

Poverty in the South

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Though the South's manufacturing sector has been updated in the last two decades and though migration of people and companies to the region has moved the income of Southerners closer to that of the nationwide income level, large numbers of the region's citizens, especially its black and rural citizens, are still impoverished. In this article, the author studies the distribution of the poor throughout the region and suggests that increased education and stable employment are two ways of mitigating the poverty problem, particularly in rural areas.

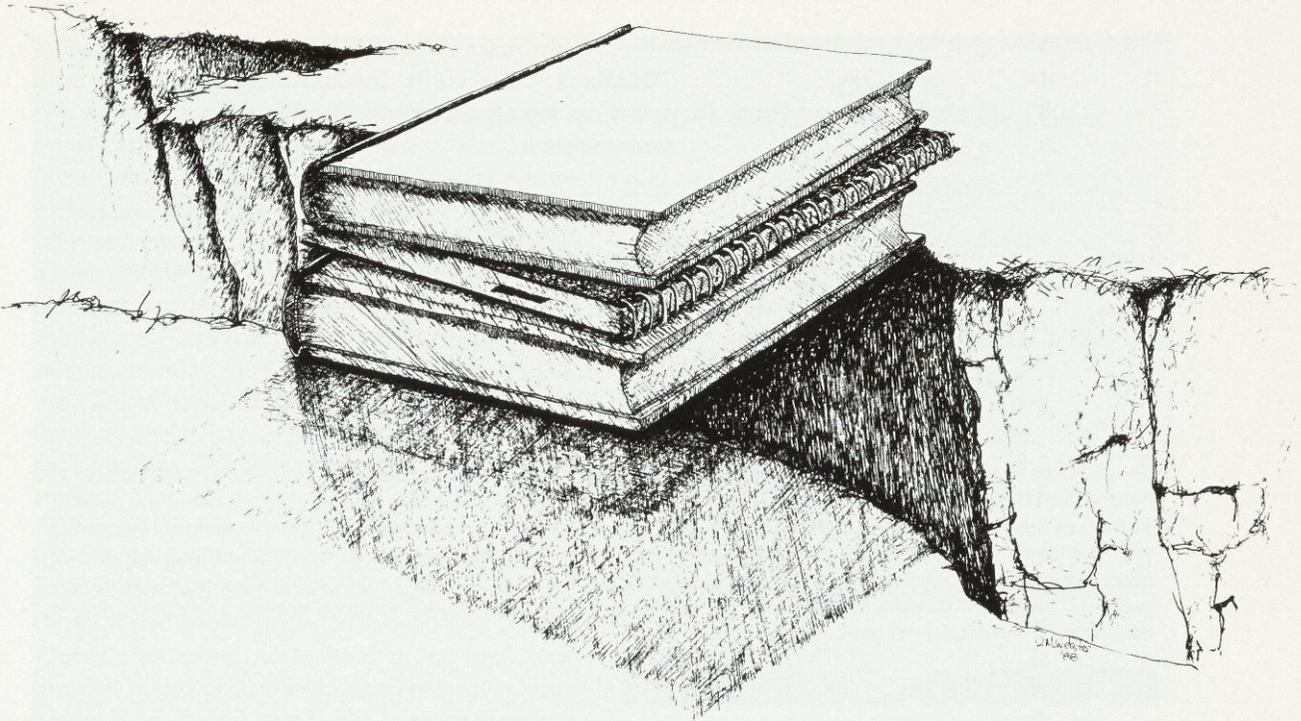
Since the Civil War, if not before, poverty has been more widespread in the South than in the rest of the United States. Although rapid economic growth has brought the region closer to the national average of per capita personal income, not everyone has shared in this progress nor have some states benefited as much as others. Less educated and low-skilled people have often been left behind, and those already living in poverty have become relatively poorer because a higher-income population has been migrating from the North. This article examines the demographic distribution of poverty in the South, evaluates the effectiveness of some current poverty-directed programs, and suggests some ways to curtail the region's persistent poverty problems.

Most people have little trouble recognizing poverty, though characterizing accurately what "being poor" is presents greater difficulty. Nevertheless, precise definitions and identification of poverty are critical for making decisions on how to battle it. A program that is appropriate for the elderly poor may be ineffec-

tive for impoverished young people or single parents. Moreover, the rural poor have different concerns than do unemployed urban workers and inner-city families. Therefore, to design appropriate policies, individuals and governments need to know who is poor, where they live, and, whenever possible, whether their spells of poverty are chronic or intermittent. A comparison of southern and U.S. poverty reveals that the southern poor, on average, are more geographically dispersed and, to a lesser extent, demographically distinct from those in the nation overall. Poverty-directed efforts in the South must, as a result, be targeted differently from national programs.

