		**48**	**43**	**31**

Source: Authors' calculation based on the most recent data available from the Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection].

Note: For country abbreviation, see note below Appendix Table A0A. The reported value for Latin America and the Caribbean (LAC) is the population-weighted average of the selected countries with available data.

Panel B: Indigenous People

Country	Year	Extreme Poor	Moderate Poor	Not Poor
BOL	2022	45	31	20
BRA	2022	1	1	0
CHL	2022	17	14	10
COL	2022	11	5	2
ECU	2023	42	10	7
GTM	2022	53	36	28
HND	2023	0	1	0
MEX	2022	50	35	22
PAN	2022	56	29	7
PER	2022	44	34	24
URY	2022	2	1	1
LAC		**22**	**15**	**10**

Source: Authors' calculation based on the most recent data available from the Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection].

Note: For country abbreviation, see note below Appendix Table A0A. The reported value for Latin America and the Caribbean (LAC) is the population-weighted average of the selected countries with available data.

Panel C: People with Disabilities

Country	Year	Extreme Poor	Moderate Poor	Not Poor
BOL	2021	4	8	5
CHL	2022	29	30	29
COL	2022	18	15	15
CRI	2023	7	8	7
MEX	2022	19	16	16
PAN	2022	7	13	12
PER	2022	6	5	4
LAC		**17**	**15**	**14**

Source: Authors' calculation based on the most recent data available from the Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection].

Note: For country abbreviation, see note below Appendix Table A0A. The reported value for Latin America and the Caribbean (LAC) is the population-weighted average of the selected countries with available data.

Panel D: Migrants

Country	Year	Extreme Poor	Moderate Poor	Not Poor
ARG	2022	5	4	5
BOL	2022	0	0	0
BRA	2015	0	0	0
CHL	2022	5	8	9
COL	2022	5	7	4
CRI	2023	11	10	8
DOM	2022	6	5	4
ECU	2023	1	2	2
GUY	2021	1	1	1
HND	2018	1	1	1
PAN	2022	1	1	5
PER	2022	0	1	1
PRY	2022	2	3	3
VEN	2021	1	1	2
LAC		**2**	**2**	**2**

Source: Authors' calculation based on the most recent data available from the Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection].

Note: For country abbreviation, see note below Appendix Table A0A. The reported value for Latin America and the Caribbean (LAC) is the population-weighted average of the selected countries with available data.

Panel E: Women

Country	Year	Extreme Poor	Moderate Poor	Not Poor
ARG	2022	52	53	51
BOL	2022	52	51	51
BRA	2022	53	52	51
CHL	2022	54	55	50
COL	2022	53	52	51
CRI	2023	57	54	52
DOM	2022	53	55	51
ECU	2023	50	52	51
GTM	2022	55	53	51
GUY	2021	53	53	51
HND	2023	54	51	52
MEX	2022	53	53	52
PAN	2022	52	52	51
PER	2022	52	53	51
PRY	2022	52	51	49
SLV	2023	55	55	52
URY	2022	54	53	51
VEN	2021	52	51	49
LAC		**53**	**53**	**51**

Source: Authors' calculation based on the most recent data available from the Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection].

Note: For country abbreviation, see note below Appendix Table A0A. The reported value for Latin America and the Caribbean (LAC) is the population-weighted average of the selected countries with available data.

Panel F: People Aged 0 to 15 Years

Country	Year	Extreme Poor	Moderate Poor	Not Poor
ARG	2022	38	36	22
BOL	2022	45	39	27
BRA	2022	41	32	16
CHL	2022	32	31	19
COL	2022	36	31	18
CRI	2023	36	32	16
DOM	2022	42	38	23
ECU	2023	49	37	23
GTM	2022	44	38	25
GUY	2021	35	28	19
HND	2023	38	34	23
MEX	2022	37	34	21
PAN	2022	50	41	24
PER	2022	38	33	22
PRY	2022	43	39	25
SLV	2023	32	32	19
URY	2022	49	38	18
VEN	2021	32	28	22
LAC		**39**	**33**	**20**

Source: Authors' calculation based on the most recent data available from the Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection].

