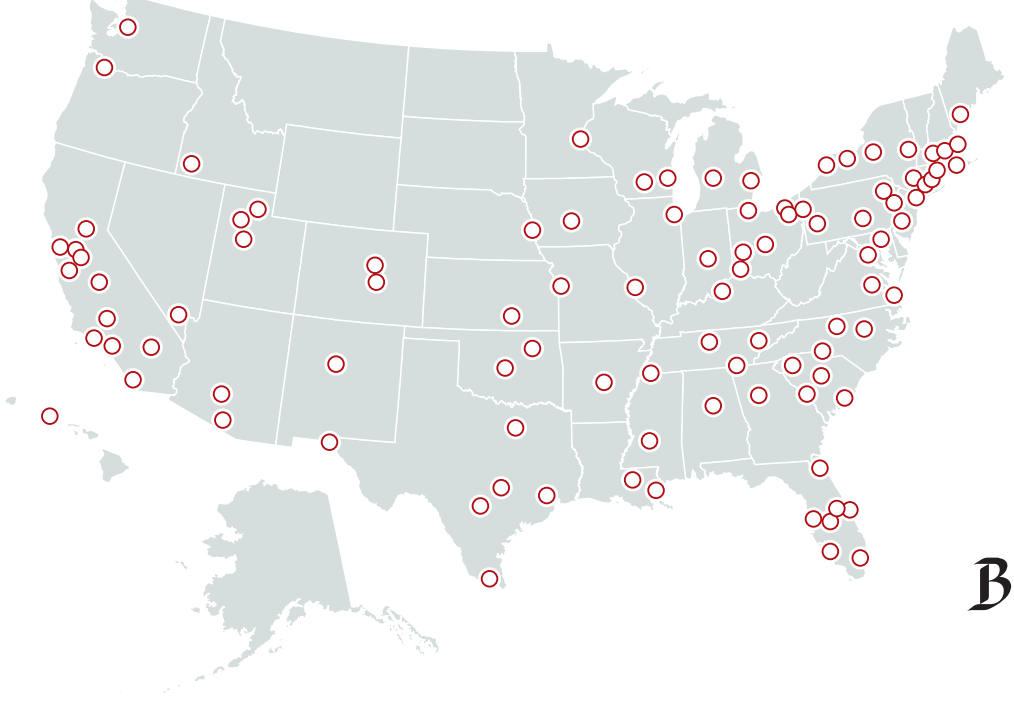
2010

State of Metropolitan America

ON THE FRONT LINES OF DEMOGRAPHIC TRANSFORMATION



Metropolitan Policy Program
at BROOKINGS









State of Metropolitan America

ON THE FRONT LINES OF DEMOGRAPHIC TRANSFORMATION

CONTENTS

PREFACE

Obscured by the current economic moment and the nation's rightful preoccupation with recovery, the United States stands poised at a moment of significant societal change.

Over the last decade, America has passed a number of major demographic milestones. The *State of Metropolitan America* shows how these "new realities" are redefining who we are, where and with whom we live, and how we provide for our own welfare, as well as that of our families and communities. And these new realities, most pronounced in the leading edge of the nation's metropolitan areas, are fundamental: the continued growth and outward expansion of our population; its ongoing racial and ethnic diversification; the rapid aging on the horizon; our increasing but selective higher educational attainment; and the intensified income polarization experienced by our workers and families.

These underlying realities are too large to ignore any longer. Specific policy responses designed to make the most of America's potential in the face of the nation's relentless pace of change must be priorities for national, metropolitan, and local actors alike in the coming decade. Failure to recognize and address these challenges will only further thwart the timeless American struggle to form a more perfect union.

By understanding the context and landscape of America's metropolitan areas, we can begin to develop smarter policies to increase more equitable opportunities for our nation.

The Rockefeller Foundation is proud to support this seminal report and the ongoing *State of Metropolitan America* series at Brookings, which will continue to chronicle the demographic shifts transforming America, from the ground up. Support for this and other urban initiatives in the United States and around the world affirms the foundation's commitment to building more resilient cities and metropolitan regions.

We hope you find this report a useful lens on America's future.

Judith Rodin
President
The Rockefeller Foundation

ACKNOWLEDGMENTS

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First and foremost, we thank the Rockefeller Foundation for its generous financial and intellectual support of this project. The Foundation has provided longstanding support for the Metropolitan Policy Program's most important and influential research and policy work over the past decade, including the Blueprint for American Prosperity and the Metropolitan Infrastructure Initiative, for which we are enormously grateful.

Jill Wilson at Brookings provided day-to-day management of all technical aspects of this report and the accompanying *State of Metropolitan America* website. She developed the report's geographic approach, orchestrated the analysis of data from the 2008 American Community Survey (ACS) internal files at the U.S. Census Bureau, managed design and data for the website, and performed research assistance for several of the chapters, especially *Immigration*. This project would not have been possible without her tireless efforts.

Cathy Sun of the University of Michigan played a critical role in programming and preparing tabulations for this report from the 2008 ACS internal files at the U.S. Census Bureau. Cathy also provided programming and research assistance for several chapters of the report authored by William Frey.

David Raglin of the American Community Survey Office at the U.S. Census Bureau provided critical support in developing a Joint Project Agreement between Brookings and the Census Bureau, which enabled our analysis of internal ACS data. David also supplied much-needed, timely assistance to Brookings in navigating the data.

A 2009 roundtable with experts on metropolitan demographics greatly informed the methodology and scope of this report. Participants included D'Vera Cohn (Pew Research Center), John Cromartie (USDA Economic Research Service), and Marc Perry, David Johnson, Robert Kominski, and Michael Ratcliffe (U.S. Census Bureau).

Several individuals at Brookings contributed data analysis for the *State of Metropolitan America* website and individual chapters, including Jennifer Hinojosa, Kelsey Merrick, Benjamin Orr, and Chad Shearer. In addition to co-authoring the *Income and Poverty* chapter, Emily Garr provided data assistance for the *Race and Ethnicity* and *Households and Families* chapters. Dana Thomson, a consultant to Brookings, performed numerical checking and statistical significance calculations for the website data.

Partial support for William Frey's *Race and Ethnicity* and *Age* chapters came from a National Institutes of Health, NICHD grant at the University of Michigan.

David Jackson at Brookings managed the difficult task of editing the entire report with patience and skill. Maria Paul of Sese-Paul Design artfully executed the layout and design of the report.

Bruce Katz, Vice President and Director of the Metropolitan Policy Program, provided invaluable guidance and vision for this project. Other Brookings staff members, including Jennifer Bradley, Amy Liu, Mark Muro, and Julie Wagner made thoughtful and insightful contributions along the way. Ellen Ochs provided first-rate project management in the home stretch.

Finally, this was truly a team effort of the Metropolitan Policy Program, led by the program's research director, Alan Berube. The report's main research team—Alan Berube, William Frey, Audrey Singer, and Jill Wilson—wishes to thank all the authors and the supportive Brookings staff that contributed in many ways to this report.

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EXECUTIVE SUMMARY

The 2000s were a tumultuous decade for Americans. The oscillating state of the economy, which careened from a mild recession to booming house prices and, finally, to the worst downturn since the Great Depression, complicates the task of summarizing what the decade meant for the future of American society. Nonetheless, the boom-bust economics of the 2000s did not repeal the structural forces that continue to transform our population.

This report shows that our nation now faces five "new realities" that are redefining who we are, where and with whom we live, and how we provide for our own welfare, as well as that of our families and communities. In each of these five areas, the nation reached critical milestones in the 2000s that make those underlying realities too large to ignore any longer. And large metropolitan areas—the collections of cities, suburbs, and rural areas that house two-thirds of America's population—lay squarely on the front lines of those trends.

THE FIVE NEW REALITIES

Growth and Outward Expansion

The nation's population passed 300 million, and over the course of the decade, the nation will have added roughly 28 million people. Our nation's large metro areas remain at the cutting edge of the nation's continued growth. Between 2000 and 2009, they grew by a combined 10.5 percent, versus 5.8 percent growth in the rest of the country. But they continued to spread out, too, as their less developed, outer areas grew at more than three times the rate of their cities and inner suburbs.

Population Diversification

The United States population is today one-third non-white, and those groups accounted for 83 percent of national population growth from 2000 to 2008. Immigration continues to fuel our growth, too, and now nearly one-quarter of U.S. children have at least one immigrant parent. This coming-of-age generation, a little over 30 years from now, will stand on the precipice of our transition to a majority non-white nation. Large metropolitan areas will get there first, as their under-18 population had already reached majority non-white status by 2008.

Aging of the Population

Together, U.S. baby boomers and seniors now number more than 100 million. Large metro areas are in some ways aging faster than the rest of the nation, experiencing a 45 percent increase in their 55-to-64 year-old population from 2000 to 2008. As a result, their single-person households are growing more rapidly as well, especially in suburban communities that were not designed with these populations in mind.

Uneven Higher Educational Attainment

More than one-third of U.S. adults held a post-secondary degree in 2008, up from one-quarter in 1990, helping to propel our economic growth. But younger adults, especially in large metro areas, are not registering the same high levels of degree attainment as their predecessors. Moreover, the African American and Hispanic groups projected to make up a growing share of our future workforce now lag their white and Asian counterparts in large metro areas on bachelor's degree attainment by more than 20 percentage points.

Income Polarization

The typical American household saw its inflation-adjusted income decline by more than $2,000 between 1999 and 2008—and probably even further by 2009 when the economy hit bottom. Low-wage and middle-wage workers lost considerable ground, but high-wage workers saw earnings rise. The number of people living below the poverty line increased as well. Large metro areas stood at the vanguard of these troubling trends. By 2008 high-wage workers in large metro areas out-earned their low-wage counterparts by a ratio of more than five to one, and the number of their residents living in poverty had risen 15 percent since 2000.

THE VARIABLE METRO MAP

Large metropolitan areas as a group are "ahead of the curve" on the five new demographic and social realities that America confronts. However, in some ways, large metropolitan areas actually became more different from one another in the 2000s, making it even more important to understand American society from the individualized perspectives of these places. No longer easily grouped along traditional regional lines, such as Sun Belt versus Snow Belt, or East versus West, this "pulling apart" reinforces a new seven-category typology of metropolitan America:

- ***Next Frontier*** metro areas exceed national averages on population growth, diversity, and educational attainment. Of these nine metro areas, eight lie west of the Mississippi River (Washington, D.C. is the exception)
- ***New Heartland*** metro areas are also fast growing, highly educated locales, but have lower shares of Hispanic and Asian populations than the national average. These 19 metro areas include many in the "New South" where blacks are the dominant minority group, such as Atlanta and Charlotte, as well as largely white metro areas throughout the Midwest and West, such as Indianapolis and Portland (OR)
- ***Diverse Giant*** metro areas feature some of the largest in the country, including the three most populous (New York, Los Angeles, and Chicago), as well as coastal anchors such as Miami and San Francisco. These nine regions post above-average educational attainment and diversity, but below-average population growth, owing in part to their large sizes
- ***Border Growth*** metro areas are mostly located in southern border states, and as such are marked by a significant and growing presence of Mexican and other Latin American immigrants. Only Orlando lies outside the main orbit of this group of 11 metro areas, which stretches from east Texas, through Arizona and Nevada, and up California's Central Valley
- ***Mid-Sized Magnet*** metro areas have experienced high growth, but exhibit lower shares of Hispanic and Asian minorities, and lower levels of educational attainment. Like many Border Growth

centers, many of these 15 mid-sized, mostly Southeastern locations got caught in the growth spiral of the 2000s that ended abruptly with the housing crash

- ***Skilled Anchors*** are slow-growing, less diverse metro areas that boast higher-than-average levels of educational attainment. Of the 19 nationwide, 17 lie in the Northeast and Midwest, including large regions such as Boston and Philadelphia, and smaller regions such as Akron and Worcester. Many boast significant medical and educational institutions
- ***Industrial Cores*** are in some ways the most demographically disadvantaged of the metropolitan types. These 18 metro areas are largely older industrial centers of the Northeast, Midwest, and Southeast. Their populations are slower-growing, less diverse, and less educated than national averages, and significantly older than the large metropolitan average. These metro areas lost population in the aggregate in the 2000s

Viewing metropolitan America through this lens offers a more nuanced view of the country and its variable challenges than conventional regional generalizations. Yet, even as large metro areas "pulled apart" demographically from one another in some ways in the 2000s, they also "came together" at the individual metropolitan scale so that suburbs and cities grew more alike in many ways. Cities gained population at suburbs' expense in the wake of the housing crash; a majority of members all major racial/ethnic groups now live in suburbs; and the suburban poor population grew at roughly five times the rate of the city poor population over the decade.

A NEW DECADE OF RECKONING, FROM THE MACRO TO THE METRO

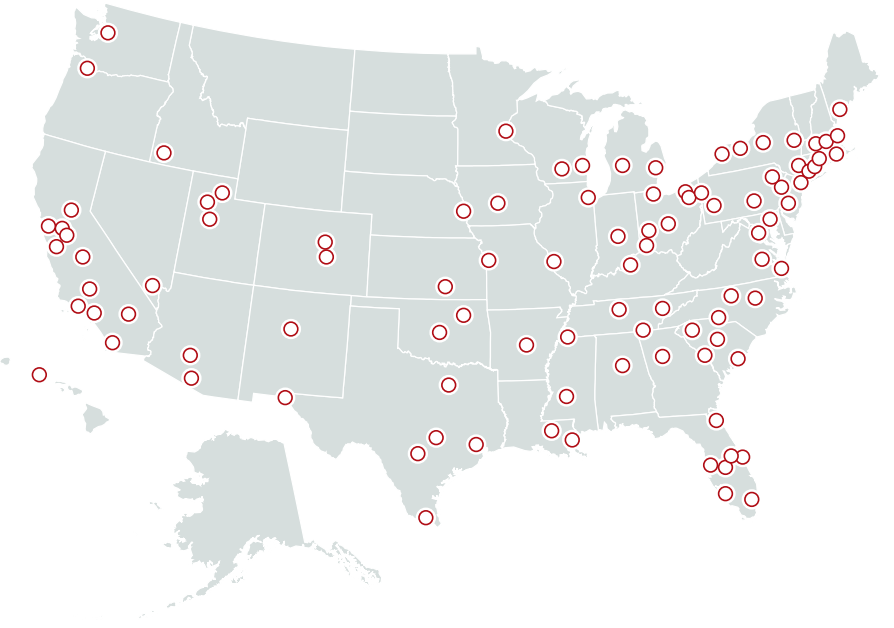
Some commentators have begun to refer to the 2000s as "the lost decade," largely on the basis of the lack of job and economic growth nationally during that time. But the decade was lost in another sense, too; the nation lost time and opportunity to respond to the challenges and prospects of its new demographic realities.

We now stand on the precipice of a "decade of reckoning." Questions around how to support communities with rapidly aging populations, how to meet family and labor market needs through immigration, and how to help lower-paid workers support themselves and their families simply cannot go unaddressed for another decade without risking our collective standard of living and the quality of our democracy. Tackling these and other challenges will require coherent, purposeful leadership in the coming years.

National conversations tend to overlook the fact that these new realities affect not only "macro" conditions such as the federal budget and the U.S. labor market. They are also experienced in places—mostly in our nation's largest metropolitan areas. Therefore, a federal policy agenda must confront aspects of particular concern for the metropolitan communities on the front lines of these trends, including:

- ***Accommodating more efficient growth***, by putting a price on carbon to account for the external costs of fossil fuel combustion, encouraging greater coordination between housing and transportation planning, and reducing the deductibility of mortgage interest to discourage over-consumption of housing

National policy makers have the unique obligation to address aspects of the five new realities that affect all metropolitan areas, or are simply beyond metropolitan areas' own capacity to tackle.



- ***Integrating and incorporating diverse populations***, through comprehensive immigration reform that protects our borders and provides a fair pathway to legal status, federal support for programs and practices that facilitate immigrant incorporation, and a national Office of New Americans to elevate and coordinate makeshift local integration efforts
- ***Enhancing community affordability and vitality for seniors***, including meeting rising demands for affordable housing integrated with services, protecting seniors' home equity through enhanced oversight of mortgage products, and requiring the expenditure of federal transportation and housing funds to take into account the specific needs of older populations
- ***Accelerating higher educational attainment***, by continuing to focus on enhancing teacher quality for students in need and promoting effective interventions in low-performing schools, and rewarding and supporting institutions and students not just for enrollment in higher education, but also persistence toward and completion of degrees
- ***Reducing income inequality***, by restoring and growing the productive capacity of the nation's auto communities, pursuing enhanced labor standards enforcement, and renewing/expanding tax credits that support lower-income working families like the Earned Income Tax Credit and Child Tax Credit

National policy makers have the unique obligation to address aspects of the five new realities that affect all metropolitan areas, or are simply beyond metropolitan areas' own capacity to tackle. As this report demonstrates, however, different challenges assume varying levels of prominence in different types of metropolitan areas. Leaders at the state, regional, and local levels must now more than ever understand and respond purposefully to the demographic, social, and economic changes most affecting their places.

- ***Border Growth*** and ***Mid-Sized Magnet*** metro areas must seek greater economic balance in the wake of the housing crash. Smart infrastructure investments in these metro areas could promote growth of alternative energy production and

distribution, international travel and tourism, and linkages with larger nearby centers of global commerce. Their leaders must also be fierce champions for the continued viability of 2- and 4-year higher education institutions, which offer the best hope for ensuring that their large and growing young, minority populations can share in the fruits of future economic growth

- ***Diverse Giant*** and ***Next Frontier*** metro areas should adopt the most innovative practices for accelerating the civic and labor market integration of their larger immigrant and "second generation" populations. They should also set out "roadmaps" for addressing future local and regional population needs in an environmentally sustainable, fiscally efficient manner that create and preserve affordable options for low- and middle-income families
- ***New Heartland*** metro areas, with migration rates likely to remain somewhat lower in the near term, should focus on growing a more educated pipeline of workers from within their own borders. Attracting younger middle-class families back to urban and inner-suburban public school systems, and forging closer partnerships between regional economic development and university officials, could help build the next middle class in these regions
- ***Skilled Anchor*** and ***Industrial Core*** metro areas, while economically distinct, share certain demographic attributes and associated challenges. Slowing the tide of decentralization by building outward from anchor institutions and overhauling urban land use, keeping older skilled workers connected to labor market opportunities, and integrating housing and social services for urban and suburban senior populations should be priorities for their leaders

Finally, new demographic realities must be met with new governance arrangements. Especially in light of the deep fiscal crisis facing states and local governments, the lines between cities and suburbs—and the long, fruitless history of battles and mistrust between them—must be transcended, in all types of metropolitan areas. Local leaders must forge regional solutions to newly shared regional challenges, such as linking the supply and demand sides of the labor market to benefit disadvantaged workers. They must undertake greater collaboration in the delivery of services, or outright combine outdated, inefficient local government units such as school districts. And they must act like metropolitan areas in dealing with their states, consolidating their influence on common issues that affect the well-being of their populations.

CONCLUSION

The pace of change and complexity of U.S. society only seems to multiply with each passing decade. Now, as the nation and its major metropolitan areas reach a series of critical demographic junctures, forging a constructive path forward to the "next society" is as much about helping communities manage the velocity of that transformation as it is about responding to its specific character. Failure to maximize shared responses to the inevitable challenges of change, and common ownership of the solutions, will only serve to sow the seeds of intergenerational, interracial, and inter-ethnic conflict. Understanding—from the ground up—who Americans are, and who they are becoming, is a critical step toward building constructive bridges before they become impassable divides. ■









ABOUT THE *STATE OF METROPOLITAN AMERICA*

The *State of Metropolitan America* is a signature effort of the Brookings Metropolitan Policy Program that portrays the demographic and social trends shaping the nation's essential economic and societal units—its large metropolitan areas—and discusses what they imply for public policies to secure prosperity for these places and their populations.

This report marks the inaugural edition of a regular summary report in Brookings' *State of Metropolitan America* series. It focuses on the major demographic forces transforming the nation and large metropolitan areas in the 2000s. In this sense, it previews what we will learn from the results of the 2010 Census, as well as supplements those results in important ways. Future editions of the annual report will examine those results, probe more deeply specific types of populations and geographies profiled in this report, and update the analysis herein as the country emerges from its deepest economic recession in decades. Brookings' ongoing *State of Metropolitan America* series will also feature regular reports on key demographic topics, and their relevance to the changing populations of our metropolitan areas, cities, and suburbs.

THE TOPICS

This report is arranged topically, with nine chapters that correspond to nine of the most important subjects tracked by the Census Bureau in its annual American Community Survey (ACS; see below):

- **Population and Migration** follows the population growth and decline of U.S. places over the decade, and how the movement of people—from next-door communities, from other parts of the country, and from abroad—contributed to these trends
- **Race and Ethnicity** analyzes the changing racial (e.g., white, black, Asian) and ethnic (e.g., Hispanic) composition of our population, including the patterns of growth and decline in these groups in different corners of the nation[1]
- **Immigration** focuses on America's foreign-born population, both citizens and non-citizens: their growth, where they live, their characteristics, and the growing demographic influence of their children
- **Age** looks at the shifting balance between older and younger Americans across the country, especially as the baby boom generation—America's largest—approaches seniorhood
- **Households and Families** examines who makes up the fundamental units of our society, how their structures are changing over time, and how they relate to the different racial/ethnic and age profiles of America's communities
- **Educational Attainment** profiles the educational status of adults (how much schooling they have completed, their enrollment in higher education), identifies differences by age and

race/ethnicity, and relates these to the underlying economic features of regions

- **Work** analyzes two sets of indicators on the status of America's labor force: the wages earned by differently compensated workers; and rates of unemployment, which reflect the varying degrees of economic pain experienced by different parts of the country
- **Income and Poverty** portrays trends in the economic well-being of typical households, the size of the "middle class," and the location and characteristics of America's sizeable and growing poor population
- **Commuting** details how we get to work, how those patterns have changed over time, and the factors contributing to the sizeable differences among communities in how workers undertake those daily trips

Each chapter is authored by one or more Brookings experts, each of whom has written widely on the topic at hand (see "About the Authors"). The chapters include the authors' own analysis of the most important and compelling trends over the 2000s at multiple levels of American geography (described further below), accompanied by their thoughts on what these trends mean for the future of people, places, and public policy.[2]

THE DATA

The data on which the bulk of this and many other reports in the *State of Metropolitan America* series are based come from the U.S. Census Bureau's American Community Survey (ACS) data. The ACS is a nationwide survey that provides an ongoing demographic, social, and economic portrait of the country and its communities, and the largest survey that the Census Bureau administers other than the decennial census. About 3 million households each year receive and respond to the ACS, allowing the Census Bureau to construct a detailed profile of states, metropolitan areas, and larger cities on an annual basis.[3] The latest ACS from which data are publicly available is from 2008 (see inset "The State of Metropolitan America and the Great Recession).

Previously, many of the data now collected through the ACS were collected via the decennial census' "long form." The long form asked a sample of census respondents more detailed questions than the more common "short form," on topics such as their marital status, where they were born, their level of education, and how much money they earned. The 2010 Census only features the short form, which asks 10 basic questions regarding population, age, race and ethnicity, relationships among members of households, and homeownership. In essence, the ACS has replaced the long form, and in doing so has created a valuable opportunity to understand the in-depth population dynamics affecting our country's communities more than once every 10 years. A further implication of this shift is that the 2010 Census, while providing essential information for research and policymaking, will not offer the same sort of treasure trove of socio-economic data as its predecessors.

A couple of further distinctions between the ACS and the decennial census long form are worth noting, in light of the fact that this report makes many comparisons between ACS data from 2008 and decennial census data from 2000. First, the sample of American households that receive the ACS on an annual basis is considerably smaller than the sample that received the Census 2000 long form. As a result, there is a greater degree of uncertainty that the results from the ACS represent the true

characteristics of the underlying population than is the case with Census 2000 results. The smaller the population of the geography in question (see below), the greater that degree of uncertainty, or "sampling error." Where this report makes comparisons between results from Census 2000 and the 2008 ACS, we only report the value of the change over time if the margin of error for the reported ACS estimate indicates that the change is statistically significant.[4]

Second, the ACS surveys households on a monthly basis, while Census 2000 collected information as of April 1 that year. One implication is that the "reference period" for certain questions differs from that in the decennial census. In particular, 2008 ACS respondents reported income they received in the previous 12 months, and the Census Bureau adjusted those data for inflation to reflect an estimate for their income in calendar year 2008. Nevertheless, those data capture the economic condition of households stretching from January of 2007 (12 months prior to responses from January 2008 respondents) to December of 2008 (the final month of data collection for the 2008 ACS).[5] In Census 2000, by contrast, all long-form respondents reported their income for calendar year 1999.

Most of the ACS data, and all of the decennial census data, analyzed in this report and presented at the *State of Metropolitan America* website (see below) come from the tables and data files hosted on the Census Bureau's website, particularly its American Factfinder tool.[8] For certain more complicated topics and indicators, however, the *State of Metropolitan America* benefited from special access to the full 2008 ACS data file hosted at the Census Bureau (stripped of individual identifiers). These subjects, such as detailed educational attainment of the population for different age groups, characteristics

THE STATE OF METROPOLITAN AMERICA AND THE GREAT RECESSION

The bulk of analysis in this report covers population characteristics in 2008, as well as trends during the "2000s," used to refer to the period from 2000 to 2008.[6] The 2008 American Community Survey (ACS), like the ACS in other years, represents an aggregation of responses to the survey from a sample of households in each month of the year. The Census Bureau tabulates and reports the results to reflect the average profile of community populations across the entire calendar year.

This is particularly relevant in the case of 2008, which marked the first year of the "Great Recession," by several measures the most severe that the United States experienced in the postwar period. The impact of the recession was significant but relatively mild in the first half of the year, but grew especially severe in the second half of the year, particularly in September through December.[7] The data presented here thus reflect national and metropolitan conditions that span a portion of the Great Recession, but do not capture its full impact, which was felt most severely in 2009.

It seems likely that the more cyclical indicators examined in this report through 2008, such as income and poverty, wages, and even migration and commuting patterns, may look somewhat different in 2009. However, most topics examined here, such as race and ethnicity, age, household structure, and educational attainment are more structural in nature, and will not look significantly different during or after the Great Recession than they did at its onset.

Most topics examined here are more structural than cyclical and will not look significantly different due to the Great Recession.

of the population in poverty, and commuting mode for workers of different incomes, could only be examined for the places profiled in this report via this special access.[9]

This report uses data from a couple of sources in addition to the ACS and decennial census. The most important of these is the Census Bureau's Population Estimates Program.[10] Using data from the last decennial census, more recent national surveys, and administrative records at all levels of government, the program produces annual estimates of population, and its "components of change" (natural increase, domestic migration, and immigration), for all incorporated municipalities, counties, and states nationwide. The program also estimates state and county populations by age and race/ethnicity annually.[11] These data provide the basis for much of our analysis in the Population and Migration, Race and Ethnicity, and Age chapters.

THE GEOGRAPHY

Metropolitan Areas

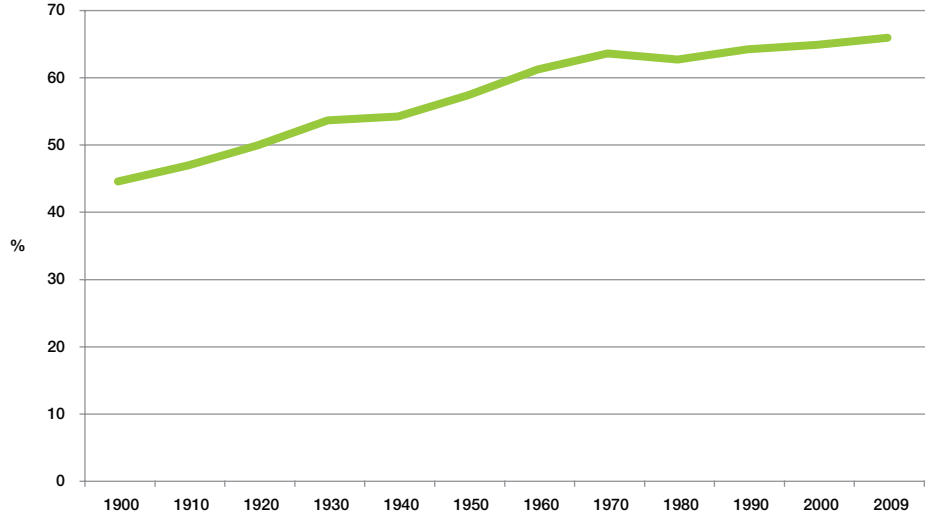
As its name indicates, this report focuses primarily on metropolitan areas, the geographic building blocks of America's economy and society. Why metropolitan areas? Unlike individual cities and towns, or large political units like states, these are the places within which most people—both here and abroad—live their daily lives. Most Americans (84 percent) live in metropolitan areas.[12] Most of their workers (58 percent) commute to jobs within their metropolitan area, but in a city or town different from the one in which they live.[13] Most metropolitan residents who move (79 percent) choose another location in the same metro area.[14] We do our shopping in different parts of metropolitan areas, get our media from metro-wide newspapers and television stations, and root for sports teams and visit cultural institutions that service whole regions. We share natural resources and infrastructure—air, water, roads, airports—at the metropolitan scale. Related businesses cluster and share innovations and labor force expertise within metro areas.[15] In short, metropolitan areas represent the critical geographic lens through which to understand a changing American society.

Metropolitan areas as a statistical concept join cities and their suburbs together to represent local and regional markets. In the United States, Metropolitan Statistical Areas are defined by the U.S. Office of Management and Budget (OMB) based on data gathered by the Census Bureau. OMB locates these areas around a densely populated core, typically a city, of at least 50,000 people. Counties that have strong commuting ties to the core are then included in the definition of the metropolitan area. OMB currently identifies 366 metropolitan areas nationwide, with populations ranging from 55,000 (Carson City, NV) to 19 million (New York-Northern New Jersey-Long Island, NY-NJ-PA).[16]

Within this group of metropolitan areas, the *State of Metropolitan America* series concentrates the bulk of its attention on the 100 largest, which in 2008 coincided almost exactly with those metro areas having populations of at least 500,000.[17] While there is nothing especially magical about the half million-person threshold, these metropolitan areas are fairly recognizable places to most Americans. Moreover, nearly all of their largest cities have populations of at least 100,000. Even more remarkably, these large metro areas continue to slowly but steadily increase their share of the nation's population. At the turn of the 20th century, 44 percent of Americans lived in the counties that today make up the 100 largest

The Share of U.S. Population Living in the 100 Largest Metro Areas Continues to Grow

Share of U.S. Residents Living in 100 Largest Metro Areas, 1900–2009



Note: Geographical definition of 100 largest metro areas held constant to 2007 boundaries over time
Source: Brookings analysis of "Population of Counties by Decennial Census: 1900 to 1990" (U.S. Census Bureau) and Population Estimates Program data

metro areas.[18] By 2000 that share had risen to 65 percent, and by 2009 reached 66 percent.

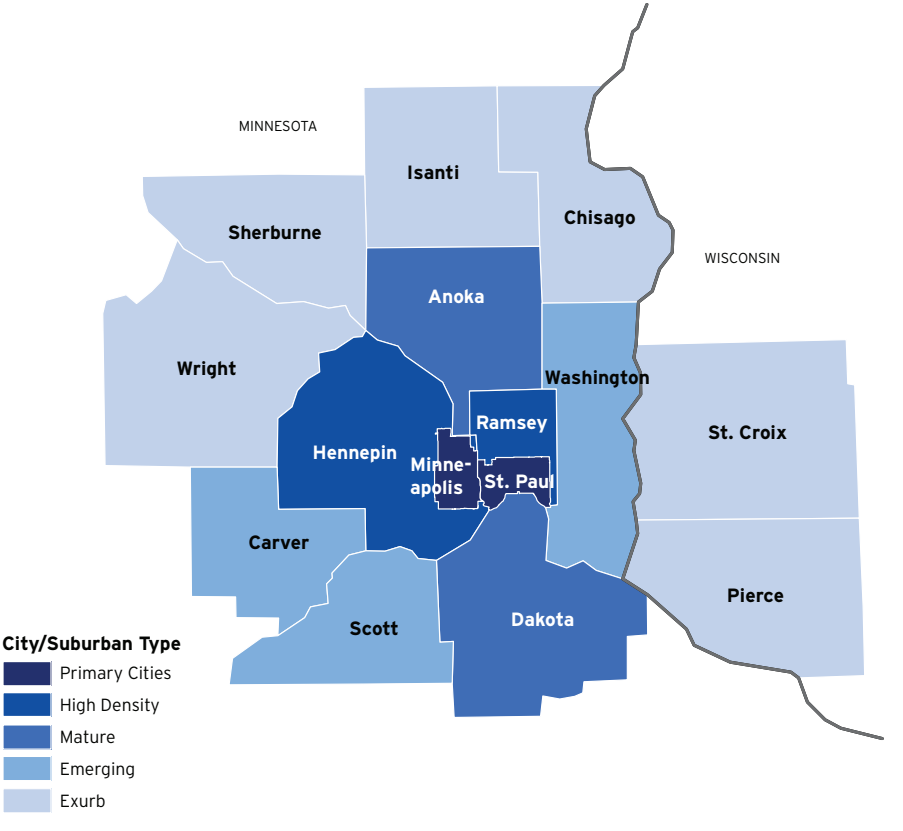
Primary Cities and Suburbs

In addition to tracking trends for large metropolitan areas—individually and in the aggregate—the State of Metropolitan America also looks inside these places to differentiate their large cities and suburban areas. OMB defines "principal cities" for metropolitan areas, which include the largest city in each, plus additional cities that meet specific population size and employment requirements.[19] Many principal cities, while important destinations or residences for local populations, do not accord with what most Americans would regard to be a "city." For instance, the Los Angeles-Long Beach-Santa Ana, CA metro area—which is composed of Los Angeles and Orange counties—contains 25 OMB-designated principal cities.

