



# Concentration of Poverty in the New Millennium: 2012 Update

**Paul A. Jargowsky, Director**  
*Center for Urban Research and Education*

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*“I Dream’d in a dream I saw a city  
invincible” – Walt Whitman*



Photos by Camilo José Vergara,  
<http://invinciblecities.camden.rutgers.edu/intro.html>

## Data Sources

- Census long form in 1990 and 2000
  - Data collected at a single point in time (April 15)
  - Asks about income in the previous *calendar* year
  
- American communities survey
  - For small areas, aggregation of 60 monthly surveys conducted over 5 years:
    - 2005-2009
    - 2006-2010
    - 2007-2011
    - 2008-2012 --- approximately 2010
  - Asks about income in the *previous 12 months*
  - Samples overlap
  - Released annually

## Definitions

- Census tracts serve as the proxy for neighborhoods.
  - On average, population of 4,000 persons.
  - Drawn by the Census Bureau to be relatively homogenous.
- Census tracts are considered to be “high-poverty neighborhoods” if the federal poverty is 40 percent or higher.
  - 40 percent identifies census tracts that meet William Julius Wilson’s description of having different norms (see following slides).
- The “concentration of poverty” is defined as the percentage of the poor in a larger geographic area, e.g. a metropolitan area or state, that lives in high-poverty neighborhoods.
  - Identifies people who not only lack income, but live in communities where many of their neighbors are low income as well.

## Geography

- Metropolitan Areas (384 areas, 84% of US population)
  - A core urban area of 50,000 or more population
  - All counties containing the core urban area
  - Any adjacent counties with “a high degree of social and economic integration with the urban core”
  - In divided MSAs, metropolitan divisions presented separately, e.g. Dallas vs. Ft. Worth
- Micropolitan Areas (576 areas, 10%)
  - an urban core of at least 10,000 (but less than 50,000)
- Remainder (46 areas, 6%)
  - Separately by state
  - May not be contiguous
- Census 2010 metro definitions retroactively applied to 1990, 2000 data, with a few fixes for changes in county boundaries.
- Contemporaneous census tracts, change over time

### Why is 40 Percent the criterion? In these neighborhoods, few than half of men are employed.

<u>Neighborhood</u> <u>Poverty</u>	<u>Labor Force Status</u>			<u>Total</u>
	<u>Employed</u>	<u>Unemployed</u>	<u>Not in the Labor Force</u>	
0 to 4.9%	74.4	2.4	23.2	100.0
5 to 9.9%	69.9	3.2	26.9	100.0
10 to 14.9%	65.3	4.0	30.7	100.0
15 to 19.9%	62.2	4.8	33.0	100.0
20 to 29.9%	57.5	6.1	36.4	100.0
30 to 39.9%	51.3	8.0	40.7	100.0
<b>40 to 49.9%</b>	<b>46.0</b>	<b>9.4</b>	<b>44.7</b>	<b>100.0</b>
<b>50 to 59.9%</b>	<b>41.5</b>	<b>11.3</b>	<b>47.2</b>	<b>100.0</b>
<b>60 to 69.9%</b>	<b>39.0</b>	<b>10.8</b>	<b>50.2</b>	<b>100.0</b>
<b>70 to 79.9%</b>	<b>34.7</b>	<b>13.7</b>	<b>51.6</b>	<b>100.0</b>
<b>80 to 89.9%</b>	<b>34.4</b>	<b>9.9</b>	<b>55.6</b>	<b>100.0</b>
<b>90 to 100%</b>	<b>17.9</b>	<b>18.8</b>	<b>63.3</b>	<b>100.0</b>
Total	66.5	4.0	29.5	100.0

Source: 2000 U.S. Census, summary file 3.

