IRP focus

October 2018 | Vol. 34, No. 2

Are rural Americans still behind?

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TAKEAWAYS

Goal of "wiping out rural poverty," set 50 years ago, has not yet been achieved.

Many rural Americans are out of the labor market, are falling behind on educational attainment, and have declining marriage rates, particularly lower-skilled individuals.

If employment, education, and marriage are the main pathways out of poverty for most Americans, making progress against rural poverty is challenging given declines in these areas.

In the absence of an expanding social safety net over the past 50 years, economic hardship would have been much worse.

Given lower demand for labor in many rural communities, a more robust economic policy, including place-based economic programs, may be more effective at reducing rural poverty than reforms that emphasize work requirements.

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President Johnson's War on Poverty created many new programs intended to reduce poverty, including the Food Stamp Program, Medicaid, Medicare, and Head Start, among others. Although the intent of these programs was to address poverty regardless of geographic residence, the hardship facing many rural Americans was particularly salient at the time. In 1967, Johnson established the National Advisory Commission on Rural Poverty, charging them to "make a comprehensive study and appraisal of the current economic situations and trends in American rural life, as they relate to the existence of income and community problems of rural areas, including problems of low income [and] the status of rural labor." The Commission's report, entitled *The People Left Behind*, included several recommendations for immediate action, ranging from a pledge of full employment to a right to a guaranteed minimum income, in order "to chart a course to wipe out rural poverty."[1]

In this article, I consider the economic status of rural people of working age (25 to 64) five decades after *The People Left Behind*, with a particular focus on how changes in employment, wages, and the social safety net have influenced the evolution of poverty and inequality.[2]

My research questions include:

- What is the economic status of rural people five decades after *The People Left Behind*?
- What role do changes in educational attainment, marriage, employment, and wages play in explaining rural and urban poverty trends?
- How has the social safety net influenced the evolution of poverty and inequality?

I begin by looking at trends in family-level poverty rates by gender, educational attainment of the family head, and urban or rural residence. I next explore the possible reasons behind the poverty trends by first examining changes in family structure, human capital, employment, and earnings. I then describe changes in the social safety net, and discuss how tax and transfer income has affected income inequality in urban and rural areas.

Stalled progress against (official) poverty

The official poverty measure was developed in 1967, based on the research of Social Security Administration statistician Mollie Orshansky.[3] Using data from the 1955 Household Food Consumption Survey, Orshansky found that food spending accounted for about one-third of the after-tax income of an average family of three or more people. Thus, she calculated the income cutoff for minimally adequate needs as three times the cost of a nutritionally adequate diet. Initially, the poverty threshold was calculated for 62 separate family types, based on family structure, age, gender of the household head, and whether the family lived on a farm. The poverty line was lower for families that lived on a farm, as it was assumed that those families would produce some of their own food. In 1980, the number of poverty thresholds was reduced to 48, by dropping the farm versus

nonfarm distinction and gender of household head. The poverty thresholds are adjusted for inflation each year, using the Consumer Price Index. In federal fiscal year 2017, the poverty line for a four-person family was $25,283.

The determination of whether a particular family is above or below their poverty threshold is based on a measure of resources that includes only pre-tax, post-transfer cash income. This measure does not necessarily capture all of the resources available to a family, such as net taxes that could reflect tax credits available to low-income families, such as the Earned Income Tax Credit (EITC); and near-cash in-kind benefits such as food and housing assistance.

Fifty years ago, poverty rates among rural families exceeded urban families regardless of whether the family was headed by a man or a woman. As Figure 1 shows, the rural-urban poverty gap has narrowed over the past five decades for both female- and male-headed families.

Poverty rates for female-headed families are two to three times those of male-headed families. However, there has been a striking convergence over the past 50 years in male-female family poverty rates, both because poverty decreased significantly for women, but also because it increased for men.

I also examine trends for each group by educational attainment of the household head (not shown in figure). I consider four education levels: (1) less than high school; (2) high school diploma or GED; (3) some college; and (4) college graduate or more. I find very large differences in

Measuring poverty

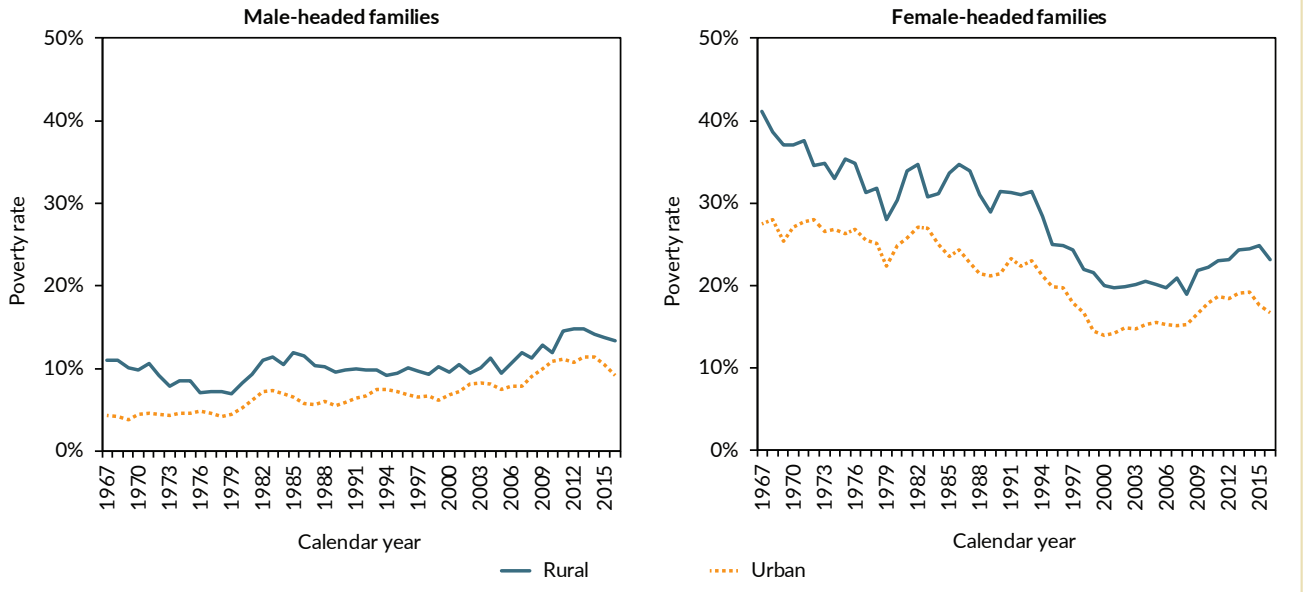
The U.S. Census Bureau uses two primary poverty measures—the official poverty measure (OPM) and the Supplemental Poverty Measure (SPM). For each the Census Bureau calculates the poverty rate by comparing a measure of resources to the established poverty threshold.

