

Perspectives

On Poverty, Policy, & Place

Fall 2004 • Volume 2/Number 3

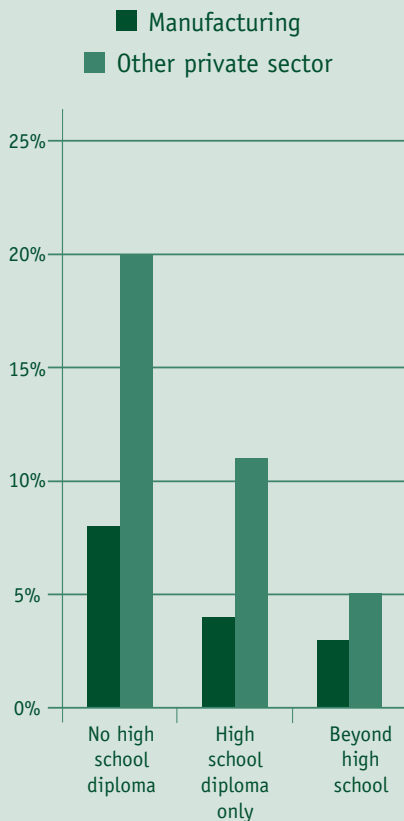
rupri

rural policy research institute

The Newsletter of the
**RUPRI Rural Poverty
Research Center**

FAST FACT

Family Poverty Rates for Rural Manufacturing and Other Private-Sector Workers, by Education, 1998



Source: ERS, based on March 1999 Current Population Survey. In "Boon or Bust? New Technology Manufacturing in Low-Skill Rural Areas." ERS data brief.
www.ers.usda.gov/Briefing/Industry/boonorbust/ch1.htm

OVERVIEW

As one of the nation's most impoverished areas, the rural South continues to be challenged in its capacity to adjust to the changing economic, social, and demographic conditions of the region. A recent conference, cosponsored by RPRC and the Southern Rural Development Center, "In the Shadows of Poverty: Strengthening the Rural Poverty Research Capacity of the South," assembled a community of social science researchers to discuss strategies for alleviating poverty in the South. The participants presented papers on a variety of topics, including regional development, emerging poverty issues in the region, and state and federal policy challenges. We feature summaries of four papers here.

The Defining Characteristics of Regional Poverty

p. 3

Calvin Beale and John Cromartie

Reporting on an article by Calvin Beale, John Cromartie documents regional characteristics that contribute to high county-level poverty.

2004–2005 RUPRI RPRC Undergraduate Leadership Program in Rural Poverty Research and Policy

p. 6

Families Facing Material Hardship by Region and Urban-Rural Locales

p. 8

Jane Mosley, Kathleen K. Miller, and Heather Koball

Mosley and coauthors examine material hardship and income poverty, finding distinctions regionally but close overlap when comparing metro, nonmetro, and central city areas.

The Changing Face of the Working Poor

p. 12

Bradford Mills, Brian Whitacre, and Christiana Hilmer

Mills and coauthors examine the changing dynamics of the working poor, finding that more of those with some college experience now count themselves among the working poor, and that the characteristics of the working poor in the nation as a whole have converged with those in the South.

A Community-Based Research Framework

p. 14

John J. Green

Green advocates a community-based research framework as a way for current research to inform public policy in a more immediate manner. He illustrates the strengths of this framework through two studies of underemployment and health in the Mississippi Delta.

More information and select papers available at
<http://srdc.msstate.edu/poverty/proceedings.htm>

Perspectives:

On Poverty, Policy, & Place

The newsletter of the RUPRI Rural Poverty Research Center

Publisher

Rural Poverty Research Center, a national center of the Rural Policy Research Institute

Co-Directors

Charles W. Fluharty, University of Missouri

Bruce A. Weber, Oregon State University

Editor

Barbara Ray, Hired Pen, Inc., Chicago

www.hiredpenchicago.com

Perspectives is published quarterly by the Rural Poverty Research Center. Articles may be reprinted on request. Core funding for RPRC is provided by the Office of the Assistant Secretary for Planning and Evaluation (ASPE) of the U.S. Department of Health and Human Services. The RPRC is an academic research center whose aim is to provide timely and useful research on the causes and effects of rural poverty and on policy options to reduce rural poverty and its effects. It will serve as a catalyst for more effective collaboration between policymakers, practitioners, and researchers and support the development of a next generation of rural poverty scholars.

Bylines—Each article in the newsletter features the byline “based on research by...”, which signifies that the article, while written by our editorial staff, has been reviewed and approved by the original researcher. With this approach, we hope to disseminate research to a broad audience in a format that is accessible, reliable, and accurate.

The RUPRI Rural Poverty Research Center is one of three Area Poverty Research Centers funded by ASPE/HHS. This project was supported with a grant from the U.S. Department of Health and Human Services, Office of the Assistant Secretary for Planning and Evaluation, grant number 02 ASPE416A. The opinions and conclusions expressed herein are solely those of the author(s) and should not be construed as representing the opinions or policy of any agency of the federal government, nor of the RUPRI Rural Poverty Research Center.

Editorial Offices

Rural Poverty Research Center
Oregon State University, 213 Ballard Hall
Corvallis, OR 97331-3601
Phone: 541.737.1442
Fax: 541.737.2563
rprc@oregonstate.edu

For information on articles, contact:

Bruce Weber, Oregon State University
bruce.weber@oregonstate.edu

Design

The Glasoe Group, www.glasoegroup.com

Website

www.rprconline.org

Conference Proceedings In the Shadows of Poverty: Strengthening the Rural Poverty Research Capacity of the South



Memphis, Tennessee, July 21–23, 2004

Cosponsored by the Southern Rural Development Center and the RUPRI-RPRC

Welcome and Introductions

Bo Beaulieu, Southern Rural Development Ctr.

Keynote Address

Poverty in Rural America:

What Do We Know and What Do We Need to Know?

Bruce Weber, RUPRI Rural Poverty Research Ctr.