The cities examined in this report—termed "primary cities" to distinguish them from OMB's concept—include the first named city in each metropolitan area (the largest), plus other incorporated places in the metro area name with populations of at least 100,000. Because metro area names may feature a maximum of three principal cities, no more than 3 primary cities are designated for each metro area. Across the 100 largest metro areas, then, a total of 137 primary cities are identified.[20] In referencing some metro areas in tables and figures, the report modifies OMB's official titles to reflect only those cities designated primary cities. For example,

The Twin Cities Area Contains a Range of Older and Newer Communities

Metropolitan County Types in the Minneapolis-St. Paul Metropolitan Area



Source: Brookings analysis of Census 2000 and Population Estimates data

the Boston-Cambridge-Quincy, MA-NH metro area is referred to as the Boston-Cambridge, MA-NH metro area, as Quincy has too small a population to be classified a primary city.[21]

For each metro area, "suburbs" or "suburban areas" are designated as the remainder of the metro area outside of primary cities. This is an admittedly crude approach, though one consistent with Brookings' longstanding demographic research methodology. In several chapters, however, the *State of Metropolitan America* goes a step further to analyze data for different types of suburbs. Counties are

classified based on their degree of "urbanization"—that is, what share of its people live in more densely populated areas—net of any primary cities they might contain. Beyond the cities themselves, metropolitan counties are classified into four types of suburbs: high-density, mature, emerging, and exurban.

How does this look in a typical metropolitan area? In the Minneapolis-St. Paul-Bloomington, MN-WI metro area, Minneapolis (population 383,000) and St. Paul (population 280,000) are designated primary cities, while Bloomington (population 81,000) is not. The remainder of the counties in which the cities of Minneapolis and St. Paul sit—Hennepin and Ramsey—are labeled "high-density" suburbs, owing to the large shares of their populations (over 95 percent in 2000) that live in densely populated communities. High-density suburbs tend to be among the first settled suburban areas outside of cities, and elsewhere are often termed "older" or "inner" suburbs. Two more Minnesota counties, Anoka and Dakota, are labeled "mature suburbs," with between 75 and 95 percent of their populations in urbanized areas. Many such suburbs were developed largely in the 1960s and 1970s. Three more Minnesota counties—Carver, Scott, and Washington—are termed "emerging suburbs," with between 25 percent and 75 percent of their populations in urbanized areas. These tend to be among the fastest-growing communities in metropolitan areas, with significant development in the 1980s and thereafter. Finally, six more sparsely settled counties (four in Minnesota, two in Wisconsin) are labeled "exurbs," areas that tend to lie at the rural fringe of metropolitan areas.[22]

www.brookings.edu/metroamerica

THE WEBSITE

The State of Metropolitan America also introduces a dynamic, interactive website that allows users to display, map, and download data for the nation's 50 states (plus the District of Columbia), 100 largest metropolitan areas, and their cities and suburbs on over 300 social, demographic, and economic indicators. The website goes beyond the report by providing more data, for more geographies, and for more years (2000, 2006, 2007, and 2008, as well as change since 2000), allowing users to make comparisons not presented in the report.

The website's geographic profiles also provide a detailed "snapshot" of key indicators from across all nine of the report's major subject areas, for each of the 100 largest metro areas (including their cities and suburbs) and the 50 states (plus the District of Columbia), which users can view dynamically or download. In addition, subject profiles provide summaries of each major subject area (e.g., population

and migration, race and ethnicity, etc.) that users can display or download.

This interactive website, accessible at **www.brookings.edu/metroamerica**, facilitates readers' continued exploration of the nation's metropolitan areas and the particular trends highlighted in the report. ■

ENDNOTES

1. Many chapters include analysis for different race and ethnic groups. In general, the terms "white," "black" or "African American," "Asian," and "other race" are used to refer to non-Hispanic members of these groups, while "Hispanics" or "Latinos" (used interchangeably) can be of any race. The term "non-white" refers to groups other than non-Hispanic whites. Exceptions to this approach are noted in the text.
2. The most notable ACS topic not addressed in this edition of the *State of Metropolitan America* is housing. The ACS collects information from households on subjects such as the age and layout of their homes, ownership status, housing costs, and home values. Given the dramatic state of flux in the housing market in 2008 and thereafter, results from the survey on many of these topics may significantly lag current realities, especially in parts of the nation most affected by foreclosures and declines in house prices. Although this report does not include analysis on these housing subjects, Brookings does intend to return to the topic in a future edition of the annual report, as well as examine selected housing indicators as part of other forthcoming reports in the *State of Metropolitan America* series.
3. The results of the annual ACS are tabulated as "one-year estimates" and provide a statistically valid sample for Census-recognized geographies with populations of at least 65,000. The Census Bureau also combines multiple years of ACS results to yield statistically valid samples for smaller geographies. The Obama administration's FY 2011 budget contains a $44 million request to increase the ACS sample to 2.5 percent of the population, or 3.5 million households. *FY 2011 Budget of the U.S. Government Appendix*, Department of Commerce.
4. Unless otherwise noted, comparisons between Census 2000 and 2008 ACS results are tested for statistical significance at the 90 percent confidence level.
5. This methodology has implications for the interpretation of income data as reflecting the onset of the Great Recession in late 2007 and early 2008. See inset "The State of Metropolitan America and the Great Recession" for further details.
6. The Population and Migration chapter includes some data from 2009 on metropolitan populations and components of change, and the Work chapter includes unemployment rate data from 2009.
7. Nationwide, payroll employment declined 666,000 (0.5 percent) in the first 6 months of 2008, then fell by 2,957,000 (2.2 percent) in the last 6 months of the year.
8. **http://factfinder.census.gov**
9. Brookings and the U.S. Census Bureau entered into a Joint Project Agreement in 2009 (Agreement number 75-2009-JPA-01) that permitted Brookings to analyze data from the 2008 American Community Survey (ACS). A Brookings consultant with Census Bureau Special Sworn Status analyzed microdata housed on site at the Census Bureau in Suitland, MD, producing special tabulations for topics and geographies that could not be constructed using publicly-available data. The Bureau's ACS Office provided Brookings with access to the files and support in using them, and the Bureau's Disclosure Review Board provided review and approval of the tabulations that Brookings produced.
10. In addition, the Work chapter uses data on metropolitan unemployment rates from the Bureau of Labor

Statistics' Local Area Unemployment Survey.

11. Although many of these same topics are tracked in the ACS, the Census Bureau actually uses the Population Estimates Program data to establish the sampling frame for the ACS, so that they represent a more primary source of information about population and its characteristics (and in the case of population counts, more recent) than the ACS. That noted, data on race and ethnicity and age for sub-county geographies (i.e., cities and suburbs) in this report come from the ACS, as they are not available from the Estimates Program.
12. Brookings analysis of Census Bureau Population Estimates Program data for 2009.
13. Brookings analysis of American Community Survey data for 2008. Reflects people living in places (e.g., cities and towns).
14. U.S. Census Bureau Current Population Survey, 2008 Annual Social and Economic Supplement.
15. Karen G. Mills, Elisabeth B. Reynolds, and Andrew Reamer, "Clusters and Competitiveness: A New Federal Role for Stimulating Regional Economies" (Washington: Brookings Institution, 2008).
16. Some of this description originally appeared in Alan Berube, *MetroNation: How U.S. Metropolitan Areas Fuel American Prosperity* (Washington: Brookings Institution, 2007).
17. In 2008, 101 metro areas had populations exceeding 500,000 (Lancaster, PA had 504,000 residents).
18. All data for metropolitan areas in this report refer to the metro areas as they were defined by OMB in 2007; that is, we hold the county boundaries of metro areas consistent across time.
19. For more on OMB/Census methodologies for defining metro areas and principal cities, see William H. Frey and others, "Tracking Metropolitan America Into the 21st Century: A Field Guide to the New Metropolitan and Micropolitan Definitions" (Washington: Brookings Institution, 2004).
20. Five primary cities—Bradenton, FL; Greenville, SC; Harrisburg, PA; Portland, ME; and Poughkeepsie, NY—are the largest cities in their respective metro areas but have populations under 65,000. As a result, the Census Bureau does not report results from the ACS for these cities in its one-year estimates due to insufficient sample size. Topics for which this report uses the 2008 ACS to analyze results for cities and suburbs typically exclude these five metro areas because of this data limitation.
21. The New York-Northern New Jersey-Long Island, NY-NJ-PA metro area is re-named "New York-Newark, NY-NJ-PA" to recognize Newark's role as a primary city in northern New Jersey. Metro areas listed by their full names, with Brookings-designated primary cities identified, can be found on the website **www.brookings.edu/metroamerica.**
22. While the Minneapolis-St. Paul metro area has suburbs of all different types based on this classification system, many metropolitan areas have fewer, especially those with a smaller number of large counties (such as in New England and the West). Therefore, indicators and trends by suburban type in this report are presented for all large metro areas in the aggregate, rather than for individual metro areas. For further description of a similar typology, see Robert E. Lang, Thomas W. Sanchez, and Alan Berube, "The New Suburban Politics: A County-Based Analysis of Metropolitan Voting Trends Since 2000." In Ruy Teixeira, ed., *Red, Blue, and Purple America: The Future of Election Demographics* (Washington: Brookings Institution Press, 2008).

OVERVIEW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The 2000s were a tumultuous decade for Americans. The oscillating state of the economy, which careened from a mild recession, to a historic boom in house prices, to the worst downturn since the Great Depression, complicates the task of summarizing what the decade meant for the future of American society. The 2000s were less a coherent era than a series of dramatically different economic epochs. Moreover, it is difficult to know whether, or how long, several of the recession-induced trends we identify in this report—slowed migration, increased enrollment in higher education, declining median wages and incomes, rising levels of poverty—might persist into the coming decade.

But even as the economy spun through a remarkable series of astronomical highs and abysmal lows, demographic and social trends that continue to transform our population proceeded apace. If anything, the decade accelerated America's longer-term approach toward a number of critical demographic and social junctures. This report shows that our nation now faces a series of "new realities" about who we are, where and with whom we live, and how we provide for our own welfare, as well as that of our families and communities. These new realities relate to: the continued growth and outward expansion of our population; its ongoing racial and ethnic diversification; the "rapid" aging we are about to undergo; our increasing but selective higher educational attainment; and the intensified income polarization experienced by our workers and families. In each of these five areas, the nation reached important milestones in the 2000s that make those underlying realities too large to ignore any longer.

If these trends position the United States as a whole at a demographic crossroads, then our large metropolitan areas have already forged ahead.[1] Because of their size, and their historical and contemporary role in America's economy and society, our major cities and suburbs stand on the very front lines of these dynamics. They are thus the places where the nation is feeling the challenges that accompany these new realities first, and where the responses that will shape our next society must ultimately be co-produced.

THE FIVE NEW REALITIES

Growth and Outward Expansion

Unlike many of its peers in the industrialized world, the United States retained a robust rate of population growth in the 2000s. The nation's population passed 300 million, and over the course of the decade, the nation will have added roughly 28 million people, about a 10 percent growth rate. The healthy levels of fertility and immigration present in the United States confirm that, despite economic tumult, our population—and those around the globe—remains

hopeful about the opportunities our society provides. Indeed, our growth will ultimately provide a demographic cushion that may help us cope better with another new reality—supporting an increasingly aging population (see below).

Our nation's large metro areas remain at the cutting edge of the nation's continued growth. As ***Population and Migration*** shows, between 2000 and 2009, the 100 largest metropolitan areas grew by a combined 10.5 percent, versus 5.8 percent growth in the rest of the country, and by the end of the decade housed two-thirds of all Americans. While, on net, people move from large metro areas to other parts of the country in the aggregate, these places gain from births to their relatively younger populations, and from the migrants they attract from abroad in large numbers.

Yet the 2000s, particularly the go-go years of the housing bubble, fueled growth patterns in which the outermost reaches of metropolitan areas expanded at several times the rate of cities and core urban communities. In the 100 largest metro areas, cities and high-density suburban counties grew by a little under 5 percent from 2000 to 2008, while less developed, generally smaller counties grew at more than three times that rate. By 2008, 40 percent of the metropolitan population lived in these spread-out areas.[2] This pattern of growth poses stark challenges for efforts to reduce greenhouse gas emissions. Homes and cars account for a significant portion of U.S. carbon emissions, and lower-density development is associated with higher energy and vehicle usage.[3] Indeed, while ***Commuting*** confirms that the share of Americans getting to work via public transit grew marginally for the first time in decades, it did so against the backdrop of a society in which three out of four commutes occurred alone, in a car.

Growth and Outward Expansion

309 million
U.S. population

40%
Share of large metropolitan population living in lower-density counties

The bursting of the housing bubble ushered in at least a temporary retreat from the longer-run march toward outer suburbia and lower-density metropolitan areas in general, a pattern also chronicled in ***Population and Migration.*** Whether a move toward more environmentally sustainable modes of living and transportation, in both cities and suburbs, will persist into the 2010s will depend on a range of factors. If recent history is any guide, public policy tools—both national and local in scope—will be needed to ensure that future development reflects the full range of its economic and environmental impacts on communities and society.

Population Diversification

In a country that recently elected its first African American president, it can be easy to forget that not so long ago, we were a considerably more racially and ethnically homogeneous society than we are today. In 1970, non-Hispanic whites accounted for roughly five in six Americans, a share that has dropped to less than four in six today. Immigrants that year were less than 5 percent of U.S. population; their share topped 12 percent in 2008. Today, our nation's population is one-third non-white (including Hispanics), and those groups are projected to reach majority status by 2042.

Immigration helps explain this transition toward a more racially and ethnically diverse society. In the 2000s, immigration accounted for roughly one-third of U.S. population growth. The majority of the remainder came from a natural increase of native-born racial and ethnic minorities. Nearly a quarter of

all U.S. children in 2008 were the sons and daughters of at least one immigrant parent. This coming-of-age generation, a little over 30 years from now, is projected to stand on the precipice of our transition to a non-white majority nation.

Large metropolitan areas will get there first. As ***Race and Ethnicity*** reveals, in 2008 these areas contained 68 percent of the nation's multiracial population, 74 percent of its blacks, 80 percent of its Hispanics, and 88 percent of its Asians. Roughly one in six of their residents was foreign-born, a share exceeding that of the United States as a whole during the last great wave of immigration at the turn of the twentieth century. Notably, the under-18 population across the 100 largest metropolitan areas reached majority non-white status by 2008.

America's largely successful history at integrating immigrants into its social fabric remains one of its greatest economic and societal strengths. That strength is being tested anew, however, both by the large volume of immigration the country has recently experienced, and by the socioeconomic challenges that many of those immigrants and their children face. This is especially pronounced in the metropolitan communities that most of these new Americans call home. ***Immigration*** shows that some of these communities, especially suburbs, experienced rapid immigrant growth over both the 1990s and 2000s. Meanwhile, the nation's track record with respect to helping African Americans climb the socioeconomic ladder is mixed at best. Yet that group will remain a large and growing part of an increasingly diverse workforce as well. It shares some challenges with other minority groups, as well as disadvantaged portions of the white population, that metro areas on the front lines of this transition will be unable to fully address on their own.

Aging of the Population

Given the baby boomers' outsized influence on (among other things) our economy, our popular culture, and our politics, the move of the first members of this cohort into seniorhood—scheduled to begin in 2011—has not gone unnoticed. The demographic impact will be monumental, a veritable "age tsunami" compared to the smaller World War II generation immediately preceding them. Foreshadowing this, the number of 55-to-64 year-olds nationwide grew by nearly 50 percent from 2000 to 2010, as detailed in ***Age***, with an even larger number of younger boomers (44 to 54 years old) looming in their wake. Together, U.S. boomers and seniors now number more than 100 million. Their impending retirements have provoked much analysis on the future of health care, our entitlement systems, the labor market, and the stock market.

Attracting somewhat less attention have been the questions of how and where aging will transform America's communities. Once again, large metro areas find themselves at the forefront of the trend. They are in one sense aging faster than the nation as a whole, experiencing a 45 percent increase in their 55-to-64 year-old population from 2000 to 2008, versus 40 percent nationally. More than one-third of their populations are now over the age of 45. And ***Households and Families*** reveals that metro areas' single-person households are growing more rapidly than the national average as well. As noted below, these increases are registering largely in the suburban communities that much of this

Population Diversification

1/3

Non-white share of U.S. population

1/2

Non-white share of under-18 population in large metro areas

generation has always called home, but which were not designed with the boomers of 2020 in mind.

Moreover, because they are the locus of both America's diversifying and aging populations, large metro areas register a larger "cultural generation gap." Although more than 50 percent of their combined child population is non-white, their over-65 population remains 75 percent white. Metropolitan communities thus face particular challenges not only in how to preserve a high quality of life for the growing cadre of elderly who will age in place there, but also in how to reconcile the distinct needs of that population with very different next generations of workers, homeowners, and voters.

Uneven Higher Educational Attainment

The 2000s continued a trend that has made the United States one of the most highly educated nations in the world. More than one-third of U.S. adults held a post-secondary degree in 2008, up from one-quarter in 1990. These higher levels of education have helped propel our economic growth, and the quality of our higher educational institutions has attracted talented individuals from all over the globe.

Yet as ***Educational Attainment*** demonstrates, the trend that has recently propelled growth in U.S. educational attainment—each generation "out-attaining" the one before it—may be faltering. Enrollments are rising, but rates of completion appear to be stalling among young adults. Moreover, the African American and Hispanic groups projected to make up a growing share of our future workforce lag their white and Asian counterparts dramatically on post-secondary attainment.

Large metro areas at once lead the nation in this regard, while exemplifying even more strongly the disparities that lie beneath. Their residents earn four-year degrees at a much higher rate (31 percent) than those living elsewhere (21 percent). But 35-to-44 year-olds in large metro areas post higher degree attainment rates than their 25-to-34 year-old counterparts. And the attainment disparities between whites and Asians on the one hand, and blacks and Hispanics on the other are more pronounced in large metro areas. By 2008, that racial/ethnic gap in bachelor's degree attainment had passed 20 percentage points.

The issues that lay behind these trends are numerous, and extend well beyond the purview of the higher education sector alone. But with decent-paying jobs in the U.S. labor market poised to demand ever-greater levels of education and skills from their workers, the economic and social future of metropolitan areas may hinge on the ability of their economic and social institutions to propel a younger, more diverse population toward post-secondary success.

Income Polarization

The economically tumultuous 2000s were not kind to the typical American household, which saw its inflation-adjusted income decline by more than $2,000 between 1999 and 2008—and probably even further by 2009 when the economy hit bottom. This will likely mark the first census decade in recent U.S. history in which real median household income declined. Nor was the decade a good one for Americans living at the economic margins; the number of people living below the poverty line rose

Aging of the Population

117 million

Population of U.S. boomers and seniors (age 45 and over)

38%

Share of large metropolitan population age 45 and over

15 percent, and the U.S. poverty rate increased from 12.4 percent to 13.2 percent.

One could chalk these trends up to purely cyclical forces, but this would overlook what appear to be longer-run, structural changes that led to continued polarization of wages and incomes over the decade. ***Work*** details how low-wage workers lost considerable ground in the 2000s, with hourly earnings declining by 8 percent. Middle-wage workers suffered a wage decline of more than 4 percent. At the top of the distribution, however, high-wage workers saw hourly earnings rise by more than 3 percent. Not surprisingly, these wage trends accompanied a further relative decline in the size of the middle class, building on a trend from past decades.[4]

Large metro areas stood at the vanguard of this troubling trend, too. Their low-wage workers suffered greater losses, and their high-wage workers made greater gains, than the national average during the 2000s. By 2008 high-wage workers in large metro areas out-earned their low-wage counterparts by a ratio of more than five to one, reflecting an especially stark divide between the haves and have-nots in metropolitan America. This holds by race/ethnicity, too, with non-Hispanic whites in large metro areas out-earning their black and Hispanic counterparts by larger margins than in smaller communities. And as explored below and in ***Income and Poverty***, large metro areas demonstrated household income polarization of a different, equally important kind in the 2000s—a regional "pulling apart" that pummeled some corners of the nation even as it left others relatively unscathed.

These trends called into question the sufficiency of overall macroeconomic growth—and metropolitan economic growth, too—for improving living standards for most Americans. Broadly shared prosperity is important at both levels for the future of our society and our democracy, and much more purposeful public policies may be needed in the decade ahead to ensure that the next round of economic growth delivers on that goal.

NEW REALITIES VARY IN THEIR INTENSITY ACROSS METROPOLITAN AMERICA

Large metropolitan areas as a group are noteworthy for exhibiting a forward-leaning position across the five new demographic and social realities that America confronts. Like any group with 100 distinct members, however, variation abounds. In some ways, large metropolitan areas actually became *more* different from one another in the 2000s. Still, much can be gleaned about the present and future of large metro areas from a basic demographic typology of these areas, the results of which confound simple regional ways of viewing the country and its population.

Metropolitan Distinctiveness

The 100 largest metro areas span a wide range of social, demographic, and economic experience. Across the nine subject areas of this report, enormous differences separate the metropolitan areas with the highest and lowest rankings in 2008. The New York metro area, for instance, has nearly 40 times the population of the Modesto metro area. The non-white

Uneven Higher Educational Attainment

35%

Share of U.S. population age 25 and over with a post-secondary degree

21%

Difference in bachelor's degree attainment rate, whites/Asians versus blacks/Hispanics in large metro areas

share of population in McAllen is roughly 16 times that in Portland (ME), and immigrants make up nearly 20 times the share of population in Miami as in Youngstown. Boomers and seniors are a majority of the population in Bradenton, but just one-fifth in Provo. And adults in the Washington, D.C. area are more than three times as likely to hold a college degree as those in the Bakersfield area.

Over the past decade, these major metropolitan areas diverged on many aspects of the emerging realities defining and challenging our society:

• On ***growth and outward expansion***, the 2000s brought hyper-growth in some parts of the Sun Belt, along with population decline in struggling parts of the Great Lakes region. Provo, Raleigh, Las Vegas, and Cape Coral each had at least one-third more people in 2008 than in 2000. Meanwhile, something of a "lake effect" produced population losses in Syracuse, Rochester, Buffalo, Youngstown, Cleveland, and Toledo, along with the nearby metro areas of Detroit, Pittsburgh, and Scranton. Even as many declined in population, Midwestern metro areas sprawled outwards, experiencing more than half of their population gains in low-density counties. By comparison, only 20 percent of population gains in Northeastern metro areas, and 16 percent in Western metro areas, occurred in these farther-flung locations

• On ***population diversification,*** while America's racial and ethnic minorities and immigrants continued to disperse in the 2000s, reaching significant thresholds of population in a growing number of metro areas, they remained highly concentrated in a handful of very large places. A majority of Asians, and a near-majority of Hispanics, lived in just 10 metropolitan areas in 2008 (versus 25 percent of total U.S. population), producing wide variation across metro areas in the share of children who are "second generation" Americans (from 4 percent in Jackson to 60 percent in Los Angeles). Meanwhile, the number of blacks shrank in Midwestern and coastal California metro areas, and nearly one-fifth of black population gains in the 100 largest metro areas occurred in the Atlanta region

• On ***aging,*** already youthful metro areas such as Austin and Boise augmented that profile in the 2000s by adding large numbers of younger families with children, both white and minority, and now have relatively low shares of their populations aged 45 and over. At the same time, rapidly aging metro areas in the Northeast and Midwest such as Youngstown and Pittsburgh saw their numbers of married-with-children households drop at alarming rates, and now the boomer/senior share of their populations approaches half

• On ***higher educational attainment,*** the metro areas with the most highly educated populations essentially pulled farther away from the pack in the 2000s. Boston, New York, and San Francisco ranked among the top gainers of college graduates over the decade, while progress largely stalled in lower-attaining metro areas such as Chattanooga, El Paso, and Modesto. The degree attainment difference between Washington, D.C. and Bakersfield (#1 and #100, respectively) grew from 26 percentage points in 1990 to 34 in 2008. This clustering of the highly educated generally added to racial gaps in attainment within metro areas; the white/black college degree gap, for instance, grew considerably in "talent magnet" locations such as San Jose, Seattle, and Minneapolis

Income Polarization

-$2,241

Change in U.S. real median household income, 1999 to 2008

5.25

Ratio of high-wage worker to low-wage worker hourly earnings, large metro areas

The Seven Types of Large Metropolitan Areas Are Distinct Along Several Demographic Dimensions

Metro Type	Number of Metro Areas	Total Population (millions)	% Growth in Core Areas, 2000 to 2008*	% Population Age 45 and Over	% Population Foreign-Born	Educational inequality Ratio**	Wage inequality Ratio***	% Commuters Driving Alone
Diverse Giant	9	58	50	38	28	2.8	5.7	65
Skilled Anchor	19	31	n/a	41	9	2.1	4.6	77
Next Frontier	9	29	41	35	18	2.6	5.4	74
New Heartland	19	28	44	36	9	2.0	4.7	79
Industrial Core	18	22	n/a	40	6	2.1	4.5	82
Border Growth	11	19	30	33	19	2.7	4.9	77
Mid-Sized Magnet	15	13	29	41	8	2.0	4.5	81
100-metro average	**100**	**199**	**33**	**38**	**16**	**2.4**	**5.2**	**74**

Low | Medium | High

Note: all metro type averages weighted by 2008 population; statistics are for 2008 unless otherwise noted
** Share of metropolitan growth in primary cities and high-density suburbs ("n/a" indicates population loss in these areas)*
*** Ratio of college degree attainment rate, whites/Asians versus blacks/Hispanics*
**** Ratio of hourly earnings, high-wage (90th percentile) workers versus low-wage (10th percentile) workersr*

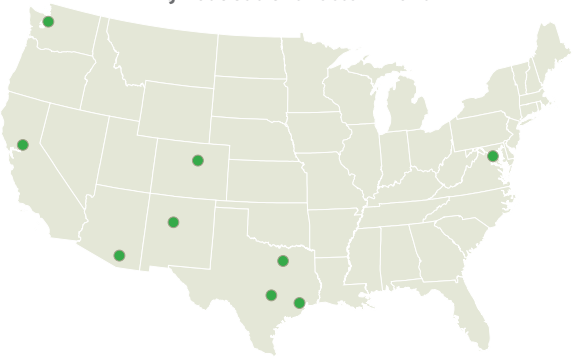
• On ***income polarization,*** the recession that began in 2001 never really ended throughout much of the Midwest as its manufacturing base shed jobs throughout the decade. All 19 of the region's large metro areas experienced an inflation-adjusted decline in median household income in the 2000s, averaging more than 8 percent across those households. By contrast, incomes held steady in Northeastern metro areas, even rising modestly in areas such as Albany, Allentown, and Worcester. Meanwhile, metropolitan areas with among the lowest wages and incomes at the beginning of the decade, such as Bakersfield, El Paso, and Scranton, suffered losses in the 2000s

The Great Recession that took hold during the last two years of the decade may have, at least temporarily, moderated some aspects of this growing regional inequality. This is because migration fell significantly due to crippled housing and labor markets. Growth in much of the Sun Belt and the outer suburbs cooled off, immigration slowed, and Americans everywhere went back to college in higher numbers. Yet these shifts neither reversed the full extent of the "pulling apart" that occurred across the 2000s, nor did they necessarily "lock in" new patterns of regional growth and change that will persist once economic growth resumes.

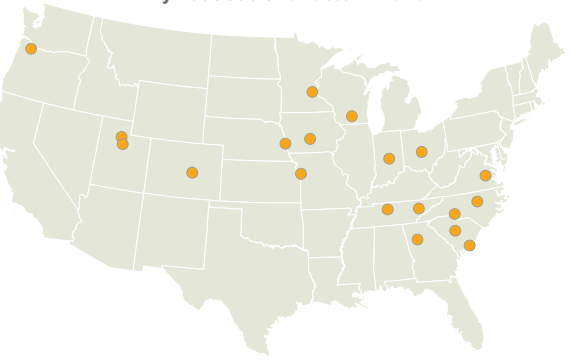
A Demographic Typology of Metropolitan America

While each metropolitan area possesses a unique social, demographic, and economic profile, the distinctions among these places on many of the "new realities" are also apparent among different groups of metro areas. These groups do not break neatly along traditional regional lines, such as Sun Belt

NEXT FRONTIER
High growth
High diversity
High educational attainment



NEW HEARTLAND
High growth
Low diversity
High educational attainment



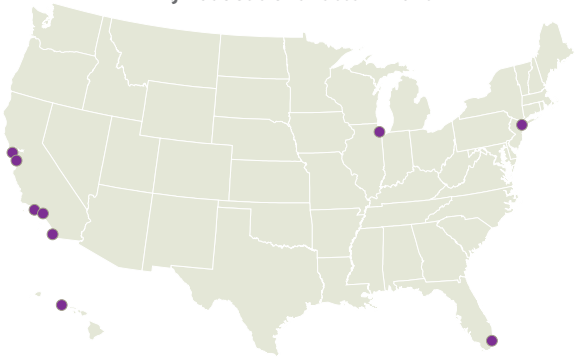
versus Snow Belt, east and west of the Mississippi, or even the four Census regions (Northeast, Midwest, South, and West). What differentiates them are simple metrics of population growth, population diversity, and educational attainment, as compared to national averages.[5] Grouped into seven categories, the particular issues facing the nation's 100 largest metro areas become clearer, as do the places to which individual metro areas might look for common solutions.

• ***Next Frontier*** metro areas exceed national averages on population growth, diversity, and educational attainment.[6] Of these nine metro areas, eight lie west of the Mississippi River (Washington, D.C. is the exception). They attracted immigrants, families, and educated workers during the 2000s thanks to their diversified economies (including government employment in several) and relatively mild climates. In some ways the demographic success stories of the 2000s, Next Frontier areas are generally younger, growing more densely, and more transit-oriented than other metro areas. One price of their success is their higher levels of both educational and wage inequality

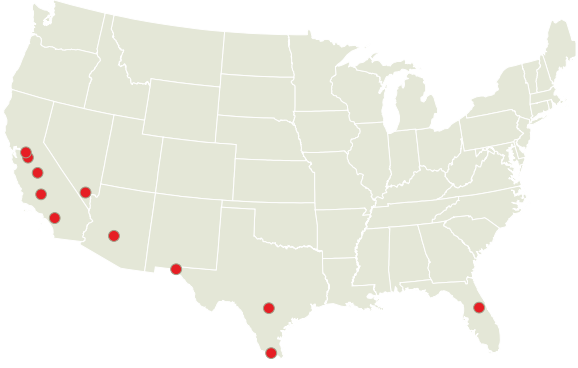
• ***New Heartland*** metro areas are also fast growing, highly educated locales, but have lower shares of Hispanic and Asian populations than the national average.[7] These 19 metro areas include many in the "New South" where blacks are the dominant minority group, such as Atlanta, Charlotte, and Richmond, as well as largely white metro areas throughout the Midwest and West, such as Indianapolis, Kansas City, and Portland (OR). The service-based economies of these metro areas attracted many middle-class migrants, both white and black, during the 2000s. That diverse in-migration has given the New Heartland areas a more racially equitable educational profile than other metropolitan types

• ***Diverse Giants*** feature some of the largest metro areas in the country, including the three largest (New York, Los Angeles, and Chicago), as well as coastal anchors such as Miami, San Francisco, and San Diego.[8] These nine regions post above-average educational attainment and diversity, but below-average population growth, owing in part to their large sizes. Like the New Frontier areas, they are growing more densely, but exhibit wide educational

DIVERSE GIANT
Low growth
High diversity
High educational attainment



BORDER GROWTH
High growth
High diversity
Low educational attainment



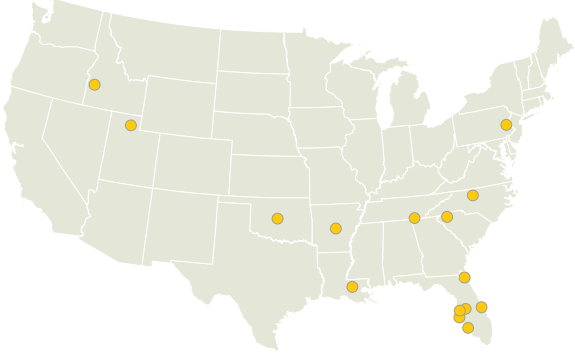
These new demographic realities do not break neatly along traditional regional lines, such as Sun Belt versus Snow Belt.

and wage disparities. With more than one-quarter of their residents born abroad, these areas are home to sizeable populations of "second-generation" children of immigrant parents[9]

• ***Border Growth*** metro areas are mostly located in southwestern border states, and as such are marked by a significant and growing presence of Mexican and other Latin American immigrants.[10] Only Orlando lies outside the main orbit of this group of 11, which stretches from central Texas, through Arizona and Nevada, and up California's Central Valley. Many of these metro areas are suffering "migration whiplash," as they built large swaths of single-family housing for tens of thousands of newcomers through mid-decade, only to see growth largely halt with the bursting of the housing bubble. For those workers and families that stayed, especially less-skilled Hispanics, the challenge now before these areas is to diversify the local economy in ways that provide sustainable growth opportunities well beyond the housing sector

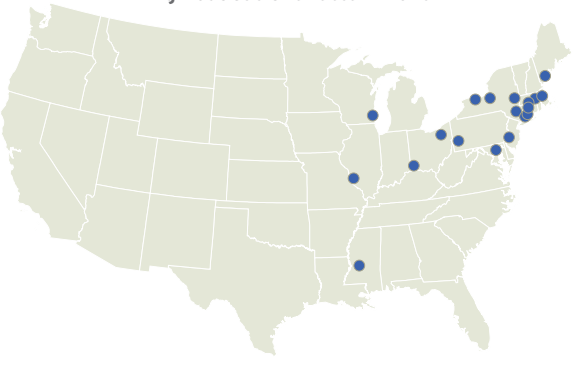
• ***Mid-Sized Magnet*** metro areas are similar in their recent growth and educational profile to

MID-SIZED MAGNET
High growth
Low diversity
Low educational attainment

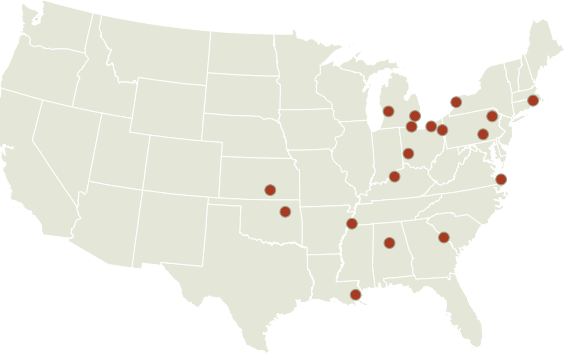


Border Growth centers, but are distinguished by lower shares of Hispanic and Asian minorities.[11] These 15 mostly mid-sized locations, largely in the Southeast but with a couple of Western representatives, lack some of the high-value industries that characterize the New Heartland. Similar to the Border Growth centers, some got caught in the growth spiral of the 2000s that ended abruptly with

SKILLED ANCHOR
Low growth
Low diversity
High educational attainment



INDUSTRIAL CORE
Low growth
Low diversity
Low educational attainment



the housing crash—particularly Boise and the six Florida metro areas. Having attracted many boomers and seniors over time, Mid-Sized Magnets contain the oldest populations among the metropolitan types, but have grown in a distended fashion that has left them among the most car-dependent of the seven groups

• ***Skilled Anchors*** are slow-growing, less diverse metro areas that boast higher-than-average levels of educational attainment.[12] Seventeen (17) of the 19 lie in the Northeast and Midwest, and include large regions such as Boston and Philadelphia, as well as smaller regions such as Akron and Worcester. Many are former manufacturing and port centers that some time ago made the difficult transition to service-based economies, with significant representation of medical and higher educational institutions. Others like Pittsburgh and St. Louis still specialize in non-auto-related manufacturing sectors that remained relatively steady over the 2000s. These characteristics have kept Skilled Anchors demographically more vibrant than other parts of the North (see below), even as they post lower levels of inequality than faster-growing locales. Still, all of the modest recent growth across these areas has occurred in lower-density suburbs

• ***Industrial Cores*** are in some ways the most demographically disadvantaged of the metropolitan types.[13] These 18 metro areas are largely older industrial centers of the Northeast, Midwest, and Southeast. Their populations are slower-growing, less diverse, and less educated than national averages, and significantly older than the large metropolitan average. A remaining industrial base combined with lack of diverse in-migration to these metro areas has kept educational and wage inequalities in check. But these metropolitan areas lost population in the aggregate during the 2000s, yet still saw growth in their outer suburbs, even as their cities and high-density suburbs declined in size.

