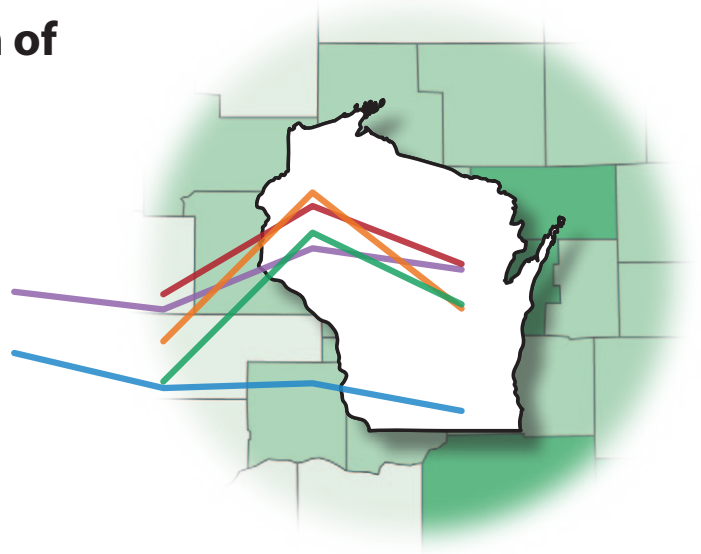


Trends in the Racial Distribution of Wisconsin Poverty, 1970-2000

Katherine J. Curtis, Heather O'Connell



This report is the second in a series of briefings on the results of recent research on the historical, geographical and racial aspects of family poverty in the state of Wisconsin.

In this briefing, we describe trends in the racial distribution of poverty among family households in all Wisconsin counties between 1970 and 2000. To help foster the development of targeted programs that effectively address inequality in economic vulnerability, we examine racial differences in poverty among the dominant race groups in the state. Examining poverty over this longer time frame shows that all Wisconsin minority groups experience higher poverty rates than non-Hispanic whites.

Curtis is Assistant Professor of Community and Environmental Sociology at UW-Madison and is this project's principal investigator. O'Connell is a graduate student at UW-Madison. This research was supported by USDA Hatch grant WIS01363, NICHD training grant #T32 HD07014 through the UW-Madison Center for Demography and Ecology, and the Wisconsin Agricultural Experiment Station. We are grateful for the helpful comments from Jack DeWaard, Adam Slez, and Richelle Winkler.

Racial Differences in Family Poverty

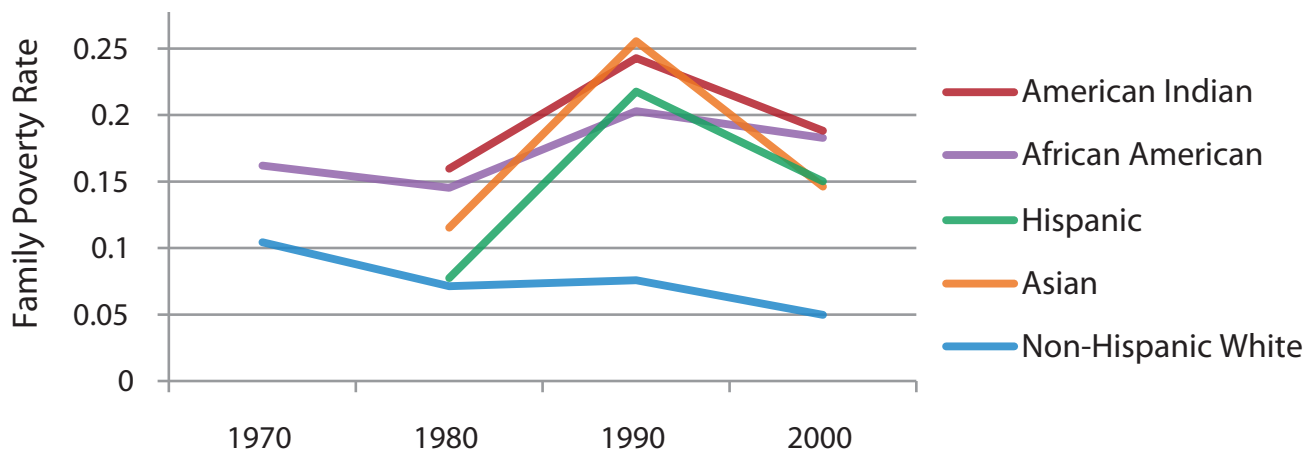
Racial differences in poverty among Wisconsin families have persisted since at least 1970. Figure 1 illustrates county-level family poverty rates for the state's five dominant race groups between 1970 and 2000.^{1,2,3} Across the state, and throughout the forty-year period, non-Hispanic white family households have had the lowest poverty rates relative to all other race groups. The most extreme difference throughout the period was between white and American Indian families. The remarkable gap in poverty rates between white and American Indian families persisted throughout the period, only modestly declining to a 14 percentage-point difference by 2000.

