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“The Suburbanization of U.S. Poverty”

Podcast transcript and edited interview

Featuring [Scott Allard](#), Professor, Evans School of Public Affairs, University of Washington

Hosted by Dave Chancellor

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Chancellor Hello and thanks for joining us for the Poverty Research and Policy Podcast from the Institute for Research on Poverty at the University of Wisconsin Madison. I’m Dave Chancellor.

For this, our August 2016 episode, I interviewed Scott Allard, who is a Professor at the Evans School of Public Affairs at the University of Washington and a longtime friend and affiliate of IRP. Allard visited us in Madison this spring and gave an IRP seminar talk about the changing geography of poverty in the United States.

Professor Allard’s latest research, which will be published as book next year, looks at the perhaps surprising growth of poverty in U.S. suburbs. When we first started talking, I asked him what led him to begin studying suburban poverty and he told me how it grew out of work he was doing as he was finishing his first book. That book, called *Out of Reach: Place, Poverty, and the New American Welfare State*, examined the important role of social service providers in today’s social safety net — so, food banks, job training and adult education centers, mental health care, emergency assistance, and so on. He went to follow up with some of the 1,500 social service providers that he had originally surveyed in metro Chicago, Los Angeles, and Washington, DC. Instead of just follow-up conversations, as he describes it, he “stumbled” into new insights about place and poverty.

Allard I went to some of the places I did interviews, telephone interviews, and visited the providers themselves to do some verification of the work, make sure that the surveys were capturing what I thought they would. And I had an appointment in Los Angeles, suburban Los Angeles, with a provider that had participated in the survey, it was a food pantry provider, food bank. And as I was driving to the place, I remember thinking, ‘it’s weird that I’m going to a social service agency in this part of the valley because this is not where I think poor people are, this is not how we’ve been taught to think about poverty.’ We train our scholars, we train media, public debates — this is where the Brady Bunch lives, that’s what the houses looked like, but as we started to drive, I was seeing check cashing signs and other kinds of symbols or signals of economic disparity or inequality or hardship.

Chancellor Allard says that after driving through these neighborhoods, he arrived at the food bank and the executive director met him at the door and said, “I’m so glad you’re here. We’ve been puzzling over a number of issues and maybe you can help us.”

Allard And I said, well, what’s going on? She says, ‘well, our caseload has been increasing by 10% every month for the last two years.’ So this is in like 2006, late 2007, so we didn’t know the recession was happening, we didn’t know there was going to be a housing meltdown yet. And so we go inside and they have no food

Allard, Cont. in the place. And she's like, I can't keep my shelves stocked and we're signing up more people for food stamps than ever before. And it was a really interesting conversation. Not too long before that, Brookings had started to publish some data that talked about the rise of suburban poverty, so this visit kind of drew my attention to this in a very clear and real way.

Chancellor As a nonresident fellow at Brookings, Allard and his colleague Ben Roth, published a report called *Strained Suburbs* in 2010, which explored the consequences of suburban poverty in Chicago, LA, and Washington, DC. Allard's new book project builds on that report, combining interviews with service providers in the same three metro areas and Census data to make sense of this increased need in suburbs. And he spoke of how the data reveal the landmark effects of the Great Recession.

Allard And so as I started to pull the data together for this book then, a few years later, so now we're in 2012 as I start to do the analysis and the writing, it's taken awhile, I decided I better wait until the recession has kind of been in the recovery for a while to see what the effect of the recession was. And one of the striking things about the book project now, as I'm finishing up, I'm starting to see how dramatic the increases in poverty were after the recession in urban, but particularly and most acutely, in suburban areas.

Chancellor Allard says a central finding of the project is that poverty rates in cities and suburbs are at all-time highs, despite the economic recovery. It may be surprising, however, that the presence of significant poverty in suburbs is nothing new and predates the Great Recession. But, he says, the growth in suburban poverty accelerated during the Great Recession.

Allard This is something that has been present for many years and when you look at the data from the book, in 1990, there were almost as many poor people in suburbs of our largest metro areas as in the cities. And that runs counter to some of our intuitions, but also is kind of a striking contrast to the discussions we were having at the time about urban poverty and concentrated poverty in cities. It turns out poverty in cities hasn't gone away. Poverty in cities has gotten much worse in the last 25 years, it's just the rate of change in both the numeric increases are much worse and the increase in poverty rates are much worse in suburban areas. It turns out, as many of us know and understand, poverty in cities is still higher, a higher percentage of people in cities are poor and concentrated poverty is worse. The rate of change in suburbs is very different.

Chancellor When we think about how people experience poverty, Allard says that although the lived experience is similar no matter where you are, there are some important differences in the realities of suburban poverty.

