

Demographic and Economic Trends in the National Capital Region and their Effects on Children, Youth and Families

**Research conducted by
Greater Washington Research at Brookings**

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This document summarizes a presentation to Venture Philanthropy Partners by Alice M. Rivlin, Director, Greater Washington Research at Brookings, and Audrey Singer, Senior Fellow, Metropolitan Policy Program at Brookings. The summary was prepared by Martha Ross, Deputy Director, Greater Washington Research at Brookings. Research analysts David Park, Jill Wilson and Benjamin Orr contributed to the data analysis and created the maps and graphics.

Greater Washington Research at Brookings conducted an analysis to assess demographic and socio-economic trends in the National Capital Region with an eye towards their effects on children, youth and families. The analysis provides a primer on the stresses and challenges facing a region that is generally prosperous but with some geographic areas and populations in economic distress. Areas of focus include the suburbanization of poverty and economic stress, the rapid and recent rise in the immigrant population, especially in outer suburban areas, and the geographic divisions in the region based on earnings and race/ethnicity. At a time of deepening economic anxiety and financial uncertainty, the National Capital Region is likely to fare better than other metropolitan areas, although that is small comfort to families and institutions struggling through the recession. Additionally, vulnerable populations are at risk for increased hardship.

The analysis is based on the following data sources:

- Decennial Census from 1970, 1980, 1990 and 2000
- American Community Survey, 2007
- National Center for Education Statistics, Common Core Data Series
- Bureau of Economic Analysis, Regional Economic Information System
- Internal Revenue Service, Office of Stakeholder Partnerships, Education and Communications
- John McClain and Lisa Fowler, *Foreclosures in the Washington DC Region: Evaluating the Scope of the Crisis*, Metropolitan Washington Council of Governments, 2008; and John McClain, George Mason University, Center for Regional Analysis, using data from Realty-Trac and the 2006 American Community Survey
- Two reports: Randy Capps et al, *Civic Contributions: Taxes Paid by Immigrants in the Washington, DC, Metropolitan Area*, Community Foundation for the National Capital Region, 2006; and Jeffrey Passel, *The Size and Characteristics of the Unauthorized Migrant Population in the U.S.*, Pew Hispanic Center, 2006

Photo credit by Audrey Singer.

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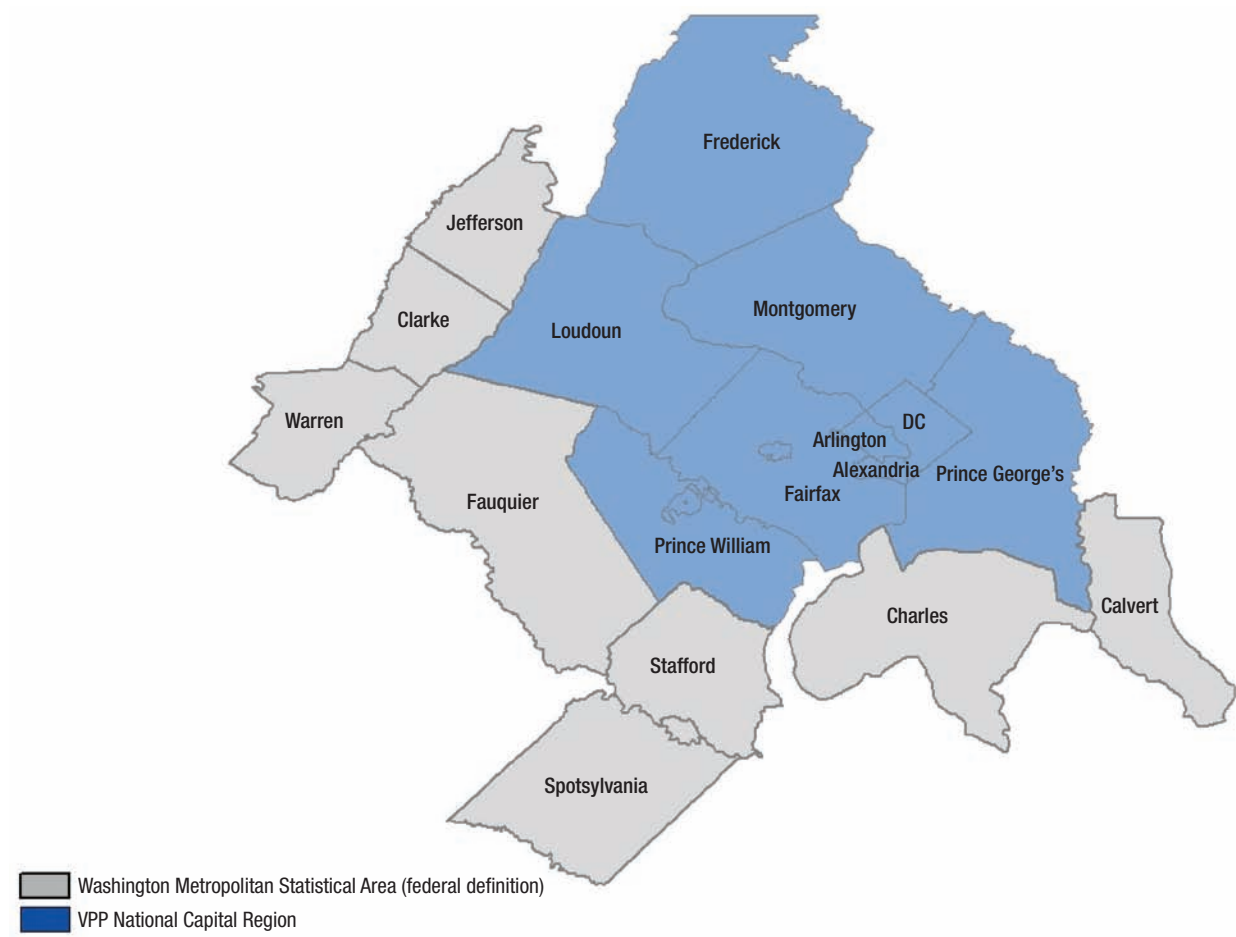
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Demographic and economic trends in the National Capital Region and their effects on children, youth and families

Venture Philanthropy Partners defines the national capital region as having nine jurisdictions: Washington, DC, five jurisdictions in Virginia (the city of Alexandria, Arlington County, Fairfax County, Prince William County and Loudoun County), and three counties in Maryland (Montgomery, Prince George's and Frederick). The federal government's definition of the region is larger, with an additional 8 counties.

