West Coast Poverty Center

UNIVERSITY OF WASHINGTON

A Partnership of the SCHOOL OF SOCIAL WORK, the DANIEL J. EVANS SCHOOL OF PUBLIC AFFAIRS
and the COLLEGE OF ARTS AND SCIENCES

DIALOGUES on Research and Policy

Dialogues on Poverty among Researchers, Policymakers and Practitioners

The West Coast Poverty Center's DIALOGUES Projects bridge the worlds of academic research and real-world practice by supporting new research on critical poverty issues and bringing together researchers and seasoned policy practitioners to consider its implications. This issue of DIALOGUES features work by researchers Rachel Garshick Kleit, Man Wang, Jane Cover, and Christopher Fowler at the University of Washington on the implications of urban and rural spatial classification for our understanding of poverty. Rachel Garshick Kleit is Associate Professor of Public Affairs and Principal Investigator for the Community Vitality Project at UW. Man Wang is a Doctoral Candidate in Geography. Jane Cover is Research Associate and Project Manager of the Community Vitality Project. Christopher Fowler is Research Associate at UW.

The West Coast Poverty Center at the University of Washington supports new research on causes, consequences, and effective policy responses to poverty, with an emphasis on changing labor markets, demographic shifts, family structure, and social and economic inequality. More information about the West Coast Poverty Center and the DIALOGUES Projects is available from our website: wcpc.washington.edu

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Spatial Variations in West Coast Poverty: Beyond Metropolitan and Non-Metropolitan

In rural and urban areas of the U.S., poverty often has a very different character, with different causes, correlates and solutions. To craft effective anti-poverty policies, then, decision-makers need a sound understanding of the ruralness or urbanness of specific places. As a short-hand for this understanding, government agencies and researchers have created a number of different classification schemes for urban and rural areas which then drive the application of policy. With support from the West Coast Poverty Center, researchers Rachel Garshick Kleit, Man Wang, Jane Cover and Christopher Fowler compared several widely used classification schemes and analyzed the varying magnitudes of poverty they reveal in Washington, Oregon, and California. This brief describes their findings, beginning with an overview of the geography of poverty and a summary of the four common urban/rural classification schemes and continuing with an analysis of how these classification discrepancies influence our understanding of urban and rural poverty and subsequent policy decisions. On pages 4-5, we summarize policymakers' and practitioners' response to the study, including their thoughts on its implications for their work on poverty classification and directions for further research.

Introduction: Why is Spatial Classification Important?

Even at the highest levels of government, conceptions of urban, metropolitan, and rural geography with respect to U.S. poverty are often unclear. For example, the White House Office of Urban Affairs, whose charge is to "develop a strategy for metropolitan America, and to ensure that all federal dollars targeted to urban areas are effectively spent on the highest-impact programs," uses the terms urban and metro interchangeably. More critically, the blunt dichotomy of metro and non-metro used by the federal Office of Management and Budget (OMB) obscures our understanding of the geography of poverty. Although 79% of the poor live in U.S. metro areas as designated by OMB, about a third of these are in areas more accurately described as somewhat urbanized while also containing substantial rural areas.

This Dialogue draws attention to misunderstandings of the location, concentration, and urban or rural nature of poverty within the broad metropolitan area designation. A more nuanced classification scheme for these areas allows researchers and policymakers to distinguish among places that are exclusively urban or rural, and those that have a more mixed-urban or mixed-rural character. In Washington, Oregon, and California, these inconsistencies are most pressing in the large metropolitan-designated counties that feature densely settled urban areas and extensive rural and mixed rural areas surrounding them. The metro designation masks the extent to which impoverished populations live not only in central cities, but in suburbs, small outlying towns, and rural areas on the urban periphery. Inconsistent classification schemes may hinder the recognition of how poverty in these counties may be distinct from that of inner cities and remote rural places.

