



Chapter 13

Income and Poverty

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Census income and poverty data measure general economic circumstances and provide insight into one element of the lives of Americans. Also, income and poverty are often related to other social and economic indicators, and some of the geographic patterns seen in this chapter's maps echo those shown for other topics in earlier chapters.

Income Data

The 1940 decennial census was the first to include a question about income. Later censuses expanded and refined approaches to collecting income data. The most recent refinements included adding a question about Supplemental Security Income and combining separate farm and nonfarm self-employment income

questions into a single question. Census 2000 counted 105.5 million households in the United States and collected data on income for the calendar year 1999. Income from wages and salary, self-employment, interest and dividends, Social Security, Supplemental Security Income, public assistance, retirement, and all other sources were aggregated for all individuals in a household to form household income.

Median Income of Households and Families

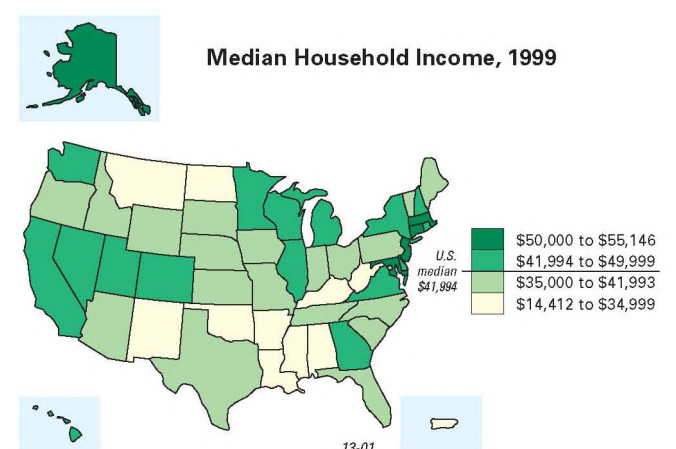
Median household income in 1999 was \$41,994, up 7.7 percent from 1989 in real terms (after adjusting for 30 percent inflation over the period). In 1999, 12.3 percent of households had incomes over \$100,000 and 22.1 percent had incomes below \$20,000. Median family income in the United States in 1999 was \$50,046. Median family income tends to be higher than median household income because many households consist of people who live alone (Figure 13-1). About 15 percent of all families reported incomes of \$100,000 or more.

Median Household Income by State

Median household income in 1999 ranged from \$29,696 in West Virginia to \$55,146 in New Jersey. The relative standings of the states changed little between 1989 and 1999. The same four states ranked highest in median income in 1989 and 1999 (New Jersey, Connecticut, Maryland, and Alaska). New Jersey climbed two places to replace Connecticut as the state with the highest median income. The four states with the lowest median incomes in 1989 (Louisiana, Arkansas, Mississippi, and West Virginia) were also the lowest in 1999, with West Virginia falling one place to replace Mississippi as the state with the lowest median income (map 13-01).

Median Household Income by Race and Hispanic Origin and by Age of Householder

Median income in 1999 was highest for Asian households (\$51,908) and lowest for Black households



(\$29,423). The median income for non-Hispanic White households was \$45,367. The median income for Hispanic households was \$33,676. Asian households also had the highest percentage (19.8 percent) of households with incomes of \$100,000 or more; 10.0 percent reported incomes below \$10,000. Black households had the highest percentage (19.1 percent) of households with incomes below \$10,000; 5.9 percent reported incomes over \$100,000. Maps 13-30 through 13-36 later in the chapter illustrate geographic patterns of median income by race and Hispanic origin at the county level in 1999.

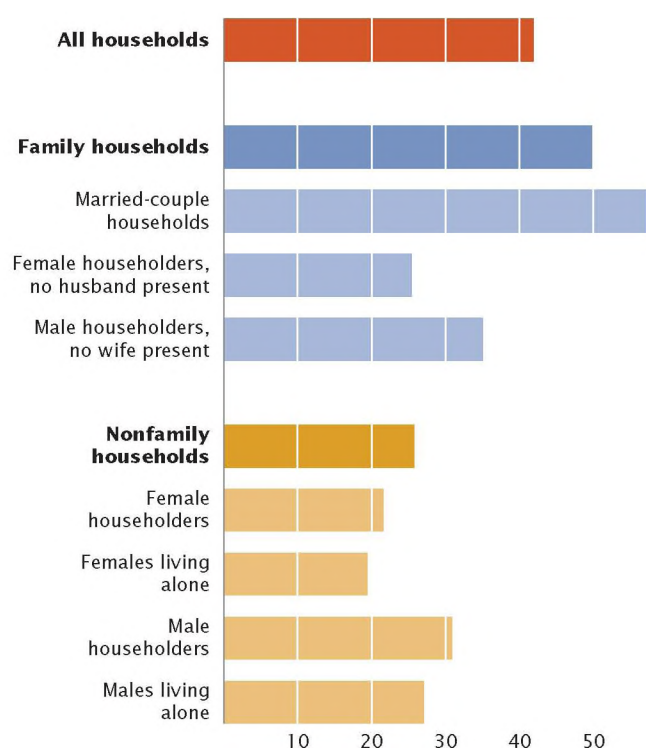
Households with a householder 45 to 54 years old reported the highest median income (\$56,300). Median income was lowest among households with a householder 15 to 24 years old (\$22,679) and households with a householder 75 years old and older (\$22,259).

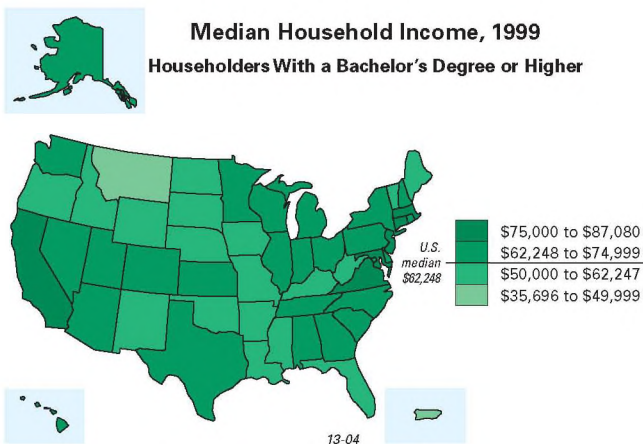
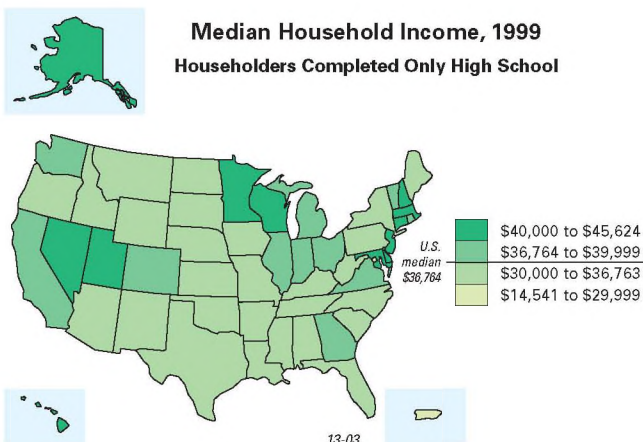
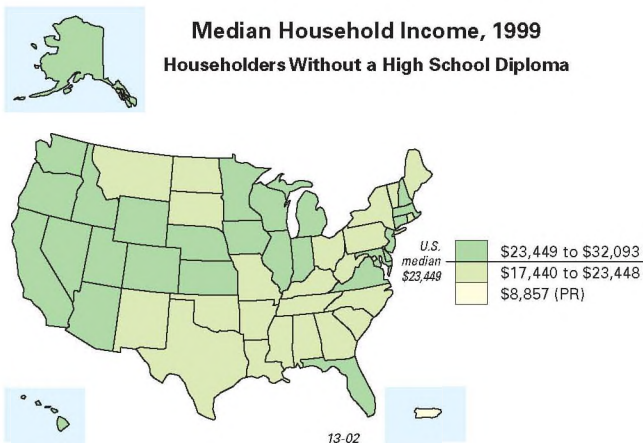
Median Household Income by Educational Attainment and Nativity of Householder

Median household income also varies by the educational attainment of the householder. Median household income in 1999 for households maintained by people without a high school diploma was \$23,449. The comparable figure for households maintained by someone who completed high school

Figure 13-1.

Median Household Income (thousands of dollars) by Household Type, 1999





only was \$36,764, and for households maintained by someone who completed college, it was \$62,248. Maps 13-02 through 13-04 illustrate state-level patterns in median household income for these three educational categories.

Median income in 1999 for foreign-born households (those with a foreign-born householder) was \$39,444, while the median income for native households was \$42,299. The state-level geographic patterns for median income by nativity—seen in maps 13-05 and 13-06—appear broadly similar to the overall national pattern.

Changes in Median Household Income by Region and State

All regions and nearly all states posted increases in real median household income between 1989 and 1999. The Northeast had the highest median household income in 1999 (\$45,481), followed by the West (\$45,084), the Midwest (\$42,414), and the South (\$38,790). From 1989 to 1999, real median household income grew more in the South and the Midwest than in the Northeast or the West. In the South and Midwest, median income increased by 11.4 percent; the West and Northeast posted gains of 7.6 percent and 3.6 percent, respectively.

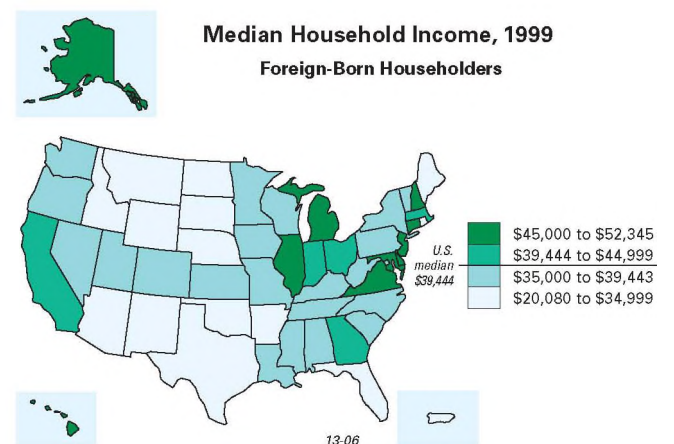
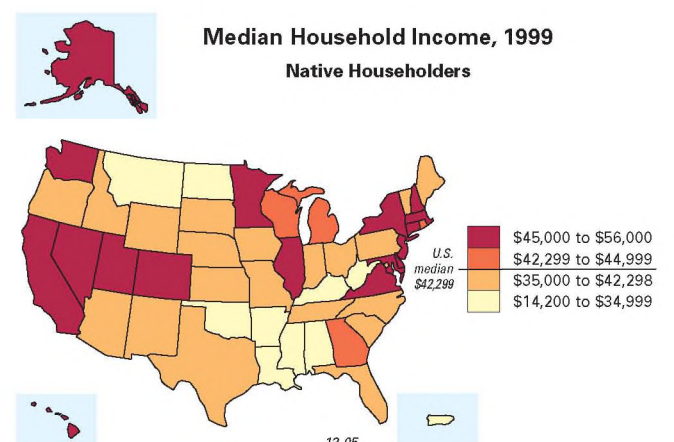
All states showed an increase in median household income with the exception of Alaska, Connecticut, Hawaii, and Rhode Island. The District of Columbia also did not show an increase in real median household income. Colorado and South Dakota experienced the largest increases in real median household income (21 percent each).

New Jersey and Connecticut had the largest proportions of high-income households in 1999. Thirty-two percent of households in New Jersey and 30 percent of Connecticut's households had household income above \$79,663 (the eightieth percentile figure for the United States). West Virginia, while not statistically different from Arkansas, Mississippi, Montana, North Dakota, and South Dakota, had the lowest concentration of high-income households, at 9 percent. Nationally,

21.1 million households had incomes higher than \$79,663.

The Poverty Rate

In 1999, 12.4 percent of the U.S. population, or 33.9 million people, were living in poverty, down from 13.1 percent in 1989. (The glossary provides more information on the poverty definition and poverty thresholds.) Poverty rates declined for most age groups (Figure 13-2). The poverty rate for children declined by 1.7 percentage points, from 18.3 percent in 1989 to 16.6 percent in 1999. The poverty rate for people 75 and older fell from 16.5 percent in 1989 to 11.5 percent in 1999.



The child poverty rate in 1999 exceeded rates for adults. In 1999, the poverty rate for people aged 18 to 64, for example, was 11.1 percent, and the rates for people 65 to 74 years old and those 75 and older were 8.5 percent and 11.5 percent, respectively.

Poverty Rates by Race and Hispanic Origin

At 8.1 percent, non-Hispanic Whites had the lowest poverty rate in 1999. Poverty rates were higher for Asians and for Pacific Islanders (12.6 percent and 17.7 percent, respectively) and among Blacks and the American Indian and Alaska Native population (24.9 percent and 25.7 percent, respectively). Hispanics had a poverty rate of 22.6 percent.

Poverty rates also varied by family type and the presence and number of children. The poverty rate for all married-couple families in 1999 (4.9 percent) was lower than the rate for male-householder families with no spouse present (13.6 percent) and female-householder families with no spouse present (26.5 percent). Among the latter group, the poverty rate for those with related children under 18 was 34.3 percent in 1999, down from 42.3 percent in 1989.

Regional and State Poverty Rates

Census 2000 found differences in poverty rates among the four U.S. regions. Overall, the South had the highest poverty rate in 1999 (13.9 percent), followed by the West (13.0 percent). The Northeast had a lower poverty rate (11.4 percent), with the Midwest experiencing the lowest rate among the four regions (10.2 percent). Poverty rates at the state level varied from a low of 6.5 percent in New Hampshire to a high of 19.9 percent in Mississippi. The poverty rate in the District of Columbia—20.2 percent—was not statistically different from the poverty rate for Mississippi (map 13-07).

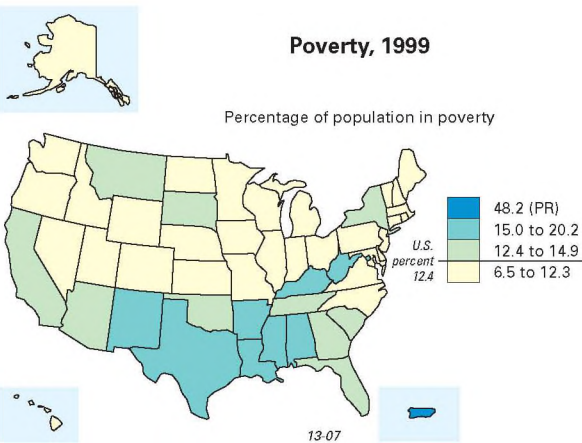
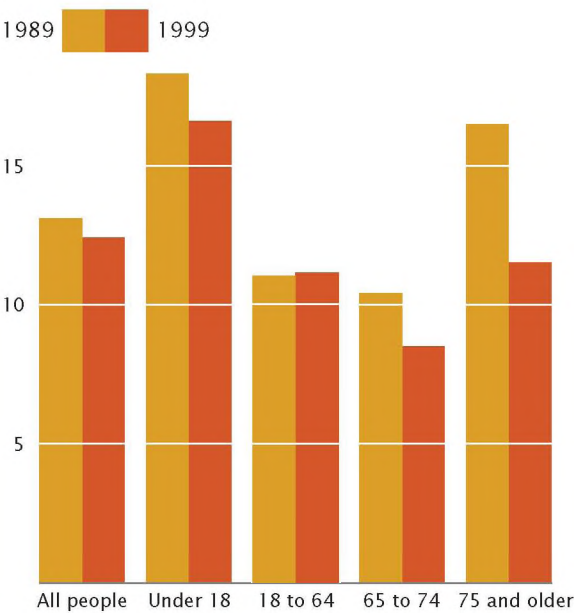


Figure 13-2.
Percent in Poverty by Age Group, 1989 and 1999



This Chapter's Maps

The maps in this chapter provide a close look at the geographic distributions of income levels and poverty rates in the United States. A number of the maps examine income and poverty by various characteristics, such as age, family structure, or citizenship status.

Trends in median household income at the county level from 1969 through 1989 can be seen in maps 13-09 through 13-11. In all three maps, the incomes were adjusted to current (1999) dollars. When viewed in conjunction with the chapter's county-level map on median household income in 1999 (map 13-08), changes over time in geographic patterns are evident. Much of the South was in the lowest income category in 1969 and moved into higher income categories by 1999. Likewise, the major metropolitan areas in Texas are more prominent at the end of the period as more of their counties moved into higher income categories. At the same time, the higher income counties in the Northeast's urban corridor and the Great Lakes area in the Midwest are prominent in 1969 and less so by 1999, as incomes in counties throughout the country increased.

Maps 13-12 and 13-13 illustrate income levels and education levels in 1950 and 2000. Each county was categorized as higher or lower on median household income and higher or lower on education (relative to the U.S. national percentage that completed college). In 1950, many rural counties in the West had median incomes at or above the median for the

United States, with a considerable proportion of those counties also showing college completion rates below the national average. By 2000, the West had fewer counties with median household incomes at or above the national figure. Many counties with higher incomes and college completion rates were in metropolitan areas. Counties on the periphery of metropolitan areas often also had median incomes at or above the national median but college completion rates below the U.S. percentage.

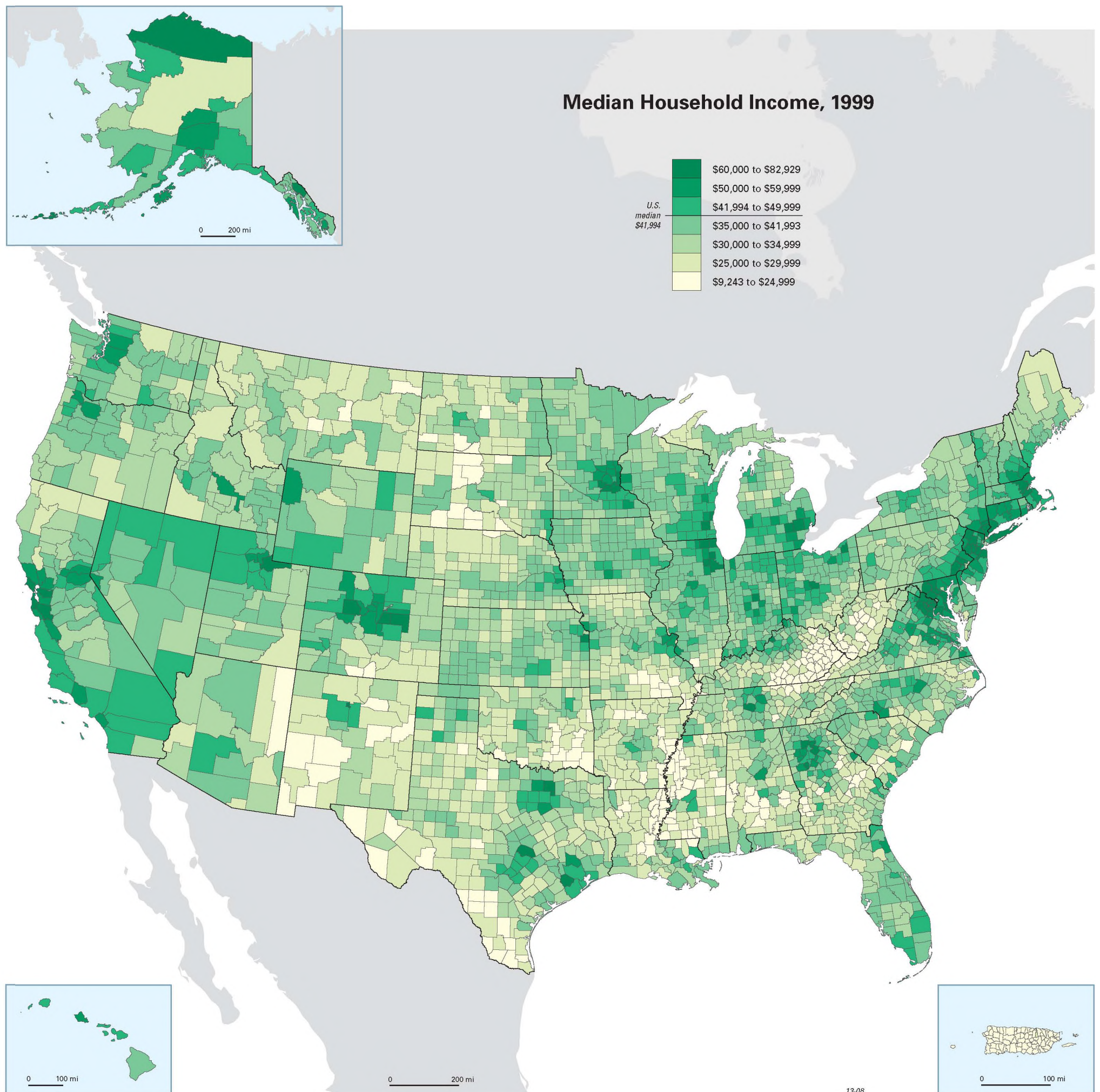
Median household income in 1999 by census tract for the most populous metropolitan areas is shown in maps 13-15 through 13-23. A general pattern emerges, with many of the lower household income tracts found in the largest cities of metropolitan areas and many of the tracts with high median household incomes seen in suburban areas.