If the South's economic expansion is to continue, the poor need to be brought more fully into the work force, especially as labor becomes scarcer in the future. Workers must have higher education and skill levels as manufacturing becomes more technologically advanced and as employment in information-based service industries becomes more widespread. Because the South does not compare well against the nation in educational achievement, programs to improve schools and occupational training will be particularly important in reducing the region's level of poverty.

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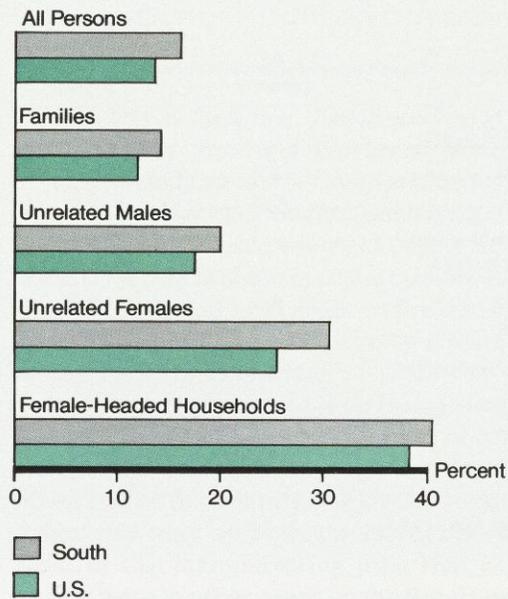


Who is Poor in the South?

In 1986, 16.1 percent of the South's population lived in poverty compared to 13.6 percent for the United States.¹ Since 1970, however, the incidence of poverty has declined in the region, while rising in the nation as a whole. In 1970, 20.3 percent of the South's population lived in poverty, yet just 12.6 percent of the U.S. population that year was considered poor.²

Poverty Distribution by Household Classification. One way to study the composition of poverty in an area is to classify individuals by the types of households in which they live. This form of analysis reveals that the South has higher poverty rates in each category than the nation, although the patterns of the two are similar (see Chart 1). The distribution of all persons across the different types of households is also roughly the same for the South and the nation; the same is true for the population in poverty. Table I presents the distribution of persons in poverty by household type and race for the region and the nation. The numbers in each column indicate the percentage of poor individuals that lives in each household classification. The figure in parentheses shows that group's representation

**Chart 1.
Poverty Rates by Household Type,
1986**



In each household classification, southerners were more likely to be poor than were U.S. citizens in general.

Source: U.S. Department of Commerce, Bureau of the Census. *Poverty in the United States: 1986*, Current Population Reports, Series P-60, No. 160, tables 5 and 6.

Table 1.
Distribution of Poor Population by Household Type, 1986
(percentages)

| | | Families | | Unrelated males | | Unrelated females | | Female-headed household, no husband present | |
|-------|-------|----------|------|-----------------|-----|-------------------|-----|---|------|
| White | South | 75 | (87) | 7 | (6) | 15 | (6) | 22 | (10) |
| | U.S. | 74 | (86) | 8 | (6) | 15 | (7) | 28 | (10) |
| Black | South | 83 | (87) | 6 | (6) | 9 | (6) | 58 | (35) |
| | U.S. | 82 | (86) | 7 | (7) | 9 | (6) | 61 | (34) |

The numbers in each column indicate the percentage of all poor people in each household classification. The number in parentheses shows that group's representation in the total population. For example, among white southerners in poverty, 75 percent lived in a household with their family. In the total population of white southerners, 87 percent lived in a household with their family. The total of the four categories does not sum to 100 percent for two reasons: (1) households with female heads are counted as families and are included in that category in addition to being a separate classification and (2) a small category, "persons in unrelated subfamilies," is not presented. These individuals live in families within a household but are not related to the household head.

Source: See Chart 1.