Figure 1 also shows that poverty has been declining among white families in Wisconsin and generally increasing for all other race groups since 1970. The poverty rate for white families fell from 10 percent to 5 percent between 1970 and 2000. In contrast, the

proportion of African American families living in poverty modestly increased, growing from 16 percent to 18 percent during the same period. Comparable data for American Indian, Asian and Hispanic families is not available until 1980. Yet data on county poverty rates for these groups since 1980 reveal a pattern that is distinct from trends observed for white and African American families. Poverty sharply increased among American Indian, Asian and Hispanic families during the 1980s to levels that exceeded African American poverty rates. American Indian and Asian families reported poverty rates that grew by 3 percentage-points between 1980 and 2000. Wisconsin's Hispanic families experienced the most dramatic change in poverty rates during this period, with an increase of 7 percent.

Figure 1

Race-specific family poverty rates by decade, 1970-2000

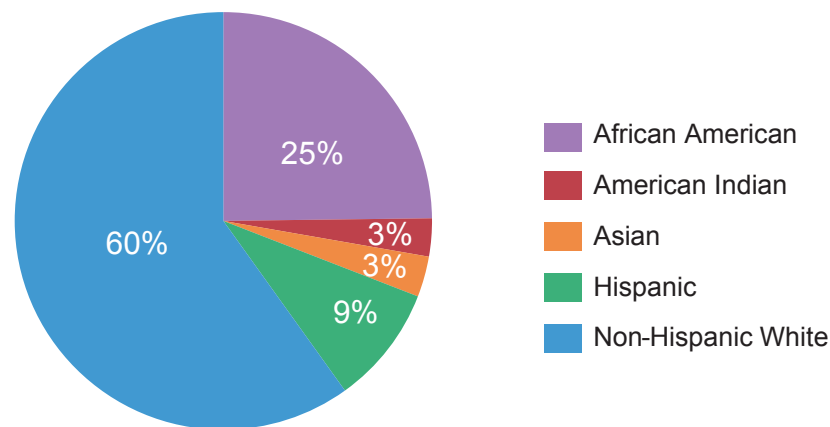


Recent Trends

Since 2000, racial differences in Wisconsin have persisted and poverty has increased more dramatically for some race groups compared to others. Data from the 2008 American Community Survey (ACS) show the highest growth in poverty between 2000-2008 was among African American families, with an increase of about 10 percentage-points. In 2008, poverty was highest for African American families at 28 percent, followed by American Indians at 21 percent, Hispanic families at 18 percent and Asian families at 11 percent. In striking contrast, poverty did not increase for non-Hispanic white families, and the poverty rate among white families remained at 5 percent during the period.⁴ The dramatic increase in poverty among Wisconsin's African American families is likely associated with recent economic hardships facing communities and industries particular to Wisconsin's African American population. The next briefing in this series analyzes the factors that contribute to county poverty.

Figure 2

Representation among the Poor for Wisconsin Families by Race, 2000



Racial Differences Among Impoverished Families

A look at the racial composition of Wisconsin's impoverished population provides another perspective on the relationship between race and poverty. Figure 2 illustrates the racial breakdown of all Wisconsin families in poverty in 2000. Approximately 60 percent of all impoverished families were white. By comparison, 25 percent of all poor families were African American, 5 percent were American Indian, 9 percent were Hispanic, and 3 percent were Asian. Although poverty rates are lowest for Wisconsin's white families, it is the largest race group represented among poor families. This is a reflection of the overall racial composition in the state. That is, most people, poor and non-poor, in Wisconsin are white.