Allard It's a stressful experience, it's an experience that forces one to grapple with hardship. Maybe not providing enough food for their family, maybe having a hard time making rent payments or mortgage payments. Instability of all kinds, stress, health issues. It's tough. Poverty's a tough experience for everybody. In suburbs, I think there are some additional realities that make it a unique or challenging phenomenon in that context. For one, there are great distances that people have to travel for resources. Whether it's food shopping or social services or what have you. And, without cars, many suburbs just don't have adequate public transportation networks. And the second thing that is difficult is that we think of suburbs as being the place where there is lots of job growth and job opportunity and that's still true in many places but there appears to be a pretty significant shift in labor market opportunities in suburbs and so for many low wage, low skill workers, it's hard to find work, and it's hard to find work in the immediate community. And, again, our transit grids are set up to go from suburbs to cities. Our public transit grids are not set up to go from suburb to suburb. And so looking for work in suburban areas can be really difficult and it can involve really long and challenging commutes. I think that makes it different — now, there are other unique features of being poor in cities that matter so you're not trying to say that one is better or worse than the other, but in some ways they're a little bit categorically different.

Chancellor Since there are differences in urban and suburban poverty, definitions matter not only in terms of how to classify different geographic areas but also about how to define poverty itself.

Chancellor, cont. Allard In this project, although it's not perfect, I use the federal poverty measure — and the percentage of people or the number of people below the federal poverty line and then I look at poverty rates and the percentage of poor people in a given tract or neighborhood and things like that. There are other ways to define poverty that are interesting and textured but this is the data we collect systematically across space so that's what I use. The second definition you might be interested in is how do you define a suburb? There's no official definition of what suburbs are and the definition varies from study to study. In this study I use a very simple definition actually, I take the Office of Management and Budget's definition of metropolitan areas, identify the primary city that OMB identifies and any very large cities — so in places like Minneapolis, St. Paul — the Twin Cities Metro area have two very big cities. Those are the urban or central city areas, the urban centers, and then everything else in the area becomes suburban. And I classify suburbs by the age of the housing stock and try to provide a sense of inner ring and outer ring suburbs, mature and new suburbs — but it's a very data driven definition and when you go out in the field and you talk to people, you find that these data driven definitions work for telling a demographic story, but in reality, as many scholars point out, definitions are contested space.

But it's not just scholars who disagree over what's a suburb and what's not — and Allard says he saw this very early on in his research for this project.

Chancellor

Allard

I asked a suburban nonprofit service organization executive what she thought urban and suburban was in her community and to put it in context, she was doing work in an area that was very much like the suburbs of Ferris Bueller's Day Off, where John Hughes filmed all of the great 80s — kind of my generation — of movies about suburban teen angst. So these are the kind of affluent suburbs that fit our intuitive notion of cul de sacs with homes and big backyards and large two car garages... the image of the American Dream. And so I asked this executive, ok, so what's urban and suburban and how do you think about these definitions? She kind of points with her hand in a particular direction, we'll say east, and she says 'this community over here, that's an urban place.' And then she goes on to talk about how this is an urban area. And I said, wait a minute, this is a suburban municipality, it's in the same commuting zone, people take, from that place, some of them take the commuter train into town, we're in a suburban county, we're really in places that people would identify as suburban in almost every way of the definition, why do you think that's urban? And she started to point to the problems that the community was having, kind of problems in schools, poverty problems, and pointed out that this was a place where there were larger numbers of racial and ethnic minorities and so what it made clear to me was that this definition of suburb that I was using, even within the definition of suburbs — people who work in suburbs, was contested space and people kind of think about poverty even in suburbs as being an urban problem. At that some level it kind of underscored why challenging that myth is important, to kind of tell the story that poverty isn't just an urban problem. It is a problem of suburbs and that by classifying all poverty as urban, we actually make it harder for ourselves to marshal resources and solutions to solve it.

Chancellor

Some of the resources available to combat poverty include public benefits so, in his work for this project, Allard looked at how public benefits responded to increased need in suburbs, particularly after the Great Recession. He focused on three programs: SNAP — formerly food stamps — the Earned Income Tax Credit or EITC, and Temporary Assistance for Needy Families which is the welfare cash assistance program that replaced AFDC.

Allard

When you look at places, when you look at any urban or suburban county, you see that SNAP and the EITC have expanded more than, actually, poverty has expanded in those places, and actually more than the number of people living near the poverty line has increased. So these programs serve not only people who are poor, but people who are above the poverty line as well. And so SNAP caseloads have doubled in the last ten years in many counties. EITC caseloads have increased 30, 40 percent in many places. Whereas the number of people under 150% of poverty increased maybe 20, 30 percent. So these programs are keeping up. TANF in most counties, in many counties has fallen, urban and suburban. And, in the places where it's increased, it's very small number of cases. Overall, the net trend for TANF is that it hasn't been responsive to the geography of poverty, shifts in the geography of poverty. And that's consistent again with the safety net story that we would tell where we would expect federal programs, federally funded,

Allard, cont. federally regulated programs that give local places less discretion. They'll be the most responsive programs when poverty starts to move around.

