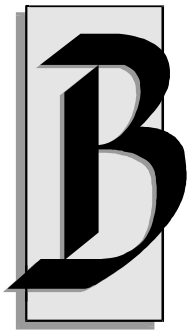

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BROOKINGS WORKING PAPER[1]

THE "UNDERCLASS" REVISITED: A SOCIAL PROBLEM IN DECLINE

By Paul A. Jargowsky and Rebecca Yang

May 2005

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Introduction

No single metric can capture all the dimensions of as complex a phenomenon as poverty in an affluent society. Several different empirical strategies, each with strengths and weaknesses, may all contribute to a more complete understanding of the experience of living in poverty in a modern urban setting. The standard federal measure of poverty focuses narrowly on the income of families in comparison to a standard meant to reflect the cost of basic necessities (Orshansky 1963, 1965). The concentration of poverty adds a geographic component, by gauging the extent to which poor families are spatially isolated (Jargowsky and Bane 1991; Jargowsky 1997, 2003). Neither of these measures, however, adequately conveys the extent of social disorganization in poor neighborhoods that has figured so prominently in the political debates over public policies that address poverty and urban development.

The focus on the concentration of social ills in poor neighborhoods was particularly acute in the late 1970s and 1980s. The devastation wrought by the crack epidemic, the rapid rise in out-of-wedlock childbearing, and the high levels of violent crime in the inner-cities gave rise to the concept of the "underclass" (Glasgow 1980; Auletta 1982; Wilson 1987). This highly controversial term was used in different ways for different purposes by different types of people, including politicians, advocates, journalists, and academic researchers, limiting its usefulness as an analytic concept (Dash 1989; Lemann 1986a, 1986b; Magnet 1993). Others criticized the measure on conceptual grounds (Katz 1993; Hughes 1989a, 1989b; Jencks 1991; Littman 1991). Over time, the term has fallen out of favor; William Julius Wilson, for example – whose work did much to call attention to these issues – decided to drop the term "underclass" in favor of the less politically charged term, "ghetto poor" (Wilson 1996).

Nevertheless, the dangerously self-destructive behaviors that gave rise to the underclass debate, and particularly the geographic concentration of these ills in central cities, were legitimate topics of public concern. Several researchers attempted to measure the underclass (Danziger and Gottschalk 1987; Jencks 1991; Van Haitsma 1989), but the most sustained research effort was made by the Urban Underclass Project at the Urban Institute. Ricketts and Sawhill (1988) proposed an operational definition of the underclass concept based on the spatial convergence of high levels of various social ills. These researchers readily admitted that their measure fell short of an ideal representation of the concept, yet they argued that it was the best measure that could be constructed from available census data, and therefore the only measure that could be broadly applied to all U.S. neighborhoods. Ricketts and Mincy (1990) presented the changes in the underclass measure in the 1970s, and follow-up work by Mincy and Weiner (1993) extended the analysis through 1990.

The 1990s were a period of sustained economic growth that penetrated to all levels of the income distribution. In this period, real wages for unskilled workers saw their first sustained rise since the 1960s, clearly an important development for unskilled inner-city youth. This period also featured a number of radical changes in public policy, including the expansion of the Earned Income Tax Credit (EITC) to encourage attachment to the labor force, reform of the welfare program that required many to seek employment, and a major change in the orientation of housing assistance towards decentralization of poor populations.

This Brookings Policy Brief assesses whether these profound changes in the economic and political context of poverty in the 1990s had measurable impacts upon

neighborhood social distress, as captured by the Ricketts-Sawhill underclass measure. In addition to examining the state of the underclass in 2000, we also compare the progress on this underclass measure to other dimensions of poverty, on the theory that these measures taken together tell us more than any one measure viewed in isolation. The next section addresses the conceptual underpinnings of the underclass measure; the following section briefly recaps the previous empirical results; we then discuss the data and methods used in this study and present our findings.

Operationalizing the Underclass Concept

Early attempts to define the underclass saw it as a subset of the poverty population, either the persistently poor or the spatially concentrated poor (Ruggles and Marton 1986; Levy 1977; Gottschalk and Danziger 1987; Nathan 1986). Yet this focus was inconsistent with the ethnographic and theoretical work emphasizing the behavioral aspects of the phenomenon. Clark and Nathan (1982), for example, argued that there was "general agreement that underclass status is not simply a function of low income."