Figure 1. Map of the Washington region



Unless otherwise specified, regional figures in this presentation refer to the federally-defined region.

I. The region is growing, decentralizing and becoming more diverse, with increasing minority and foreign-born populations

Using Venture Philanthropy Partner's definition of the region, the total population grew from 2.9 million in 1980 to 3.5 million in 1990 to 4.3 million in 2007. Based on the federal government's definition, the region grew from 3.4 million in 1980 to 4.1 million in 1990 to 5.3 million in 2007.

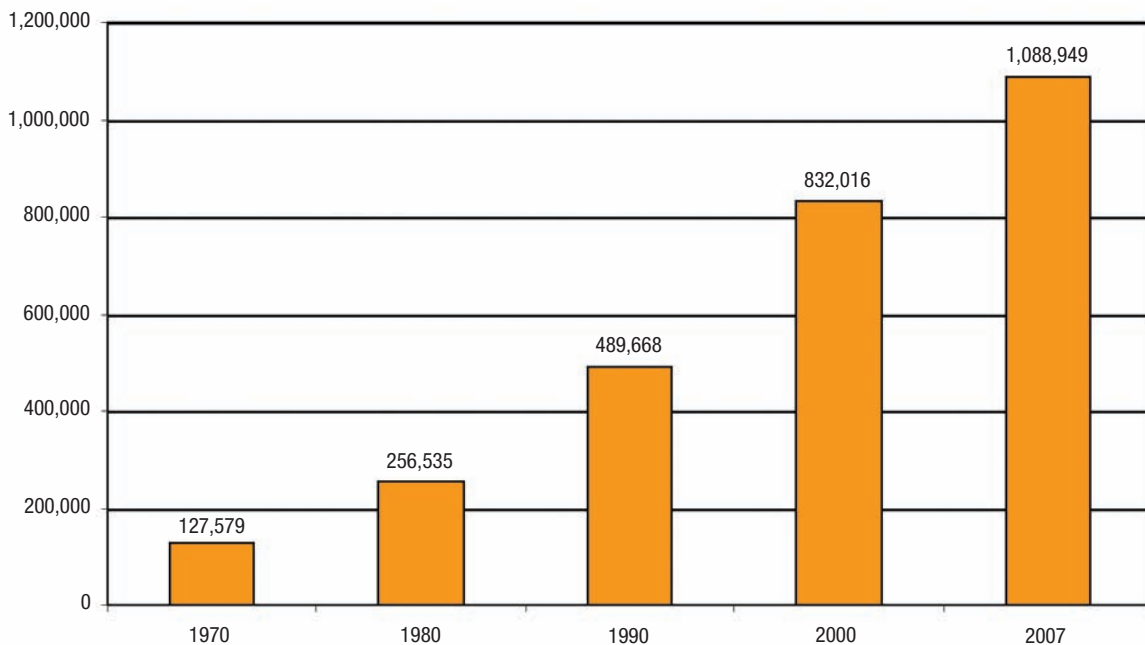
Most of the population lives in the core and inner suburbs (Washington, DC; Arlington; Alexandria; Fairfax County; Prince George's County; and Montgomery County). However, the outer suburbs (such as Prince William and Loudoun Counties) have the most rapid rates of growth.

Immigrant Gateway

In the past few decades, the Washington region has emerged as a major immigrant gateway, now tied for 7th (with Dallas-Fort Worth) among metropolitan areas in the U.S. in the number of foreign-born residents. Foreign-born residents come to the Washington region for a variety of reasons, including higher educational opportunities, working in international organizations, escaping war and civil conflict, joining family members, and looking for economic opportunity and better lives for their families. Along with its recent and fast growth, the immigrant population in the region is characterized by its global origins and suburban residence. Growth in the foreign-born population accounted for about 50 percent of the region's population growth between 1990-2007.

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Figure 2. Foreign-born residents in the Washington region, 1970-2007

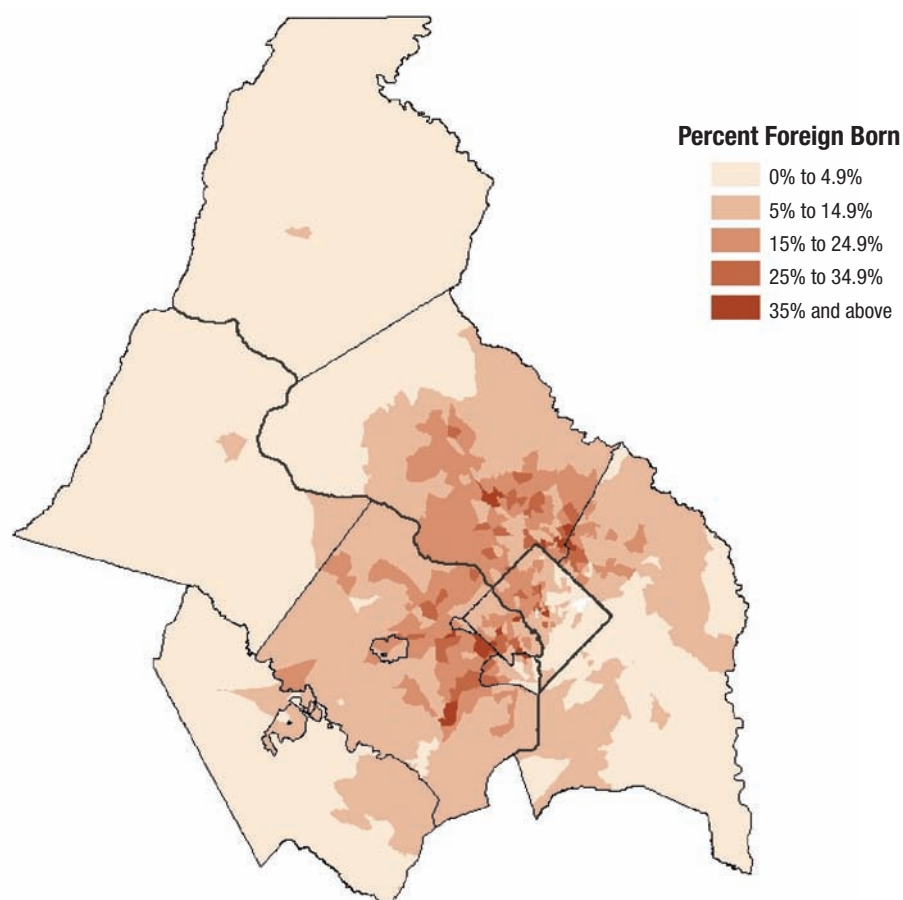


Source: U.S. Census. Decennial census for 1970, 1980, 1990 and 2000; American Community Survey for 2007