OPM poverty thresholds are calculated as three times the cost of a nutritionally adequate diet in 1964, adjusted for inflation and family size. Resources are calculated as pre-tax cash income.

SPM thresholds are based on expenditures on food, clothing, shelter, and utilities, with adjustments for family size and composition, and for geographic differences in housing costs. Resources are measured as post-tax post-transfer cash income, counting tax credits and near-cash in-kind benefits such as the Supplemental Nutrition Assistance Program (SNAP) and housing assistance. Non-discretionary expenditures such as medical out-of-pocket costs, childcare, work expenses, and child support paid to another house hold are subtracted.

The study described in this article uses the OPM, and two poverty measures using OPM thresholds and two alternate resource measures: (1) "market income" (private cash income such as earnings, rent, interest, and private pensions); and (2) "net income" (market income plus government cash transfers, SNAP benefits, and tax credits, less federal, state, and payroll tax payments). To learn more about the official poverty measure and alternative measures, see: https://www.irp.wisc.edu/resources/how-is-poverty-measured/

Figure 1. The rural-urban poverty gap has narrowed over the past five decades for both female- and male-headed families.



Source: The Annual Social and Economic Supplement (ASEC) of the Current Population Survey (CPS) for calendar years 1967–2016.

poverty status based on educational attainment; in particular, high school dropouts have a poverty rate that is consistently about 15 percentage points higher than that of high school graduates with no college. The trends by education level vary somewhat by gender and urban or rural status. For example, in rural America, poverty among families headed by men with less than a high school diploma doubled, and in urban America nearly tripled, from 1967 to 2016. There have also been substantial increases in poverty among male-headed families with a high school diploma and with some college.

It is clear that the Commission's goal to "wipe out rural poverty" has not been achieved in the last 50 years. In fact, among the working-age population, progress based on the official poverty measure has either stalled, or for less-skilled men, fallen considerably behind. In the remainder of this article, I examine some possible reasons for these trends, looking first at changes in human capital, family structure, employment and earnings, then at changes in the social safety net.

Rising human capital, retreat from marriage, falling employment, and stagnant earnings

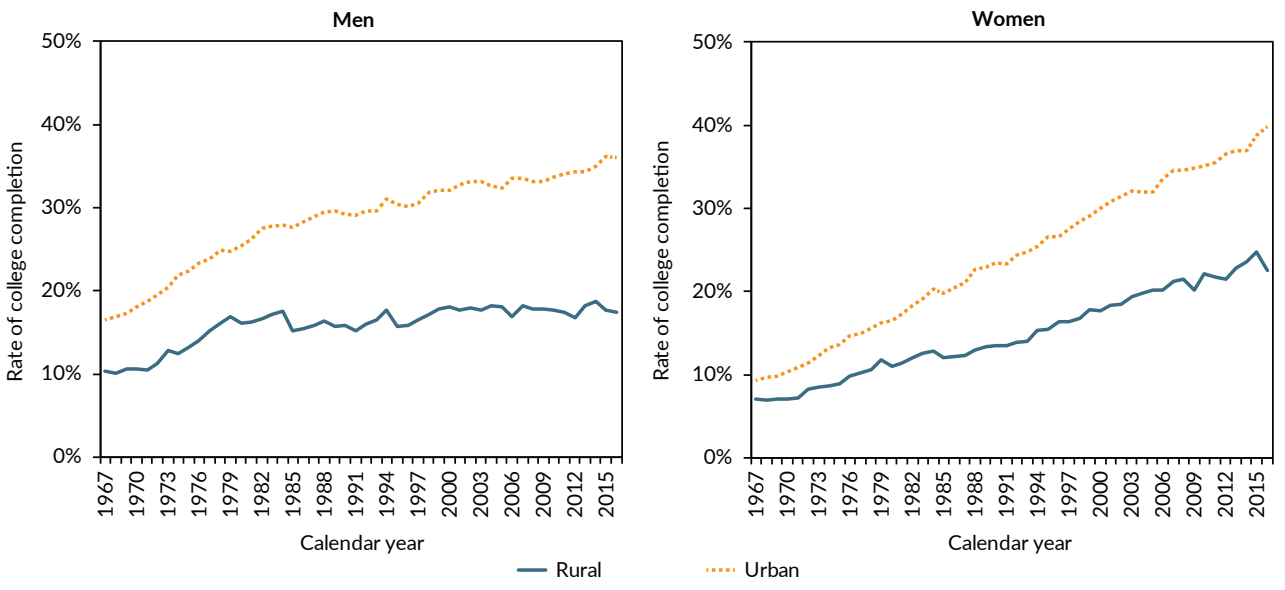
For most Americans, education, marriage, and employment provide the main pathways out of poverty. Accordingly, I look at how each of these factors have changed over time in rural and urban areas.

Trends in educational attainment

Human capital is strongly correlated with income; the evidence suggests that education plays a causal role in earnings—specifically, more education results in more earnings, on average.[4] As noted above, the economic status of those with a high school diploma or less has declined over the past 50 years. Therefore, it is important to understand whether the share of the population with a lower level of educational attainment has changed over time, overall, and in urban and rural settings.

In fact, the proportion of the population with less than a high school education has declined, in both rural and urban settings. However, rural America is increasingly falling behind with regard to educational attainment beyond high school. Figure 2 illustrates the differences between urban and rural areas in college attainment (i.e., completing a degree), for men and women. Rates have increased over time for women and for men in urban areas, but for men in rural areas, the rate has remained at about 15 percent

Figure 2. Rates of college completion have increased over time for women and for men in urban areas; while rural women have also seen an increase, rates for rural men have remained relatively flat since the 1980s.