Map 13-24 reveals the ratio of median earnings of younger workers (16-to-44-year-olds) to older workers (45-to-64-year-olds). The ratio for the country as a whole was 0.73 in 1999.

Another series of maps, 13-43 through 13-46, presents counties classified by poverty rates for 1969, 1979, 1989, and 1999. While counties shift in and out of the various categories over time, a decline in the number of counties with higher rates of poverty is visible.

The geographic distribution of poverty within the largest metropolitan areas in 1999 is seen in maps 13-48 through 13-56. Echoing the geographic patterns seen in median household income within metropolitan areas, the tracts with the lowest poverty rates are generally in suburban areas, while the tracts with the highest poverty rates are usually found in the central city or cities. In 1999, the overall poverty rate for central cities of metropolitan areas was 17.6 percent, while the rate for suburbs (the areas inside metropolitan areas but outside the central city) was 8.4 percent. The poverty rate for nonmetropolitan territory in 1999 was 14.6 percent.

Maps 13-60 and 13-61 compare the geographic distributions of children living in poverty and children living in high-income households. In 1999, 16.6 percent of children were in poverty, while 8.1 percent lived in households with incomes of \$125,000 or more (roughly 3 times the U.S. median household income). The geographic pattern on the map of children in poverty is similar to that of map 13-41, the map of overall poverty. The map of children living in high-income households has a different pattern altogether. Aside from the Boston to Washington area and coastal California, metropolitan areas are more prominent than regions. Counties with high percentages of children in high-income households are generally metropolitan and are often suburban.



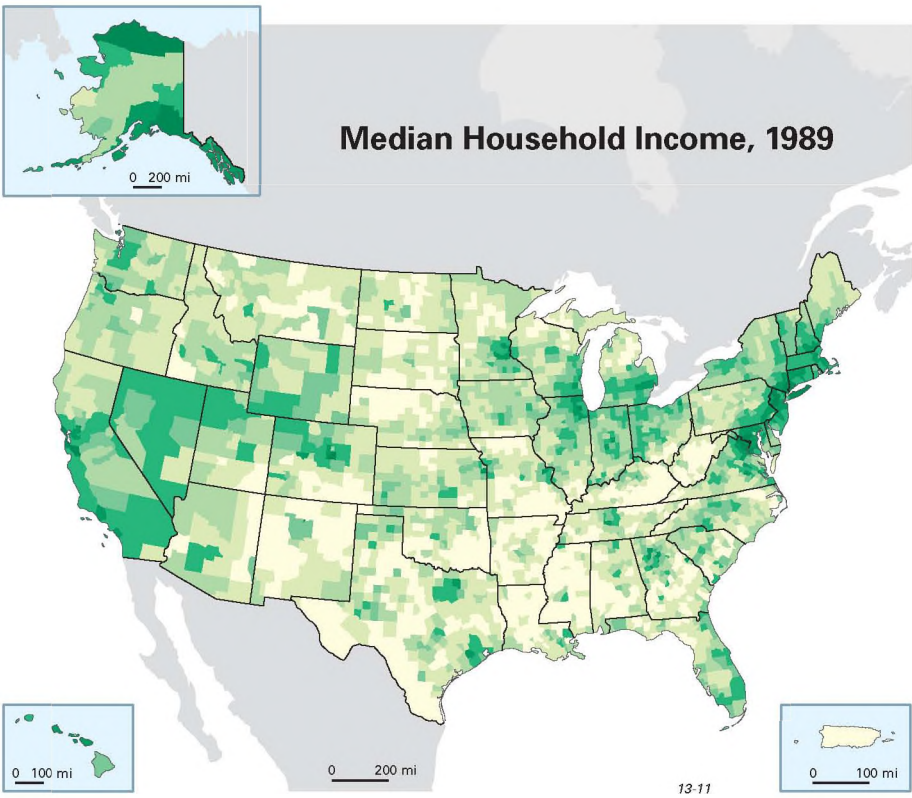
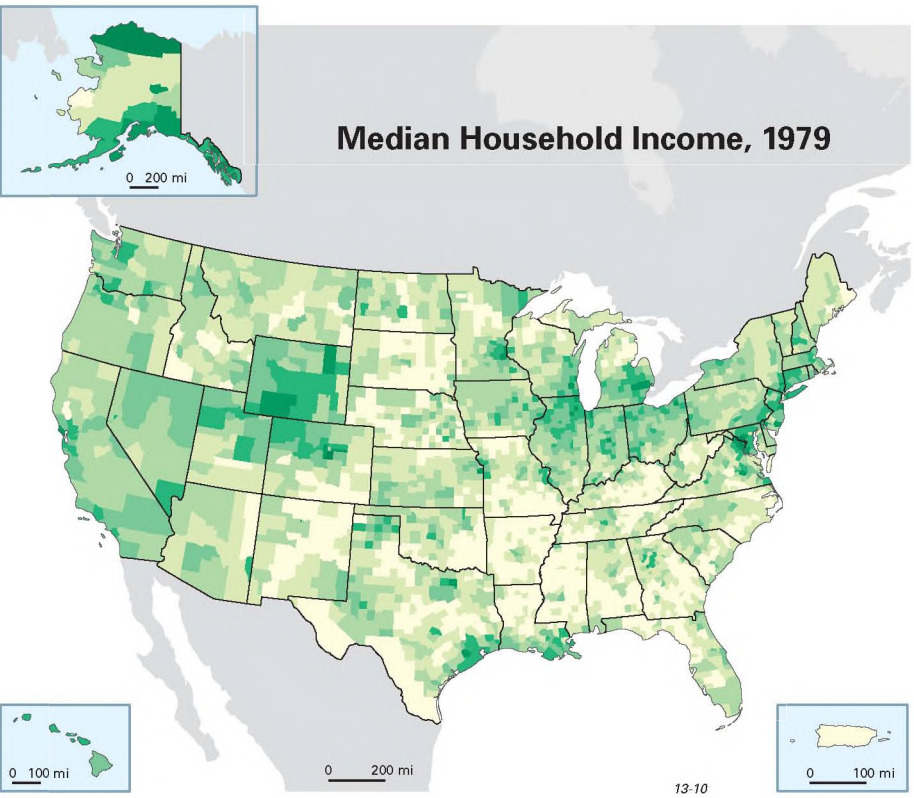
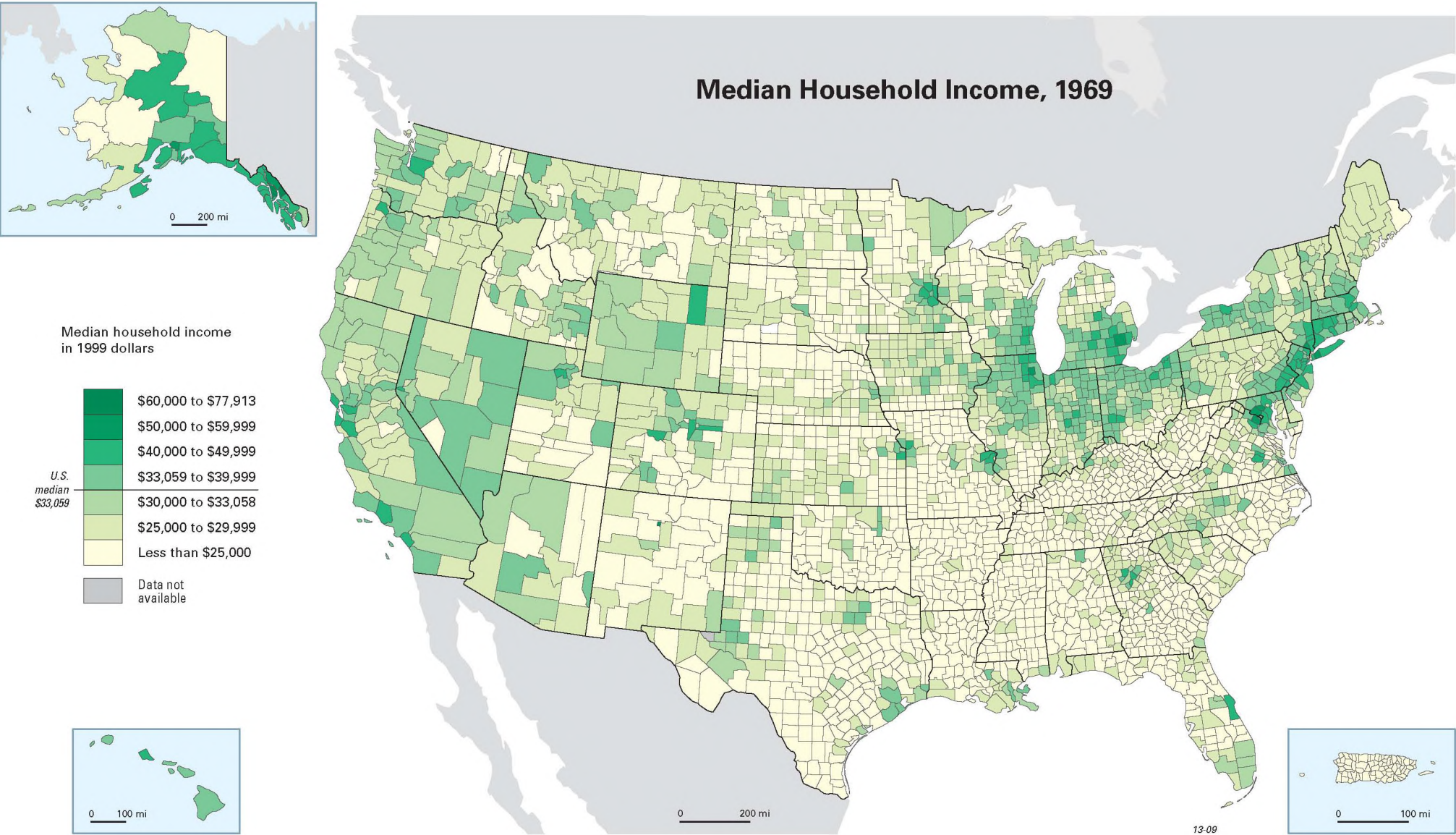
According to Census 2000, the median household income in the United States in 1999 was \$41,994, indicating that half of all households had income above that figure and half had income below it. For individual counties, the median household income varied.

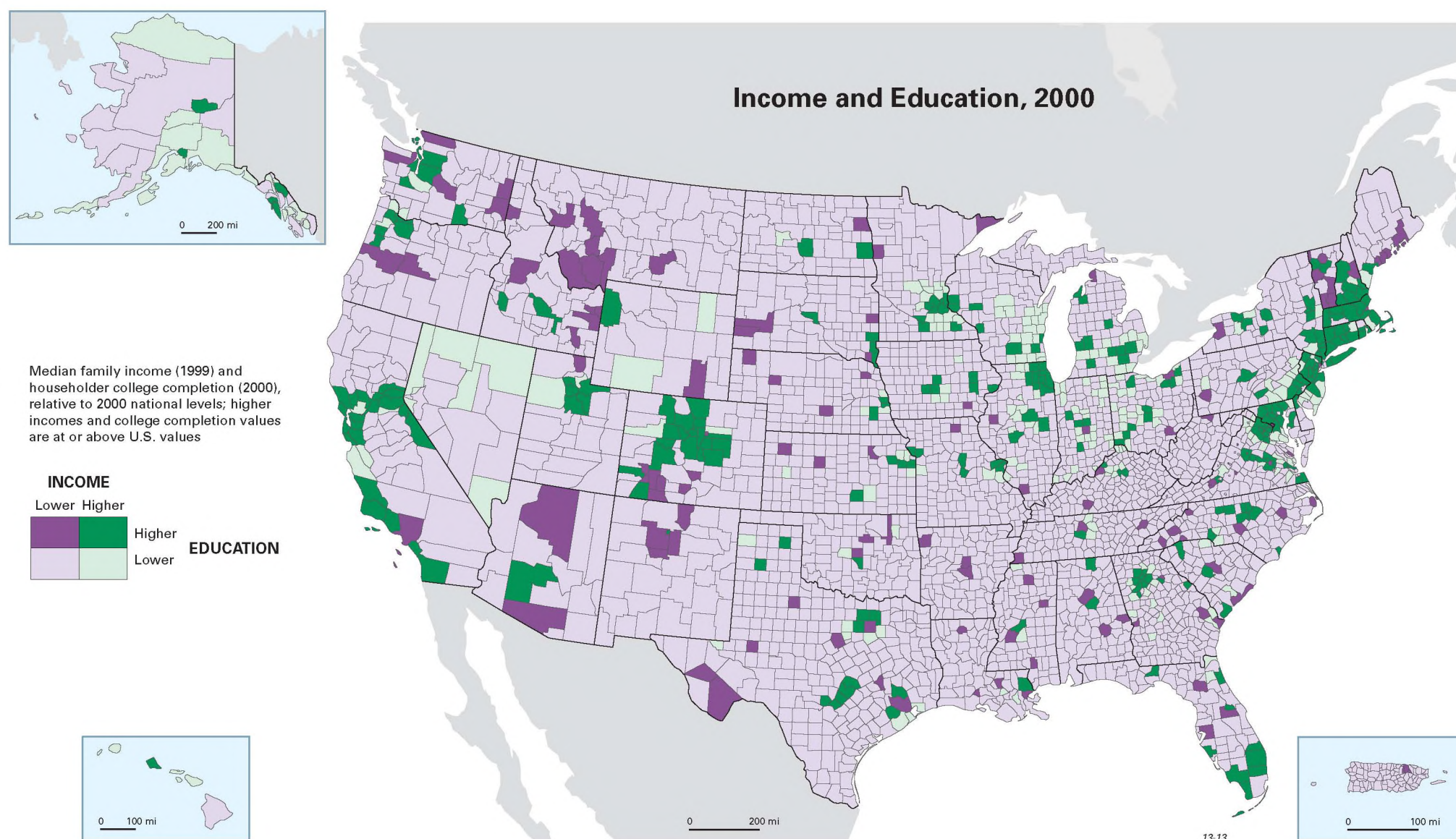
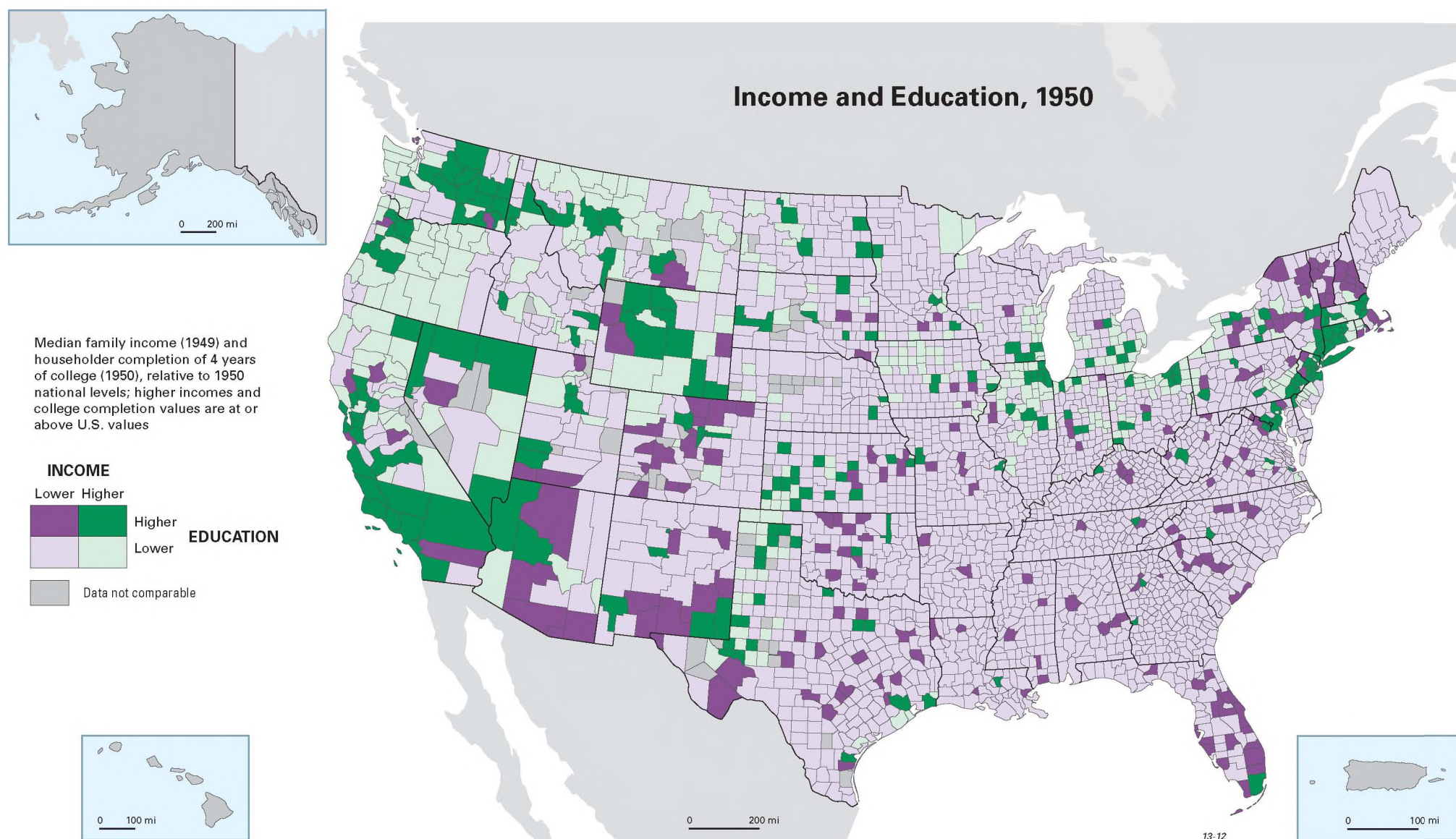
As shown in the map above, counties with relatively high median household income in 1999 are located in several parts of the country, with one area stretching

across the heavily populated area in the Northeast, from southern Maine to northern Virginia, and a second large band found in the Midwest, from Ohio to Wisconsin. Other areas with higher median household income include Colorado, Utah, and California. One area of counties with relatively low median household income is found in eastern Kentucky and West Virginia; a second group of counties with lower household income hugs the