More than a million foreign-born residents lived in the region in 2007, comprising 21 percent of the total population. Arlington, Fairfax and Montgomery are all more than one-quarter foreign-born. Prince William and Loudoun counties have had especially rapid and recent increases in the foreign-born population. Between 2000 and 2007, the foreign-born population in Loudoun County increased from about 11 percent of the population (20,000 residents) to 20 percent (55,000). In Prince William, foreign-born residents increased from 12 percent (32,000 residents) to 21 percent (76,000).

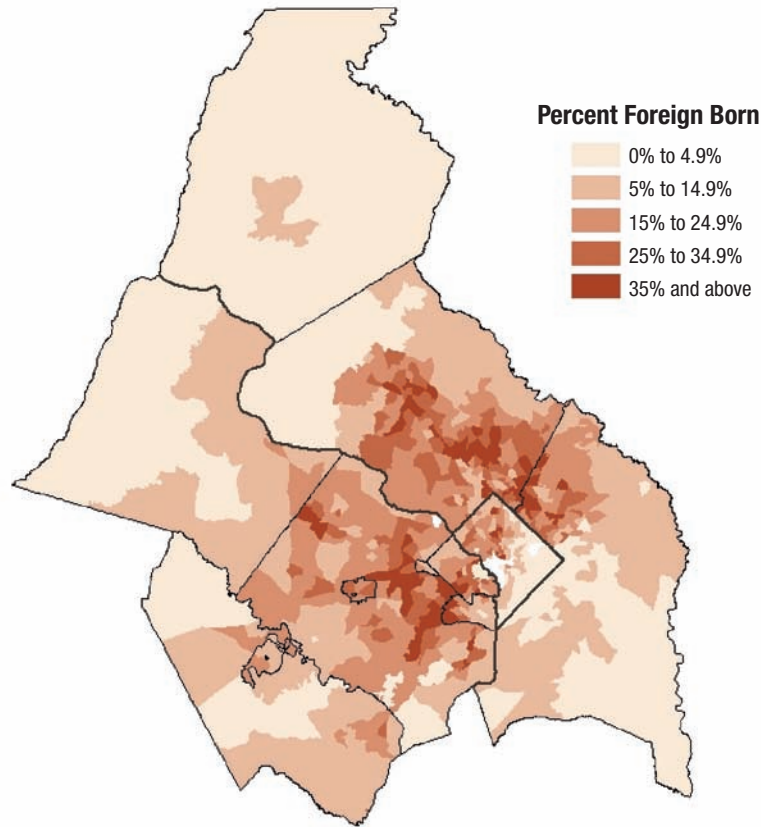
In 1990, immigrants were concentrated in the core of the region in the District, Arlington and Alexandria, and in areas straddling the Beltway in Montgomery and Fairfax counties. By 2000, immigrants were even more densely settled in the core, but also further dispersed through Montgomery, Fairfax, and Prince George's counties and into Manassas and Prince William County.

Figure 3. Foreign-born settlement in the Washington region, 1990



Source: U.S. Census

Figure 4. Foreign-born settlement in the Washington region, 2000

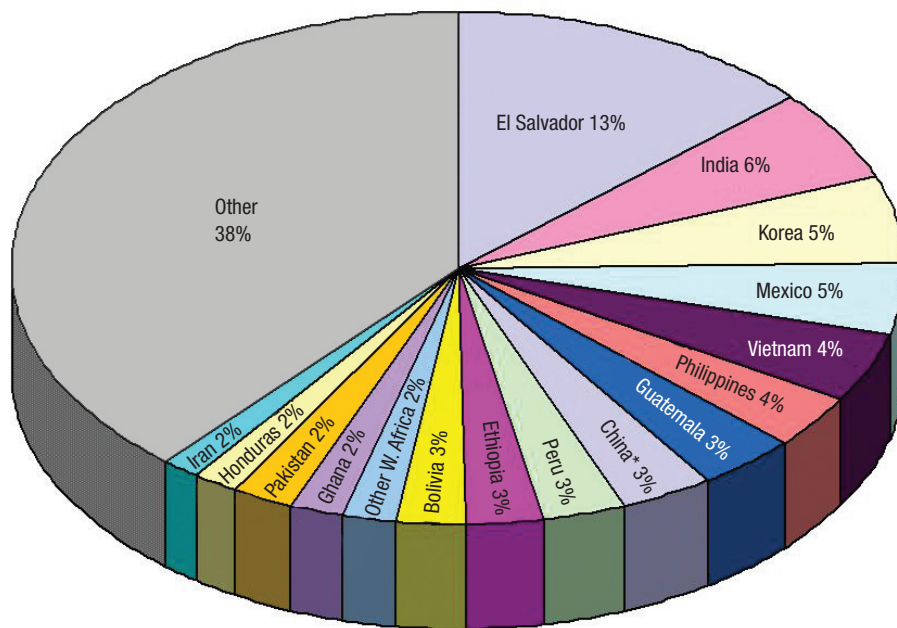


Source: U.S. Census

Most of the population of the Washington region lives outside the District of Columbia and the same holds true for the immigrant population. In 2007, only 7 percent of immigrants in the region lived in the District. Fairfax (29 percent), Montgomery (27 percent) and Prince George's (15 percent) account for the majority of the immigrant population.

The immigrant population in the region is diverse, and no one nationality has a majority. Immigrants from El Salvador are the largest group at 13 percent, followed by immigrants from India at 6 percent. Immigrants from Korea, Mexico, Vietnam, the Philippines, Guatemala, China, Peru and Ethiopia are the next largest groups. These ten countries make up almost 50 percent of the total.