DEFINITIONS: Comparison of Rural Urban Classification Schemes

The most common means of distinguishing between urban and rural areas in the U.S. are the Census urban/rural distinction and the OMB's metro/non-metro definition, in large part

because of their use in key federal data sources. Although researchers and policy makers often use urban and rural interchangeably with metro and non-metro, these schemes are based on appreciably different definitions that require some explanation.
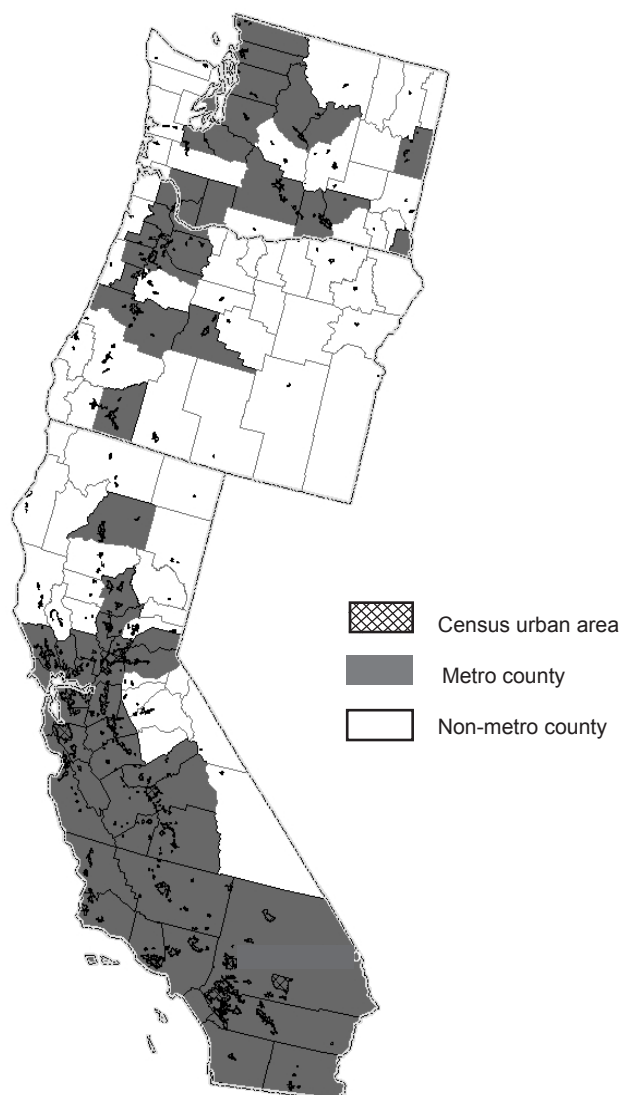
1. The Census Bureau Definition of Rural and Urban. The Census Bureau, using census block groups as its unit of analysis, defines rural and urban areas based on a combination of population size and population density.

2. The OMB Classification of Metro and Non-metro. Since the county is currently the smallest geographic unit for which annual socioeconomic statistics are available, OMB's metropolitan (metro) and non-metropolitan (non-metro) county classifications are the de facto definitions of urban and rural

Figure 1 Overlay of Census Urban Areas and OMB Metro Areas in West Coast Counties

for most research and policy purposes.[1] Under this system, metro counties are less well differentiated than non-metro: some metro counties are quite urban, some are quite rural, and still others contain varying degrees of urban and rural mix. Indeed, two thirds of the rural population in the three west coast states live in metro counties. Additionally, urban areas in many western counties are quite small relative to the land mass of the county. This means that large areas of the county may be very distant from the urban core. Clearly, "metropolitan" is not synonymous with "urban." Yet despite OMB's caution against it, researchers and policymakers alike use the metro/non-metro classification scheme as a proxy for whether a place is urban or rural, incorporating it into countless studies and using it as the basis for policy and resource allocation decisions.