**Moreover, in these neighborhoods, few than half of children are in married-couple family.**

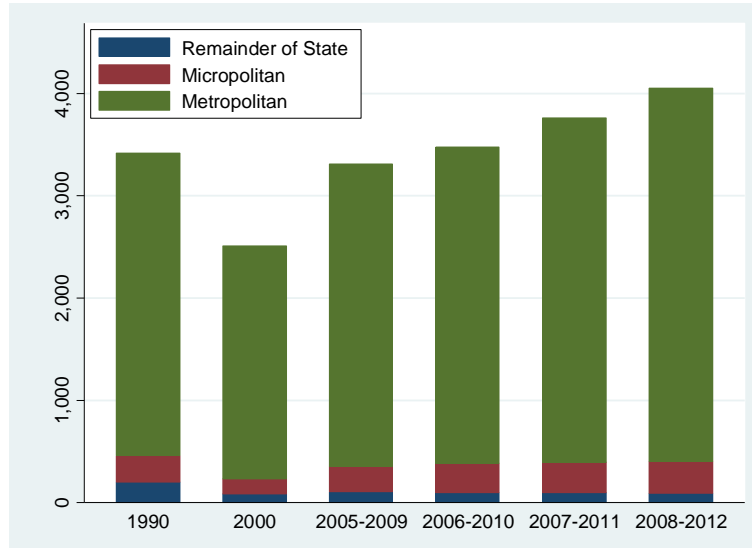
<u>Neighborhood</u> <u>Poverty</u>	<u>Family Structure (%)</u>			<u>Total</u>
	<u>Married</u> <u>Couple</u>	<u>Male</u> <u>Headed</u>	<u>Female</u> <u>Headed</u>	
0 to 4.9%	85.2	3.9	10.9	100
5 to 9.9%	76.7	6.1	17.2	100
10 to 14.9%	70.9	7.3	21.8	100
15 to 19.9%	66.0	7.8	26.2	100
20 to 29.9%	59.2	8.1	32.7	100
30 to 39.9%	50.0	8.1	41.9	100
<b>40 to 49.9%</b>	<b>43.3</b>	<b>7.7</b>	<b>48.9</b>	<b>100</b>
<b>50 to 59.9%</b>	<b>36.3</b>	<b>6.5</b>	<b>57.1</b>	<b>100</b>
<b>60 to 69.9%</b>	<b>32.8</b>	<b>5.2</b>	<b>62.0</b>	<b>100</b>
<b>70 to 79.9%</b>	<b>14.6</b>	<b>4.4</b>	<b>81.0</b>	<b>100</b>
<b>80 to 89.9%</b>	<b>8.0</b>	<b>1.3</b>	<b>90.7</b>	<b>100</b>
<b>90 to 100%</b>	<b>11.2</b>	<b>4.4</b>	<b>84.4</b>	<b>100</b>
Total	72.9	6.2	20.9	100

Source: 2000 U.S. Census, summary file 3.

## History of Concentrated Poverty

- Wilson and other scholars call attention to harsh conditions in urban ghettos, “underclass areas,” etc., in major US areas.
- Concentration of poverty *doubled* between 1970 and 1990.
- In the 1990s, with strong economy and housing policy changes, there was “stunning progress.”
- But what has happened since then?

## Number of High-Poverty Census Tracts



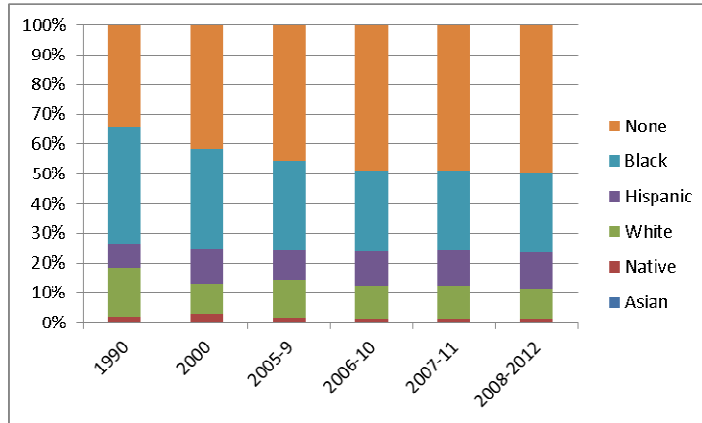
## Population of High-Poverty Areas

Year	Population				Change since 2000	
	Persons	(%)	Poor	(%)	Persons	Poor
1990	9,592,333	4.0	4,802,686	15.1		
2000	7,198,892	2.6	3,487,015	10.3		
2005-2009	9,506,534	3.2	4,687,383	11.9	32%	23%
2006-2010	10,309,844	3.5	5,049,956	12.3	43%	32%
2007-2011	11,224,438	3.8	5,484,665	12.8	56%	43%
2008-2012	12,409,009	4.1	6,079,614	13.6	72%	57%