Figure 5. Country of birth for foreign-born residents in the Washington region, 2007



Source: 2007 American Community Survey

Twenty four percent (about 215,000) of children aged 5-17 in the region speak a language other than English at home. Spanish is the most common foreign language (13 percent of children), followed by Vietnamese, French, Korean, Chinese, Arabic, Urdu, Amharic, Kru/Ibo/Yoruba and Tagalog, all spoken by about one percent of children.

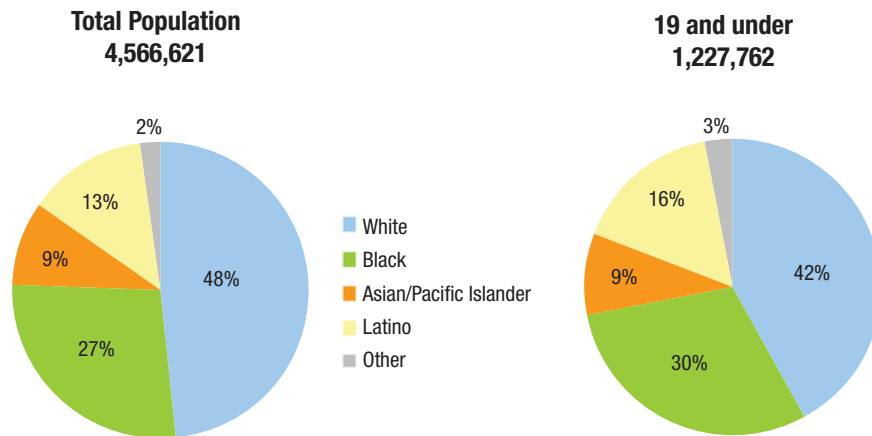
The number of public school students in the region considered limited English proficient (LEP) increased dramatically between the 2000-2001 and 2005-2006 school years. In Fairfax, the number of students doubled to about 30,000 and in Prince William, the number more than tripled to 10,000. In Montgomery, about 13,000 public school students are LEP, and in Prince George's, the number is about 8,000.

Diverse youth population

Overall, the region's population has diversified through immigration and is becoming more diverse. This is especially pronounced among young people, many of whom are the children of immigrants.

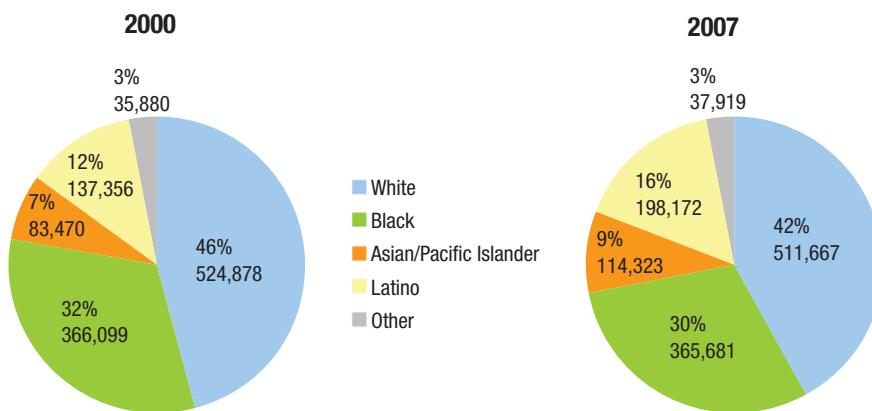
In 2007, 60 percent of the region's youth population was non-white compared to 53 percent of the total population. Since 2000, the Asian and Latino shares of the youth population have increased from a combined 20 percent to 27 percent of the youth population

Figure 6. Race/ethnicity of the total and youth populations in the Washington region, 2007



Source: 2007 American Community Survey, using VPP's definition of the National Capital Region. "Other" refers to race other than those listed in addition to individuals who marked more than one race.

Figure 7. Race/ethnicity of the youth population (age 19 and under) in the Washington region, 2000 and 2007