Note: For country abbreviation, see note below Appendix Table A0A. The reported value for Latin America and the Caribbean (LAC) is the population-weighted average of the selected countries with available data.

Panel G: People Aged 65+ Years

Country	Year	Extreme Poor	Moderate Poor	Not Poor
ARG	2022	3	4	14
BOL	2022	4	11	8
BRA	2022	1	5	13
CHL	2022	4	8	14
COL	2022	10	8	11
CRI	2023	8	11	15
DOM	2022	9	9	11
ECU	2023	5	8	12
GTM	2022	7	5	7
GUY	2021	6	13	14
HND	2023	9	9	10
MEX	2022	13	9	9
PAN	2022	4	10	13
PER	2022	10	11	11
PRY	2022	5	8	7
SLV	2023	13	8	10
URY	2022	1	4	17
VEN	2021	9	8	8
LAC		**6**	**7**	**12**

Source: Authors' calculation based on the most recent data available from the Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection].

Note: For country abbreviation, see note below Appendix Table A0A. The reported value for Latin America and the Caribbean (LAC) is the population-weighted average of the selected countries with available data.

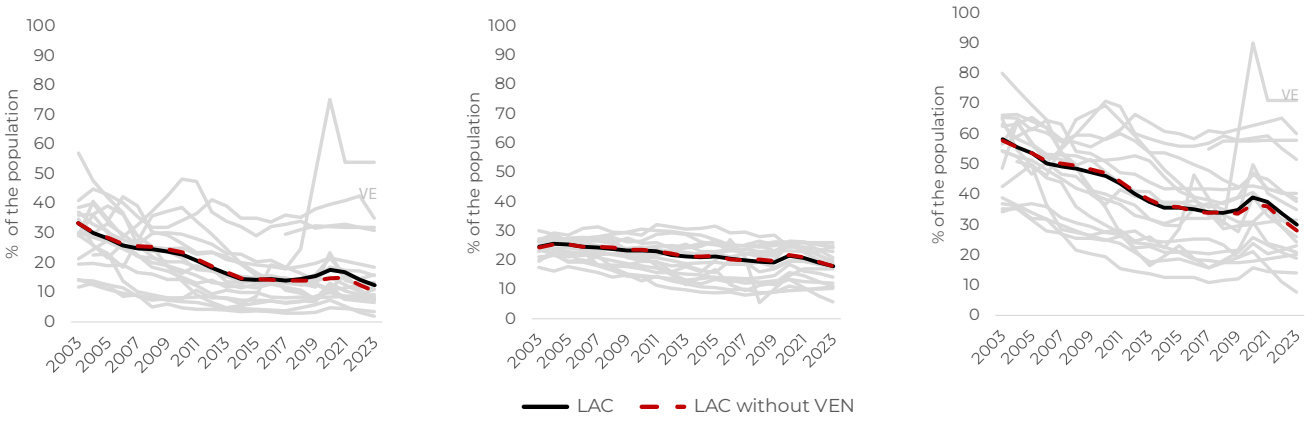
Appendix Table A3C. Poverty Rate by Area and Race/Ethnicity

Panel A: Extreme Poor			
Race/Ethnicity	Rural	Urban	Total
Indigenous	74	26	100
Afro-descendants	47	53	100
Other	40	60	100
NSNC	68	32	100
Total	50	50	100
Panel B: Moderate Poor			
Race/ Ethnicity	Rural	Urban	Total
Indigenous	58	42	100
Afro-descendants	33	67	100
Other	32	68	100
NSNC	46	54	100
Total	37	63	100
Panel C: Total Poor			
Race/ Ethnicity	Rural	Urban	Total
Indigenous	65	35	100
Afro-descendants	39	61	100
Other	34	66	100
NSNC	54	46	100
Total	42	58	100

Source: Authors' calculation based on the most recent data available from the Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection].

