MEMPHIS POVERTY FACT SHEET

The 2017 Update of the Memphis Poverty Fact Sheet, Produced Annually by Dr. Elena Delavega of the Department of Social Work at the University of Memphis. Data from the 2016 American Community Survey Released in September 2017.

2017 Update



2017 Memphis Poverty Fact Sheet (Data from 2016 ACS)

Who are the Memphis Poor?

The city of Memphis has a poverty rate of 26.9%. Child poverty is 44.7%, while the poverty rate for people over age 65 is the lowest of any age group at 11.4% and it has continued to decline. The City of Memphis poverty rate for non-Hispanic Blacks is 32.3% an increase in more than two percentile points from 2015. At the same time, the poverty rate for non-Hispanic Whites in the city of Memphis, has increased slightly to 13.3% In the Memphis Statistical Metropolitan Area (Memphis MSA), which includes parts of Tennessee, Arkansas, and Mississippi, the overall poverty is 19.4%, child poverty is 30.8%, poverty for people over age 65 is 9.5% (the only group with a decrease across regions), non-Hispanic Black poverty is 28.3%, non-Hispanic White poverty is 9.4%, and Hispanic or Latino poverty is 30.1%.

The Poverty Rate in Memphis and Shelby **County Compared to National Rates**

In general, poverty rates for the City of Memphis are higher than poverty rates in Shelby County for every category. Both are higher than poverty rates in Tennessee, and Tennessee poverty rates are higher than U.S. poverty rates in almost every category (racial and ethnic groups, and age groups). The exception to this is the poverty rate for non-Hispanic Whites, which is lower in Shelby County than elsewhere.

2016 Poverty Rate	Overall	Under 18	18-64	Over 65	Non- Hispanic White	Non- Hispanic Black	Latino	Asian
United States	14.0%	19.5%	13.2%	9.2%	10.0%	23.8%	21.0%	11.8%
Tennessee	15.8%	22.6%	15.0%	8.9%	12.5%	26.3%	27.7%	12.2%
Shelby County	20.8%	34.5%	17.5%	9.6%	8.3%	29.2%	N/A	N/A
Memphis city, Tennessee	26.9%	44.7%	22.6%	11.4%	13.3%	32.3%	N/A	N/A
Memphis, TN-MS-AR Metro Ar.	19.4%	30.8%	16.8%	9.5%	9.4%	28.3%	30.1%	N/A

Table by the author from data from the 2016 ACS 1-Y Estimates (Table S0201). September 14, 2017

New in 2016

Memphis has reverted to being the poorest MSA with a population over a million people. The dramatic reductions in poverty observed in 2015 appear to have been a statistical anomaly. Of interest, However, is the decrease in poverty among Hispanics or Latinos from 33.1% to 30.4%. It appears that Hispanics or Latinos in the Memphis area continue to make progress toward economic development.

Not-So-New in 2016

What is not so new in 2017 is that while poverty rates for non-Hispanic Whites are still lower than for the US overall, they are increasing and this population is losing ground. The Memphis MSA went from being 59th in non-Hispanic White poverty in 2015 to being 42nd in 2016. That is a significant movement and a worsening in ranking of great concern. Nonetheless, racial disparities in Memphis are resistant and of paramount importance.

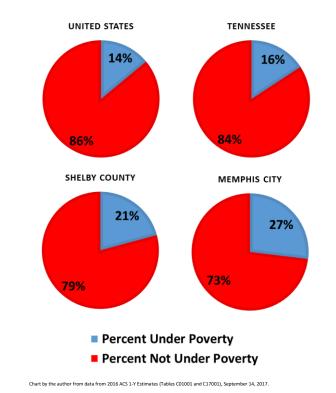
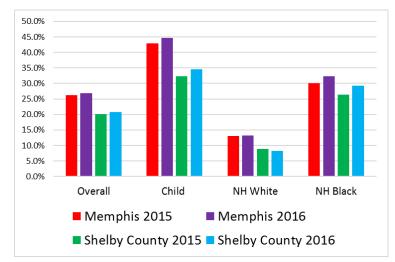