Setting the Stage

- High Poverty in the Rural South: Progress and Persistence in the 1990s, *John Cromartie, ERS/USDA*
- Is There a Gorilla in the Room? Conceptualizing Poverty and Reconceptualizing Rural Poverty, *Rosalind P. Harris and Julie N. Zimmerman, Univ. of Kentucky*

The Grassroots Perspective

- Appalachia, *Judy Jones, Univ. of Kentucky Ctr. for Rural Health*
- Black Belt, *Sokoya Finch, Florida Family Network*
- Mississippi Delta, *Miriam Karanja, Arkansas Women's Business Development Ctr.*

Poverty and Vulnerable Populations

Moderator: *Jack Shaw, Office of Community Development, USDA Rural Development*

- Working Poor in the Rural South, *Bradford F. Mills, Brian E. Whitacre, Christiana Hilmer, Virginia Tech*
- Children and their Basic Needs, *Debra L. Prince, Mississippi State Univ.*
- Material Hardship among Families Across Time and Place, *Jane M. Mosley and Kathleen Miller, Univ. of Missouri-Columbia; Heather Koball, Columbia Univ.*
- Food Banking in the Deep South: Profiles of Clients and Directors, *Patricia A. Duffy, Marina Irimia-Vladu, and Joseph J. Molnar, Auburn Univ.; Suzie Cashwell, Western Kentucky Univ.; John Bartkowski, Mississippi State Univ.*
- ‘Reforming’ the Border: Opportunities and Obstacles to Reducing Persistent Poverty in the Rio Grande Valley of Texas, *Mark H. Harvey, Univ. of Wisconsin*

Economic Restructuring in the Rural South

Moderator: *Ntam Baharanyi, Tuskegee Univ.*

- Regional Innovation Systems as the Key to Global Competitiveness: Implications for Rural Areas and Workers, *David L. Barkley, Mark S. Henry, and Santosh Nair, Clemson Univ.*
- Prospects of Agricultural Entrepreneurship among Resource Limited Farmers in the Central Appalachian Tobacco Belt, *M’Kiara Kimathi Miriti and Eric Scorsone, Univ. of Kentucky*

- The Social and Economic Impact of Job Loss in Robeson County: Jobs for the Future, *Leslie Hossfeld, Univ. of N. Carolina at Pembroke; Mac Legerton, Ctr. for Community Action*

The Persuasive Nature of Poverty: State Challenges, State Responses

- Points of Progress, Pockets of Poverty, *Bruce McGowan and Walter Huston, Alcorn State Univ.*
- The Causes of Enduring Poverty in Alabama's Black Belt, *Andrew A. Zekeri, Tuskegee Univ.*
- Gender Relations, Housing Distress, and Persistent Poverty in Appalachia, *Joanna M. Badagliacco, Univ. of Kentucky*
- Poverty in the Mississippi Delta: A Community-Based Approach to Understanding the Problem and Exploring Diverse Alternatives, *John J. Green, Delta State Univ.*

The Black Belt Region of the South

Moderator: *Mark Henry, Clemson Univ.*

- Rural Economic Development and Persistent Poverty in the South, *Matt Bishop and Joe Whorton, Univ. of Georgia*
- The American Black Belt Region: A Forgotten Place, *Veronica Womack, Georgia College and State Univ.*

Policies for Addressing Poverty: Past, Current, and Future Strategies

- The Influential Sectors Program: A Look at Strategic Poverty Issues in Two Congressional Districts of South Carolina, *Leo Richardson, S. Carolina Inst. on Poverty and Deprivation*
- Total Effort Approach: A Strategy to Alleviate Poverty in the Southern U.S., *Fisseha Tegegne, Enefiok Ekanem, Safdar Muhammad, and Surrendra Singh, Tennessee State Univ.*
- Rural Poverty and the Cost of Living: Implications of Current Discussions on Changing How We Measure Poverty, *Dean Jolliffe, Economic Research Service, USDA*
- The Politics of Poverty in the Black Belt, *Lukata Mjumbe, Office of Congressman Artur Davis, Seventh Congressional District of Alabama*

Where Do We Go from Here?

Building an Agenda for the Future

Bo Beaulieu, Southern Rural Development Ctr.

More information and select papers available at <http://srdc.msstate.edu/poverty/proceedings.htm>

The Defining Characteristics of Regional Poverty

Based on research by Calvin Beale

To be effective, strategies to alleviate poverty in rural areas should be tailored to regional characteristics. People in poverty are not a monolithic group. They may all share the hardships of living below the poverty line, but that is where the similarities stop. Some areas, for example, may face high poverty rates because they have high unemployment. Others may have a preponderance of single-mother families who are more likely to be poor. Still others may

have large numbers of residents who do not speak English, which makes it hard to find and keep jobs.

In his presentation at the July 2004 conference hosted by SRDC and RPRC, John Cromartie, reporting on an article by Calvin Beale in *Amber Waves*,¹ charts the changing poverty rates in five high-poverty nonmetro areas to show the regional distinctions marking poverty and their implications for policy.

Calvin Beale and **John Cromartie** are senior demographer and geographer, respectively, at the Economic Research Service, U.S. Department of Agriculture. They conduct research on rural migration, population distribution, and the effects of demographic change on rural well-being.

Beale, in his article, focused on 444 U.S. nonmetro counties that were considered “high poverty” in 2000. High-poverty counties are those with county poverty rates of 20% or higher. By creating a typology to identify the overarching characteristics of those high-poverty counties, the authors were able to better articulate the face of poverty.

1. See Calvin Beale, “Anatomy of Nonmetro High Poverty Areas,” *Amber Waves*, February 2004 (www.ers.usda.gov/AmberWaves/February04). John Cromartie’s presentation at the conference was “High Poverty in the Rural South: Progress and Persistence in the 1990s.” Southern Rural Development Center/RUPRI Rural Poverty Research Center conference, “In the Shadows of Poverty: Strengthening the Rural Poverty Research Capacity of the South,” Memphis, TN, July 21–24, 2004.

Regional Distinctions of High-Poverty Counties

In general, high-poverty counties reflect racial-ethnic differences. Among poor individuals living in nonmetro ►

Table 1.
Characteristics of Nonmetro Counties by Poverty Status

Type of High-Poverty County	Nonmetro Counties	
	High-Poverty Counties	Non-High-Poverty Counties
African American		
Percent female-headed households w/children, no husband	32.7	16.8
Percent households with no vehicle	12.5	6.9
Hispanic		
Percent who do not speak English "very well"	21.7	2.7
Mean earnings (\$) of women working full-time, year-round	16,900	29,000
Native American		
No. of employees per 100 people	35	47
Ratio of poor under age 18 to poor aged 65+	5.9	2.6
Percent of poor in deep poverty (<75% of poverty line)	20.5	8.4
Southern Highland (predominantly white)		
Percent reporting disability, aged 21–64	31	20.2
Ratio of high school dropouts to college grads	3.5	1.3
Percent of male adults working full-time, year-round	35.6	47.5

Source: U.S Census Bureau, 2000

America, minority populations are much more likely than whites to live surrounded by poverty. Nearly one-half of all nonmetro African Americans and Native Americans, and nearly one-third of Hispanics live in high-poverty counties. In contrast, just over 10% of whites live amid high poverty. Often, the high poverty rates of minority groups push the county into a high-poverty status. For example, Crenshaw County in Alabama, a county that is majority white, had a white poverty rate of 17% but an African American poverty rate of 39%. It was this high black poverty rate that pushed the overall county poverty rate above 20%.