Source: The Annual Social and Economic Supplement (ASEC) of the Current Population Survey (CPS) for calendar years 1967–2016.

since the 1980s. The gap in college attainment between urban and rural men has increased from about 5 percentage points to about 20 percentage points from 1967 to 2016. Among women, those in rural areas have steadily increased their rates of college attainment over the decades, but growth has been much slower than among urban women. Although they started out at similar levels to urban women 50 years ago, rural women now have rates of college completion of about half that of urban women (though rural women now have a greater fraction of the population with some college).

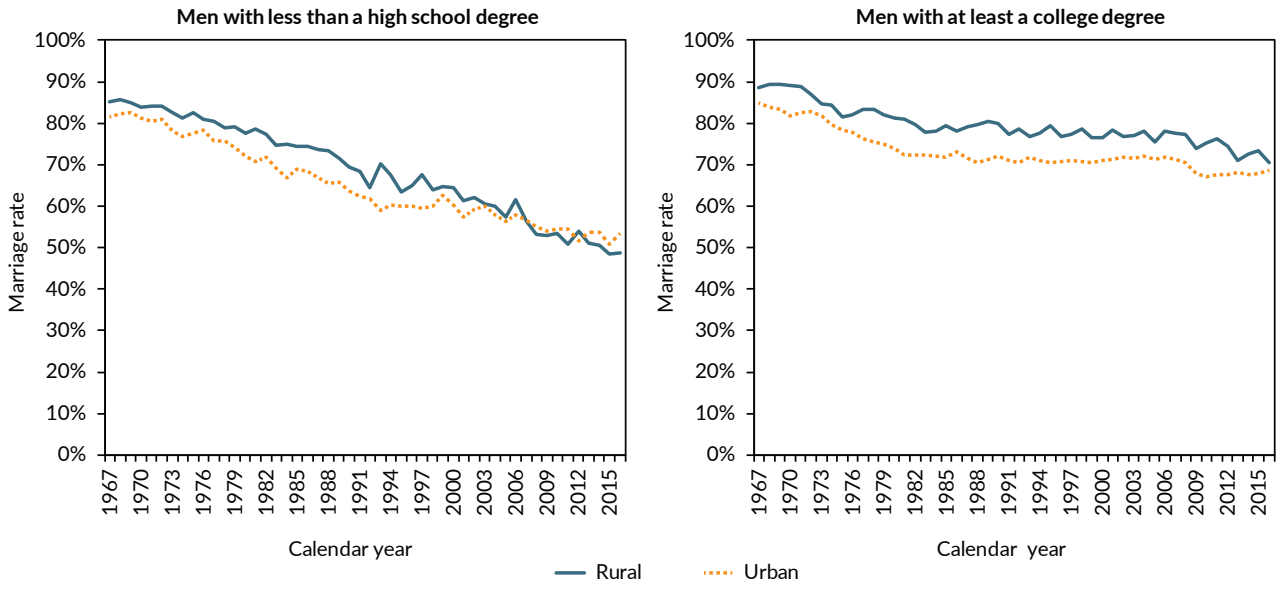
Trends in marriage rates

Marriage is also strongly correlated with family income and poverty status in both urban and rural areas.[5] Marriage rates in the United States have dropped over the past five decades, particularly for rural families headed by parents with the lowest levels of education. For example, Figure 3 compares marriage rates for men with college or more to those with less than high school, in urban and rural settings. In 1967, marriage rates for men ranged from 85 to 90 percent, with little difference by level of education. However, in the mid-1980s, the marriage rates for those with less than a high school degree began to drop considerably compared to rates for those with a college education. By 2016, the marriage rate for rural men who had dropped out of high school was only 48.6 percent, compared to 70.4 percent for rural men with a college degree. Among urban men, the trend is similar, though the declines have not been as steep. In rural areas, marriage rates for men and women with a high school education or more have declined more steeply than those for urban men and women, though rural marriage rates remain higher than those in urban areas (not shown in figure).

Defining "urban" and "rural"

Note that determining which areas are urban and which are rural is challenging. The Current Population Survey (CPS) and federal data sources that use counties as their base geography do not permit identification of "urban" and "rural" areas. Instead, counties are divided into only "metro" and "nonmetro," where each metro area must contain either a place with a minimum population of 50,000, or a Census Bureau-defined urbanized area and a total population of at least 100,000 (75,000 in New England). In this article, metro areas are called "urban" and nonmetro areas are called "rural." While this is not a perfect match, it is the best possible given available data.

Figure 3. Marriage rates for men with less than a high school degree have dropped considerably compared to marriage rates for those with a college education, particularly in rural areas.



Source: The Annual Social and Economic Supplement (ASEC) of the Current Population Survey (CPS) for calendar years 1967–2016.

Trends in employment rates

Employment rates have also declined over time, especially for less-skilled men.[6] In the 1960s, nearly every working-age man was employed, regardless of educational background, but as Figure 4 shows, for those with less than a high school education, this strong tie to the labor market ended in the early 1970s and the decline has continued. The figure, which charts any employment within a calendar year, shows that there was no rural-urban gap for this less-than-high-school group at the beginning of the time period. However, by 2016, only half of rural men in this low-skill group worked at any point in the calendar year, compared to 65 percent of their peers in urban areas. The figure also shows that employment rates for men with a high school diploma or more also fell over the period, but there was little rural-urban gap.