Specifically, Ricketts and Sawhill contended that the underclass is characterized by "behaviors which are at variance with those of mainstream American (such as joblessness, welfare dependency, unwed parenting, criminal or uncivil behavior, and dropping out of high school)" (1988: 317). These behaviors are likely "to inhibit social mobility, to impose costs on the rest of society, and to influence children growing up in an environment where such behaviors are commonplace" (1988: 319). The final point echoed most of the commentary, discussion, and research about the underclass, which stressed the clustering of these characteristics in inner-city neighborhoods (Wilson 1987). "As the incidence of certain behaviors rises," argued Ricketts and Sawhill, "they are

likely to be increasingly viewed as acceptable, or even as normative…making it more likely that they will be adopted by other residents, especially children and adolescents" (320).

Based on these considerations, Ricketts and Sawhill developed an underclass measure that is deceptively simple to describe. To be considered an underclass area, a neighborhood has to be simultaneously one standard deviation or more above the national mean on four different indicators of socioeconomic distress. These four indicators are the percentages of: a) men not attached to the labor force; b) teenagers who are high school drop outs; c) families with children headed by women; and d) households dependent on public assistance. As is common in urban research, neighborhoods are proxied by Census Tracts, small geographic areas created by the Census Bureau with an average of 4,000 residents. Not everyone who has one or more of the four characteristics lives in underclass areas as defined here, nor does everyone in these underclass areas share those traits. But the measure does identify the geographic contexts where economic and outcomes and social norms are substantially at variance with mainstream expectations. Having identified underclass neighborhoods, the total population of those areas is a measure of the segment of society directly involved or impacted by the underclass phenomenon.

From a technical point of view, this variable is a measure of the joint distribution of the neighborhood-level proportions of the four indicators. For example, if the neighborhood distributions of these characteristics were uncorrelated and normally distributed, the probability that any given census tract would be one standard deviation above the mean on all four of them simultaneously would be 1 in 1,528. Out of 60,000

census tracts in the U.S., only 39 would be expected to qualify. Obviously, these characteristics are correlated with each other, and have skewed rather than normal distributions. Thus, far more census tracts satisfy the criterion than would be expected by chance.

Several issues need to be addressed before the underclass measure can be employed in empirical work. For example, state or metropolitan means and standard deviations could be used instead of the national standards (Hughes 1989a). The former allows for differences in local economic conditions and laws regarding welfare and school attendance. The latter approach, favored by the Urban Institute researchers, is based on the idea that there are society-wide norms regarding such things as going to school, working, and having children (Ricketts and Mincy 1990: 139n1).

A second important issue concerns comparisons over time. If the means and standard deviations from each time period are used to determine which tracts are one standard deviation or more above the mean on the four indicators, then any changes in the measure would depend mainly on changes in the correlations among the indicators. A better approach is to define a fixed standard based on one time period and apply it to subsequent time periods. In this sense, the underclass measure is an absolute rather than a relative concept (Ricketts and Mincy 1990: 139).

There is a certain degree of arbitrariness built in to the measure: the particular indicators chosen and those omitted, the selection of one standard deviation above the mean as the benchmark, equal weighting of the four indicators, and so on. In particular, the selection of these four indicators was criticized by many as being more reflective of economic outcomes rather than attitudes and behaviors that violate societal norms, such

as gang membership, drug use, and incivility (Auletta 1982; Hagedorn and Macon 1988; Klein 1994; Magnet 1993). Yet with the exception of out-of-wedlock childbearing, there is no reliable source of data on such traits at the neighborhood level. In any case, the four characteristics included in the measure do capture important aspects of the underclass phenomenon, including failure to complete high school and a low degree of attachment to the mainstream labor market. Persons or families with these characteristics are likely to have limited upward and intergenerational mobility.

The Ricketts-Sawhill underclass measure is not alone in having arbitrary elements. Most statistical measures that can be applied in the real world contain arbitrary elements. The poverty rate, for example, relies on a highly arbitrary estimate of the cost of basic necessities from the 1950s, adjusted for inflation by another procedure with even more ambiguities (Ruggles 1990). The concentration of poverty measure relies on a neighborhood threshold poverty level of 40 percent, despite the fact that a 39 percent poor neighborhood is nearly indistinguishable from a 41 percent poor neighborhood. For that matter, the choice of census tracts for all these measures is based on convenience rather than on any scientific analysis of the optimal geographic unit (White 1987).

Measures such as poverty, concentration of poverty, and the underclass are less dependent on their more arbitrary elements when used for comparisons among different areas or for the analysis of trends over time. While the exact level of the underclass measure is largely dependent on how the concept is operationalized, differences – especially large differences – are likely to indicate corresponding real differences in social situations.