Figure 2 – Poverty Rates in 2014 and 2015 in Memphis and Shelby County



Bad News Overall

Poverty in the US continues to drop, but it is increasing in the entire Memphis area. In fact, poverty in Memphis has increased for almost all groups except for over 65 (the effect of Social Security income). Furthermore, the slight drop in the poverty rate among non-Hispanic has to be understood in the historical context of racial inequality and discrimination.

Chart by the author from data from the 2016 ACS 1-Y Estimates (Table S0201), September 14, 2017.

Figure 1 – Percent of the Population under Poverty

Table 2 – Percent Change in Poverty Rates in Memphis and Shelby County

	Overall		Child		Non-Hispanic White		Non-Hispanic Black					
	2015	2016	% Change	2015	2016	% Change	2015	2016	% Change	2015	2016	% Change
Memphis	26.2%	26.9%	2.7%	43.0%	44.7%	4.0%	13.0%	13.3%	2.3%	30.1%	32.3%	7.3%
Shelby County	20.1%	20.8%	3.5%	32.4%	34.5%	6.5%	8.9%	8.3%	-6.7%	26.4%	29.2%	10.6%

Table by the author from data from the 2015 and 2016 ACS 1-Y Estimates (Tables C01001, S0201. and C17001), September 15, 2016 and September 14, 2017.

Poverty continues to increase, and this is also true for non-Hispanic Whites.



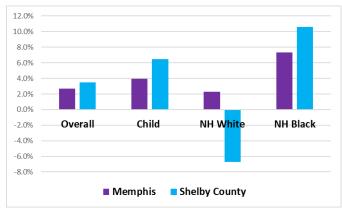


Chart by the author from data from the 2015 and 2016 ACS 1-Y Estimates (Tables C01001 and C17001), September 15, 2016 and September 14, 2017

Table 3 – The Poverty Intersection of Race and Age: United States

	United States										
	Overall	Non- Hispanic White	Non- Hispanic Black	Latino or Hispanic	Asian	Native American					
Population Size	323,127,515	197,479,450	39,717,127	57,398,719	17,556,935	2,676,399					
Median Household Income	\$57,617	\$63,155	\$38,506	\$46,882	\$80,720	\$39,719					
Overall Poverty Rate	14.0%	10.0%	23.8%	21.0%	11.8%	26.2%					
Child (Under 18) Poverty Rate	19.5%	11.7%	34.4%	28.4%	11.6%	33.8%					
Poverty Rate for People 18-64	13.2%	10.3%	20.9%	17.4%	11.6%	24.0%					
Poverty Rate for People 65+	9.2%	7.2%	16.3%	18.1%	12.9%	18.8%					

Table by the author from data from the 2016 ACS 1-Y Estimates (Table S0201), September 14, 2017.

Table 4 – The Poverty Intersection of Race and Age: Tennessee

Tennessee										
	Overall	Non- Hispanic White	Non- Hispanic Black	Latino or Hispanic	Asian					
Population Size	6,651,194	4,929,450	1,105,799	347,442	116,375					
Median Household Income	\$48,547	\$51,794	\$35,669	\$41,013	\$69,497					
Overall Poverty Rate	15.8%	12.5%	26.3%	27.7%	12.2%					
Child (Under 18) Poverty Rate	22.6%	15.6%	41.3%	36.3%	6.9%					
Poverty Rate for People 18-64	15.0%	12.9%	21.8%	21.8%	14.0%					
Poverty Rate for People 65+	8.9%	7.9%	15.8%	22.0%	12.8%					

Table by the author from data from the 2016 ACS 1-Y Estimates (Table S0201), September 14, 2017.