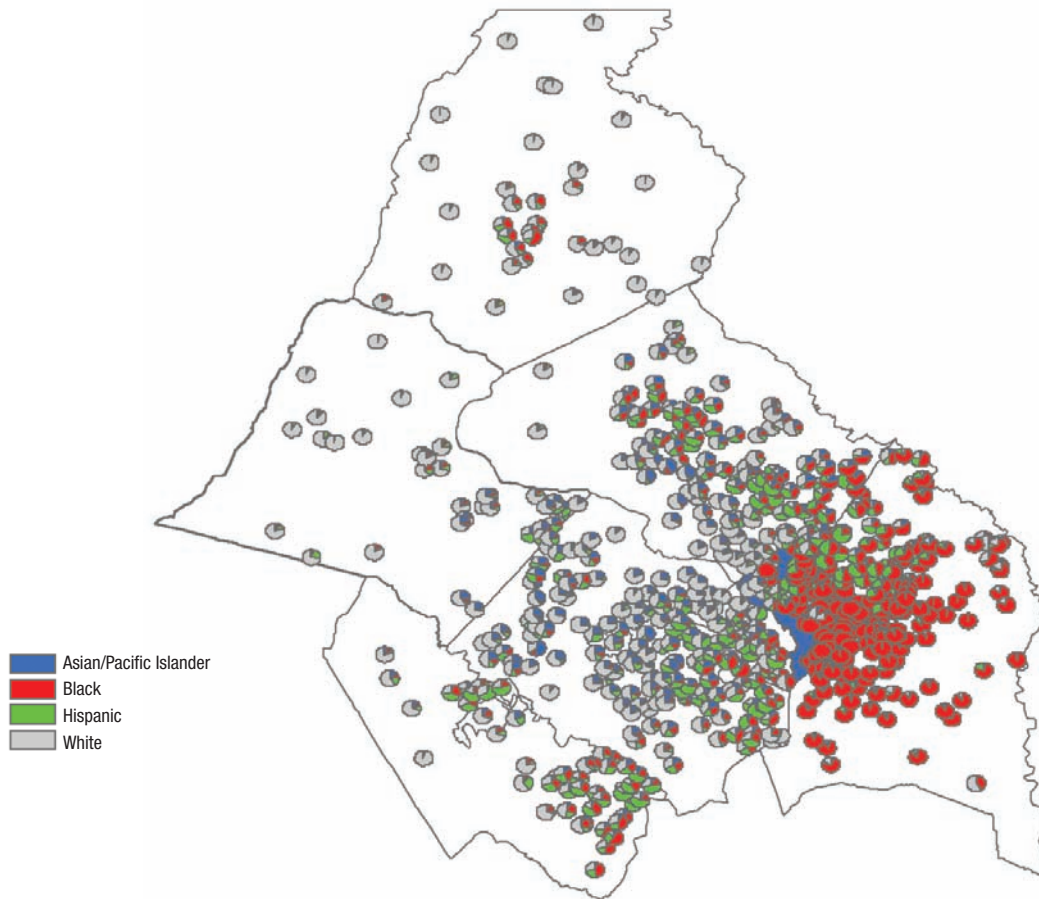


Source: 2000 Decennial Census, 2007 American Community Survey, using VPP's definition of the National Capital Region. "Other" refers to race other than those listed in addition to individuals who marked more than one race.

The region is divided by race and ethnicity

Most though not all of the African-American population lives on the eastern side of the region. Latinos and Asians are clustered in the suburban areas north and west of Washington, DC. Figure 8 shows the race and ethnicity of elementary school students for the 2005-2006 school year with a pie chart for each elementary school.

Figure 8. Share of students by race/ethnicity by elementary school in the Washington region, 2005-2006 school year



Source: National Center for Education Statistics

II. The region is generally prosperous, with a strong employment base, high education levels, and high wages

The elephant in the room is the current financial crisis. We are in a national recession, although we don't know how bad it will be or how long it will last. While it is small comfort, the Washington region is better positioned than many others to weather the economic storm. We have consistently reported job growth in the region over the decades, we have a steady base of federal jobs and associated industries and lots of high-wage, high-skill occupations.

For these reasons, unemployment in the region is consistently lower than the national rate and many other large metropolitan areas (although the unemployment rate in the city of Washington, DC is higher than the national rate).

Jobs in professional/technical services and the federal government, which are well-paying jobs, make up almost one-quarter of the region's jobs, compared to 8 percent of national jobs.

Figure 9. Top industries and average compensation, Washington region and the U.S., 2006

	<i>Percent of employment (non-farm)</i>	<i>Average compensation (wages and benefits)</i>
Washington region		
Professional/technical services	15 percent	\$81,653
Federal government (civilian)	9 percent	\$121,479
Retail trade	8 percent	\$28,550
Healthcare	7 percent	\$44,818
Other services (except public administration)	7 percent	\$38,936
United States		
Retail trade	11 percent	\$24,887
Healthcare	10 percent	\$39,995
Manufacturing	8 percent	\$65,177
Local government	8 percent	\$51,030
Accommodation/Food services	7 percent	\$18,601

Source: Bureau of Economic Analysis

Median household income in the region is \$83,000, compared to \$51,000 nationally.

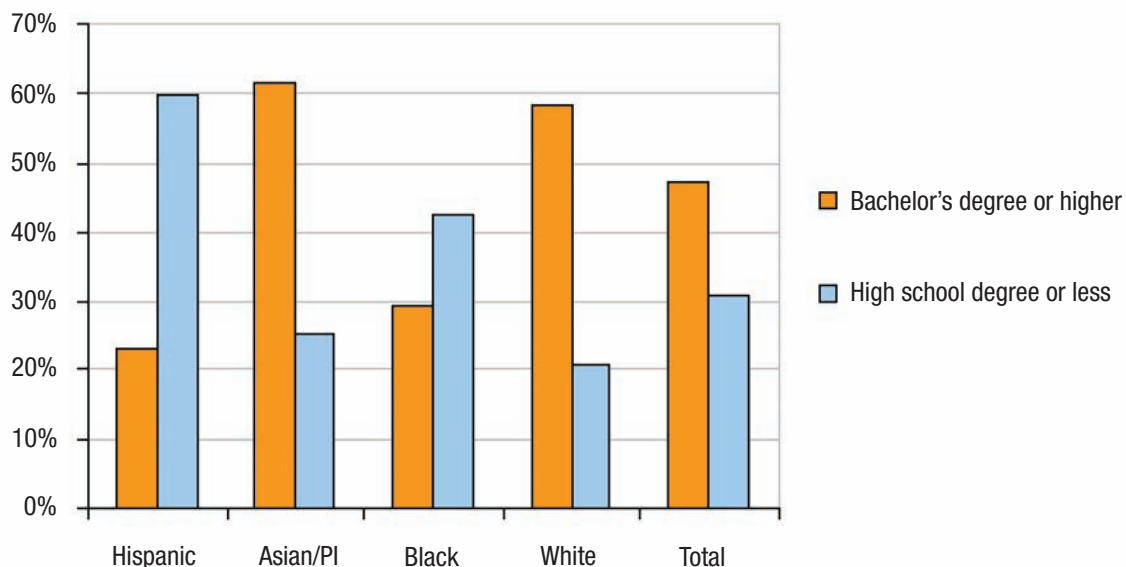
Nearly half (47 percent) of adults over the age of 25 in the region have a bachelor's degree, considerably higher than the national average of 28 percent.

III. But prosperity and opportunities are not shared by all, and many families are experiencing economic hardship

The indicators of prosperity mask distress and inequality in the region.

Although overall levels of educational attainment are high, it varies by race. Asians are the most highly educated in the region (62 percent with a bachelor's degree), followed by whites (58 percent), African-Americans (29 percent), and Hispanics (23 percent). On the other side of the educational spectrum, 59 percent of Hispanics have a high school degree or less, as do 43 percent of African-Americans, 25 percent of Asians and 21 percent of whites.