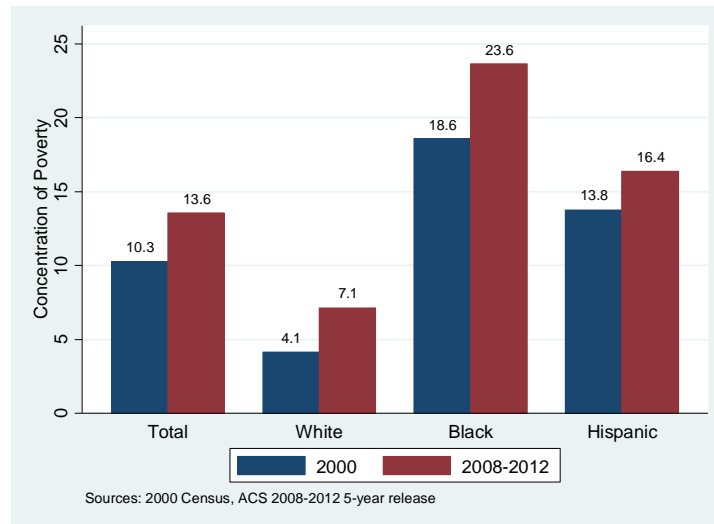
Year	Total	White	%	Black	%	Hispanic	%
2000	7,198,892	1,439,889	20.0%	3,010,537	41.8%	2,236,604	31.1%
2008-2012	12,409,009	3,191,497	25.7%	4,545,112	36.6%	3,899,857	31.4%
Change	5,210,117	1,751,608		1,534,575		1,663,253	
% Change	72%	122%		51%		74%	

## Fewer high poverty tracts are composed of a single dominant group



Fewer high-poverty neighborhoods are dominated by a single race/ethnic group that accounts for three-fourths of the neighborhood's population.

## Concentration of Poverty, 2000 to 2008-2012



### Metropolitan Areas with the Highest Concentration of Poverty Among Blacks

	Total	Black*		
		Poor		%
		All census tracts	High-poverty census tracts	
Detroit-Livonia-Dearborn, MI	727,260	262,488	130,698	49.8
Milwaukee-Waukesha-West Allis, WI	251,557	94,843	46,736	49.3
Rochester, NY	116,570	40,344	18,410	45.6
Tallahassee, FL	111,243	37,048	16,498	44.5
Dayton, OH	120,049	37,637	16,511	43.9
Cleveland-Elyria-Mentor, OH	403,714	132,603	57,160	43.1
Gary, IN	128,769	43,084	17,911	41.6
Louisville/Jefferson County, KY-IN	169,553	54,249	22,463	41.4
Buffalo-Niagara Falls, NY	131,685	47,491	19,160	40.3
Memphis, TN-MS-AR	581,908	168,252	65,711	39.1

\*Metropolitan areas with at least 100,000 blacks.

Source: 2008-2012 American Communities Survey.

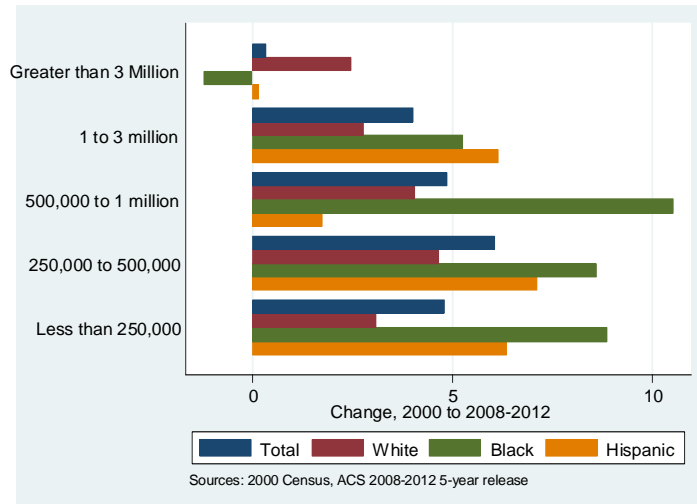
### Metropolitan Areas with the Highest Concentration of Poverty Among Hispanics