Appendix Figure A5A. Trends in Extreme, Moderate and Total Poverty in Latin America and the Caribbean, 2003 – 2023

Panel A. Extreme Poor *Panel B. Moderate Poor* *Panel C. Total Poor*



Source: Authors' calculation based on the most recent data available from the Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection].

Note: The reported value for Latin America and the Caribbean (LAC) is the population-weighted average of the selected countries with available data. The black line includes all the countries, and the red dashed line excludes Venezuela.

Appendix Table A6A. Age Structure of Family Households in Latin America and the Caribbean by Poverty Status and Country

Country	Year	Extreme Poor			Moderate			Not Poor		
		0-14	15-64	65+	0-14	15-64	65+	0-14	15-64	65+
ARG	2022	32	65	3	30	64	6	14	65	21
BOL	2022	36	59	5	27	51	23	19	68	13
BRA	2022	35	64	1	25	69	6	11	71	18
CHL	2022	23	71	6	24	66	11	12	69	19
COL	2022	27	56	17	24	64	12	12	74	14
CRI	2023	27	61	12	24	61	15	10	69	21
DOM	2022	33	54	14	30	55	15	15	69	16
ECU	2023	41	48	10	30	57	12	16	66	18
GTM	2022	35	52	13	31	60	9	18	72	10
GUY	2021	25	68	7	19	57	25	11	68	20
HND	2023	30	55	15	26	59	15	17	69	14
MEX	2022	28	50	22	27	59	14	14	72	14
PAN	2022	32	59	9	25	59	17	13	67	20
PER	2022	29	55	17	25	56	19	15	68	17
PRY	2022	35	58	7	31	55	14	19	72	10
SLV	2023	24	57	19	26	61	13	14	73	13
URY	2022	43	55	2	31	63	6	12	64	25
VEN	2021	23	63	13	20	68	12	15	74	11
LAC		**31**	**59**	**10**	**26**	**63**	**10**	**13**	**71**	**16**

Source: Authors' calculation based on the most recent data available from the Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection].

Note: For country abbreviation, see note below Appendix Table A0A. The reported value for Latin America and the Caribbean (LAC) is the population-weighted average of the selected countries with available data. The values are calculated from the population aged 0-14, 15-65, and 65+ years old per household. For each country and poverty status group (extreme poverty, moderate poverty, and non-poor), the age distribution of the population is calculated.

Appendix Table A6B. Household Size (Average Number of Members) in Latin America and the Caribbean by Poverty Status and Country

Country	Year	Extreme Poor	Moderate Poor	Not Poor
ARG	2022	4	4	3
BOL	2022	4	4	3
BRA	2022	4	3	3
CHL	2022	3	4	3
COL	2022	3	4	3
CRI	2023	4	4	3
DOM	2022	4	4	3
ECU	2023	5	4	3
GTM	2022	5	4	4
GUY	2021	4	4	3
HND	2023	4	4	3
MEX	2022	4	4	3
PAN	2022	5	4	3
PER	2022	4	4	3
PRY	2022	4	4	4
SLV	2023	3	4	3
URY	2022	5	4	3
VEN	2021	4	3	3
LAC		**4**	**4**	**3**

Source: Authors' calculation based on the most recent data available from the Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection].

Note: For country abbreviation, see note below Appendix Table A0A. The reported value for Latin America and the Caribbean (LAC) is the population-weighted average of the selected countries with available data. Permanent roof materials include metal or zinc sheets, cement, and wood.