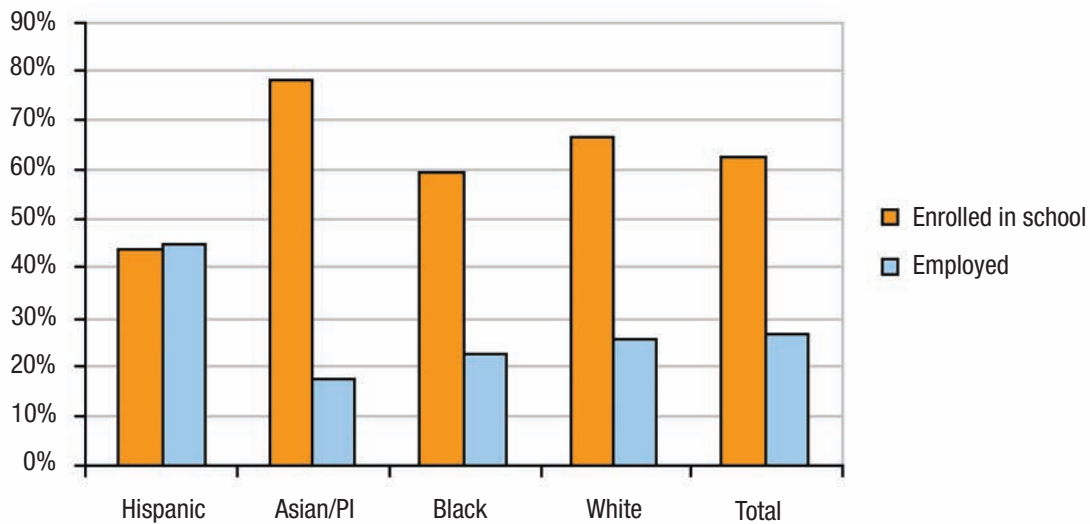
Figure 10. Educational attainment of adults 25 years and older by race/ethnicity in the Washington region, 2007



Source: 2007 American Community Survey

Young African-Americans and Hispanics (ages 16-24) are less likely to be enrolled in school than their White and Asian peers. Enrollment in school (including high school, college and graduate school) is highest among Asians, followed by whites, blacks and Hispanics. 45 percent of Hispanics in the 16 to 24 age group are employed, considerably higher than other races/ethnicities. 23 percent of blacks are employed, 9 percent are unemployed, and 9 percent aren't in the labor force, for a total of 18 percent of young African-Americans who aren't in school and aren't working.

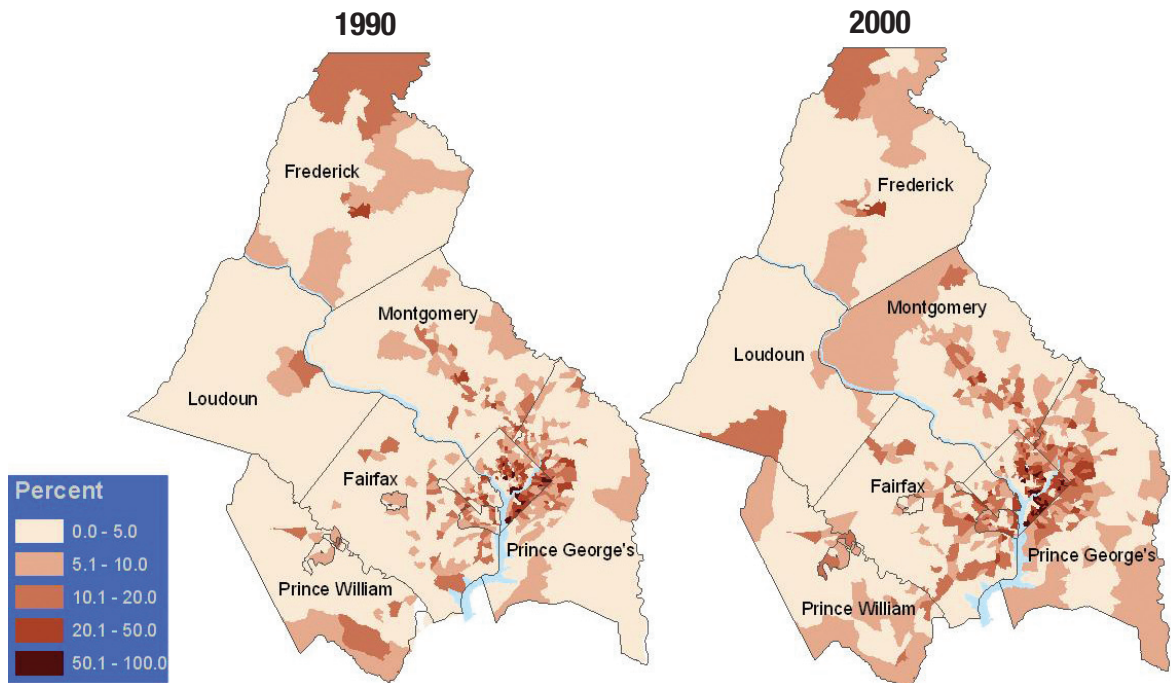
Figure 11. Young people aged 16-24 by school enrollment and employment status by race/ethnicity in the Washington region, 2007



Source: 2007 American Community Survey

Although DC has the highest rate of children in poverty, there are pockets of poverty throughout the region, including affluent counties like Montgomery and Fairfax. In 2000, the poverty line for a family of four was \$17,603.