Viewing metropolitan America through this lens offers a more nuanced view of the country and its variable challenges than conventional regional generalizations. The South, for instance, counts at least one member in each of the seven metropolitan

categories, as very different demographic destinies confront Atlanta versus Augusta, or Miami versus Palm Bay. Similarly, the notion of a unified "Rust Belt" stretching across large portions of the Northeast and Midwest overlooks the important factors that distinguish populations in Rochester, Cleveland, Indianapolis, and Chicago from one another. As explored further in ***Policy Implications***, these population distinctions dictate different priorities for metropolitan leaders seeking to forge a prosperous future for their communities.

CITIES AND SUBURBS SHARE MORE THAN EVER IN THE NEW REALITIES

Even as large metro areas "pulled apart" demographically from one another in some ways in the 2000s, they also "came together" at the individual metropolitan scale. Several trends in the 2000s further put to rest the old perceptions of cities as declining, poor, minority places set amid young, white, wealthy suburbs. As this report outlines, the decade brought many cities and suburbs still closer together along a series of social, demographic, and economic dimensions. In this way, the five new realities are, more than ever, metropolitan—rather than purely urban or suburban—in scope. Examples include:

Growth—notwithstanding the general outward expansion of metropolitan areas over the full decade, the period from 2006 to 2008 saw a retrenchment of population toward cities and high-density suburban counties as outer suburban housing markets crashed. Indeed, high-density suburbs are increasingly similar to cities in their overall growth trajectory and commuting patterns than mature and outer suburbs

Population diversification—by 2008, a majority of members of all major racial and ethnic groups in metropolitan areas lived in suburbs, as did more than half of all immigrants nationwide. At the same time, the white population grew in many older cities where it had previously declined, such as Atlanta, Boston, and Washington, D.C.

Aging—a growing share of elderly and smaller households are found in suburbia, a trend that will only accelerate as the boomers—more than 70 percent of whom live in suburbs—enter seniorhood. Meanwhile, many Sun Belt cities added younger populations during the 2000s, slightly narrowing the "married-with-children" household gap between cities and suburbs

Educational attainment—the distinction between city and suburban educational attainment remained almost negligible, given the regional nature of labor markets and the concentration of high-value jobs in denser urban areas that lure highly educated workers. Thirty-one (31) and 32 percent of city and suburban adults, respectively, held bachelor's degrees in 2008. The most highly educated communities were in fact high-density suburbs that surround many cities, where 36 percent of adults held a college degree

Income—the income and poverty gaps between cities and suburbs, while still wide, narrowed in the 2000s. As overall metropolitan median income fell, the difference between city and suburban median incomes declined by about $800. Meanwhile, the poverty rate in cities rose marginally, but jumped a full percentage point for suburbs, as their poor population grew five times faster. A majority of metropolitan poor now live in suburbs, and their income, labor market, and educational profiles largely mirror those of their city counterparts

The urban/suburban boundary, it should be noted, blurs more easily in some types of metropolitan

areas than others. For instance, in Next Frontier, New Heartland, Diverse Giant, and Border Growth metro areas, racial and ethnic minorities represent a 10 to 20 percent larger share of population in cities than suburbs. But that gap ranges from 20 to 40 percent in Mid-Sized Magnet, Industrial Core, and Skilled Anchor metro areas. Similarly, the city/suburban median household income difference is relatively muted in Border Growth and Mid-Sized Magnet centers ($6,000 to $7,000), but a substantial $27,000 in the Skilled Anchors.

Nonetheless, most of these gaps, regardless of metropolitan type, narrowed during the 2000s. And where sizeable differences in population shares and median characteristics prevail, the locus of the new reality (e.g., immigrants, older population, the poor) continues to shift in new, mostly suburban, directions. In an era of severe fiscal restraint and increasingly shared demography, governance must begin to transcend the parochial 18th-century administrative borders that frustrate shared approaches to increasingly shared challenges.

CONCLUSION

The 2000s found large metropolitan areas on the front lines of America's demographic transformation. Together, they confront a series of new realities more intense than those buffeting the rest of the nation, on measures of growth and diversification, aging, and increasingly uneven outcomes in educational attainment and income. Those realities—and the challenges they imply—are shared more than ever across city and suburban lines. Nevertheless, the diverse economic and social histories of metropolitan areas persist in their contemporary demographic profiles. For each of seven types of large metro areas, a distinct set of issues comes to the fore, some within metro areas' own capacities to tackle, but others fundamentally beyond their reach. Chronicling the unprecedented demographic changes afoot in America generally, and their specific metropolitan manifestations, the *State of Metropolitan America* brings these new realities into sharp focus as the nation enters a new and undoubtedly challenging decade. ■

ENDNOTES

1. See "About the State of Metropolitan America" for more on the definition and importance of metropolitan areas.
2. These areas (counties and county remainders) were defined as "lower-density" based on their having less than 95 percent of their population living in urbanized areas in 2000. It is likely that based on population growth patterns from 2000 to 2008, that some of these areas would no longer qualify as "lower-density" based on their contemporary settlement patterns. Still, their share of metropolitan population rose from 39 percent in 2000 to 42 percent in 2008. The results of the 2010 Census will reveal changes over the decade in the rate of population urbanization in U.S. counties.
3. Marilyn A. Brown, Frank Southworth, and Andrea Sarzynski, "Shrinking the Carbon Footprint of Metropolitan America" (Washington: Brookings Institution, 2008).
4. Jason Booza, Jackie Cutsinger, and George Galster, "Where Did They Go? The Decline of Middle-Class Neighborhoods in Metropolitan America, 1970–2000" (Washington: Brookings Institution, 2006).
5. Specifically, statistics for each metropolitan area were compared to approximate national averages on three indicators: (a) population growth from 2000 to 2008 (above or below 8 percent); (b) share of population

other than black and non-Hispanic white (above or below 22.5 percent); and (c) share of adults 25 years and over with a bachelor's degree (above or below 28 percent). This produced the seven groups of metro areas described in the text.

6. Next Frontier metro areas include: Albuquerque, NM; Austin, TX; Dallas-Fort Worth-Arlington, TX; Denver-Aurora, CO; Houston, TX; Sacramento-Roseville, CA; Seattle-Tacoma-Bellevue, WA; Tucson, AZ; and Washington-Arlington-Alexandria, DC-VA-MD-WV.
7. New Heartland metro areas include: Atlanta, GA; Charleston, SC; Charlotte, NC-SC; Colorado Springs, CO; Columbia, SC; Columbus, OH; Des Moines, IA; Indianapolis, IN; Kansas City, MO-KS; Knoxville, TN; Madison, WI; Minneapolis-St. Paul, MN-WI; Nashville, TN; Omaha, NE-IA; Portland-Vancouver, OR-WA; Provo, UT; Raleigh-Cary, NC; Richmond, VA; and Salt Lake City, UT.
8. Diverse Giant metro areas include: Chicago-Naperville-Joliet, IL-IN-WI; Honolulu, HI; Los Angeles-Long Beach-Santa Ana, CA; Miami-Fort Lauderdale-Pompano Beach, FL; New York-Newark, NY-NJ-PA; Oxnard-Thousand Oaks-Ventura, CA; San Diego, CA; San Francisco-Oakland-Fremont, CA; and San Jose-Sunnyvale-Santa Clara, CA.
9. "Second generation" is used here to refer to children of one or more foreign-born parents living in the United States, and includes both foreign-born and U.S.-born individuals under age 18. See Immigration for further details.
10. Border Growth metro areas include: Bakersfield, CA; El Paso, TX; Fresno, CA; Las Vegas, NV; McAllen, TX; Modesto, CA; Orlando, FL; Phoenix-Mesa-Scottsdale, AZ; Riverside-San Bernardino, CA; San Antonio, TX; and Stockton, CA.
11. Mid-Sized Magnet metro areas include: Allentown, PA-NJ; Baton Rouge, LA; Boise, ID; Bradenton, FL; Cape Coral, FL; Chattanooga, TN; Greensboro-High Point, NC; Greenville, SC; Jacksonville, FL; Lakeland, FL; Little Rock, AR; Ogden, UT; Oklahoma City, OK; Palm Bay, FL; and Tampa-St. Petersburg-Clearwater, FL.
12. Skilled Anchor metro areas include: Akron, OH; Albany, NY; Baltimore, MD; Boston-Cambridge, MA; Bridgeport-Stamford, CT; Cincinnati, OH-KY-IN; Hartford, CT; Jackson, MS; Milwaukee, WI; New Haven, CT; Philadelphia, PA-NJ-DE-MD; Pittsburgh, PA; Portland, ME; Poughkeepsie, NY; Rochester, NY; St. Louis, MO-IL; Springfield, MA; Syracuse, NY; and Worcester, MA.
13. Industrial Core metro areas include: Augusta-Richmond County, GA-SC; Birmingham, AL; Buffalo, NY; Cleveland, OH; Dayton, OH; Detroit-Warren, MI; Grand Rapids, MI; Harrisburg, PA; Louisville, KY-IN; Memphis, TN-MS-AR; New Orleans, LA; Providence, RI; Scranton, PA; Toledo, OH; Tulsa, OK; Virginia Beach-Norfolk-Newport News, VA-NC; Wichita, KS; and Youngstown, OH-PA.

WILLIAM H. FREY

I. POPULATION & MIGRATION

BY THE NUMBERS

25 million
Increase in population, United States, 2000 to 2009

11.9%
Share of population changing residence, United States, 2007 to 2008 (postwar low)

+95,000 / -7,000
Net domestic migration, Riverside-San Bernardino metro area, 2003 to 2004 / 2007 to 2008

67
Number of primary cities (out of 100) with population increases, 2000 to 2008

OVERVIEW

- **Population growth in the United States and its large metro areas was robust in the 2000s.** The housing crisis and ensuing deep recession, however, slowed migration considerably, so that the share of Americans changing residence in 2007–2009 was lower than at any point in postwar history.

- **The decade continued the broad shift of U.S. population toward the Sun Belt.** Metropolitan areas gaining the most population from 2000 to 2009 included several of the fastest growers from the 1990s, as well as regions that boomed during the early part of the decade due to real estate development before the housing market crashed.

- **The 2000–2006 and 2006–2009 periods represent two distinct migration epochs for metropolitan America.** Migration magnets in Florida, the Intermountain West, and inland California during the first half of the decade saw inflows plummet post-crash, while metro areas in Texas and the Southeast with more diversified economies held steady. Large metro areas that had previously "exported" large numbers of residents to other parts of the country saw out-migration slow considerably toward the end of the decade.

- **Strong immigration throughout most of the 2000s cushioned populations in large metropolitan areas experiencing domestic out-migration.** Metropolitan New York, Los Angeles, Chicago, and San Francisco lost hundreds of thousands of domestic migrants across the decade, but experienced substantial counterbalancing inflows of international migrants.

- **Two-thirds of primary cities in large metropolitan areas grew from 2000 to 2008.** City growth spread and accelerated between 2006 and 2008, as many core urban areas realized a "windfall" of residents due to the impact of the housing slump on movement to the suburbs.

Though ours is an aging population, healthy levels of fertility and immigration in the United States have combined to make it a fast-growing country among its industrialized peers over the last few decades.

NATIONAL AND REGIONAL TRENDS

Population growth remains an important barometer of economic and societal well-being in America. Though ours is an aging population—due to increasing life expectancy and the outsized baby boom generation about to reach seniorhood—healthy levels of fertility and immigration in the United States have combined to make it a fast-growing country among its industrialized peers over the last few decades.

This story remained true in the 2000s. Between 2000 and 2009, the country added roughly 25 million people, an 8.8 percent increase (Figure 1). This was not quite as high as the growth rate in Canada over the same time period (10.4 percent), though the United States added more than seven times the number of people as our northern neighbor. U.S. growth, meanwhile, far outpaced that in the European Union (3.5 percent).[1]

The 2000s also saw faster growth in large U.S. metropolitan areas than elsewhere in the country. The combined population of the 100 largest metro areas rose 10.5 percent through 2009, compared to 8.7 percent in smaller metro areas, and 2.7 percent outside of metro areas. Large metro areas together accounted for over three-fourths of the nation's population increase during that period. Metro areas with populations over 1 million grew at nearly exactly the same overall rate as those with populations between 500,000 and 1 million.

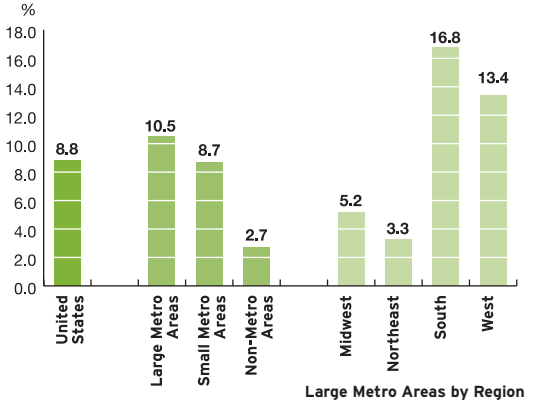
Continuing the trend from past decades, U.S. population in the 2000s shifted from the Northeast and Midwest, toward the South and West. Large metro areas in the latter regions experienced much higher growth rates than those in the former regions. The particular metropolitan areas at either end of the growth spectrum are detailed further below.

The 2000s, however, were a highly uneven decade. Beyond the population trends, the end of the decade brought about a historic decline in migration, driven by a sequence of factors. First, the housing "bubble" that arose during the middle part of the decade popped, bringing an end to the rapid homebuilding and easy mortgage credit that propped up migration in previous years. Second, this precipitated a serious financial market crisis in September 2008 that produced sharp reductions in credit availability. As a result, potential buyers had difficulty obtaining mortgages, and potential sellers saw reductions in the values of their homes. Third, the financial crisis greatly exacerbated the national recession that had begun in December 2007, reducing job availability in most regions of the country. This triple whammy made it riskier for would-be homebuyers to find financing, would-be sellers to receive good value for their home, and potential long-distance movers to find employment in areas where jobs were previously plentiful.

These factors meant that by the end of the 2000s, America had reached a new low point in

Figure 1. Growth in Large Metro Areas, Especially Those in the South and West, Outpaced the National Growth Rate in the 2000s

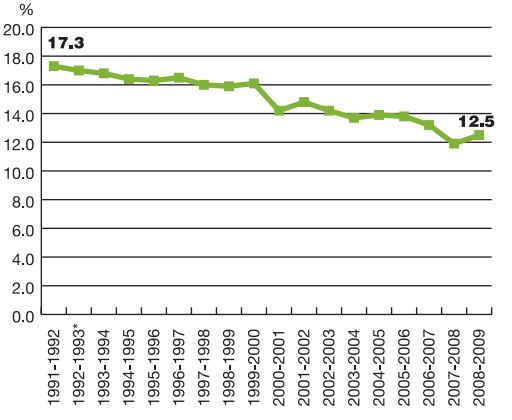
Population Change by Geography Type, 2000 to 2009



Source: Brookings analysis of U.S. Census Bureau Population Estimates Program data

Figure 2. The U.S. Annual Migration Rate Reached a Postwar Low in the Late 2000s

Share of Persons Changing Residence, 1991-1992 to 2008-2009



Source: Brookings analysis of Current Population Survey data

domestic migration.[2] In 2007–2008, only 11.9 percent of Americans changed residence, and this rose to just 12.5 percent in 2008–2009. Together, these are the lowest rates of annual mobility since the Census Bureau began collecting migration statistics in 1947–1948 (Figure 2).

Long-distance, between-state migration declined even more dramatically than within-county residential mobility. In fact, the 1.6 percent interstate migration rate in both 2007–2008 and 2008–2009 was half the value exhibited in 1999–2000, and far lower than the rate in the 1950s, when between 3 and 4 percent of the population moved across state lines annually. Although short-distance moves are more frequent, long-distance migration acts as an engine of growth in many metropolitan areas as people seek new job opportunities.

METROPOLITAN TRENDS

Population Trends Across the 2000s

Metropolitan growth patterns across the 2000–2009 period, particularly the movement toward the Sun Belt, continued patterns evident in the 1990s. During the earlier decade, the familiar postwar population shifts from large Northeastern and Midwestern metro areas like New York, Chicago, and Philadelphia, to growing Southern and Western metro areas like Miami, Atlanta, Los Angeles, Dallas, and Houston began to spread to a larger number of areas in the interior West and the Southeast.[3] While the 10 fastest growing metro areas in the 1990s were all located in the Sun Belt (i.e., the South and West regions), seven lay outside the traditional postwar magnet states of Florida, Texas and California. One impetus for growth during this period was a high-tech boom that manifested itself in several of these new Sun Belt growth magnets (Raleigh, Phoenix, and Boise) as well as in some traditional magnet states (Austin).

The big gainers in the post-2000 decade do not differ sharply from those in the 1990s (Table 1, right panel). Eight make the list for both decades, and four of the top five gainers in the 2000s are located outside the traditional magnet states. Climbing the list in the 2000s, however, were metro areas, such as Cape Coral in Florida, where booming real estate development contributed more to recent growth. The Las Vegas and Phoenix metro areas in the Intermountain West continued to occupy top growth spots due to similar housing-led migration. Of course, the growth dynamics of these regions shifted sharply in the latter part of the decade (see below).

Metropolitan growth patterns across the 2000–2009 period, particularly the movement toward the Sun Belt, continued patterns evident in the 1990s.

Just as there were no dramatic shifts in the list of fastest gainers between the 1990s and 2000s, the list of slowest growing and declining metro areas did not change significantly. In both periods, metro areas in the nation's manufacturing belt populate the list. Youngstown, Buffalo, Pittsburgh, Syracuse, and Scranton registered population declines in both periods. An additional five metro areas showed population declines from 2000 to 2009, all of which lay in the industrial Northeast and Midwest, with the exception of New Orleans (resulting from out-migration due to Hurricane Katrina in 2005).

The division between growth in the Sun Belt and Snow Belt continued to characterize the 30 most populous metro areas during the 2000s (Map 1). The two largest metropolitan areas, New York and Los Angeles, registered growth levels below 5 percent. Among the seven additional metro areas with populations exceeding 5 million, Atlanta, Dallas, and Houston increased their populations by more than one-fifth. Among all 30 metro areas, Las Vegas and

Table 1. The Fastest and Slowest Growing Metro Areas in the 2000s Resemble Those From the 1990s
Highest and Lowest Ranked Large Metro Areas by Population Growth, 1990 to 2000 and 2000 to 2009

1990 to 2000				2000 to 2009			
Rank	Change to 2000–2008	Metro Area	Population Change (%)	Rank	Change from 1990–2000	Metro Area	Population Change (%)
		Highest Growth				***Highest Growth***	
1	-2	Las Vegas, NV	84.3	1	6	Provo, UT	46.2
2	-2	Austin, TX	48.6	2	2	Raleigh-Cary, NC	40.0
3	-6	McAllen, TX	48.1	3	-2	Las Vegas, NV	36.6
4	2	Raleigh-Cary, NC	46.6	4	-2	Austin, TX	34.7
5	0	Phoenix-Mesa-Scottsdale, AZ	45.8	5	0	Phoenix-Mesa-Scottsdale, AZ	33.1
6	-2	Boise City, ID	45.5	6	6	Cape Coral, FL	32.2
7	6	Provo, UT	40.3	7	6	Charlotte, NC-SC	30.2
8	-2	Atlanta, GA	38.5	8	-2	Boise City, ID	29.3
9	-3	Orlando, FL	33.5	9	-6	McAllen, TX	29.3
10	-17	Denver-Aurora, CO	32.3	10	-2	Atlanta, GA	27.9
		Lowest Growth/Decline				***Lowest Growth/Decline***	
91	-5	Cleveland, OH	2.1	91	6	Syracuse, NY	-0.6
92	8	Albany, NY	2.0	92	-4	Rochester, NY	-0.6
93	7	Springfield, MA	0.9	93	-11	Detroit-Warren, MI	-1.2
94	7	Toledo, OH	0.7	94	1	Dayton, OH	-1.5
95	1	Dayton, OH	0.4	95	5	Scranton, PA	-1.8
96	-1	Pittsburgh, PA	-1.6	96	-5	Cleveland, OH	-2.6
97	6	Syracuse, NY	-1.8	97	-1	Pittsburgh, PA	-3.0
98	0	Buffalo, NY	-1.8	98	0	Buffalo, NY	-3.9
99	0	Youngstown, OH-PA	-1.9	99	0	Youngstown, OH-PA	-6.5
100	5	Scranton, PA	-2.9	100	-13	New Orleans, LA	-9.5

Source: Brookings analysis of U.S. Census Bureau Population Estimates data

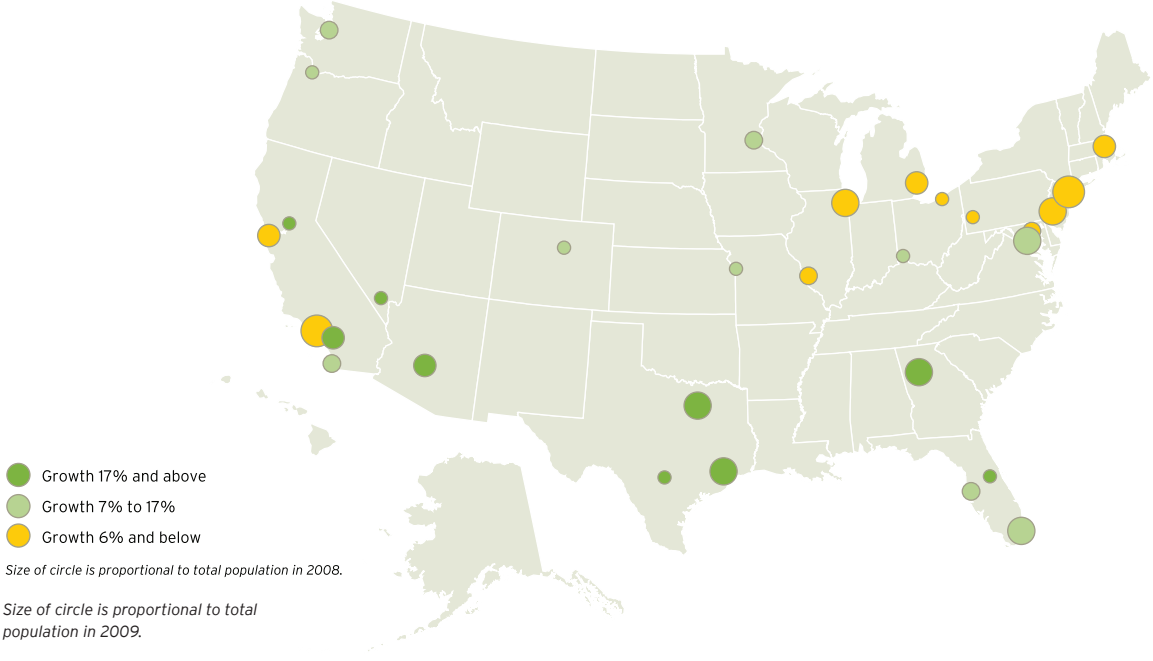
Phoenix registered the fastest growth rates, each exceeding 30 percent despite slowdowns post-2006. Meanwhile, Pittsburgh, Cleveland, and Detroit all lost population over the eight-year period.

Metropolitan Population Booms and Busts

In light of the sharp downturn in migration toward the end of the 2000s, the broad patterns of metropolitan growth from 2000 to 2009 described above clearly camouflage what will be defined as a tumultuous decade for population shifts among metro areas. To get an overview of these boom-to-bust impacts on metro areas, Table 2 contrasts the fastest growing large metros from 2000 to 2006 with those from 2006 to 2009.

For several metro areas in California and Florida and the Intermountain West the housing market

Map 1. The Fastest-Growing Large Metro Areas in the 2000s Lay in the Sun Belt
2000–2009 Growth Rate and 2009 Population Size, 30 Largest Metro Areas



Source: Brookings analysis of U.S. Census Bureau Population Estimates Program data

crash also precipitated a migration crash. Population growth in Cape Coral, Riverside, and Orlando, along with several other metro areas in California's Central Valley (not shown), fell dramatically between 2000–2006 and 2006–2009. Las Vegas dropped out of the top ten. Other Florida metro areas not near the top of the list also experienced a substantial growth slowdown as well between 2000–2006 and 2006–2009, including Bradenton (falling in growth rank from 19th to 59th) and Tampa (from 28th to 60th). The metro areas that either survived or moved up in growth rank as the housing bubble popped and the recession took root had less overheated housing markets and more diversified economies. Between 2006 and 2009, metro areas in Texas (Austin, Dallas, San Antonio), the Southeast (Raleigh, Charlotte, Charleston, Greenville), and parts of the interior West (Ogden, Denver) did as well or better in the rankings than earlier in the decade.[4]

The list of metro areas experiencing the slowest growth or population decline changed less dramatically between these two periods. The fall of Detroit reflects the impact of an accelerated decline in the area's important auto manufacturing industry. Upstate New York and Ohio metro areas clearly felt the impacts of industrial decline in both periods.

Table 2. The Housing Market Collapse Shifted the Locus of U.S. Metropolitan Growth
Highest and Lowest Ranked Large Metro Areas by Population Growth, 2000 to 2006 and 2006 to 2009

2000 to 2006				2006 to 2009			
Rank	Change to 2006-2009	Metro Area	Population Change (%)	Rank	Change from 2000-2006	Metro Area	Population Change (%)
		Highest Growth				***Highest Growth***	
1	-1	Provo, UT	29.3	1	99	New Orleans, LA	20.5
2	-9	Las Vegas, NV	27.6	2	-1	Provo, UT	13.0
3	-45	Cape Coral, FL	27.5	3	1	Raleigh-Cary, NC	12.7
4	1	Raleigh-Cary, NC	24.2	4	4	Austin, TX	11.5
5	-2	Phoenix-Mesa-Scottsdale, AZ	23.4	5	7	Charlotte, NC-SC	10.2
6	-24	Riverside-San Bernardino-Ontario, CA	21.1	6	5	McAllen, TX	8.4
7	-6	Boise City, ID	20.9	7	-2	Phoenix-Mesa-Scottsdale, AZ	7.8
8	4	Austin, TX	20.8	8	14	Ogden, UT	7.6
9	-32	Orlando, FL	20.7	9	7	Dallas-Fort Worth-Arlington, TX	7.5
10	-4	Atlanta, GA	19.6	10	14	San Antonio, TX	7.2
		Lowest Growth/Decline				***Lowest Growth/Decline***	
91	17	Bridgeport-Stamford, CT	-0.8	91	-32	Virginia Beach-Norfolk-Newport News, VA-NC	0.1
92	2	Syracuse, NY	-0.8	92	-2	Akron, OH	0.0
93	-5	Dayton, OH	-0.9	93	-7	Providence, RI-MA	-0.2
94	6	Rochester, NY	-1.1	94	-12	Toledo, OH	-0.2
95	-2	Cleveland, OH	-2.1	95	2	Pittsburgh, PA	-0.3
96	7	Scranton, PA	-2.1	96	2	Buffalo, NY	-0.6
97	2	Pittsburgh, PA	-2.8	97	-2	Cleveland, OH	-0.7
98	2	Buffalo, NY	-3.2	98	-5	Dayton, OH	-0.8
99	-1	Youngstown, OH-PA	-4.3	99	-10	Detroit-Warren, MI	-1.8
100	99	New Orleans, LA	-24.6	100	-1	Youngstown, OH-PA	-2.3

Source: Brookings analysis of U.S. Census Bureau Population Estimates data

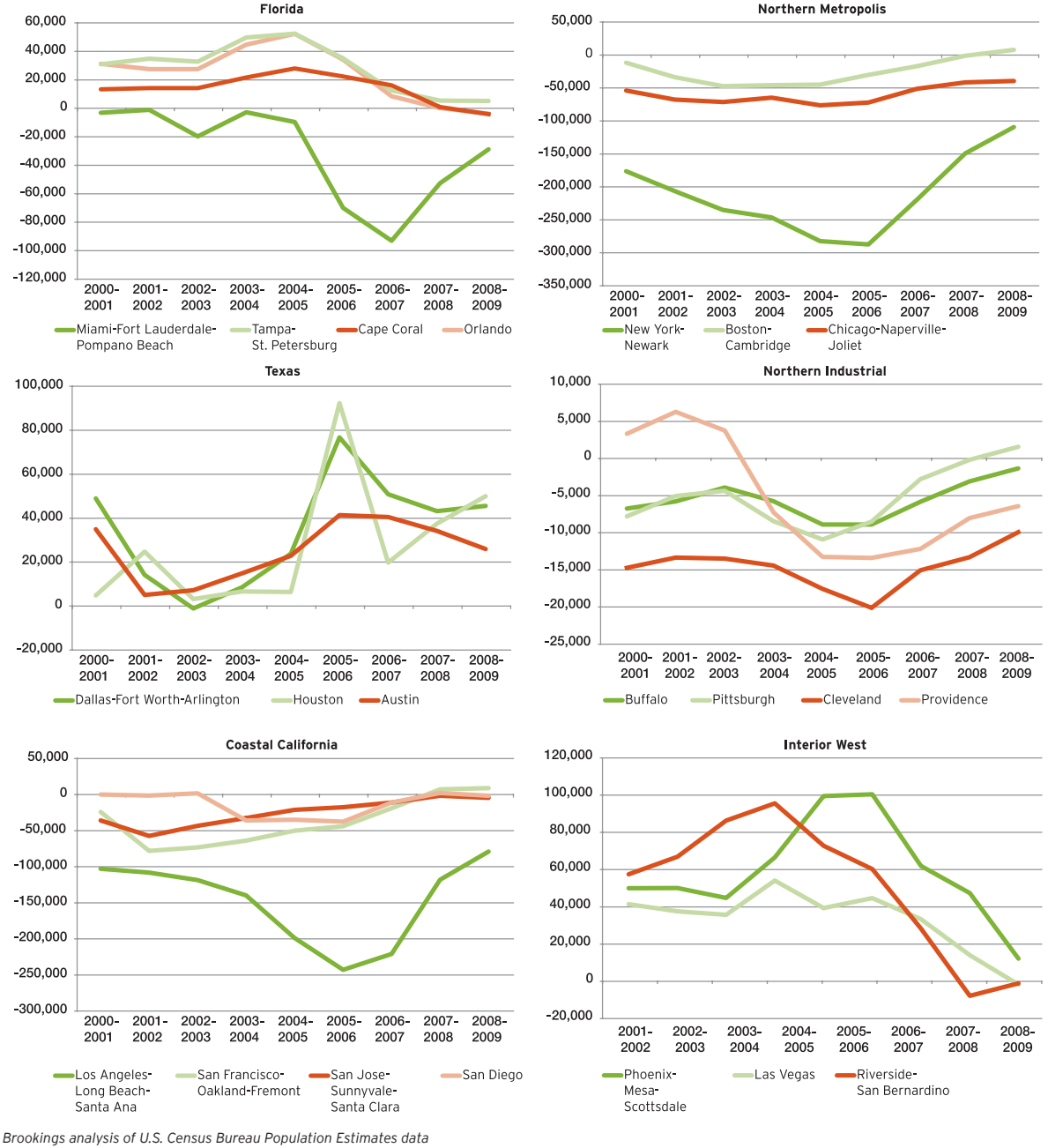
Reversal of Metropolitan Migration Fortunes

The broad shift of American population from the Snow Belt toward the Sun Belt was largely driven by domestic migration. The sharp migration slowdown toward the end of the 2000s began to turn this long-standing dynamic on its head.

Examining different regional groups of metro areas puts this departure from the historical norm in sharp relief (Figure 3). Florida, an epicenter of the housing crash and ensuing foreclosure crisis, represents one side of the coin. Orlando and Tampa each added more than 50,000 residents from domestic migration as recently as 2004–2005, but saw those inflows plummet in recent years, turning negative in Orlando's case by 2008–2009. Cape Coral also

Figure 3. The Housing Market Crisis Disrupted Metropolitan Migration Across and Within Regions

Net Domestic Migration for Metro Areas by State/Region, 2000-2001 to 2008-2009



Source: Brookings analysis of U.S. Census Bureau Population Estimates data

exhibited the migration gain to loss scenario. The Miami metro area, which lost residents to migration throughout the decade, suffered particularly steep declines from 2006 to 2007.

Immigration remained an important contributor to population gains in larger metropolitan gateways throughout the 2000s.

Large metro areas in Texas, including Dallas, Houston, and Austin, exhibit an entirely different pattern. They experienced far greater net in-migration in the latter years of the decade, at the same time that the migration bubble popped in Florida metro areas.[5] Those Texas areas did not experience the same run-up in home prices and speculative mortgage lending seen throughout most of Florida.[6]

Coastal California metro areas display something of a mirror-image migration pattern to their interior West counterparts. The San Francisco Bay Area, San Diego, and especially Los Angeles saw increasing out-migration through the middle part of the decade, due in part to increasingly unaffordable home prices. That trend moderated (along with home prices) over the past few years, such that San Francisco posted small migration gains between 2007 and 2009. Los Angeles lost only about a third as many migrants in 2008–2009 as it did in 2005–2006. Its net migration pattern roughly inverts that of the Phoenix metro area, the destination for many Angelenos in the early to mid-2000s. Las Vegas and Riverside also received many of their migrants from coastal California during that earlier period but have since seen those inflows turn to small outflows.