Appendix Tables A6C. Permanent Construction Materials of the households in Latin America and the Caribbean by Poverty Status and Country

Panel A: Permanent Roofs Materials

Country	Year	Extreme Poor	Moderate Poor	Not Poor
ARG	2022	100	99	99
BOL	2022	87	94	99
BRA	2019	98	99	99
CHL	2017	100	100	100
CRI	2023	100	100	100
DOM	2022	99	99	99
ECU	2023	97	98	98
GTM	2022	99	99	99
HND	2023	99	100	99
MEX	2022	97	98	99
PAN	2022	94	98	100
PER	2022	94	96	96
PRY	2022	98	99	100
SLV	2023	100	100	100
URY	2022	99	100	100
VEN	2021	99	99	99
LAC		94	97	99

Source: Authors' calculation based on the most recent data available from the Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection].

Note: For country abbreviation, see note below Appendix Table A0A. The reported value for Latin America and the Caribbean (LAC) is the population-weighted average of the selected countries with available data. Permanent roof materials include metal or zinc sheets, cement, and wood.

Panel B: Permanent Walls Materials

Country	Year	Extreme Poor	Moderate Poor	Not Poor
BOL	2022	100	99	100
BRA	2019	96	99	99
CHL	2017	93	93	96
COL	2022	77	87	97
CRI	2023	99	100	100
DOM	2022	94	97	98
ECU	2023	94	95	98
GTM	2022	98	97	99
HND	2023	96	97	98
MEX	2022	98	99	100
PAN	2022	92	98	100
PER	2022	84	85	92
PRY	2022	99	99	100
SLV	2023	83	85	92
URY	2022	100	100	100
VEN	2021	94	96	96
LAC		94	96	98

Source: Authors' calculation based on the most recent data available from the Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection].

Note: For country abbreviation, see note below Appendix Table A0A. The reported value for Latin America and the Caribbean (LAC) is the population-weighted average of the selected countries with available data. The black line includes all the countries and the red dashed line exclude Venezuela. Permanent wall materials include brick walls, abode, cement, and concrete**.**

Panel C: Permanent Floors Materials

Country	Year	Extreme Poor	Moderate Poor	Not Poor
ARG	2022	99	99	100
BOL	2022	57	71	93
BRA	2019	97	99	100
CHL	2017	100	100	100
COL	2022	82	92	98
CRI	2023	96	99	99
DOM	2022	98	99	98
ECU	2023	59	82	91
GTM	2022	63	77	90
HND	2023	78	88	93
MEX	2022	89	96	99
PAN	2022	71	89	99
PER	2022	49	65	85
PRY	2022	83	91	97
SLV	2023	78	82	91
URY	2022	80	88	98
VEN	2021	96	96	97
LAC		87	93	97

Source: Authors' calculation based on the most recent data available from the Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection].

Note: For country abbreviation, see note below Appendix Table A0A. The reported value for Latin America and the Caribbean (LAC) is the population-weighted average of the selected countries with available data. Permanent materials for floors include cement, ceramic, mosaic, and wood.

Appendix Tables A7A. Assets and Infrastructure Services in Latin America and the Caribbean by Poverty Status and Country

Panel A: Sewerage Connected to the Network

Country	Year	Extreme Poor	Moderate Poor	Not Poor
ARG	2022	58	59	75
BOL	2022	19	32	60
BRA	2022	37	52	68
CHL	2022	78	79	88
COL	2022	47	64	87
CRI	2023	19	20	30
DOM	2022	17	17	27
ECU	2023	32	47	72
GTM	2022	31	40	60
HND	2023	22	34	52
MEX	2022	49	68	84
PAN	2022	11	14	40
PER	2022	46	60	79
SLV	2023	17	23	45
URY	2022	43	50	68
VEN	2021	77	78	84
LAC		44	56	73

Source: Authors' calculation based on the most recent data available from the Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection].

Note: For country abbreviation, see note below Appendix Table A0A. The reported value for Latin America and the Caribbean (LAC) is the population-weighted average of the selected countries with available data.