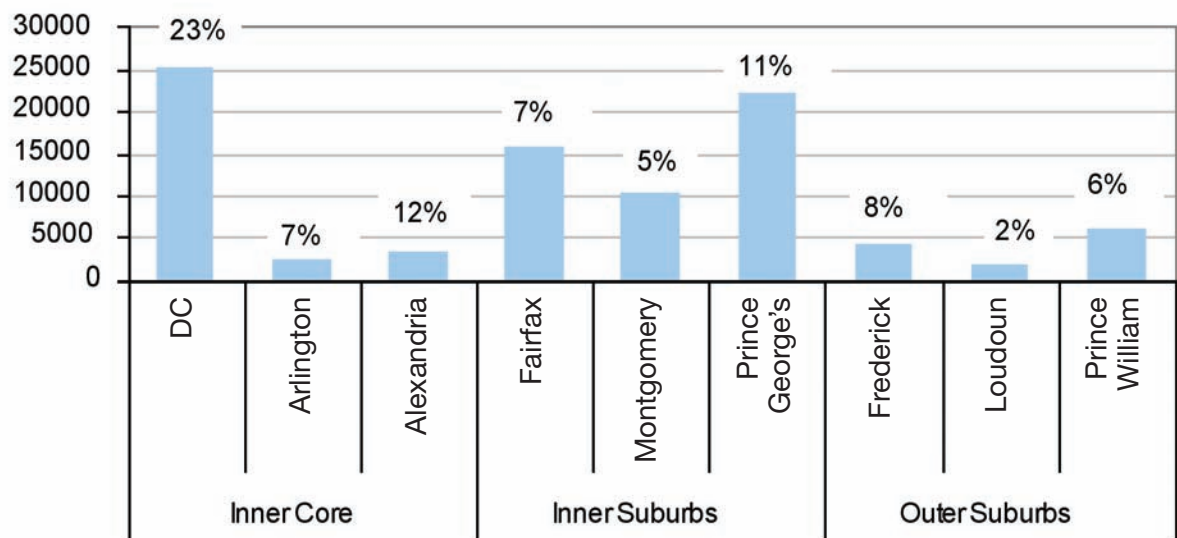
Figure 12. Child poverty in the Washington region, 1990 and 2000



Source: U.S. Census, Decennial Census for 1990 and 2000

In numbers and percentages, child poverty is highest in the District and Prince George's County. In 2007, the poverty line for a family of four was \$21,203.

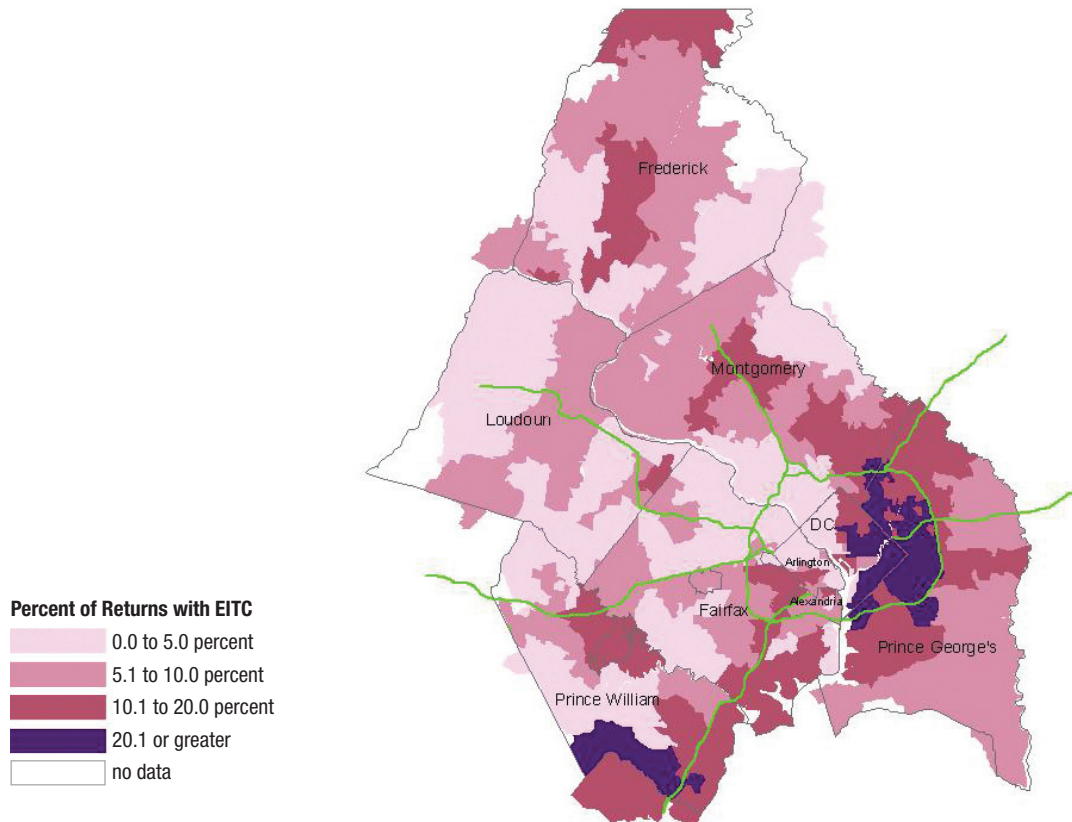
Figure 13. Child poverty by jurisdiction in the Washington region, 2007



Source: 2007 American Community Survey

Households receiving the Earned Income Tax Credit (EITC) are concentrated in the eastern portions of the region, though they also are found in other areas, generally following major highways (such as I-95 or 270). The EITC is a refundable tax credit available to working adults and families earning less than about \$38,000. About 235,000 households in the region received the EITC in 2005, or about 11 percent of all tax filers.

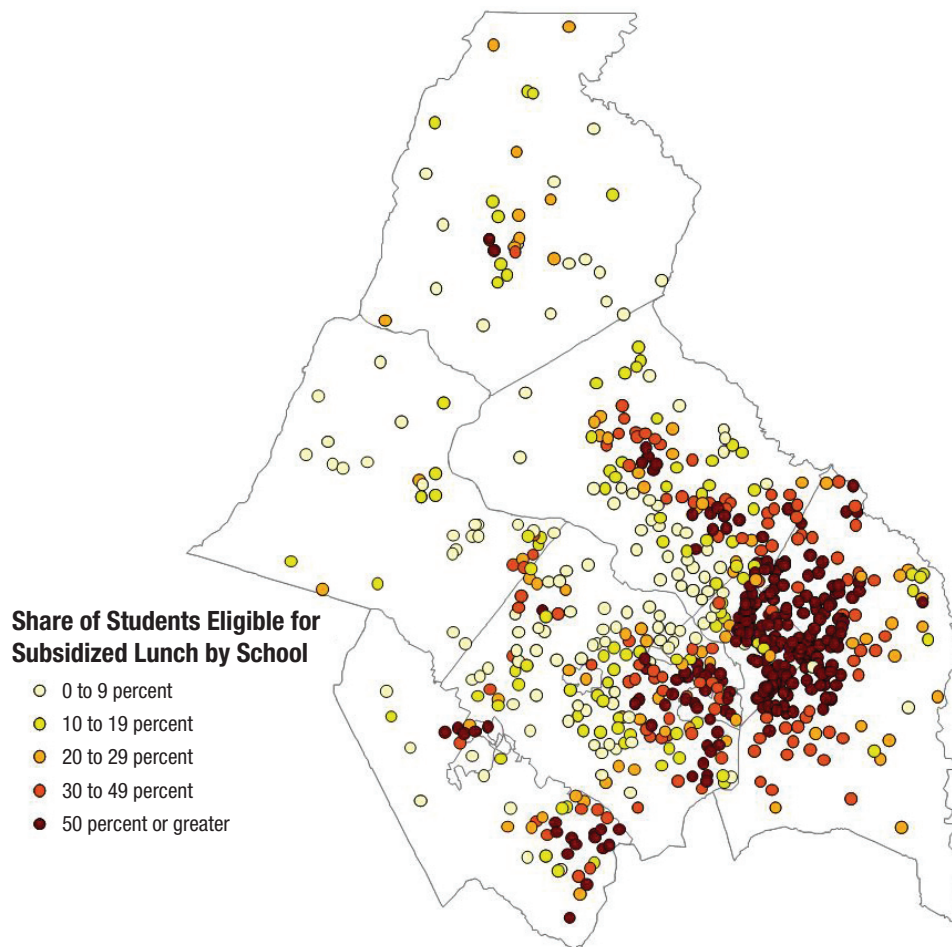
Figure 14. Percent of tax filers receiving the Earned Income Tax Credit in the Washington region, 2005