Table 2.
Poverty Rates in the South by Race according to Type of Household and Degree of Urbanization, 1986
(percent in poverty)

| | | All persons | Families | Unrelated males | Unrelated females | Female-headed household, no husband present |
|-------------------------------------|--|-------------|----------|-----------------|-------------------|---|
| <u>Central cities</u> | | | | | | |
| White | | 13.3 | 11.6 | 14.2 | 24.8 | 28.4 |
| Black | | 30.3 | 29.0 | 30.9 | 44.1 | 50.5 |
| <u>Urban/outside central cities</u> | | | | | | |
| White | | 8.1 | 6.8 | 13.0 | 21.1 | 20.5 |
| Black | | 26.9 | 25.8 | 28.9 | 46.0 | 56.2 |
| <u>Nonmetropolitan areas</u> | | | | | | |
| White | | 16.5 | 14.5 | 36.0 | 40.0 | 34.2 |
| Black | | 43.6 | 41.2 | 50.2 | 67.9 | 65.9 |

Source: See Chart 1.

in the total population. For example, among white southerners in poverty, 75 percent live in households made up of families, whereas 87 percent of the total white southern population live with their families. On the other hand, among

poor blacks nationwide, 61 percent live in a female-headed household with no husband present, though only 34 percent of the total black population in the United States lives in this type of household.

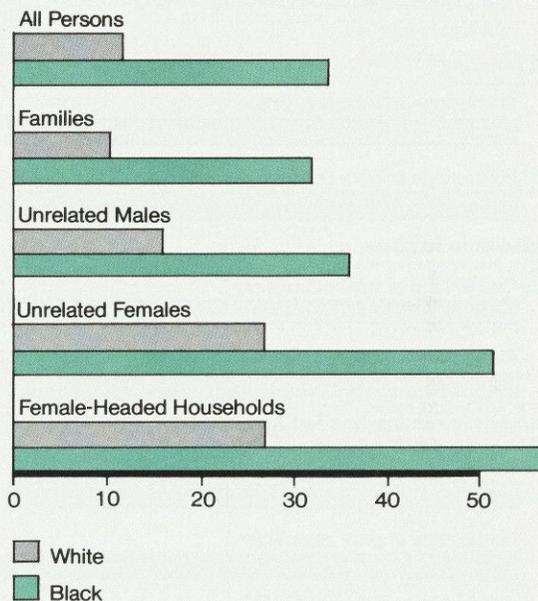
Persons in families with two or more adults have the lowest poverty rates, while those in households headed by a woman with no husband present have a much higher rate. Unrelated individuals living separately also have higher-than-average poverty rates. The differences between household types are about as great for the nation as a whole, although each category has higher rates in the South than in the nation. Consistent with the behavior of the overall poverty rate in the South since 1970, each category's rate has fallen roughly 20 percent. The relative ranking by household type or race has not changed significantly during this period.

Poverty Distribution by Race. Race is still the most important indicator of poverty in the South and the United States. On average, blacks are three times more likely to be poor than are whites. Across all household types and geographic locations, blacks' poverty rates are higher (see Chart 2 and Table 2). More than half of all blacks in female-headed households live below the poverty level. This situation exacerbates the poverty problem for blacks in general because female-headed households are more predominant among them. Only 10 percent of whites as opposed to about one-third of blacks fall in this household classification, a pattern that holds for the nation as well as the South.³

It is sometimes pointed out that poor whites outnumber poor blacks. That statement obscures the fact that in the South blacks make up 40 percent of the poor but just 20 percent of the total population. Their disproportionate representation in this income category appears across all household types (see Chart 3). The confusion over who suffers more from poverty results from mistakenly comparing numbers or levels to percentages or rates; more whites suffer from poverty, but proportionately far more blacks are poor.

A Comparison of the Nation and the Region. Southern and U.S. poverty differ in some important respects. Poverty in the South is less urban than in the rest of the country, primarily because the population distribution, especially among blacks, is less urban in the South. Fewer than two-thirds of the southern poor are urban residents, while nationally almost three-quarters of poor whites and virtually all poor blacks live in or near cities (see Table 3). In the South, poor

Chart 2.
Poverty Status of Southerners
by Race, 1986
(percent in poverty)



In each household classification, black southerners experienced more widespread poverty than did white southerners.