Empirical Literature

Ricketts and Sawhill (1988) identify underclass neighborhoods by the method discussed above and count the individuals living in them. They arrive at a count of the population of underclass areas, rather than a count of the underclass per se, since not all residents of underclass areas share the same characteristics (Robinson 1950). Presumably, however, all residents of underclass neighborhoods are subject to degradations in their quality of life due to the extant social conditions, and so it is a good measure of the scope of the underclass problem, broadly defined.

Based on 1980 means and standard deviations for the four indicators, Ricketts and Sawhill found that about 2.5 million (or about 1 percent of the U.S. population) lived in the underclass areas, which consisted of 880 census tracts in 1980. Although 1 percent is not a large proportion of the total population, nor did all of residents of these areas engage in underclass behaviors, all lived in neighborhoods with a high incidence of multiple social problems. Moreover, underclass neighborhoods "are the site of much of the crime, welfare dependency, school dropouts, poverty, and other social problems that not only affect the life chances of the children residing in such areas but also impose costs on the rest of society" (Mincy, Sawhill, and Wolf 1990: 452).

Virtually all the underclass tracts were in urban areas. These tracts are disproportionately located in the older industrial cities, such as Newark, New York, and Baltimore, and their residents were 59 percent black and 10 percent Hispanic. Other striking findings were that nearly two-thirds of the adult residents of these areas had less than a high school education, almost half were poor, and many were disabled. As one would expect, poor people were disproportionately likely to live in underclass zones. About 5 percent of all poor people lived in underclass areas.

In comparison, 5.6 million persons lived in neighborhoods with poverty rates of 40 percent or more, about 3 percent of the U.S. population in 1980. Surely, the residents of non-underclass high-poverty areas were exposed to some or all of the same stressful social conditions as the residents of underclass areas, but lived in neighborhoods that fell short of the Ricketts-Sawhill criterion on at least one of the four dimensions.

Perhaps the most important finding of the Ricketts and Sawhill study was that it is a mistake to assume that underclass areas are identical to or a subset of high-poverty areas, e.g. the poorest of the poor neighborhoods. Nearly 4 in 10 of all underclass tracts in 1980 were not high-poverty areas, and 72 percent of these extreme poverty areas were not underclass tracts. Therefore, Ricketts and Sawhill concluded that the two concepts, while highly correlated, are qualitatively distinct phenomena.

Using 1970 and 1980 Census Data, Ricketts and Mincy (1990) documented the dramatic growth the underclass during the 1970s. They used 1980 means and standard deviations on the four indicators and applied these retrospectively to the 1970 census data. The number of underclass census tracts grew 331 percent, from 204 in 1970 to 880 in 1980. The population more than tripled, rising from 752,000 to 2.5 million (Ricketts and Mincy 1990: 140). This rapid growth confirmed the general belief that social conditions of the inner-cities, where almost all underclass tracts were located, were deteriorating rapidly during this period.

Mincy and Wiener (1993) used the Ricketts-Sawhill definition to estimate the growth of the underclass population during the 1980s, by applying the 1980 thresholds to 1990 Census data. They report 928 underclass tracts, 1.5 percent of the total census tracts in U.S., in 1990. About 2.7 million people (or 1.1 percent of the total U.S. population)

lived in such areas. These figures represent increases of less than 10 percent over the 1980 levels for both the number of tracts and their population (1993: Table 1).

Compared with the dramatic growth in the underclass during the 1970s, underclass tracts and the population living in them grew more slowly than did the United States as a whole during the 1980s, whereas the concentrated poverty grew substantially faster. The total population in U.S. grew by 13 percent from 1980 to 1990; during the same period, the population living in underclass areas increased by only 8 percent (Mincy and Wiener 1993: Table 1), while the population living in concentrated poverty areas rose by more than 54 percent (Jargowsky 1997: 38). Once again, the evidence suggests that the underclass phenomenon differs from concentration of poverty, and must be considered a distinct dimension of the urban poverty problem.