Other areas of the country that experienced significant migration outflows during the housing bubble years also saw their trends turn less negative in the second half of the decade. The Boston and Chicago metro areas shed increasing numbers of migrants through the middle part of the decade, but began to stanch the outflow by 2006. The same held for the New York area; while net out-migration reduced its population by fully 110,000 in 2008–2009, that was well below half the annual loss it sustained in the middle of the decade.

Pittsburgh posted its first net migration gain in more than a decade, while rising outflows from Buffalo, Cleveland, and Providence moderated after peaking mid-decade. The latter two metro areas have among the weakest regional economies in the United States today, however, and their migration fortunes may slip once again as long-distance household mobility begins to rise. Yet for the present, their migration patterns are mirror images of past years, when they lost many residents to fast-growing areas of the Sun Belt.

Immigration as a Metropolitan Migration "Cushion"

The recent downturn in domestic migration left a slight imprint on international migration as well, with the most recent inflows becoming noticeably less than the average 1 million per year over the last 20 years. Nonetheless, immigration remained an important contributor to population gains in larger metropolitan gateways throughout the 2000s, providing a demographic "cushion" to bolster small gains or losses from domestic migration.

Despite the continued spread of foreign-born population across the nation, immigration remained relatively concentrated in major gateway areas during the 2000s. From 2000 to 2009, 21 percent of all net immigrant gains occurred in the two largest metropolitan magnets, New York and Los Angeles (which account for roughly 10 percent of U.S. population). Fully 46 percent of gains went to the eight largest metro areas (Table 3).

Metropolitan New York and Los Angeles each withstood considerable domestic out-migration, especially during the "bubble years" when many of their residents were drawn to growing, more

Table 3. Immigration Cushioned Many of the Largest Metropolitan Gateway Populations from Domestic Out-Migration in the 2000s

International and Domestic Migration by Metropolitan Area and Year, 2000-2001 to 2008-2009

		2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	Total
New York	International	159,787	147,104	125,082	110,156	113,065	114,870	103,640	100,643	100,669	1,075,016
	Domestic	-177,171	-207,348	-236,039	-247,541	-283,328	-288,260	-220,521	-150,259	-110,278	-1,920,745
Los Angeles	International	116,487	108,487	93,158	83,517	87,057	86,426	78,155	75,265	75,062	803,614
	Domestic	-103,877	-109,081	-119,572	-140,643	-199,800	-243,722	-222,018	-118,909	-79,900	-1,337,522
Miami	International	64,635	62,654	56,216	52,514	56,673	58,160	52,639	51,384	51,548	506,423
	Domestic	-3,576	-1,499	-20,179	-3,295	-10,086	-70,414	-93,453	-53,037	-29,321	-284,860
Chicago	International	56,281	50,473	40,344	38,716	37,933	38,584	34,082	33,358	33,363	363,134
	Domestic	-55,024	-68,594	-72,392	-65,648	-77,413	-73,066	-52,317	-42,587	-40,389	-547,430
Dallas	International	44,847	42,193	36,731	33,856	35,399	35,545	32,369	31,430	31,571	323,941
	Domestic	48,668	13,847	-1,389	8,203	23,471	76,443	50,566	42,857	45,241	307,907
Washington, D.C.	International	39,465	36,262	28,210	36,343	35,552	37,697	32,573	32,216	31,904	310,222
	Domestic	15,978	1,377	-8,734	-14,785	-17,011	-51,414	-36,945	-17,430	18,189	-110,775
Houston	International	40,294	37,990	33,099	30,221	31,686	31,707	28,779	27,876	27,996	289,648
	Domestic	4,532	24,472	2,824	6,370	6,104	91,985	19,466	37,158	49,662	242,573
San Francisco	International	36,691	34,296	29,622	26,852	27,983	27,867	25,264	24,367	24,376	257,318
	Domestic	-24,885	-78,931	-74,108	-64,631	-51,031	-44,753	-19,866	6,394	7,977	-343,834

Source: Brookings analysis of U.S. Census Bureau Population Estimates Program data

affordable destinations in the South and West. During all of these years, international migration gains served to counter domestic migration declines in these areas. And as net domestic out-migration fell rapidly from its mid-decade peak by 2007-2009, immigration—while down from its own peak early in the decade—held steady.

Similar patterns defined Miami, Chicago, Washington, D.C., and San Francisco during this period, though the latter two areas exhibited recent, small domestic migration inflows to complement their immigration gains. Dallas and Houston showed steadily declining, though positive and significant, levels of migration from abroad. Unlike those other gateways, however, net domestic migration to these metro areas remained mostly positive throughout, and in recent years contributed more to these areas' population gains than international migration.

Table 4. The Fastest Growing Cities in the 2000s Were in Different Metro Areas than the Fastest Growing Suburbs
Highest and Lowest Ranked Primary Cities and Suburbs by Population Growth, 2000 to 2008

	Primary Cities of Metro Area		Suburbs of Metro Area	
Rank	Metro Area	Population Change 2000-2008 (%)	Metro Area	Population Change 2000-2008 (%)
	Highest Growth		***Highest Growth***	
1	Cape Coral, FL	51.8	Provo, UT	54.0
2	Raleigh-Cary, NC	34.7	Phoenix-Mesa-Scottsdale, AZ	49.8
3	Bakersfield, CA	31.0	Austin, TX	48.7
4	Atlanta, GA	27.9	Boise, ID	44.3
5	Palm Bay, FL	26.6	Las Vegas, NV	43.9
6	McAllen, TX	21.3	Raleigh-Cary, NC	35.9
7	Charlotte, NC-SC	20.6	Colorado Springs, CO	32.6
8	Orlando, FL	19.3	Charlotte, NC-SC	31.7
9	Sacramento-Roseville, CA	17.5	Tucson, AZ	30.9
10	Stockton, CA	17.4	Jacksonville, FL	29.7
	Lowest Growth/Decline		***Lowest Growth/Decline***	
91	Syracuse, NY	-5.5	Rochester, NY	0.6
92	Birmingham, AL	-5.5	Syracuse, NY	0.4
93	Rochester, NY	-5.7	Detroit-Warren, MI	0.1
94	Toledo, OH	-6.4	Dayton, OH	0.0
95	Dayton, OH	-7.0	Cleveland, OH	-1.0
96	Pittsburgh, PA	-7.1	New Orleans, LA	-1.2
97	Buffalo, NY	-7.3	Scranton, PA	-1.4
98	Cleveland, OH	-9.0	Pittsburgh, PA	-2.6
99	Youngstown, OH	-10.8	Buffalo, NY	-2.7
100	New Orleans, LA	-35.5	Youngstown, OH	-5.3

Source: Brookings analysis of U.S. Census Bureau Population Estimates data

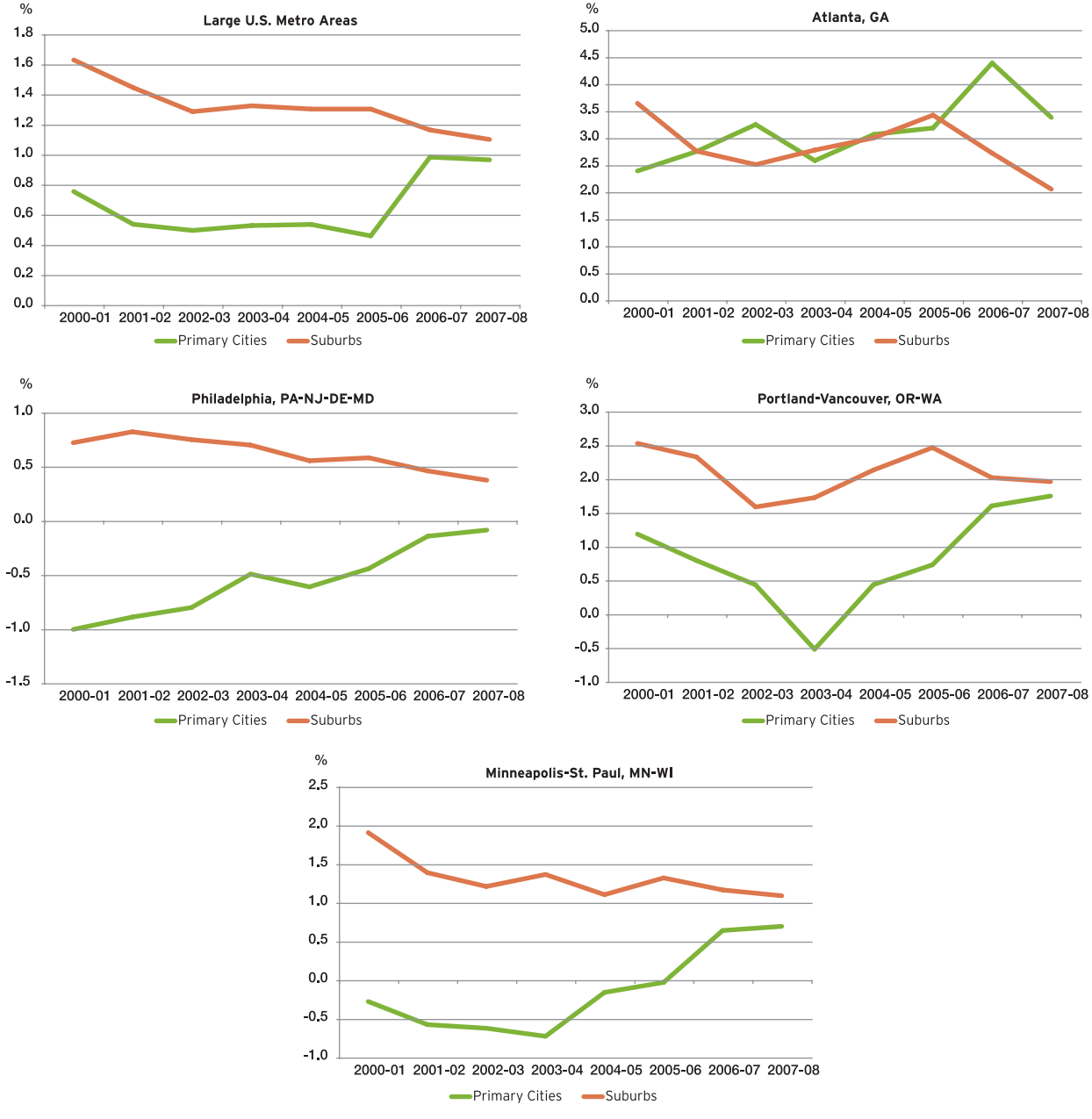
CITY AND SUBURBAN TRENDS

As with the 1990s, the post-2000 period was largely a good one for big city populations. Among the primary cities of the 100 large metros, 67 showed gains from 2000 to 2008.[7] As Table 4 shows, the fastest growing primary cities tended to be located inside some of the fastest growing metropolitan areas, including many in the Southeast, Texas, interior California and the Intermountain West. Likewise, declining primary cities were located in metro areas that experienced slow growth or decline, such as Youngstown, Cleveland, Buffalo, and Pittsburgh. These metro areas saw population losses in their suburbs as well.

Interestingly, the fastest growing suburbs in the 100 largest metro areas do not match up closely with the fastest growing primary cities; eight of the 10 are different. Not on the list are the suburbs of the fast

Figure 4. A Burst Housing Bubble Provided a Population Lift to Cities and Slowed Growth in Suburbs

Population Change by Year, Selected Metro Areas, Primary Cities versus Suburbs, 2000-2001 to 2007-2008



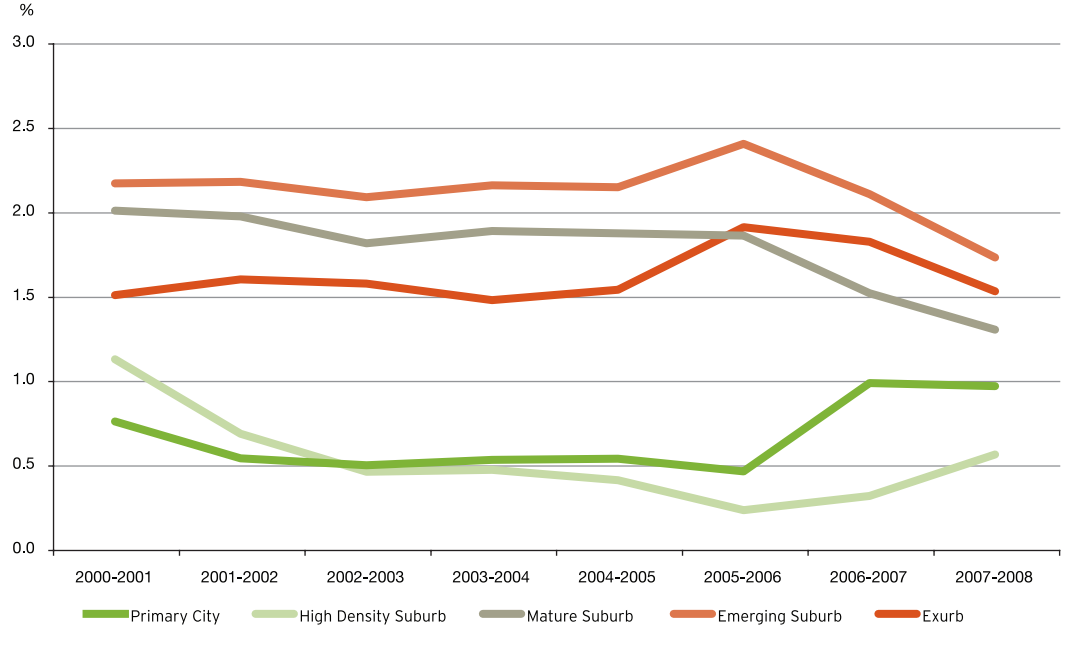
Source: Brookings analysis of U.S. Census Bureau Population Estimates Program data

growing cities of Atlanta and Orlando. Suburbs that grew considerably faster than their cities included several in the interior West, such as Provo, Boise, Colorado Springs, and Tucson.

Notably, the city population rebound that began in the 1990s continued into the 2000s. Figure 4 shows that growth of primary city populations of the nation's 100 metropolitan areas accelerated from 2006 to 2008, at the same time that suburban population growth slowed. Some of this resurgence of big cities is due to inherent strengths, such as broad economic diversity at a time when smaller cities and one-industry towns are vulnerable to economic shocks. But much is attributable to a "windfall" of residents attracted to and retained in cities, who might—in the absence of the housing crisis and deepening recession—have moved to the suburbs.

The effects of a burst housing bubble on big city populations were evident nationwide. Among the 100 primary cities of large metropolitan areas, 73 grew faster in 2007–2008 than in 2004–2005. On the Pacific coast, San Diego, San Jose, Oakland, Portland, and Seattle each exhibited its fastest growth rate of the decade that year. Growth rate increases also appeared in large Midwestern primary cities that are less steeped in manufacturing (particularly auto manufacturing), such as Minneapolis-St Paul. Some Southern cities that were less exposed to the mortgage meltdown, such as Raleigh, Charlotte, and Austin, showed high, though sometimes

Figure 5. Cities and Inner Suburbs Made Late-Decade Gains as Outer Suburban Growth Slowed
Annual Population Growth Rate by City/Suburban Type, 100 Largest Metro Areas, 2000-2001 to 2007-2008



Source: Brookings analysis of U.S. Census Bureau Population Estimates Program data

decreasing, growth rates. Atlanta managed to continue its recent gains, even as foreclosures wracked its outer suburbs. In this way, cities have benefited, at least in the short term, from declines in American mobility and the collapse of fast-developing suburban housing markets.

In fact, both primary cities and inner, dense suburbs achieved late decade growth upticks at the expense of outer suburbs and exurbs (Figure 5). The latter areas rode the wave of strong housing bubble related growth up through 2005–2006 only to come crashing down in the subsequent two years.

LOOKING AHEAD

The 2000s amounted to a tale of two epochs in metropolitan population and migration trends. While the first part of the decade resembled a continuation of the 1990s shift from Snow Belt to Sun Belt, and rapid growth of suburbia, the latter part upended those trends. The dramatic impact of the housing boom and bust, followed by a financial crisis and the deepest recession of the postwar era, have put the brakes on migration in general, and on growth in many Sun Belt metro areas.

As a new decade dawns, questions about future growth patterns across and within metropolitan America abound. Will the downward growth trajectories of Sun Belt metro areas continue? Will suburban and exurban growth be permanently stunted? Is the recent growth "bounce" for northern and coastal metropolitan areas and large primary cities simply a short-term demographic windfall, or the beginning of a longer-run transition to a new settlement pattern?

Reliable answers to these questions await a rebound in our economy and housing markets. Meanwhile, the late decade lull in migration provides an opportunity to re-think metropolitan growth prospects in light of each area's attributes and assets, such as age, racial and ethnic composition, educational attainment, and wage structure. As subsequent chapters explore, metropolitan areas exhibit great diversity on these and other dimensions, and those differences may be growing more pronounced over time. ■

ENDNOTES

1. Statistics Canada; Eurostat
2. William H. Frey, "The Great American Migration Slowdown: Regional and Metropolitan Dimensions" (Washington: Brookings Institution, 2009).
3. William H. Frey, "Metropolitan America in the New Century: Metropolitan and Central City Demographic Shifts Since 2000" (Washington: Brookings Institution, 2005).
4. New Orleans' number one ranking from 2006 to 2009 reflects the population rebound associated with the return of residents displaced by Hurricane Katrina in 2005.
5. Large gains in Houston, and to a lesser extent Dallas, in 2005–2006 reflect in part temporary gains from Louisianans displaced by the aftermath of Hurricane Katrina.
6. Alan Berube, Howard Wial, and Alec Friedhoff, "MetroMonitor: Tracking Recession and Recovery in the Nation's 100 Largest Metropolitan Areas" (Washington: Brookings Institution, 2009).
7. As of the publication date, the latest available population data for cities from the Census Bureau's Population Estimates Program were for the year ending July 2008 (versus July 2009 for counties and metro areas).

While the first part of the decade resembled a continuation of the 1990s shift from Snow Belt to Sun Belt, and rapid growth of suburbia, the latter part upended those trends.

WILLIAM H. FREY

II. RACE & ETHNICITY

BY THE NUMBERS

83%
Non-white share of population growth, United States, 2000 to 2008

2
Rank of Atlanta among all metro areas for black population, 2008 (surpassing Chicago)

17/31
Metro areas (out of 100) with "majority minority" total population / under-18 population, 2008

12
Primary cities (out of 100) with gains in share of population that is white, 2000 to 2008

OVERVIEW

- **Racial and ethnic minorities accounted for 83 percent of U.S. population growth from 2000 to 2008.** The continued faster growth of Hispanic, Asian, and black populations put the country as a whole on track to reach "majority minority" status by 2042, and for children to reach that milestone by 2023. More than three-quarters of racial and ethnic minorities today live in the nation's 100 largest metro areas.

- **A majority of Asians, and a near-majority of Hispanics, live in just 10 metropolitan areas.** Yet during the 2000s a slow dispersal of these groups continued away from major immigrant gateway areas like Los Angeles, New York, and San Francisco. Fast-growing areas of the South like Dallas, Houston, Atlanta, and Washington, D.C. ranked among the largest gainers of Asian and Hispanic population from 2000 to 2008.

- **Metro areas in the Southeast and the Interior West, and a few in the Midwest, exhibited some of the most rapid gains in Hispanic and Asian populations in the 2000s.** During the latter part of the decade, however, Hispanic and Asian growth retrenched toward major gateways like Los Angeles, Chicago, and Miami, as the housing market collapse and recession slowed the movement of these groups to places like Riverside, Phoenix, and Orlando.

- **Blacks continue to move southward, as metro Atlanta surpassed metro Chicago for total black population by 2008.** Whites moved to many of these "New South" areas in large numbers as well during the 2000s, though their population shrank in large, coastal metro areas like Los Angeles and New York that continued to attract significant minority populations.

- **For the first time, a majority of all racial/ethnic groups in large metro areas live in the suburbs.** Deep divides by race and ethnicity still separate cities and suburbs in metro areas like Detroit, but others like Los Angeles show much greater convergence between jurisdictions. In a handful of cities including Atlanta, Boston, and Washington, D.C., the share of population that is white increased during the 2000s.

The racial and ethnic profile of the United States continued to evolve rapidly in the 2000s. Its direction built on the trend of the 1990s, with non-white minorities dominating national population growth.

NATIONAL TRENDS

The racial and ethnic profile of the United States continued to evolve rapidly in the 2000s. Its direction built on the trend of the 1990s, with non-white minorities dominating national population growth. This reflects the combined impact of continued immigration, largely from Latin America and Asia, and higher fertility for minorities than for whites. The latter factor has become increasingly important as these groups gain a larger presence in U.S. society; two-thirds of the decade's Hispanic population growth was due to natural increase (more births than deaths) rather than immigration.

Whites still account for a majority of U.S. population at 66 percent (Figure 1). However, this is down from 76 percent in 1990. From 2000 to 2008, they accounted for only 17 percent of national population growth, and their total numbers increased by only

2 percent. By contrast, the population of Hispanics during this period rose by 31 percent, Asians by 26 percent, and blacks by 8 percent. Additionally, people of two or more races, while still a small share of total U.S. population, represent a growing presence in U.S. society.

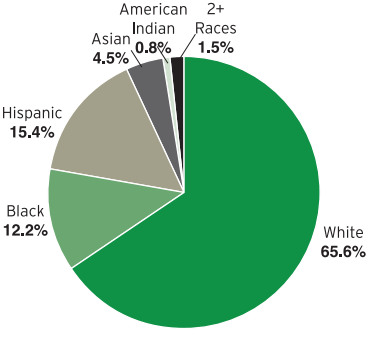
With their increasing numbers and higher growth rates, America's racial and ethnic minority representation is projected to increase substantially over time. According to the Census Bureau's most recent estimates, the U.S. population will become minority white in the year 2042, at which time Hispanics would comprise 27 percent of the population, blacks 12 percent and Asians 7 percent.[1] Under this same scenario, the nation's under-18 population would achieve the same status in 2023.

Despite these recent gains and long-term projections, the national growth of Hispanics and Asians especially tapered off toward the end of the decade, due to the Great Recession and its impacts on immigration. From 2000 to 2006, Hispanic population rose at an annual rate of 3.9 percent, which fell to 2.9 percent over the next two years. The drop-off in the Asian growth rate was even more dramatic, from 4.3 percent in the 2000–2006 period to 1.1 percent thereafter.

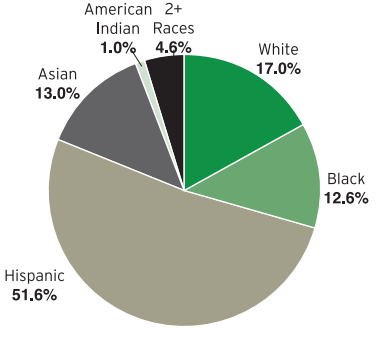
Minority populations in the United States concentrate even more heavily in large metropolitan areas than the overall population. In 2008, the 100 largest metro areas contained 66 percent of total U.S. population, but 77 percent of non-whites and Hispanics. This included 74 percent of blacks, 80 percent of Hispanics, and 88 percent of Asians.[2] As described below, a number of these large metro areas are on the cutting edge of the nation's transition to a "majority minority" society.

Figure 1. Non-Whites Accounted for the Bulk of U.S. Population Growth in the 2000s

Share of 2008 U.S. Population by Race/Ethnicity



Share of 2000-2008 Population Change by Race/Ethnicity



Source: Brookings analysis of U.S. Census Bureau Population Estimates Program data

METROPOLITAN TRENDS

Dispersal Amid Concentration of Hispanics and Asians

The historical clustering of America's immigrant minorities resulted from the initial settlement of these groups into a handful of "gateway" metropolitan areas. Friendship and family networks have drawn them to these traditional ports of entry,

Table 1. Hispanics and Asians Continued a Gradual Shift Away from Large Gateways in the 2000s
Large Metro Areas Ranked by Hispanic and Asian Population, 2008, and Change, 2000 to 2008

2008 Population				2000 to 2008 Growth		
			Hispanics			
Rank	Change from 1990	Metro Area	Population	Rank	Metro Area	Population Change
1	0	Los Angeles-Long Beach-Santa Ana, CA	5,719,249	1	Riverside–San Bernardino–Ontario, CA	635,298
2	0	New York-Newark, NY-NJ-PA	4,111,527	2	Dallas-Fort Worth-Arlington, TX	596,917
3	0	Miami-Fort Lauderdale-Pompano Beach, FL	2,142,735	3	Houston, TX	574,059
4	1	Houston, TX	1,945,238	4	Los Angeles-Long Beach-Santa Ana, CA	567,599
5	-1	Chicago-Naperville-Joliet, IL-IN-WI	1,903,748	5	New York-Newark, NY-NJ-PA	515,298
6	0	Riverside-San Bernardino-Ontario, CA	1,879,350	6	Phoenix-Mesa-Scottsdale, AZ	492,187
7	1	Dallas-Fort Worth-Arlington, TX	1,731,274	7	Miami-Fort Lauderdale-Pompano Beach, FL	421,573
8	4	Phoenix-Mesa-Scottsdale, AZ	1,321,713	8	Chicago-Naperville-Joliet, IL-IN-WI	395,647
9	-2	San Antonio, TX	1,080,482	9	Atlanta, GA	245,299
10	0	San Diego, CA	926,926	10	Washington-Arlington-Alexandria, DC-VA-MD-WV	225,638
			Asians			
1	0	Los Angeles-Long Beach-Santa Ana, CA	1,782,387	1	New York-Newark, NY-NJ-PA	355,698
2	0	New York-Newark, NY-NJ-PA	1,777,325	2	Los Angeles-Long Beach-Santa Ana, CA	205,292
3	0	San Francisco-Oakland-Fremont, CA	960,769	3	San Francisco-Oakland-Fremont, CA	130,925
4	1	San Jose-Sunnyvale-Santa Clara, CA	550,527	4	Washington-Arlington-Alexandria, DC-VA-MD-WV	119,481
5	1	Chicago-Naperville-Joliet, IL-IN-WI	504,597	5	San Jose-Sunnyvale-Santa Clara, CA	108,892
6	-2	Honolulu, HI	471,090	6	Chicago-Naperville-Joliet, IL-IN-WI	105,979
7	0	Washington-Arlington-Alexandria, DC-VA-MD-WV	460,337	7	Dallas-Fort Worth-Arlington, TX	96,405
8	1	Seattle-Tacoma-Bellevue, WA	368,449	8	Houston, TX	90,308
9	1	Houston, TX	326,301	9	Seattle-Tacoma-Bellevue, WA	87,905
10	-2	San Diego, CA	311,343	10	Riverside–San Bernardino–Ontario, CA	86,436

Source: Brookings analysis of U.S. Census Bureau Population Estimates data

even during times when labor market conditions would suggest they move elsewhere. The past two decades reflect a growing but incomplete dispersal of Hispanics and Asians from these gateways to the country as a whole.[3]

As recently as the 1990 Census, taken 25 years after the 1965 Immigration Act liberalized the entry of more Hispanics from Latin America, the group remained relatively geographically concentrated. At that time, the 10 metropolitan areas with the largest Hispanic populations housed fully 55 percent of all of U.S. Hispanics, with the top two—Los Angeles and New York—accounting for nearly three in 10 nationwide. Since 1990, only Phoenix—where the Hispanic population mushroomed—newly joined the top 10, taking over the eighth spot from San Francisco. Still,

The past two decades reflect a growing but incomplete dispersal of Hispanics and Asians from major gateways to the country as a whole.

the pecking order of the top three has not budged in the past two decades.

Nonetheless, the largest Hispanic settlement areas are showing signs of losing their grip. The top ten metro areas in 2008 housed nearly half (48 percent) of all Hispanics, but garnered only 40 percent of the nation's Hispanic growth from 2000 to 2008. The metropolitan areas gaining the most Hispanics during that period (Table 1, right panel) include two outside the top 10. Washington, D.C.'s and Atlanta's strong employment opportunities during most of the decade helped attract new Hispanic immigrants and longer-term residents from other parts of the United States. Riverside ranked first in total Hispanic gains from 2000 to 2008, owing in part to its attraction of Hispanics from nearby Los Angeles. The Texas metro areas of Dallas and Houston follow Riverside in registering the largest Hispanic gains.

A shift away from southern California, toward Florida, also underlies these patterns. During the 1990s, Los Angeles and New York led all metro areas in both numbers of Hispanics and total Hispanic population gains. But from 2000 to 2008, Los Angeles gained less than half as many Hispanics as it did during the 1990s (567,000 vs. 1.2 million). Meanwhile, Tampa, Orlando, and Jacksonville each gained more Hispanics in the first eight years of his decade than they did throughout the 1990s. This shift may have been temporary, however, given sharp downturns in the housing market in some of these newer destinations.

Asians concentrate even more heavily in traditional immigrant magnet areas than Hispanics. The same 10 metro areas that housed the most Asians in 1990 remain on the list for 2008 (Table 1 bottom left). Still, dispersal occurred, with the share of total U.S. Asian population those areas represent slipping from 61 percent in 1990 to 55 percent in 2008. The top three areas—Los Angeles, New York, and San Francisco—still house one-third of all Asians nationwide.

As with Hispanics, the largest gateways have garnered a lower share of recent Asian gains. They drew less than half (44 percent) of Asian population gains from 2000 to 2008, compared with 53 percent in the 1990s. Dallas and Riverside, two metro areas not among those with the most Asians, ranked 7th and 10th, respectively, among those gaining the most Asians this past decade (Table 1, bottom right). The jump in Riverside's rank, from 18th biggest gainer during the 1990s to 10th from 2000 to 2008, reflects a spillover effect from Los Angeles also evident for Hispanics. A similar pattern in northern California vaulted Stockton from 43rd on Asian gains in the 1990s to 26th from 2000 to 2008.

Hispanic and Asian Growth Centers of the 2000s

The metro areas experiencing the highest recent growth rates for Hispanics and Asians diverge from those above that registered the highest numeric gains. They provide a measure of where the newest gains are taking place, often in places undergoing significant in-migration.

The Southeast, especially Florida, dominates the list for fastest Hispanic growth in the 2000s (Table 2). Cape Coral rose in rank from number 11 in the 1990s to number one from 2000 to 2008, and Lakeland moved up 7 notches to number five. The Midwestern metro areas of Indianapolis and Columbus make the top 10 as well.

A large number of metropolitan areas crossed significant thresholds for Hispanic population—either 5 percent or 10 percent—over the past two decades (Map 1). These metro areas began to spread to the Southeast, Intermountain West, and across New

Table 2. Metro Areas in the Southeast and Interior West Had Fast-Growing Hispanic and Asian Populations in the 2000s

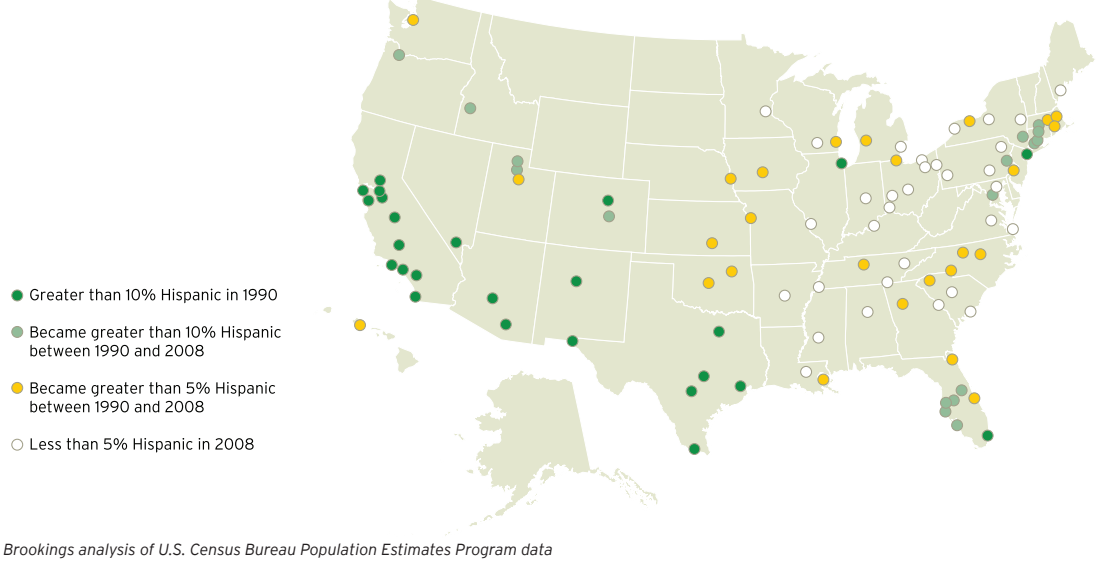
Highest Ranked Large Metro Areas by Hispanic and Asian Population Growth Rate, 2000 to 2008

Hispanics				*Asians*			
Rank	Change from 1990s	Metro Area	Population Change (%)	Rank	Change from 1990s	Metro Area	Population Change (%)
1	10	Cape Coral, FL	142.1	1	0	Las Vegas, NV	76.2
2	-1	Charlotte, NC-SC	117.6	2	4	Phoenix-Mesa-Scottsdale, AZ	70.2
3	-1	Raleigh-Cary, NC	113.7	3	25	Riverside-San Bernardino-Ontario, CA	58.8
4	0	Nashville, TN	105.7	4	-2	Atlanta, GA	58.0
5	7	Lakeland, FL	102.3	5	-2	Orlando, FL	57.4
6	0	Indianapolis, IN	99.5	6	1	Indianapolis, IN	55.7
7	2	Provo, UT	94.1	7	-2	Tampa-St. Petersburg-Clearwater, FL	53.7
8	-3	Atlanta, GA	89.2	8	16	San Antonio, TX	48.3
9	8	Columbus, OH	86.0	9	3	Columbus, OH	47.6
10	-7	Greensboro-High Point, NC	80.5	10	-6	Dallas-Fort Worth-Arlington, TX	47.2

Source: Brookings analysis of U.S. Census Bureau Population Estimates data

Map 1. Hispanics Represent a Significant Share of Population in an Increasing Number of Metro Areas

Period in which Hispanic Population Share Crossed 5% / 10% Threshold, Large Metro Areas



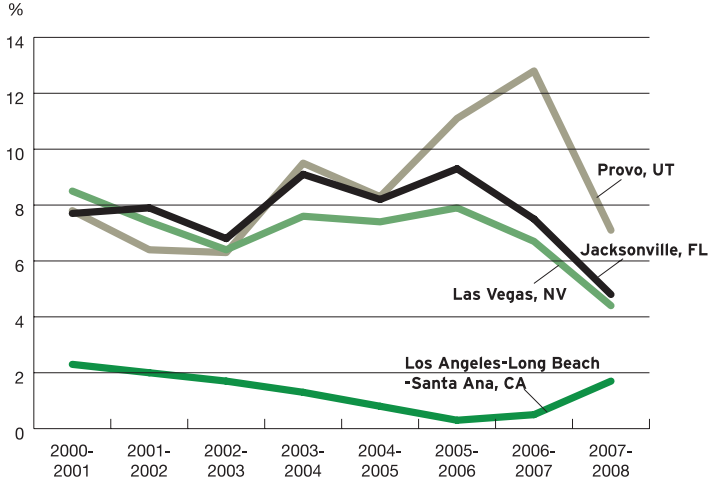
Source: Brookings analysis of U.S. Census Bureau Population Estimates Program data

England and eastern Pennsylvania. In this respect, new Hispanic destinations coincide with recent growth centers for overall U.S. population, such as Atlanta, Orlando, Provo, and Charlotte.