Panel B: Electricity

Country	Year	Extreme Poor	Moderate Poor	Not Poor
BOL	2022	87	92	98
BRA	2019	99	100	100
CHL	2017	99	99	100
COL	2022	96	98	100
CRI	2023	99	100	100
DOM	2022	99	100	100
ECU	2023	94	99	99
GTM	2022	83	89	96
HND	2023	83	92	97
MEX	2022	97	99	99
PAN	2022	56	82	97
PER	2022	89	94	98
PRY	2022	99	100	100
SLV	2023	97	98	99
URY	2022	100	100	100
VEN	2021	100	100	100
LAC		96	98	99

Source: Authors' calculation based on the most recent data available from the Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection].

Note: For country abbreviation, see note below Appendix Table A0A. The reported value for Latin America and the Caribbean (LAC) is the population-weighted average of the selected countries with available data.

Panel C: Piped Water

Country	Year	Extreme Poor	Moderate Poor	Not Poor
ARG	2022	83	85	91
BOL	2022	31	46	75
BRA	2022	72	80	88
CHL	2022	88	90	94
COL	2022	73	83	95
CRI	2023	91	94	97
DOM	2022	82	85	90
ECU	2023	53	74	87
GTM	2022	68	75	86
HND	2023	79	84	90
MEX	2022	94	96	98
PAN	2022	67	86	96
PER	2022	77	84	89
PRY	2022	77	83	84
SLV	2023	71	72	81
URY	2022	98	96	95
VEN	2021	76	77	81
LAC		77	84	91

Source: Authors' calculation based on the most recent data available from the Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection].

Note: For country abbreviation, see note below Appendix Table A0A. The reported value for Latin America and the Caribbean (LAC) is the population-weighted average of the selected countries with available data.

Panel D: Internet Access

Country	Year	Extreme Poor	Moderate Poor	Not Poor
BOL	2022	47	49	76
BRA	2019	63	77	83
CHL	2017	57	65	77
COL	2021	21	38	64
CRI	2023	69	74	84
DOM	2022	21	27	45
ECU	2017	10	18	47
GTM	2022	16	25	49
HND	2023	37	50	71
MEX	2022	23	44	69
PAN	2022	55	70	89
PER	2022	23	36	67
PRY	2022	12	23	64
SLV	2023	19	27	46
URY	2022	38	50	79
VEN	2021	12	14	30
LAC		39	53	70

Source: Authors' calculation based on the most recent data available from the Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection].

Note: For country abbreviation, see note below Appendix Table A0A. The reported value for Latin America and the Caribbean (LAC) is the population-weighted average of the selected countries with available data.

Panel E: Mobile phone

Country	Year	Extreme Poor	Moderate Poor	Not Poor
BOL	2022	82	79	92
BRA	2019	87	95	95
CHL	2017	96	98	97
COL	2021	90	95	97
CRI	2023	96	97	97
DOM	2022	86	91	93
ECU	2017	79	87	93
GTM	2022	79	89	92
HND	2023	70	78	88
MEX	2022	78	90	95
PAN	2017	62	80	92
PER	2022	88	92	96
PRY	2022	90	91	97
SLV	2023	91	95	98
URY	2019	96	97	96
VEN	2021	79	81	87
LAC		85	92	94

Source: Authors' calculation based on the most recent data available from the Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection].

Note: For country abbreviation, see note below Appendix Table A0A. The reported value for Latin America and the Caribbean (LAC) is the population-weighted average of the selected countries with available data.

Panel F: Landline Telephone

Country	Year	Extreme Poor	Moderate Poor	Not Poor
BOL	2022	2	3	10
BRA	2019	5	11	31
CHL	2017	20	23	37
COL	2021	5	10	30
CRI	2023	5	8	21
DOM	2022	6	7	17
ECU	2017	13	18	46
GTM	2022	6	10	23
HND	2022	3	6	11
MEX	2022	13	21	41
PAN	2017	4	5	31
PER	2022	2	4	14
PRY	2022	1	1	4
SLV	2023	5	5	15
URY	2022	12	23	59
VEN	2021	25	34	48
LAC		8	14	32

Source: Authors' calculation based on the most recent data available from the Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection].