Tables 5 and 6 – The Poverty Intersection of Race* and Age: Shelby County and Memphis

Shelby County, Tennessee				City of Memphis, Tennessee					
	Overall	Non- Hispanic White	Non- Hispanic Black		Overall	Non- Hispanic White	Non- Hispanic Black		
Population Size	934,603	336,022	498,090	Population Size	652,752	165,658	420,273		
Median Household Income	\$47,690	\$71,158	\$35,632	Median Household Income	\$38,826	\$56,520	\$31,471		
Overall Poverty Rate	20.8%	8.3%	29.2%	Overall Poverty Rate	26.9%	13.3%	32.3%		
Child (Under 18) Poverty Rate	34.5%	7.9%	48.4%	Child (Under 18) Poverty Rate	44.7%	15.7%	52.2%		
Poverty Rate for People 18-64	17.5%	9.2%	23.2%	Poverty Rate for People 18-64	22.6%	14.3%	26.6%		
Poverty Rate for People 65+	9.6%	5.6%	14.1%	Poverty Rate for People 65+	11.4%	8.2%	13.4%		

Tables by the author from data from the 2016 ACS 1-Y Estimates (Table S0201), September 14, 2017.

*Data not available for Latino/Hispanic and Asian

Table 7 – The Pov	verty Intersection of Ra	ace and Age: Memphis	s Metropolitan Statistica	l Area (MSA)

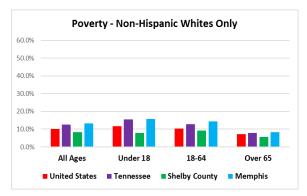
Memphis, TN-MS-AR Metro Area									
	Overall	Non- Hispanic White	Non- Hispanic Black	Latino or Hispanic					
Population Size	1,346,437	590,773	625,640	71,568					
Median Household Income	\$49,809	\$67,781	\$35,539	\$42,244					
Overall Poverty Rate	19.4%	9.4%	28.3%	30.1%					
Child (Under 18) Poverty Rate	30.8%	10.9%	44.7%	42.8%					
Poverty Rate for People 18-64	16.8%	9.8%	23.3%	21.4%					
Poverty Rate for People 65+	9.5%	6.0%	15.1%	19.5%					

Table by the author from data from the 2016 ACS 1-Y Estimates (Table S0201), September 14, 2017.

The Relationship between Poverty and Race

It has now been observed for several years that the poverty rate among non-Hispanic Whites Only is much lower in Shelby County than in the state or the nation as a whole. However, poverty among non-Hispanic Whites has been increasing since 2014 in Memphis, although it has dropped for this population in Shelby County since 2015. It is important to emphasize that although increasing in the Memphis MSA the poverty rate for this group continues to be lower in Shelby County than in the rest of the nation. The poor in Memphis tend to be minorities. The poverty rates for Blacks and Latino (although decreasing for Latinos) are higher than the overall poverty rate, and poverty rates for minorities are higher in every age category than poverty rates for non-Hispanic Whites. Moreover, poverty rates for non-Hispanic Whites are lower in Shelby County than in Tennessee as a whole or the United States in every age category.

Figures 4-5 – Comparison of Poverty Rates and Poverty Trends for non-Hispanic Whites Only and Blacks Only



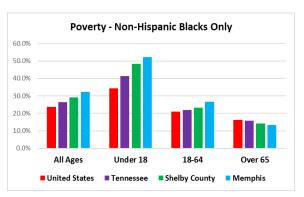


Chart by the author from data from the 2016 ACS 1-Y Estimates, September 14, 2017.

Chart by the author from data from the 2016 ACS 1-Y Estimates, September 14, 2017

Minorities suffer greater rates of poverty than non-Hispanic Whites in Memphis and Shelby County.