These racial-ethnic groups living in high poverty sort out regionally, with the southern coastal tier of high poverty defined by African Americans; the Southwest defined by Hispanics; and the Great Plains, parts of the Southwest,

and Alaska high-poverty counties defined by Native Americans.

In addition to the broad racial-ethnic categories are other characteristics that distinguish high-poverty counties. Poverty in the southern coastal tier, for example, is characterized by a high proportion of African American single mothers, and high proportions of poor families that do not own a car (see Table 1). In rural and small towns that have little or no public transportation, lack of a car can seriously impede access to employment and social services. See Figures 1–4 for a snapshot of some distinguishing characteristics in various high-poverty county types.

Poverty among high-poverty Hispanic counties, on the other hand, is often driven by limited English proficiency of residents, their lower education levels, and the low earn-

ing capacity of Hispanic women (see Table 1). Hispanic women in these counties earn on average \$16,900 for a full-time, year-round job, compared with \$29,000 for women in counties with low or moderate poverty.

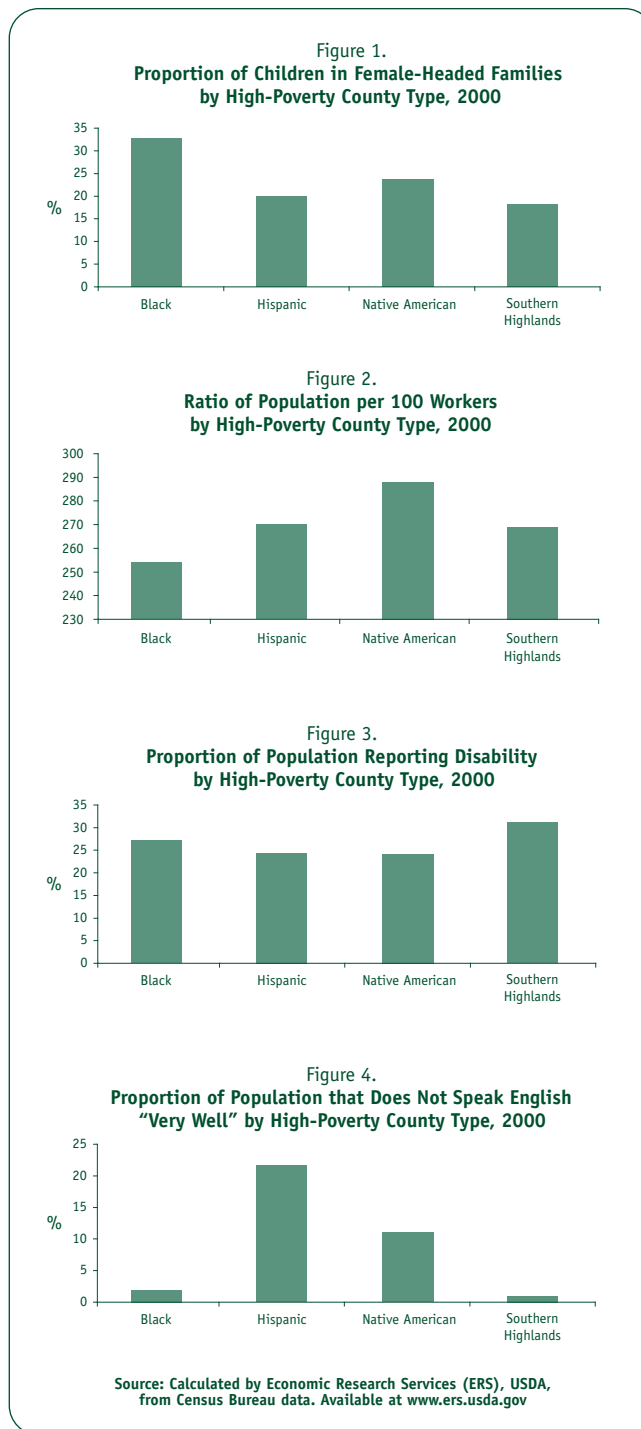
Native American high-poverty counties are characterized by very limited male employment, more children living in poverty, and deeper poverty (see Table 1). One in five Native Americans in high-poverty counties earns an income below 75% of the poverty line. These counties report some of the lowest male employment rates for full-time, year-round work, even compared with other high-poverty counties generally. In 2000, only 36% of men aged 16 and older in high-poverty Native American counties were employed full-time, year-round. Even with a job, earnings are low. Among Native American men employed in Todd County, home of the Rosebud Sioux reservation, earnings for full-time year-round work were, on average, \$21,000 per year.

Not all high-poverty counties are dominated by racial-ethnic groups. Of the 444 high-poverty counties, one-fourth are predominantly white. These counties tend to cluster in the southern highlands of eastern Kentucky and West Virginia, but also in the Ozarks and Ouachita Mountains, west of the Mississippi. Poverty in the southern highlands is chronic. Historically, the region has had limited commercial farming, few urban centers, and much of the area was subject to boom and bust cycles in the logging and mining industries. As with Native American high-poverty counties, the men in the southern highlands also have high unemployment rates. Education levels are also quite low. One feature of the area's high-poverty counties that stands out is the high rate of disability among residents, more than 50% higher than in counties without high poverty. Given this high prevalence of disabilities, more than just education and job training may be needed to lift families in this area out of poverty.

Policy Implications

As the authors argue, strategies to improve the economic well-being of rural families should differ based on individual and community needs. Some high-poverty areas, such as the Great Plains, have low employment, while in the Southwest, Hispanic poverty is often driven by a lack of English proficiency, low education, and low women's earnings. Education and training could help Hispanics in those areas, while the local economic context may need more attention in Native American regions in the Great

Plains. More subsidized child care and greater child support enforcement in the Delta could help the many single-mother families struggling to make ends meet. Transportation services could also help families without cars get to and from work. It is essential, the authors argue, to recognize the signature characteristics that define poverty in different areas of the country, distinctions that are typically deeply rooted. **RPRC**



2004–2005 RUPRI RPRC Undergraduate Leadership Program Awards

The Rural Poverty Research Center announces its annual Undergraduate Leadership Program in Rural Poverty Research and Policy award to five students. With RPRC support, the Undergraduate Leadership awardees complete a supervised research project on rural poverty during the 2004–2005 academic year. The research is undertaken at the student's own university with guidance from professors affiliated with the RPRC. Students also sit on an advisory panel to the RPRC. The five awardees represent a wide variety of interests and backgrounds, yet they all share a growing realization that the rural dimensions of poverty are distinct from urban poverty and to address rural poverty requires an equally distinct approach.