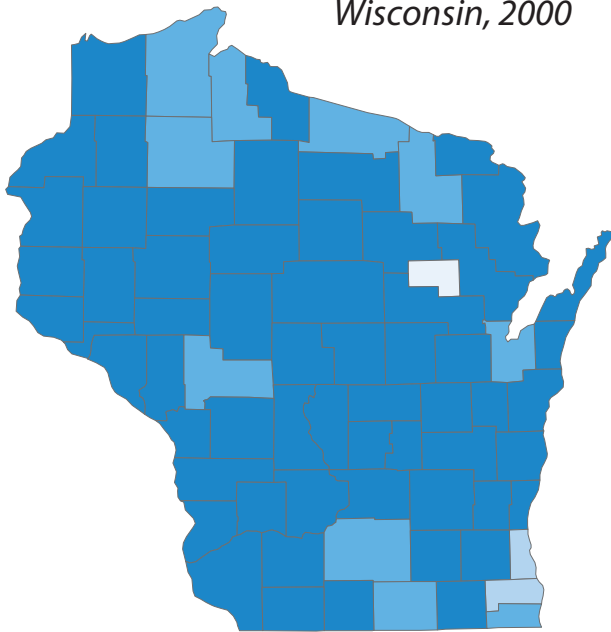
Still, Wisconsin's non-white families disproportionately experience poverty. For example, American Indian

families comprise less than 1 percent of all Wisconsin family households but make up 3 percent of all poor families. Even more disparate are the numbers for Hispanic and African American families. Hispanics make up approximately 5 percent of Wisconsin's total population but represent 10 percent of poor families. Similarly, African Americans comprise about 6 percent of the state population but 20 percent of all poor families.⁵ In contrast, white families comprise 90 percent of the state total, but represent only 60 percent of the poor families. So, while white families comprise the largest proportion of Wisconsin's poor families, the poverty rate among them is actually lower than that experienced by racial minorities.

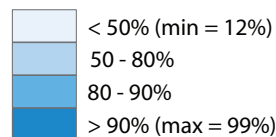
Racial Concentration in Wisconsin Counties

Figure 3

Non-Hispanic White Concentration in Wisconsin, 2000



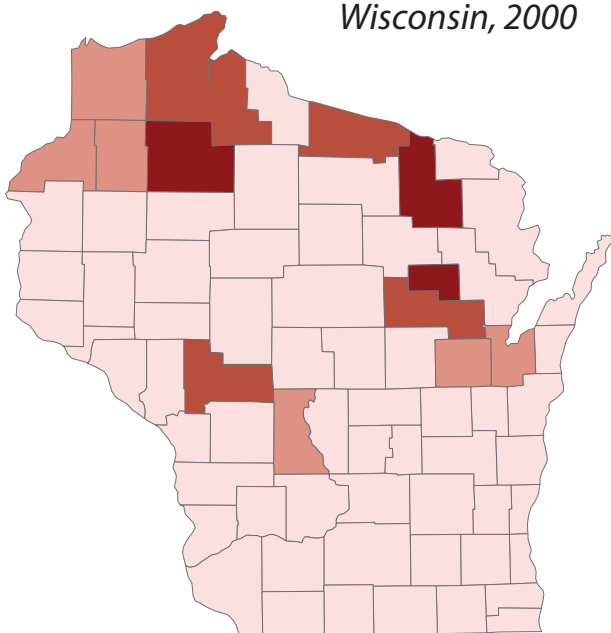
Percentage of the Total Population Non-Hispanic White



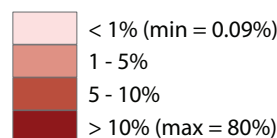
An understanding of the geographic concentration of race groups is crucial to understanding poverty in Wisconsin counties since, as the previous briefing demonstrates, poverty is not equally distributed across the state.⁶ Figures 3 through 8 show the proportion of each race group living in Wisconsin in 2000, the latest year for which complete data on all counties is available. The proportion of white residents ranges from 12 percent (Menominee County) to 99 percent (Florence and Lafayette counties). For the vast majority of counties white individuals make up more than 90 percent of the total population.