Data and Methods

As is common in neighborhood research, we employ census tracts as proxies for neighborhoods. Census tracts have about 4,000 persons on average, but in practice vary widely in population size due to changes over time. The Census Bureau adjusts census tract boundaries to account for these changes, typically splitting tracts as the population grows too large. We use contemporaneous census tract boundaries. In other words, we use the 1990 census tract definitions in analyzing the 1990 data and the 2000 boundaries for the 2000 data.[2]

The figures presented below include all census tracts in the United States, including both metropolitan and non-metropolitan areas, except as noted. A metropolitan

[2] In calculating neighborhood level rates, and particularly when identifying extreme values, it is crucial to use contemporaneous rather than matched boundaries. The latter approach results in smaller average neighborhood population in the earlier years, creating a bias towards more extreme values.

area usually consists of one or more population centers, or central cities, and the nearby counties that have close economic and commuting ties to the central cities. The Census Bureau defines several types of metropolitan areas. There are stand-alone Metropolitan Statistical Areas (MSAs) and Primary Metropolitan Statistical Areas (PMSAs). PMSAs are part of larger constructions called Consolidated Metropolitan Statistical Areas (CMSAs). CMSAs are so large that they are not comparable to MSAs. Thus, in this analysis, the term metropolitan areas includes MSAs and PMSAs, not CMSAs, and the 2000 Census Bureau definitions of these areas are used in both 1990 and 2000.

As noted above, *changes* in the underclass measure are more telling than their absolute level in any given year. We use the means and standard deviations of the four indicators in 1990 to construct four thresholds, which are then applied to both the 1990 and 2000 data. Note that the previous empirical work used thresholds based on the 1980 Census data. We chose to use 1990 data for the thresholds for two reasons. First, our interest is to compare 1990 to 2000, and 1980 standards on various indicators may not reflect current social norms. Secondly, in 1980, areas outside of metropolitan areas were for the most part not divided into census tracts, potentially biasing the calculation of the threshold levels. Both the 1990 and 2000 Censes, however, contain complete geographic coverage of the nation, and so true national means and standard deviations can be calculated to enhance comparability.

Census tracts that are simultaneously above the four thresholds meet the underclass criterion.[3] The means and standard deviations of the four indicators that comprise the underclass measure, and the resulting thresholds, are shown in Table 1. To

[3] The specific procedures and variables from the census data used to calculate the indicators are given in Appendix A.

be considered an underclass area, one third of the families with children must be headed by female rather than a male or married couple; one in four young adults must be a high-school drop out; nearly half of the men must not be in the labor force; and 17 percent of the families must receive some form of public assistance.

A change in the underclass measure could occur for two different reasons. The most obvious is that the prevalence of one or more of the indicators could change. The second is that the correlation among the indicators could change.

Table 1 provides mixed evidence on the first issue. The census-tract level average proportion of families headed by a single female rose from 20.1 percent to 22.5 percent.[4] The proportion of males not working was not significantly different. The other indicators, however, showed declines. The mean drop out level declined from 11.9 percent to 10.2 percent. A decline is also observed in the proportion of households receiving welfare assistance. In the average neighborhood, the percentage receiving public assistance declined from 8.5 to 7.9 percent. Note that this includes AFDC/TANF, SSI, and Disability Insurance, due to the limitations of the available census data.[5] The decline is surely related to the fall in the AFDC/TANF caseload that took place in the late 1990s due to the strong economy and the change in program rules.

Table 2 shows the correlations among the four indicators. Between 1990 and 2000, the bivariate correlations among the indicators mostly stayed the same or declined. For example, the census tract level correlation between female-headed families and welfare declined from 0.7194 to 0.6504. Even if the levels of the four indicators had not changed between 1990 and 2000, a decline in the correlations among them would have

[4] Unless otherwise noted, all differences discussed in the paper are statistically significant.
[5] A forthcoming Appendix will discuss the change in the Census Bureau's reporting method for this data,

produced some decline in the underclass measure. As a practical matter, however, it is not possible to separate out these two sources of variation, because the fact that the levels of the indicators were moving in different directions likely contributes to the decline in their correlations.

Findings

Given the changes in the levels and correlations of the underlying indicators, it is not surprising that the number of underclass areas declined. As shown in Table 3, the number of underclass neighborhoods declined by 32.5 percent, from 1,148 census tracts in 1990 to 775 in 2000. This decline outpaced the 27 percent drop in high-poverty tracts. Note that the total number of census tracts nationally increased during this period from 61,000 to 65,000, so the declines in both measures were even larger if viewed in relative terms.

Far fewer persons lived in neighborhoods classified as underclass areas, declining from 3.4 million to 2.2 million. In 1990, the vast majority of the residents of underclass neighborhoods were members of minority groups. Although there were large declines in underclass populations for blacks, whites, and Hispanics alike, the declines were fastest for whites and slowest for Hispanics. As a result, the proportion of underclass residents who were Hispanic rose from 17 percent to nearly 20 percent. Fewer than half of the residents of underclass areas were classified as poor in both 1990 and 2000.