For the Asian population, further moves into the interior West characterized growth patterns in the 2000s. Las Vegas ranked first among large metro areas for Asian growth rate from 2000 to 2008, just as it did during the 1990s. Moving up noticeably to the second and third spots were Phoenix and Riverside, the latter vaulting from 28th place in the 1990s. Several metropolitan areas in Florida and other parts of the South make the list as well, including Atlanta, Orlando, Tampa, San Antonio, and Dallas. As with Hispanics, Indianapolis and Columbus make the list of fastest Asian gainers; their Midwestern neighbors Cincinnati and St Louis climbed to 11th and 15th as well (not shown). Because Asians comprise a much smaller share of the U.S. population (4.5 percent) than Hispanics (15.4 percent), there are far fewer places with significant Asian populations. Nonetheless, there are signs of continued "spreading out," as Asians comprised at least 5 percent of population in 22 of the nation's 100 largest metro areas, up from nine in 1990.

Figure 2. Hispanic Growth Retrenched Toward Traditional Gateway Areas After the Housing Crash

Change in Hispanic Population by Year, Selected Metro Areas, 2000-2001 to 2007-2008



Source: Brookings analysis of U.S. Census Bureau Population Estimates Program data

Late-Decade Hispanic Retrenchment

Just as the housing market collapse and ensuing recession severely curtailed overall growth in many of the nation's real-estate driven migration magnets, it also impacted dispersal among racial and ethnic minorities. This was especially true for Hispanics, as labor market opportunities in fast-growing metro areas in fields like construction and retail diminished rapidly with the bursting of the housing bubble.

The "retrenchment" of Hispanics toward traditional gateway areas is most vivid within California. Hispanic gains in metropolitan Los Angeles quadrupled in 2007-2008 compared with just two years earlier, at the same time that they halved in metropolitan Riverside. Other traditional Hispanic areas, including Chicago, New York, Miami, San Francisco, and San Diego, saw increased gains in 2007-2008, at the same time that Hispanic growth declined significantly in places like Phoenix, Las Vegas, Orlando, and Atlanta. About half of the nation's 100 largest metro areas showed Hispanic growth slowdowns that year, mostly represented by non-traditional Hispanic areas. Jacksonville, Provo, and Las Vegas, compared against Los Angeles, demonstrate this trend (Figure 2). Until employment opportunities reappear in these areas in significant number, the widespread spatial assimilation of Hispanics in some new destinations may be on hold.

Table 3. Black Population Continued to Head Southward in the 2000s
Large Metro Areas Ranked by Black Population, 2008, and Growth, 2000 to 2008

2008 Population					2000 to 2008 Growth		
2008	2000	1990	Metro Area	Population	Rank	Metro Area	Population Change
1	1	1	New York-Newark, NY-NJ-PA	3,162,284	1	Atlanta, GA	445,578
2	4	7	Atlanta, GA	1,669,518	2	Dallas-Fort Worth-Arlington, TX	159,494
3	2	2	Chicago-Naperville-Joliet, IL-IN-WI	1,667,376	3	Houston, TX	151,362
4	3	3	Washington-Arlington-Alexandria, DC-VA-MD-WV	1,370,929	4	Washington-Arlington-Alexandria, DC-VA-MD-WV	97,874
5	5	4	Philadelphia, PA-NJ-DE-MD	1,169,265	5	Miami-Fort Lauderdale-Pompano Beach, FL	95,876
6	8	8	Miami-Fort Lauderdale-Pompano Beach, FL	1,042,874	6	Charlotte, NC-SC	94,171
7	6	6	Detroit-Warren, MI	1,008,171	7	Orlando, FL	71,698
8	9	9	Houston, TX	942,101	8	Phoenix-Mesa-Scottsdale, AZ	62,884
9	7	5	Los Angeles-Long Beach-Santa Ana, CA	898,695	9	Baltimore, MD	60,351
10	10	11	Dallas-Fort Worth-Arlington, TX	874,216	10	Tampa-St. Petersburg -Clearwater, FL	59,997

Source: Brookings analysis of U.S. Census Bureau Population Estimates data

Continued Southward Shift of Blacks

The historic pattern of black settlement in the United States can be measured more in centuries than in decades. The most prominent shifts occurred during much of the 20th century, with the "Great Migration" out of the South, first to cities in the Northeast and Midwest, and then to the West. Still, through the 1960s, the South housed more than half of the nation's black population. In the early 1970s, African Americans began to follow white population into the South. Since then, and especially during the 1990s, black movement to the South has become substantial.[4] It has occurred less in historic "Old South" states such as Louisiana, Mississippi, and Alabama, and more in "New South" growth centers such as Texas, North Carolina, Georgia, and Florida.

This trend expanded in the 2000s. The region's share of total U.S. black population continued to rise from 54 percent in 1990 to 57 percent in 2008. The South accounted for fully 75 percent of the nation's black population gains from 2000 to 2008, up from 65 percent in the 1990s. Northern destinations for blacks during the Great Migration still figure prominently among the metropolitan areas with the largest black populations in 2008, as do several areas in the South (Table 3, left panel). The biggest shift occurred in metropolitan Atlanta, which rose rapidly from seventh in 1990 to fourth in 2000, and in the 2000s surpassed Chicago to house the second-largest African American population in the United States. In the process it more than doubled its black population, overtaking the metropolitan area whose city Martin Luther King, Jr. once called the "Birmingham of the North."

Atlanta also far surpassed other metropolitan areas in its black population gain during the 2000s (Table 3, right panel). Its large middle-class black population, along with its diversified and growing

Table 4. White Population Losses in Coastal and Midwestern Metro Areas Counterbalanced Gains in the South and West

Large Metro Areas Ranked by White Population Gains and Losses, 2000 to 2008

Gains			*Losses*		
Rank	Metro Area	Population Change	Rank	Metro Area	Population Change
1	Phoenix-Mesa-Scottsdale, AZ	353,665	1	Los Angeles-Long Beach-Santa Ana, CA	-662,170
2	Atlanta, GA	285,981	2	New York-Newark, NY-NJ-PA	-490,380
3	Dallas-Fort Worth-Arlington, TX	214,150	3	San Francisco-Oakland-Fremont, CA	-106,025
4	Austin, TX	164,567	4	San Jose-Sunnyvale-Santa Clara, CA	-106,017
5	Charlotte, NC-SC	157,566	5	Philadelphia, PA-NJ-DE-MD	-100,147
6	Raleigh–Cary, NC	149,081	6	Pittsburgh, PA	-84,597
7	Houston, TX	145,071	7	San Diego, CA	-72,769
8	Portland-Vancouver, OR-WA	133,127	8	Riverside-San Bernardino–Ontario, CA	-72,530
9	Nashville, TN	130,293	9	Honolulu, HI	-70,912
10	Provo, UT	125,091	10	Buffalo, NY	-60,620

Source: Brookings analysis of U.S. Census Bureau Population Estimates data

economy, provided a continued draw for African Americans from across the country. Nine of the top 10 metro areas for black population gains from 2000 to 2008 are located in the South, including the three "New South" areas of Charlotte, Orlando, and Tampa. These regions are attracting more highly-educated blacks, including those from northern destinations. Washington, D.C., Atlanta, and Dallas rank sixth, ninth, and 25th, respectively, on the share of black adults with a bachelor's degree, whereas Philadelphia and Detroit rank, respectively, 59th and 79th.

White Gains and Losses

Compared to Hispanic, Asian, and black population, white population distributes much more evenly across the country. With lower fertility and minimal growth through immigration, whites' movement among metropolitan areas effectively amounts to a zero-sum game, reflecting domestic in- and out-migration to a greater degree than for minorities.

Consequently, metropolitan areas among the nation's 100 largest exhibited both significant gains and losses of white population during the 2000s. Those with the largest gains included metropolitan areas in the South and West, such as Phoenix, Atlanta, Dallas, Charlotte, and Raleigh (Table 4, left panel). While many of these areas also experienced fast growth of Hispanics and Asians in the 2000s (Table 2), they contrast with traditional immigrant magnets such as Los Angeles, New York, and Chicago, where gains of those groups were greatest over the decade (Table 1).

Indeed, the list of metropolitan areas sustaining the greatest white population losses over the 2000–2008 period contains many of these traditional immigrant magnets (Table 4, right panel). Out-migration in response to the high cost of housing

through most of the decade in those expensive coastal metro areas contributed to their losses. In areas like Pittsburgh, Buffalo, Cleveland, and Hartford that also lost significant white population, economic stagnation and aging of the population were more important factors. Overall, more than one-third (35) of the 100 largest metro areas lost white population during this time.

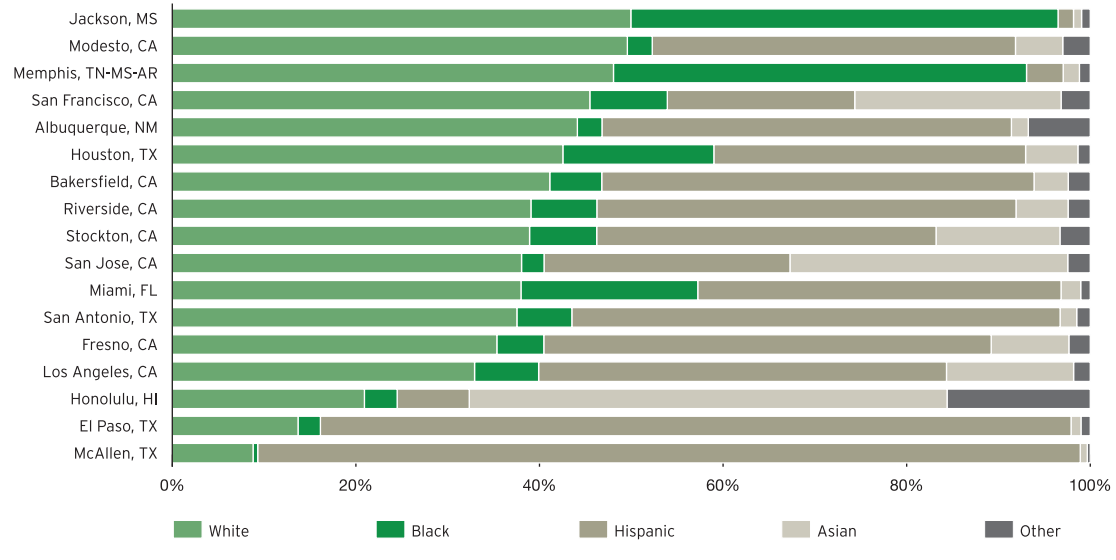
Majority-Minority Metro Areas

As described above, America is on its way to becoming a much more racially and ethnically diverse country, with whites expected to account for less than half the population by 2042. But the historic clustering of immigrant and African American settlement, and the continued growth of these populations, has led numerous areas to become "majority minority" already (Figure 3). This is now the case for 17 metro areas, up from 14 in 2000 and just five in 1990. The Texas border metro areas of McAllen and El Paso, where more than four-fifths of the population is Hispanic, lead the list. Among metro areas with at least 1 million people, Los Angeles has the smallest white population share at 33 percent. Eight of the 17 are located in California, and another four are in Texas. The New York metro area, which clocked in at 50.7 percent white in 2008, will soon cross this threshold as well, perhaps by this year's decennial census.

Because the younger part of the population is even more racially and ethnically diverse than adults (see the *Age* chapter), fully 31 metro areas already possess "majority minority" child populations (Map 2). They include all of the regions in Figure 3, as well

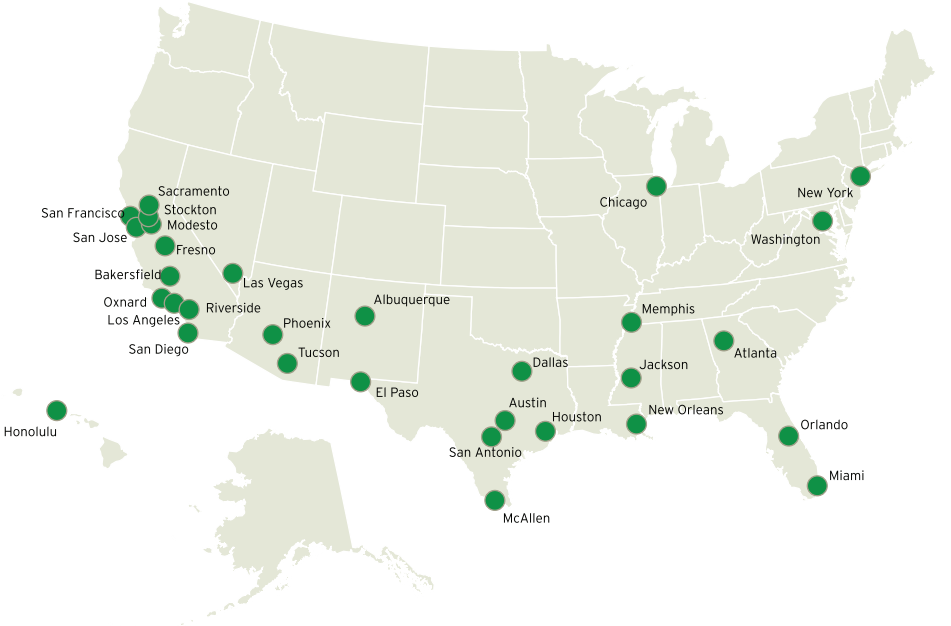
America is on its way to becoming a much more racially and ethnically diverse country, with whites expected to account for less than half the population by 2042.

Figure 3. Seventeen Large Metro Areas Have Majority-Minority Populations
Share of Population by Race/Ethnicity, 2008



Source: Brookings analysis of U.S. Census Bureau Population Estimates Program data
Note: Metro area names are shortened

Map 2. In 31 Large Metro Areas, A Majority of Children Are From Racial/Ethnic Minority Groups
Large Metro Areas with Majority-Minority Child (Under 18) Populations, 2008



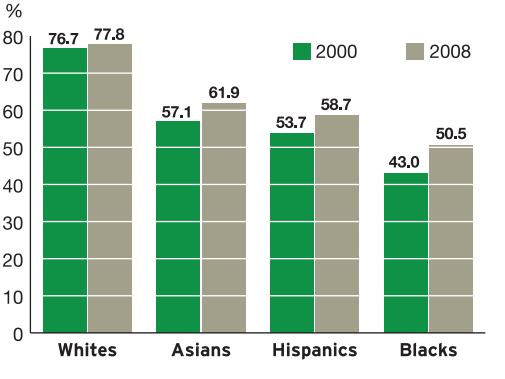
Source: Brookings analysis of U.S. Census Bureau Population Estimates Program data

as many that have more of a "white" image overall but a minority-dominated child population beneath the surface, such as Phoenix, Las Vegas, Washington, D.C., Orlando, Atlanta, and Chicago.

CITY AND SUBURBAN TRENDS

For much of the post-World War II period, "white flight" to the suburbs and concentrations of blacks and immigrants in urban areas combined to create a common perception of cities as having large minority presences, surrounded by largely white suburbs. These patterns changed gradually as a consequence of Civil Rights-era anti-discrimination legislation, the rise of Hispanic and Asian populations in suburbs,

Figure 4. A Majority of All Racial/Ethnic Groups in Major Metro Areas Live in the Suburbs
Share of Population in Suburbs by Race/Ethnicity, Large Metro Areas, 2000 and 2008



Includes 93 of 100 metro areas for which data are available
Source: Brookings analysis of Census 2000 and 2008 American Community Survey data

and less segregated development patterns in newer metropolitan areas.

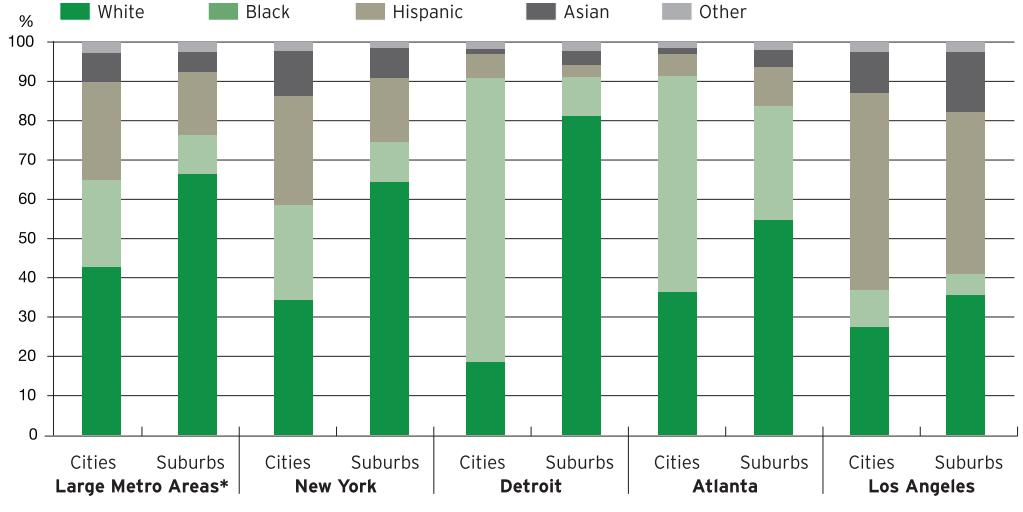
While whites reside in the suburbs in larger numbers and shares than any minority group, the first decade of the new century brought the United States to a new benchmark. For the first time, more than half of all racial and ethnic groups residing in large metro areas live in the suburbs (Figure 4). This was the case already for Asians and Hispanics in 2000, and blacks crossed this threshold during the decade. In 2000, 43 percent of blacks in major metro areas lived in the suburbs, but that share increased rapidly to more than 50 percent by 2008.

Notably, this transformation occurred as the total number of blacks living in suburbs rose from 2000 to 2008, but dropped in cities by a small amount, and by a larger margin than for whites. New Orleans alone accounted for a significant part of this difference; the aftermath of Hurricane Katrina contributed to a significant reduction in the city's black population, and a less-severe decline in its white population.[5]

Because whites are far more likely to be suburban residents than minorities, the racial and ethnic composition of suburbs still tilts rather heavily toward whites, though this too varies across metropolitan areas. About two-thirds of all suburbanites are white, compared to 43 percent in primary cities (Figure 5). At one extreme are slow-growing, black/white metro areas like Detroit with a longstanding pattern of racial and ethnic segregation. Today, more than four-fifths of residents in Detroit's suburbs are white, compared to less than one-fifth of the city's population. At the other extreme is Los Angeles, whose prototypical "melting pot suburbs" are almost as diverse as its city population. In between are fast

For the first time, more than half of all racial and ethnic groups residing in large metro areas live in the suburbs.

Figure 5. Metro Areas Vary Considerably in the Location of their Racial/Ethnic Populations
Share of Population by Race/Ethnicity and Metropolitan Location, Selcted Metro Areas, 2008



*Includes 93 of 100 metro areas for which data are available
Source: Brookings analysis of Census 2000 and 2008 American Community Survey data

growing destinations like Atlanta, whose suburbs are still "whiter" than its city, but whose black population has also increasingly suburbanized with declines in segregation and growth of the black middle class.

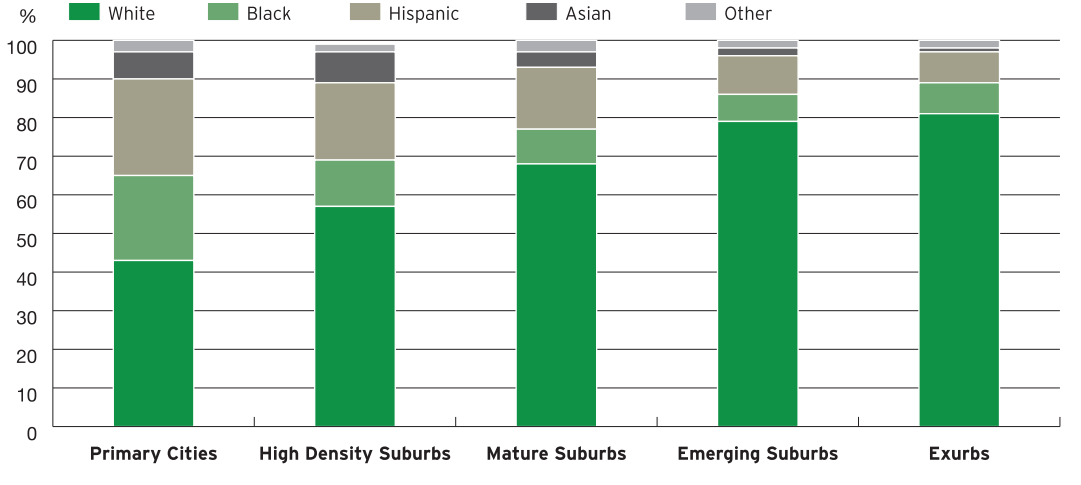
In fact, Atlanta and a few other cities experienced a somewhat new phenomenon in the 2000s—a gain in the share of population that is white. In Atlanta, whites increased from 32 percent of population in 2000 to 36 percent in 2008. Similar, though smaller, increases occurred in New York, Washington D.C., San Francisco, Boston, and primary cities in another seven of the nation's 100 largest metro areas. What some have termed a "demographic inversion" in metro areas, with whites repopulating cities and minorities moving out to the suburbs, is not yet a widespread phenomenon, but bears watching in the years and decades ahead as metro areas grow even more diverse.[6]

Still, there are notable gradations within suburbia. At the national level, exurbs and emerging outer suburbs are predominantly white; mature suburbs reflect more of the national race-ethnic profile; and inner high-density suburbs are highly diverse (Figure 6).

LOOKING AHEAD

Beginning with the 1990s, and continuing into the 2000s, there has been a noticeable blurring of the regional and city-suburban racial and ethnic divide. At the regional level, much of this blurring owes to the widespread dispersal of Hispanics, both native- and foreign-born, to new parts of the country where employment opportunities lured them away from traditional settlement areas. To a lesser extent, Asians have also moved to many of the same areas. And while blacks have dispersed to some degree,

Figure 6. Racial/Ethnic Diversity Decreases Father Away from the Urban Core in Metro Areas
Share of Population by Race/Ethnicity and Metropolitan Community Type, 2008



Source: Brookings analysis of 2008 American Community Survey data

their major shift has been to the South, in a reversal of the Great Migration at the beginning of the 20th century. Despite these dispersals, minorities still concentrate unevenly across metropolitan America. Notwithstanding the growth of more majority-minority metro areas, more than half of the 100 largest are over 70 percent white, and whites comprise more than 80 percent of population in more than a quarter.

As the growth rates of Hispanic and Asian populations continue to dwarf those of the nation's aging white population, more metropolitan areas will undoubtedly show a reduced presence of whites, suggested by the large and growing number of metro areas with majority-minority child populations. Yet a truly nationwide integration of racial and ethnic minorities still seems a long way off. The latter part of the decade indicates that further dispersal of Hispanics into new destinations over the short run may await significant improvement in underlying labor market conditions. Over the longer run, the growth of second- and third-generation minority groups that are more assimilated into the "mainstream" labor market suggests that their movements will increasingly mirror those of the overall population. Still, the emerging "cultural generation gap" between a largely minority, multiethnic child and young adult population, and a primarily white elderly and older baby boomer population, suggests that a more gradual assimilation may take place.

Finally, within metropolitan areas, the 2000s indicate that the nation is well on its way toward achieving greater city-suburban racial and ethnic integration. This, too, is an uneven phenomenon regionally, and the demographic similarities between cities and suburbs in faster-growing metro areas of the South and West exceed those in slower-growing parts of the Northeast and Midwest. Still, 20th-century notions of who lives in cities and suburbs are increasingly out of step with 21st century realities. Tracking the further movement of these groups into suburbia, and examining the underlying forces and resulting outcomes, will be a clear priority for both the public and private sectors for the foreseeable future. ■

Over the longer run, the growth of second- and third-generation minority groups that are more assimilated into the "mainstream" labor market suggests that their movements will increasingly mirror those of the overall population.

ENDNOTES

1. Among other assumptions, the Census Bureau's projections assume immigration rises from about 1.3 million people a year to 2 million a year over time.
2. Regarding the American Indian/Alaskan Native population, the 100 largest metro areas house 39 percent of the nation's 2.3 million members of this group. The Phoenix metro area leads all others as home to about 80,000, followed by Tulsa, Albuquerque, and Oklahoma City, each with more than 40,000. Five other large metro areas—New York, Seattle, Los Angeles, Dallas and Tucson—house more than 25,000. Tulsa leads all large metros in the share of its residents who are American Indians/Alaska Natives at 7 percent, followed by Albuquerque at 5 percent and Oklahoma City at under 4 percent.
3. William H. Frey, "Diversity Spreads Out: Metropolitan Shifts in Hispanic, Asian, and Black Populations Since 2000" (Washington: Brookings Institution, 2006).
4. William H. Frey, "The New Great Migration: Black Americans' Return to the South, 1965-2000" (Washington: Brookings Institution, 2004).
5. William H. Frey, Audrey Singer, and David Park, "Resettling New Orleans: The First Full Picture from the Census" (Washington: Brookings Institution, 2007).
6. Alan Ehrenhalt, "Trading Places: The Demographic Inversion of the American City." *The New Republic*, August 13, 2008.

AUDREY SINGER

III. IMMIGRATION

BY THE NUMBERS

16%
Share of population that is foreign born, 100 largest metro areas, 2008

1.13
Ratio of immigrants with college degrees to those without high school diplomas, New York metro area, 2008

60%
Share of children with at least one immigrant parent, Los Angeles metro area, 2008

63
Metro areas (out of 95) in which majority of foreign born live in suburbs, 2008

OVERVIEW

- **About one in eight Americans in 2008 was an immigrant.** This represented a dramatic rise from 1970, when fewer than one in 20 Americans was foreign born, and reflects a tectonic shift in sources of U.S. immigration away from Europe and toward Latin American and Asia in the late 20th century.

- **Metropolitan areas in the Southeast gained immigrants at a faster rate than most other regions during the 2000s.** Many metro areas in the Great Plains, Texas, inland California and the Mountain West also had above average growth. Immigrant growth across all metropolitan areas was strong but down from the breakneck pace of the 1990s, and appeared to subside further with the onset of the recession in 2008.

- **High and low-skilled immigrants distribute unevenly across U.S. metro areas.** Immigrants with the lowest levels of English language ability and educational attainment cluster in Texas, inland California, and Sun Belt markets that experienced fast growth during the decade's housing boom. More highly-educated immigrants populate former gateways like Pittsburgh and Baltimore, and high-tech economies like the San Francisco Bay Area. Major metro areas in the Southeast, as well as established gateways like Chicago and New York, draw a mix of immigrants by skill level.

- **The "second generation" represents a large share of the child population in several established metropolitan gateways.** In the Los Angeles, Miami, and San Francisco metro areas, more than half of children have at least one foreign born parent or are themselves foreign born. The New York area has 1.8 million such children, 44 percent of all children metro-wide.

- **More than half of the foreign born live in large metropolitan suburbs, up from 44 percent in 1980.** In metropolitan areas with a more recent immigration history, such as Atlanta, Las Vegas, and Washington, D.C., immigrants account for a similar or higher share of suburban than city population. More than one in three immigrants in large metro areas lives in the high-density suburbs that surround cities, and nearly one in five lives in mature, mid-20th century suburbs.

NATIONAL TRENDS

High levels of immigration in the 2000s increased the foreign-born population from 31 million to 38 million as of 2008. Despite that increase, the pace of growth in this decade was slower than the rapid immigrant population growth of the 1990s. The steep downturn in the economy that began in late 2007 has had an impact on migration worldwide, and immigration to the United States appeared to have slowed by 2008. While some of these changes in flows may be momentary, other changes signal longer-term trends.

This chapter highlights immigrant settlement trends, particularly in new destination areas and suburbs. It also explores social, economic, and migration characteristics of the foreign born at various

The steep downturn in the economy that began in late 2007 has had an impact on migration worldwide, and immigration to the United States appeared to have slowed by 2008.

geographic levels. Examining immigration trends in metropolitan areas, and their cities and suburbs, is helpful for understanding how places will weather the current economic downturn, and how immigrants may respond to changing labor demands once recovery is underway.

As of 2008, 38 million immigrants lived in the United States, or 12.5 percent of the population, a rising share but still lower than in the early part of the 20th century (Figure 1). Immigrant settlement trends during the early part of the century largely followed economic activity in cities and suburbs. Industrial and commercial growth in the Northeast and Midwest drew population, including immigrants, in large numbers, until the Great Depression stalled immigration.

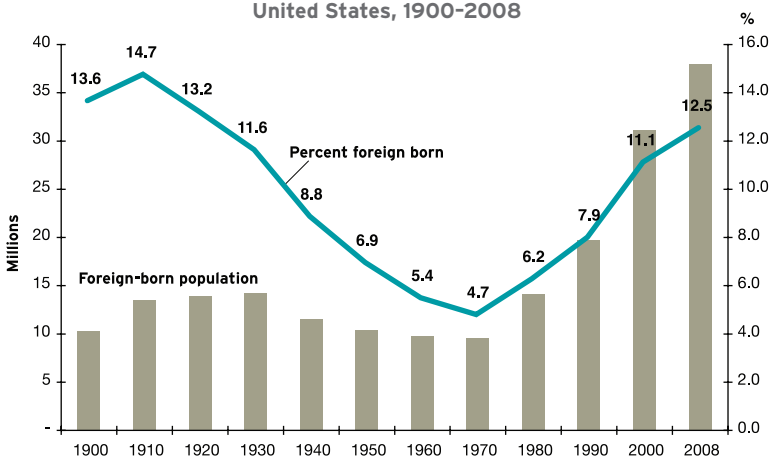
The middle of the twentieth century saw immigration to the United States wane as the supply of labor from Europe dwindled during that region's rapid recovery after World War II. The nadir in absolute terms coincided with the baby boom, yielding a national population that was less than 5 percent foreign born in 1970. This period also marked the rapid growth of the metropolitan Sun Belt, when many Americans were lured to warmer year-round climates and open space, spreading from the Southwest to the Southeast. By the end of the century and continuing into the current decade, the South saw burgeoning growth in its metropolitan areas, and immigrant settlement has mirrored this recent trend.

U.S. immigration policy changed in 1965, with the abolition of national origin quotas, and instituted a preference system for sponsored relatives of American citizens and workers with certain skills. Coincident with these changes was the economic growth and development of many Latin American, Caribbean, and Asian nations, leading to substantial out-migration from those world regions. In addition, civil and political strife induced emigration from various countries in those same regions beginning in the 1970s. By the end of the 1990s, outflows of students, professionals, and refugees from Africa increased dramatically, and in this decade, Africans are arriving in the United States at a higher rate than immigrants from any other world region.

These economic, political, and policy dynamics induced a dramatic shift in the origin of America's immigrant population over time (Figure 2). In 1970, among the 9.6 million foreign-born U.S. residents, fully 60 percent were from Europe, largely a manifestation of earlier waves of immigration. At that point, only 8 percent of the total were from Mexico, and another 11 percent were from the rest of Latin America and the Caribbean. Nine percent came from the countries of Asia, another 8 percent from other North American countries (mostly Canada), and less than 1 percent from the African continent. By 2008, the dramatic transformations in opportunities across

Figure 1. The Foreign-Born Share of U.S. Population Is Rising, but Still Below Levels from the Early 20th Century

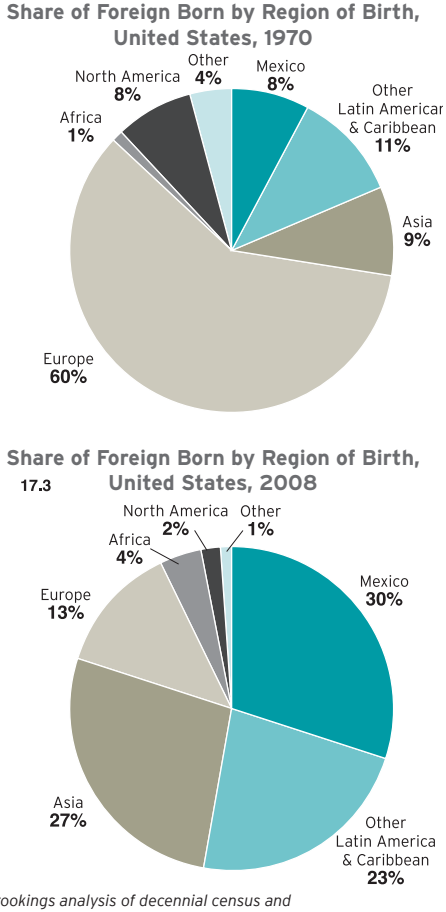
Foreign-Born Population and Share of Population that is Foreign Born, United States, 1900–2008



Source: Brookings analysis of decennial census and 2008 American Community Survey data

the world are apparent in the composition of the 38 million U.S. foreign born: only 13 percent are from Europe; Mexican immigrants comprise fully 30 percent of the total with another 23 percent from other Latin American and Caribbean countries; 27 percent are from Asia; Africans represent nearly 4 percent of the total; and only 2 percent are from North America.

Figure 2. The Region of Origin for U.S. Immigrants Shifted Dramatically Over Time



Source: Brookings analysis of decennial census and 2008 American Community Survey data

METROPOLITAN TRENDS

Location of the Foreign Born

As of 2008, 38 million immigrants lived in the United States, or 12.5 percent of the population, a rising share but still lower than in the early part of the 20th century.