Note: For country abbreviation, see note below Appendix Table A0A. The reported value for Latin America and the Caribbean (LAC) is the population-weighted average of the selected countries with available data.

Panel G: Computer

Country	Year	Extreme Poor	Moderate Poor	Not Poor
BOL	2022	8	11	36
BRA	2019	11	22	49
CHL	2017	39	44	59
COL	2021	8	15	42
CRI	2023	15	22	50
DOM	2022	12	11	17
ECU	2017	13	21	50
GTM	2006	0.6	2.0	18.1
HND	2023	5	9	25
MEX	2022	6	13	37
PAN	2017	7	12	42
PER	2022	10	18	42
PRY	2022	4	7	38
VEN	2021	19	23	35
LAC		10	18	43

Source: Authors' calculation based on the most recent data available from the Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection].

Note: For country abbreviation, see note below Appendix Table A0A. The reported value for Latin America and the Caribbean (LAC) is the population-weighted average of the selected countries with available data.

Panel H: Refrigerator

Country	Year	Extreme Poor	Moderate Poor	Not Poor
BOL	2022	31	43	72
BRA	2019	93	98	99
CHL	2013	88	92	96
COL	2021	66	80	89
CRI	2023	87	94	96
DOM	2022	82	90	91
ECU	2017	58	75	88
GTM	2006	8	23	58
HND	2023	56	73	87
MEX	2022	68	84	93
PER	2022	23	38	62
PRY	2022	82	89	96
SLV	2023	74	75	84
URY	2022	91	97	99
VEN	2021	85	87	92
LAC		74	84	91

Source: Authors' calculation based on the most recent data available from the Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection].

Note: For country abbreviation, see note below Appendix Table A0A. The reported value for Latin America and the Caribbean (LAC) is the population-weighted average of the selected countries with available data.