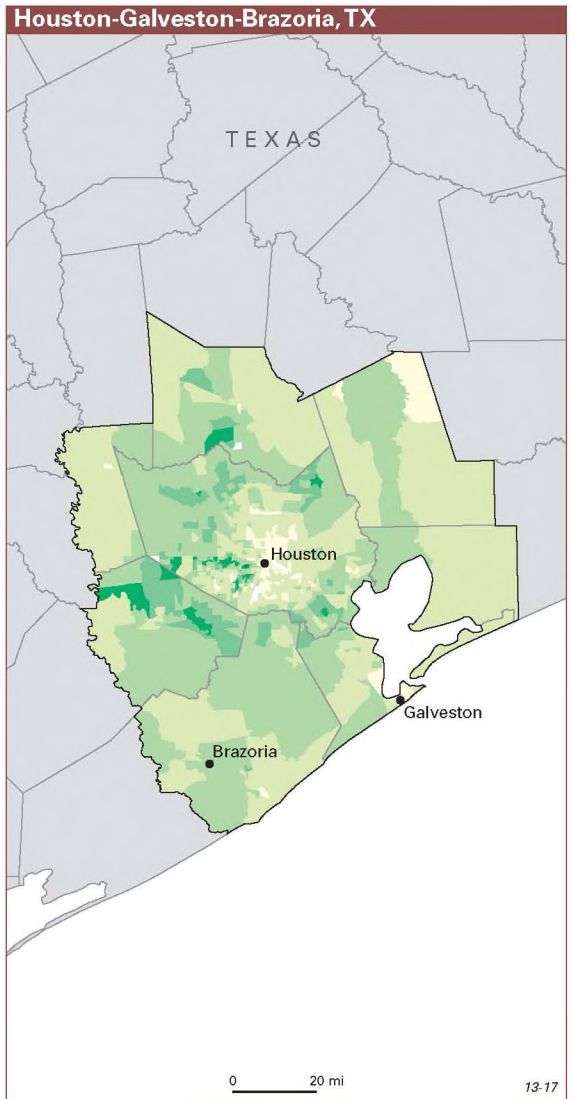
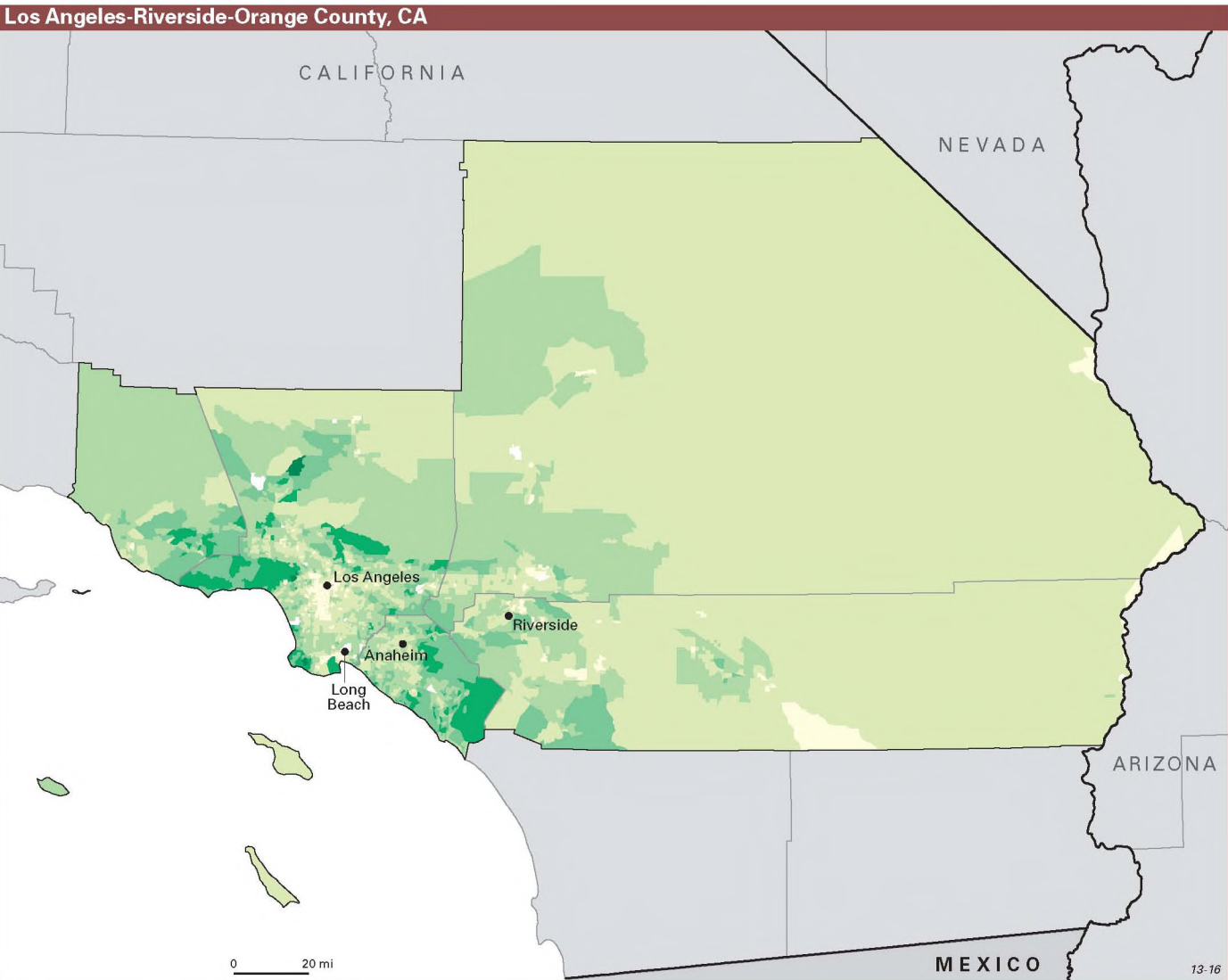
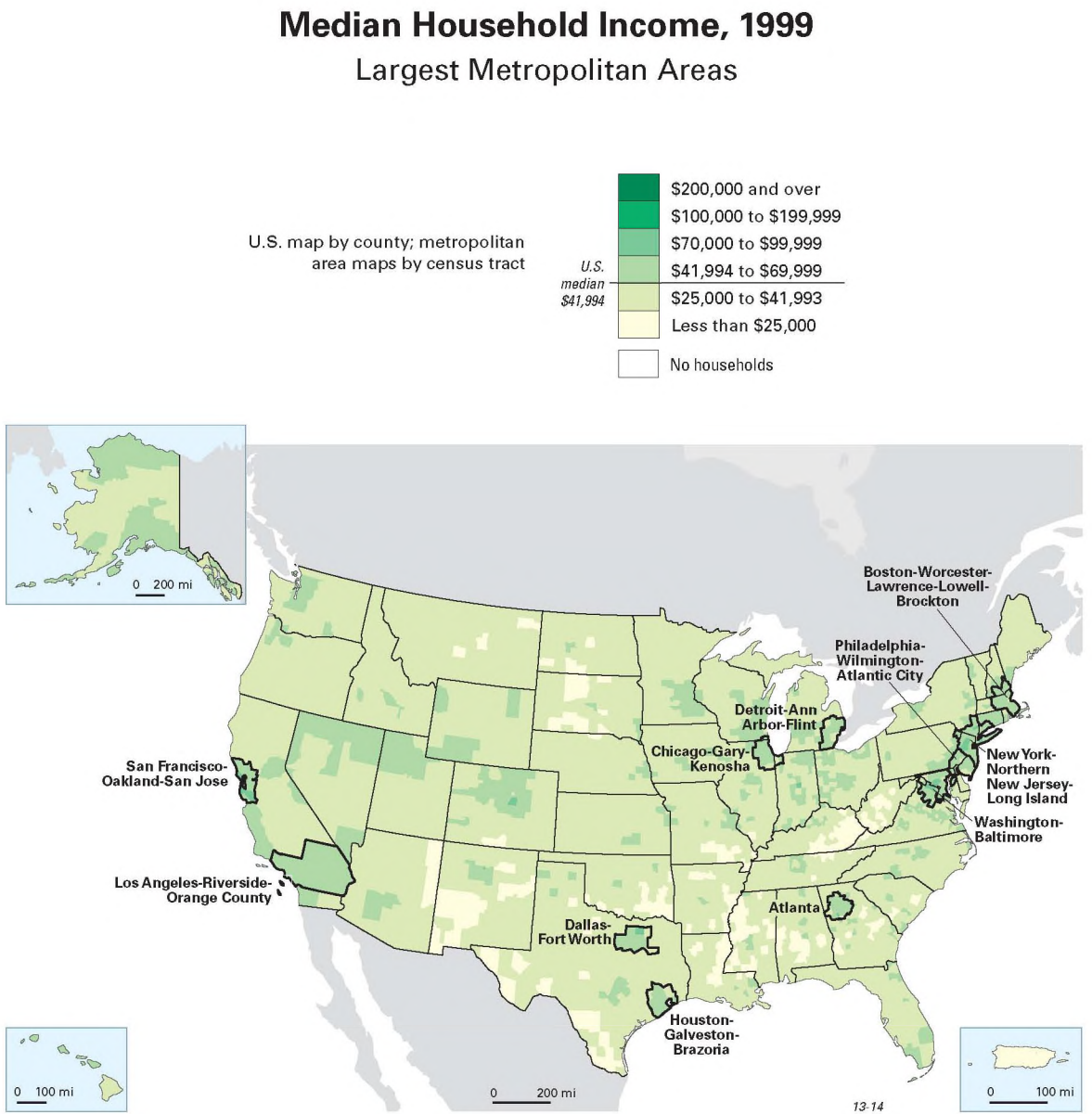
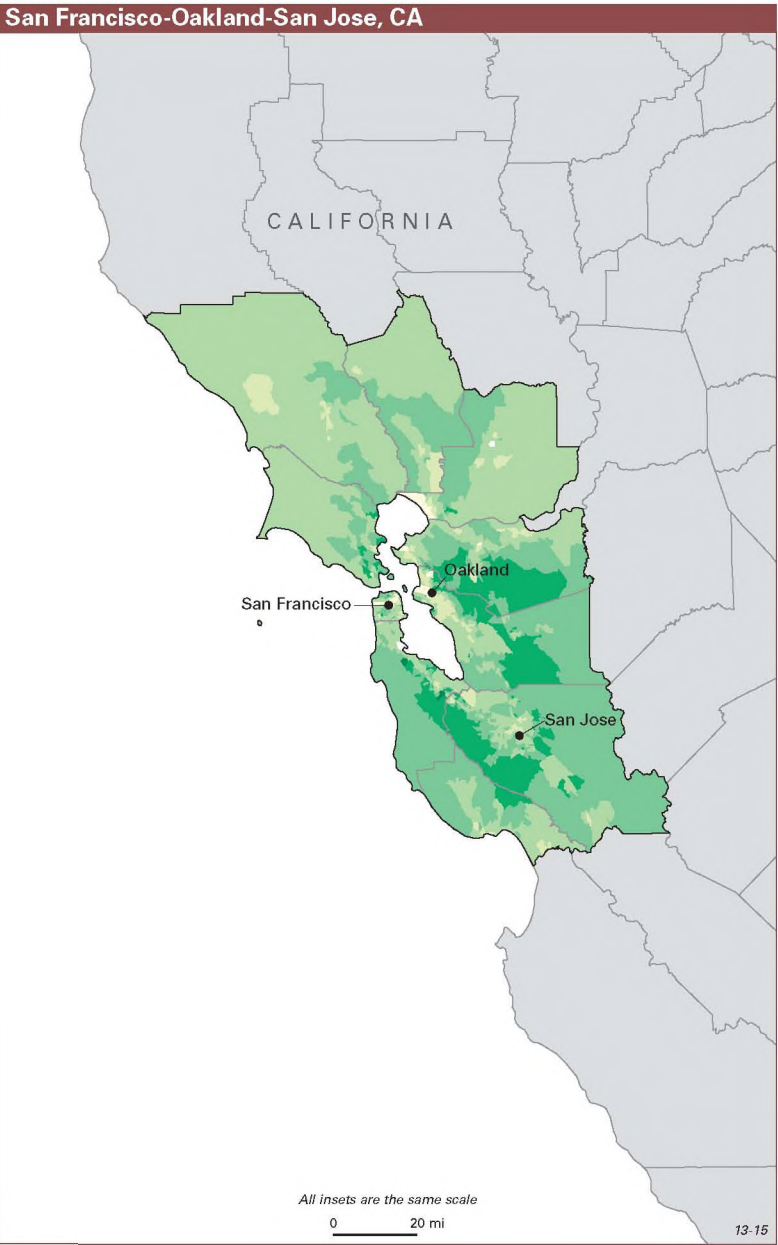
lower Mississippi River in Arkansas, Mississippi, and Louisiana.

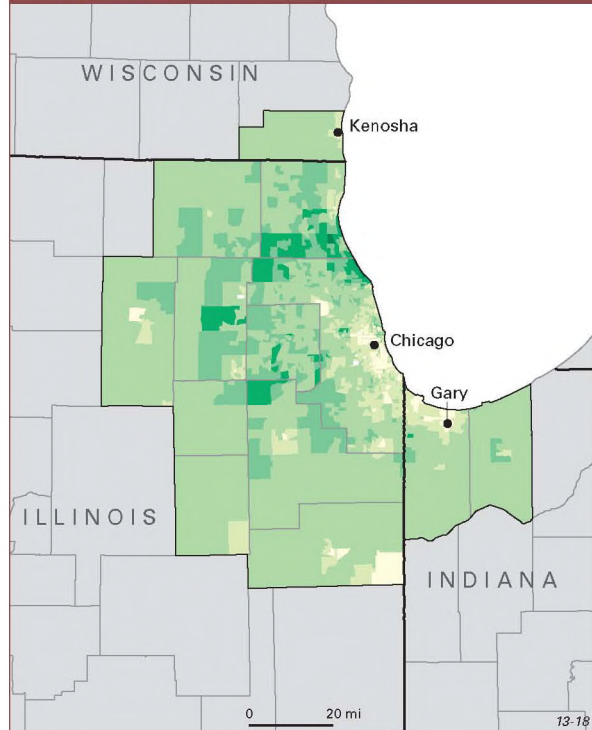
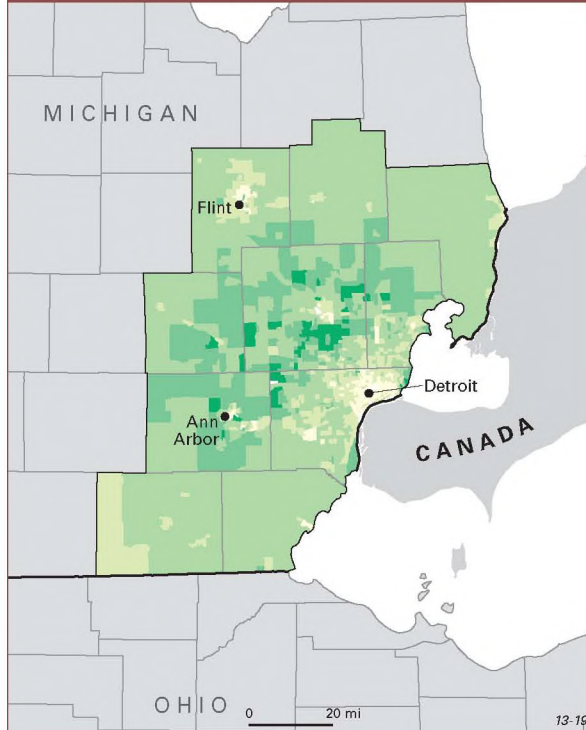
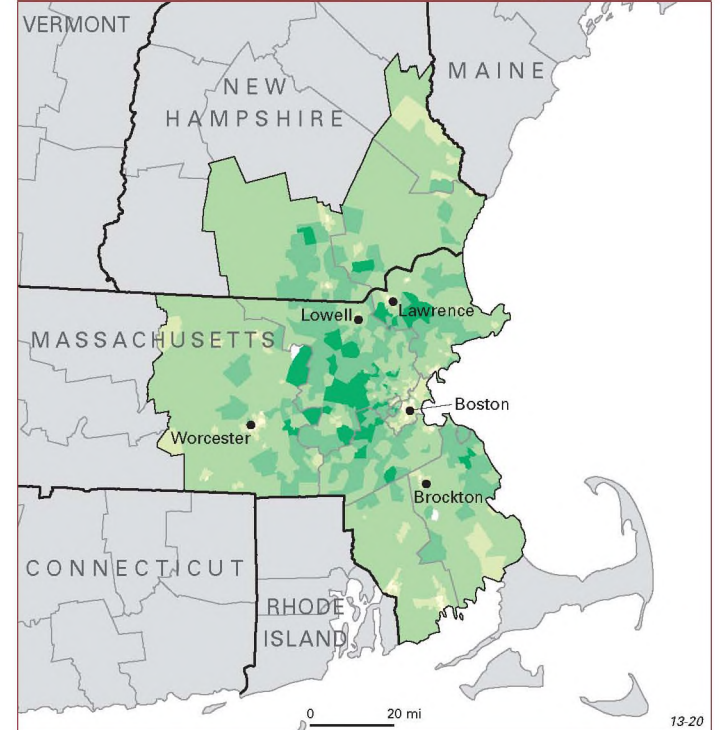
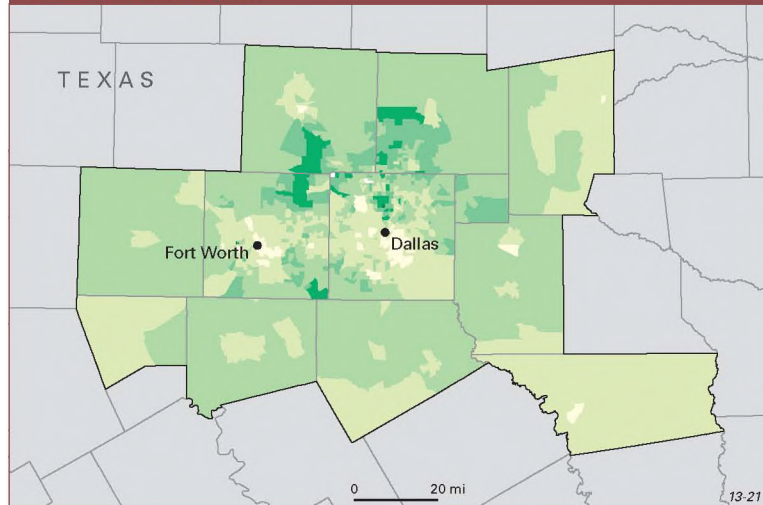
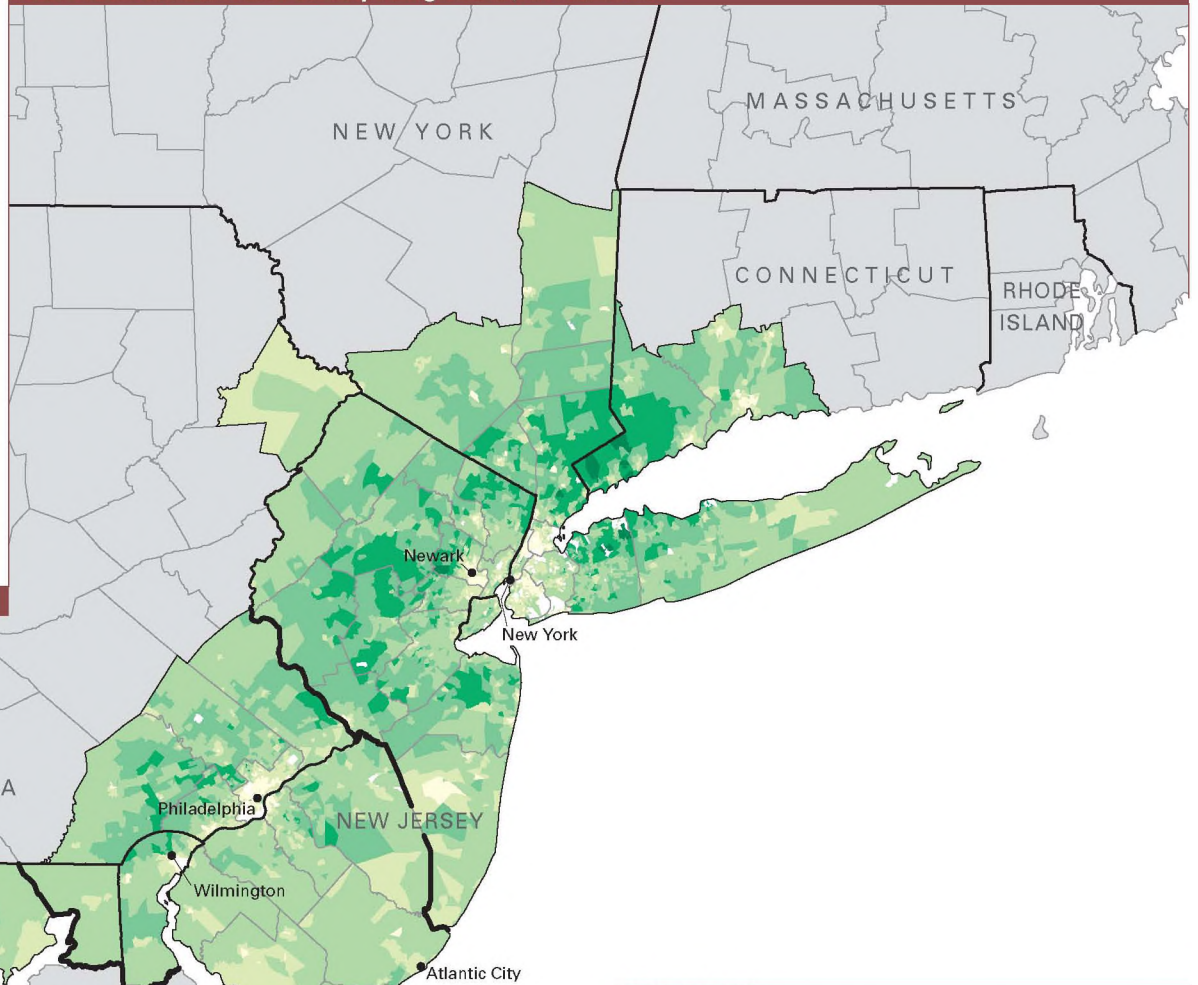
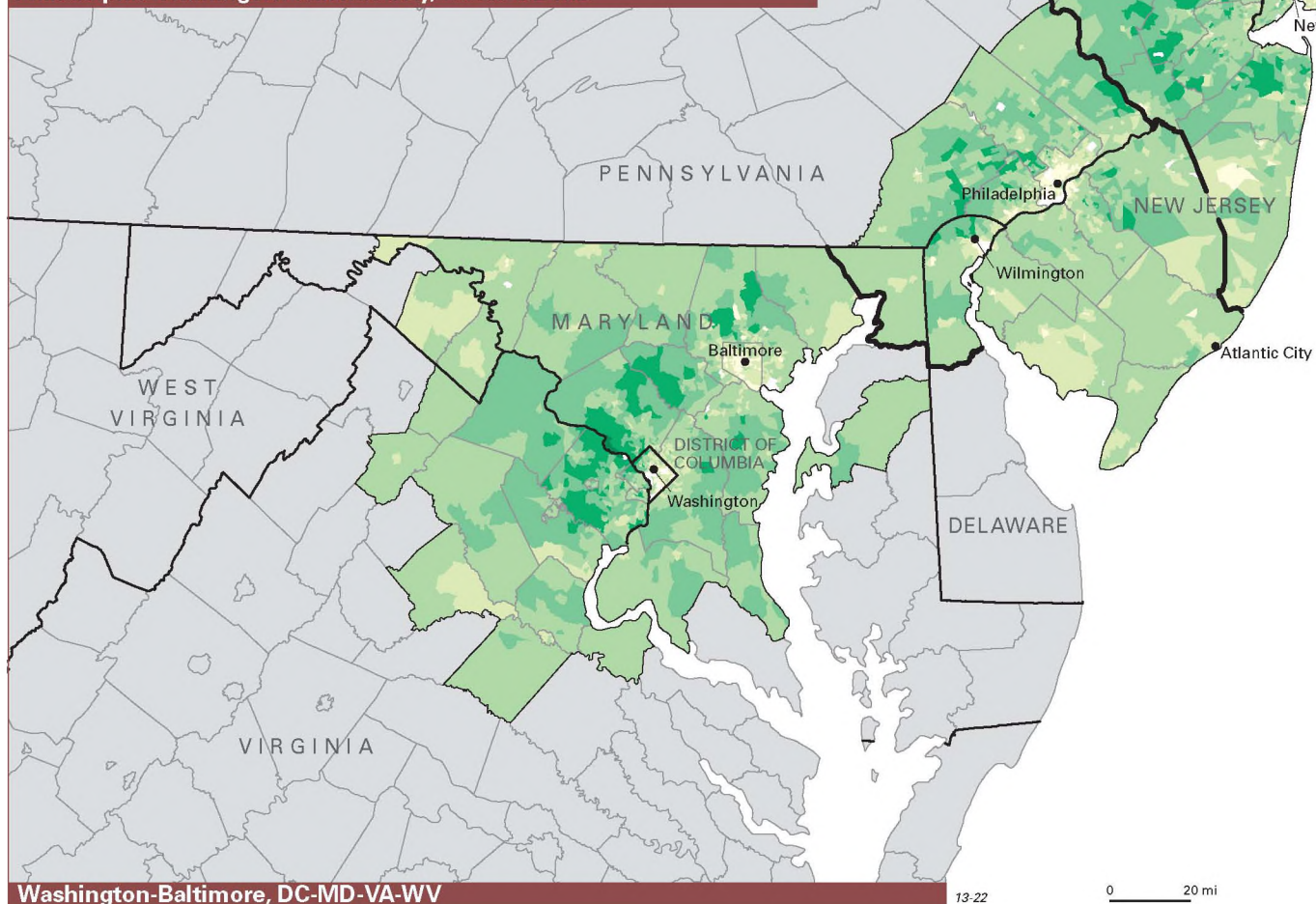
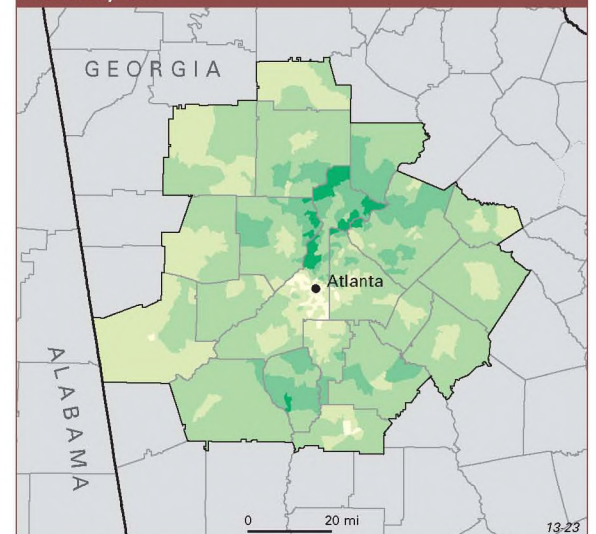
Median household income in 1999 in metropolitan areas (\$44,755) was higher than in nonmetropolitan counties (\$33,687), and counties with higher median household income are often located within metropolitan areas. This pattern can be seen in Texas, north Georgia, Oregon, and Washington.