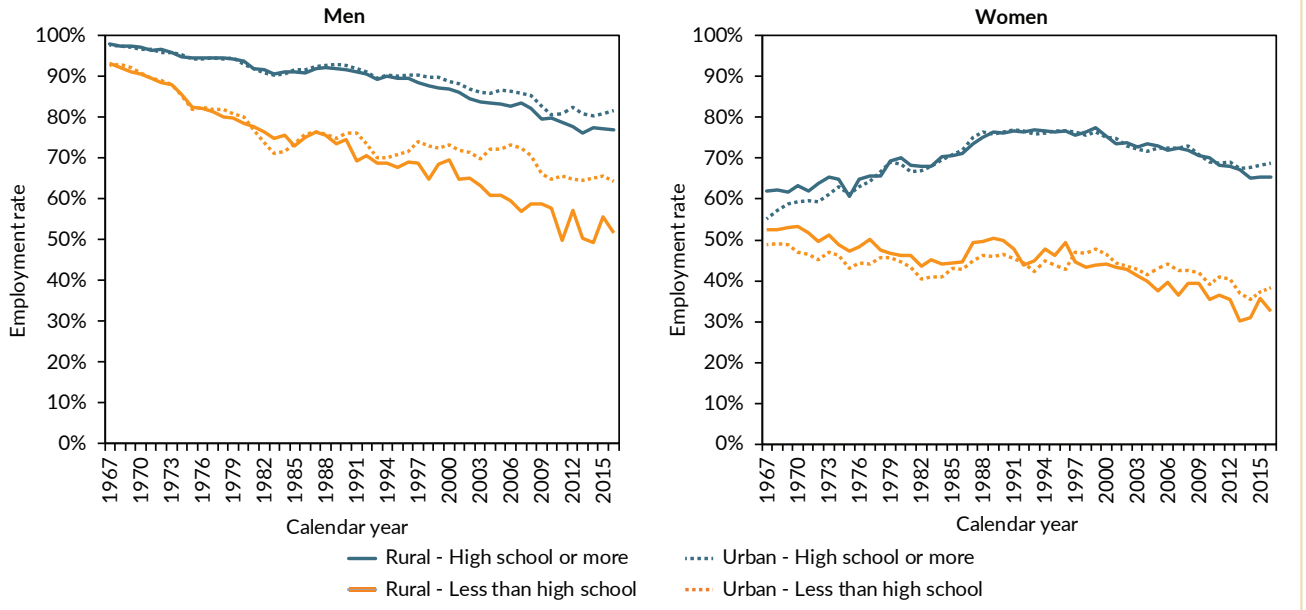
The second panel of Figure 4 shows employment rates for women by level of education. For women with a high school diploma or more, employment rates rose until the mid-1990s, and declined steadily after that. For this group of more-educated women, there is little difference in employment levels and trends between rural and urban women. However, for women without a high school diploma, employment levels for those in rural areas have dropped below those in urban areas in recent years.

Employment rate differences for low-skilled urban and rural residents could also result from a changing age composition of the workforce population, since older people are less likely than younger people to have a high school diploma, and thus less likely to work. In rural areas, the share of the population between ages 45 and 64 has been larger than the share that is in the prime working years of 25 to 44 since around 2003, while in urban areas the proportions in these two groups are approximately equal. With respect to the relative size of the prime-working-age and older populations, rural America is aging faster than urban America.

Trends in earnings

Whether and how the decline in employment affects workers' wage is not obvious. It could be that the decline in work is the result of declining wage levels and opportunities for growth, but it is also possible that the least productive workers are the most likely to withdraw from employment, so wages for those

Figure 4. Employment has dropped for men, particularly for those living in rural areas without a high school diploma. Rural-urban differences are less pronounced for women with a large gap in employment rates based on education levels.



Source: The Annual Social and Economic Supplement (ASEC) of the Current Population Survey (CPS) for calendar years 1967–2016.

remaining in work could increase over time. Based on inflation-adjusted median weekly earnings among workers, it appears that declining wages might be the dominant force driving men's employment trends, while the exit of less productive workers from the labor market might be a factor among women.

For both rural and urban men with some college or less, real weekly wages peaked in 1973 (just before the first oil crisis), and then fell sharply over the next two decades, especially for men with only high school or less. Wages rose again somewhat with the strong economic expansion of the late 1990s, but it was not sufficient to lift the wages of less-skilled men to 1973 levels. (Figure not shown.)

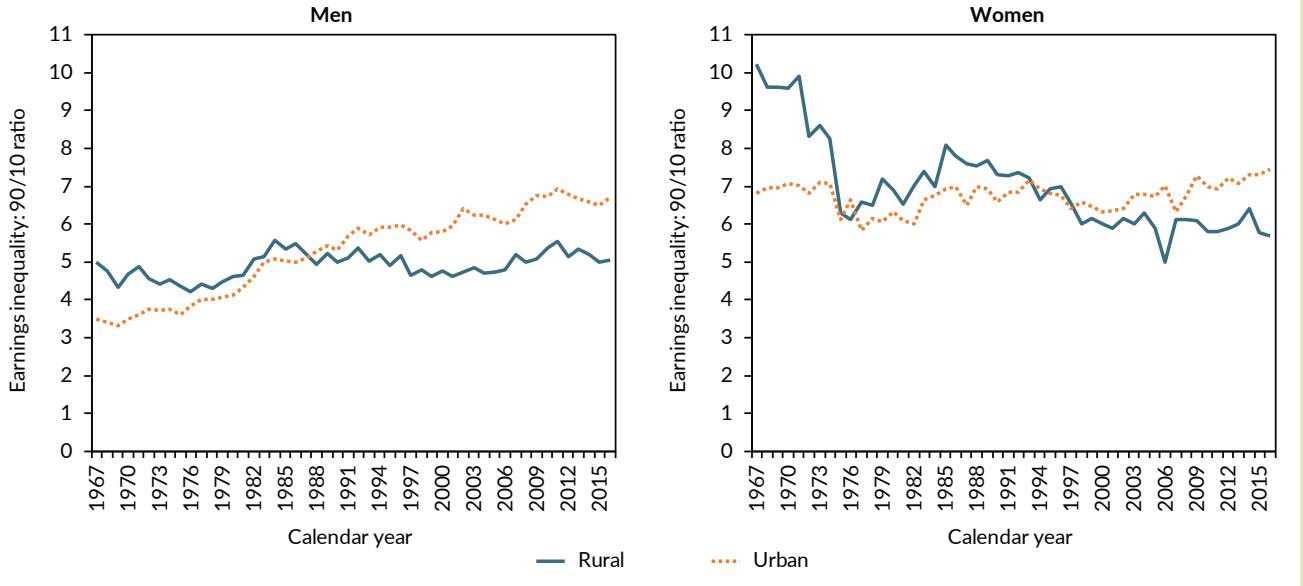
Prior research on wage inequality has emphasized a shift in employment that favors skilled over unskilled labor, and thus favors those with a college education.[7] However, most of this skill premium has gone to men in urban areas; in contrast, real weekly earnings of college-educated men in rural areas have been stuck at about $1,000 for 50 years. Even among college-educated men in urban areas, earnings have not risen considerably in 20 years.