Jenelle Woodlief

Cultural Anthropology and Political Science
Willamette University

Jenelle Woodlief's interest in rural poverty springs from her personal experience growing up in a small

Oregon town as well as from her undergraduate coursework in U.S. welfare policy. Woodlief hopes that the RPRC fellowship will help her further develop new ways of thinking about and solving poverty, gain further insight into rural poverty in Oregon, and develop policy insights that will inform her future research into rural poverty. Woodlief also hopes that this fellowship will help her develop the necessary research and communication skills for a career in public policy.

A senior at Willamette University, Woodlief has assisted in several grassroots campaigns, including working as an administrative coordinator for Oregon Peace Works and as a regional and organizing director for the Fund for Public Interest Research. She has also volunteered for Willamette Students for Peace and Justice, the Willamette Student Environment group, the Oregon Women Democratic Caucus Campaign School, and volunteered as a mentor at Leslie Middle School. Her career goals include working as a professional researcher, public advocate, and university professor.



Jessica Martin

Public Relations and Sociology
Western Kentucky University

Jessica Martin grew up in a persistently poor rural county in the Appalachian Mountains in southeastern Kentucky,

where the images of her home town serve as a constant reminder of the struggles of poverty. As a youth, Martin was committed to helping her fellow community members but was not sure how to engage people. Discovering rural sociology helped her understand how she could help families. She also realized, while helping low-income children in the inner city, that although poverty exists everywhere, it is not always the same everywhere.

Martin plans to use her fellowship to examine the effects of educational reform on human, social, and community capital in persistently impoverished areas across several states. Her goal is to develop specific policy recommendations for each state's educational system.

Martin, a senior at Western Kentucky University, plans to earn a master's degree in rural development and ultimately work as a lobbyist in Washington, DC, particularly for educational reform in rural areas. As she says, "When I compare my educational opportunities with those of friends from urban and metro areas, sometimes I feel deprived. Everyone deserves a quality education." Martin has served as Vice President of Administration for the Western Kentucky University Student Government Association, mentored youth from low-income families in the Calvary Chapel Youth Program in Bowling Green, Kentucky, and aided in public relations campaigns for locally owned small businesses.



Megan Dolan

Managerial Economics
University of Massachusetts

Megan Dolan’s interest in poverty began as a volunteer for a housing alliance in central Massachusetts. Her experience as a research assistant in the Resource Economics Department at the University of Massachusetts furthered her understanding of poverty. There she worked on two projects—a study of long-term effects of welfare reform on rural families and a study of homeless mothers in urban settings. She is currently analyzing the data collected in the welfare reform study, the results of which will be used as a teaching tool in undergraduate coursework. Dolan intends to earn a graduate degree and eventually work in public office that addresses food security issues nationally.

Dolan, a senior at the University of Massachusetts, Amherst, is a research assistant and former intern in the university’s Resource Economics Department. Prior to this, she volunteered and later worked for a Massachusetts housing alliance, and organized a local “Walk for Homelessness” for two years.



Raoul Lievanos

Sociology
California State University

Through the course of his studies in sociology, Raoul Lievanos has become increasingly aware of how America stigmatizes its poor. He plans to use the RPRC fellowship to study competing theories of poverty, including the culture of poverty theory and the cycle of poverty theory. His ambition is to use research on society to shed light on the myth of meritocracy that pervades American culture, and show that not everyone can lift themselves up by their bootstraps.

Lievanos, a senior at California State University, intends to continue his studies in sociology and apply, as C. Wright Mills advocated, a “sociological imagination” to his social analysis, with the ultimate goal of helping to craft social policy dedicated to helping the poor achieve social mobility.

Monique Stevenson

Psychology and Sociology
Chestnut Hill College

As a volunteer with the Kensington Welfare Rights Union, Monique Stevenson saw firsthand the need for changes to the country’s welfare system. As a student, she believes one of the best ways to affect change is to support policy with solid research. Stevenson plans to use the RPRC fellowship to build her understanding of key concerns to low-income rural residents. She hopes to focus on single mothers receiving welfare, perhaps comparing their struggles with those of their counterparts in urban areas. A key method of reducing poverty, she believes, is through economic development, and toward that end, she would like to examine the rural job market and chronicle the effects of an undeveloped economy.

Stevenson is a senior at Chestnut Hill College and plans to continue her education with a master’s degree in sociology or social policy, preparatory to a career in sociological research. In addition to her economic human rights advocacy with the Kensington Welfare Rights Union, she has volunteered with the Philadelphia Cares Hunger Relief, Child Literacy, and Environmental Clean-up programs. She has also conducted surveys on college student attitudes about poverty, which revealed that upper classmates and sociology majors had the most positive attitudes toward poor people. **RPRC**

RUPRI RPRC FELLOWSHIPS AVAILABLE

The RUPRI Rural Poverty Research Center is offering fellowships for the 2005–2006 academic year to support PhD dissertation research addressing the causes and impacts of poverty in U.S. rural areas or the policy options that might reduce poverty or its negative impacts.



Deadline for applications: March 15, 2005.
For more information see www.rprconline.org.

Families Facing Material Hardship by Region and Urban-Rural Locales

Based on research by Jane Mosley, Kathleen K. Miller, and Heather Koball

The federal poverty threshold manages to broadly capture families who are struggling financially. However, the threshold has come under scrutiny in recent years because, among other things, it fails to distinguish the cost of living in different areas of the country.¹

Some have argued that material hardship, in conjunction with income, more broadly defined would be an improved measure of poverty in the United States. Material hardship—such as lack of indoor plumbing or kitchen facilities, lack of a telephone, overcrowding, dilapidated housing, lack of sufficient food, lack of health insurance, or inability to pay rent or utilities—is less susceptible to regional variations in cost of living and may provide a more comprehensive and inclusive view of what poverty entails. It is also more likely to capture poverty among the working poor (Beverly, 2001).

Although hardship and income poverty clearly overlap, income has been shown to explain less than one-fourth of the variation in material hardship among neighborhoods (Mayer & Jencks, 1989). Interestingly, some research has found that certain groups, such as children, Latinos, and African Americans, fare worse when using hardship as a measure than income-based poverty thresholds (Beverly, 2001; Gunderson, 1996). On the other hand, the elderly often have lower rates of hardship relative to their poverty rates.

Less is known about how these hardship measures vary regionally. The one exception is food insecurity. Mark

Nord and his colleagues (2003) have found rates of food insecurity to be highest in central cities, followed by non-metropolitan areas (11.6%) and suburban areas (8.8%). Residents of the South and West also had the highest levels of food insecurity.