Figure 4

American Indian Concentration in Wisconsin, 2000



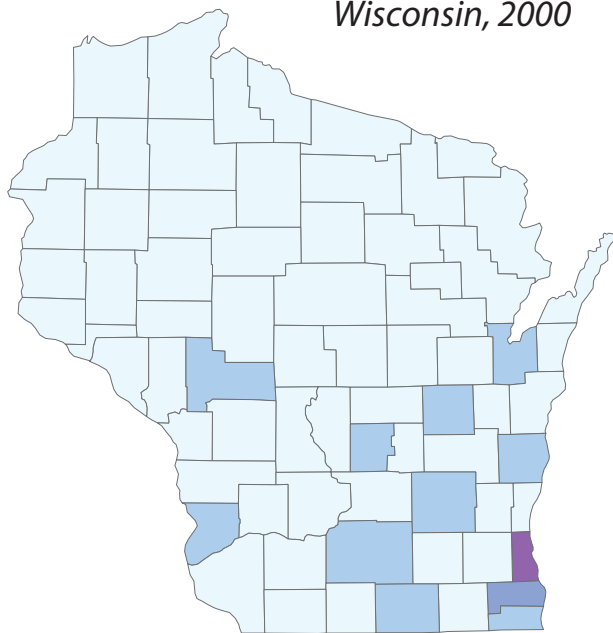
Percentage of the Total Population American Indian



The other four race groups are much more geographically concentrated. American Indians make up less than 1 percent of the population in most Wisconsin counties. Higher proportions are found in the northern counties and especially in counties with reservations. The highest concentration of American Indians is found in Menominee County, where they comprise 80 percent of the total population. This county had the highest family poverty rate in Wisconsin in 2000, at nearly 25 percent.

Figure 5

African American Concentration in Wisconsin, 2000



Wisconsin's African American population is also highly geographically concentrated. Only 12 counties have more than 1 percent of the total population that is African American. These counties are largely located in the southeastern part of the state. The highest proportion of African Americans is found in Milwaukee County where the race group makes up 24 percent of the total population, followed by Racine and Kenosha counties with 10 and 5 percent, respectively. Milwaukee had the second highest family poverty rate in 2000, with approximately 12 percent of families in poverty. In comparison, 5.8 percent of families in Racine County and 5.4 percent of families in Kenosha County were in poverty.

Percentage of the Total Population African American

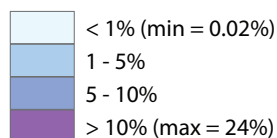
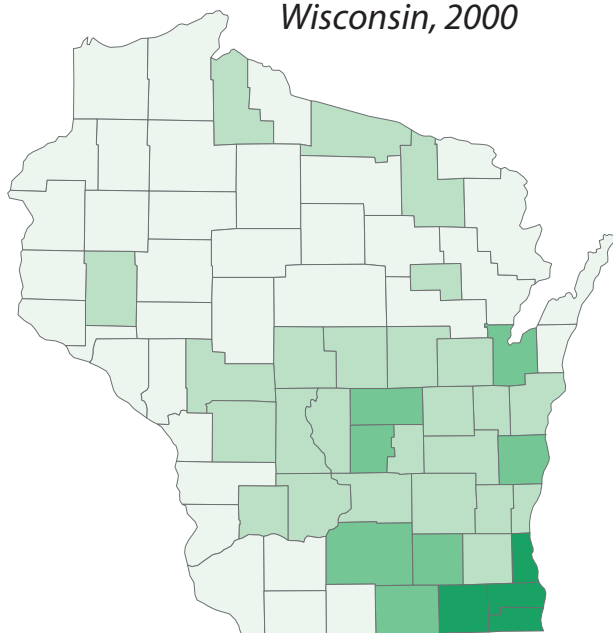


Figure 6

Hispanic Concentration in Wisconsin, 2000



The southeastern-most counties (Milwaukee, Kenosha, Racine, Walworth) are also home to the largest proportions of Hispanic residents. Hispanics make up more than 5 percent of these counties' total population. Many counties have more than 1 percent Hispanic residents, although more than a third of the counties have less than 1 percent. Counties with a high proportion of Hispanic families tend to have lower or average poverty rates compared to the state average of 5.6 percent. The exception is Milwaukee County with a poverty rate of 12 percent.