Wages for men in urban areas tend to be higher than those in rural areas, partly due to differences in the cost of living. However, this holds true only for men with college degrees; earnings of lower-skill men do not differ greatly between urban and rural settings.

For women, the trends are more positive than for men; real weekly earnings increased over the period for all groups and regions except the least-skilled. The urban wage premium appears to apply to women with a high school diploma and above (rather than only to those with college degrees, as is the case for men). For women without a high school diploma, as with men, there is no earnings difference between urban and rural settings.

Trends in earnings inequality among men and women in urban and rural areas (across all education levels) are shown in Figure 5. This figure shows the ratio of the 90th earnings percentile to the 10th percentile. That is, the ratio of those with very high earnings (only 10 percent of the population has higher earnings) to those with very low earnings (only 10 percent of the population has lower earnings).

Figure 5. For men, earnings inequality between the highest and lowest earners has risen steeply for those in urban areas. Earnings inequality is higher for women with inequality among urban women staying fairly constant over the past five decades, and dropping for rural woman below urban levels.



Source: The Annual Social and Economic Supplement (ASEC) of the Current Population Survey (CPS) for calendar years 1967–2016.

Note: The measure on earnings inequality shown in this figure is the ratio of annual earnings at the 90th percentile of the earnings distribution (highest earners) to that at the 10th percentile (lowest earners). The further apart the 90th and 10th percentile earnings are, the larger this measure of inequality will be.

This figure shows that the much-discussed rise in earnings inequality is an issue primarily facing men in urban settings; at the beginning of the time period, inequality was higher in rural areas. Over the past 50 years, the high-to-low earnings ratio among urban men doubled, while for rural men it rose sharply in the early 1980s, but then dropped again in the late 1990s. While women in both urban and rural settings earn lower wages than men, the level of inequality between the highest earners and the lowest earners has generally been more pronounced for women than it is for men. For urban women, this measure of inequality is largely unchanged over the time period. Rural women had much higher levels of inequality than urban women at the beginning of the period, but that dropped particularly in the 1970s, so that rural women now have lower levels of earnings inequality.

The rising importance of social assistance in rural America

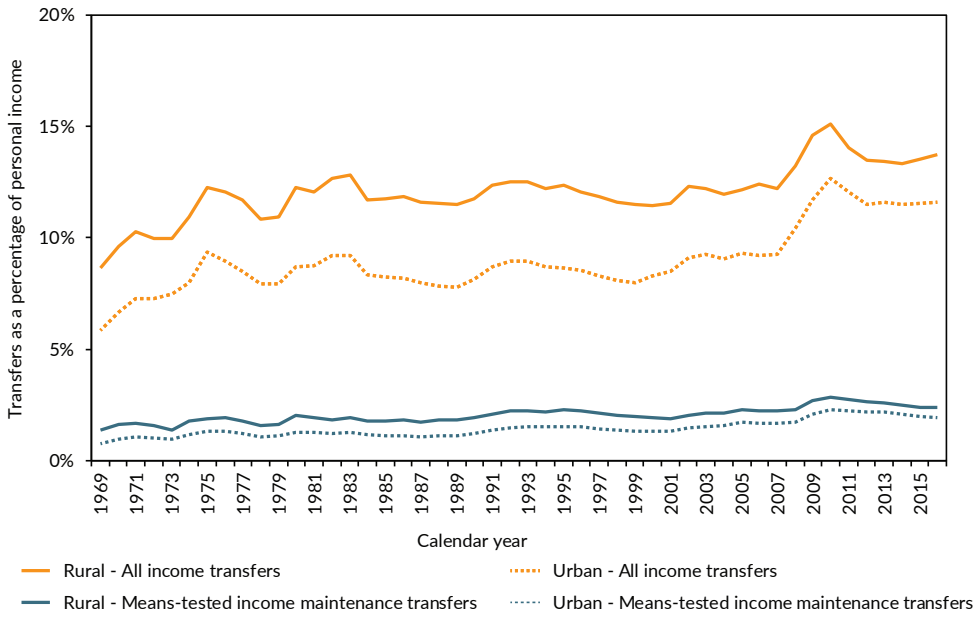
The U.S. social safety net is large, exceeding over $2 trillion in annual spending, and on a per capita basis has more than quadrupled since 1970.[8] The programs that compose the safety net are typically grouped into two broad categories, social insurance programs and means-tested transfers (see text box).

Although none of these programs specifically target urban or rural residents, we might expect the effects of the safety net to vary in different areas, given the differences in education, work, wages, and population aging discussed above. In order to evaluate rural-urban differences, I look first at trends in the share of income transfers as a fraction of personal income.

Figure 6 shows these trends both for all income transfers (all cash transfers received by individuals) and for means-tested income maintenance transfers alone (see text box).

Over the 1969 to 2016 period, rural counties averaged 35 percent more of their income in the form of total safety net assistance than urban counties, and a 45 percent higher share of

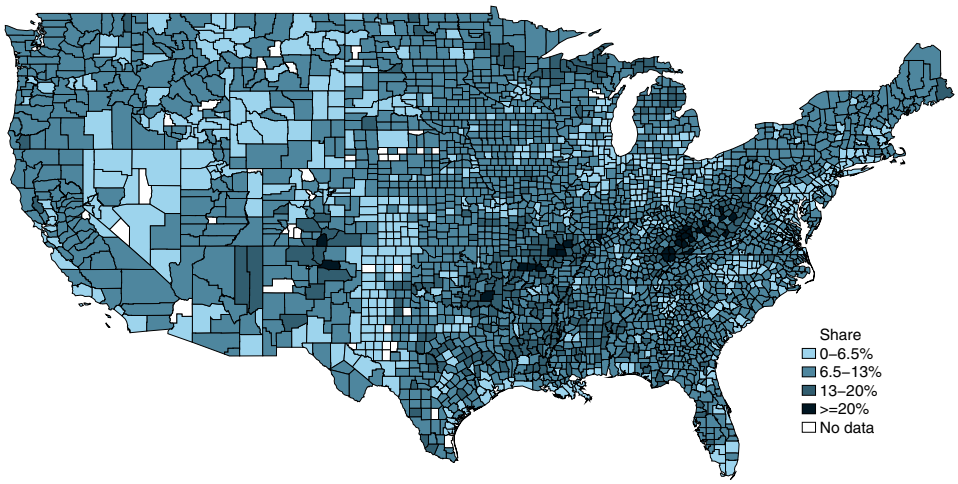
Figure 6. The rural-urban gap in the proportion of personal income from safety net assistance started out wider, then progressively narrowed over time as urban counties caught up.