The number of Census Tracts satisfying the female-headed household criterion increased between 1990 and 2000, while there were declines in the number of census tracts satisfying the drop out and welfare receipt criteria, as shown in Figure 1. The

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and what we did to generate comparable figures for 1990 and 2000.

differential movement on these sub-indicators suggests that each dimension of the measure plays a different role in the observed changed. Figure 2 indicates the effect of dropping each of the indicators in turn from the composite measure:

* Excluding the requirement that a census tract is one standard deviation above the 1990 mean on female-headed families, for example, increases the number of tracts that qualify but has hardly any effect on the relative change between 1990 and 2000. A 34.4 percent decline is observed, compared 32.5 percent when all four indicators are included.

* Dropping the drop out criterion nearly triples the number of tracts that qualify, because this indicator is less correlated with the other three indicators than they are with each other. The decline in underclass tracts is also smaller when dropping out is omitted, because the average levels of dropping out at the census tract level fell between 1990 and 2000.

* Dropping the male non-work criterion also increases the number of tracts classified as underclass, but not nearly as much as the omitting the drop out criterion. The relative decline is similar to the full underclass measure.

* Dropping the public assistance requirement mitigates the decline in underclass tracts to 22 percent, compared to 32.5 percent for the full measure. The decline in welfare receipt made it less likely far census tracts to exceed the underclass criterion in this dimension in 2000.

Thus, reductions in the number of census tracts with high levels of dropping out of high-school and public assistance receipt were the main reasons for the decline in the underclass measure.

Previous research noted that underclass tracts were not a strict subset of high-poverty tracts. About two thirds (68 percent) of all underclass tracts had poverty rates of 40 percent or more in 1990, as shown in Table 4. Over the course of the decade, however, this tendency decreased: in 2000, 57 percent of the underclass tracts qualified as high-poverty zones. This seems to indicate a divergence between underclass status and poverty status. Looked at the other way, high-poverty tracts were much less likely to

be underclass tracts, owning to the larger decline of the latter status. While 23 percent of high-poverty tracts were also underclass tracts in 1990, only 18 percent of high-poverty tracts were underclass in 2000.

The majority of the underclass tracts in 1990 were located in the Mid-Atlantic and Midwest (also know as "East North Central," in the jargon of the Census Bureau), and this tendency was little changed over the decade. Together, these two areas accounted for 52 percent of all underclass tracts in 1990. Even though these areas experienced very large declines in the number of underclass tracts (-97 and -101, respectively), they still made up 51 percent of all underclass tracts in 2000, as shown in Table 5. The declines in some other areas were much greater in percentage terms. For example, the number of underclass tracts in the Southwest declined from 112 to only 56, a 50 percent decrease.

Table 6 indicates that the geographic distribution of the population of underclass areas was very similar to the distribution of the census tracts, but with interesting differences by race and ethnicity. Black residents of underclass areas were far more likely to live in the South Atlantic region, whereas white underclass residents were more likely to live in the Mid-Atlantic or New England. Hispanic underclass residents were very disproportionately found in the Mid-Atlantic, which suggests that the phenomenon is more prevalent among Puerto Ricans than Mexicans or other Hispanic groups (Sullivan 1993). In 2000, nearly half of the Hispanic underclass residents lived in the Mid-Atlantic states of NewYork, New Jersey, or Pennsylvania. Interestingly, in 2000, more Hispanic underclass residents lived in New England than in the Southwest and Pacific Census areas combined.

The fundamental change in the nature of the underclass phenomenon, at least as measured by the Ricketts-Sawhill criterion, is easiest to appreciate when examining the trends in individual metropolitan areas, as shown in Table 7.[6] The New York and Detroit metropolitan areas led the way, with declines of more than 60 underclass tracts between 1990 and 2000. In percentage terms, the 78 percent decline in underclass tracts in Los Angeles was impressive. St. Louis, MO, Phoenix, AZ, and Riverside, CA, bucked the trend and had an increase in underclass tracts.

Despite these dramatic changes in the underclass measure, it might be premature to conclude that the "social pathologies" that spurred the underclass debate of the 1980s – to use William Julius Wilson's memorable term – will soon join polio and smallpox on the list eradicated diseases. The change in the underclass measure may be more dramatic than the underlying reality. In particular, the fact that the sharp decline is driven in part by the welfare dimension is a sword that cuts both ways. A positive view is that the strong economy and more paternalistic welfare laws helped many former residents of underclass neighborhoods into the labor market, with substantial benefits for them and their neighborhoods.