3. USDA Economic Research Service (ERS) Rural-Urban Continuum Code (RUCC). This classification scheme augments OMB's metro/non-metro system, considering population size and adjacency. The ERS suggests that the RUCC is particularly useful for analyzing trends in non-metro areas because the scheme distinguishes the degree of rurality and metro proximity. While such finely tuned non-metro categories are useful, the scheme does not allow distinction within metro areas based on the percentage of the metro population that is rural or urban.

4. Rural-Urban Density Code. Agricultural economist and urban planner Andrew Isserman developed the Rural-Urban Density Code (RUDC) to provide a clearer picture of the variety of rural places subsumed within the OMB's metro and non-metro categories in order to gain a better understanding of rural conditions and to avoid the misdirection of federal programs and funding. Isserman's classification scheme assigns each county to one of four categories: rural, mixed-rural, mixed-urban, and urban. Isserman's definition greatly expands the meaning of "rural" primarily by acknowledging that the presence of commuters to an adjacent city does not make a place any less rural—just more connected. On the west coast this effect is striking because large counties, extending east from coastal cities, massively increase the apparent extent of the urbanized area in OMB's characterization. Isserman's mixed-rural category greatly reduces the land area treated as urban in this region, accurately reflecting the lower population densities within many of these counties.

NEW FINDINGS: Poverty and Population Vary Across Definitions

To understand how these varied definitions influence our understanding of urban and rural poverty, Kleit and her team used GIS mapping and descriptive statistics in order to depict variations in poverty across California, Oregon, and Washington. With help from the West Coast Poverty Center,

[1] In 2003, the OMB introduced the concepts of micropolitan and non-core to differentiate among non-metro counties, but researchers and policymakers still tend to group micropolitan and non-core counties together on the basis of the ir common non-metro designation.

the researchers analyzed discrepancies in poverty using major socioeconomic indicators such as poverty rates, poverty rates by race, lack of health insurance, Earned-Income Tax Credit usage rates, food stamp usage, educational attainment, median household income, and unemployment rate. They then calculated the averages of these measures for each of the urban/rural categorization schemes, paying special attention to counties that were inconsistently categorized across definitions.
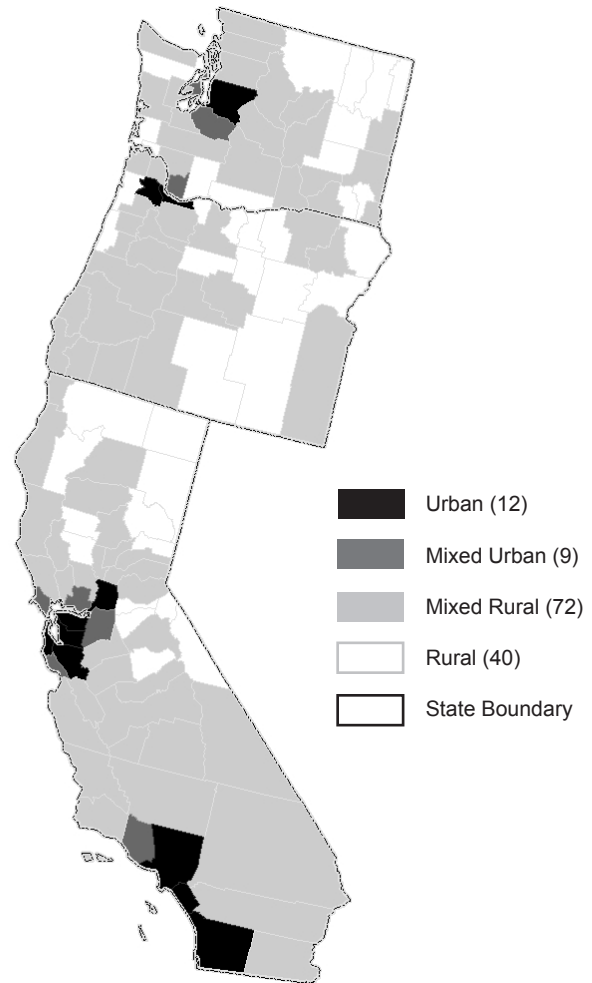
Variations in Population. The team found that definition makes a difference in total rural/urban population size and the rural and urban population composition in the three west coast states. The Census and OMB metro designations indicate similar concentrations of people in urban areas (over 92 percent, or nearly 40 million people across the three states). However, the large geographical area of many west coast counties contributes to a high degree of inconsistency in the designations they receive under the Census, OMB and RUDC systems. Among the 65 counties federally classified as metro in these three states, over two-thirds fall under the RUDC's mixed rural classification.