Poverty Rankings

Memphis' Rank

In 2016, Memphis returned to the unfortunate top spot in overall poverty and retained the top spot in child (under 18) poverty rate among Metropolitan Sta

1,000,000, even though poverty rates tended to continue to rail in the United States. Moreover, poverty rates in Memphis bucked the national trend and moved upward in 2016. When including MSA with populations greater than 500,000, Memphis has shown a return to the third place it held before 2015, moving up in the rankings. Memphis retained the second place in child poverty even though it increased in more than one percentile point.

Table 9 - Memphis' Rank in Poverty Rates

Memphis		201	5	2016		
		Poverty Rate	Poverty Rank	Poverty Rate	Poverty Rank	Rank Change
Among Cities with Populations Greater	Overall	26.2%	4 th	26.6%	3 rd	+1
than 500,000 (34 Cities)	Under 18	43.0%	2 nd	44.7%	2 nd	
Among MSA with Populations Greater	Overall	18.4%	11 th	19.4%	5 th	+6
than 500,000 (107 MSA)	Under 18	28.8%	6 th	30.8%	5 th	+1
Among MSA with Populations Greater than 1,000,000 (53 MSA)	Overall	18.4%	1 st	19.4%	1 st	+1
	Under 18	28.8%	1 st	30.8%	1 st	

Table by the author from data from the 2015 and 2016 ACS 1-Y Estimates (Tables C01001 and C17001), September 15, 2016 and September 14, 2017.

Table 10 – Highest Poverty Rates in Cities and MSA in the United States

Highest Poverty Rates Rank 1		2014		2015		
		Rank 1	Rank 1 Poverty Rate		Poverty Rate	
Among Cities with	Overall	Detroit City, Michigan	39.8%	Detroit City, Michigan	35.7%	
Populations Greater than 500,000 (34 Cities)	Under 18	Detroit City, Michigan	57.6%	Detroit City, Michigan	50.8%	
Among MSA with	Overall	McAllen-Edinburg- Mission, TX Metro Area	31.5%	McAllen-Edinburg- Mission, TX Metro Area	31.4%	
Populations Greater than 500,000 (107 MSA)	Under 18	McAllen-Edinburg- Mission, TX Metro Area	43.8%	McAllen-Edinburg- Mission, TX Metro Area	44.2%	
Among MSA with Populations Greater than	Overall	Memphis, TN-MS-AR Metro Area	18.4%	Memphis, TN-MS-AR Metro Area	19.4%	
1,000,000 53 MSA)	Under 18	Memphis, TN-MS-AR Metro Area	28.8%	Memphis, TN-MS-AR Metro Area	30.8%	

Table by the author from data from the 2015 and 2016 ACS 1-Y Estimates (Tables C01001 and C17001), September 15, 2016 and September 14, 2017.

Memphis has reclaimed the unfortunate top spot as the poorest MSA in the nation overall and in child poverty.

What the Rankings Mean

The rank number denotes the position of a city or MSA relative to others. The higher the rank number, the higher the poverty rate for that locality. In other words, a higher ranking is not desirable. Note that there are fewer cities with more than half a million people than Metropolitan Statistical Areas (MSA) with more than a million people. This is because MSA comprise a larger territory. As a result, Memphis is both a city with more than 500,000 people and an MSA with a population greater than one million, but not all MSA with more than 1,000,000 people include cities with more than half a million people.

Rankings provide the necessary context to understand poverty rates. A low poverty rate that is still higher than other similar populations is not necessarily a good thing; and a high poverty rate when examined in the context of other populations may indicate that the city is performing better than others. In 2016, Memphis appears to have lost ground vis-à-vis other cities and has returned to being the poorest large metropolitan area in the country. The hopeful reduction in poverty observed last year did not hold during 2016. Although the increase has been very small, it is nonetheless worrisome because it may indicate a worsening situation overall. Moreover, child poverty continues to increase, which is a sad reflection on the future of the city.