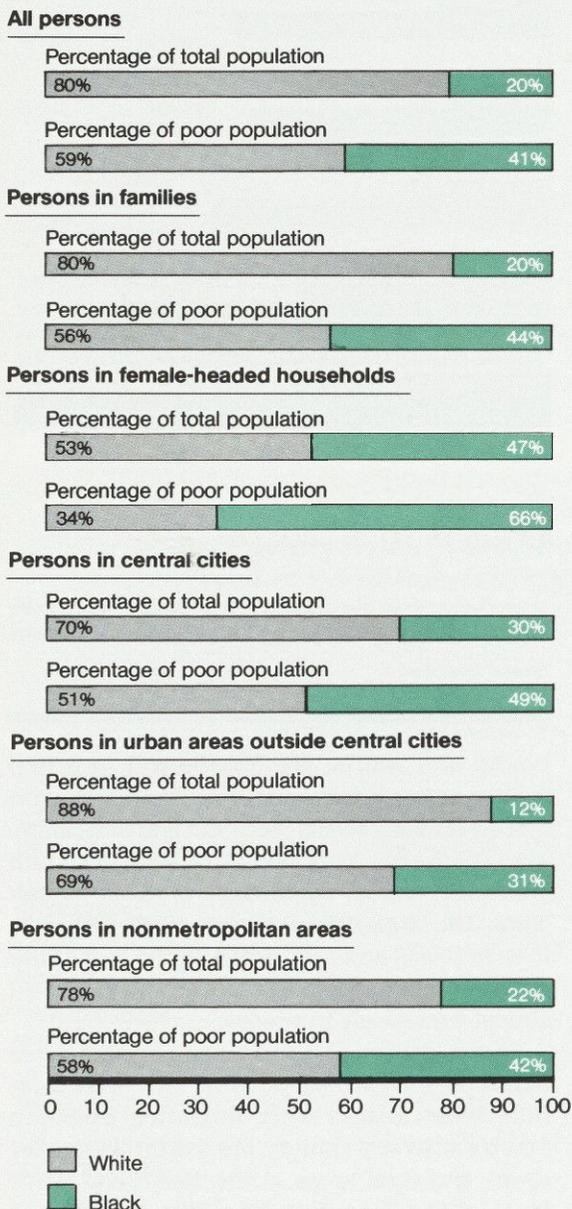
Source: See Chart 1.

blacks and whites are distributed in a like fashion across urban and rural areas. Whites are spread similarly across the South and non-South, whereas the black population outside the South is located almost completely in metropolitan areas. The largest share of poor southern blacks lives in towns and rural areas. In the rest of the country nonmetropolitan poverty is confined almost exclusively to whites.

Prior migration patterns help to explain these differences regarding poverty, race, and location. When blacks were migrating from the South earlier this century, few settled in smaller towns and rural areas in the North and West. Most of the manufacturing jobs that blacks sought were in urban areas. In the South, on the other hand, many blacks continued to be farmers and agricultural laborers, occupations that often garnered only subsistence income.⁴

Poverty rates for southern blacks are lowest in metropolitan areas outside central cities, as is

Chart 3.
Distribution of Individuals
in the South by Race
according to Household Type
and Location, 1986



In each classification, blacks experience more poverty than whites. For example, outside of central cities, 12 percent of all people are black, but 31 percent of the poor are black.

Source: See Chart 1.

true for whites (see Table 2). Areas outside of central cities—referred to here for simplicity's sake as "suburbs"—have the lowest poverty rates throughout the nation on average, and suburban blacks in nonsouthern states have poverty rates that approach the national rate for whites. White rates in the suburbs, however, are substantially lower than the national averages for whites and blacks.

Groups with Higher Poverty Rates. Households headed by females with no spouse present are much more likely to be impoverished than are other households. Of all categories, the contrast between white and black poverty is most apparent here. While 10 percent of whites in the South live in female-headed households, that figure is over 34 percent for blacks. The incidence of poverty is more than twice as high among blacks as among whites in female-headed households (56.5 percent vs. 26.6 percent), and in nonmetropolitan areas the rates are even higher—65.9 percent vs. 34.2 percent. Compare these high rates to overall poverty rates for blacks and whites: 33.6 percent and 11.8 percent, respectively.

In contrast to the poverty experience for other family types, the numbers and proportion of poverty-stricken female-headed households have increased in the South since 1979. During that time, the number of poor living in these households has risen dramatically—by 41 percent for whites and 46 percent for blacks. The number of persons living in households headed by women has also increased substantially—up 33 percent for whites and 35 percent for blacks since 1979.