A negative view of the same facts would hold that the welfare poor have been forced into low-wage jobs, have just as little money, are less likely to have health care, and have less time to supervise their children. Proponents of the latter view would hold that the declines in the underclass noted in this paper are merely a statistical artifact of comparing welfare receipt from the legal context of 2000 to threshold levels based on a very different legal context, as well as the effect of a higher high-school completion at a

[6] Very few underclass tracts, either 1990 or 2000, were located outside of metropolitan areas as defined by the Census Bureau.

time when the high-school credential is less valuable than it once was. Moreover, the data we examine come from April of 2000, arguably the peek of the economic boom. Some of the progress documented here may well have eroded. Despite these concerns, it is not possible to deny that there has been a change in the social and economic characteristics of urban neighborhoods formerly classified as underclass.

Conclusions and Policy Implications

Not that long ago, the problems of poverty, concentration of poverty, and urban blight were unfailingly referred to as intractable. The 1990s, however, were a remarkable decade in which substantial progress was made against all these problems. A wide ranging set of forces contributed to these improvements, including the strong economy, favorable demographic trends, and several major policy innovations inspired by both the right and the left. While the relative roles of these different forces and policy changes is difficult to disentangle, it is clear that on balance they had their greatest impact in the central cities of our metropolitan areas.

The changes experienced by inner-city neighborhoods are nothing short of profound. Previous research has shown a precipitous drop in the concentration of poverty (Jargowsky 2003; Kingsley and Pettit 2003). This study shows that an alternate measure of neighborhood-level social distress – the Rickets-Sawhill underclass measure – reveals even greater progress. The greater declines in the underclass measure, relative to individual-level poverty and neighborhood-level concentration of poverty, could be interpreted as confirming the wisdom of paying attention to the spatial distribution of poverty, not just its prevalence in the population. That is, reducing concentrations of poverty may have a disproportionate benefit in reducing social problems. A strong

conclusion on this front is probably not justified, given the uncertainties about the statistical properties of the underclass measure (Tobin 1993) and even more problematic issues concerning the direction of causality.

We can, however, safely conclude that many fewer neighborhoods now resemble the depressing descriptions of the inner-city that were commonplace in journalistic and scholarly accounts of previous years (Dash 1989; Jencks 1988; Kotlowitz 1991; Kozol 1995; Massey and Denton 1993). While many neighborhoods remain troubled, and many older inner-ring suburban neighborhoods are showing signs of distress, far fewer neighborhoods have the confluence of high levels of the four characteristics included in the underclass measure.

Progress on this scale – a relatively rare occurrence in the arena of social problems – should be celebrated. The strong economy was clearly a key driving force, but a number of public policies were enacted or changed during the 1990s that also had a clear role in bringing about these changes. Chief among them is welfare reform, if for no other reason than the technical role of welfare receipt in the underclass measure. Other important policy changes include the broad expansion of the EITC and the move towards decentralization of housing assistance were fundamental changes in policy. On the cautionary side, the rapid, exclusionary forms of development in suburban areas may serve to undermine central city and inner-ring neighborhoods, especially in the context of a substantially cooler economy. Having once experienced "deadly neighborhoods" (Jencks 1988), we should be vigilant against the reconcentration of poverty and social problems in the years and decades ahead.

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Tables and Figures

Table 1: Means and Standard Deviations of Underclass Indicators

	Mean	SD	Threshold
1990			
Female family head	0.201	0.162	0.363
High school drop out	0.119	0.116	0.235
Male non-work	0.340	0.130	0.470
Public assistance	0.085	0.087	0.171
2000			
Female family head	0.225	0.158	
High school drop out	0.102	0.107	
Male non-work	0.341	0.119	
Welfare receipt	0.079	0.074	
2000/1990 Ratio			
Female family head	1.119	0.975	
High school drop out	0.857	0.922	
Male non-work	1.003	0.915	
Welfare receipt	0.929	0.851	

Table 2: Correlations among Underclass Indicators, 1990 – 2000

	Female family head	High school drop out	Male non-work	Welfare receipt
1990				
Female family head	1.0000			
High school drop out	0.3209*	1.0000		
Male non-work	0.5283*	0.3005*	1.0000	
Welfare receipt	0.7194*	0.3550*	0.6358*	1.0000
2000				
Female family head	1.0000			
High school drop out	0.3247*	1.0000		
Male non-work	0.5127*	0.2487*	1.0000	
Welfare receipt	0.6504*	0.3513*	0.6156*	1.0000
2000/1990 Ratio				
Female family head	1.000			
High school drop out	1.012	1.000		
Male non-work	0.970	0.828	1.000	
Welfare receipt	0.904	0.990	0.968	1.000