The U.S. foreign-born population concentrates disproportionately in large metropolitan areas. In 2008, about 85 percent of U.S. immigrants lived in the 100 largest metro areas, compared to 66 percent of total population. This proportion was down slightly from 87 percent in 1990, reflecting a greater spread of the foreign-born population across the U.S. landscape over time. The remainder in 2008 lived in smaller metropolitan areas (10 percent) and micropolitan and other non-metropolitan areas (5 percent). The disproportionate share of immigrants living in large metro areas gave those areas a considerably higher foreign-born population share in 2008 (over 16 percent) than the nation as a whole.

New York and Los Angeles top the list of metropolitan areas with the largest number of immigrants, with 5.3 and 4.4 million, respectively, followed by other well-established destination areas including Miami and Chicago (see Table 1, upper panel). However, when metro areas are ranked by the percentage of foreign born, nine of the top 10 are in the Sun Belt states, all with long-standing immigrant populations (Table 1, lower panel). Six are in California (San Jose, Los Angeles, San Francisco, Stockton, Oxnard and San Diego); two lie along the Texas border (McAllen and El Paso); and Miami and New York round out the top 10.

Among the 100 largest metropolitan areas, the foreign born grew by 21.3 percent between 2000 and 2008. That equated to a robust annual growth rate of roughly 2.4 percent, though it was down from the swift 4.5 percent annual growth rate of the 1990s. Metropolitan areas in the Southeast gained immigrants at a faster rate than most other regions

Table 1. Immigrants Are Greatest in Number and Population Share in Long-Established Gateway Metro Areas

Metro Areas Ranked by Foreign-Born Population and Population Share, 2008

	Largest Number of Immigrants	
Rank	**Metro area**	**Immigrants**
1	New York-Newark, NY-NJ-PA	5,328,033
2	Los Angeles-Long Beach-Santa Ana, CA	4,374,583
3	Miami-Fort Lauderdale-Pompano Beach, FL	1,995,037
4	Chicago-Naperville-Joliet, IL-IN-WI	1,689,617
5	San Francisco-Oakland-Fremont, CA	1,258,324
6	Houston, TX	1,237,719
7	Dallas-Fort Worth-Arlington, TX	1,121,321
8	Washington-Arlington-Alexandria, DC-VA-MD-WV	1,089,950
9	Riverside-San Bernardino-Ontario, CA	894,527
10	Boston-Cambridge, MA-NH	731,960
	All large metro areas	**32,425,888**

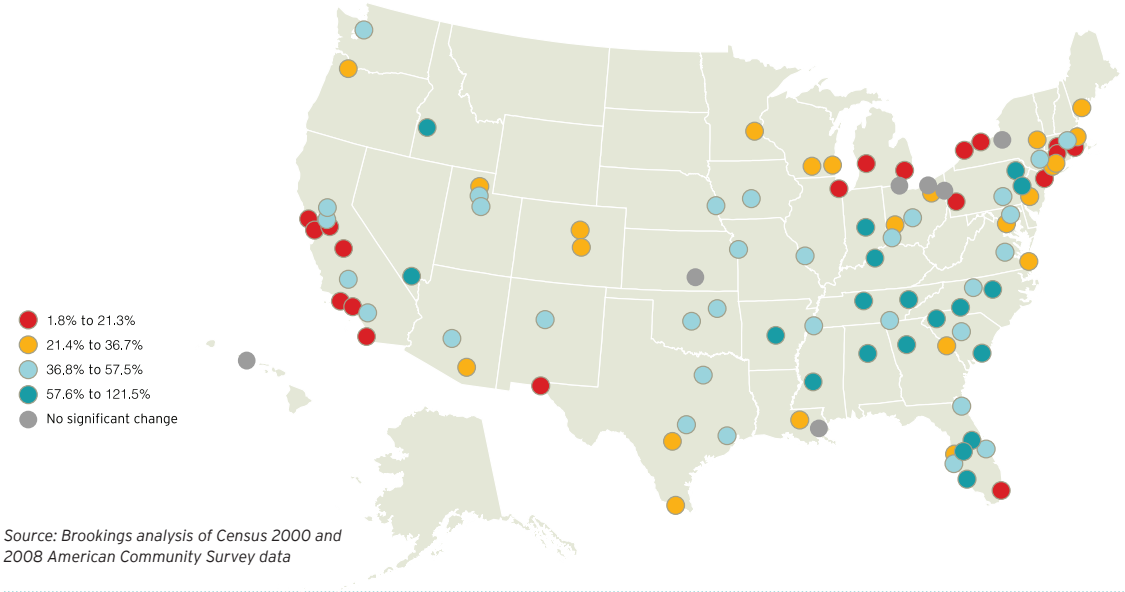
	Highest Foreign-Born Population Share	
Rank	**Metro Area**	**% Foreign Born**
1	Miami-Fort Lauderdale-Pompano Beach, FL	36.8
2	San Jose-Sunnyvale-Santa Clara, CA	36.4
3	Los Angeles-Long Beach-Santa Ana, CA	34.0
4	San Francisco-Oakland-Fremont, CA	29.4
5	McAllen, TX	29.2
6	New York-Newark, NY-NJ-PA	28.0
7	El Paso, TX	27.3
8	Stockton, CA	22.8
9	Oxnard-Thousand Oaks-Ventura, CA	22.3
10	San Diego, CA	22.1
	All large metro areas	**16.3**

Source: Brookings analysis of 2008 American Community Survey data

during this decade (Map 1). Many metro areas in the Great Plains, Texas, inland California, and the Mountain West also had above-average growth. Conversely, metropolitan areas in the Great Lakes and industrial Northeast, and along the West Coast saw slower-than-average growth or no significant change at all.

Further, many metropolitan areas saw immigration slow considerably toward the end of the 2000s as the economy entered recession. Among the 15 metro areas with the largest number of immigrants, only four posted significant, positive growth in their foreign-born populations between 2007 and 2008 (Houston, Dallas, Atlanta, and Seattle). The

Map 1. Metro Areas in the Southeast Had the Highest Rates of Immigrant Growth in the 2000s
Percent Change in the Foreign-Born Population, 2000–2008



Source: Brookings analysis of Census 2000 and 2008 American Community Survey data

remainder, mostly well-established destination areas, saw either a significant decline (Los Angeles and Phoenix) or no change (New York, Miami, Chicago, San Francisco, Washington, Riverside, Boston, San Diego, and San Jose). The deepening of the recession in late 2008 suggests that this stall in immigration may have spread further the following year.

Migration Characteristics

Immigrant tenure and whether they become naturalized citizens both have implications for immigrants themselves, their families, and the communities in which they live. In many newer destination areas, residents worry that newcomers may overwhelm schools, health care systems, and other local services. These areas often lack the developed infrastructure to assist immigrants and their families in the integration process that long-standing destination metropolitan areas facilitate.

Metropolitan areas with high proportions of foreign-born newcomers, including even established areas, are grappling with these challenges. Several newer destinations such as Las Vegas and Washington, D.C. have seen large shares of their residents arrive in the United States since 2000, but traditional settlement areas in California, Texas, and New York also continue to draw new immigrants through networks of those already in place (Table 2).

Rates of naturalization provide another measure of the "rootedness" of immigrant populations (Table 2). The decision to become a U.S. citizen has elements of both practicality and emotion; however, the bureaucratic process intentionally takes some time. Eligibility depends on five years of legal permanent residence (three years if married to a U.S. citizen), knowledge of U.S. history and civics, and a degree of

Table 2. Both New and Established Immigrant Gateways Have Large Shares of Foreign-Born Newcomers
Metropolitan Areas Ranked by Share of Total Population Arriving in United States Since 2000, and Percent Naturalized 2008

Highest Foreign-Born Newcomer Share				*Lowest Foreign-Born Newcomer Share*			
Rank	Metro Area	% Population Arriving in U.S. Since 2000	% Foreign-Born Naturalized	Rank	Metro Area	% Population Arriving in U.S. Since 2000	% Foreign-Born Naturalized
1	San Jose-Sunnyvale-Santa Clara, CA	10.2	49.2	91	Scranton, PA	1.3	40.3
2	Miami-Fort Lauderdale-Pompano Beach, FL	10.2	48.4	92	Jackson, MS	1.1	33.1
3	McAllen, TX	8.3	23.4	93	Baton Rouge, LA	1.1	39.5
4	Los Angeles-Long Beach-Santa Ana, CA	7.4	44.8	94	Toledo, OH	1.1	49.2
5	San Francisco-Oakland-Fremont, CA	7.4	54.3	95	Augusta-Richmond County, GA-SC	1.1	47.5
6	New York-Newark, NY-NJ-PA	7.4	51.4	96	Dayton, OH	1.0	53.2
7	Washington-Arlington-Alexandria, DC-VA-MD-WV	7.0	44.7	97	Chattanooga, TN-GA	1.0	38.8
8	Houston, TX	6.9	32.3	98	Pittsburgh, PA	1.0	53.3
9	Las Vegas, NV	6.7	36.9	99	Portland, ME	0.7	54.1
10	Bridgeport-Stamford, CT	6.5	41.0	100	Youngstown, OH-PA	0.4	65.6

Source: Brookings analysis of 2008 American Community Survey data

English language ability. As a result, naturalization rates vary widely by country and region of origin (including proximity to the United States), length of time in the United States, socioeconomic characteristics, and refugee status. Nationwide in 2008, U.S. citizens accounted for 60 percent of foreign-born individuals from Europe, 58 percent from Asia, and 31 percent from Latin American and the Caribbean.

At the metropolitan level, naturalization rates vary considerably, and relate to the level and recentness of immigration. The places with the highest shares of naturalized citizens include older industrial metro areas with very low levels of recent immigration, such as Youngstown, Portland (ME), Pittsburgh, and Dayton. Continuous gateways such as San Francisco and New York also claim at least half of their foreign-born populations as U.S. citizens. On the lower end of the scale are both newer destination areas and those in which a majority of immigrants hail from Mexico, the proximity of which to the United States has led to lower naturalization rates among that group; Houston and Las Vegas exemplify such areas.

Human Capital Characteristics

Some of the most contentious arguments around immigration concern the role of immigrants in the economy. How skilled are immigrants and where do they fit into the labor market, both nationally and locally? English language ability and educational attainment provide two important markers of immigrants' labor market prospects, and these indicators vary widely across U.S. metropolitan areas.

On English language ability, several metro areas along the Mexican border and in California's Central Valley exhibit high levels of immigrants with limited proficiency and large shares of households that are "linguistically isolated" (where no members over the

Table 3. Immigrants in Border-State Metro Areas Exhibit the Lowest Levels of English Language Ability
Metro Areas Ranked by Share of Foreign Born Who are Limited-English Proficient, and Share of Households that are Linguistically Isolated, 2008

Rank	Metro Area	% Limited English Proficient	% Linguistically Isolated Households
1	McAllen, TX	70.5	22.8
2	Bakersfield, CA	68.3	10.1
3	El Paso, TX	67.5	18.8
4	Modesto, CA	65.8	8.8
5	Fresno, CA	65.1	10.4
6	Stockton, CA	62.3	10.3
7	Los Angeles-Long Beach-Santa Ana, CA	62.2	14.8
8	Dallas-Fort Worth-Arlington, TX	61.9	8.4
9	Houston, TX	61.0	10.9
10	Oxnard-Thousand Oaks-Ventura, CA	60.0	8.0
	All large metro areas	**52.2**	**6.3**

Source: Brookings analysis of 2008 American Community Survey data
Note: Linguistically isolated households are those where no members over the age of 14 report speaking English "very well."

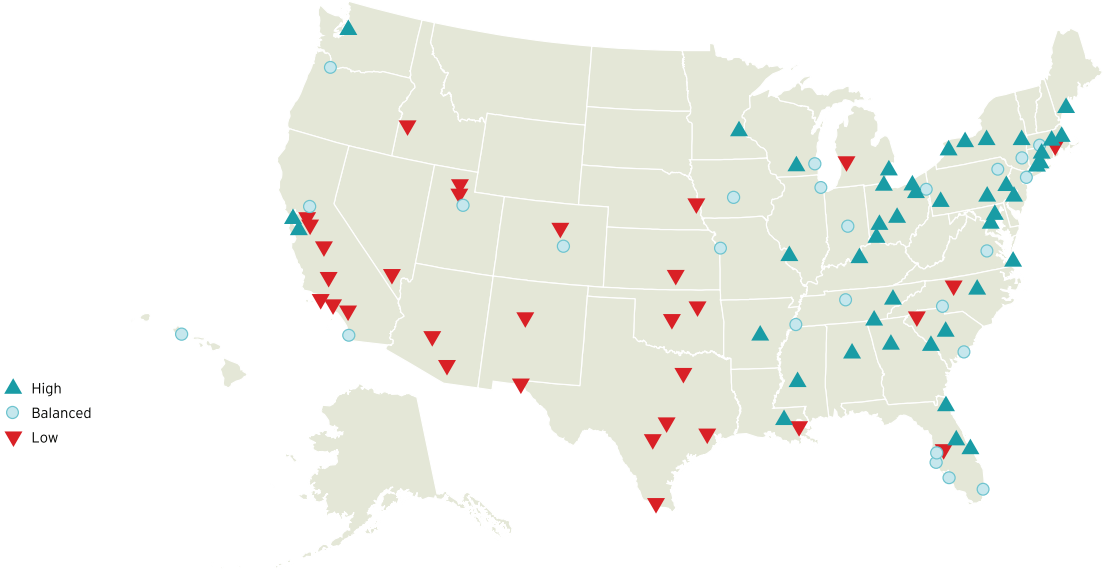
age of 14 speak English very well). In these metropolitan areas, foreign-born populations are dominated by Spanish-speakers, and upwards of 60 percent of all foreign-born residents age five and over are considered to be limited English proficient (Table 3). In the border metro areas of McAllen and El Paso, approximately one in five households is linguistically isolated.

Like immigrants themselves on measures of educational attainment (see *Educational Attainment* chapter), metropolitan areas diverge in their immigrant skill profiles. Yet distinctive regional patterns are evident in how immigrants of varying educational attainment distribute across metropolitan labor markets.[1]

Lower-skilled immigrants cluster in fast-growing places, reflecting the changing needs of labor markets there (Map 2). Metro areas throughout the Intermountain West, Texas, and up the I-35 corridor in the Great Plains states have high shares of immigrants lacking a high school diploma, reflecting educational standards and expectations in their largely Latin American home countries. Many of these immigrants responded to labor market needs in (what was) the booming construction industry and burgeoning service sector in these metro areas that mushroomed before the housing market crash and resulting deep recession set in.

Immigrants with higher levels of educational attainment are overrepresented in metropolitan areas that no longer receive many immigrants, where the foreign born that remain tend to be older, long-term U.S. residents. These destinations are primarily in metropolitan areas east of the Mississippi River, including in the established immigrant gateways in the Northeast (filling niches in finance, healthcare, and technology), in new destinations

Map 2. High- and Low-Skilled Immigrants Distribute Unevenly Across U.S. Metro Areas
Skill Profile of the Foreign Born, 2008



Source: Brookings analysis of 2008 American Community Survey data and based on analysis by Hall et al, forthcoming; see Endnote 1
Note: The immigrant skill profile reflects the ratio of bachelor's degree holders to those without high school diplomas among the foreign-born population. High connotes a ratio of 1.25 or greater; balanced connotes a ratio of 0.75 to 1.24; and low connotes a ratio below 0.75.

in the Southeast (diverse economies attracting higher-skilled, often "pioneer" immigrants), and in the former industrial metro areas in the Great Lakes region (older foreign-born cohorts that have aged in place). Western coastal "tech" metro areas such as Seattle, San Francisco and San Jose also register as high-skill.

Metropolitan areas with foreign-born populations with more "balanced" skill levels, reflecting both higher- and lower-skilled immigrants, run the gamut of U.S. regions and settlement histories. They include many newly emerging gateways in Southern states such as Nashville, Charlotte, Atlanta, and Orlando, as well as some of the largest immigrant destinations such as Chicago, New York, and Miami.

Second Generation

Of growing interest and concern is how the children of immigrants are faring in U.S. schools and the labor market, given the variation in human capital and resources of their parents. The 16 million children (under age 18) in the "second generation," as measured here can be either born abroad or in the United States but live with at least one foreign-born parent. They make up 23 percent of all children in the United States and 29 percent across all large metropolitan areas. In several metropolitan areas, they represent more than half or nearly half of all children (Table 4). New York and Los Angeles have the largest cohorts of second-generation children, nearly two million each. Not surprisingly,

Table 4. The "Second Generation" Represents Nearly Half or More of All Children in Several Metro Areas
Metro Areas Ranked by Second Generation* Proportion of Children, 2008

Rank	Metro Area	Number of Children	Share of All Children (%)
1	San Jose-Sunnyvale-Santa Clara, CA	258,910	61.0
2	Los Angeles-Long Beach-Santa Ana, CA	1,865,272	59.6
3	McAllen, TX	144,779	57.7
4	Miami-Fort Lauderdale-Pompano Beach, FL	619,993	54.3
5	El Paso, TX	110,638	51.5
6	San Francisco-Oakland-Fremont, CA	436,136	49.6
7	Stockton, CA	82,206	45.1
8	Riverside-San Bernardino-Ontario, CA	492,887	44.4
9	San Diego, CA	309,571	43.9
10	New York-Newark, NY-NJ-PA	1,844,762	43.5
	All large metro areas	**13,642,110**	**29.0**

Source: Brookings analysis of 2008 American Community Survey data
** Children under age 18, born abroad or in the United States, living with at least one foreign-born parent*

other established immigrant gateways such as San Francisco and San Diego also figure among the top 10. Of course, not all children of immigrants are in disadvantaged households. However, a large second-generation population undoubtedly has impacts on schools, and at the local level may indicate segregation by limited language proficiency, poverty, and race and ethnicity.[2]

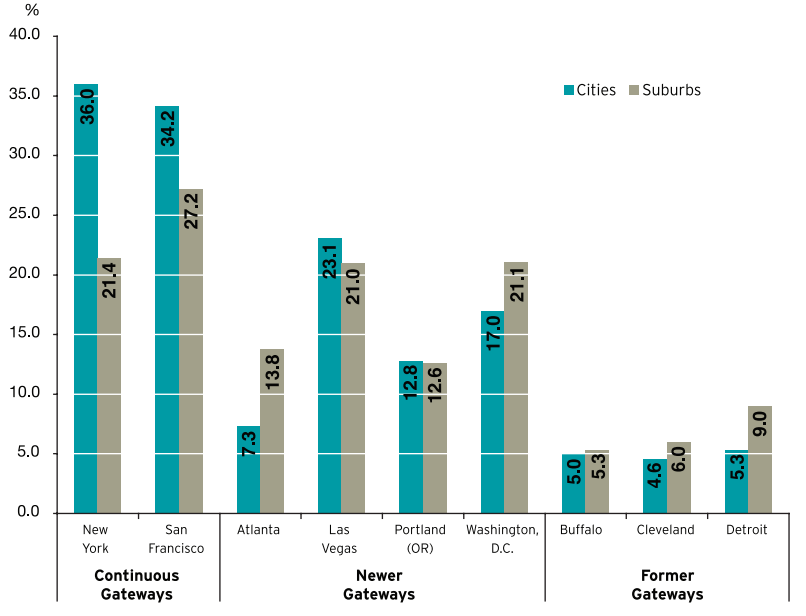
CITY AND SUBURBAN TRENDS

The growth and development of metropolitan areas with extensive suburbs has led to an increasing preference among immigrants for a suburban residence.[3] In 1980, 41 percent of U.S. immigrants lived in the primary cities of the top 100 metro areas. By 2008, that share had decreased to 34 percent. Now, a majority of immigrants nationwide (51 percent) live in the suburbs of large metropolitan areas, compared to just 44 percent in 1980. These suburban immigrants numbered 19.5 million in 2008.

Smaller metro areas (under 500,000 population) and non-metropolitan areas have maintained their shares of about ten percent and five percent, respectively, of the nation's immigrant population. These steady proportions, however, mask the high growth rates in these areas. In fact, between 1990 and 2008, the immigrant population grew fastest in non-metro areas (183 percent), followed by smaller metro areas (122 percent). In suburbs and cities, by contrast, the immigrant population grew by 112 percent and 57 percent, respectively, over the same period, though from a much larger base. Individually, some counties within metropolitan areas, as well as some smaller metro areas and nonmetropolitan

Figure 3. Immigrants Comprise a Similar or Larger Share of Suburban than City Populations in Many Newer Destinations

Share of Population that is Foreign Born, Primary Cities vs. Suburbs, Selected Metro Areas, 2008



Source: Brookings analysis of 2008 American Community Survey data
** Metro area names are abbreviated*

counties experienced much faster growth, prompting residents and officials to confront immigration for the first time.[4]

The degree to which immigrants live in suburbs within specific metropolitan areas follows their individual settlement histories. Immigrants still compose a larger share of overall primary city (21 percent) than suburban (14 percent) population, but they have suburbanized over time along with the larger population. In 2008, 63 of the 95 largest metro areas had a majority of their foreign born living in suburbs. Long-established gateways like New York and San Francisco have high shares of foreign-born population overall, and their cities record even higher shares than their suburbs (Figure 3). In newer gateways like Atlanta, Las Vegas, Portland (OR), and Washington, D.C., the foreign born are at least as prevalent in suburbs as in cities, with new arrivals often skipping the city altogether. A similar pattern holds in former immigrant strongholds like Buffalo, Cleveland, and Detroit, but owes more to the long-

Table 5. Immigrants Are Over-Represented in High-Density Suburbs As Well As Cities

Total and Foreign-Born Population by Metropolitan Community Type, 2008

	Total Population	Foreign-Born Population	Foreign-Born Share of Population (%)	Share of Large Metro Areas' Total Population (%)	Share of Large Metro Areas' Foreign-Born Population (%)
Primary Cities	61,828,840	12,943,625	20.9	31.0	39.9
High-Density Suburbs	54,184,145	11,507,510	21.2	27.2	35.5
Mature Suburbs	49,491,155	6,015,360	12.2	24.9	18.6
Emerging Suburbs	23,638,770	1,598,070	6.8	11.9	4.9
Exurbs	10,009,665	361,460	3.6	5.0	1.1
All large metro areas	**199,152,575**	**32,426,025**	**16.3**	**100.0**	**100.0**

Source: Brookings analysis of 2008 American Community Survey data

run suburbanization of older foreign-born workers and families in those metro areas than to settlement patterns of newly arriving populations.

Immigrants distribute unevenly across different types of suburbs, too (Table 5). Across all major metro areas in 2008, 40 percent of the foreign born lived in primary cities, and 60 percent lived in suburbs. The latter included 36 percent living in high-density suburban counties, 19 percent in mature, mid-20th century suburban counties, 5 percent in emerging suburban counties, and just 1 percent in the exurbs. As in cities, immigrants represent an outsized share of population in high-density suburbs; their population share in mature suburbs now approaches the national average.

LOOKING AHEAD

Trends in immigration reveal an uneven portrait of the foreign born across America's metropolitan areas. Overall, immigration to the United States is slowing, and some of the fastest-growing places have seen drops in their foreign-born population. The imprint of the recession also shows up in many of the fastest-growing places of the past decade, now reeling from the bursting of the housing bubble. These metro areas, such as Phoenix and Las Vegas in the Intermountain West, saw many immigrant newcomers join the once burgeoning construction sector and associated industries only to witness a significant outflow in the past year. Other Sun Belt metro areas—such as Atlanta, Dallas, and Charlotte, also relatively new destinations—saw continued growth in immigration during the past year. Because immigrants, particularly more recent ones, tend to be fairly mobile, we expect to see some destination shifting as we look ahead to an uneven economic recovery across metropolitan areas.

In the next decade, certain trends that have taken hold are likely to persist. We will see a continuing spread of immigrants into newer destinations and suburban areas, as immigrants seek opportunities for housing, jobs, and quality of life. The skills differentials across metro areas may also continue as immigrants consolidate further in new destination areas, bringing the next wave of immigrants and highlighting the language and educational aspects of immigrant integration.

The growth of immigrants in the suburbs underscores the need for jurisdictions across metropolitan areas to work together to adequately and coherently respond to changing demographic conditions. This is especially the case for those areas that have well-established, lower-skilled immigrant populations with high shares of children. ■

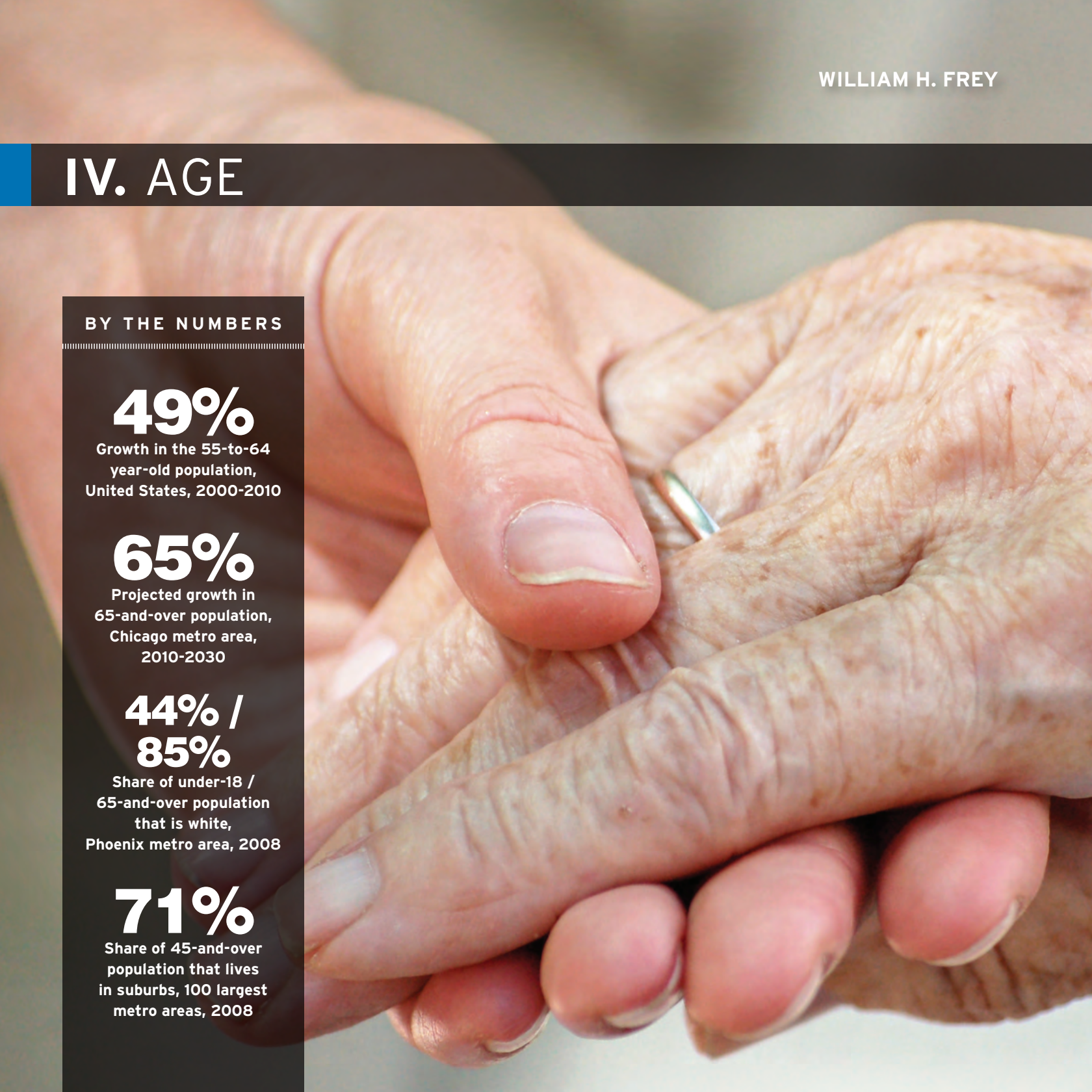
Because immigrants, particularly more recent ones, tend to be fairly mobile, we expect to see some destination shifting as we look ahead to an uneven economic recovery across metropolitan areas.

ENDNOTES

1. Ratio of high- to low-skill immigrants from Matthew Hall, Deborah Roempke Graefe, and Gordon F. De Jong, "The Geography of Immigrant Skills: Educational Profiles of Metropolitan Destinations" (Washington: Brookings Institution, forthcoming).
2. Gary Orfield and Chungmei Lee, "Racial Transformation and the Changing Nature of Segregation," (Cambridge, MA: The Civil Rights Project, 2006).
3. See Audrey Singer, Susan W. Hardwick and Caroline B. Brettell, *Twenty-First Century Gateways: Immigrant Incorporation in Suburban America* (Washington: Brookings Institution Press, 2008).
4. See, e.g., Audrey Singer, Jill H. Wilson, and Brooke DeRenzis, "Immigrants, Politics, and Local Response in Suburban Washington" (Washington: Brookings Institution, 2009).

WILLIAM H. FREY

IV. AGE



BY THE NUMBERS

49%
Growth in the 55-to-64 year-old population, United States, 2000-2010

65%
Projected growth in 65-and-over population, Chicago metro area, 2010-2030

44% / 85%
Share of under-18 / 65-and-over population that is white, Phoenix metro area, 2008

71%
Share of 45-and-over population that lives in suburbs, 100 largest metro areas, 2008

OVERVIEW

- **America's population of "pre-seniors" (age 55 to 64) grew by half in the 2000s.** This leading edge of the baby boom generation will not only transform the profile of seniors in U.S. society, but will contribute to massive growth rates of the 65-and-over population in the next two decades.

- **Metropolitan areas experiencing the fastest senior growth in the 2000s differed from those with the largest concentrations of seniors.** The former group included destinations in the Intermountain West and Southeast that accumulated working-age migrants who are now "aging in place" into seniorhood. The latter group included Florida retirement magnets and also mostly older industrial areas of the Northeast and Midwest where young populations have declined, leaving seniors as a greater share of the remaining population.

- **Pre-senior populations grew rapidly everywhere.** The 55-to-64 year-old population grew fastest in the 2000s in Sun Belt destinations like Raleigh and Austin, as well as areas with natural and cultural amenities like Boise and Madison. Yet even slower-growing major metro areas such as New York, Philadelphia, and Chicago will witness rapid increases in senior population over the next two decades due to the aging of these leading-edge boomers.

- **Child populations grew in two-thirds of large metro areas in the 2000s, but declined in one-third.** This divergence has created metro areas in the Southwest with large child-to-worker ratios, as well as metro areas in the industrial Midwest with larger senior-to-worker ratios. Moreover, boomer aging amid ongoing diversification of U.S. children is creating wide "cultural generation gaps" in metro areas like Los Angeles, Phoenix, and Riverside that have young Hispanic and Asian populations, and older white populations.

- **Most growth in the senior population in years ahead will take place in the suburbs.** In 2008, 71 percent of pre-seniors lived in suburbs, and their numbers (as well as those of seniors) grew faster in suburbs than in cities during the 2000s. This reflects boomers' status as America's "first suburban generation," and signals their likelihood to remain in these communities as they grow older.

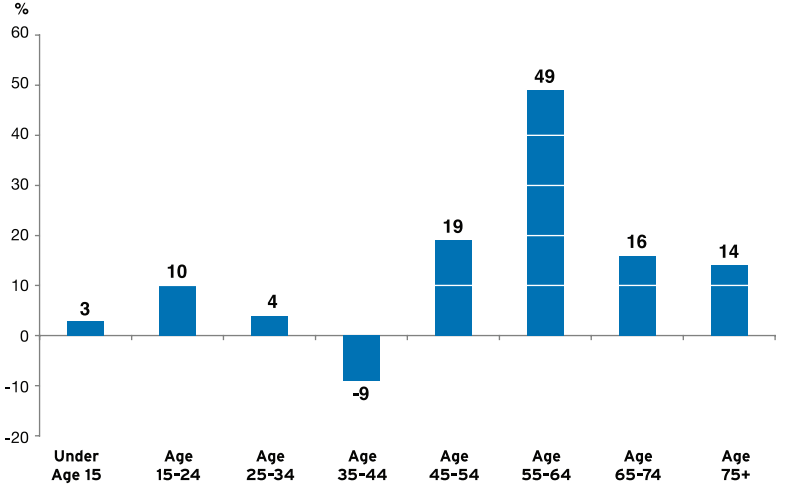
After modest growth in the past two decades, America's senior population will begin to mushroom as the leading edge of the huge baby boom generation turns 65 in 2011.

NATIONAL TRENDS

The phrase "demography is destiny" was never more appropriate than when used to characterize the impending "age tsunami" that is about to hit America's population. After modest growth in the past two decades, America's senior population will begin to mushroom as the leading edge of the huge baby boom generation turns 65 in 2011. As this unique generation has plowed its way through the nation's school systems and labor, housing, and stock markets, it has transformed institutions both public and private in its path. Boomers' impending seniorhood carries important implications not just for themselves or even the nation as a whole, but also

Figure 1. The Nation's Pre-Senior Population Expanded by Nearly Half in the 2000s

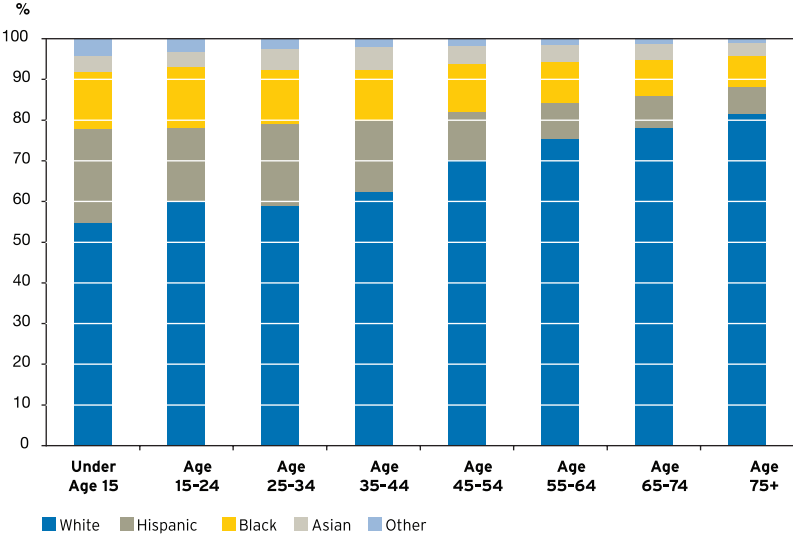
Change in Population by Age Group, United States, 2000-2010



Source: Brookings analysis of U.S. Census Bureau Population Estimates Program data and projections

Figure 2. The Nation's Child Population is Considerably More Racially and Ethnically Diverse than its Older Population

Population by Race/Ethnicity and Age Group, United States, 2009



Source: Brookings analysis of U.S. Census Bureau Population Estimates Program data

for the specific places where they will live, and the other portions of the population (such as children) with whom they will share those communities.