Several other demographic groups in the South and the nation have higher-than-average poverty rates. Persons who are 65 and older are slightly poorer on average than people of all ages (17 percent vs. 16 percent). Moreover, elderly persons living alone have much higher poverty rates than older people on average. Almost 30 percent of older whites living alone were poor compared to 14 percent of all older whites. The pattern is similar for older blacks; 38 percent on average were poor, while 61 percent living alone were impoverished.⁵

Similarly, children are somewhat more likely to be poor in the South than in the rest of the nation; 15.8 percent of white children and 44.8 percent of black children in the South are

Table 3.
Location of Poor Population by Race and Urban Area, 1986

| | | Central Cities | | | | | | | |
|-------|-------|------------------------------|------|-----------------|------|-------------------|------|---|------|
| | | Families | | Unrelated males | | Unrelated females | | Female-headed household, no husband present | |
| White | South | 27 | (24) | 35 | (40) | 32 | (34) | 34 | (32) |
| | U.S. | 36 | (22) | 46 | (40) | 39 | (35) | 46 | (37) |
| Black | South | 38 | (42) | 44 | (51) | 45 | (52) | 43 | (48) |
| | U.S. | 85 | (76) | 87 | (81) | 82 | (77) | 86 | (82) |
| | | Urban/Outside Central Cities | | | | | | | |
| | | Families | | Unrelated males | | Unrelated females | | Female-headed household, no husband present | |
| White | South | 32 | (48) | 34 | (41) | 31 | (39) | 32 | (42) |
| | U.S. | 34 | (53) | 30 | (43) | 37 | (43) | 33 | (46) |
| Black | South | 21 | (26) | 18 | (22) | 19 | (21) | 20 | (21) |
| | U.S. | 13 | (24) | 11 | (19) | 17 | (23) | 13 | (17) |
| | | Nonmetropolitan Areas | | | | | | | |
| | | Families | | Unrelated males | | Unrelated females | | Female-headed household, no husband present | |
| White | South | 41 | (29) | 31 | (19) | 37 | (27) | 33 | (26) |
| | U.S. | 30 | (22) | 24 | (17) | 24 | (18) | 21 | (18) |
| Black | South | 41 | (32) | 38 | (27) | 36 | (27) | 37 | (31) |
| | U.S. | 2 | (1) | — | — | — | — | — | — |

The numbers in each column refer to the percentage of all poor people in each location, and the number in parentheses indicates the percentage of all people that lives in each classification. For example, 19 percent of poor southern blacks in households of unrelated females lived in urban areas outside central cities. On the other hand, 21 percent of all southern blacks in households of unrelated females lived in urban areas outside central cities. Since this table does not show a distribution of the poor across household classifications (as does Table 1), the rows across do not sum to 100. However, the vertical columns total 100 when one adds the figures that apply to each regional or national race category for each location and household classification. For example, among poor white southern families, 27 percent live in central cities, 32 percent live in urban areas outside central cities, and 41 percent live in nonmetropolitan areas.

Source: See Chart 1.

poor, compared to 15.3 and 42.7 percent, respectively, in the nation. In female-headed households the figures are much higher in both the United States and the South. Over 40 percent of white children and nearly 70 percent of black children in female-headed households in the South are living in poverty.⁶

In short, persons living outside of "traditional" two-parent households have a much higher chance of being poor than persons in families

with both spouses present. Events that break up or hinder the formation of families—like divorce, teenage pregnancy, or death of a spouse—appear to be some of the causes of poverty, rather than life in a nontraditional household itself. The proportions of both poor and non-poor population living in nontraditional households are about the same in the South and the rest of the nation. However, the location of these households is less urban in the South, espe-

cially for blacks, and the incidence of poverty is higher in all household types in the South than in the rest of the nation.

The South's Persistent Poverty Problem

More than 90 percent of U.S. counties where poverty persists are located in the South, particularly in Appalachia and the Mississippi Delta cotton-growing area.⁷ A county with persistent poverty has had per-capita income in the lowest quintile—that is, the lowest 20 percent in terms of per capita incomes among counties in the United States—for the past three decades. This type of county tends to be rural and thinly populated—containing about 6 percent of the nonmetropolitan population. In counties with persistent poverty, disproportionate levels of persons have physical disabilities and health problems that prevent them from participating fully in the labor force. Blacks are concentrated in these counties, as are individuals with low education. Even though these counties are rural, some of them are also dependent on manufacturing for wage and proprietor income; this reliance reduces the option to use farm income maintenance and crop subsidy programs, which have provided almost half of total farm income in the United States in recent years. Few counties have much dependence on services or government employment as a source of income.⁸

Many counties with continuing poverty problems were at one time dependent on agriculture and forestry. However, the mechanization of cotton-picking and timber-cutting eliminated many low-skill, low-wage jobs. In the 1940s and 1950s some of the displaced population moved north to seek manufacturing jobs. Others remained in the South and worked in rural manufacturing industries like textiles and food or paper processing, which at the time required low-skill labor. A remaining segment of the population joined the ranks of the poor or took up farming on marginal land. During the 1980s rural manufacturers who had relied on low-wage labor began to modernize as domestic and foreign competition made cost reduction urgent. Employment levels of unskilled workers dropped,

although the demand for skilled workers to operate the new machines has remained strong. In these rural manufacturing counties technological change has adversely affected the poor and unskilled in each of the last two generations. (The article by Gene D. Sullivan and David Avery on page 2 discusses the changing composition of manufacturing in the South. They point out that the demand for higher wage, skilled labor predominates in urban areas.)