	Total	Hispanic**		
		Poor		%
		All census tracts	High-poverty census tracts	
Philadelphia, PA	290,652	93,338	49,199	52.7
Laredo, TX	236,080	73,844	38,554	52.2
McAllen-Edinburg-Mission, TX	696,694	260,977	131,992	50.6
Brownsville-Harlingen, TX	353,240	133,144	66,461	49.9
Springfield, MA	103,370	41,965	20,723	49.4
Fresno, CA	460,606	148,272	67,303	45.4
Milwaukee-Waukesha-West Allis, WI	144,697	38,216	15,025	39.3
Hartford-W. Hartford-E. Hartford, CT	146,028	42,653	16,704	39.2
Las Cruces, NM	134,588	42,900	14,965	34.9
Visalia-Porterville, CA	264,202	83,236	28,475	34.2

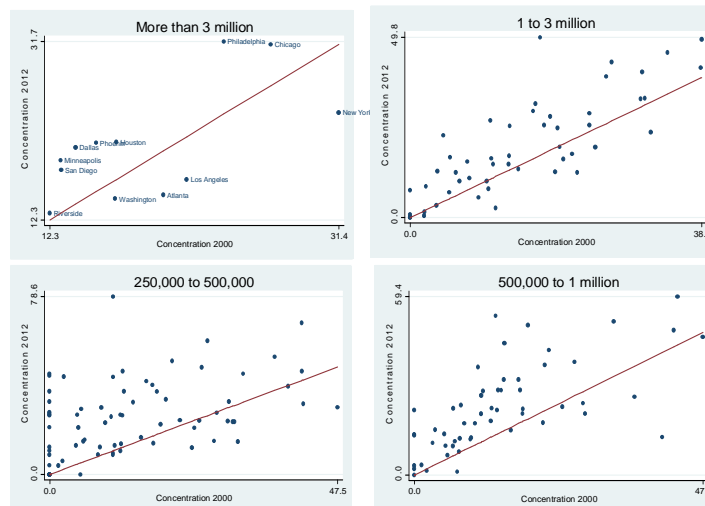
\*\*Metropolitan areas with at least 100,000 Hispanics.

Source: 2008-2012 American Communities Survey.

## Change in Concentration of Poverty, by Metropolitan Area Size



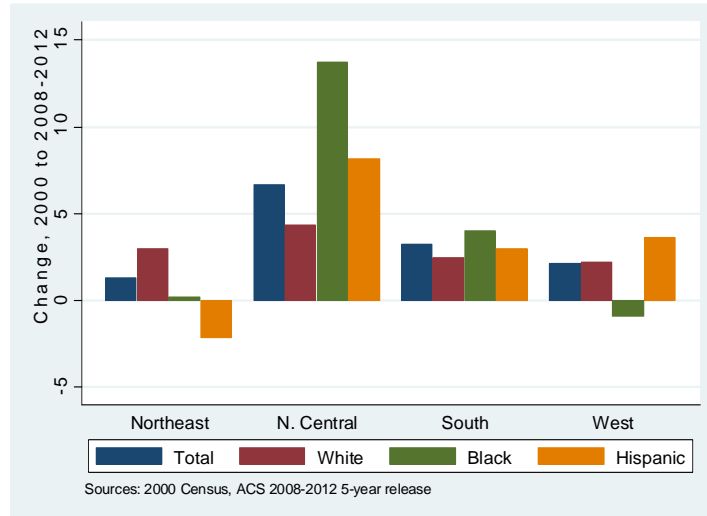
### Another Look at Concentration of Poverty in Metropolitan Areas by Size.



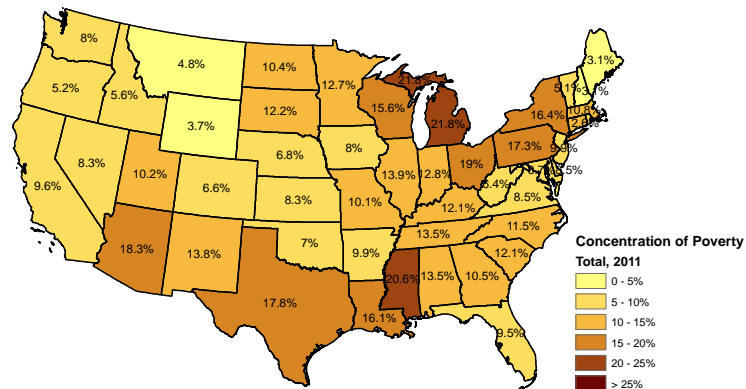
Metropolitan area above the diagonal experienced increases in concentration of poverty since 2000, those below experienced decreases.