Variations in Poverty. Depending on how counties are classified, the poverty rate across west coast urban places also varies. While poverty appears fairly consistent across similar OMB, RUCC, and RUDC categorizations for the three states, when we examine these measures for inconsistently categorized metropolitan places, another picture emerges. Specifically, among counties that are classified as metropolitan by the OMB but mixed rural in the RUDC system, the poverty rate is actually higher than the metro rate (14.8 percent vs. 13.5 percent) and is more comparable to non-metro places. Metro/mixed rural counties also have the highest percentage of people who are not covered by health insurance, as well as higher unemployment levels than urban, rural, or mixed urban counties in metropolitan areas. Metro/mixed urban places, in contrast, have lower poverty rates than the metro average (10.7 percent vs. 13.5 percent). The fact that these two county types are treated as identical within the OMB classification system points to the difficulties of using that system when making policy decisions pertaining to poverty.

Policy Implications

These findings have three major policy implications. First, a metro or non-metro designation from the OMB does not adequately describe the degree of rurality of a metro county and may influence the types of funds targeted toward a place. Take for example two programs offered to rural communities by the Center for Medicare and Medicaid Services: the Rural Health Clinics Program and the Medicare Telemedicine Reimbursement Program. Communities are qualified for the rural health clinic program if they are located outside an urbanized area as defined by the Census Bureau. The telemedicine program, on the other hand, determines rural eligibility by using the OMB's metropolitan status designation. Under these
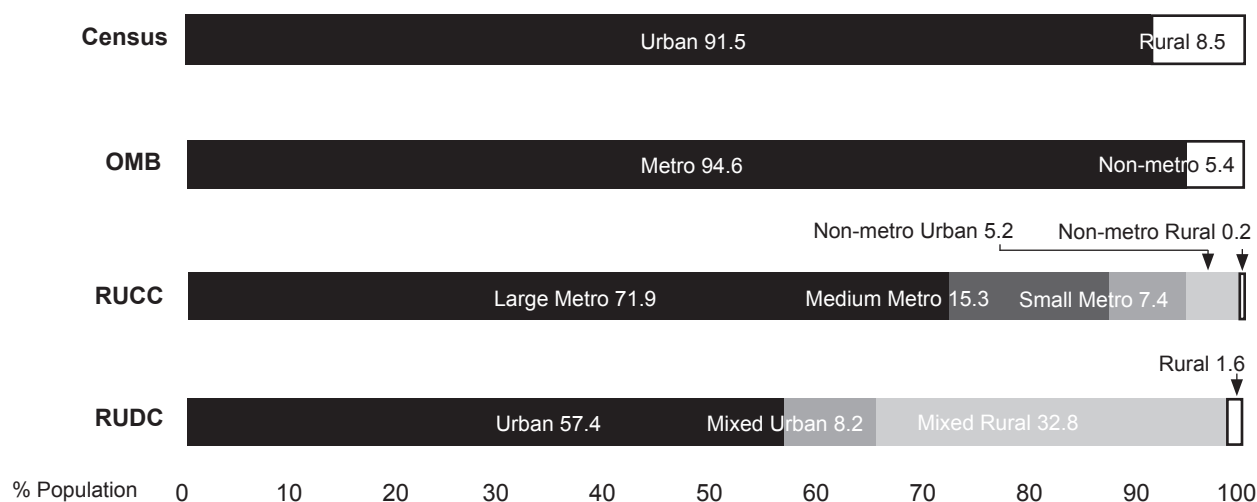
Figure 2 Rural Urban Density Code (Isserman 2005) for West Coast Counties

Urban (12)

Mixed Urban (9)

Mixed Rural (72)

Rural (40)

State Boundary

criteria, the same community may qualify for one program but not the other. For example, residents of the upper Snoqualmie Valley in King County, WA, can enjoy the benefits of the rural health clinic program because their location is not within an urbanized area according to the Census, yet cannot participate in the telemedicine program because the OMB considers the location as part of the Seattle-Tacoma-Bellevue metropolitan area.