*Significant at $p<0.01$

Table 3
Underclass Census Tracts and Populations by Race/Ethnicity, 1990-2000

		Year				Change	
		1990		2000			
		Number	Percent	Number	Percent	Number	Percent
Number of Census Tracts		1,148		775		-373	-32.5%
All Incomes	Total	3,394,211	100.0	2,158,555	100.0	-1,235,656	-36.4
	White	603,557	17.8	359,440	16.7	-244,117	-40.4
	Black	2,117,525	62.4	1,268,271	58.8	-849,254	-40.1
	Hispanic	579,549	17.1	421,837	19.5	-157,712	-27.2
Poor	Total	1,515,826	100.0	875,462	100.0	-640,364	-42.2
	White	266,327	17.6	102,700	11.7	-163,627	-61.4
	Black	1,022,754	67.5	549,872	62.8	-472,882	-46.2
	Hispanic	283,124	18.7	189,610	21.7	-93,514	-33.0

Table 4
Concurrence of Underclass and High Poverty Census Tracts, 1990 and 2000

	High Poverty in 1990		
	No	Yes	Total
Underclass in 1990			
No	57,473	2,637	60,110
Yes	368	780	1,148
Total	57,841	3,417	61,258

	High Poverty in 2000		
	No	Yes	Total
Underclass in 2000			
No	62,585	2,067	64,652
Yes	332	443	775
Total	62,917	2,510	65,427

Note: High poverty means the tract had poverty rates of 40 percent or higher.

Table 5
Underclass Census Tracts by Geographical Division, 1990 and 2000

Geographical Division	1990		2000		Change, 1990-2000	Percent Change
	Number	Percent	Number	Percent		
U.S.Total	1148	100	775	100	-373	-32
New England	57	5	47	6	-10	-18
Middle Atlantic	264	23	167	22	-97	-37
East North Central	329	29	228	29	-101	-31
West North Central	53	5	33	4	-20	-38
South Atlantic	157	14	126	16	-31	-20
East South Central	77	7	71	9	-6	-8
West South Central	112	10	56	7	-56	-50
Mountain	20	2	14	2	-6	-30
Pacific	79	7	33	4	-46	-58

Table 6
Underclass Population by Census Division and Race/Ethnicity, 1990 and 2000

Census Division or Race/Ethnic Group	1990 Number	1990 Percent of Total	2000 Number	2000 Percent of Total	Change Number	Change Percent
Census Division						
U.S. Total	3,394,211	100	2,158,555	100	-1,235,656	-36
New England	165,270	5	143,853	7	-21,417	-13
Middle Atlantic	863,256	25	555,854	26	-307,402	-36
East North Central	839,737	25	514,222	24	-325,515	-39
West North Central	139,898	4	70,906	3	-68,992	-49
South Atlantic	476,776	14	358,313	16	-118,463	-25
East South Central	217,592	6	183,221	8	-34,371	-16
West South Central	281,327	8	165,157	8	-116,170	-41
Mountain	64,925	2	37,593	2	-27,332	-42
Pacific	345,430	10	129,436	6	-215,994	-63
Non-Hispanic White						
U.S. Total	603,557	100	359,440	100	-244,117	-40
New England	46,803	8	34,715	10	-12,088	-26
Middle Atlantic	105,253	17	72,131	20	-33,122	-31
East North Central	190,338	32	81,677	23	-108,661	-57
West North Central	36,420	6	16,445	5	-19,975	-55
South Atlantic	52,459	9	50,206	14	-2,253	-4
East South Central	45,670	8	43,250	12	-2,420	-5
West South Central	44,190	7	21,654	6	-22,536	-51
Mountain	18,629	3	5,304	1	-13,325	-72
Pacific	63,795	11	34,058	9	-29,737	-47
Non-Hispanic Black						
U.S. Total	2,117,525	100	1,268,271	100	-849,254	-40
New England	44,331	2	27,242	2	-17,089	-39
Middle Atlantic	482,044	23	253,442	20	-228,602	-47
East North Central	588,489	28	387,625	31	-200,864	-34
West North Central	78,149	4	38,351	3	-39,798	-51
South Atlantic	400,764	19	276,159	22	-124,605	-31
East South Central	170,254	8	134,148	11	-36,106	-21
West South Central	193,449	9	115,230	9	-78,219	-40
Mountain	15,434	1	4,842	0	-10,592	-69
Pacific	144,611	7	31,232	2	-113,379	-78
Hispanic						
U.S. Total	579,549	100	421,837	100	-157,712	-27
New England	66,598	11	72,734	17	6,136	9
Middle Atlantic	262,928	45	205,091	49	-57,837	-22
East North Central	50,042	9	28,449	7	-21,593	-43
West North Central	3,598	1	2,094	0	-1,504	-42
South Atlantic	21,138	4	23,776	6	2,638	12
East South Central	940	0	2,126	1	1,186	126
West South Central	40,381	7	25,322	6	-15,059	-37
Mountain	20,712	4	11,826	3	-8,886	-43
Pacific	113,212	20	50,419	12	-62,793	-55