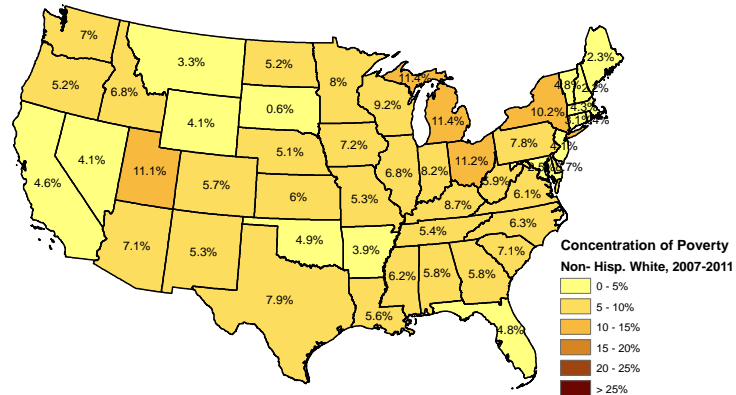
## Change in Concentration of Poverty by Region



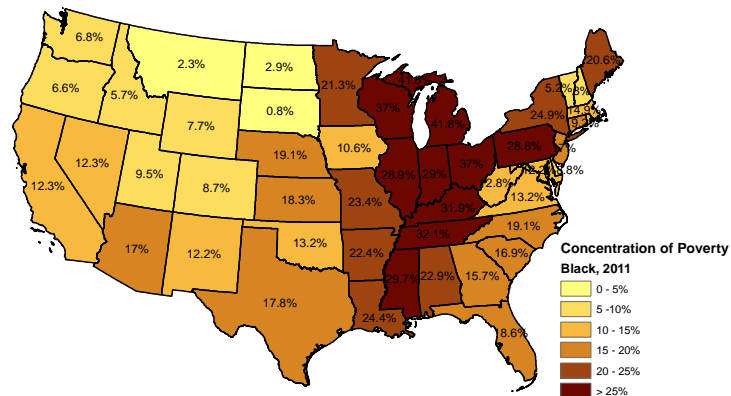
## Total Concentration of Poverty



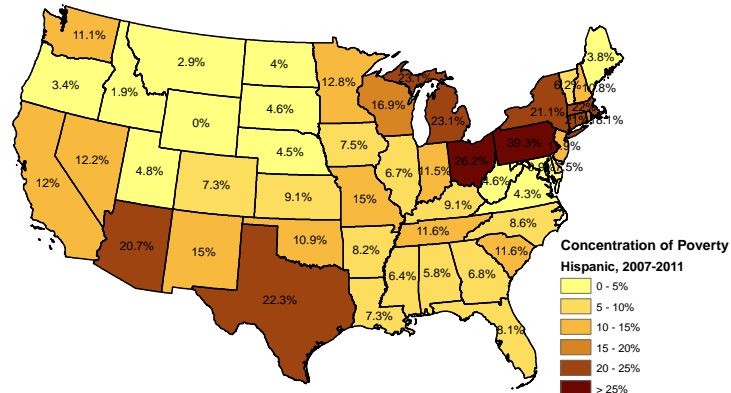
## Non-Hispanic White Concentration of Poverty



