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Report: U.S. concentrated poverty in the wake of the Great Recession

Concentrated poverty continues to grow post recession

Washington, D.C. – More than half of the nation's poor population now lives in high-poverty or extremely poor neighborhoods, finds a new report from the Brookings Metropolitan Policy Program. The analysis of changes in concentrated poverty reveals worrying trends across large cities, suburbs, small metro areas, and rural communities in the U.S.

The report, "U.S. concentrated poverty in the wake of the Great Recession," by Brookings Fellow Elizabeth Kneebone and Brookings Research Analyst Natalie Holmes measures changes in the concentrated poverty rate—the share of poor residents living in extremely poor neighborhoods (i.e., census tracts where 40 percent or more of the population lives below the federal poverty line)—since 2000. It also tracks the growth of high-poverty neighborhoods (i.e., census tracts with poverty rates between 20 and 40 percent).

The report reveals a post-recession period that provided little relief to those at the bottom of the economic ladder. By 2014, 14.0 million Americans lived in extremely poor neighborhoods, twice as many as in 2000. Of that number, 6.3 million were poor, bearing the double burden of being poor in a very poor place. Residents of poor neighborhoods face higher crime rates, exhibit worse health outcomes, and attend schools with high dropout rates, among many other challenges that make it harder to escape poverty.

By 2010-14, poor Hispanics were three times more likely than poor whites to live in an extremely poor neighborhood, and poor blacks were five times more likely. High levels of neighborhood distress thus remains a more prominent feature in the lives of blacks and Hispanics than for their poor white counterparts.

"While the challenges of concentrated poverty have long been pronounced in inner cities, poverty and concentrated disadvantage have spread rapidly beyond the urban core in recent years," said Elizabeth Kneebone, lead author of the report.

The nation's suburbs are home to the largest and fastest growing poor population in the country. Yet even as poverty spread beyond cities it became more concentrated in distressed and disadvantaged places. By 2010-14, almost 1.2 million suburban poor lived in concentrated poverty—nearly twice as many as 2005-09 and almost three times as many as in 2000.

The gap between white and black concentrated poverty rates was even more pronounced in the suburbs than in cities. Poor black suburban residents were more than three-and-a-half times more likely to live in extremely poor neighborhoods than poor white suburban residents.

"The broader reach of concentrated disadvantage today calls for regional policy responses that join up decision making on issues like housing, land use, transportation, and economic development to more

effectively connect poor people and neighborhoods to economic opportunity," said Kneebone. "Failing to act runs the risk of further entrenching disadvantage in inner cities and creating a new wave of chronically distressed neighborhoods in our nation's suburbs."

The report concludes with examples of metropolitan areas across the country working regionally to increase access to opportunity for poor suburban and urban residents alike.

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