Table 7
Underclass Census Tracts in 20 Largest Metropolitan Areas, 1990 and 2000

	Year		Change	
Name of MSA or PMSA	1990	2000	Number	Percent
New York, NY	125	60	-65	-52
Detroit, MI	99	38	-61	-62
Chicago, IL	87	57	-30	-34
Philadelphia, PA/NJ	51	28	-23	-45
Los Angeles, CA	40	9	-31	-78
Baltimore, MD	37	29	-8	-22
St. Louis, MO/IL	20	23	3	15
Houston, TX	16	7	-9	-56
Wash., DC/MD/VA/WV	12	7	-5	-42
Atlanta, GA	12	10	-2	-17
Dallas, TX	10	5	-5	-50
Minneapolis, MN/WI	10	3	-7	-70
Boston, MA/NH	9	4	-5	-56
Tampa, FL	9	6	-3	-33
Phoenix, AZ	8	13	5	63
Riverside, CA	5	7	2	40
San Diego, CA	2	0	-2	-100
Seattle, WA	1	2	1	100
Orange County, CA	0	0	0	0
Nassau, NY	0	0	0	0

Note: MSA = Metropolitan Statistical Area; PMSA = Primary Metropolitan Statistical Area. Sorted in order of 2000 total population within MSA/PMSAs boundaries.

Figure 1: Number of Census Tracts Above Underclass Thresholds

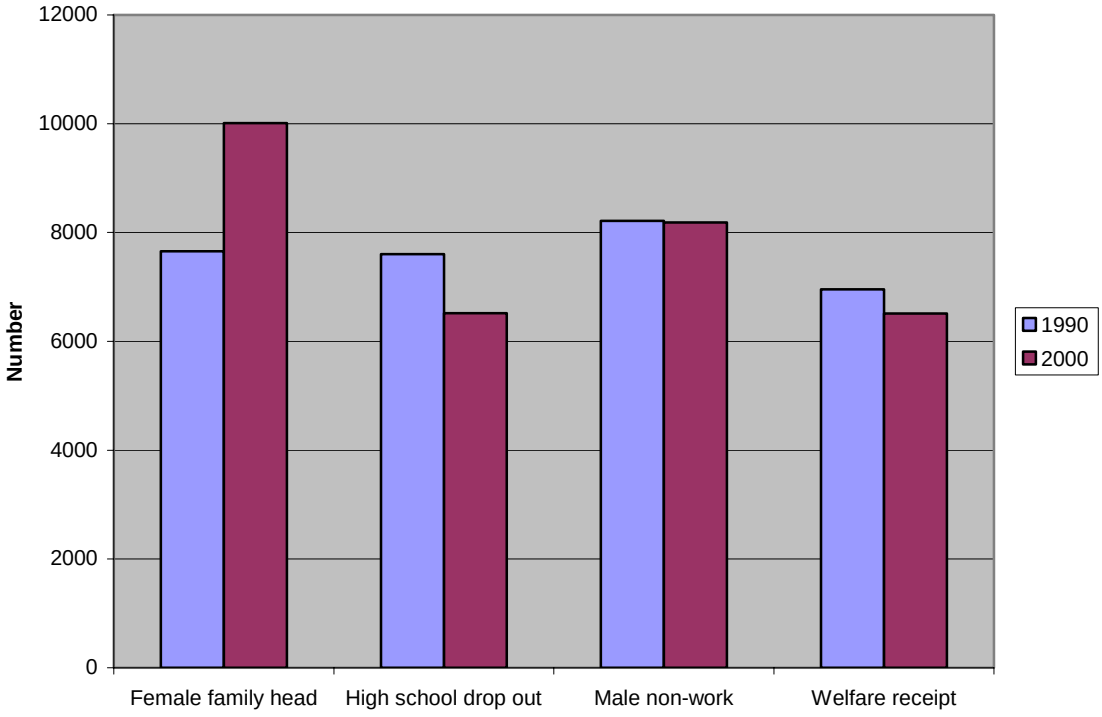

Figure 2: Change in Underclass Neighborhods, 1990-2000