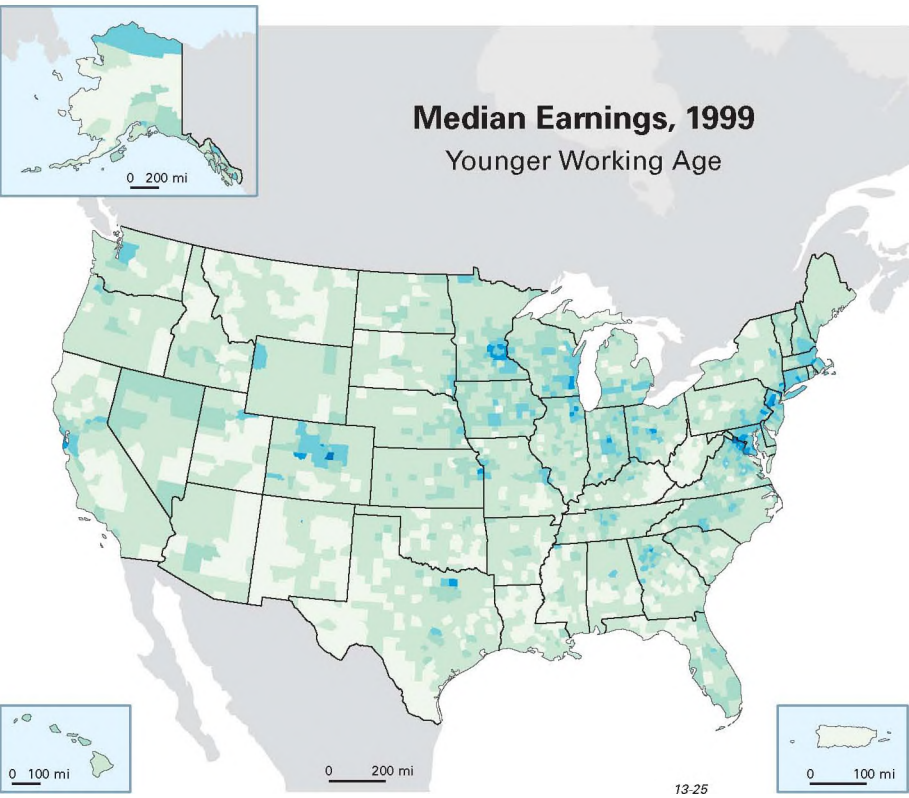
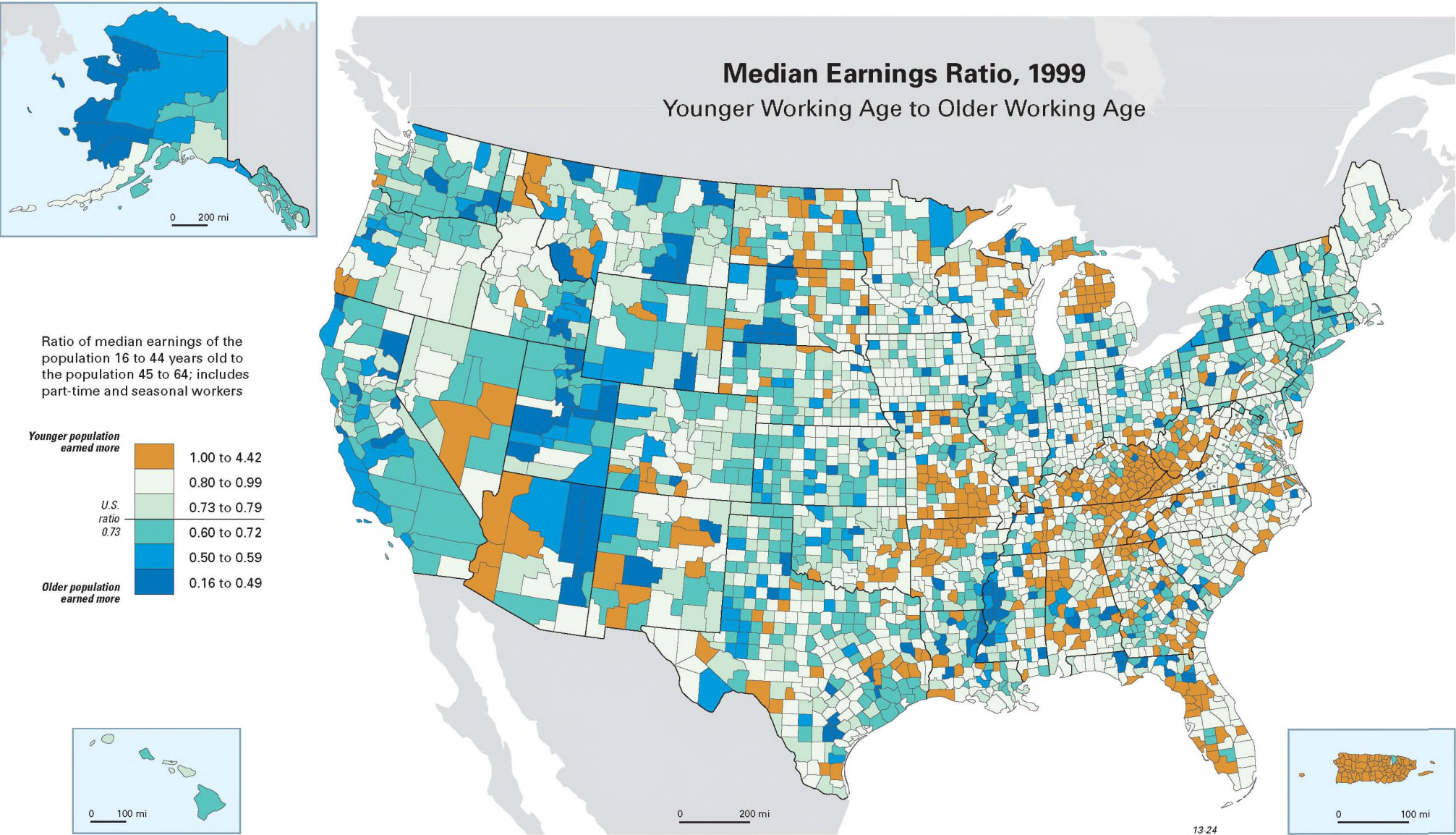




METROPOLITAN AREAS

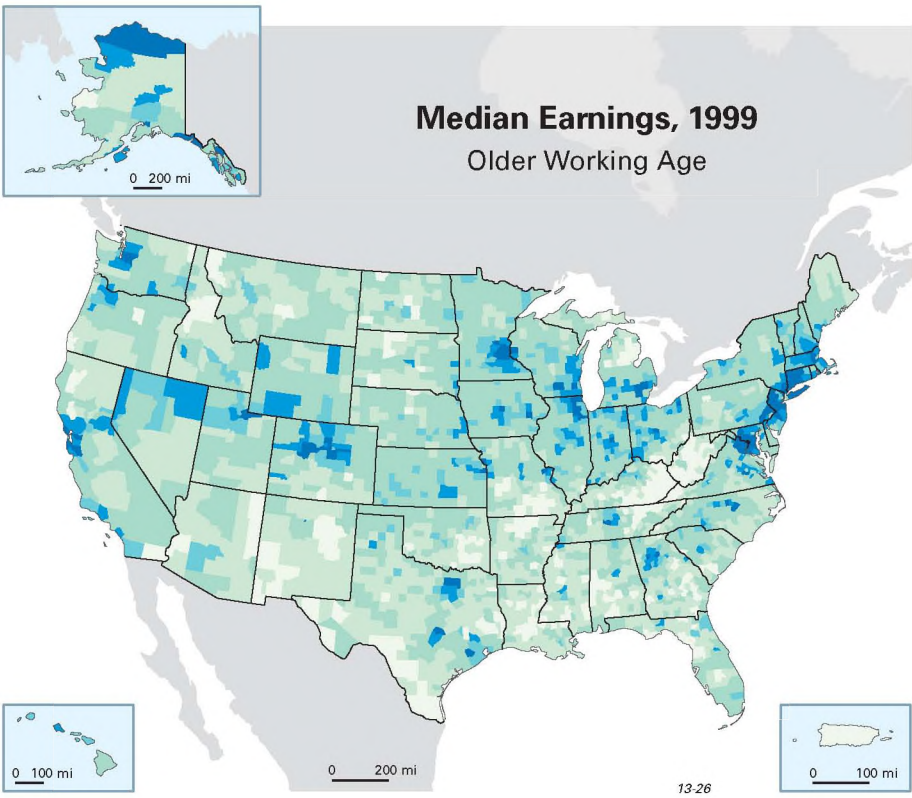


Chicago-Gary-Kenosha, IL-IN-WI**Detroit-Ann Arbor-Flint, MI****Boston-Worcester-Lawrence-Lowell-Brockton, MA-NH****Dallas-Fort Worth, TX****New York-Northern New Jersey-Long Island, NY-NJ-CT-PA****Philadelphia-Wilmington-Atlantic City, PA-NJ-DE-MD****Atlanta, GA**



Median earnings for the population 16 to 44 years old; includes part-time and seasonal workers

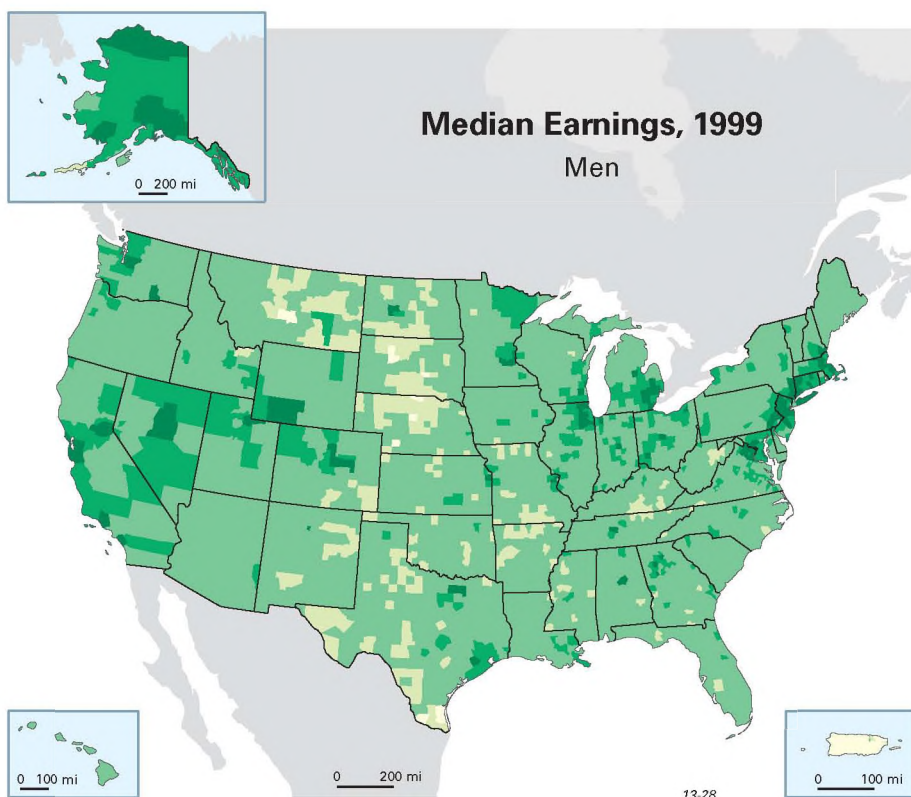
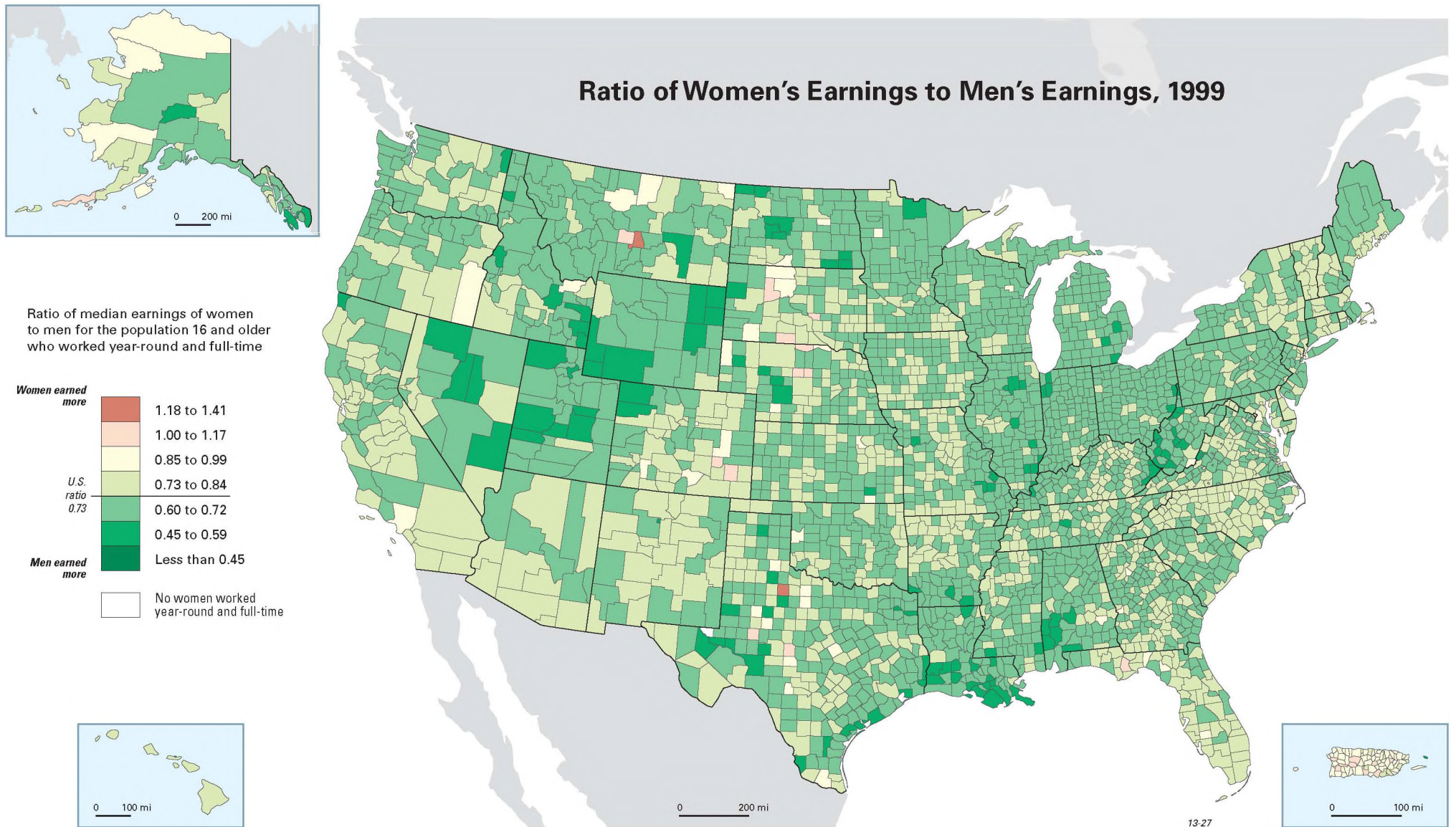
U.S. median \$15,999