Source: IRS SPEC database

Public school students receiving subsidized lunches follow a similar geographic pattern. Children from families with low incomes (\$39,000 or below for a family of four in the 2008-09 school year) are eligible for either free or reduced-price lunches.

Figure 15. Eligibility for subsidized school lunches in elementary schools in the Washington region, 2005-2006

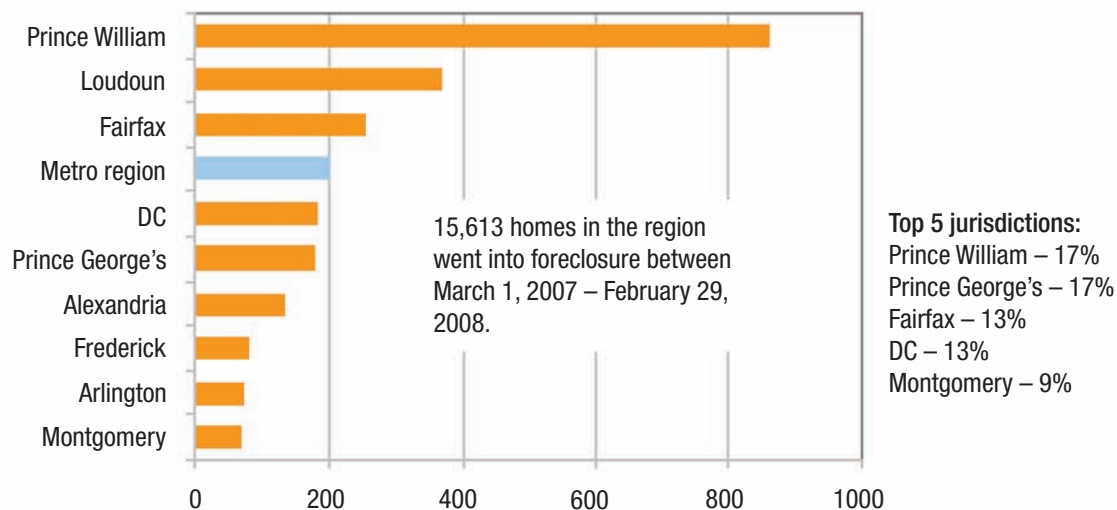


Source: National Center for Education Statistics

The housing crisis is largely playing out in the suburbs, although no area is immune. Between March 1, 2007 – February 29, 2008, more than 15,000 homes went into foreclosure in the region. Five jurisdictions accounted for almost 70 percent of that total – not surprisingly, some of the most populous or the fastest-growing jurisdictions. As of October 2008, Prince William had the highest rate of foreclosures.

Maryland jurisdictions have lower foreclosure rates but that may not be because fewer homeowners are in trouble. Another factor is that state legislation enacted last spring lengthened the foreclosure process, extending the amount of time it takes to complete a foreclosure in order to give homeowners more time to negotiate agreements with their lenders.

Figure 16. Number of foreclosures per 10,000 owner-occupied units in the Washington region by jurisdiction, October 2008



Source: John McClain, George Mason University, Center for Regional Analysis, using data from RealtyTrac and the American Community Survey

Implications and conclusions

Economic distress has a geographic footprint. Low-income children and families are not randomly distributed throughout the region, but are found in clusters in various parts of the region. While many of these clusters are in the urban core, some are in the suburbs, especially on the eastern side of the region.

Consistent with smaller populations and more recent growth, the outer suburbs may have less developed nonprofit infrastructures and be less prepared than others to serve growing and diverse populations.

The region has a highly educated labor market. Many minorities, including immigrants and the children of immigrants, may be ill-prepared to compete for area jobs due to low levels of educational attainment. Hispanics are a fast-growing population in the region but have the lowest levels of education. Blacks are a large population within the region but many have low levels of education and/or attachment to the labor force.

As immigrants settle in local communities, local responses often vary by jurisdiction within the same metropolitan area and in response to specific issues, such as day labor, language policies, occupancy policies, and local police enforcement. Institutions such as schools, hospitals, social services and other local government functions are adapting with varying degrees of success and ease to these new populations.

VENTURE PHILANTHROPY PARTNERS (VPP) is a philanthropic investment organization that helps great leaders build strong, high-performing nonprofit institutions. We concentrate money, expertise, and personal contacts to improve the lives of children and youth of low-income families in the National Capital Region and cultivate an engaged donor community to generate funding and influence in support of these institutions and of social change.

GREATER WASHINGTON RESEARCH AT BROOKINGS is devoted to helping policy makers in the Washington metropolitan area understand the issues facing the region and make better decisions. We conduct research and analysis and bring together policy-makers, the press and the public to discuss alternative policies. Our emphasis is on helping the region become more prosperous and inclusive.

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