Source: County-level data from the Regional Economic Information System (REIS) produced by the Bureau of Economic Analysis for 1969–2016.

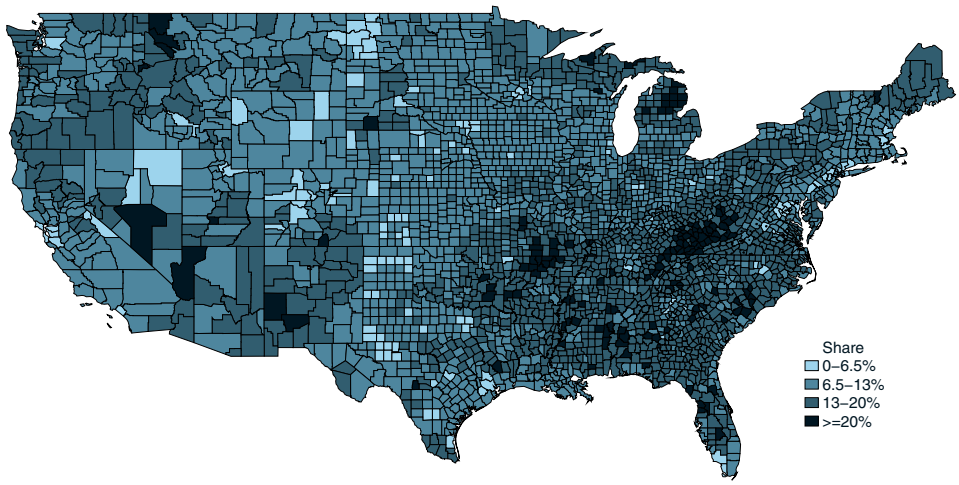
Note: Figure shows trends in share of income transfers as a percentage of personal income.

Figure 7. In 1970, the typical county with more than 6.5 percent of income in the form of transfers was rural.



Source: County-level data from the Regional Economic Information System (REIS) produced by the Bureau of Economic Analysis for 1970.

Figure 8. By 2015, safety net reliance had increased in most counties; counties with the highest rates of safety net transfers as a percentage of income continue to be found in rural areas.

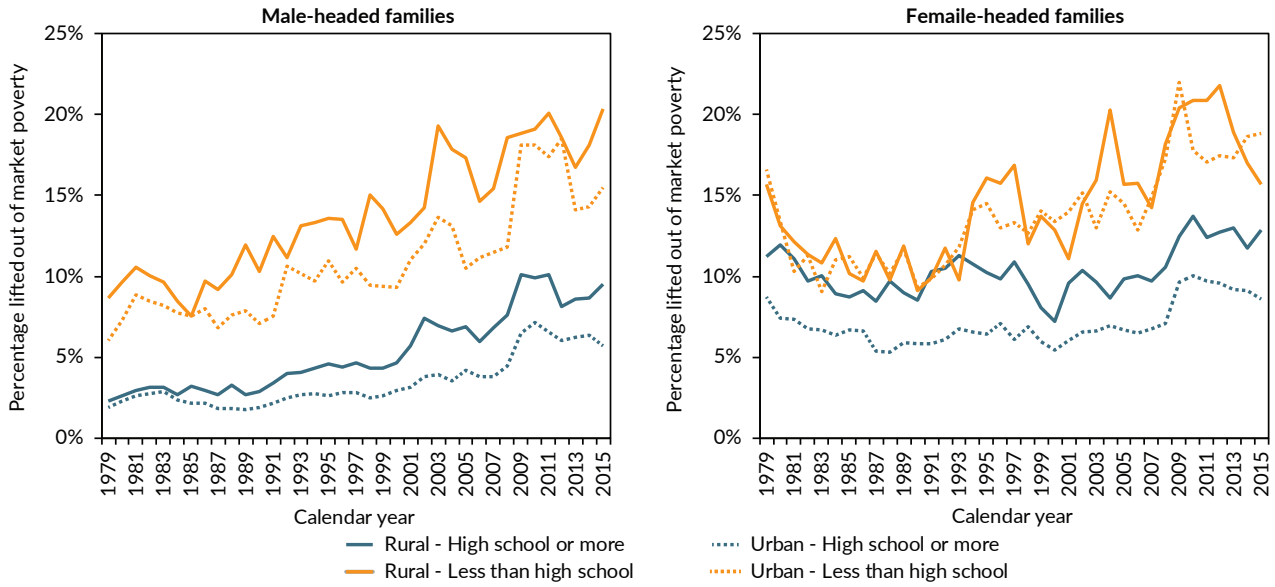


Source: County-level data from the Regional Economic Information System (REIS) produced by the Bureau of Economic Analysis for 2015.

income maintenance transfers. As Figure 6 shows, the rural-urban gap started out wider, then progressively narrowed over time as urban counties caught up. The safety net is rising in importance for both rural and urban residents, and even though the rate of growth was faster in urban areas, as of 2016, rural residents were still receiving 20 percent more of their income from the safety net than urban residents.

The rural-urban divide can also be illustrated with county-level maps that show how the safety net grew over time in different areas. For example, Figures 7 and 8 show the share of income from all transfers in 1970 and 2015. Darker shades indicate a greater share of income from transfers. Figure 7 shows that in 1970, the typical county with more than

Figure 9. The percentage of male-headed families lifted out of market poverty by safety net programs increased over time, with a larger fraction lifted in rural than in urban areas. Rural-urban differences are less pronounced for female-headed familes w ith less than a high school diploma.



Source: County-level data from the Regional Economic Information System (REIS) produced by the Bureau of Economic Analysis for 1979–2015.