Because many people in counties with persistent poverty have less access to education, health care, and other resources to improve their skills and productivity, underemployment in poor counties is extensive. Low labor force participation results in lower income, which helps to perpetuate poverty. Insufficient skills also prevent many of the poor from taking jobs in manufacturing elsewhere.

What Should Be Done about Poverty?

Researchers and policymakers are handicapped in their efforts to formulate solutions to reduce poverty because they do not fully understand its cause.⁹ They do recognize, though, that people living in poverty are in general poorly educated, which contributes to their inability to obtain good-paying jobs. Being black or living in a female-headed household adds to one's chance of being poor. Unemployment resulting from business cycle downturns or a long-run restructuring of the economy explains some of the rise in poverty in the early 1980s. Coming from a poor family increases one's chance of being poor as well.

Are Current Programs Effective? Though the results have been sketchy at times, several lessons can be learned from the attempts over the past 20 years to lessen poverty. Programs like Head Start that try to improve the skills and education of the very young have had some success in helping people escape impoverishment. Such efforts have contributed to a reduction in high school dropout rates—increasing the chance of future employment—and even have helped increase enrollment in further education or training programs. Programs like the Job Corps, which provides remedial education and some training for disadvantaged youth, also have

benefited a number of individuals and communities. Gauging the extent of these programs' successes relative to their costs is difficult, though, because the results unfold slowly. When it comes to adults, little evidence exists to show that education and training programs have in fact helped reduce their poverty rate.

Aside from education, income transfers—that is, direct payments from government to individuals—have reduced the incidence of poverty. The Social Security Administration's payments in particular have reduced poverty rates of the nonaged in addition to those of the elderly and retired. Income transfers through Social Security, Unemployment Insurance, Workers' Compensation, various government pensions, and Medicare have been greater than those provided by the means-tested and welfare-oriented programs such as Aid to Families with Dependent Children (AFDC), Supplemental Security income, general assistance, food stamps, school lunches, or subsidized housing. This disparity helps explain the greater drop in poverty among the elderly than among the nonelderly. Of course, some of the payments, particularly Social Security, go to retirees, many of whom were not poor before they retired. The additional income supplements their savings. However, Social Security may have replaced some private saving for retirement.

Income transfers such as the ones mentioned above reduce the labor supply. Yet, with the difficulty in measuring changes in the labor supply and the differences in the programs being studied, the overall reduction in work is difficult to gauge.¹⁰ Nevertheless, many studies indicate that some withdrawal of labor occurs because of transfer payments, which dampens their effectiveness in eliminating poverty by reducing earned income. More difficult to establish clearly has been a relationship between welfare or income transfers and the rise of female-headed households, the increasing number of children born outside of marriage, or the development of a permanently welfare-dependent class. The current programs do not seem to exacerbate poverty, but whether they have helped reduce it is not yet certain either.

Migration from low- to-high wage areas is a way that persons can improve their income and perhaps escape poverty. However, general economic growth appears to have been more im-

portant than migration in reducing impoverishment in the South relative to the rest of the nation in the late 1970s. Actually, a net migration of poor people into the South took place during this time.¹¹ During the 1980s, when the southern economy began growing rapidly, the higher incomes of in-migrants helped to reduce the South's poverty rate. (The article by William J. Kahley on page 18 gives more detail on the role of migration in the South's recent economic development.)

Conclusion

The South's fight against poverty presents several challenges. Relative to the rest of the nation, the low levels of education in the region and the recent success of educational enhancement in the early years indicate that improving the young's learning skills may be the most effective method of helping the South reduce poverty at least to the nation's rate in the long run. If educational programs work, they will also lessen the need for welfare and relief payments in the future. Though these payments have helped people rise above the poverty threshold, they are unlikely to eliminate the causes of poverty.