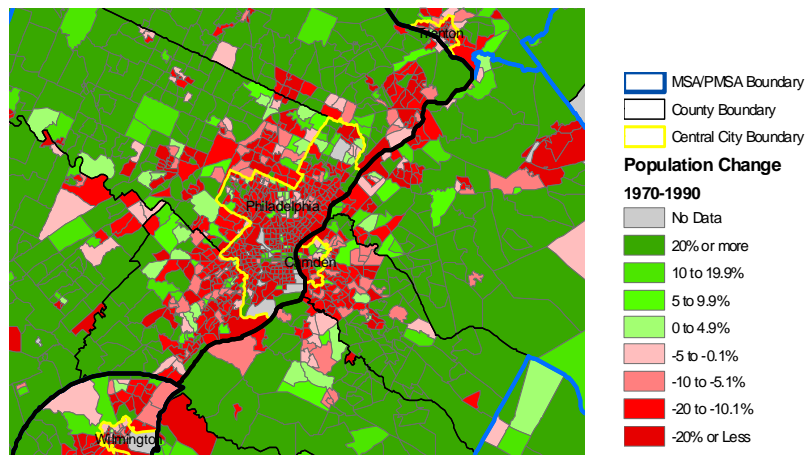
## Black Concentration of Poverty



## Hispanic Concentration of Poverty

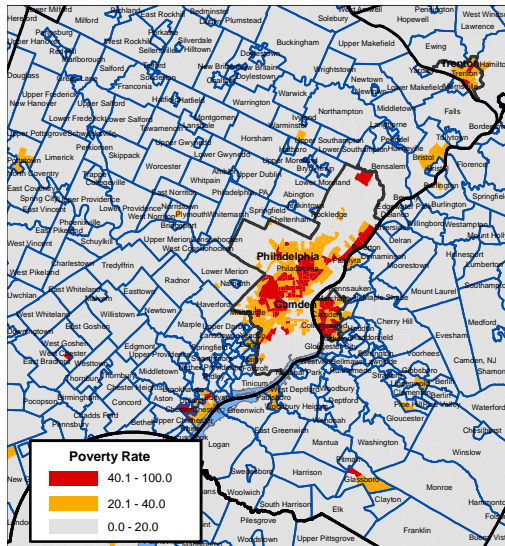


## Suburban Sprawl and Central City Decline



A large cause of concentration poverty historically has been rapid suburbanization, as the affluent moved out to exclusive suburbs and the poor were left behind in the central cities and older suburbs.

# A Disproportionate Burden



Almost all high-poverty neighborhoods are concentrated in a few communities.

## A Disproportionate Burden

### Camden Metropolitan Area

	Population		Below Poverty Line		Concentration of Poverty
	Total	In High-Poverty Neighborhoods	Total	In HighPoverty Neighborhoods	
Camden city	76,130	33,370	29,163	17,507	60.0
Glassboro borough	17,151	1,394	2,680	591	22.1
Gloucester City city	11,445	905	1,460	382	26.2
75 other towns, boroughs, and unincorporated areas	1,116,294	463	67,255	248	0.4

### Philadelphia Metropolitan Area

	Population		Below Poverty Line		Concentration of Poverty
	Total	In High-Poverty Neighborhoods	Total	In HighPoverty Neighborhoods	
Philadelphia city	1,484,052	226,953	358,527	113,583	31.7
Chester city	34,242	16,673	12,370	7,791	63.0
West Chester borough	14,817	4,556	3,815	2,163	56.7
158 other towns, boroughs, and unincorporated areas	2,318,401	399	134,289	192	0.1

In almost all metropolitan areas, just a few communities bear the entire burden of concentrated poverty, while dozens or hundreds of suburbs use exclusionary zoning to wall out the poor and in some cases the middle class.

## The policy conversation has to change.

- The policy conversation today is either how to “fix” high-poverty neighborhoods or how to help residents leave.
  - Enterprise Zones, Promise Neighborhoods, and many others
  - MTO, Section 8 vouchers, scattered site housing (but mostly still within central cities)
- These programs have a role to play, especially in the short run.
- But they do not address the fundamental underlying issue.
- The conversation should be WHY are there so many high-poverty neighborhoods to begin with?

## WHY there are so many high-poverty neighborhoods?

- Because we build them!
- Concentration of poverty is the direct result of policy choices:
  - Political fragmentation means that hundreds of suburbs develop without regard for the larger impact of their choices.
  - Suburbs grow much faster than is needed to accommodate metropolitan population growth.
    - Thus, suburban growth comes at the expense of central cities and older suburbs.
    - Infrastructure of new suburbs is subsidized, even as older infrastructure is underutilized.
  - Exclusionary zoning ensures economic and racial segregation.
- By policy and tradition, we create a durable architecture of segregation that ensures the concentration of poverty.

The policy question: will we continue  
to build ghettos and barrios?

- Without abandoning efforts to help those who currently live in high-poverty neighborhoods, *we must nonetheless work to change the development paradigm that builds high-poverty neighborhoods in the first place.*
  - State and federal governments must begin to control suburban development so that it is not cannibalistic: new housing construction must be in line with metropolitan population growth.
  - Every city and town in a metropolitan should build new housing that reflects the income distribution of the metropolitan area as a whole.
  - Over decades, this will result in less differentiation among places, more in-fill development, higher density, more efficient public transportation, and fewer failing schools.
- The fundamental question is not how to fix Camden, but how to fix the metropolitan development paradigm that creates Camdens and Detroits in the first place.