6.5 percent of income in the form of transfers was rural, with areas such as central Appalachia, the Mississippi Delta region, and some Native American counties in the mountain West already having over 20 percent of income from transfers. The areas historically meet the U.S. Department of Agriculture (USDA) definition of "persistently poor."[9]

Figure 8 shows that over the next 45 years, safety net reliance increased in most counties except some particularly economically vibrant major urban centers and select rural counties. The counties with very high rates, in excess of 20 percent of income, continue to be found in rural areas, and in particular those areas most associated with persistent poverty.

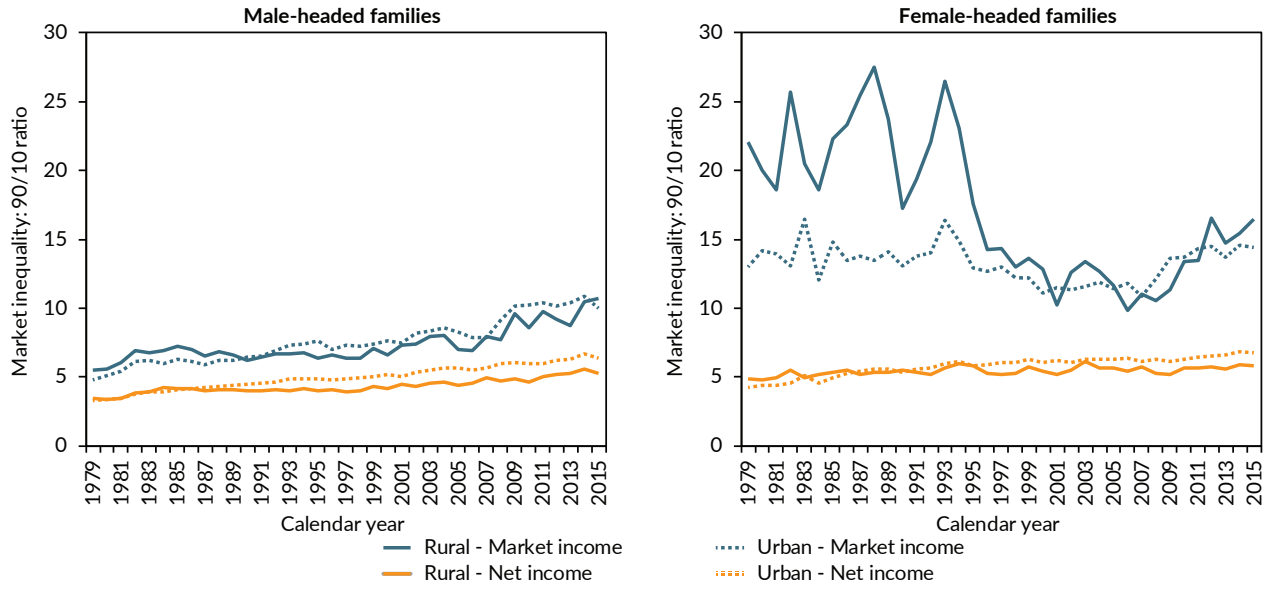
Progress against (unofficial) poverty

While increased reliance on the safety net is concerning, without the expansion of social assistance programs, material hardship in rural America would be much worse today than it was 50 years ago. In many respects, the safety net has stepped in to fill the gap where the private sector economy has failed. A comparison of trends in the percentage of families in poverty measured using private income alone (earnings, rent, interest, dividends, private pensions) and official poverty measure thresholds, to poverty measured using an after-tax and transfer measure of net income, including net payroll taxes, shows that for most groups and years, the safety net, broadly defined, lifts more families in rural areas out of market poverty (that is, poverty measured by the official poverty measure) than similarly situated families in urban areas.

Since 1980, the social safety net has lifted more families out of poverty than pre-1980, especially among families headed by men. For example, in 1979 the safety net lifted about 10 percent of less-skilled rural male families out of market poverty. That proportion doubled to 20 percent in 2015; these rates are on average about 3 percentage points higher than among urban men, and are increasing over time.

As Figure 9 shows, the proportion of families headed by men with high school and some college that were lifted out of poverty more than doubled over the period, with a larger fraction lifted in rural than in urban areas. For families headed by a woman, the largest rural-urban antipoverty differential from the

Figure 10. Male-headed families have much lower market inequality than female-headed families, but are quite similar after accounting for the tax and transfer system; for both men and women, rural families benefit more than urban families from the safety net.



Source: **Source**: The Annual Social and Economic Supplement (ASEC) of the Current Population Survey (CPS) for calendar years 1979–2015.

Notes: This figure shows, for market income (private income) and net income (after taxes and transfers), the ratio of annual earnings at the 90th percentile of the earnings distribution (highest earners) to that at the 10th percentile (lowest earners). The further apart the 90th and 10th percentile earnings are, the larger this measure of inequality will be. Unlike Figure 5, which showed individual-level weekly earnings inequality, Figure 10 shows inequality for the whole tax unit including all earners and income sources for the family.

safety net is among those with high school or some college; these medium-skilled women in rural areas likely have comparatively lower earnings than similarly skilled women in urban areas, and thus are benefiting more from both food assistance and refundable tax credits.

Figure 10 illustrates the effectiveness of the safety net at alleviating rural hardship, by showing trends in 90/10 inequality in family market and net income by gender. The market income lines include private income sources, while the net income lines show after-tax and transfer incomes. Note that unlike Figure 5, which showed individual-level weekly earnings inequality, Figure 10 shows inequality for the whole tax unit including all earners and income sources for the family. Among men, trends in market income inequality in rural areas are very similar to trends in urban areas (unlike the trends in individual earnings inequality shown in Figure 5). However, starting in the mid-1980s (coinciding with the 1986 tax reform and first expansion of the EITC, as well as expansions in disability benefits), net-income inequality in rural areas is lower than in urban areas. Women have much higher market inequality than male-headed families, but are quite similar after accounting for the tax and transfer system. The figure shows that for both men and women, rural families benefit more than urban families from the safety net.