Median earnings for the population 45 to 64 years old; includes part-time and seasonal workers

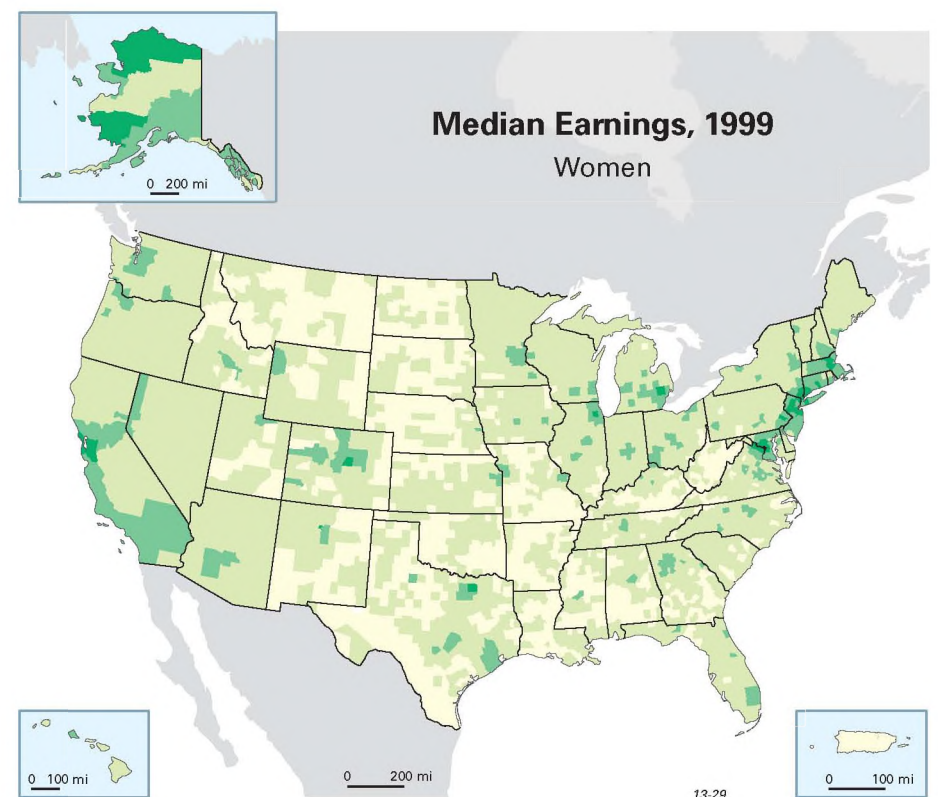
U.S. median \$21,900





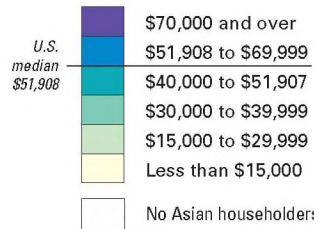
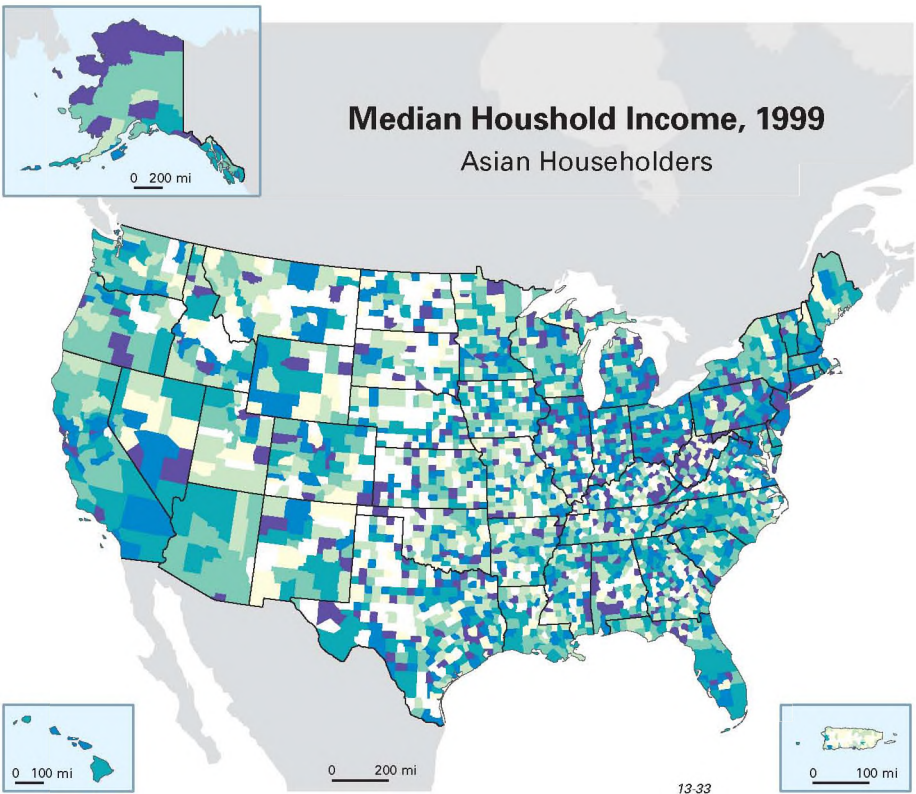
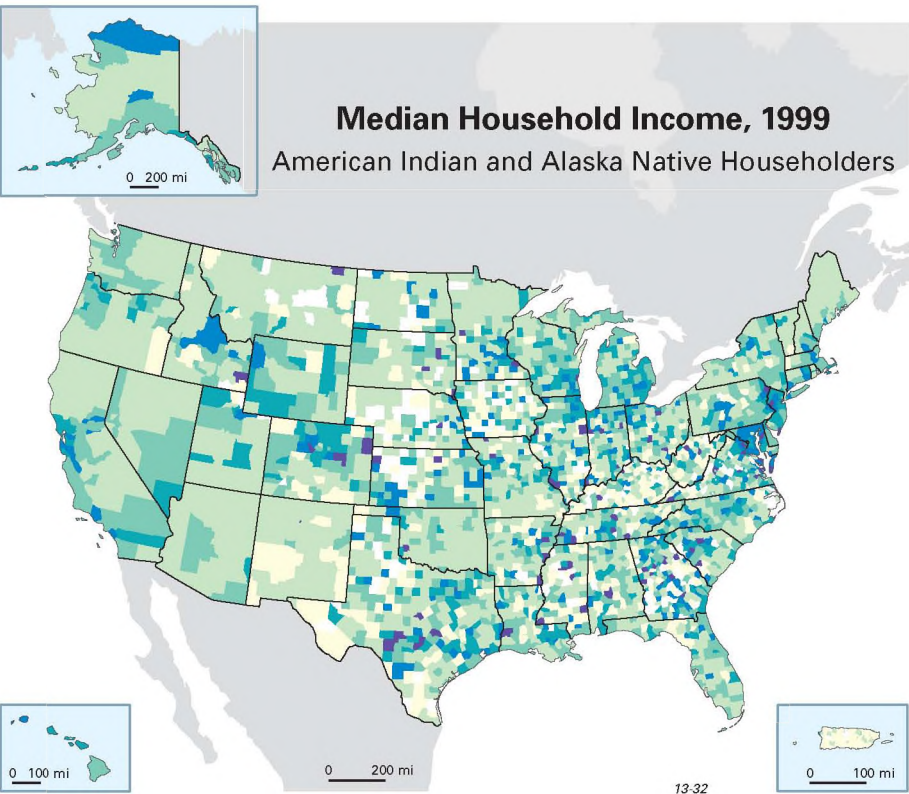
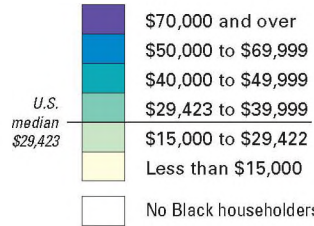
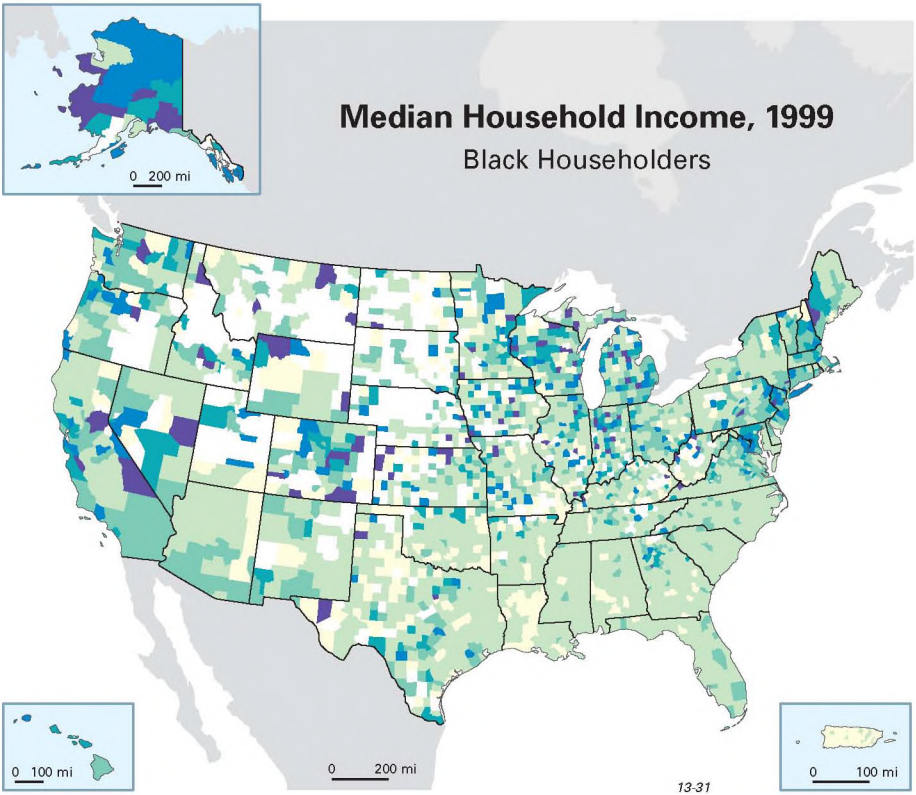
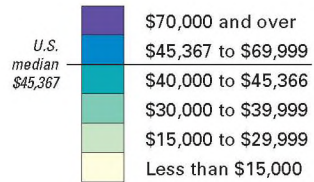
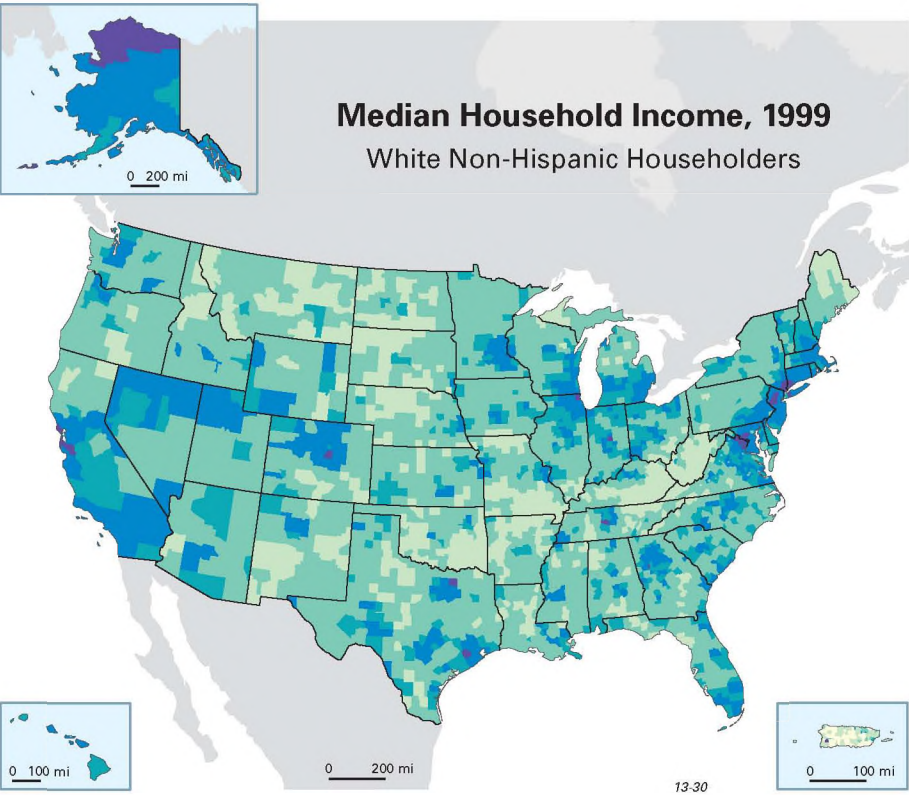
Median earnings for men 16 and older who worked year-round and full-time

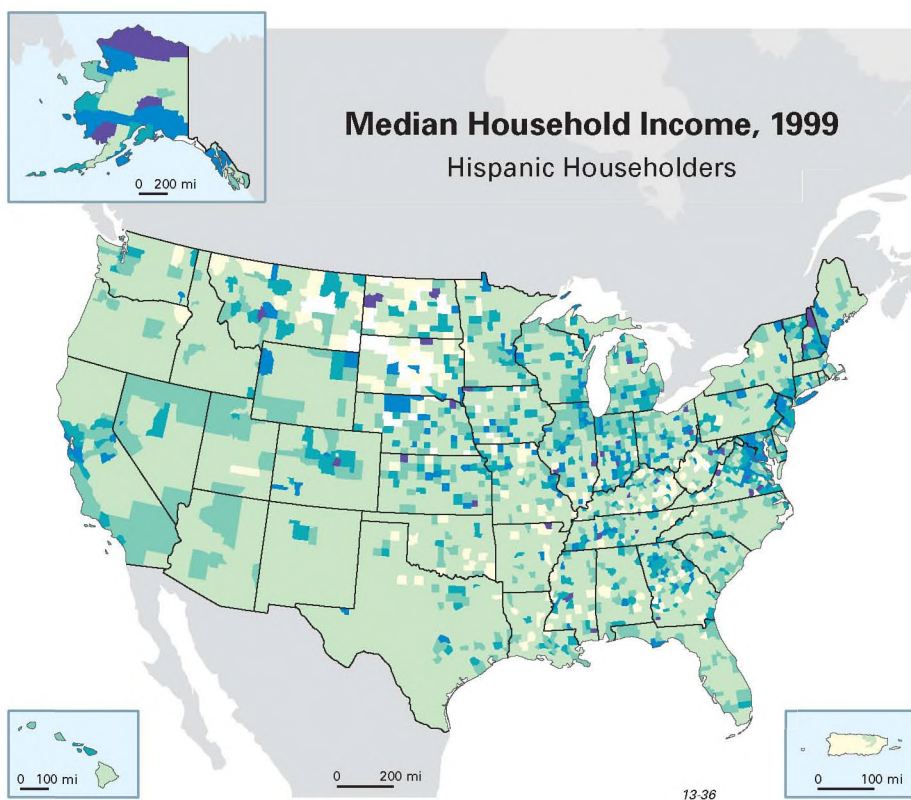
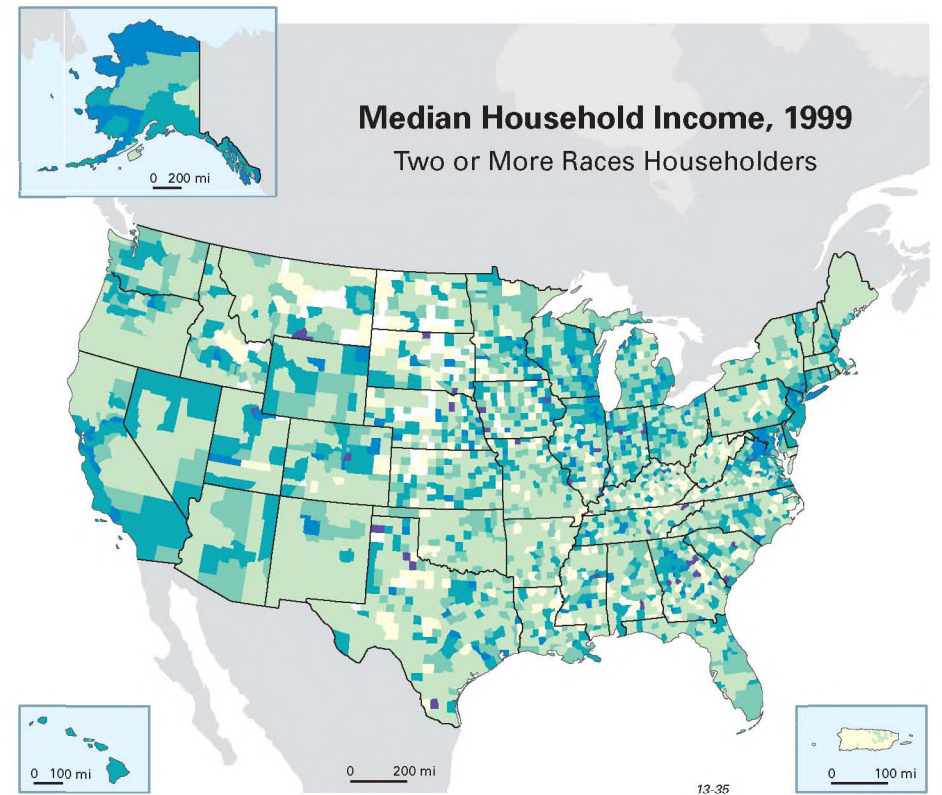
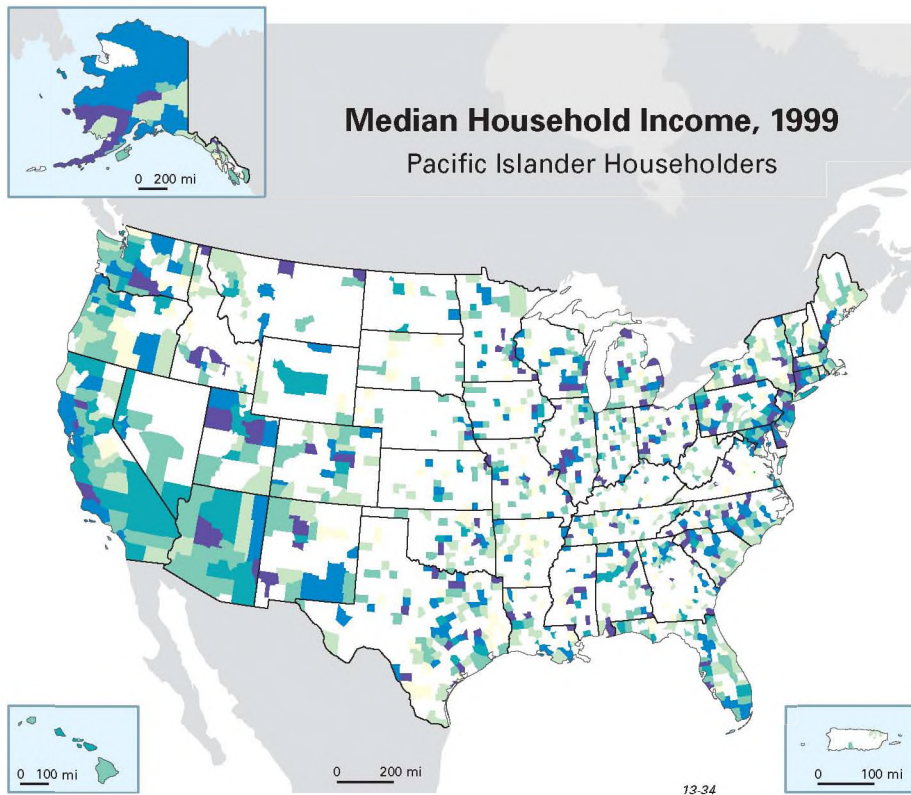
	\$45,000 to \$70,063
U.S. median \$37,057	\$37,057 to \$44,999
	\$25,000 to \$37,056
	\$20,000 to \$24,999
	\$12,097 to \$19,999

