

U.S. Poverty Becoming More Suburbanized

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from NLIHC's Memo to Members

Poverty rates across the country are growing faster in the suburbs than in cities and rural areas, according to a new report from the Brookings Institution's Metropolitan Policy Program. As of 2008, the nation's suburbs housed nearly a third of the nation's low income people and were home to 1.5 million more people in poverty than the nation's cities. Further, the authors find that the suburbs have borne the brunt of the most recent recession and will likely continue to see an increase in economic hardship for some time to come.

The report uses slightly different methods to consider three separate time periods. First, the authors combine data from the 2000 Census and the 2008 American Community Survey to assess the trend in poverty across cities, suburbs, small metro areas, and non-metro areas. They find that from 2000 to 2008, the country's 95 largest metro areas saw poverty rates increase by 8.6%. The suburbs in these metro areas, however, experienced a 25% increase in their low income population, nearly five times the increase experienced in primary cities. As a result, the poverty rate in the suburbs increased by 10%, from 8.5% to 9.5%. While the poverty rate in the primary cities remained almost twice as high (18.2%) as in the suburbs, the cities experienced just a 2% rate increase.

The report then examines changes between the 2007 and 2008 American Community Surveys to determine how the current recession has affected poverty within and outside metro areas. Again, suburbs experienced the greatest increases in poverty rates, increasing to their 2008 levels of 9.5% from 9.1% in 2007. The rate in cities was the same in 2007 as it was in 2000, and then increased significantly by two percentage points between 2007 and 2008.

In the final step of the analysis, the authors project the poverty rate at the metro area level into 2009 using more current unemployment data based on the historical relationship between changes in the unemployment rate and changes in poverty. They find that the poverty rate is likely to have increased by more than 2% in the largest 100 metro areas.

Nationwide, the report notes that the poverty rate increased by 6% to reach 13.2% in 2008. In addition to looking at change within among cities and suburbs in the largest metro areas, the report also examines small metro areas and non-metro areas. The study also provides data and analysis on poverty by Census regions (North, South, Midwest, and West) and for selected individual metro areas.

The study, by Emily Kneebone and Emily Garr, is titled *The Suburbanization of Poverty* and can be found at http://www.brookings.edu/papers/2010/0120_poverty_kneebone.aspx