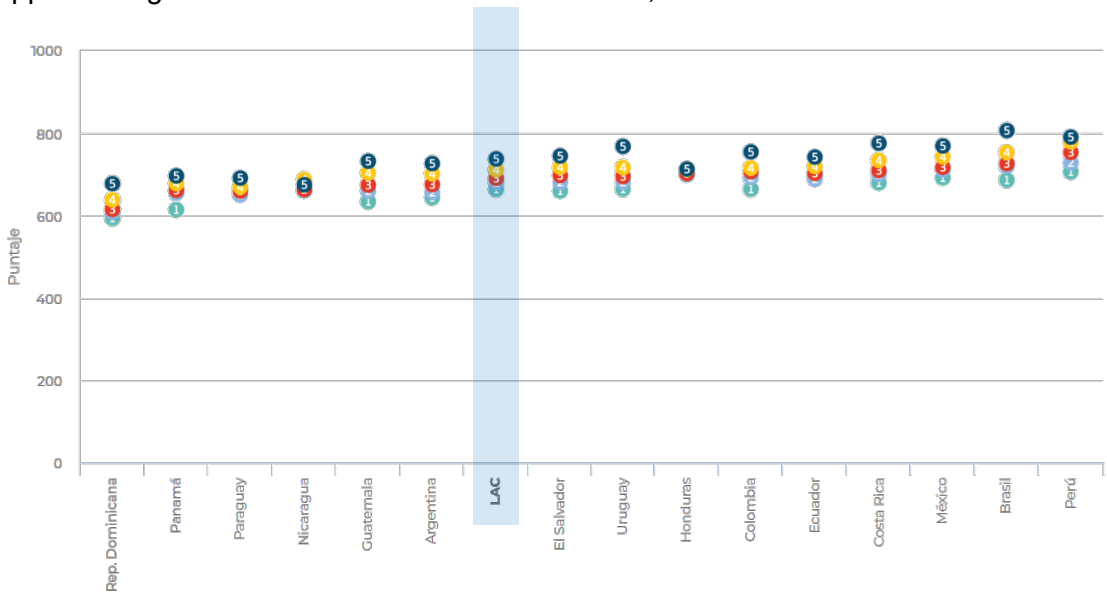
Panel I: Private Car

Country	Year	Extreme Poor	Moderate Poor	Not Poor
BOL	2022	10	10	20
BRA	2019	38	48	66
CHL	2017	19	25	37
COL	2021	2	4	19
CRI	2023	14	20	46
DOM	2022	7	10	24
ECU	2017	7	9	28
HND	2023	9	17	36
MEX	2022	20	30	54
PER	2022	3	5	15
PRY	2022	12	17	52
SLV	2023	12	13	30
URY	2022	9	23	54
VEN	2021	9	13	22
LAC		22	30	48

Source: Authors' calculation based on the most recent data available from the Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection].

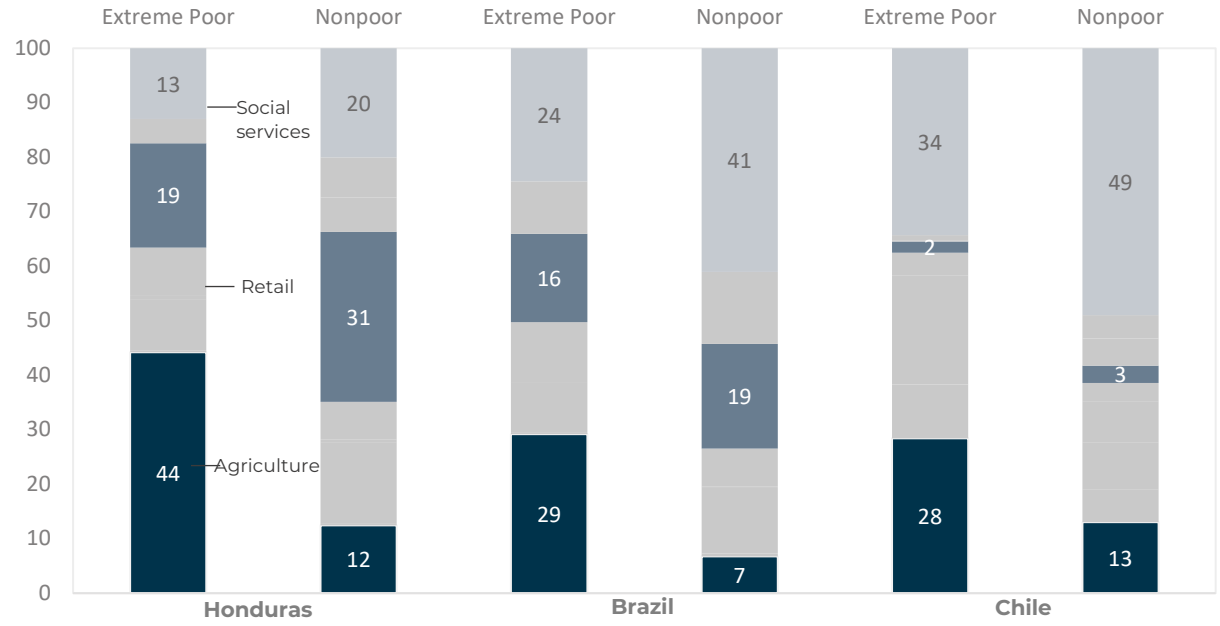
Note: For country abbreviation, see note below Appendix Table A0A. The reported value for Latin America and the Caribbean (LAC) is the population-weighted average of the selected countries with available data.

Appendix Figure A9A. Mean Score in Mathematics, ERCE



Note: Latin America and the Caribbean (LAC) simple mean includes all the countries that participated in the study in PISA-2022.