One major characteristic distinguishes southern poverty and may call for a different mix of government programs in the region: the greater tendency of southern poor to be in rural locations. Bringing aid to the poor is more difficult and perhaps more costly in rural areas. When poverty is geographically more concentrated, as it is in cities, identifying the impoverished and making them aware of available benefit programs is easier. Rural poverty tends to be more dispersed, which renders delivery of aid and education more difficult. Yet improved education and training are vital if the rural poor are to secure jobs that pay more than a subsistence income, either in their current home or one to which they have migrated. Because not all rural poverty stems from low farm income, steps to revitalize rural manufacturing and produce better paying jobs may be useful in the long run to diminish southern rural poverty. Better education will help to assure that manufacturers will have access to a skilled labor force, thus improv-

ing the attractiveness of rural areas for potential investors.

The slightly larger shares of the poor in the South who are young or living in female-headed households also distinguish this region from the rest of the country. Members of this group of poor are less likely to be able to take advantage of the benefits offered through the Social Security Administration, which, as mentioned before, has helped boost many of the elderly above the poverty threshold. In 1984 about \$100 billion of aid was provided nationally to families through the various means-tested plans like AFDC and food stamps. Social Security's retirement insurance provided about \$375 billion overall in 1985, although much of it was not available to young people with little or no work history.¹² AFDC benefits vary greatly across the nation, the lowest levels being dispensed in the South. In 1985 Mississippi made available to families an average of \$103.50 in monthly benefits while in Minnesota, for example, the average benefit was \$494.62. The national average was \$342.15.¹³ Most southern states also receive less revenue per capita for welfare expenditure from the federal government than the national average (see Aruna Srinivasan's article on page 48 for a discussion of state finances in the South). By raising benefit levels for these programs, there

seems to be room to improve the assistance provided to female householders without introducing new programs.

To fight southern poverty seriously, though, raising the educational and skill levels of the poor and the rest of the population is, in the long run, a key step. Reaching the young with better education, and, if necessary, remedial schooling will probably be the most effective method of actually eliminating one of the fundamental causes of poverty in the South.

The importance of job creation and stable employment is beginning to be recognized as an important approach to reducing poverty rates.¹⁴ Welfare and assistance programs, though helpful economically in lessening short-run suffering, do not seem to be useful in curbing poverty and eliminating its fundamental causes. With state and local policies encouraging business growth in higher value-added industries and industries using skilled labor, particularly in rural areas, continued emphasis on improving education will help reduce dependence on welfare and transfer payments. Relying on jobs in low-skill industries will not, because the pace of economic development in the region has eliminated many of these jobs, first in forestry and agriculture and now in textiles through technological improvements.

Problems in Defining Poverty

Inaccessibility to resources is certainly a characteristic of being poor, as is a shortage of money income. Yet characteristics alone do not tell which resources poor people lack or how much money they would need to emerge from poverty. Being poor is not a clear-cut condition; at no naturally defined point does one stop or start being poor. Definitions of poverty thus tend to be arbitrary, reflecting current beliefs about an appropriate standard of living.

Poverty is usually measured in one of two ways. *Absolute* measures of poverty select a level of income below which people are considered poor. This level reflects how much society considers to be just sufficient to provide basic food and shelter. Although this poverty indicator is termed "absolute," a society's values and its degree of concern for its less fortunate members, rather than a scientifically determined standard of living, are still the focus.

In a growing economy poverty tends to disappear when measured with an absolute standard. This vanishing act is the result of an across-the-board per-capita income increase coupled with a fixed poverty threshold. As income grows, proportionately fewer and fewer people will be found in the left tail, that is, the poorer end of the distribution.

A *relative* measure of poverty counts as poor those individuals who are in the bottom X percent of the income distribution. Like the absolute measure, the poverty threshold under a relative measure is chosen according to a society's attitudes. In contrast to the absolute measure, though, a relative measure does not guarantee that in a growing economy fewer and fewer people will be below the poverty level. As more income generally becomes available, the poverty threshold also increases. By definition, the proportion of the population living in poverty will remain statistically the same with a relative measure.¹ Of course, their level of real income may be growing, but they will not be advancing on the rest of the population.

This article uses the definition of poverty developed by the Social Security Administration in 1964, which is the definition currently used by the U.S. Census Bureau in estimating national and regional poverty rates.² The current definition is an absolute measure of impoverishment. The threshold was established on the basis of the Department of Agriculture's 1955 Survey of Food Consumption, which revealed that families of

three or more persons spent about one-third of their income on food. The poverty level was subsequently established at three times the level of the U.S. Agriculture Department's economy food plan, a low-cost food budget that provided adequate nutrition. Several thresholds were created, depending on the number and age of children in the family.³ The average poverty threshold for a family of four in 1966 was \$3,317. By 1986 it had risen to \$11,203, mostly because of adjustments for inflation. In 1980 the poverty threshold for farm households was readjusted to be 100 percent of the threshold for nonfarm households rather than 85 percent.

