

Children in High-Poverty Neighborhoods: Trends Since 2000

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Research has shown that children growing up in neighborhoods with high poverty rates are at higher risk of health problems, teen pregnancy, dropping out of school, and other social and economic problems compared to children living in more affluent communities (National Research Council and Institute of Medicine, 2000). Neighborhood characteristics shape children's lives during childhood and adolescence through the presence (or absence) of role models and the quality and availability of educational, recreational, and child care services. High-poverty neighborhoods are also associated with racial segregation and high proportions of single-parent families, which limit resources available to children and families (Brooks-Gunn et al., 1997). Many of these neighborhood effects persist even after controlling for family characteristics (Brooks-Gunn et al., 1994), and may limit children's ability to make successful transitions to adulthood.

While there was an increase in neighborhood poverty during the 1980s, the trend reversed during the 1990s—a period of especially strong economic growth. Reports by Jargowsky (2003) and Kingsley and Pettit (2003), based on decennial census data, showed that the total population living in high-poverty neighborhoods declined between 1990 and 2000. During the 1990s, there was also a sharp decline in “concentrated poverty,” or the share of poor people residing in high-poverty neighborhoods. O'Hare and Mather (2003) found a similar drop in the number and share of children living in high-poverty neighborhoods between 1990 and 2000.

In this paper, we will use data from the 2000 Census and the forthcoming 2005-2009 American Community Survey to provide a first look at post-2000 trends in neighborhood poverty levels. The paper will begin with an overview of children living in high-poverty neighborhoods, focusing on trends since 2000. We will then address key racial/ethnic and spatial variations to determine whether certain population subgroups or geographic areas have fared better than others. Results from this analysis will help determine the recession's impact on neighborhood poverty levels in the United States and help policymakers target programs to improve the lives of children and families.

A secondary purpose of this analysis is to test the reliability and usefulness of the American Community Survey (ACS) as a source of data on neighborhood characteristics. Previously, we have used data from the Decennial Census to track long-term neighborhood trends. However, the ACS is replacing the decennial census long form in 2010 and gives us our first opportunity to track annual social and economic trends in local communities. Our case study will help determine whether the ACS is a viable replacement for decennial census data on local areas.

DATA AND METHODS

In this paper, census tracts will be used to define neighborhood boundaries. Census tracts are county subdivisions and contain about 4,000 residents each. They are designed to be relatively homogeneous in terms of their demographic, economic, and housing characteristics. At the time of the 2000 Census, there were about 65,000 census tracts nationwide, covering both urban and rural areas.

Data for 2000 are from the 2000 Decennial Census, which provides detailed social, economic, and demographic data for local areas. Post-2000 data will be drawn from the forthcoming 2005-2009 ACS five-year estimates. These data, currently scheduled to be released in December 2010, provide us with the first opportunity to look at post-2000 characteristics of U.S. neighborhoods. The 2005-2009 ACS data provide us with a unique opportunity to measure neighborhood change, because tract boundaries will match those from the 2000 Census. (Census Bureau staff will align 2006-2010 tract boundaries with those from the 2010 Census.)

There is no single threshold that has been used to define high-poverty neighborhoods. The U.S. Census Bureau labels neighborhoods with poverty rates of 20 percent or more as “poverty areas” (U.S. Census Bureau, 2009). However, scholars and researchers commonly use thresholds of 30 percent or 40 percent to define high-poverty neighborhoods (Kingsley and Pettit, 2003; Miller et al., 2003; Jargowsky, 2003).

In this study, neighborhoods are classified as “high poverty” if they have poverty rates of at least 20 percent. Data for neighborhoods with higher poverty rates will also be presented for comparative purposes. After neighborhoods are classified into groups based on their poverty rates, PRB will compare the numbers and characteristics of children living in those different types of neighborhoods. Results from 2005-2009 will be compared with data from 2000 to measure trends over time.

EXPECTED FINDINGS

During the 1990s, there was a decline in the number of children living in high-poverty neighborhoods (O’Hare and Mather, 2003). However, given the recent rise in poverty and unemployment rates, the population living in high-poverty neighborhoods is expected to increase significantly during the past decade.¹

However, trends in concentrated poverty—the share of poor people living in high-poverty neighborhoods—are harder to predict. Many families with children move away from high-poverty areas to live closer to job opportunities, better schools, and safer communities (Mather and Mossaad, 2009). During the past several decades, child poverty has become less concentrated, geographically, as the population living in the poorest and

¹ The U.S. recession officially began in December 2007. Therefore, the 5-year ACS data, which cover the period from 2005-2009, include both pre-recession and post-recession population characteristics. However, given the scope of the current economic downturn, we expect these results to show a substantial increase in neighborhood poverty since 2000.

most distressed communities has moved into more affluent neighborhoods (Mather and Mossaad, 2009). The population exodus from New Orleans during hurricane Katrina is an extreme example of this shift, but shows how migration can play an important role in neighborhood poverty trends.

At the same time, many parents who have lost their jobs during the recession lack the resources that are needed to move away from distressed neighborhoods. Persistent long-term unemployment and the rise in structural unemployment have contributed to the lowest geographic mobility rates since the 1960s. The housing bust has also made it difficult for many homeowners to sell their homes and relocate in search of better opportunities. Given these competing trends, it is difficult to predict whether poverty has continued the trend toward deconcentration, as seen during the 1990s, or whether the recession is contributing to higher concentrations of poor people in the country's poorest neighborhoods.

RACIAL/ETHNIC DIFFERENCES

Given the high levels of residential segregation in the United States, it is perhaps not surprising that minority children constitute the overwhelming majority of children living in high-poverty neighborhoods. In 2000, African American and Latino children together accounted for 32 percent of the total population under age 18, but they made up 70 percent of the child population living in high-poverty neighborhoods.

The disproportionate concentration of certain minority groups in high-poverty neighborhoods contributes to the social, economic, and geographic divide between children in different race/ethnic groups. In 2000, 35 percent of Latino children and 40 percent of African American children lived in high-poverty neighborhoods, compared with 7 percent of white children. These striking differences show the extent to which white children in the United States are separated, both physically and economically, from disadvantaged minority groups in distressed communities. Given the disproportionate impact of the recession on blacks and Latinos (Jacobsen and Mather, 2010), we expect the latest data from the ACS to demonstrate an even greater economic divide between children in different racial/ethnic groups.

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