Percentage of the Total Population Hispanic

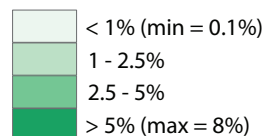
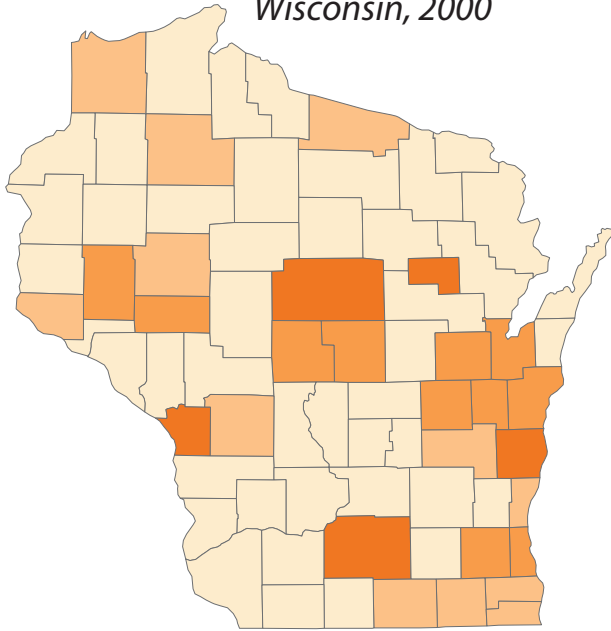
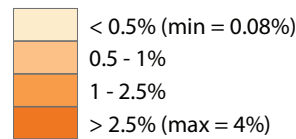


Figure 7

Asian Concentration in Wisconsin, 2000



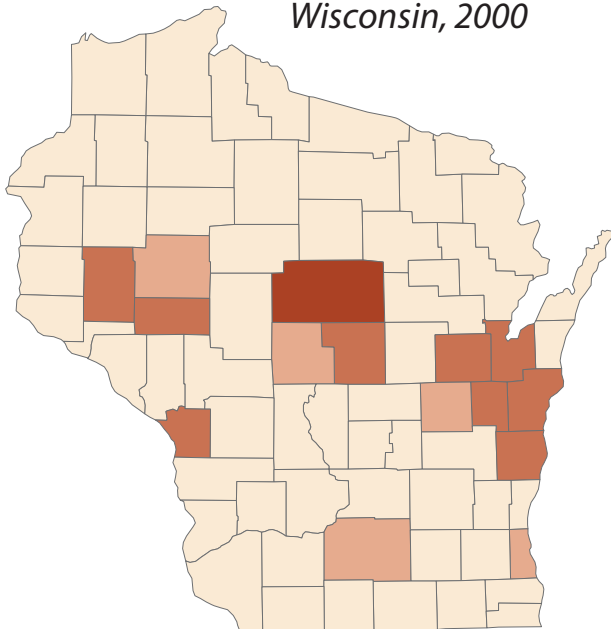
Percentage of the Total Population Asian



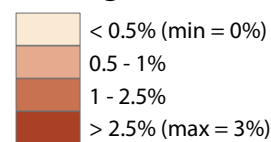
Wisconsin's Asian population is largely found in the southeast, the Fox Valley, and the Wausau area. In addition, a few counties in western and northern Wisconsin are home to a small number of Asian residents (i.e., less than 1 percent of the total population). The highest concentration of Asian residents is in Marathon County, where Asians make up 4 percent of the total population. Most counties' Asian population consists of less than 0.5 percent of the total.

Figure 8

Hmong Concentration in Wisconsin, 2000



Percentage of the Total Population Hmong



Recent focus has been on Wisconsin's growing Hmong population, a sub-group within the larger "Asian" population. Hmong residents are mostly found in Wisconsin's central counties, with the highest concentration at 3 percent in Marathon County – Wausau was chosen as a resettlement community for the Hmong refugee population during the 1990s. Although a growing population, the Hmong make up the smallest proportion of all race groups examined. Family poverty is not especially pronounced in any of the counties with relatively large Asian populations.

Discussion

Wisconsin has a low level of poverty relative to most other states in the nation.⁷ Recent estimates show that 6.7 percent of Wisconsin family households live below the poverty threshold, compared to 9.7 percent for the United States as a whole.⁸ Despite the state's relative advantage, results reported in the first briefing⁶ show that not all counties in Wisconsin experienced the same degree of poverty during the 20th century and that some places have poverty rates that far exceed the national average. In the current briefing, we show striking racial differences in the prevalence of poverty among Wisconsin families between 1970 and 2000.