In their recent RPRC working paper, presented at the SRDC/RPRC July 2004 conference, Jane Mosley, Kathleen Miller, and Heather Koball find slightly different regional patterns of material hardship (as measured by housing) and poverty.² However, they find that poverty and hardship patterns closely overlap when comparing metro, nonmetro, and central city areas.

Midwestern families are the least likely to experience material hardship, while those in the West are most likely.

Data and Method

The authors use Census Bureau 2000 Public Use Microdata Samples (PUMS). The data set measures material hardship by housing characteristics. Therefore, the authors limit their material hardship measure to the following:

- moderate (1–1.5 persons per room) or severe crowding (more than 1.5 persons per room);
- lacking complete plumbing facilities (hot or cold piped water, flush toilet, bathtub or shower);
- lacking complete kitchen facilities (sink with piped water, a range or stove, and a refrigerator);
- no telephone service;
- costs of rent or mortgage and utilities account for 30% or more of income.

Jane Mosley is an assistant research professor in the Harry S. Truman School of Public Affairs, University of Missouri-Columbia. **Kathleen K. Miller** is program director at the Rural Policy Research Institute at the University of Missouri-Columbia. **Heather Koball** is an associate research scientist at the National Center for Children in Poverty, Columbia University.

1. For more on the debate over the adequacy of the poverty threshold, see the Fall 2003 issue of *Perspectives*.

2. Jane Mosley and Kathleen Miller, "Material Hardship across Place." Paper presented at the Southern Rural Development Center/RUPRI Rural Poverty Research Center conference, "In the Shadows of Poverty: Strengthening the Rural Poverty Research Capacity of the South," Memphis, TN, July 21–24, 2004. Truman School of Public Affairs, University of Missouri-Columbia. For Powerpoint slides and conference information, see the conference website at <http://srdc.msstate.edu/poverty/index.html>

The authors analyze hardship in three ways. The most inclusive is whether a household experiences any one of five measures (hardship-5). The second measure (hardship-pov5) is identical to the first but excludes families with high incomes living in high-cost housing areas. The third (hardship-4) includes experiencing any one of the first four measures only.

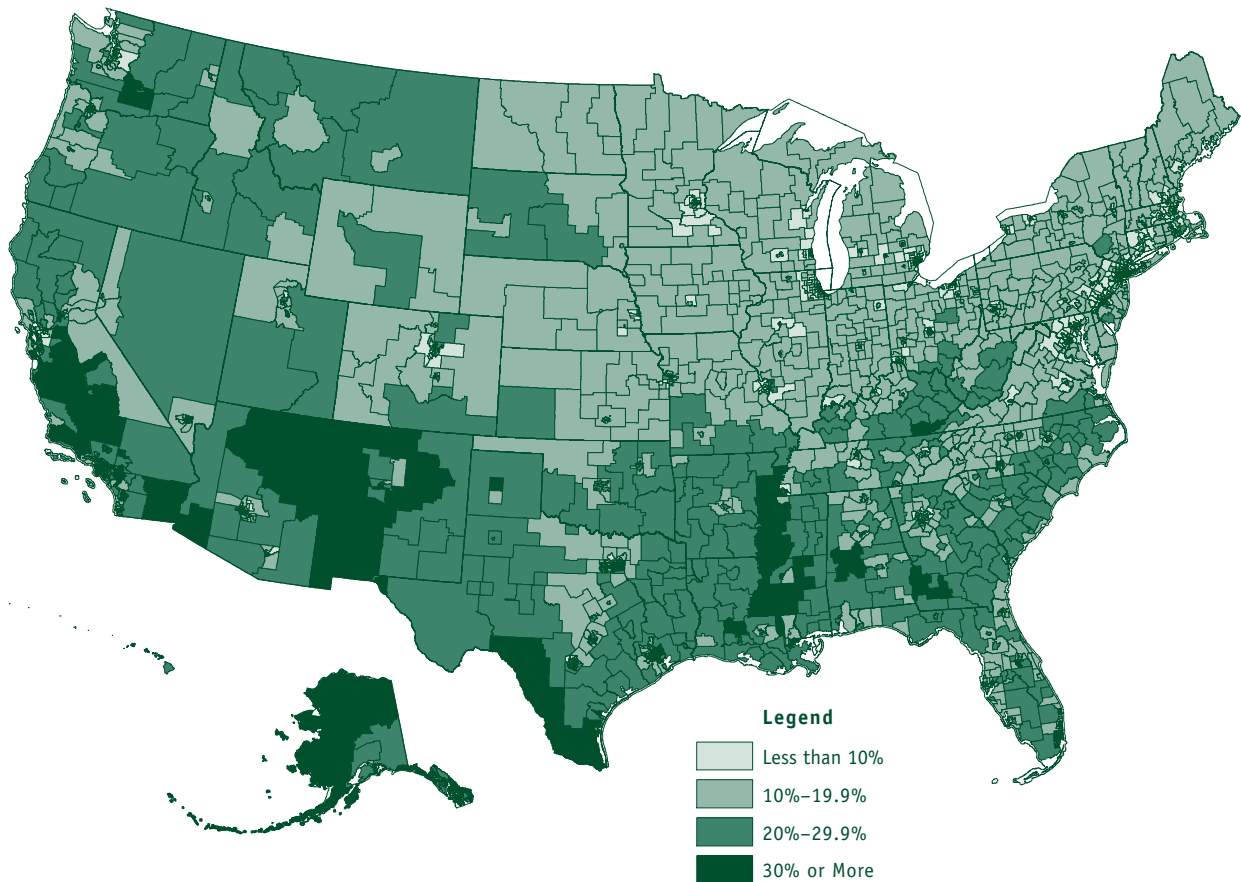
To measure residential variation in hardship, the authors use Public Use Microdata Area (PUMA) levels, which comprise a county or group of counties, or subcounty geography, with a minimum population of 100,000. The boundaries do not cross state lines. The PUMAs are classified by four categories: central city only; mix of central city and other metropolitan and balance of metropolitan; mix of metropolitan and nonmetropolitan; nonmetropolitan only. The four geographic regions are Northeast, Midwest, South, and West using Census Bureau definitions.

Material Hardship Most Extreme in West and Central Cities

Regardless of the measure used, midwestern families are the least likely to experience hardship, while those in the West are most likely (see map). Looking only at the hardship-pov5 measure, which the authors believe is the most accurate measure because it excludes middle-class families living in high-cost housing areas, roughly one in five families face hardship in the Northeast and the South, while 27% of families in the West experience hardship, and at the low end of the spectrum, 15% of families in the Midwest do so (see Table 1). The areas with the highest levels of housing hardship (30% or more) are the Mississippi Delta, the lower Rio Grande, western New Mexico, the Four Corners region, and central California.