Second, the depiction of the location of poverty becomes more complex when using more nuanced rural and urban definitions; focusing on metro versus non-metro conceals the variations within metro areas. Mixed rural counties within metro areas have higher poverty and unemployment rates than metro areas as a whole, while metro/mixed urban counties are substantially better off. The trend of increasing suburban diversity and the shift of poverty out of cities and into suburbs may explain the dynamics of mixed rural and mixed urban counties. Among the 50 largest fast growing suburban counties across the U.S., 14 of them are in Washington, Oregon, and California. A map of the location of fast growing

Figure 3 Percent Population by Classification System in Washington, Oregon, and California

Census	Urban 91.5	Rural 8.5
OMB	Metro 94.6	Non-metro 5.4
RUCC	Large Metro 71.9 · Medium Metro 15.3 · Small Metro 7.4 · Non-metro Urban 5.2 · Non-metro Rural 0.2	
RUDC	Urban 57.4 · Mixed Urban 8.2 · Mixed Rural 32.8 · Rural 1.6	

% Population   0   10   20   30   40   50   60   70   80   90   100

suburban counties in relation to inconsistently classified counties shows significant overlap, with seven metro/mixed rural counties and five metro/mixed urban counties identified as fast growing suburbs. Living in the suburbs does not guarantee access to social services and employment opportunities for low income populations.

Third, there is substantial regional variation in the extent to which inconsistent definitions present problems for our understanding of the geography of poverty in metro areas. Nationally, poverty in metro urban counties is on par with poverty in mixed rural counties, at a rate of about 12%. On the West Coast, in contrast, metro urban counties do better than metropolitan mixed rural counties (13 percent versus 15 percent). To understand the geography of poverty within metro areas, it is therefore vital to consider regional variations.

In sum, while the OMB's metropolitan and non-metropolitan scheme is a convenient short-hand, U.S. metropolitan areas contain diverse mixes of rural and urban places that belie that dichotomy. Such confusion can also contribute to the mistargeting of resources meant to reduce poverty and associated social problems. Poverty in metropolitan but mixed-rural counties has the potential to be distinct from that facing the populations of inner cities and remote rural places.

DIALOGUE: Practitioners and Policy Makers Respond

In June 2009, the West Coast Poverty Center invited a group of national and state policymakers and practitioners to join a conversation with researchers Rachel Garshick Kleit and Man Wang on their findings on urban/rural classification schemes and the implications for policy decisions (see box on next page for participants). WCPC Associate Director Jennifer Romich, Associate Professor at the UW School of Social Work, facilitated the conversation. Highlights from the discussion follow, organized around some broad questions related to the study and its impacts.

Are the distinctions between urban and rural areas salient in practitioners' antipoverty work?

Dialogue participants agreed on the importance of finding and using definitions that paint the "truest" picture of local poverty as economic development and demographic shifts rapidly change the face of cities, towns, and formerly rural areas. While these processes affect the entire population,

the poor have fewer resources with which to adapt to them. Public policies can affect how the poor make out in these situations. Kleit noted that a finer understanding of the issue is important given the ways in which poverty differs across social, geographic, and economic contexts. Participants also noted that poverty on the east coast or in the south, which has historically been better studied than west coast poverty, may not manifest geographically in the same manner as on the west coast.

Why is the geography of poverty changing?

