The Geography of American Poverty

Partridge, Mark D., Rickman, Dan S.

Published by W.E. Upjohn Institute

Partridge, Mark D. and Dan S. Rickman.
The Geography of American Poverty: Is There a Need for Place-Based Policies?
Project MUSE. muse.jhu.edu/book/17394.

For additional information about this book
https://muse.jhu.edu/book/17394
Contents

Acknowledgments xi

1 Spatial Concentration of American Poverty: Should We Care, and What Are the Options? 1
   Why Society Should Care about Poverty 3
   National Poverty and Economic Growth 5
   Person- vs. Place-Based Policy 12
   Overview of This Book 14

2 Recent Spatial Poverty Trends in America 21
   Patterns and Trends in State Poverty 22
   Patterns and Trends in County Poverty Rates 25
   Demographic Patterns and Trends in County Poverty 27
   County Patterns in Employment Growth 29
   Conclusions 30

3 Regional Economic Performance and Poverty: What’s the Theoretical Connection? 51
   Interregional Equilibrium and Disequilibrium Perspectives on Poverty 52
   Regionally Asymmetric Labor Demand Shocks and Poverty: The Role of Migration and Commuting 54
   Labor Demand and Metropolitan Poverty: The Spatial Mismatch Hypothesis 59
   Rural Labor Demand and Poverty 62
   Poverty and Regional Labor Supply Shifts 64
   Summary and Conclusions 66

   Empirical Evidence at the National Level 70
   State-Level Empirical Studies of Labor Demand and Poverty 74
   Welfare Reform and Poverty 78
   Empirical Model 81
   Regression Results 87
   Simulation of Individual Effects 98
   Conclusion 102
Appendix A: Derivation of the County Poverty Rate

Empirical Model

Simulating the Indirect Effects of Job Growth
The Role of Community Demographic Attributes

References

The Authors

Index

About the Institute

Figures

1.1 U.S. Family and Person Poverty Rates, 1959–2003 (%) 8
1.2 Female-Headed Family Poverty Rate, 1959–2003 (%) 9
1.3 Change in U.S. Poverty and Unemployment Rates, 1960–2003 (%) 9

2.1 1969 State Poverty Rates 40
2.2 1999 State Poverty Rates 40
2.3 1969–1999 State Poverty Rate Changes (%) 41
2.4 1989–1999 State Poverty Rate Changes (%) 41
2.5 1984–2000 Poverty Rate Changes vs. Average Poverty Rate 42
2.6 Changes to State Poverty Rates vs. Unemployment Rates, 1984–2000 43
2.7 Poverty in States Implementing TANF in 1996 vs. States Implementing TANF after 1996 43
2.8 United States Poverty Rates, 1979 (%) 44
2.9 United States Poverty Rates, 1989 (%) 45
2.10 United States Poverty Rates, 1999 (%) 46
2.11 Poverty Rate Change, 1989–1999 (%) 47
2.12 Poverty Rate Change, 1979–1999 (%) 48
2.13 Average Weighted County Poverty Rates, MSA and Non-MSA, 1989–1999 (%) 49
2.14 Average Weighted County Poverty Rates by Demographic Group, 1989–1999 49

3.1 Illustration of Dynamic Labor Market Responses to a Labor Demand Shift 56
Tables

2.1 Summary Statistics, 1989 and 1999 County Poverty Rates (%) 34
2.2 Summary Statistics, 1989 and 1999 Metropolitan County Poverty Rates (%) 36
2.3 Summary Statistics, 1989 and 1999 Nonmetropolitan County Poverty Rates (%) 38

4.1 National Estimates of U.S. Unemployment and Poverty 71
4.2 Change in U.S. Overall Poverty Rate Regressions, 1960–2002 73
4.3 Previous Studies of Regional Poverty and Economic Performance 75
4.4 Variable Definitions and Data Sources 88
4.5 Descriptive Statistics of the 48 Contiguous States and the District of Columbia, 1984–2000 (%) 90
4.6 State Econometric Model Results (%) 92
4.7 Estimated Simulation Equations (%) 100
4.8 Simulated Total Effects (%) 102