The next two decades portend rapid increases in America's senior (age 65 and over) population. From 2000 to 2010, "pre-seniors" (age 55 to 64) experienced the nation's fastest growth, as the leading edge of the baby boomers (born between 1946 and 1955) entered those ages and expanded their overall numbers by half (Figure 1). The 45-to-54 year-old group continued to grow as well, as the larger, younger boomer cohort (born between 1956 and 1965) increasingly occupied that demographic territory. The result is that over the next two decades, from 2010 to 2030, the nation's 65-and-over population will grow much faster than in recent U.S. history. While the nation as a whole is projected to grow at roughly 8 to 9 percent each decade, senior growth rates will top 30 percent.

The aging of the baby boom generation is noteworthy not only because of its large size, but also because its members' social and demographic profile contrasts sharply with earlier generations at retirement age.[1] Boomers possess more education, have more women in the labor force, are more likely to occupy professional and managerial positions, and are more racially and ethnically diverse than their predecessors. At the same time, their higher rates of divorce and separation, lower rates of marriage, and fewer children signal the potential for greater divisions in seniorhood between those who will live comfortably, and those who will have fewer resources available to them.

At the other end of the age spectrum, America's child population (under age 15) registered a low growth rate (3 percent) in the 2000s. This reflected in part its replacing the relatively large "echo boom" cohort, which has entered its late teens and early

adult years. Still, at 62 million strong—roughly one-fifth of the nation's population—children in the United States today are a demographically important group, with an increasingly distinctive racial and ethnic profile compared with older groups (Figure 2). Only a little more than half in 2009 were non-Hispanic whites, versus three-quarters of the pre-senior population, and even higher shares of those aged 65 and over.

REGIONAL AND METROPOLITAN TRENDS

Recent Senior Population Shifts

Recent geographic shifts among the 65-and-over population, driven by the World War II generation, do not yet reflect the experiences of the baby boomers soon to reach seniorhood. Yet these shifts do signal the parts of the country where seniors are growing, and where they are concentrated—two types of areas that exhibit only limited overlap.

Senior populations grew unevenly across the nation in the 2000s. The fastest growing states for seniors from 2000 to 2008 were located in the West, and to a slightly lesser extent, in the Southeast (Map 1). Alaska and Nevada saw increases in their senior populations of more than 35 percent, followed closely by Utah and Arizona. In this way, senior populations are spreading well beyond what are usually thought of as "retirement magnet" states like Florida. On the other hand, a broad swath of states in the Midwest, parts of the Northeast, and the interior South displayed senior growth rates below the national rate of 10.8 percent; these included states experiencing declines in senior population (Rhode Island, Pennsylvania, and North Dakota).

At the metropolitan level, the Sun Belt/Snow Belt growth distinction holds. Provo, Raleigh, Austin, Atlanta, and Boise registered the highest senior growth rates from 2000 to 2008, exceeding 35 percent. Twenty-four (24) metro areas, mostly in the Sun Belt, saw increases of at least 20 percent in the first eight years of the decade. By contrast, 38 large metro areas, located mostly in the Northeast and Midwest, registered senior growth rates below the national average. Eleven (11) showed losses in senior populations during this time, led by Scranton, New Orleans, Pittsburgh, Buffalo, and Youngstown.

The phenomenon of "aging in place," rather than senior migration, explains much of the difference between areas with fast- and slow-growing senior populations. Aging in place refers to the ascension of existing under-65 populations into the 65-and-over age category over time. States and metropolitan areas experiencing fast senior growth, such as Arizona and Austin, typically accumulated large numbers of working-age in-migrants who remained in these areas as they got older. These places tend to have senior populations with higher incomes, more education, and more people in their "young senior" (age 65 to 74) years. In contrast, metro areas in the Northeast and Midwest with slow senior growth lost working-age migrants in past decades, and thus have smaller aging-in-place populations today; many are also losing younger seniors.[2]

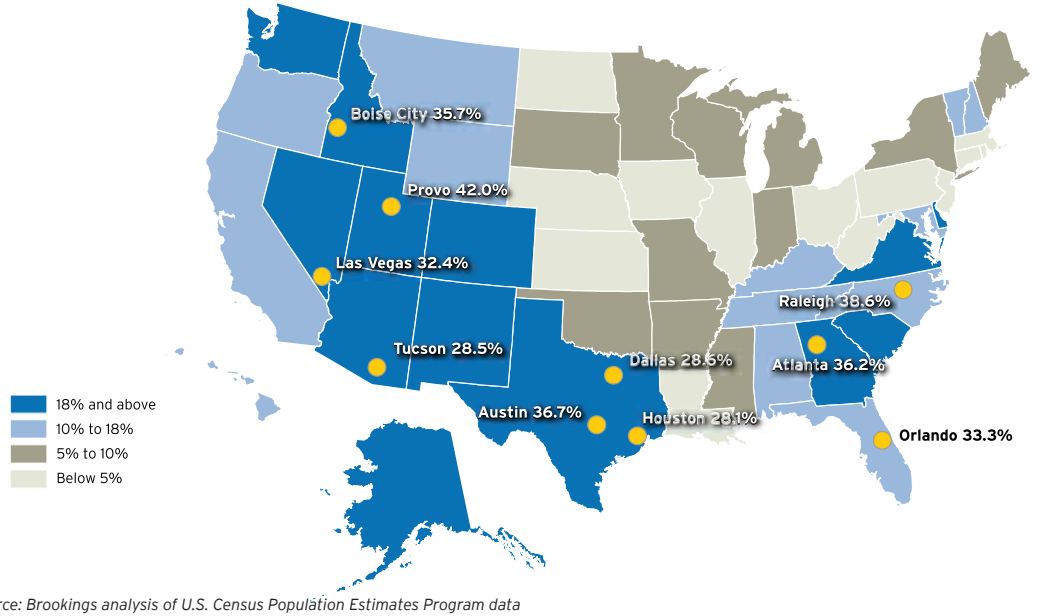
Senior Concentrations

Areas that exhibit the fastest senior growth differ (with a few exceptions, such as Florida) from those in which seniors represent the greatest shares of population (Map 2). Pennsylvania, for example, has the third-highest share of seniors among all states at 15.3 percent, but it is one of three states in which senior population dropped from 2000 to 2008.

Areas that exhibit the fastest senior growth differ from those in which seniors represent the greatest shares of population.

Map 1. Senior Growth in the 2000s Was Most Rapid in the Intermountain West and Southeast

Change in 65-and-Over Population, States and Selected Metro Areas, 2000-2008



Source: Brookings analysis of U.S. Census Population Estimates Program data

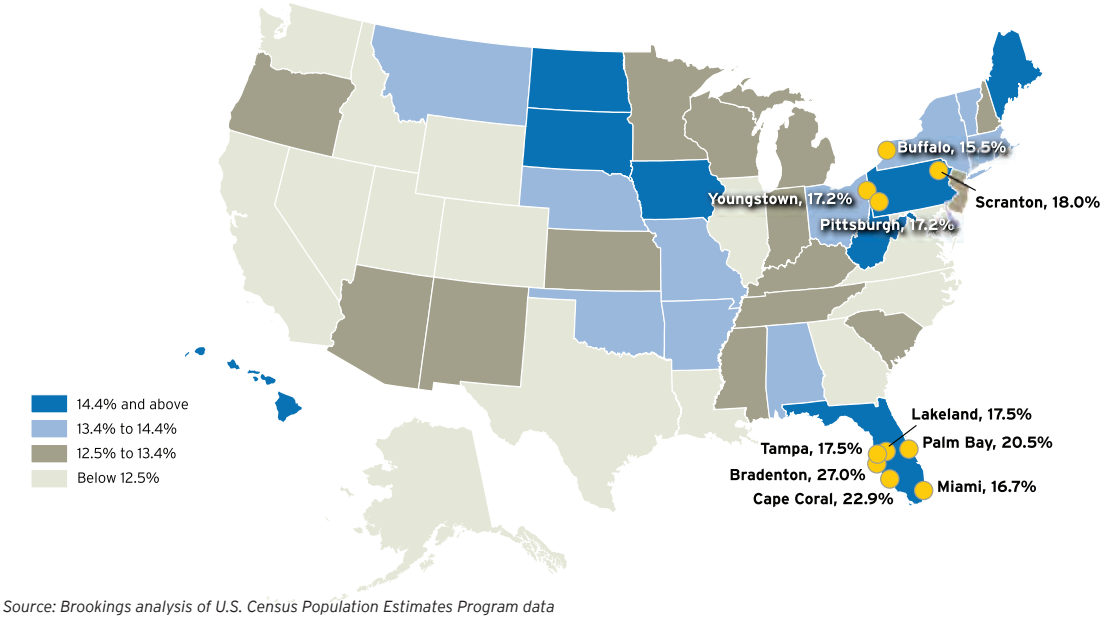
What's going on here?

Places with high senior shares of population have typically experienced one or more decades of declines among their younger populations, leaving seniors, who are far less mobile than people in their 20s or 30s, behind. Many states with large shares of seniors have more in the "mature senior" age group of 75 and above. Their social and demographic profiles may not be as favorable to firms catering to the younger segment of the senior population. Moreover, the public expenditures required for health care and other social support for older senior segments may be higher than in states with more youthful elderly.

Florida, for its part, registered the highest senior share of any state, at 17.4 percent (compared to the national percentage of 12.8 percent). This resulted not from out-migration of younger people, but from decades of attracting seniors from other parts of the country. As such, the Sunshine State continued in the 2000s to grow in both its young senior and mature senior segments. Florida's metropolitan areas stand out, too, occupying six of the top 10 rankings for senior share of population. Yet among the 33 metro areas in which seniors represent more than 13 percent of the population, the majority are located in the Northeast and Midwest.

At the other extreme are states and metro areas with low senior population shares. These are usually areas that experienced recent rapid growth of seniors alongside continued growth in their younger populations. Thus Provo, Austin, Raleigh, Houston, Atlanta, and Dallas have senior shares below 9 percent of population, even as they rank among the leaders in recent senior population growth.

Map 2. Seniors Are Most Prevalent in Areas of the Northeast, Midwest, and Florida
Share of Population 65 and Over, States and Selected Metro Areas, 2008



Source: Brookings analysis of U.S. Census Population Estimates Program data

Seniors in Waiting: Recent Boomer Growth

During the past decade, the leading edge of the much heralded baby boom replaced the World War II generation in the 55-to-64 year-old cohort. Where this pre-senior group is growing fastest today coincides with the areas where senior growth will likely dominate in the decades to come.

Not surprisingly, the metropolitan areas showing the fastest growth in pre-seniors from 2000 to 2008 are located disproportionately in the South and West. Because of their high employment growth over the last several decades, as well as their increasing lure of "pre-retirees," Raleigh and Austin lead all other metro areas in growth among 55-to-64 year-olds, both exceeding 80 percent (Table 1). Also on the fast-growing list are areas with natural and cultural amenities such as Boise, Portland (OR), and Madison. Fully 27 metro areas saw their pre-senior populations jump by at least half from 2000 to 2008, including the large metro areas of Houston, Denver, Seattle, Phoenix, Orlando, and Minneapolis-St. Paul.

Because the huge baby boom generation is inflating pre-senior growth everywhere, even metro areas with the lowest growth rates, such as Scranton, Buffalo, and Youngstown, saw increases in this population of more than 20 percent from 2000 to 2008. The surprisingly low levels of pre-senior growth in Florida metro areas such as Bradenton, Cape Coral, Palm Bay, and Lakeland owe to their already large pre-senior populations, which serve to minimize growth rates from in-migration and aging in place.

The pre-senior population differs somewhat in its social and demographic composition between

Table 1. Southern and Western Metro Areas Outpaced Others in Pre-Senior Growth During the 2000s

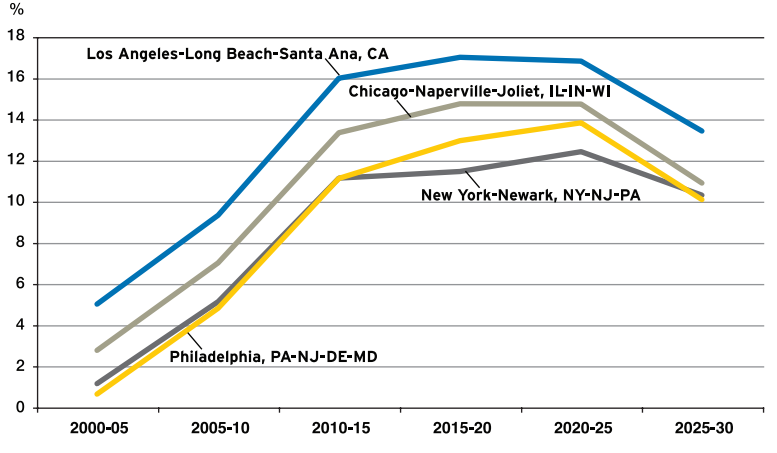
Metro Areas Ranked by Change in Pre-Senior (Age 55 to 64) Population, 2000 to 2008

Highest Pre-Senior Growth Rates			*Lowest Pre-Senior Growth Rates*		
Rank	Metro area	Population Change (%)	Rank	Metro area	Population Change (%)
1	Raleigh-Cary, NC	89.4	91	New Orleans, LA	29.2
2	Austin, TX	84.3	92	Dayton, OH	27.2
3	Provo, UT	78.0	93	Bridgeport-Stamford, CT	27.1
4	Atlanta, GA	73.7	94	Youngstown, OH-PA	27.1
5	Boise City, ID	72.9	95	Buffalo, NY	26.7
6	Portland-Vancouver, OR-WA	71.3	96	Lakeland, FL	26.3
7	Charlotte, NC-SC	71.0	97	Palm Bay, FL	26.1
8	Madison, WI	66.4	98	Cape Coral, FL	25.5
9	Houston, TX	64.7	99	Scranton, PA	25.5
10	Denver-Aurora, CO	64.6	100	Bradenton, FL	22.0

Source: Brookings analysis of U.S. Census Population Estimates Program data

Figure 3. The Next Two Decades Will Bring High Senior Growth Rates in Major Metro Areas

Change in 65-and-Over Population by 5-Year Period, Selected Metro Areas, 2000 to 2030



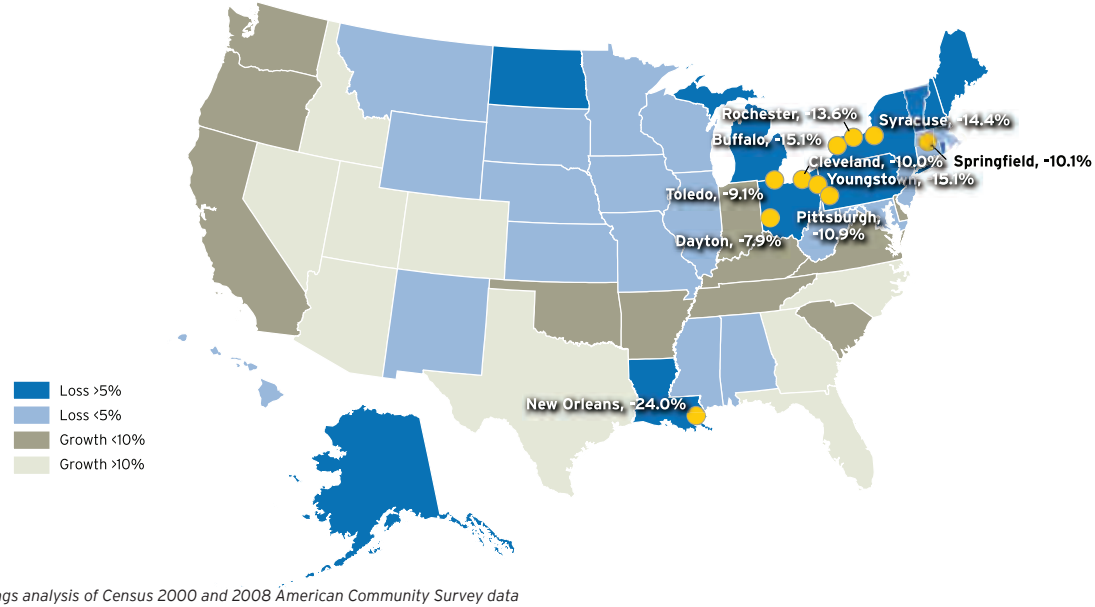
Source: Brookings projections based on U.S. Census Bureau data

faster and slower growing parts of the nation. For instance, pre-seniors in states experiencing the fastest growth in that group are more likely to have attended at least some college, or to have earned a degree. Hispanics and Asians are the primary minority groups among 55-to-64 year-olds in these states, versus African Americans in states experiencing slower growth.[3]

Just as older boomers swelled the ranks of the 55-to-64 year-olds in the 21st century's first decade, they will begin to inflate the ranks of senior populations over the next two decades. Due largely to "aging in place," senior populations in major metropolitan areas such as New York, Philadelphia, Chicago, and Los Angeles are projected to grow by at least 10 percent over each five-year period from 2010 to 2030. Growth rates are projected to be higher still in booming Sun Belt markets like Houston, Dallas, and Atlanta.

Map 3. Child Populations Declined in Many Older Industrial Areas of the Northeast and Midwest in the 2000s

Change in the Under-18 Population, States and Selected Metro Areas, 2000-2008



Source: Brookings analysis of Census 2000 and 2008 American Community Survey data

Growth and Decline in Child Populations

While a massive aging movement of the U.S. population is clearly at hand, a selective youth movement in also taking place in some parts of the country. Employment growth and relatively affordable housing in many parts of the South and West attracted younger families with children during the 2000s. Fully 20 states registered gains in their child (under age 18) populations from 2000 to 2008, led by Nevada, Arizona, Utah, Georgia, Texas, and North Carolina (Map 3). At the same time, slower growing areas in the Northeast and Midwest experienced fewer births and higher out-migration of their younger population segments. Thirty-one (31) states and the District of Columbia showed absolute declines in their child populations, with New England and industrial portions of the Midwest and Northeast leading the way.

Among the nation's 100 largest metropolitan areas, 34 experienced declines in their child populations from 2000 to 2008. Hurricane-damaged New Orleans led the list, joined by a slew of older industrial Great Lakes metro areas including Buffalo, Youngstown, Syracuse, Rochester, and Pittsburgh. Conversely, among the 66 metro areas in which child populations grew during the 2000s, growth rates topped 30 percent in the Southern and Western locales of Provo, Cape Coral, Raleigh, Las Vegas, Austin, Phoenix, and Charlotte.

The twin patterns of aging and "young-ing" of the American population contribute to regionally distinct dependency ratios, which reflect the level of support that the working-age population can provide to retirees or children. Metro areas with the highest

Table 2. Dependency Ratios Reflect the Regionally Distinct Prominence of Children and Seniors Among Local Populations
Metro Areas Ranked by Child and Age Dependency Ratios, 2008

Highest Child Dependency Ratios			*Highest Age Dependency Ratios*		
Rank	Metro Area	Child Dependency Ratio*	Rank	Metro Area	Age Dependency Ratio**
1	McAllen, TX	50.3	1	Bradenton, FL	42.7
2	Provo UT	46.8	2	Cape Coral, FL	34.7
3	El Paso, TX	42.9	3	Palm Bay, FL	30.1
4	Ogden, UT	42.0	4	Scranton, PA	25.4
5	Fresno, CA	40.2	5	Lakeland, FL	25.2
6	Bakersfield, CA	39.8	6	Tampa-St. Petersburg-Clearwater, FL	24.7
7	Salt Lake City, UT	39.1	7	Youngstown, OH-PA	24.3
8	Stockton, CA	39.0	8	Pittsburgh, PA	24.0
9	Modesto, CA	38.5	9	Miami-Fort Lauderdale-Pompano Beach, FL	23.4
10	Riverside-San Bernardino-Ontario, CA	38.3	10	Buffalo, NY	21.4
	All Large Metro Areas	**33.3**		**All Large Metro Areas**	**15.9**

** Population under age 18 divided by 18-to-64-year-old population and multiplied by 100*
*** Population age 65 and over divided by the 18-to-64-year-old population and multiplied by 100*
Source: Brookings analysis of U.S. Census Population Estimates Program data

child dependency ratios tend to be located in interior California, Utah, and along the Texas border. These areas have large Hispanic and/or Mormon populations, and with more than four children for every 10 working-age adults, the needs of families with children come more to the fore. Alternatively, places with the highest age (elderly) dependency ratios lie in Florida and the industrial Midwest. With more than two seniors for every ten adults, and ratios sure to rise in the future, the concerns of aging populations will increasingly take center stage there.

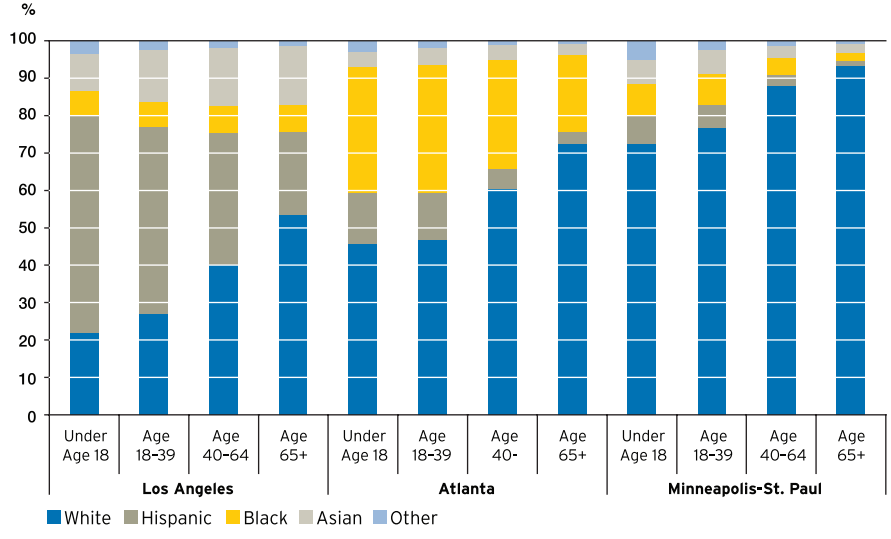
Cultural Generation Gaps

As explored earlier, one of the distinguishing features of U.S. population is the juxtaposition of its racially and ethnically diverse young population and its largely white older population. These differences will become more muted over time as younger generations age into adulthood and, eventually, into middle and old age.[4]

For the present, however, metro areas that have attracted large numbers of Hispanics and Asians display something of a "cultural generation gap," more pronounced than that which exists at the national level (shown in Figure 2).[5] The distinctions are most noticeable above and below the 40 year-old mark. In Los Angeles, less than a quarter of children are white, as are only 27 percent of those aged 18 to 39 (Figure 4). By contrast, 40 percent of the older middle-aged population is white, as is more than half of the senior population. The Atlanta metro area exhibits similar distinctions, with African Americans assuming a more prominent role in the gap. At the other extreme lie areas like predominantly white

Figure 4. The Size of the "Cultural Generation Gap" is Greatest in Metro Areas with Large Numbers of Hispanics

Share of Population by Race/Ethnicity and Age Group, Selected Metro Areas, 2008



Source: Brookings analysis of 2008 American Community Survey data

Minneapolis-St Paul, where minorities are just beginning to account for a significant share of the child population.

This cultural generation gap is even more pronounced in many of the metropolitan areas beyond Los Angeles that have "majority-minority" child populations (see the Race/Ethnicity chapter). In Riverside, for instance, about seven in 10 children are non-white or Hispanic, while almost seven in 10 seniors are white. Phoenix, long a haven for Midwestern migrant retirees, shows sharp disparities between its 85 percent white senior population and its 44 percent white child population. Setting public priorities and fostering social cohesion in these and other regions may take on added challenges due to their unique racial/ethnic overlay.

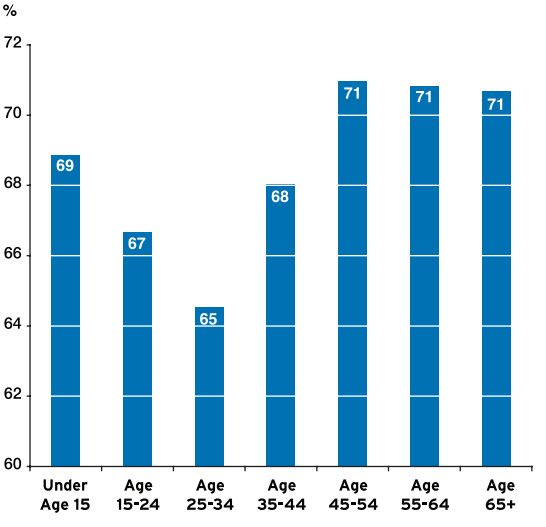
CITY AND SUBURBAN TRENDS

Graying of Suburbia

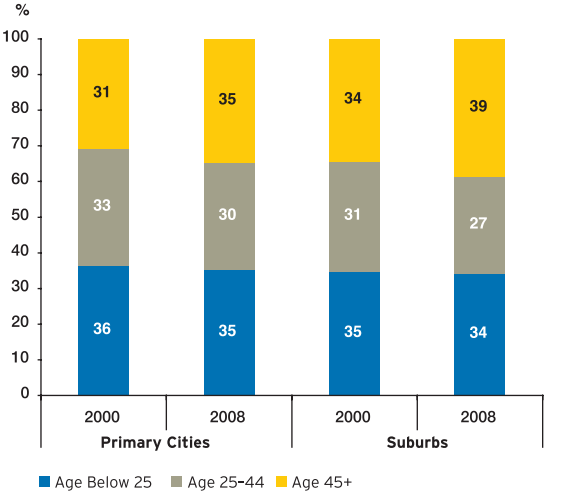
Baby boomers might be considered the "first suburban generation," as their parents began populating the nation's burgeoning suburbs in the immediate postwar period. Not surprisingly, then, the boomers (along with seniors, a group that includes their parents) are more suburbanized than other metropolitan age groups (Figure 5). They are contributing to a significant "graying" of suburbia, as now almost 40 percent of suburban residents are age 45 or older, up from 34 percent in 2000, and higher than their 35 percent share in primary cities. Moreover, their numbers—especially those of seniors—grew faster in suburbs than in cities over the course of

Figure 5. Boomers Are Highly Suburbanized, and Contributed More to Suburban than City Growth in the 2000s

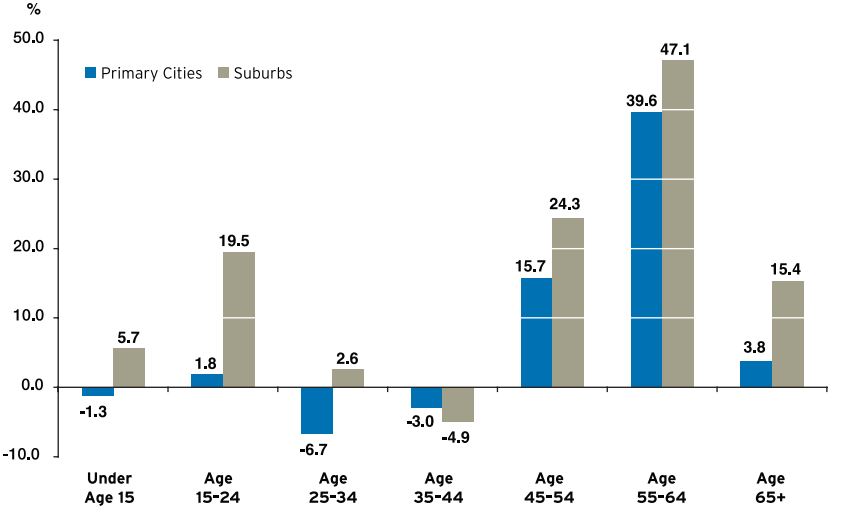
Share of Population in Suburbs by Age Group, Large Metro Areas, 2008



Share of Population by Age Group, Primary Cities versus Suburbs, 2000 and 2008



Change in Population by Age Group, Primary Cities versus Suburbs, 2000 to 2008



Source: Brookings analysis of 2008 American Community Survey data

Table 3. Selected Suburbs in Both the Snow Belt and Sun Belt Have Large Boomer and Senior Populations

Metro Area Suburbs Ranked by Share of Population Age 45 and Over, 2008

Highest Share of Population Age 45+			*Lowest Share of Population Age 45+*		
Rank	Suburbs of Metro Area	Population Share (%)	Rank	Suburbs of Metro Area	Population Share (%)
1	Cape Coral, FL	50.3	86	Houston, TX	33.2
2	Palm Bay, FL	49.8	87	Fresno, CA	32.6
3	Pittsburgh, PA	47.2	88	Austin, TX	32.5
4	Youngstown, OH	46.6	89	Riverside-San Bernardino-Ontario, CA	31.6
5	Tucson, AZ	46.5	90	Bakersfield, CA	30.6
6	Scranton, PA	46.4	91	Salt Lake City, UT	30.6
7	Buffalo, NY	45.9	92	Ogden, UT	29.6
8	Tampa-St. Petersburg-Clearwater, FL	45.5	93	McAllen, TX	26.5
9	Milwaukee, WI	44.4	94	El Paso, TX	26.3
10	Cleveland, OH	44.1	95	Provo, UT	22.7

Source: Brookings analysis of 2008 American Community Survey data
Reflects data for 95 of 100 large metro areas

Table 4. More Than a Third of Suburban Areas Lost Population Under Age 45 During the 2000s

Metro Area Suburbs Ranked by Greatest Under Age 45 Decline, and Greatest Age 45+ Growth, 2000 to 2008

Greatest Rate of Decline, Under Age 45 Population				*Highest Growth Rate, Age 45+ Population*			
Rank	Suburbs of Metro Area	Under Age 45 (% Change)	Age 45+ (% Change)	Rank	Suburbs of Metro Area	Under Age 45 (% Change)	Age 45+ (% Change)
1	Youngstown, OH	-12.7	6.8	1	Austin, TX	38.7	68.4
2	Buffalo, NY	-10.8	11.3	2	Provo, UT	48.9	62.5
3	New Orleans, LA	-10.5	16.7	3	El Paso, TX	11.3	60.4
4	Pittsburgh, PA	-10.2	9.1	4	Colorado Springs, CO	12.0	58.7
5	Syracuse, NY	-7.8	17.0	5	Phoenix-Mesa-Scottsdale, AZ	52.5	56.3
6	Bridgeport-Stamford, CT	-7.8	17.6	6	Raleigh-Cary, NC	34.5	56.0
7	Cleveland, OH	-7.6	13.4	7	Houston, TX	25.9	54.0
8	Dayton, OH	-6.6	15.0	8	Boise City, ID	32.8	53.7
9	Scranton, PA	-6.5	5.7	9	Dallas-Fort Worth-Arlington, TX	21.5	52.1
10	Rochester, NY	-6.5	18.9	10	Atlanta, GA	19.2	51.1

Source: Brookings analysis of Census 2000 and 2008 American Community Survey data
Reflects data for 95 of 100 large metro areas

the decade. The suburbs are thus poised to house an older population than has been the case in the past.

Similar to metropolitan areas overall, suburbs divide between those with high concentrations of older populations, and those experiencing fast growth among those populations. The suburbs of Cape Coral, where half the population is age 45 and over, lead the former group, which includes other metropolitan suburbs in Florida, as well as rapidly aging areas around Youngstown, Buffalo, Pittsburgh, Scranton, and Cleveland (Table 3). In most of these suburbs, the "below 45" population declined in the 2000s, accelerating their overall aging (Table 4). In fact, fully 32 of 95 large metro areas showed no growth or loss in their younger populations from 2000 to 2008, even as their older populations continued to gain. The rapid aging that has ensued increasingly flies in the face of the common stereotype of suburbs as havens for young families and child rearing.

The other type of suburb, exemplified by metro areas in the Intermountain West, Texas, and portions of the Southeast, is characterized by fast growth in older populations, amid healthy gains for younger adults and children. In most cases, growth rates there among the 45-and-over population still outstrip those for younger populations, but the greater balance of growth among age groups may ease the graying of those suburbs over time.

LOOKING AHEAD

Current and future geographic shifts of America's senior and pre-senior populations, with baby boomers on the verge of entering their retirement years, are among the most potentially influential demographic trends in metropolitan America today. Emerging senior populations will break with those of the past, not only in terms of their size, but in their educational profiles, their household diversity, and their greater gender equality, as well as their potential for exhibiting greater economic inequality. The sheer size of the baby boom tsunami will magnify these distinct social and demographic attributes, altering metropolitan, city, and suburban populations in both growing and declining parts of the country.

What are the local and regional ramifications of this impending transformation? With boomer-dominated pre-senior populations now residing in Southern and Western metropolitan areas and suburbs in large numbers, relatively well-off older populations should emerge in areas like Charlotte, Dallas, and Atlanta—places heretofore known primarily for their youthful profile. These populations may create demands for new types of housing and cultural amenities, and may continue to fuel the economic and civic growth of these areas as they remain involved in the labor force. That noted, the housing bust that affected senior and pre-senior magnets in the Intermountain West and Florida in the latter part of the decade may reduce, for the foreseeable future, household wealth and cause some older workers to remain in—or re-enter—the labor market.

On the other hand, slow-growing metropolitan areas, mostly in the Northeast and Midwest, will age as well, amid slow growth or even decline in their younger populations. If anything, the severe economic contraction that some of these areas experienced during the Great Recession could accelerate the out-migration of working-age adults, once hiring and interstate migration resumes. As a result, large senior populations in these metropolitan areas could be comprised of disproportionately older individuals who are less well-off financially or health-wise. They may require greater social support, along with

affordable private and institutional housing, and accessible health care providers. To the extent those resources are currently more focused on central cities, greater regional action and cooperation may be needed to ensure adequate supply and access for suburban seniors who are aging in place.

The metropolitan divide between areas experiencing growth versus decline of their child populations reflects a longer-term redistribution of population that is making the Sun Belt more youthful than other parts of the country. In the decades ahead, all parts of the country will experience aging in place among baby boomers. Places that can gain young people through immigration, domestic migration, or increased births to existing families may be better able to cope with the new demands brought on by an aging society.

Yet in these areas and others, another potential divide looms, between the racial and ethnic profiles of a highly diverse younger population and a mostly white older population. Our aging society renders unavoidable generational debates over local, regional, and state public resources (e.g., funding for schools versus senior services or tax levels) and so-called "quality-of-life" factors in all parts of the country. In these metropolitan areas, the strong cultural distinction between the young and old could add further complexity and challenge to these deliberations, and amplify the role of civic sector actors that promote community engagement and bridge generational divides.