Significantly higher proportions of families experience material hardship than are included in the nation's

Percent of Families Experiencing Housing Hardship (Hardship-pov5 Index)



Source: U.S. Census Bureau, PUMS 5% Sample

poverty rates. In the Northeast, for example, 8% of families live in poverty as defined by the federal government. In contrast, 18% of northeastern families face housing hardship (hardship-pov5) (see Table 2). Although the South has the highest poverty rates, the West has the highest hardship rates. Interestingly, as can be extrapolated from Table 2, only a small fraction (about 1%) of families who are living in poverty are not also facing hardship. This holds true by region as well. Virtually all high-poverty areas also have substantial hardship.

The converse, however, is not always true. High levels of housing hardship exist in the Rockies and Pacific Northwest, which are not traditionally high-poverty areas.

The authors also find that central cities have the highest proportions facing material hardship, while the PUMA that is a mix of metro and nonmetro has the least hardship. Using the hardship-pov5 measure, one-third of central city residents experienced housing hardship, while 17.8% of metro-nonmetro PUMAs did so. In between these two extremes were PUMAs with a

Table 1.
Percent of Families Experiencing Hardship, by Region

Region	HARD-5	HARD-POV5	HARD-4
Northeast	30.3%	18.4%	7.0%
South	28.8%	21.6%	9.5%
Midwest	22.6%	15.3%	5.6%
West	40.1%	27.1%	16.4%
Total	30.0%	20.7%	9.6%

Table 2.
Comparison of Poverty and Hardship Rates, by Region

	% of Families in Poverty	% of Families with Housing Hardship (HARD-POV5)	% of Families in Poverty <i>and</i> with Housing Hardship
Northeast	8.1%	18.4%	7.1%
South	11.1%	21.6%	9.1%
Midwest	7.1%	15.3%	6.0%
West	9.6%	27.1%	8.8%
Total	9.2%	20.7%	7.9%

Table 3.
Hardship Rates, by Locale

Residence Category	HARD-5	HARD-POV5	HARD-4
Central City Only	41.8%	33.2%	17.9%
Mix CC/Metro and Other Metro	30.0%	18.7%	8.9%
Mix of Metro and Nonmetro	24.7%	17.8%	6.7%
Nonmetro Only	25.6%	20.0%	8.0%
Total	30.0%	20.7%	9.6%

mix of central city and metro areas (18.7%) and nonmetro areas (20%) (Table 3).

For both regional and local distinctions, the percentages facing hardship decline considerably when excluding the costs of rent and utilities (hardship-4 measure). For example, using the hardship-pov5 measure, which includes the housing and utility cost burden, one-third of central city residents face hardship. Remove the cost of housing and utilities and the rate drops to 17.9%.

To further assess hardship, the authors used three-year averages of Current Population Survey (CPS) data from 2001–2003. The CPS broadens the concept of hardship by including food insecurity, lack of child health insurance, lack of a telephone, and transient housing. With this measure, the overall hardship rates were lower than when using the PUMS measures. Hardship was most prevalent in the South (21% with CPS vs. 21.6% using PUMS, hardship-5), followed by the West (18.2% vs. 27.1%). With CPS data, the Northeast had the lowest rates of hardship, at 12.5%, with the Midwest at 13.5%. As with the PUMS data, central city residents still faced the highest hardship rates.

Policy Implications

Families with income below the official poverty thresholds are eligible for many programs and services designed to

help ameliorate hardships.

However, many families' income falls above the official poverty threshold, but their hardship remains severe. Public policy has, to a large degree, failed to incorporate many of the needs of these families into broader poverty programs and services. An examination of material hardship in conjunction with traditional poverty measures shows that while the two concepts overlap, they are not identical.

Material hardship among families follows similar patterns to family poverty across space. Families in central cities fare the worst, followed by residents of

nonmetropolitan areas, and regionally families in the West fare the worst. Although the official poverty thresholds are not adjusted for cost of living differences, the patterns of material hardship still persist. **RPRC**

Families with income below the official poverty thresholds are eligible for many programs and services designed to help ameliorate hardships. However, many families' income falls above the official poverty threshold, but their hardship remains severe.

References

- Beverly, Sondra G. 2001. Material hardship in the United States: Evidence from the Survey of Income and Program Participation. *Social Work Research* 25 (3), 143–51.
- Gundersen, M. 1996. Direct measures of poverty: Well being, a theoretical framework: An application to housing poverty in the United States. Unpublished dissertation. University of California, Riverside, Department of Economics.
- Mayer, Susan, & Christopher Jencks. 1989. Poverty and the distribution of material hardship. *Journal of Human Resources* 24 (1), 88–113.
- Nord, Mark, Margaret Andrews, & Steven Carlson. 2003. Household food security in the United States, 2002. Food Assistance and Nutrition Research Report no. (FANRR35). Washington, DC: Economic Research Service, USDA.

New Publication

Rural Poverty at a Glance

By Dean Jolliffe, Economic Research Service, USDA

Rural Development Research Report No. (RDRR100)
6 pp, July 2004
www.ers.usda.gov/publications/rdr100/rdr100.pdf

Rural Poverty at a Glance is a short primer on the most recent information on poverty trends and demographic characteristics of the rural poor. The report documents a wide and persistent gap between nonmetro and metro poverty rates by race, ethnicity, age, and family structure.



Available online at

www.prb.org/pdf04/ChildPovertyRuralAmerica.pdf

The Changing Face of the Working Poor

Based on research by Bradford Mills, Brian Whitacre, and Christiana Hilmer

Today, in the United States, one of every 20 working families is poor. Bradford Mills and coauthors, in their SRDC-RPRC conference paper, examine this issue more closely by looking beyond the numbers to the changing characteristics of these families, such as education levels and family structure.¹ They compare the working poor in the nation as a whole with those in the South, with its historically high poverty levels, lower education levels, and other human capital shortfalls. The authors find that the once-apparent gulf between the South and the rest of the nation has converged, mainly because families with low education have been losing ground nationally. They also find that education is an increasingly important route to economic stability.

Study Design

The authors use the annual demographic files of the Current Population Survey (CPS) data from 1982 through 2002. The files contain data on earnings of approximately 50,000 families and the individual characteristics of family members. A “working poor” family is one that works more than 1,000 hours in a year, as averaged across all adult (aged 18–65) family members, and earns less than the federal poverty level for a family of its size. The authors compare findings nationally with findings from families living in the rural South. The South includes Alabama, Arkansas, Delaware, D.C., Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia. Rural counties are those defined as nonmetropolitan based on the 1993 U.S. Census designations.

