



Capturing the true geography and demography of persistent poverty

FROM THE REPORT:

Advancing Economic Development in Persistent-Poverty Communities

Persistent poverty can be diagnosed at different geographic scales. Each scale can be thought of as a setting on a microscope, revealing a different pattern as the resolution increases or decreases. Typically, programs typically only measure persistent poverty at the county level, which can overlook large sub-county areas of persistent poverty. This work introduces a novel third option, persistent-poverty tract groups (PPTGs), geographic units formed by multiple adjacent persistent-poverty census tracts. This new geography is well-suited to target economic development interventions in urban and rural areas alike and is especially effective in identifying overlooked areas of persistent poverty in economically complex metropolitan counties. Tract groups are more representative of the population living in persistent-poverty areas. At the county level, whites represent the largest group living in a persistent-poverty community. By contrast, Blacks and Hispanics both outnumber whites in PPTGs.

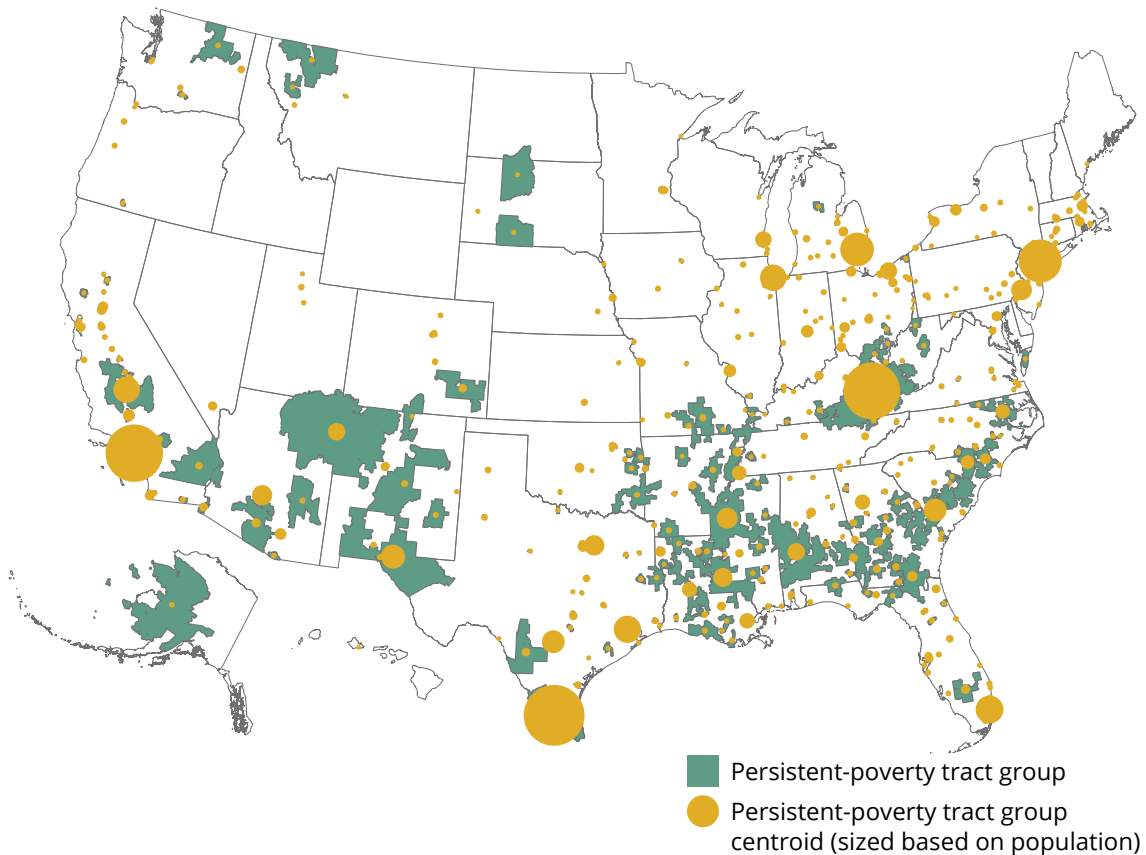
Defining persistent poverty

The report classifies an area as persistently poor if it had a poverty rate of 20 percent or higher in 1990 and 2019. It needs to meet the same criteria in either 2000 or 2010 as well to ensure that its poverty rate has been elevated most of the past 30 years. Variations of this definition are used by other researchers and different federal agencies, but they are all based on the same principle: *communities that cannot climb out of poverty on their own need targeted programming and investment.* A more detailed description of the methodology deployed is presented in the report.