The downward trend since 1959 in the number and percent of persons below the poverty level is consistent with that of a growing economy and an absolute measure of poverty. Both the number and percent have fallen, except during periods of recession, although the upturn in black poverty between 1986 and 1987 is troublesome.

The absolute measure used by the Census Bureau has its limitations, of course. Variations in the cost of living across the nation are not considered. An individual earning \$5,701 in rural Mississippi faces different costs from someone living in Atlanta. The measure no longer adjusts for differences in the cost of living between farm and nonfarm households, although the small share of the population living on farms suggests that most adjustments will not make much difference in overall poverty rates. Because farm households probably now rely less on home production than in the past, a lower poverty threshold for farm households as measured by money income is less important.

The measure of money income that the Census Bureau uses presents its own complications in determining the extent of poverty in the United States. Money income includes wages and salaries; Social Security, public assistance, and welfare payments; dividends, interest, and rents; unemployment compensation; and government and private pensions. Goods and services produced and consumed in the home or on a farm are not included in money income, nor is noncash income like food stamps, health benefits, subsidized housing, and employer contributions to health insurance or retirement plans. According to the Census Bureau, 59 percent of all poor households received at least one of the following non-cash benefits in 1985: food stamps, Medicaid, subsidized school lunches, and public or sub-

sized housing. If certain noncash benefits were included in income, the Census Bureau claims, the poverty rate would fall between 8 and 34 percent.⁴ Other noncash benefits like employer-provided stock purchase plans and company perquisites

are probably not widely available to working persons below the poverty threshold, and their inclusion in income would have little effect on measured poverty rates.

Notes

¹Using a percent of median income as a poverty threshold will result in fewer impoverished people if income inequality is reduced. Victor Fuchs has suggested that 50 percent of median income be used as a poverty threshold ["Redefining Poverty and Redistributing Income," *The Public Interest* 6 (Summer 1967): 3-27.]

²Isabel Sawhill points out that the official definition has been useful for analyzing trends in poverty rates. Even

though different measures produce different point estimates, the trends are consistent. See her article, "Poverty in the U.S.: Why Is It So Persistent?" *The Journal of Economic Literature* 26 (September 1988): 1073-1119.

³See *Poverty in the United States: 1986*, U.S. Bureau of the Census, Current Population Reports, Series P-60, No. 160, pp. 154-55, 1988, for details.

⁴*Ibid.*, p. 3.

Notes

¹The U.S. Census Bureau defines the South as Alabama, Arkansas, Delaware, the District of Columbia, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia.

²The 1970 figures are from the 1970 *Census of Population*, vol. 1, Characteristics of the Population, part 1, U.S. Summary-sec. 1, table 135 (Government Printing Office; Washington D.C., June 1973). The estimates for 1986 are taken from *Poverty in the United States: 1986*, U.S. Bureau of the Census, Current Population Reports Series P-60, No. 160, 1987. This same source, tables 5 and 6, was used for the other 1986 figures as well.

³In the South, races other than whites and blacks account for about 1 percent of the population, and their poverty rate averages 11 percent.

⁴See Gavin Wright's *Old South, New South* (New York: Basic Books, 1986).

⁵*Poverty in the United States*, tables 5 and 6.

⁶*Ibid.*

⁷*The Diverse Social and Economic Structure of Nonmetropolitan America*, U.S. Department of Agriculture Rural Development Research Report No. 49, 1985: 12-14.

⁸*Dependent* is defined as 30 percent or more of labor and proprietor income coming from manufacturing, or 20 percent or more from mining.

⁹Most of the following discussion is based on an excellent survey article by Isabel Sawhill, "Poverty in the U.S.: Why Is It So Persistent?" *The Journal of Economic Literature* 23 (September 1988): 1073-1119.

¹⁰*Ibid.*, p. 1103.

¹¹Larry Long, *Interregional Migration of the Poor: Some Recent Changes*. U.S. Bureau of the Census, Current Population Reports Series p-23, No. 73, 1978.

¹²See Sawhill (1988): 1099.

¹³*Social Security Bulletin, Annual Statistical Supplement*, 1987 (1988): 295.

¹⁴See Wilson (1987).

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