Sharp rise in extreme-poverty neighborhoods in the US since 2000

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While Democrats and Republicans in Washington continue to wrangle over the precise means by which what's left of the social safety net should be shredded, reports continue to emerge detailing the desperate economic condition facing tens of millions in the US.

Basing itself on US Census Bureau material, the Brookings Institution, a liberal think tank in Washington, D.C., has issued a report on the "Re-emergence of Concentrated Poverty," which reveals, among other things, that the population in extreme-poverty neighborhoods (where at least 40 percent of residents live below the official poverty line) rose by *one third* from 2000 to 2005-2009. The report suggests that, given the ongoing economic slump, this process will continue.

When the researchers speak of "extreme poverty," they are hardly overstating the case. Some 20.5 million people in the US, or 6.7 percent of the population, survive at 50 percent or less of the official poverty line. According to the Associated Press, "Those living in deep poverty represent nearly half of the 46.2 million people scraping by below the poverty line. In 2010, the poorest poor meant an [annual] income of $5,570 or less for an individual and $11,157 for a family of four." For the record, Goldman Sachs chief executive officer Lloyd Blankfein makes approximately $9,200 *each hour*.

Extreme poverty is a condition, in other words, of destitution in which getting by from one day to the next is a painful, often humiliating process. The 6.7 percent figure is the highest in the 35 years the Census Bureau has been keeping such records, surpassing the previous highs in 2009 and 1993.

The Brookings study indicates that concentrated poverty almost doubled in Midwestern urban communities during the past decade and increased by a third in Southern metropolitan areas (such as El Paso, Texas, Baton Rouge, Louisiana, and Jackson, Mississippi). Furthermore, the report's authors note that from 2000 to 2005-2009 the population in extreme-poverty neighborhoods rose more than twice as fast in suburbs as in cities.

The Northeast was not spared either. New Haven, Connecticut, home to Yale University, with all its wealth and influence, is one of the nation's fastest-growing centers of concentrated poverty. Western metropolitan areas, which did not fare too badly in the first half of the 2000s, "experienced the largest growth in their rate of concentrated poverty from 2005–09 to 2010."

The sharp increase in impoverished neighborhoods in the Midwest in particular also "altered the average demographic profile of extreme-poverty neighborhoods. Compared to 2000, residents of extreme-poverty neighborhoods in 2005–09 were more likely to be white, native-born, high school or college graduates, homeowners, and not receiving public assistance [9.7 percent of those living in the poorest neighborhoods held bachelor's degrees]."

The authors of "The Re-Emergence of Concentrated Poverty," Elizabeth Kneebone, Carey Nadeau, and Alan Berube, seem at times almost taken aback by their own findings. Writing of the growth of economic deprivation in the Midwest (due primarily to the decimation of manufacturing), for instance, they note that metropolitan areas in the region "registered a 79 percent increase in extreme-poverty neighborhoods in the 2000s. The number of poor living in these tracts almost doubled over the decade, pushing the concentrated poverty rate in the region's metro areas up by a staggering 5 percentage points."

The study points to the "economic struggles" of regions such as Detroit and Grand Rapids, Michigan; Toledo, Dayton, Akron and Youngstown, Ohio; Indianapolis; and Chicago, and adds: "Concentrated poverty in these metro areas spread beyond the urban core to what might previously have been considered working-class areas. Poor local labor market conditions may have pushed up poverty rates across a more demographically and economically diverse set of neighborhoods than traditional 'underclass' areas."

In the case of the Detroit metropolitan area, "as extreme-poverty neighborhoods spread in the cities of Detroit and Warren, and in Oakland (Pontiac) and St. Clair Counties (Port Huron), scores of other neighborhoods saw poverty rates climb markedly—crossing the 10, 20, and even 30 percent poverty level—in both the inner-ring suburbs and along the metropolitan fringe."

However, the spread of poverty to once relatively affluent areas in the Sun Belt (stretching across the South and the Southwest) in the most recent period is one of the study's most striking features. The collapse of the housing market and subsequent downturn have had a particularly severe impact on areas such as Cape Coral and Palm Bay, Florida; Fresno, Modesto and Riverside, California; as well, of course, as Las Vegas.

The list of metropolitan areas with the greatest primary city increase in concentration of poverty over the past decade is topped by Bradenton-Sarasota-Venice, Florida (a 36.7 percent increase), Youngstown-Warren-Boardman, Ohio-Pennsylvania (36.3 percent), Portland-South Portland-Biddeford, Maine (25.4 percent) and Dayton, Ohio (25.2 percent). The areas with the greatest suburban growth of poverty concentration include New Haven-Milford, Connecticut (a 13.8 percent increase), Poughkeepsie-Newburgh-Middletown, New York (13.1 percent), Palm Bay-Melbourne-Titusville, Florida (10.2 percent) and Cleveland-Elyria-Mentor, Ohio (8.0 percent).

The developments of the past decade represent a significant change from the 1990s. In what the Associated Press terms "a stunning reversal of economic fortune," after a decline in the number of poor people living in concentrated areas of poverty from 4.4 million to 3 million during the 1990s, "By 2009, the number again exceeded 4 million, and the Brookings researchers assume the figure will be larger still when the Census releases detailed data for 2010" (AP).

The 2000s wiped out much of the progress that was made in the central cities in the 1990s, "while accelerating and spreading the growth of higher-poverty suburban communities."

As AP comments, "In all, the numbers underscore the breadth and scope by which the downturn has reached further into mainstream America. 'There now really is no unaffected group, except maybe the very top income earners,' said Robert Moffitt, a professor of economics at Johns Hopkins University. 'Recessions are supposed to be temporary, and when it's over, everything returns to where it was before. But the worry now is that the downturn—which will end eventually—will have long-lasting effects on families who lose jobs, become worse off and can't recover.' "

The solutions the Brookings Institution authors propose in response to this disastrous situation ("regional economic development strategies," more "balanced growth," greater "economic integration," "stronger connections between poor neighborhoods and areas with better education and job opportunities," etc.) are not to be taken seriously. The Obama administration and both parties in Congress, as well as every level of state and local government, are agreed on one point: nothing can stand in the way of the wealthy enriching themselves, and far from any new social reforms being envisioned, all existing programs "are on the table [i.e., the chopping block]."