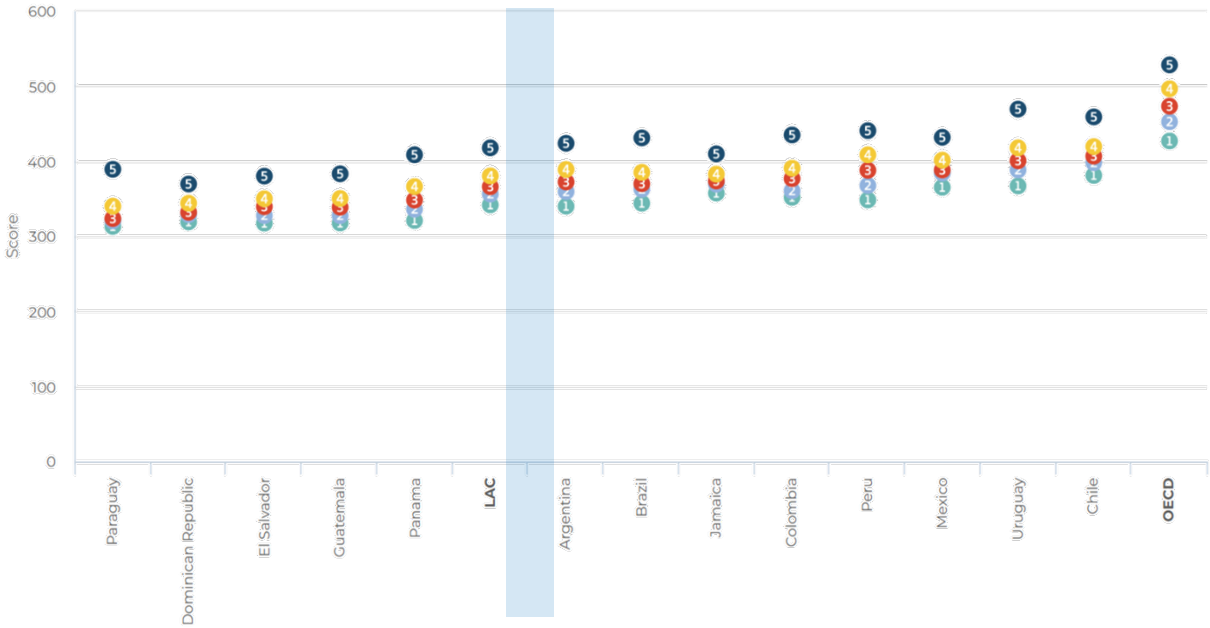
Appendix Figure A8A: Sectors Where Poor and Non-Poor Are Employed



Source: Authors' calculation based on data from the Inter-American Development Bank (2024). Data and Indicators from Latin America and the Caribbean. https://www.iadb.org/en/knowledge-resources/data/social-data [Harmonized Household Surveys Collection].

Note: All sectors include formal and informal employers. Social services: nurse, teacher; retail: cashier, store clerk; agriculture: farmer, crop picker.

Appendix Figure A9B. Mean Score in Mathematics, PISA



Source: CIMA, IDB.

Note: Latin America and the Caribbean (LAC) simple mean includes all the countries that participated in the study in PISA-2022.

Appendix Table A10A. Cash Transfer Programs Included by Country

Country	Program
Argentina	Asignación Universal por Hijo, Asignación Universal por Hijo con discapacidad (transfer was imputed)
Bolivia	Juancito Pinto, Juana Azurduy
Brazil	Bolsa Familia
Chile	Bonus: Base Familiar, Deberes por asistencia escolar, Control Niño Sano, Protección Familiar, Logro escolar
Colombia	Familias en Acción, Jóvenes en Acción
Costa Rica	Avancemos
The Dominican Republic	Bono Escolar Estudiante Progreso, Comer es primero, Incentivo a la Educación Superior, Incentivo Asistencia Escolar
Ecuador	Bono Desarrollo Humano
El Salvador	Bono Solidario
México	Becas Benito Juárez, Jóvenes Construyendo el Futuro
Panamá	Red de Oportunidades, SENAPAN, Becas
Paraguay	Tekopora
Peru	Juntos, Beca 18
Uruguay	Plan Equidad

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