General trends of racial inequality in poverty have continued since 2000. Poverty has been declining among white families in Wisconsin, yet it has been increasing for all other race groups. Moreover, although white families had the largest proportion of impoverished families, American Indian, African American, Asian and Hispanic families were over-represented among the impoverished population given their relatively small numbers in the state.

The racial distribution of poverty is a growing concern in Wisconsin in part because the state's population has been undergoing dramatic change in its racial and ethnic composition in recent years, largely through immigration. However, our results demonstrate that poverty is not limited to racial and ethnic groups that have recently grown through immigration. Racial minority groups that have had a historical presence in the state, in particular American Indians and African Americans also experience poverty disproportionately. This implies that racial disparity is not isolated to newer groups, but affects all non-white families in Wisconsin.

In order to develop effective anti-poverty programs, it is essential to understand which populations and communities are most affected by poverty. The prevalence of poverty is disproportionately high for non-white families and poverty is remarkably high in certain counties. Our research shows that the

racial distribution of the population does not perfectly align with the distribution of family poverty. Some counties that have both a high family poverty rate and a high concentration of minority race groups also have a higher prevalence of poverty (e.g., Milwaukee and Menominee counties). Yet most counties with a relatively high concentration of non-white residents have family poverty rates at or below the state average.

It is important to stress that our focus on the racial differences in economic vulnerability highlights the relationship between race and poverty, but it does not show that race is a cause of poverty. It does suggest that factors including demographic and economic characteristics at the root of poverty are unevenly distributed along racial lines. The uneven distribution of these factors has powerful implications for local-level poverty. We pursue this matter by examining the dominant drivers of county poverty in our next briefing.

Endnotes:

¹ County family poverty rates were averaged for the entire state by the available racial categories in each decade. The reported estimates reflect the average county poverty rates by race group, not group-specific poverty for the state.

² The Census 2000 provides the most recent complete data on all Wisconsin counties. More recent data are available for counties with a population of 20,000 or more and for the Census Bureau's Public Use Microdata Areas (PUMAs) through the American Community Survey (ACS). Unfortunately, these data are available for only a limited number of counties or for aggregated units that do not reflect county boundaries. Our research uses the 2000 estimates to provide information for all counties while preserving their political boundaries. We examine counties since program development occurs at the county level. Data for all Wisconsin counties will become available in late 2010.

³ Data are taken from the 1970, 1980, 1990 and 2000 decennial censuses. Data are incomplete for some of the racial categories. The U.S. Census Bureau did not report data on Hispanics, American Indians and Asians until 1980.

⁴ The margin of error for each poverty estimate is as follows: African Americans, +/- 2.9%; American Indians, +/- 5.9%; Hispanics of all races, +/- 2.6%; Asians, +/- 2.8%; and non-Hispanic whites, +/- 0.3%. This means, for example, that between 4.7% and 5.3% of Wisconsin's white family households were living in poverty in 2008. Information on margins of error and other issues surrounding the American Community Survey is available through a series of handbooks. Each handbook is aimed at a different user group, including state and local governments and users of data for rural areas. The handbooks can be found at: http://www.census.gov/acs/www/UseData/Compass/handbook_def.html

⁵ Percentages do not sum to 100 given rounding error and since not all racial categories are reported (e.g., we do not include people who reported more than one race).

⁶ Briefing 1: Historical Trends in Wisconsin Poverty 1900-2000, Katherine J. Curtis, Heather O'Connell, June 2010.

⁷ See *The First Wisconsin Poverty Report* (Julia B. Isaacs and Timothy M. Smeeding, prepared by the Institute for Research on Poverty, April 2009). The report shows that Wisconsin ranks 37th in child poverty in 2007. The report on poverty estimates from 2007 is for individuals, children, and PUMAs (combined county units). Our research relies on 2000 data since it is the most recent year in which complete data on all Wisconsin counties is available.

⁸ Data are from table S0201 from the 2008 American Community Survey 1-Year Estimates (U.S. Census Bureau, <http://factfinder.census.gov>). Margin of errors on the estimates are +/-0.3 for Wisconsin and +/-0.1 for the nation.

Briefing 2

Trends in the Racial Distribution of Wisconsin Poverty, 1970-2000

Katherine J. Curtis, Heather O'Connell

July 2010

