Discussion: Persistence and Concentration of Poverty

Richard Todd*
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Farrigan

Sub-county Analysis of Persistent Concentrated Poverty
Peters

Persistent Poverty Revisited: New Measure, New Methods, and the Rural-Urban Divide
Summary: Persistent Poverty May Be More Widespread and Urban Than You Think

- Standard: USDA persistent poverty counties based on 1960s measure of absolute poverty
- But this measure is flawed, so try new relative measures
  - Compare to peer counties, within urban influence typologies
  - OECD relative poverty measure (inequality from median down)
- And use cluster analysis for more informative groupings
- Peer measure tweaks the PP picture
  - Somewhat less rural, more people affected, stable or falling
  - But spatial pattern fairly familiar
- OECD measure recasts the picture
  - More counties and people (rural and urban), stable or rising
  - Far West, Midwest, and Northeast more prominent
- Detailed SES comparisons of rural PP counties and others
Data and Methods

• The slides do not tell all
  – Need specifics of how measures are defined and implemented and how cluster method is used
  – In short, we need a paper, not just slides

• Census data on income and poverty
  – Peer: County pov. rate vs. UIC peer rate
  – Rel: % HHs w. income < 50% of county median HHI

• Compare new and standard PP measures with maps, histograms, and tables of summary statistics
Main Comment: Promising, but Needs To Be Fleshed This Out

• Many details, but we need a framework
  – What are PP measures for? What do we want?
  – Use relative measures or improve absolute measures?
    • Are we interested in inequality, material hardship, both?

• What implications stem from relative measures?
  – How should practitioners change their practices?
  – How should policies change?
Lesser Comments (1)

• Say more on how/why the new measures are different
  – Would spatial agglomeration theory shed light on why new measures show more urban PP? Other income dist. theories?
  – Link differences to demographics and industrial patterns?
  – Histograms of counties by UIC? By regions?
  – Show maps of counties added or subtracted?

• Compare the 2 measures here to other alternatives
  – Rel pov vs. other measures of inequality in lower half
  – Despite limitations, compare Supplemental Pov Measure

• Are counties the right spatial units?
• Why don’t people just move to richer counties?
• How are ACS “margins of error” handled?
• Disagree on a few characterizations of differences
Slack and Myers

The Great Recession and the Changing Geography of Food Stamp Receipt
Summary: Produces measurements useful to practitioners

- Q1: How did county SNAP use change 2007-09?
- Q2: What local factors are associated with it?
- A1: Big variation btw counties but with regional clusters
  - High in AZ, FL, South East, parts of TX, WI, MI
  - Low in KS, CO, SD, ND, Lower Delta, Central Appalachia
- A2: Great Recession factors drove increase
  - Increases in poverty, unemp., foreclosures boosted use
  - So did micropolitan location
  - But demographic factors and persistent poverty didn’t
- Suggests
  - Mid-range spatial analysis useful in targeting programs
  - SNAP usage responses quickly to changes in need
Data and Methods

• Food stamp, unemp, foreclosure data 2007-09
• Poverty, demography, human capital, and geography data 2000 and (usually) 2005-09
• Create PP Δ measures for counties
• LISA maps of PP Δ in food stamp use 2007-09
• WLS regression of county PP Δ in food stamp use on PP Δ of recession/demographic variables and baseline place/poverty measures, with state effects and a spatial lag variable
• Interpret the regression coefficients
Main Comment: Separate Eligibility and Take-Up; Impose More Structure

• Definition of “Take-up”
  – Authors: (SNAP users/total population)
  – Me: (SNAP users/eligible population)

• \( \frac{\text{users/total}}{} = \frac{\text{users/eligible}}{} \times \frac{\text{eligible/total}}{} \)
  – PP \( \Delta \) (eligible/total) stresses recession effects on income
  – PP \( \Delta \) (users/eligible) stresses persistent effects on take up

• Can use eligibility criteria to guide choice of variables and specification of first regression

• Might be more informative for planning, outreach

• Might allow direct use of state program differences
Lesser Comments

- Discuss why spatial correlation is so high
- Extend analysis to further years (2011?)
- Replace poverty variable with one on income?
- Use subset of counties with 1- or 3-year data? (Are 2005-2009 effects heavily pre-recession?)
- How is county-level migration dealt with?
- Try foreclosures per housing unit too (and clarify if mortgage measure is total outstanding)
- Try county house price data (where available)
- Might be useful to map/analyze state effects
- Cut some background material? (Recession summary?)