Persistent-poverty tract groups better reflect the true geography and demography of persistent poverty

- 35 million Americans reside in a persistent-poverty tract group. All together, PPTGs capture 15 million more Americans living in persistent-poverty communities than counted at the county level.
- More than twice as many Black and Hispanic Americans are represented in PPTGs than in persistent-poverty counties, as well as 20 percent more white Americans.
- Among the hundreds of additional areas of persistent poverty that come into focus using PPTGs are demographically diverse urban expanses in cities such as Chicago, Houston, and Los Angeles, with populations that climb all the way to 1.2 million residents.
- Merging contiguous persistently poor areas into a single geographic unit shows the true weight of persistent poverty in all types of communities. The predominantly Native American tract group covering the rural Four Corners region of the southwest spans four states and multiple counties, with a combined population of 289,000 people.

Map of persistent-poverty tract groups with centroids scaled by population

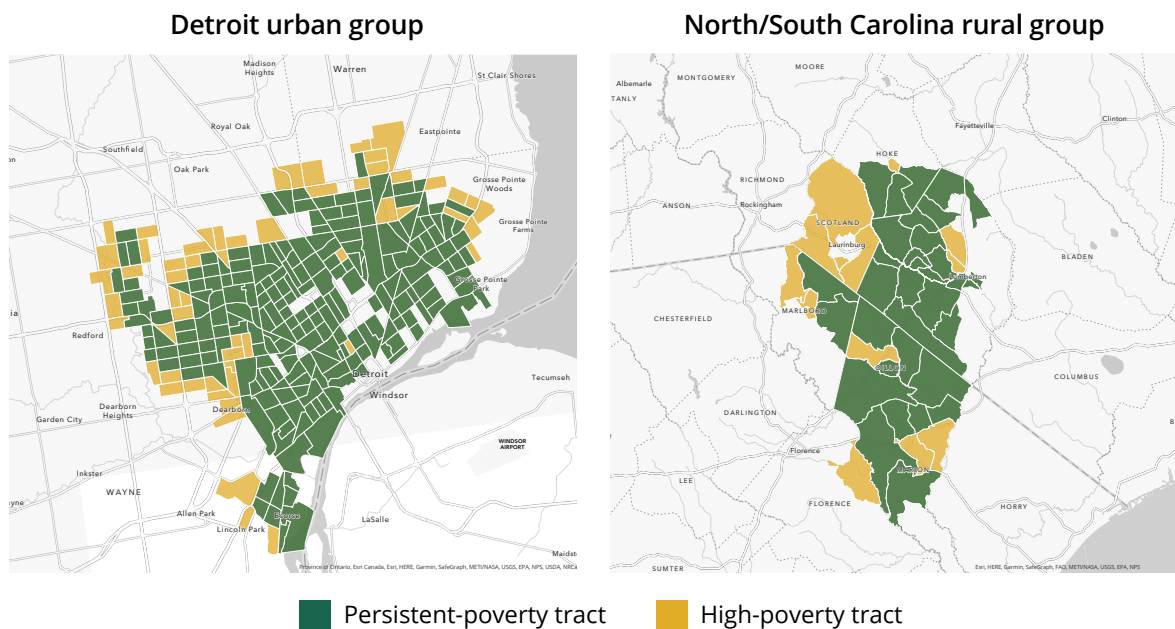


Source: EIG analysis of U.S. Census Bureau data and American Community Survey 5-year estimates.

Tract groups highlight poverty's tendency to spread into adjacent communities

- Among the 463 PPTG cores, 58 percent had more high-poverty neighbors in 2019 than they did in 1990—meaning that local poverty has been spreading outward from more than half of PPTG cores over time. The largest increase was in Wayne County (Detroit), Michigan, where poverty spread from the urban core into the inner suburbs with an addition of 53 high-poverty tracts.
- Even in rural areas, poverty can spread to adjacent census tracts over time. The PPTG that covers parts of rural North and South Carolina east of Charlotte is an example of how the same spread can occur in more remote communities.
- It is also exceedingly rare for a low-poverty census tract to be adjacent to even a single persistent-poverty tract: just six percent of low-poverty tracts are adjacent to at least one persistent-poverty tract. This finding highlights the extreme socioeconomic sorting that defines the landscape of American life.

Persistent-poverty tracts and new high-poverty tracts, Detroit urban group and North/South Carolina rural group



Source: EIG analysis of U.S. Census Bureau data and American Community Survey 5-year estimates.

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