Note: There are 53 MSAs with populations over 1,000,000 and 107 MSA with populations over 500,000 in 2016. There was no change in the number of MSAs of each size from 2015. In 2014 there were 52 MSAs with populations over 1,000,000 and 104 MSAs with populations over 500,000

Table 11 – Comparison of Poverty Rates and Poverty Trends for non-Hispanic Whites Only and Blacks Only

	2016						
Memphis non-Hispanic Whites Only	Overall Poverty Rate	Overall Poverty Rank	non-Hispanic White Poverty Rate	non-Hispanic White Poverty Rank			
Among Cities for which data are provided (34 cities)	26.9%	3 rd	13.3%	7 th			
Among MSA for which data are provided (106 MSA)	19.4%	5 th	9.4%	42 nd			

Table by the author from data from the 2015 and 2016 ACS 1-Y Estimates (Tables C01001 and C17001), September 15, 2016 and September 14, 2017.

It is very interesting to note that while Memphis ranks first in poverty among large metropolitan areas (population greater than 1,000,000), when the rate for non-Hispanic Whites is considered by itself, Memphis ranks much lower. The differences between the poverty rates of minority groups and non-Hispanic Whites are striking.

Nonetheless, the health of a community does improve when all people are included and can participate fully, as evidenced by the fact that poverty rates for non-Hispanic Whites in Memphis have not only not dropped but increased, bucking national trends.

Trends in Poverty Rates

The poverty rates for non-Hispanic Whites are better in Shelby County than for the same group in Tennessee or the United States, while the rates for Blacks are generally worse in Memphis and Shelby County than Tennessee or the nation. It is also interesting to note that for non-Hispanic Whites, the worst poverty rates are at the state and the city level. In the city of Memphis the poverty rate for non-Hispanic Whites has been increasing for the past two years, but while this was also the case for Shelby County in 2015, said poverty rate decreased in 2016. The poverty rate for Hispanics or Latinos in the Memphis MSA has declined for a second year in 2016.

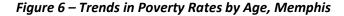
Poverty Trends – Has Poverty Gotten Worse?

Since 2005, poverty rates in Memphis have risen and the 2008 economic crisis resulted in increased poverty rates for all racial and age groups at that time. It is important to note that some groups were able to recover much sooner. Note that poverty rates among people over age 65 are lower than for the rest of the population. This is attributed to Social Security. In 2012 there was an increase in the poverty rate for people over age 65. The overall picture in Memphis in 2017, from the 2016 Census estimate, is troubling. Memphis has increasing poverty rates for almost all population groups, and this in the national context in which poverty rates in general are declining. Detroit remains the poorest city (not MSA) with over 500,000 people in the country, but even there poverty rates have decreased dramatically while poverty in Memphis has increased.

Why Is Poverty Increasing in Memphis?

One possible explanation is that the labor market in Memphis tends to consist of unskilled workers in the warehouse industry. The lack of comprehensive, effective, and efficient public transportation also makes progress against poverty very difficult. Finally, the divide between the city and the county, as evidenced by the racial and geographical differences in poverty, tends to deprive the city of Memphis of the funds it needs to support the region.

Children continue suffering the greatest rates of poverty in Memphis and in Shelby County.