Conclusion and policy implications

President Johnson's National Advisory Commission on Rural Poverty set the commendable goal of "wiping out rural poverty," but the evidence presented here suggests that 50 years later that aspiration has not been met. Many rural Americans are disengaged from the labor market, gains in educational attainment have stalled, and the retreat from marriage continues for medium- and less-skilled individuals. Since work, education, and marriage are the three main pathways out of poverty for most Americans, the economic forecast for rural families is not promising.

The evidence presented here adds to the literature showing that in the absence of the expanding safety net, economic hardship would have been much worse for rural America. While concerns that the structure of the safety net creates disincentives to work and marriage may be justified, evidence consistently shows that these disincentive effects are small in magnitude, and that reliance on assistance programs is a consequence, and not a cause, of the poverty witnessed in recent decades.[10] The Commission expressed frustration that the poverty-fighting efforts of the time were largely targeted to urban areas. However, in the intervening decades the boundaries have been blurred between urban and rural places when it comes to major tax and transfer programs, and in fact rural people are more likely to be lifted out of market-income poverty and face lower after-tax and transfer inequality compared to their urban counterparts.

Going forward, however, the drop in employment among the rural poor could eventually lead to less assistance from the safety net, as policymakers continue to remake safety net programs to favor those who are working over those who are not. The EITC expansions of the early 1990s, combined with the 1996 welfare reform, were the first major steps in this direction, requiring work to qualify for the EITC, and requiring most adult recipients on Temporary Assistance for Needy Families (TANF) to engage in work activities and be subject to time limits on the receipt of aid. The 1996 legislation also expanded work requirements for food stamps to able-bodied adults without dependents between the ages of 18 and 49. Currently, there are efforts in various state legislatures and in Congress to increase work requirements, and to expand these requirements to other safety net programs such as Medicaid.

These work requirements are based on the premise that work (or now, full-time work) is readily available for those who are willing and able. However, the demand for labor is lacking in many rural communities, especially those most distant from urban centers. This suggests that an economic policy that facilitates access to work, including direct place-based employment programs, will be necessary if the Commission's dream of full employment and eradicating rural poverty is to be realized.[11]■

Safety net programs

The safety net comprises two categories of assistance, social insurance programs and means-tested transfers.

Social insurance programs are tied to employment, military service, or old age, and include:

- Social Security Retirement and Survivors Benefits
- Disability Insurance
- Medicare
- Unemployment Insurance
- Veterans Benefits
- Workers Compensation

Means-tested transfers are conditioned on low income, and often low assets, but typically not employment or age, and include:

- Medicaid
- Supplemental Security Income (SSI)*
- Temporary Assistance for Needy Families (TANF)— formerly Aid to Families with Dependent Children (AFDC)*
- General assistance*
- Housing assistance
- Supplemental Nutrition Assistance Program (SNAP)—formerly Food Stamps*
- National School Breakfast and Lunch Programs
- Special Supplemental Nutrition Assistance Program for Women, Infants, and Children (WIC).

Two important *means-tested programs* that ***are*** directly tied to employment are:

- Earned Income Tax Credit (EITC) *
- Additional Child Tax Credit (ACTC)

*Programs counted as *means-tested income maintenance transfers* in this article.

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[1]E. Breathitt, *The People Left Behind: A Report by the President's National Advisory Commission on Rural Poverty*, Washington, D.C., 1967.

[2]This article is based on an invited paper for the 2018 Rural Poverty Research Conference, "Rural Poverty: Fifty Years After *The People Left Behind*." The paper, J. P. Ziliak, "Economic Change and the Social Safety Net: Are Rural Americans Still Behind?" may be accessed at http://www.rupri.org/wp-content/uploads/Economic-Change-and-the-Social-Safety-Net-2.pdf.

[3]M. Orshansky, "Children of the Poor," *Social Security Bulletin* 26, No. 7 (1963): 3–13.

[4]D. Card, "The Causal Effect of Education on Earnings," in *Handbook of Labor Economics*, Vol 3A, eds. O. Ashenfelter and D. Card (Amsterdam: North Holland, 1999 Ch. 30).

[5]M. Cancian and D. Reed, "Changes in Family Structure: Implications for Poverty and Related Policy," in *Understanding Poverty*, eds. S. Danziger and R. Haveman (Cambridge, MA: Harvard University Press, 2001); D. Lichter and L. Cimbaluk, "Family Change and Poverty in Appalachia," in *Appalachian Legacy: Economic Opportunity after the War on Poverty*, ed. J. Ziliak (Washington, D.C.: Brookings Institution, 2012).

[6]N. Eberstadt, *Men Without Work: America's Invisible Crisis* (West Conshohocken, PA: Templeton Press, 2016).

[7]See, for example, D. Autor, L. Katz, and M. Kearney, "Trends in U.S. Wage Inequality: Revising the Revisionists," *Review of Economics and Statistics* 90 (2008): 300–323.

[8]R. Moffitt, "The Great Recession and the Social Safety Net," *The ANNALS of the American Academy of Political and Social Science* 650 (2013): 143–166.

[9]Persistent poverty counties are those where 20 percent of more of county residents were poor over the past 30 years according to census data.

[10]See, for example, M. Bitler and H. Hoynes, "The More Things Change, the More They Stay the Same? The Safety Net and Poverty in the Great Recession," *Journal of Labor Economics* 34 (2016): S403–S444.

[11]B. Austin, E. Glaeser, and L. Summers, "Saving the Heartland: Place-Based Policies in 21st Century America," *Brookings Papers on Economic Activity*, March 8, 2018.

Sources & Methods

Type of analysis: Descriptive

Data source: The Annual Social and Economic Supplement (ASEC) of the Current Population Survey (CPS) for calendar years 1967–2016, and county-level data from the Regional Economic Information System (REIS) produced by the Bureau of Economic Analysis for 1969–2016. The ASEC is the official source of government statistics on poverty and inequality, while the REIS is the primary source for tracking the geographic distribution of income and employment over time.

Type of data: Survey

Unit of analysis: Individual (ASEC) and county (REIS)

Sample definition: The sample is restricted to the civilian population between the ages of 25 and 64, in order to include those most likely to have completed formal schooling and be of working age.

Poverty definition used: Official poverty measure

Time frame: Calendar years 1967 through 2016

Limitations: Metro and nonmetro definitions do not line up perfectly with urban and rural. This analysis is descriptive, not causal.