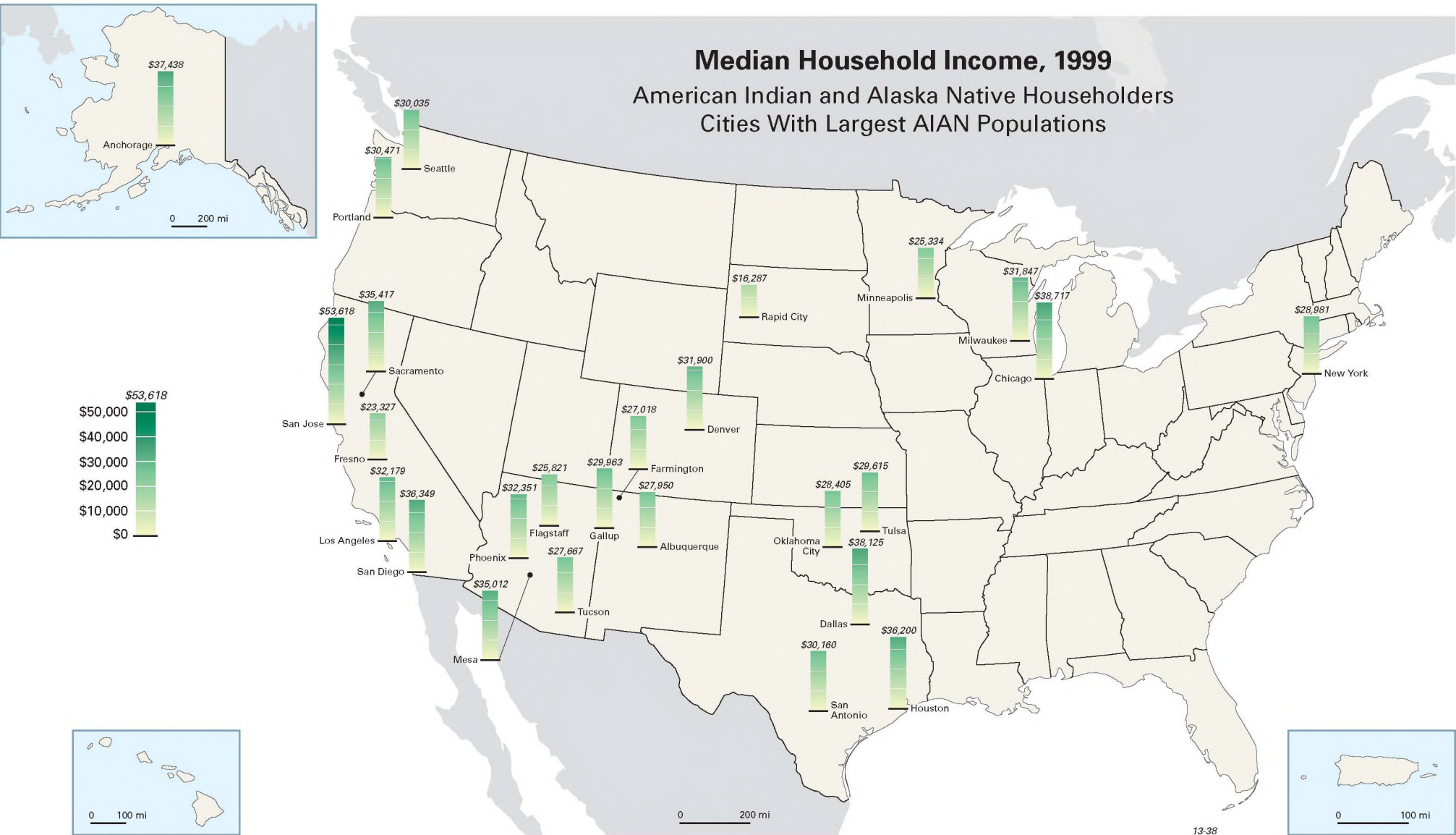
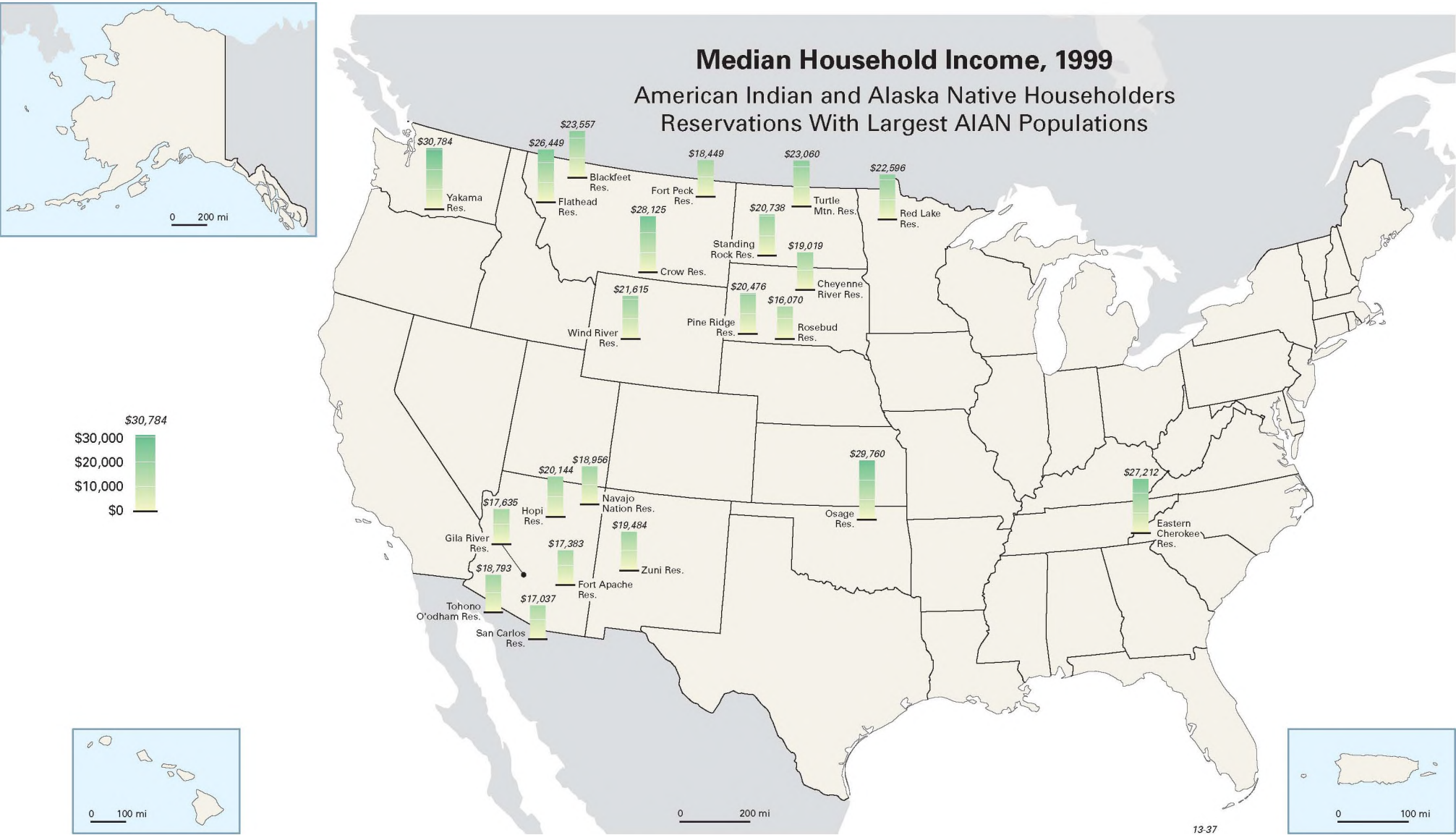


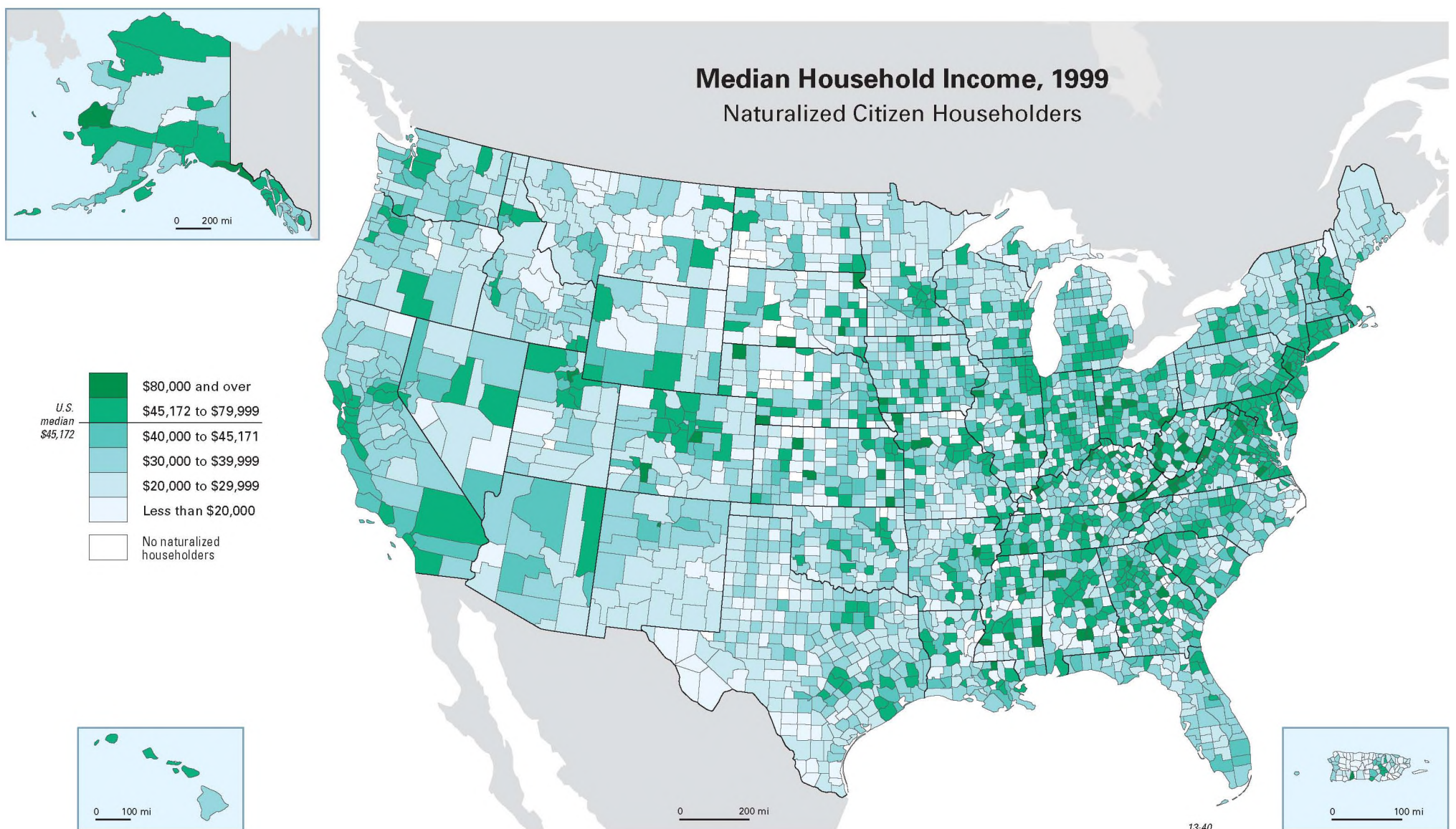
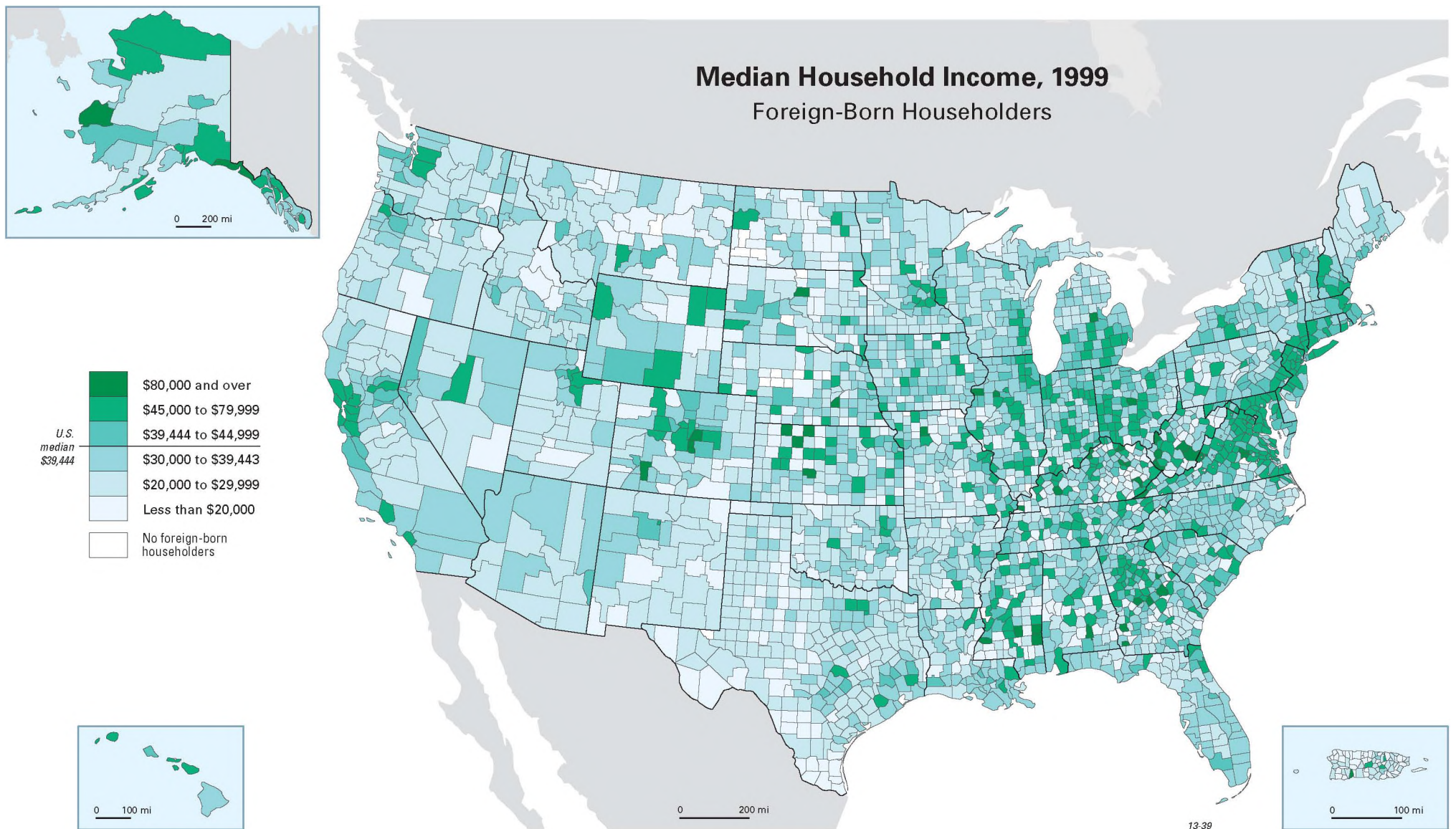
Median earnings for women 16 and older who worked year-round and full-time

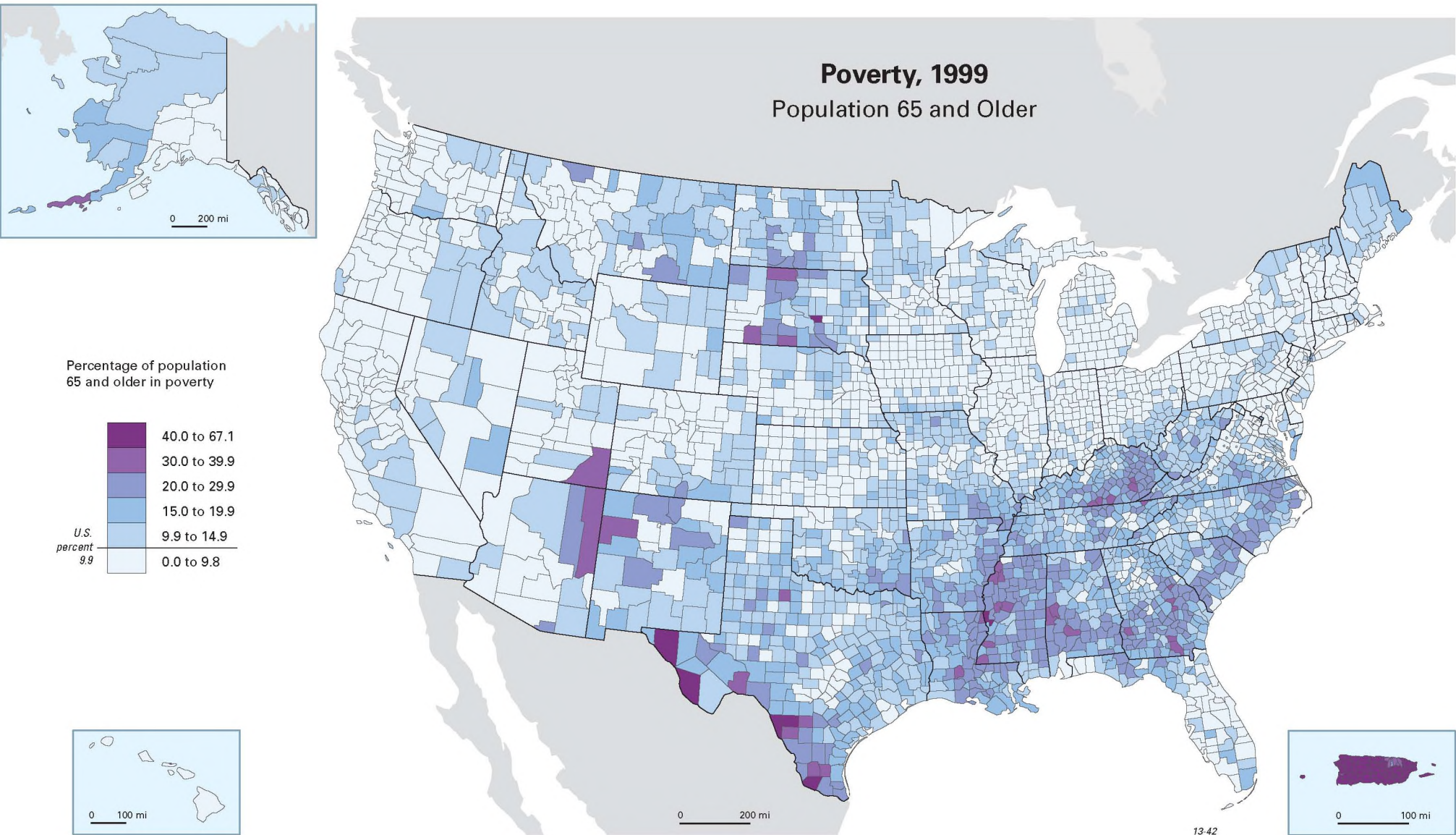
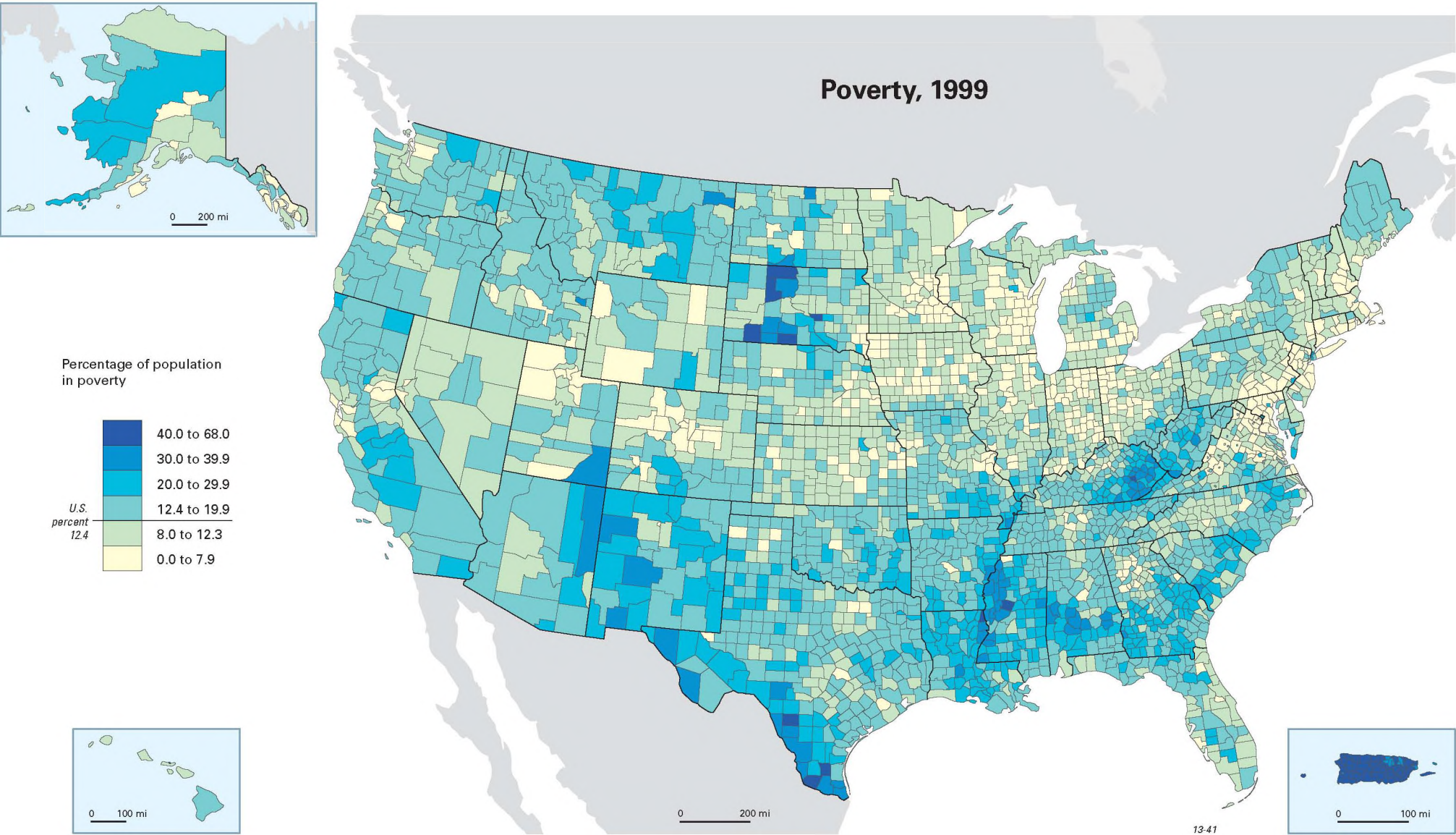
	\$35,000 to \$46,014
U.S. median \$27,194	\$27,194 to \$34,999
	\$20,000 to \$27,193
	\$11,648 to \$19,999
	No women worked year-round and full-time