Chancellor The suburban story with these three federal programs largely tracks with the overall U.S. picture. But Allard says we really start to see some differences in safety net coverage between urban and suburban areas when we look at nonprofit human and social services.

Allard These programs fill gaps in the public safety net. They provide help to people who aren't eligible for public programs. They provide all kinds of wraparound resources that help people find and keep jobs, achieve greater wellbeing. But that's a highly localized activity funded mostly by public funds, federal, state, local, but a highly localized activity that's really reliant on community based nonprofits. And when you look at the data that's available — and it's not perfect data — I talk about in the book that there are some limitations to the data, but I think it's accurate enough to put out there as a good measure of what nonprofit human service organizations are able to do. When you look at it, what you see is that that median suburban county — again using the county measure of suburbs — has a per poor person human service expenditure of under \$100 every year. This is very little money to provide food assistance, mental health, job training, whatever it is, per person. It's almost no money. Compared to cities which, is about \$800 per year per poor person — in urban counties. Which, again, is not enough money, but it's a significantly larger. And then when you look further at the data, you see that almost a quarter of suburban counties have no registered human service nonprofits. And again it's not because there's no nonprofit activity, but again, there's no indigenous organizations doing work in that county that register in that county. So you get a sense that this nonprofit safety net, which is supposed to be so critical to how people find jobs, advance, provide for their families is under deep duress in most places, but particularly in suburban areas where there are far too few resources and far too few providers.

Chancellor And a person might think that perhaps a way to address the challenge of limited resources in the suburbs is to reallocate resources from urban to suburban areas.

Allard But this is a big dilemma because at the end of the day as I noted before, poverty in cities hasn't gone away. Part of the game here isn't to reallocate funds to suburbs — it's a zero sum game at some level. We have to find ways to generate new revenue streams and new philanthropy that can target poverty problems outside of cities because we're not going to solve poverty in any place if we start to shift inadequate dollars around and kind of spread them out more thinly over wider areas, it's not going to solve our problems.

Chancellor Allard says that he is often asked why suburban municipalities don't do more in response to poverty, especially since we may think of more localized governments as being most responsive to local changes.

Allard We have to put poverty and safety net policy in the context of the competitive pressures that cities and suburbs face. And so, when you think about how cities and suburbs are nested in metropolitan areas, they are independent, separate municipalities. They have their own property tax bases that largely fund a lot of what they do — they may collect sales tax as well, but cities emerge as municipalities over the last several hundred years for reasons very different from suburbs. Suburbs occur to be protective, to be exclusive, to protect homeowner value, to maybe exclude certain types of population subgroups or to cater to other types. To provide a certain kind of service to a certain kind of taxpaying resident and the goal for all of these municipalities, according to the logics of local political economy is to attract jobs, attract taxpaying residents, and to avoid tax expenditures on redistributive or safety net programs that might be a net drag on the business climate or on the local fiscal environment. There's no incentive for places to want to do more poverty programming because they all fear that they'll attract more poor people. And that, actually, empirically doesn't bear out. Poor people don't move for more generous social programs, they move to find better work, to provide better schools for their kids, to find better neighborhoods, to be closer to family. This is why everybody moves. It's not different for low income folks. Allard cautions that, for local municipalities in suburbs, ignoring poverty can have real long term consequences.

Chancellor Poverty isn't a temporary blip in suburban America. The trend has been firmly in place for many decades and it's only gotten dramatically worse after the recession, the Great Recession. It's not going anywhere.
Allard It's not like the next recovery is going to turn this around. So suburban counties and municipalities have to directly address the need of their residents in a way that they haven't before and out of the recognition that that is the pathway to great economic prosperity. And you only have to look at how cities ignored poverty problems in central city areas for decades, not only at the great cost of human lives and the devastation of families and neighborhoods, but to a great extent the devastation of urban economies. And it's only in the last 20 or 30 years through gentrification and urban redevelopment that cities have come back economically. So suburbs have to learn from that to see that not only do they have interests in terms of a viable robust economic climate to addressing poverty, ensuring everybody has enough to eat, ensuring families aren't housing unstable. Ensuring kids get early childhood care. But, suburbs are part of metropolitan regional economies now. Economies aren't as localized or isolated or atomized as they might have been — if they ever really were — 30 or 40 years ago. What happens in metro areas affects everybody. Part of addressing suburban poverty is also about the shared fate that cities and suburbs have in robust economic growth. The kind that transcends individual municipal siloes but is good for everybody and good for communities. If we don't address poverty problems, we can't have that kind of vibrant growth.

Many thanks to Scott Allard for sharing this work with us. His book, to be titled *Places in Need: The Changing Geography of Poverty and Safety Net Assistance in America* is expected to be published in 2017.

Chancellor You've been listening to the Poverty Research & Policy podcast from the Institute for Research on Poverty.

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