1. Bradford Mills, Brian Whitacre, and Christiana Hilmer, “Working Poverty in the Rural South.” Paper presented at the Southern Rural Development Center/RUPRI Rural Poverty Research Center conference, “In the Shadows of Poverty: Strengthening the Rural Poverty Research Capacity of the South,” Memphis, TN, July 21–24, 2004.

The Changing Face of the Working Poor

Based on the authors’ definition of working poor, the incidence of working poor families nationally was unchanged between 1982 and 2002, at about 5% of all working families. Rates in the South changed slightly, falling from 8.9% in 1982 to 8% in 2002. The composition of these families, however, has changed significantly.

Generally, the working poor became more educated over the span of two decades, and this rise in education levels was more rapid in the South. However, where in the South more of the working poor now have at least a high school degree than in the past, in the nation as a whole more of the working poor now have some college experience (see Figure 1).

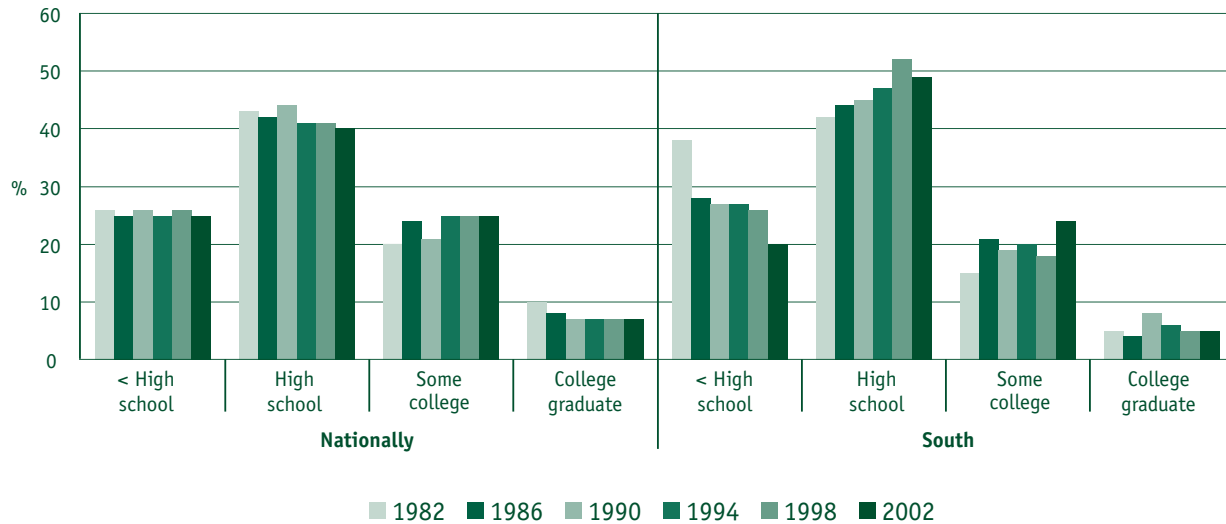
Families whose head had some college experience, for example, increased as a share of the working poor from 20% in 1982 to 25% in 1992. Meanwhile, those

with only a high school degree declined slightly as a proportion of the working poor nationally, from 43% in 1982 to 40% in 2002. The proportion of those with less than a high school diploma changed little, at about 25%.

Nationally, those who lacked a high school degree were generally worse off economically in 2002 than in 1982. In the South, however, this group was slightly better off. In both areas, those with only a high school diploma were also worse off, but the change was less dramatic in the South.

Bradford Mills is an associate professor in the Department of Agricultural and Applied Economics at Virginia Tech. His research focuses on the economic impact of public policies on rural areas. **Brian Whitacre** is a graduate research assistant in the Department of Agricultural and Applied Economics at Virginia Tech. His interests include public and regional/urban economics. **Christiana Hilmer** is an assistant professor in the Department of Agricultural and Applied Economics at Virginia Tech. Her research focuses on applied econometrics and labor economics.

Figure 1.
Changing Education Levels of the Working Poor, 1982–2002



In the South, those with less than a high school education shrank as a proportion of the working poor, from 37% in 1982 to 21% in 2002 (Figure 1). This decline was offset by a rise in the share of those with only a high school diploma as a proportion of the working poor, from 42% in 1982 to 49% in 2002. It is also worth noting that gains in education among heads of working poor families are not as pronounced as gains seen among heads of all working families. This holds both for the rural South and the nation as a whole.

Family structure among the working poor also changed. The share of single parents among the working poor nationally increased, from 27% in 1982 to 38% in 2002, and the share of two-parent working poor families declined, from 50% in 1982 to 38% in 2002. The South saw even more dramatic shifts. The share of working poor in two-parent families declined from 57% in 1982 to 40% in 2002. Meanwhile, single-parent families increased from 22% to 38%. The South thus looks similar to the rest of the nation in the family structure of those who are working but poor.

The proportion of working poor who are African American changed little across the decades nationally, while the ranks of Hispanics among the working poor more than doubled, from 12% in 1982 to 29% in 2002. Part of this growth, of course, can be attributed to the rapidly expanding Hispanic population in the nation. Southern trends among Hispanics are similar, albeit on a smaller scale. The share of the working

poor that was Hispanic in the South rose from 5% in 1982 to 17% in 2002.

In summary, where once many characteristics, such as education, race-ethnicity, and family structure of southern poor working families were distinct, today they have converged with the national face of the working poor.

The Impact of Education and Family Structure on Economic Well-Being

To further explore these changes, the authors examine changes in the distribution of family income between 1982 and 2002 of all working families, not just the poor. The distribution of incomes falls along a spectrum from below poverty to household incomes over 5 times the poverty rate.

Overall, they find that the gap between the haves and have-nots widened over the two decades. While the portion of the distribution below the poverty line was basically unchanged, the incidence of families earning between 1 and 5 times the poverty line is far lower in 2002 than in 1982, and the incidence of working individuals earning incomes greater than 5 times the poverty level is far greater in 2002. Similar patterns were found in the South, but the shifts were smaller in magnitude.

The authors also examine changes by education level. Nationally, those who lacked a high school degree were generally worse off in 2002 than in 1982. In the South, ►

however, this group was slightly better off. In both areas, those with only a high school diploma were also worse off, but the change was less dramatic in the South. The real progress in economic well-being occurred among families with a college degree, while those with some college under their belts managed to maintain their levels of economic well-being during the two decades.

The authors also performed a similar analysis for family structure changes but find that they explain little of the observed changes in the distribution of economic well-being among working families, although married couples generally had the largest gains in economic well-being. Changes in well-being at specific education levels seem to underlie the shifting distribution.

Policy Implications

Although the characteristics of the working poor in the nation as a whole had converged with those in the South, this is not to say that the differences do not contribute to generally lower levels of economic well-being among the broader population of all working families in the rural South. In fact, the lower education levels in the South appear to account for about one-third of the gap in

adjusted family income between working families in the South and the nation as a whole.