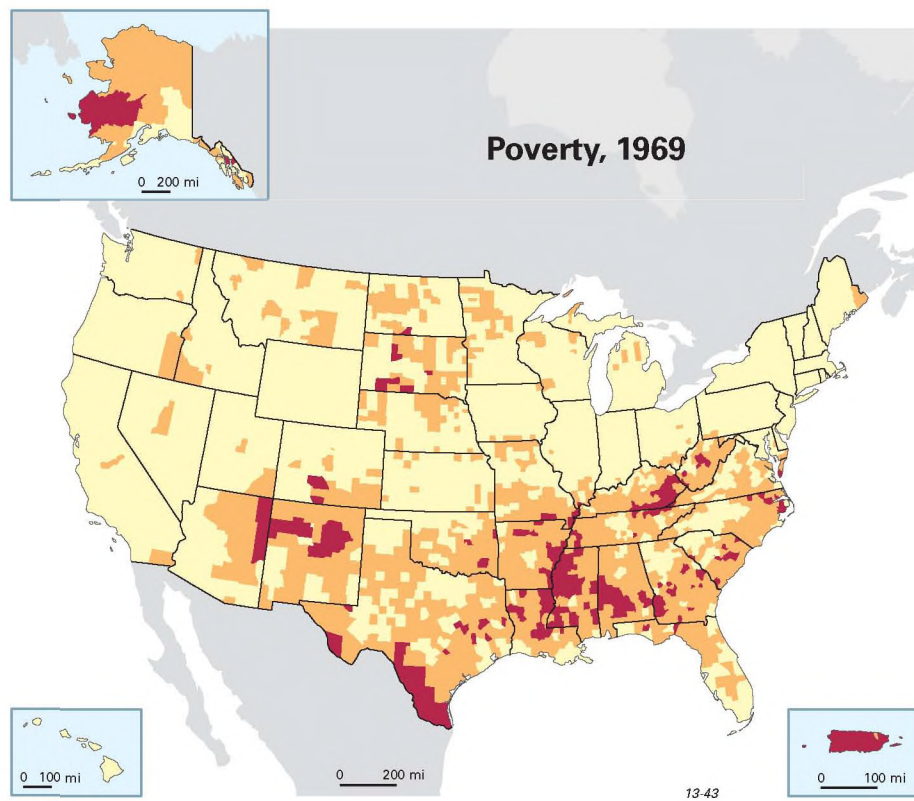




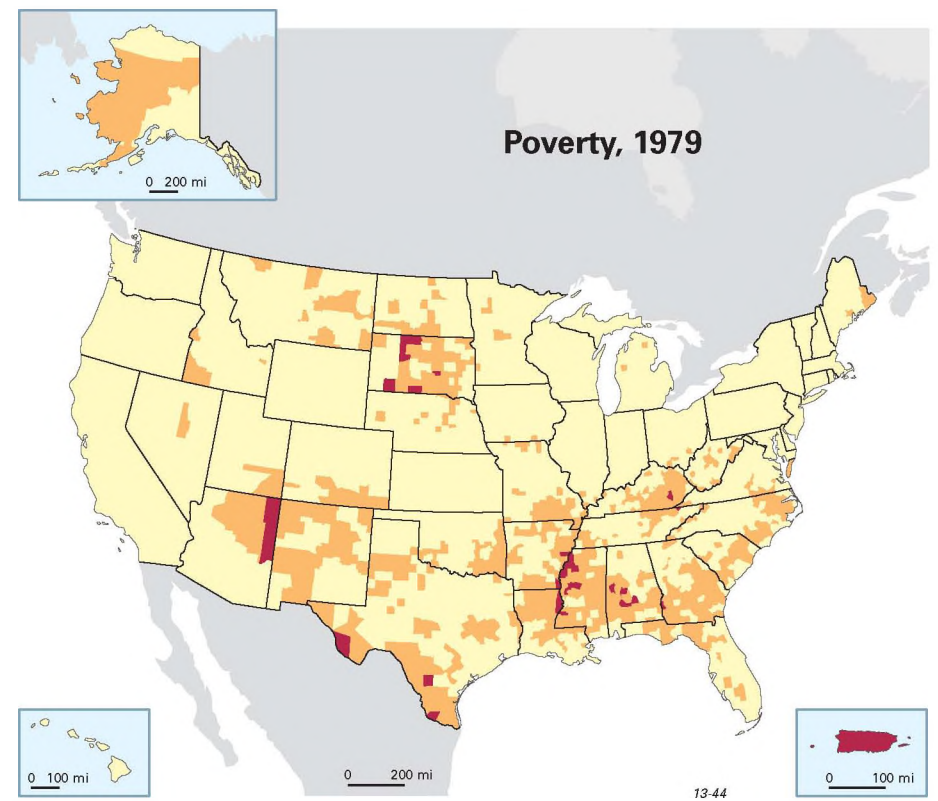
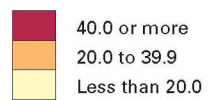




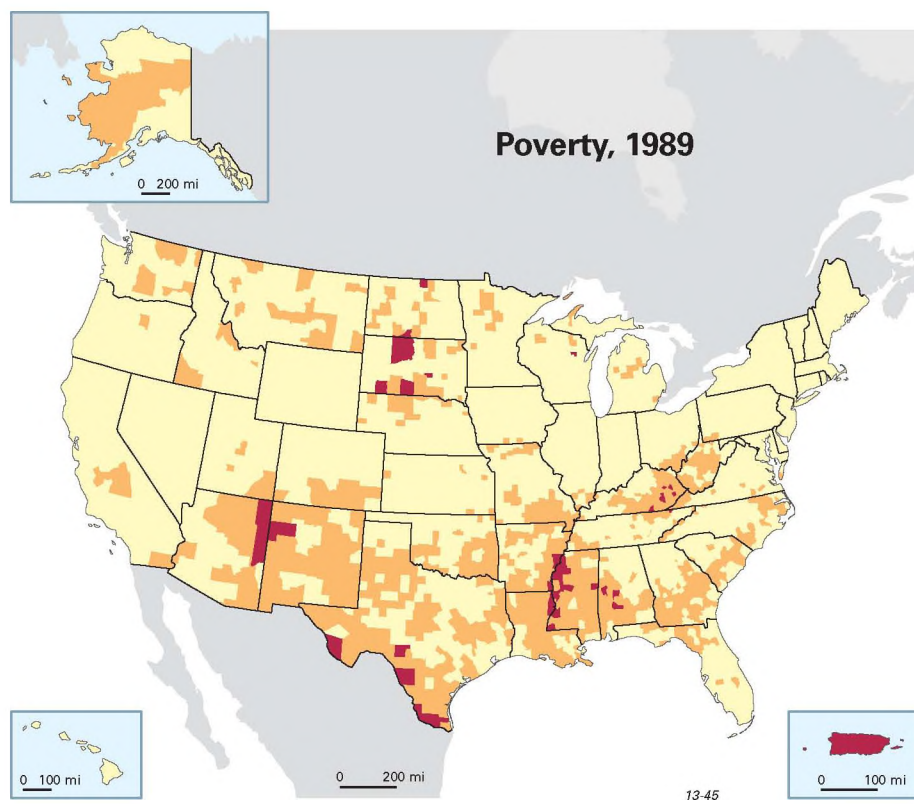
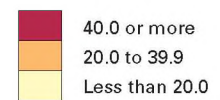




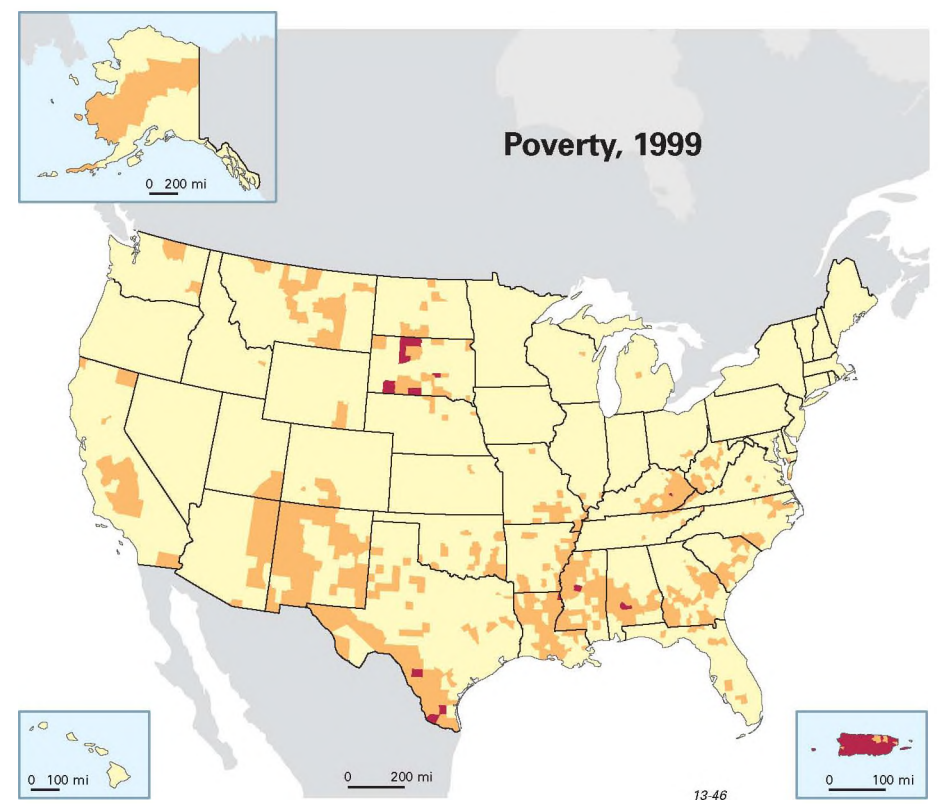
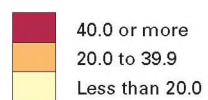
Percentage of population in poverty; U.S. percentage 13.7



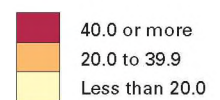
Percentage of population in poverty; U.S. percentage 12.4



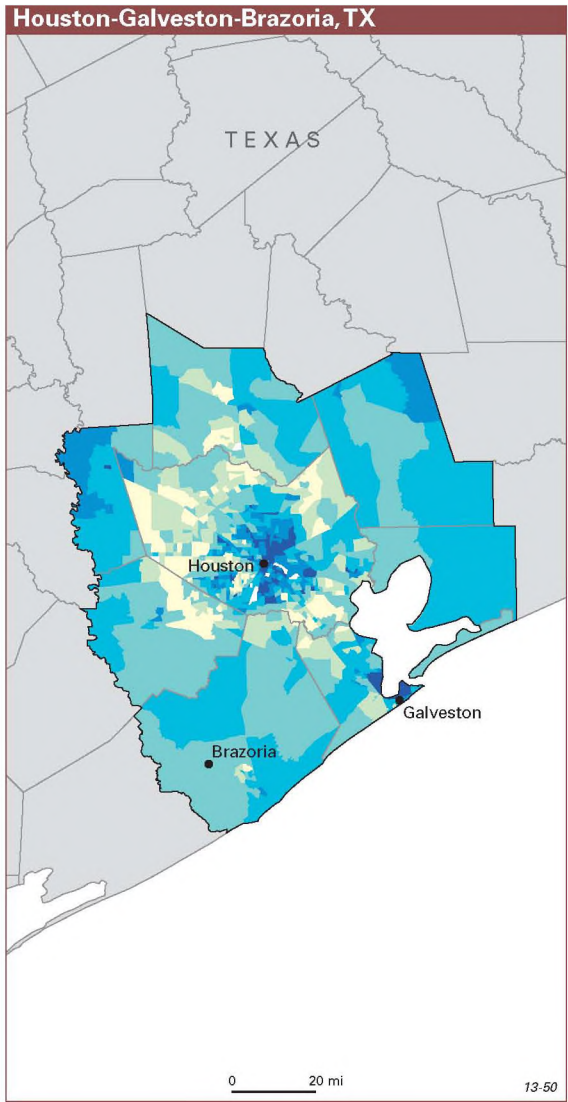
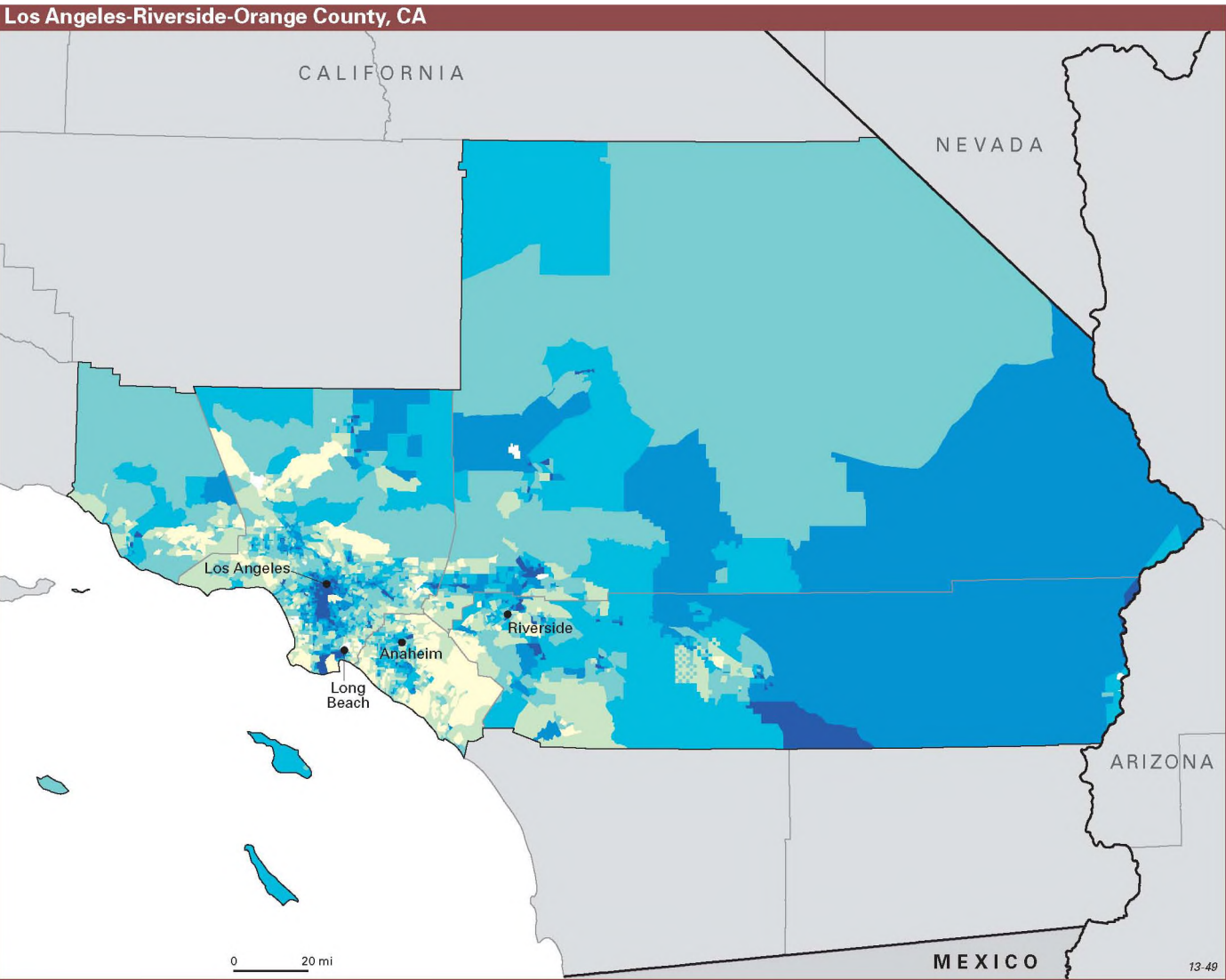
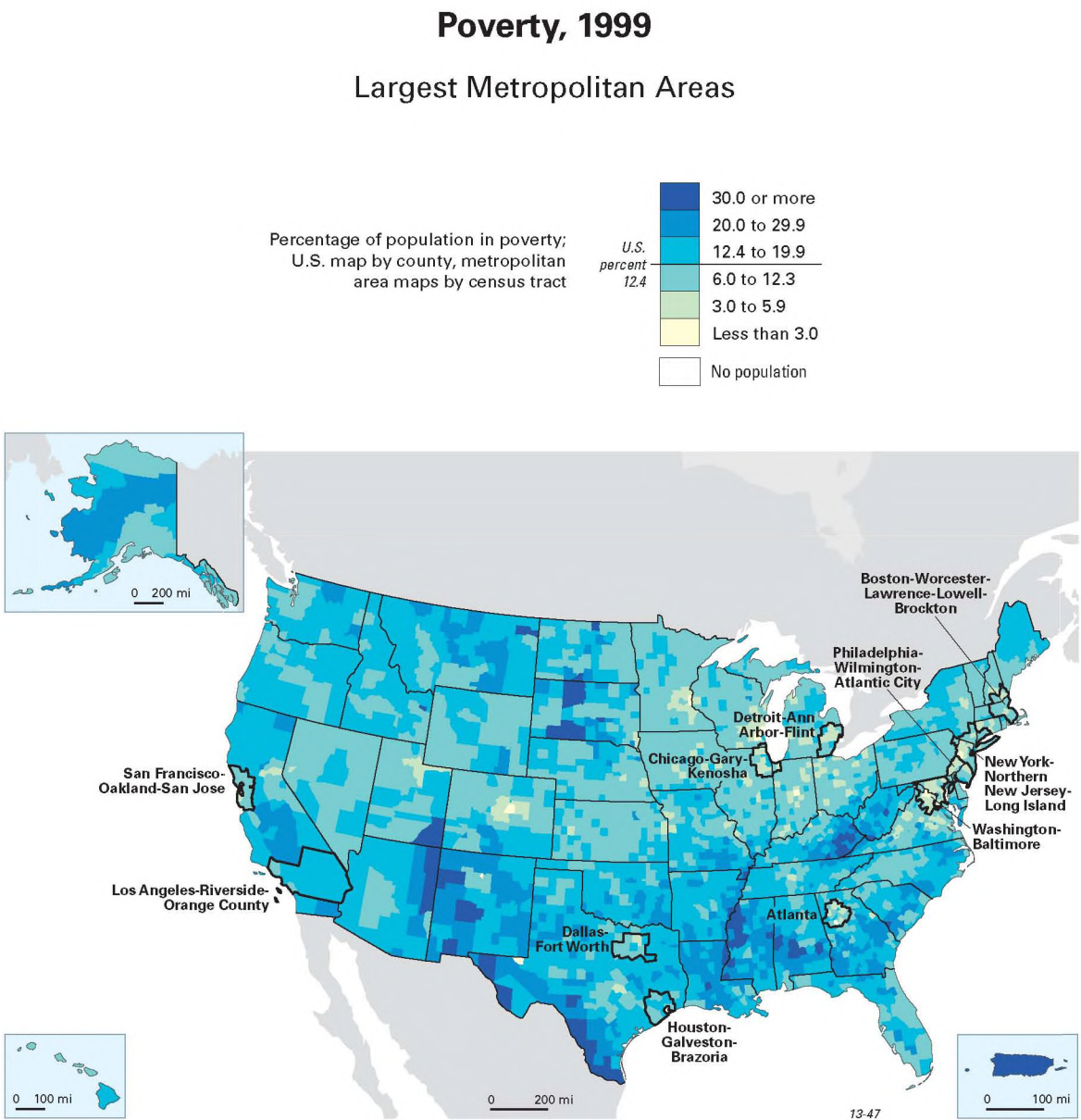
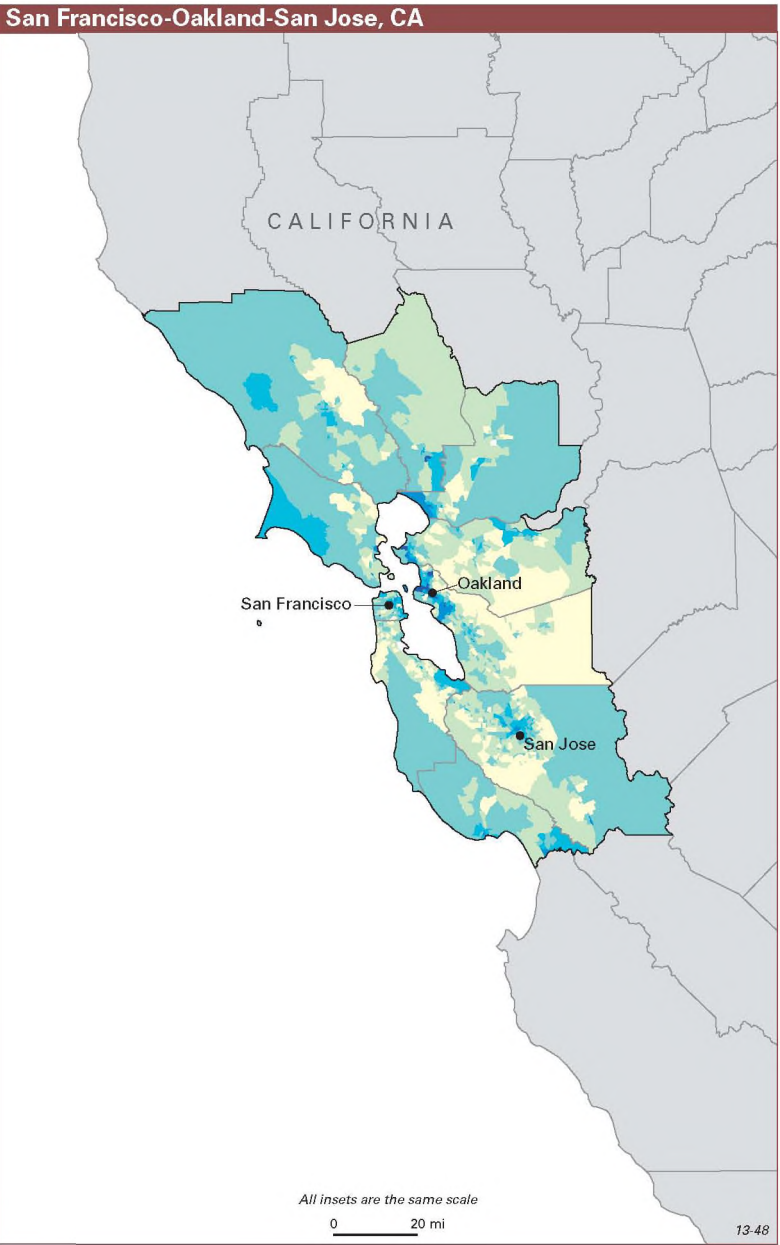
Percentage of population in poverty; U.S. percentage 13.1