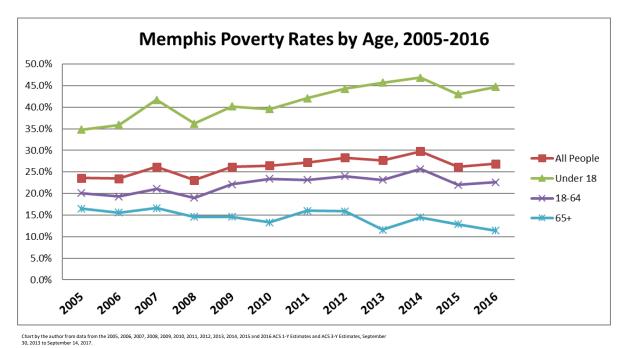


Figure 7 – Trends in Poverty Rates by Age, Shelby County

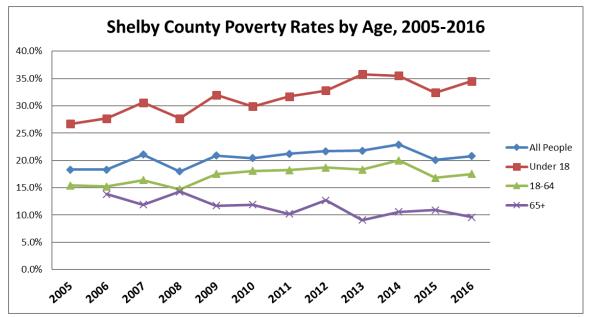


Chart by the author from data from the 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, , 2014, 2015 and 2016 ACS 1-Y Estimates and ACS 3-Y Estimates, September 30, 2013 to September 14, 2017.

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Unfortunately for Memphis, the lower poverty rates for all groups observed in 2015 did not continue in 2016.

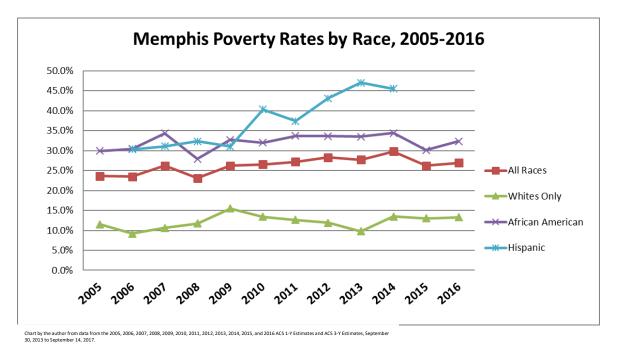


Figure 8 – Trends in Poverty Rates by Race, Memphis

A community cannot have such high percent of people in poverty without affecting everyone.

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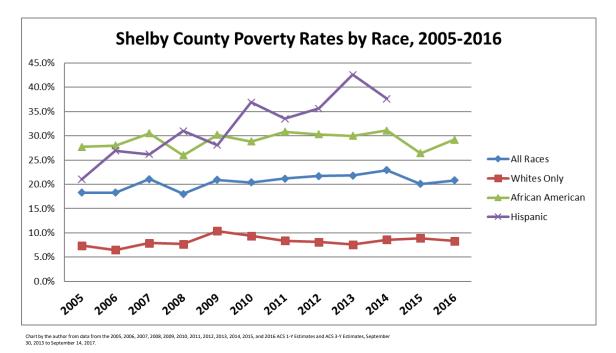


Figure 9 – Trends in Poverty Rates by Race, Shelby County

We have to understand that to eliminate poverty, we need to work together for the benefit of all #SharedRiskforSharedProsperity.

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The Department of Social Work in the School of Urban Affairs and Public Policy at the University of Memphis is dedicated to understanding poverty and its causes through research and engaged scholarship. Our purpose is to identify the most effective ways to eliminate poverty and promote social and economic development for our region.

The mission of the Benjamin L. Hooks Institute for Social Change is to promote civil rights and social change, primarily through teaching, research, innovative campaigns, and community engagement

If you would like more information on Memphis poverty, please contact Dr. Elena Delavega at mdlavega@memphis.edu

Sources:

Data obtained from the US Bureau of the Census, September 14, 2017

All Data except Latino (Hispanic): 2013, 2014, 2015, and 2016 ACS 1-Y Estimates (Table S1701: Poverty Status in the Past 12 Months. Other Tables: DP03, C01001); 2005, 2006, 2007, 2008, 2009, 2009, 2011, & 2012 American Community Survey 1-Year Estimates (US Bureau of the Census) Latino (Hispanic) Data: 2007, 2008, 2009, 2010, & 2011 American Community Survey 3-Year Estimates (US Bureau of the Census).