However, within the population of the working poor, the characteristics of those in the South are now more similar to the nation as a whole.² This suggests that policy and programs need not necessarily be tailored to unique conditions in the South.

Among working families generally, those with only a high school degree or less appear to be losing more ground, while those with at least some college are making strides. Given these findings, policy may want to direct some efforts toward community colleges and education beyond high school. It appears that families, particularly in the rural South, need a family member with some college to substantially increase their income and reduce the risk of working poverty. **RPRC**

2. In a similar vein, James Ziliak, in his recent paper, finds that the historically large gaps between the South and the rest of the nation in the fraction of the poverty gap filled by safety net programs has converged, not because families in the South have caught up with other regions but because safety net programs for families in regions outside the South are filling less of the gap. See "Filling the Poverty Gap: Is the South Catching Up, or Are Other Regions Falling Behind?" *Insights on Southern Poverty*, vol. 2, no. 2. Available online at: <http://www.ukcpr.org/Publications/Insights.html>

A Community-Based Research Framework

Based on research by John J. Green

Closing the credibility gap between policy, research, and the people served is important if policies and programs are to be effective and meaningful. As John Green outlines in his recent working paper presented at the July 2004 conference hosted by SRDC and RPRC,¹ research results seldom find their way into public dialogue, and the general public is often left wondering why policies and programs are so out of touch with their realities. To bridge this gulf, Green suggests a more integrated

and participatory method of conducting research, using a community-based research framework.

John J. Green is assistant professor of sociology and community development in the Division of Social Sciences at Delta State University in Cleveland, Mississippi. He also serves as graduate coordinator for the Master of Science in Community Development Program. He conducts community-based research, and his primary interests include poverty, food security, and access to health care. Green directs the Institute for Community-Based Research, a collaborative effort of the Division of Social Sciences and Center for Community and Economic Development.

1. John J. Green, "Underemployment, Poverty, and Access to Health Care in the Mississippi Delta: A Community-Based Approach to Understanding Problems and Exploring Alternatives," paper presented at Southern Rural Development Center/RUPRI Rural Poverty Research Center conference, *In the Shadows of Poverty: Strengthening the Rural Poverty Research Capacity of the South*, Memphis, TN, July 21–24, 2004. The full paper is available at http://ntweb.deltastate.edu/vp_academic/jgreen/Institute_CBR/Institute_for_Community_Based_Research.htm

Green offers examples of this approach in two studies of underemployment and health issues in the Mississippi Delta. In the first, members of the Tri-County Workforce Alliance worked with students and faculty at Delta State University to combine census data analysis, 38 employer interviews, four focus groups of unemployed adults, and follow-up meetings with interested parties to study underemployment and poverty in two Mississippi Delta counties.

The results of this integrated approach found many lines of agreement between the involved parties but also several instances where the groups did not see eye to eye. Employers and the underemployed residents, for example, agreed on the importance of developing additional jobs, improving education, and expanding workforce development programs. However, employers noted that they found it hard to find workers with sufficient motivation, while unemployed residents argued that employers paid little attention to their strong willingness to work and the wide variety of skills they hold. The unemployed also believed that better paying jobs were needed in the region.

The offspring of this collaboration was a pilot program, intended to serve as a model for community colleges, to better prepare residents for participation in the labor market. The pilot had widespread support of both residents and employers. It includes a social marketing campaign, which builds awareness of current and potential employment options and the skills needed in those jobs. It also includes efforts to better coordinate existing workforce development programs by linking underemployed residents with community organizations and government institutions. Finally, participants developed a model professionalism curriculum. The researchers shared information on the pilot with federal and state officials, as well as local community college boards, a representative of Jobs for Mississippi Graduates, and members of the Boards of Supervisors for the counties in the region.

The second example Green offers of a community-based research structure is a study of health care access and needs in the Delta region. Again, researchers used a variety of techniques, and community input was a central part of the research design. In this study, student, faculty, and community researchers organized 12 focus groups with 90 participants who graded the health care system and noted what health and social issues they thought warranted attention. Following these focus groups, researchers conducted in-depth interviews with 39 key informants recommended by various community organizations. The Delta Rural Poll, a telephone survey of 809 adults randomly selected from 11 Mississippi Delta counties, also addressed access to and use of health care facilities. The poll is led by the Center for Community and Economic Development (DSU) in collaboration with the Survey Research Unit, Social Science Research Center at Mississippi State University.

A community-based research framework in no way replaces other approaches to research, but it is a unique contribution to filling the gap between research, policy, and the people that programs serve.

Drug abuse, poor diet and nutrition, obesity, diabetes, and hypertension were all viewed as troubling health problems by participants, and many believed that these health problems are simply accepted as a normal part of life. Limited access to transportation was another common topic, both to and from work and in accessing health care. The survey supported this contention, finding that residents often travel great distances to access health care. Approximately 14% said they traveled 16–30 miles to a doctor, and 10% said they traveled more than

30 miles. Even greater travel distances were reported for accessing specialized care.

Focus groups noted the high costs of care, and they viewed employer-backed insurance as the best form of coverage. Many expressed concern for those who “fall through the cracks” of the public and private health systems. Again, survey data support these concerns, finding that 20% of respondents said they had forgone care in the past year because they could not afford it. ►

Participants recommended that efforts to improve awareness and advocacy be stepped up, and several suggested more attention to prevention and wellness education. Others noted the need to consolidate social services and streamline access. Policy solutions called for more attention to those who fall through the cracks and relief for understaffed medical workers.

As a result of this collaborative research, planning discussions are underway with the Mississippi Delta State Rural Development Network and with the Greater Delta Health and Human Service Network. The latter is working to better coordinate case management between service providers and use communication technology to link rural schools and community health centers.

In response to a call to better inform residents about available services, the Institute for Community-Based Research is cataloguing resources in the area.

As Green argues, the process of involving many views in the research process has led to a deeper collective understanding of the issues at hand and paths for action. The pilot efforts are being used to test new processes that, after evaluation, will be presented to policymakers and agency personnel with the hopes of scaling-up these programs. A community-based research framework, he suggests, in no way replaces other approaches to research, but it is a unique contribution to filling the gap between research, policy, and the people that programs serve. **RPRC**

RUPRI Rural Poverty Research Center
214 Middlebush Hall
University of Missouri
Columbia, MO 65211-6200

Non-Profit Org.
U.S. Postage
PAID
Lansing, MI
Permit #407

Perspectives:
On Poverty, Policy, & Place

The Newsletter of the
RUPRI Rural Poverty Research Center

www.rprconline.org