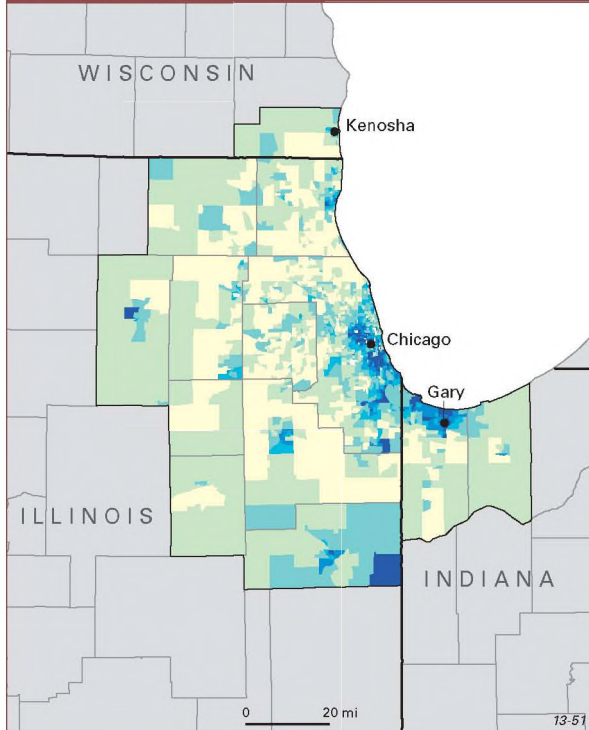
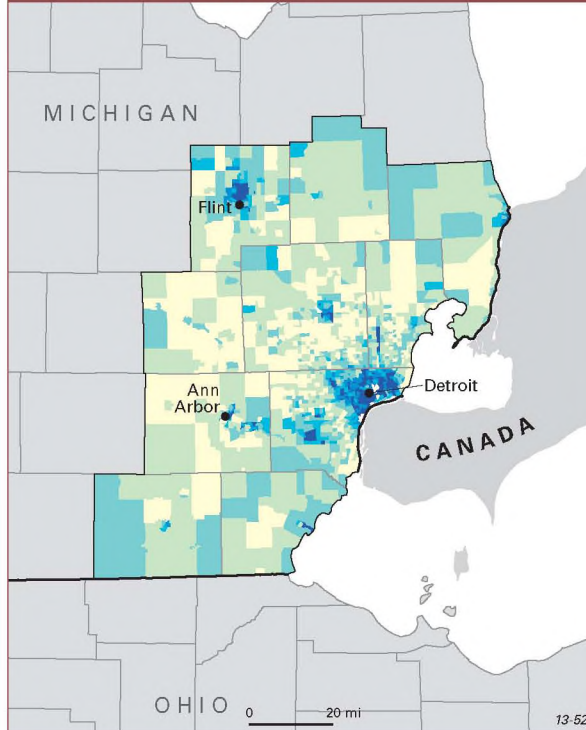
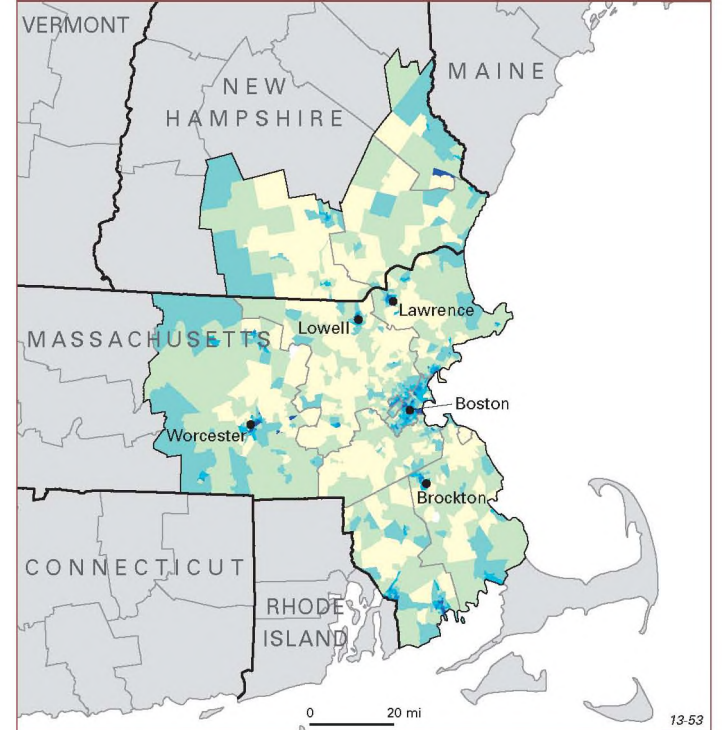
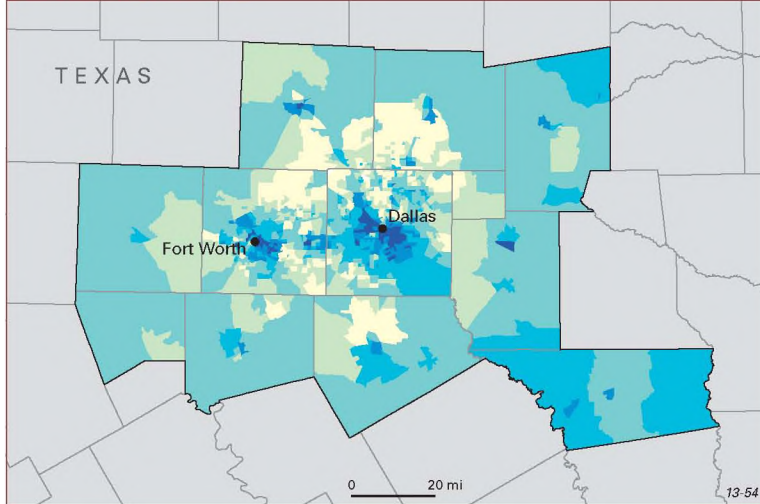
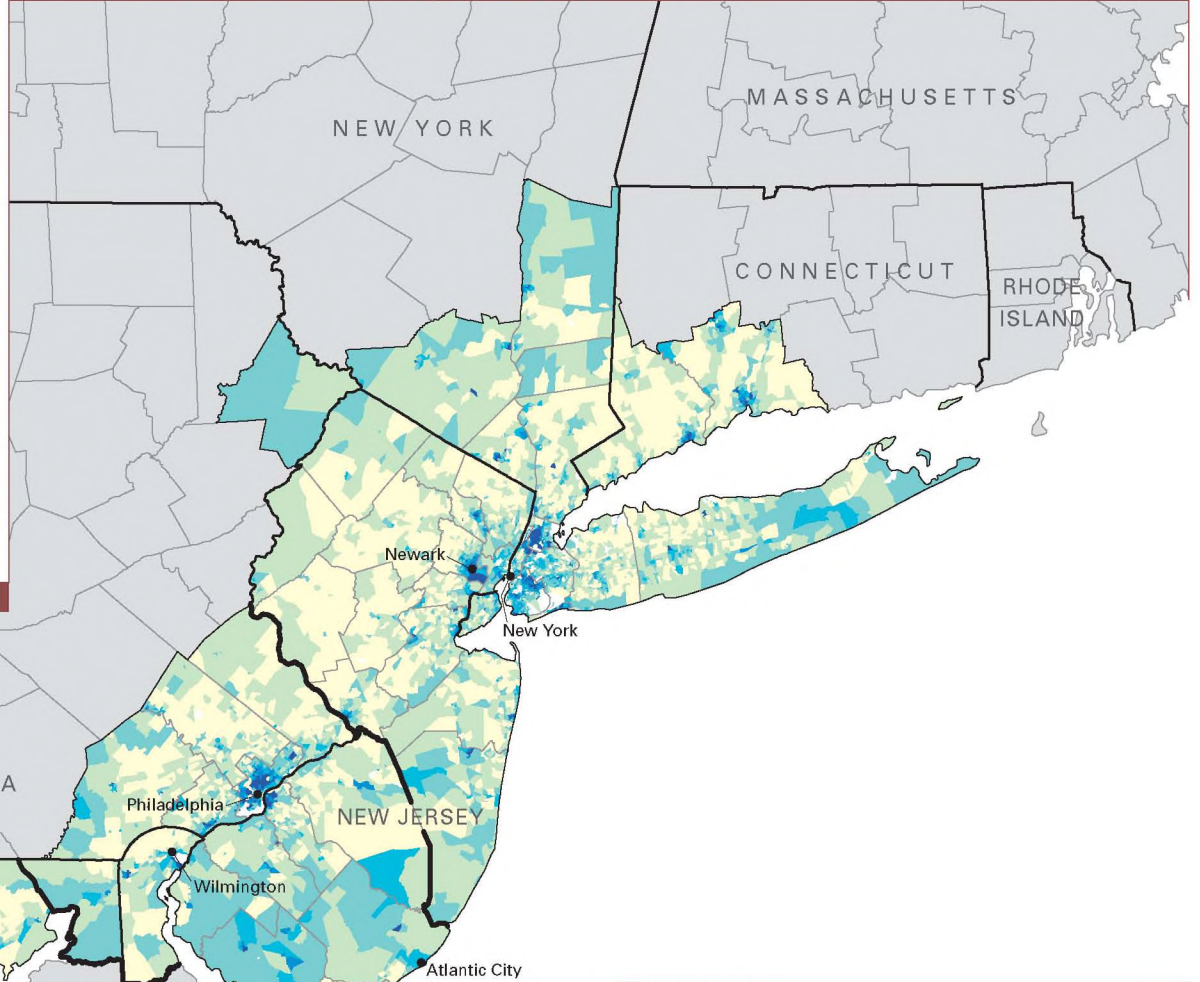
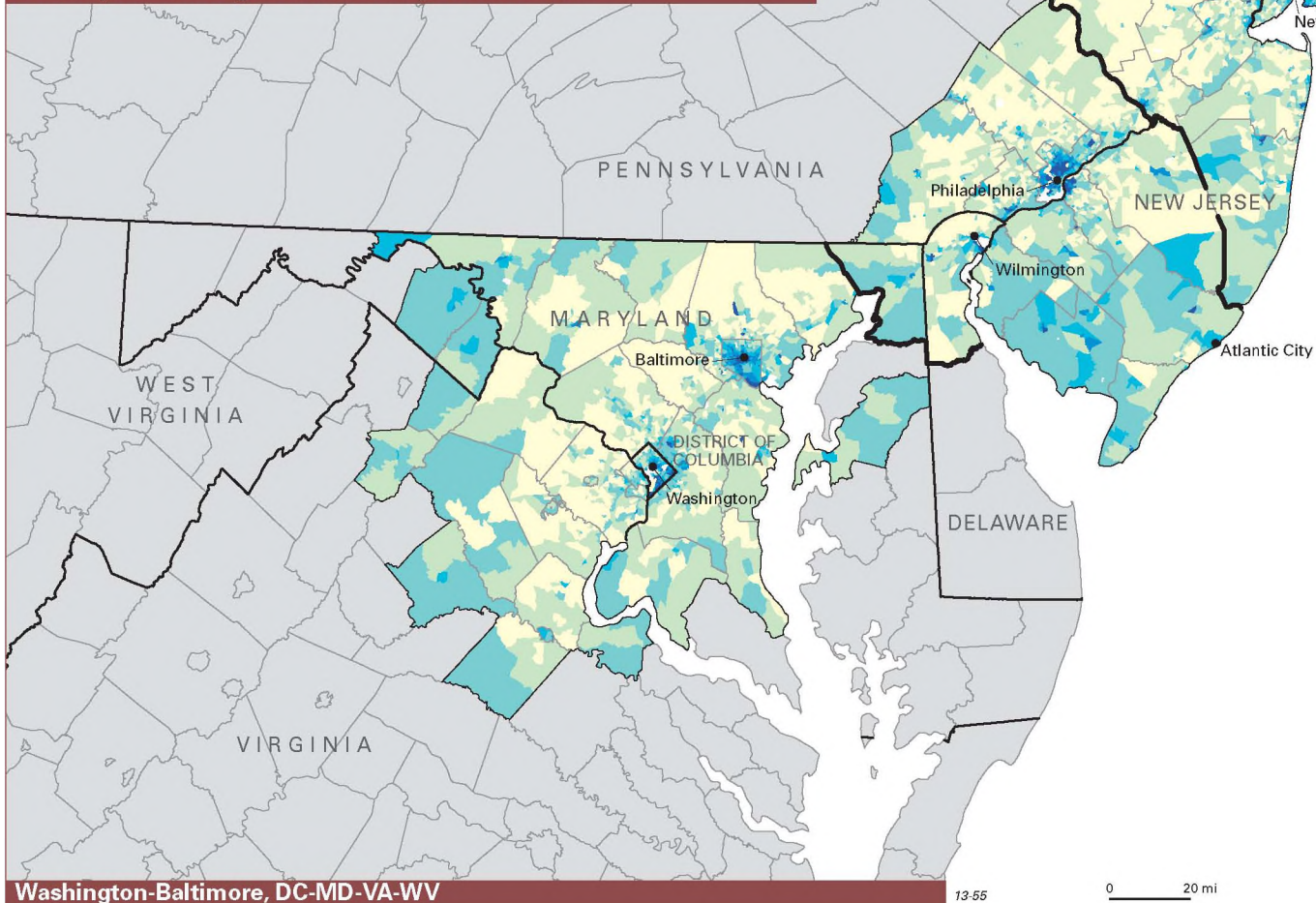


Percentage of population in poverty; U.S. percentage 12.4



METROPOLITAN AREAS



Chicago-Gary-Kenosha, IL-IN-WI**Detroit-Ann Arbor-Flint, MI****Boston-Worcester-Lawrence-Lowell-Brockton, MA-NH****Dallas-Fort Worth, TX****New York-Northern New Jersey-Long Island, NY-NJ-CT-PA****Philadelphia-Wilmington-Atlantic City, PA-NJ-DE-MD****Atlanta, GA**