Romich noted that more low-income residents have been pushed into suburbs. Chief Program Officer Gary Cunningham of the Northwest Area Foundation (NWAF) postulated that broader definitions of what is considered urban/suburban/rural has been changing especially quickly, leading to difficulties in measuring these populations. Immigration to the west coast has also been a key factor, as

people migrating from Mexico and Central America move to locations all along the urban-rural spectrum.

What would be the right classification scale? What do the different classification schemes mean in terms of dollar allocations?

Mario Gutierrez, Director of Rural and Agricultural Worker Health Programs at the California Endowment, noted that the lack of information on a smaller, sub-county level makes it more difficult to know the specific needs of a particular area, which in turn makes it harder to target resources effectively. California is particularly reflective of these scale issues as funds are allocated based on county definitions; this has become an increasing area of sensitivity in the state. Definitions based on county data are misleading, Gutierrez said, and the disparity in dollars coming into the west translates into health disparities. The state needs a more fine-grained classification scheme to truly understand poverty in California.

How are federal programs affected by these definitions?

According to Gutierrez, most federal agencies that allocate resources—broadband technology, human services, and others—to rural communities use OMB's county definition. But metro/non-metro county definitions create a misleading picture of the West as almost all metro. Federal allocation formulas used by the Health Resources and Services Administration, the U.S. Department of Agriculture, Housing and Urban Development, and other agencies hurt the west; because most counties include an urban area they are not eligible for federal programs designated for rural areas.

Does this research help discussants evaluate different alternatives? What are the challenges to using non-county boundaries?

Participants raised questions about the pros and cons of using a more fine-grained classification scheme as a means to measure poverty. Wang mentioned that the research team explored using census tracts, school districts, and zip codes as alternative boundary definitions but found that these boundaries do not always hold constant over time. Troy Hutson of the Washington Department of Health and Human Services thought the biggest negative in moving to a finer grain of analysis was the lack of readily available comparable data; agencies that decide to use such alternative definitions must generate data of their own. Despite these challenges, Washington State is currently trying to do more work at the zip code level. Participants thought that such changes would be easier for single states to implement than on a national level. The lack of comparable data nationally would likely result in push-back from federal agencies; Cunningham noted that bureaucracy resists unless there are compelling data to show that a new approach will have overwhelming benefits. Gutierrez

suggested that using regional classifications based on aggregates of multi-counties or parts of counties could create more natural boundaries for analysis, as proposed in research by Bruce Weber and Kathleen K. Miller of the Rural Poverty Research Center at Oregon State University.

What other information would be useful? What policy issues does this paper bring up?

Dialogue participants suggested various ways that this project could be extended to strengthen the argument that government entities should revisit these definitions. Cunningham suggested that Wang and Kleit could try to model "winners and losers" under various alternate ways of classifying rural or urban areas. Hutson thought that additional information on the characteristics of misclassified areas would be helpful, in particular to determine who the west coast states are missing or not serving as well as they could. As an example, his agency is trying to reach 100 percent participation in the food stamp program; better classification data would help him to identify where the gaps are. In general, the practitioners were eager to see more specific examples that exemplified the problems of using the common classification schemes, and what those decisions mean in terms of dollars.

DIALOGUE Participants

Researchers

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Policy Practitioners

Gary Cunningham, Chief Program Officer, Northwest Area Foundation

Mario Gutierrez, Director of Rural and Agricultural Worker Health Programs, The California Endowment

Troy Hutson, Assistant Secretary, Economic Services Administration, Washington State Department of Social and Health Services

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DIALOGUES on Research and Policy

Spatial Variations in U.S. Poverty:
Beyond Metropolitan and Non-Metropolitan

The West Coast Poverty Center serves as a hub for research, education, and policy analysis leading to greater understanding of the causes and consequences of poverty and effective approaches to reducing it. The Center, located at the University of Washington, is one of three regional poverty centers funded by the U.S. Department of Health and Human Services, Office of the Assistant Secretary for Planning and Education (ASPE). More information about the West Coast Poverty Center is available from our website: wcpc.washington. edu

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