5.1 State Case Study Statistics by Regression Sample Period (% change) 111
5.2 State Case Study Statistics for Postsample Period (% change) 119

6.1 Poverty Rate Regression Model for all Counties, 1989 and 1999 136
6.2 Poverty Rate Regression Results for Selected Subgroups, 1989 152
6.3 Poverty Rate Regression Results for Selected Subgroups, 1999 154

7.1 Highest and Lowest Metropolitan Area Poverty Rates, 1999 168
7.2 Highest and Lowest Metropolitan Area Poverty Rates, 1989 170
7.3 Highest and Lowest Poverty Rates for Large, Medium, and Small Metropolitan Areas, 1999 174
7.4 Highest and Lowest Poverty Rates for Large, Medium, and Small Metropolitan Areas, 1989 178
7.5 Change in Poverty Rates from 1990 to 2000 for Large, Medium, and Small Metropolitan Areas 182
7.6 MSA and Nonmetropolitan Poverty Rate Regression Results, 1989 and 1999 188
7.7 Summary Statistics for Metropolitan Counties, 1989/90 and 1999/2000 194
7.8 Suburban and Central County Poverty Rate Regression Results, 1989 and 1999 196
<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.9 Alternative Metropolitan Labor Market Effects by Race and Ethnicity</td>
<td>201</td>
</tr>
<tr>
<td>8.1 Highest and Lowest Nonmetropolitan County Poverty Rates, 1999</td>
<td>226</td>
</tr>
<tr>
<td>8.2 Highest and Lowest Nonmetropolitan County Poverty Rates, 1989</td>
<td>228</td>
</tr>
<tr>
<td>8.3 Highest and Lowest Poverty Rates for Adjacent, Nonadjacent, and Small Nonadjacent Nonmetropolitan Counties, 1999</td>
<td>230</td>
</tr>
<tr>
<td>8.4 Highest and Lowest Poverty Rates for Adjacent, Nonadjacent, and Small Nonadjacent Nonmetropolitan Counties, 1989</td>
<td>234</td>
</tr>
<tr>
<td>8.5 Change in Poverty Rate from 1989 to 1999 for Adjacent, Nonadjacent, and Small Nonadjacent Nonmetropolitan Counties</td>
<td>240</td>
</tr>
<tr>
<td>8.6 Nonmetropolitan County Labor Market Summary Statistics, 1990 and 2000</td>
<td>246</td>
</tr>
<tr>
<td>8.7 MSA and Nonmetropolitan Poverty Rate Regression Results, 1989 and 1999</td>
<td>250</td>
</tr>
<tr>
<td>8.8 Adjacent and Nonadjacent Nonmetropolitan County Poverty Rate Regression Results, 1989 and 1999</td>
<td>256</td>
</tr>
<tr>
<td>A.1 Direct and Indirect Changes Due to Investment in Employment Growth (%)</td>
<td>293</td>
</tr>
<tr>
<td>A.2 County Regression Summary Statistics, 1990 and 2000</td>
<td>296</td>
</tr>
<tr>
<td>A.3 Employment-Population and Unemployment Rate Auxiliary Models</td>
<td>302</td>
</tr>
</tbody>
</table>

**Boxes**

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1 Official Federal Poverty Thresholds</td>
<td>6</td>
</tr>
<tr>
<td>4.1 Earned Income Tax Credit</td>
<td>79</td>
</tr>
<tr>
<td>4.2 Methodology for Examining State Poverty Trends</td>
<td>82</td>
</tr>
<tr>
<td>6.1 County Regression Model</td>
<td>134</td>
</tr>
<tr>
<td>8.1 Official Definitions of Rural and Urban</td>
<td>221</td>
</tr>
<tr>
<td>A.1 The 2003 Definition of Metropolitan and Micropolitan Areas</td>
<td>289</td>
</tr>
</tbody>
</table>