Age changes across the nation's landscape over the next few decades will be uneven, but will inevitably create new challenges for all types of communities. Fortunately, tracking the trajectory of these changes and planning for the future will be relatively straightforward for most places, because households already residing there will provide the primary source of their senior growth. Public and private-sector leaders should thus be poised to evaluate how the impending senior explosion, and continued diversification of the child population, will once again transform the economic and social landscape of America's metropolitan areas. ■

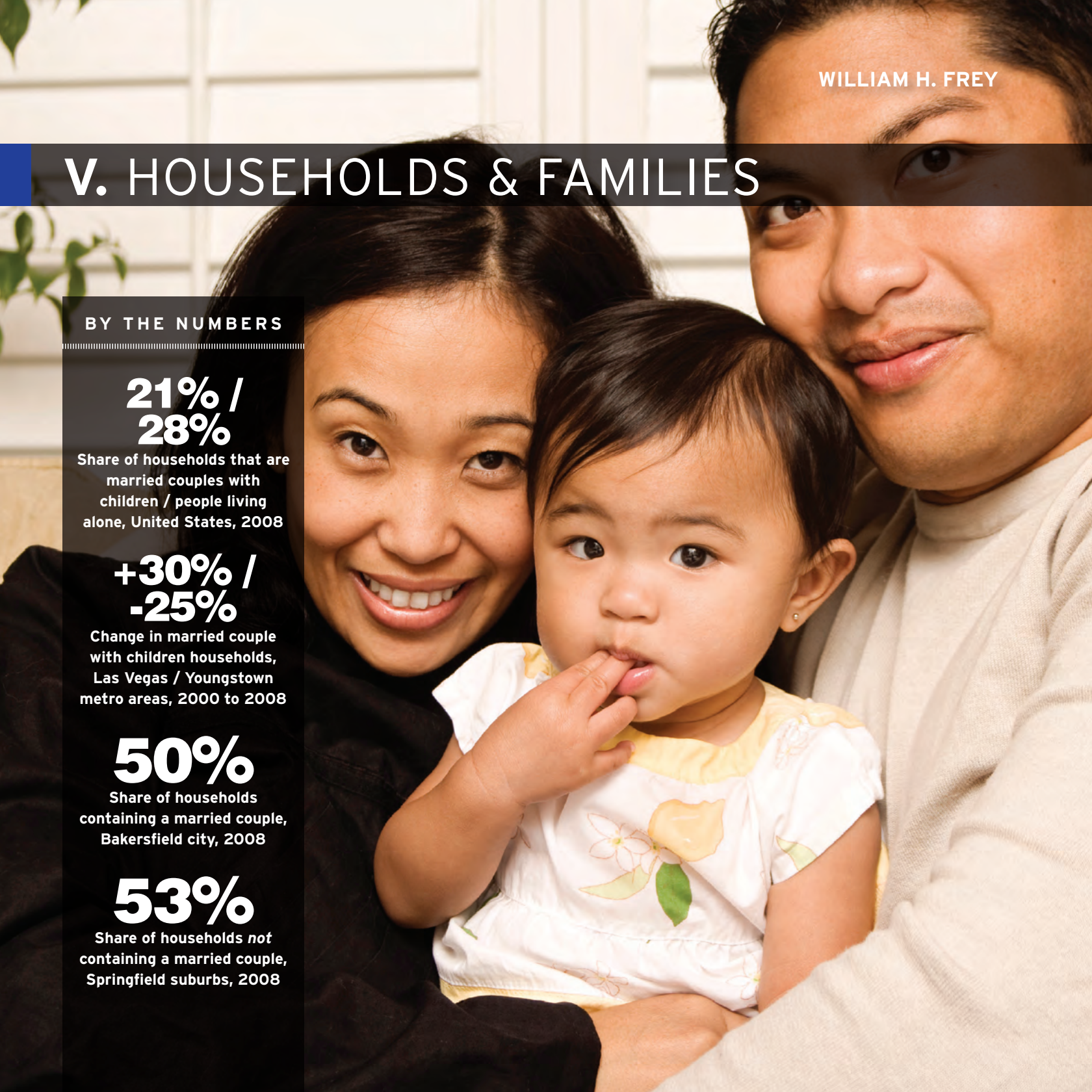
ENDNOTES

1. William H. Frey, "America's Regional Demographics in the '00s Decade: The Role of Seniors, Boomers and New Minorities" (Washington: Research Institute for Housing America and Brookings Institution, 2006).
2. William H. Frey, "Mapping the Growth of Older America: Seniors and Boomers in the Early 21st Century" (Washington: Brookings Institution, 2007).
3. Ibid.
4. William H. Frey, "Census Projects Minority Surge" (Washington: Brookings Institution, 2008).
5. Frey, "America's Regional Demographics in the '00s Decade."

Age changes across the nation's landscape over the next few decades will be uneven, but will inevitably create new challenges for all types of communities.

WILLIAM H. FREY

V. HOUSEHOLDS & FAMILIES



BY THE NUMBERS

21% / 28%

Share of households that are married couples with children / people living alone, United States, 2008

+30% / -25%

Change in married couple with children households, Las Vegas / Youngstown metro areas, 2000 to 2008

50%

Share of households containing a married couple, Bakersfield city, 2008

53%

Share of households *not* containing a married couple, Springfield suburbs, 2008

OVERVIEW

- **For the first time in several decades, U.S. population is growing at a faster rate than U.S. households.** With baby boomers well past their peak household-formation years, and new immigrants fueling growth, places that are losing population have less of a household "buffer" to sustain housing demand and tax base.

- **Married couples with children accounted for just over one in five U.S. households in 2008, about half their share in 1970.** These households declined in number during the 2000s, as non-family households—mostly people living alone—grew at a rapid clip to account for more than one in three households in 2008.

- **Many metro areas with already-high shares of married couples with children experienced strong growth in these households in the 2000s.** In contrast to these "married with children" magnets like Raleigh, Boise, and Austin, Northern industrial metro areas like Dayton, Toledo, and Youngstown saw their married couples with children decline by at least one-sixth over the eight-year period.

- **Many fast-growing cities in the South and West added larger families in the 2000s, even as declining cities in the Midwest shed them.** Cities such as Charlotte, Bakersfield, and Lakeland added households of all types, including married couples with children. Cities such as Cleveland, Detroit, and Pittsburgh lost all types of households, but losses were more modest among their aging non-family households.

- **People living alone and non-married-couple families are the fastest-growing household types in suburbs.** A majority of married-couple families of all races and ethnicities live in the suburbs today. But as their share of households declined to one-quarter or less in all types of suburbs, non-families became the most prominent suburban household type by 2008.

The shape of America's households and families reflects a number of large, long-run demographic forces transforming our society.

NATIONAL TRENDS

Households and families are critical organizing units of our society. Major life events—birth, leaving home for college or a job, marriage, divorce, death—all register as changes to the number or composition of our households and families. The members of households make most major spending decisions—for housing, food, transportation, and education—collectively. They are the units from which most government revenues are collected, and to which most government services are rendered. Indeed, households are the sampling unit for the American Community Survey, on which most of this report is based.

The shape of America's households and families also reflects a number of large, long-run demographic forces transforming our society. Delays in marriage, increases in life expectancy, and rising immigration from shifting source nations have all contributed to growth and decline of different types of households in the United States, with greater impacts in some parts of the country than others.

Along those lines, the United States passed an important milestone in the 2000s. In a break from the past several decades, the national household

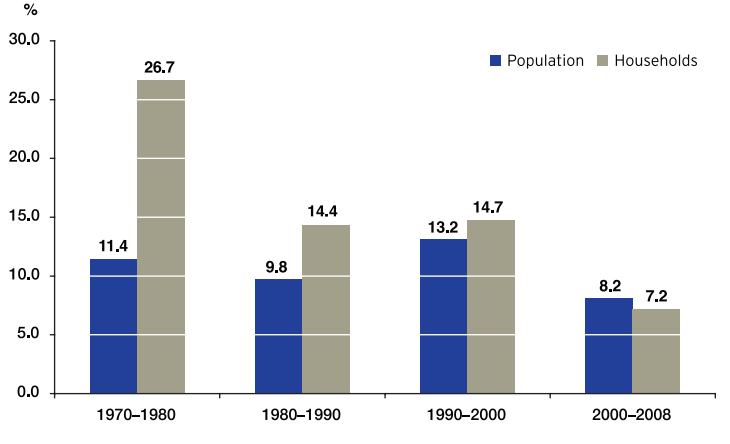
growth rate sank slightly below that for total population. Beginning in the 1970s, the large baby boom cohorts started to enter adulthood and the traditional ages at which new households are formed. Not only were they more numerous than previous generations at those ages, but also they waited longer to "double up" as couples to start families, and eventually they had fewer children per household than their parents did.

With boomers dominating the American demographic landscape, the number of households in the 1970s grew at more than twice the rate of the U.S. population (Figure 1). This growth differential narrowed somewhat during the 1980s, but the rate of household growth generated by the second half of the boomers (born between 1956 and 1965) during that decade still exceeded the population growth rate by more than half.

After the household-population growth gap further narrowed in the 1990s, the relationship flipped

Figure 1. For the First Time in Decades, Population Growth Outpaced Household Growth

Change in Population and Households by Decade, United States, 1970 to 2008



Source: Brookings analysis of decennial censuses and 2008 American Community Survey

CLASSIFYING HOUSEHOLDS

This chapter classifies households at the national, metropolitan, and city/suburban levels into five basic types:

Married with children: The traditional "nuclear family" household type, married couples with children under 18 years old

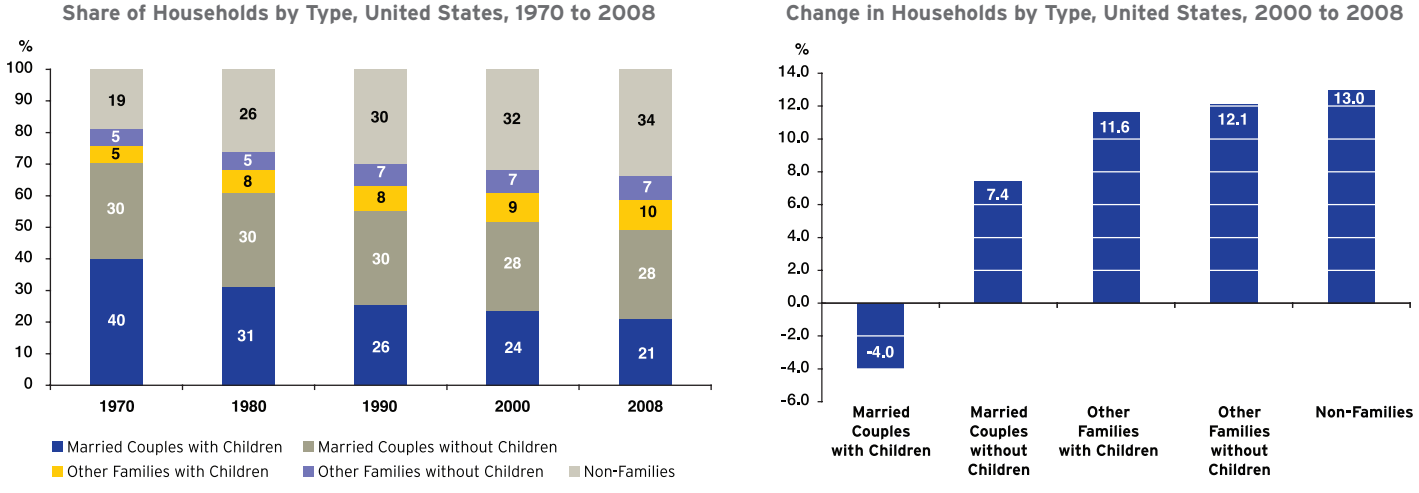
Married without children: Young, often two-earner couples who have not yet had children, older "empty nester" couples whose children may recently have left home, and elderly couples who may have grandchildren of their own

Other families with children: Usually single-parent family households; and four of five are headed by females. While disadvantaged single mothers who gave birth at a young age make up a significant portion of these households, the category also includes most divorced and separated parents with children, never-married mothers who had children at a later age, and unmarried partners with children

Other families without children: Single adults with parents living in their home, single parents with children over 18 living in their home, and adult relatives (such as brothers and sisters) living in the same household

Non-families: More than 80 percent of non-family households are single persons living alone; of these, more than one-third are 65 years and older. Other non-family households consist of nonrelatives living together, including unmarried partners with no children

Figure 2. Married Couples with Children Today Account for Barely Half the Share of U.S. Households as in 1970, and Their Numbers Fell in the 2000s



Source: Brookings analysis of decennial censuses and 2008 American Community Survey data

in the 2000s, so that population growth exceeded household growth. In the past, places that sustained population declines could nevertheless count on continued demand for housing due to a robust household growth rate. But now that population growth has overtaken household growth, these places may only be able to enjoy sustained housing demand and growing tax bases if their populations are also increasing.

Declines in household growth have been attributed to the smaller post-boomer generations who entered their household formation years beginning in the 1990s. On the other hand, increases in population growth can be attributed in large part to immigrant waves who have younger age structures than the native-born U.S. population, and often higher birth rates. The households these newcomers form are different from those formed in the 1970s by "coming-of-age" baby boomers. Immigrants and children of immigrants are more likely to marry earlier and form larger households with children.

As these trends imply, the structure of U.S. households has also shifted markedly over time.

Although the "Ozzie and Harriet" married couple with children persists as the archetypal American household, the seeming explosion of such families in the immediate post-World War II decades, thanks to the baby boom, represented an aberration of long-term U.S. household trends.[1] The share of U.S. households that are married couples with children under 18 years old began a steady slide as the boomers came of age in the 1970s, and today stands at just 21 percent—roughly half its level from 40 years ago (Figure 2).

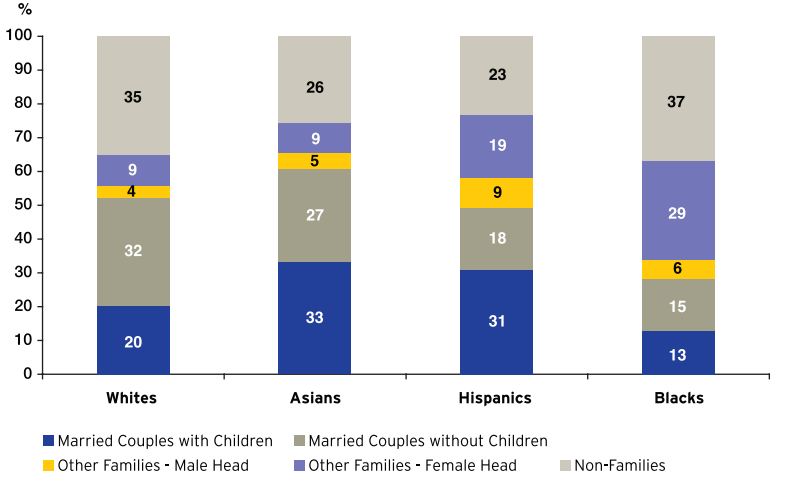
A number of societal shifts ushered in by the baby boom generation—among them delayed marriage, reduced childbearing within marriage, higher divorce rates, and increased life expectancy—have driven

these dramatic changes in household composition over the last 40 years.[2] Over this period, there has also been an increased tendency for women to bear children outside of wedlock, increasingly in the context of cohabiting couples. The larger shifts away from the so-called "traditional family" occurred during the 1970s and 1980s.

All family types except married couples with children have grown since 2000 (Figure 2). Yet a mini-rebirth in married-with-children families in some parts of the country, associated with the growth of the Hispanic and Asian populations, suggests that the movement away from "traditional families" might have bottomed out among the post-boomer generations.[3] The next decades will, of course, also see gains in households associated with aging boomers, such as childless couple "empty nesters" and non-families, including people living alone.

Figure 3. Major Racial and Ethnic Groups Possess Distinctive Household Type Profiles

Share of Households by Type and Racial/Ethnic Group, United States, 2008



Source: Brookings analysis of 2008 American Community Survey data

Finally, the overall household type profile of the United States disguises significant differences in the prevalence of these types across racial and ethnic groups (Figure 3). For Asians and Hispanics, married couples with children are the most numerous of household types, reflecting their younger ages and higher fertility rates. For whites, non-families and married couples without children predominate, reflecting their older ages. And for blacks, non-families and female-headed families (with and without children) are the largest household types. These differences influence the household character of the different places across the metropolitan landscape where these groups cluster.

METROPOLITAN TRENDS

Household versus Population Growth

In the nation as a whole, and for large metropolitan areas in the aggregate, the large discrepancy between household growth and population growth in the 1970s and 1980s diminished sharply in the 1990s, and population growth surpassed household growth in the 2000s.[4] Yet more of the nation's 100 largest metro areas (92) gained households from 2000 to 2008 than gained population (89). Overall, metro areas exhibited less extreme gains or declines in households than in population, which buffered their housing markets against even wider swings in demand.

The "bunching up" of population growth is most prominent in metro areas with large numbers of immigrant minorities and recent gains of young people in their childbearing years. Among the top 10 are Southern and Intermountain West locations such as Las Vegas, Raleigh, Boise, and Austin (Table 1). Other areas with population gains exceeding

Table 1. Population Growth Exceeded Household Growth in Many Fast-Growing Metro Areas

Large Metro Areas Ranked by Change in Households (%), 2000 to 2008

Highest Household Growth					*Lowest Household Growth/Household Decline*				
Rank	Metro Area	Household Change (%)*	Population Change (%)*	Difference (% pts)	Rank	Metro Area	Household Change (%)	Population Change* (%)	Difference (% pts)
1	McAllen, TX	34.9	28.0	-6.9	91	Toledo, OH	0.4	-1.5	-2.0
2	Provo, UT	34.3	43.5	9.2	92	Rochester, NY	0.3	-0.7	-1.0
3	Las Vegas, NV	33.6	35.9	2.3	93	Dayton, OH	0.0	-1.4	-1.4
4	Raleigh-Cary, NC	31.0	37.2	6.3	94	Bridgeport-Stamford, CT	-0.1	0.7	0.8
5	Charlotte, NC-SC	29.6	28.6	-1.0	95	Pittsburgh, PA	-0.8	-3.4	-2.6
6	Boise City, ID	29.4	27.6	-1.8	96	Youngstown, OH-PA	-1.4	-6.5	-5.1
7	Cape Coral, FL	29.3	34.1	4.8	97	Providence, RI-MA	-1.7	0.6	2.3
8	Austin, TX	27.9	32.4	4.4	98	Cleveland, OH	-1.9	-2.9	-1.0
9	Phoenix-Mesa-Scottsdale, AZ	22.4	32.2	9.8	99	Detroit-Warren, MI	-2.5	-0.8	1.8
10	Ogden, UT	21.8	20.5	-1.2	100	New Orleans, LA	-23.0	-13.9	9.1

** population in households*

Source: Brookings analysis of Census 2000 and 2008 American Community Survey data

household gains include Sun Belt destinations Riverside, Stockton, Dallas, and Atlanta.

About one-third of metro areas that added households in the 2000s added population more slowly. These include places which attracted smaller-sized households, both young singles and older "empty nesters," such as Charlotte, Boise, Seattle, and Minneapolis. Other metro areas with somewhat slower population than household growth include those with older, established Hispanic populations such as Albuquerque, McAllen, and El Paso.

At the other end of the spectrum are metropolitan areas in which household numbers are dropping or growing very slowly. These areas, especially those located in the industrial heartland, typically show greater declines in population than households, reflecting a selective out-migration of younger, larger households. Youngstown, Pittsburgh, Cleveland, Dayton, and Rochester rank among such areas.

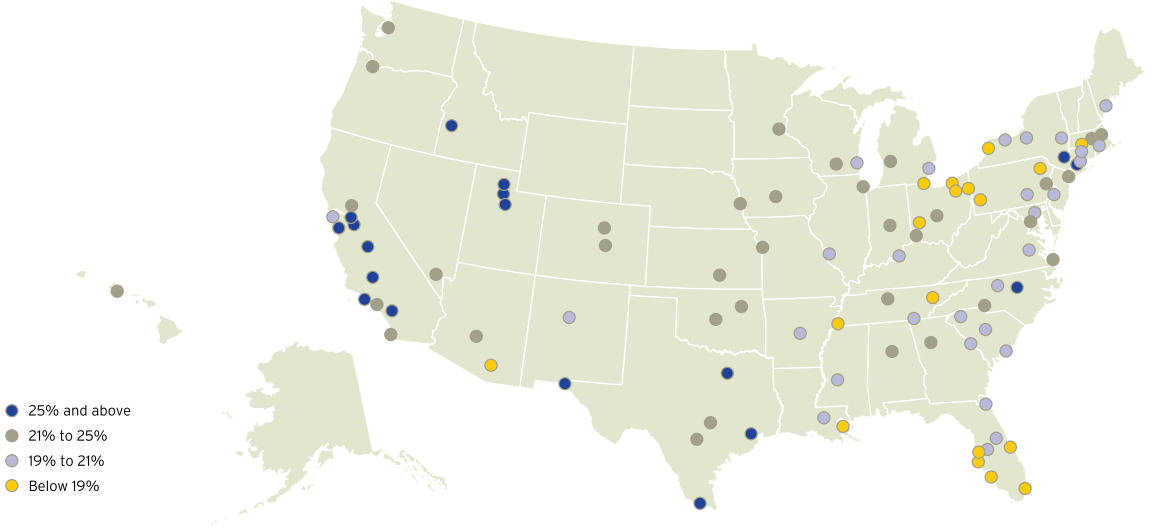
Married-with-Children Metropolitan Magnets

Although married-with-children households now comprise only about one-fifth of all U.S. households, and declined in number from 2000 to 2008, they maintain a substantial presence in some parts of the country. The *Age* chapter of this report indicates that while most of the country is getting older, selected parts are "younging," and a good part of that younger population lives in married-with-children households.

In 18 of the nation's 100 largest metro areas, married couples with children comprise more than one-quarter of all households (Map 1). Many are located in the West and Southwest, especially in California, Utah, and Texas, although Raleigh and Bridgeport also make the list. These areas have large Hispanic populations, high fertility, or have become magnets for young families with children. Married couples

Map 1. In Only 18 Metro Areas Are Married Couples with Children More than a Quarter of Households

Share of Households that Are Married Couples with Children, 2008



Source: Brookings analysis of 2008 American Community Survey data

with children comprise 40 percent of all households in Provo, the highest share nationally, and the same share as the United States back in 1970.

At the other end of the spectrum are 18 metropolitan areas where these "traditional families" comprise less than 18 percent of all households. They are located largely in the industrial Northeast and Midwest, Florida, Tennessee, and Arizona. Most of these areas are largely white or have large African American minority populations, and contain large senior populations. Bradenton's married-with-children share of households, at 13.5 percent, ranks lowest nationally.

Many of the areas experiencing the largest growth in married couples with children during the 2000s also registered large shares of these households in 2008. Only 41 large metro areas gained married-with-children households from 2000 to 2008, and just 17 exhibited growth of more than 10 percent. In eight of the 10 metro areas with the fastest growth rates among this household type, married couples with children represented a larger than average share of all households in 2008. In this sense, the ever-more atypical "typical" American household is congregating in a smaller number of U.S. metro areas.

This relationship (in reverse) looms even stronger in declining markets. The familiar list of industrial Northeastern and Midwestern metro areas, along with New Orleans, recorded the largest percentage declines in married couples with children from 2000 to 2008; the Youngstown area had fully one-quarter fewer of these households in 2008 than eight years prior. In all of these metro areas, married couples with children accounted for a well below-average share of all households. With rapidly aging populations, over one-third of their households are non-families, mostly older people living alone.

Table 2 : Married Couples with Children Grew in Metro Areas with Already-Large Shares of These Households
Metro Areas Ranked by Change in Married Couples with Children (%), 2000-2008

Rank	Metro Area	Change in Married Couples w/ Children (%)	Share of Households, 2008 (%) Married Couples w/ Children	Non-Families
Highest Growth in Married Couples with Children				
1	Cape Coral, FL	35.5	16	33
2	Las Vegas, NV	29.7	21	36
3	Raleigh-Cary, NC	29.3	26	33
4	Provo, UT	24.0	39	20
5	Boise City, ID	22.7	27	31
6	Austin, TX	22.7	23	38
7	Charlotte, NC-SC	20.1	22	34
8	Lakeland, FL	19.3	20	30
9	McAllen, TX	15.0	33	18
10	Phoenix-Mesa-Scottsdale, AZ	14.5	22	34
Largest Declines in Married Couples with Children				
91	Pittsburgh, PA	-14.1	18	37
92	Providence, RI-MA	-14.2	19	36
93	Syracuse, NY	-14.3	19	38
94	Buffalo, NY	-14.5	17	39
95	Akron, OH	-15.6	18	36
96	Rochester, NY	-16.2	19	36
97	Dayton, OH	-16.7	18	35
98	Toledo, OH	-17.9	17	38
99	Youngstown, OH-PA	-24.5	16	36
100	New Orleans, LA	-36.1	17	36
	All Large Metro Areas	**-1.5**	**22**	**34**

Source: Brookings analysis of Census 2000 and 2008 American Community Survey data

CITY AND SUBURBAN TRENDS

The faster population-than-household growth occurring in the 2000s carries special implications for cities. In past decades, many sustained greater population losses than household losses due to the "flight" of families to suburbs, but were able to retain some tax base and housing demand in the process. In the 2000s, however, 58 of 95 primary cities added population living in households, while 61 registered increases in households. More so than for metropolitan areas, primary cities exhibited a greater "bunching up" of population growth. Among the 61 cities where households grew, only 34 had population growth exceeding household growth. Cities gaining these larger-than-average households included Cape Coral, Palm Bay, Raleigh, and Bakersfield (Table 3).

Table 3. Growing Cities Tended to Add Larger-than-Average Households, While Shrinking Cities Tended to Lose Them
Primary Cities Ranked by Change in Households (%), 2000 to 2008

Highest Household Growth					*Highest Household Decline*				
Rank	Primary Cities	Household Change (%)	Population Change (%)*	Difference (% pts)	Rank	Primary Cities	Household Change (%)	Population Change* (%)	Difference (% pts)
1	Cape Coral, FL	42.1	51.1	9.0	86	Albany, NY	-8.1	-5.5	2.7
2	Charlotte, NC	32.8	27.0	-5.9	87	Youngstown, OH	-9.1	-14.9	-5.8
3	Raleigh-Cary, NC	28.0	32.0	4.1	88	Birmingham, AL	-9.5	-13.1	-3.6
4	Bakersfield, CA	26.6	30.9	4.3	89	Pittsburgh, PA	-9.6	-12.3	-2.7
5	McAllen, TX	24.9	21.1	-3.8	90	Cleveland, OH	-11.5	-14.8	-3.3
6	Palm Bay, FL	22.3	28.3	6.0	91	Dayton, OH	-11.7	-14.5	-2.7
7	Lakeland, FL	20.9	22.6	1.6	92	Rochester, NY	-13.3	-13.5	-0.2
8	Charleston, SC	19.4	19.1	-0.4	93	Cincinnati, OH	-14.8	-11.7	3.2
9	Las Vegas, NV	18.8	20.8	2.0	94	Detroit-Warren, MI	-19.1	-16.2	2.9
10	Sacramento-Roseville, CA	18.4	18.4	0.0	95	New Orleans, LA	-53.7	-36.4	17.3

** population in households*
Source: Brookings analysis of Census 2000 and 2008 American Community Survey data

And among the 34 primary cities that registered household declines, populations declined even faster in 16 of them. Dayton, Cleveland, Youngstown, Rochester, and Pittsburgh fit this profile. New Orleans exhibits a greater household decline than population decline, reflecting its post-Katrina loss of single-person and larger households.

City Household Types

Trends in the types of households growing and declining in cities in the 2000s follow distinct regional patterns. Cities in the South and West, as was the case in the 1990s, added all types of households, most notably married couples, including those with children. Slow-growing cities of the Northeast and Midwest, on the other hand, showed declines in almost all types of households, but especially married couples with children.

Fast-growing cities are characterized by the considerable presence of married couples, including those with children, among their residents and new arrivals. In each of the 10 fastest growing primary cities, married couple households [with and without children] account for more than 40 percent of all city households, and more than half in Cape Coral, Bakersfield, McAllen, and Palm Bay (Table 4). In six of these cities, married-with-children household shares equal or exceed the national average of 21 percent. The growth of younger, racial and ethnic minority populations in these cities has boosted these "traditional" family types. That noted, most of these cities experienced significant growth in other types of households as well; in fact, their growth rates for other families and non-families generally exceeded those for married-couple families.

In primary cities with decreasing numbers of households in the 2000s, declines in married couples with children outpaced declines in other types of

Table 4 . Cities with Fast-Growing Household Populations Added All Types of Households in the 2000s
Change in Households by Type (%), Primary Cities Ranked by Total Household Growth/Decline, 2000 to 2008

		Percent Change 2000-2008				*Share of Households, 2008 (%)*	
Rank	Primary Cities of Metro Area	Married Couples w/Children	Married Couples w/o Children	Other Families	Other Non-Families	Married Couples w/Children	Non-Families
Highest Household Growth							
1	Cape Coral, FL	58	17	53	61	25	29
2	Charlotte, NC	23	27	45	36	19	39
3	Raleigh-Cary, NC	12	39	34	29	20	42
4	Bakersfield, CA	28	15	28	33	29	28
5	McAllen, TX	11	13	64	25	29	21
6	Palm Bay, FL	10	17	40	28	21	30
7	Lakeland, FL	18	19	21	23	13	40
8	Charleston, SC	3	22	15	25	12	48
9	Las Vegas, NV	14	10	34	21	21	34
10	Sacramento-Roseville, CA	24	12	9	24	21	41
Highest Household Decline							
86	Pittsburgh, PA	-22	-12	-18	-2	10	52
87	Albany, NY	-25	6	-2	-11	8	53
88	Dayton, OH	-31	-9	-19	-4	10	48
89	Rochester, NY	-32	-11	-16	-8	9	50
90	Cleveland, OH	-33	-18	-14	-1	9	46
91	Cincinnati, OH	-33	-12	-17	-11	8	53
92	Detroit-Warren, MI	-36	-22	-21	-9	11	39
93	Birmingham, AL	-41	-15	-11	4	8	46
94	Youngstown, OH	-59	-23	2	6	5	45
95	New Orleans, LA	-63	-44	-66	-46	11	46
	All Primary Cities	**-7**	**1**	**2**	**8**	**17**	**42**

Source: Brookings analysis of Census 2000 and 2008 American Community Survey data

households. Eight of the ten cities with the fastest overall household declines lost at least 30 percent of their married-with-children households over the eight-year period. And while these households made up at least 20 percent of all households in most of the fastest-growing cities by 2008, they represented less than half that share of households in many of the fastest-declining cities that year. A few of these cities did manage to post gains or much more modest declines in non-families, which accounted for 45 percent or more of their households in 2008. This does not necessarily indicate that they attracted large numbers of "coming-of-age" singles; rather, the loss of spouses in elderly married-couple families may have increased the number of older people living alone.

With minimal growth in their married-with-children household populations, the suburbs of large metropolitan areas are home to growing numbers of household types traditionally associated with cities.

The selective out-migration of larger, married-couple family households characterizes many older shrinking cities. Most are located in regions of the country where neither primary cities nor suburbs are gaining residents from other parts of the country. Additionally, none of these cities is benefiting appreciably from the recent immigration waves that have fueled growth in many fast-growing cities. In earlier decades, these cities could count on boomer coming-of-age households, including married couples, to locate there prior to moving to the suburbs. For demographic and economic reasons, such growth prospects are no longer strong.

Suburban Household Types

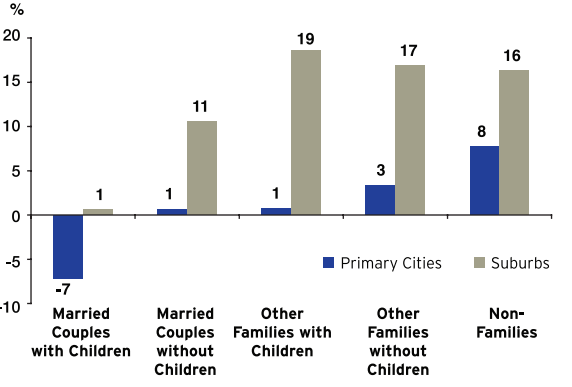
In the 2000s, suburban growth continued to dominate the metropolitan landscape. Its household sources, however, were quite different from those associated with the iconic suburbs of the mid-20th century.

Overall, households in the suburbs grew by nearly 11 percent from 2000 to 2008, compared to just over 2 percent in primary cities. Faster suburban growth was not limited to certain types of households. Across four of the five major household types, suburban growth rates far exceeded primary city growth rates. And while married couples with children declined by more than 7 percent in cities in the 2000s, they actually grew—although minimally—in suburbs (Figure 4).

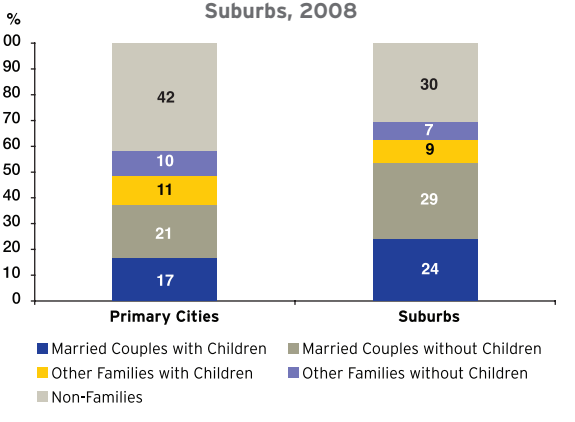
With minimal growth in their married-with-children household populations, the suburbs of large metropolitan areas are home to growing numbers of household types traditionally associated with cities. Non-families and families without married couples (with and without children) grew fastest in suburbs from 2000 to 2008. These household types in suburbs may look somewhat different from those in cities. For example, compared with cities, a greater share of "other families with children" households in the suburbs may be the product of divorce, separation, or cohabitation. Accordingly, the housing they seek may be somewhat different than that demanded by the larger household types that traditionally dominated the suburbs. In 2008, less than one-quarter of suburban households were

Figure 4. Non-Traditional Households Grew in Suburbs at High Rates During the 2000s

Change in Households by Type, Primary Cities vs. Suburbs, 2000 to 2008



Share of Households by Type, Primary Cities vs. Suburbs, 2008



Source: Brookings analysis of Census 2000 and 2008 American Community Survey data
Data reflect 95 of 100 large metropolitan areas

married families with children, and 30 percent were non-families (five in six of whom were people living alone).

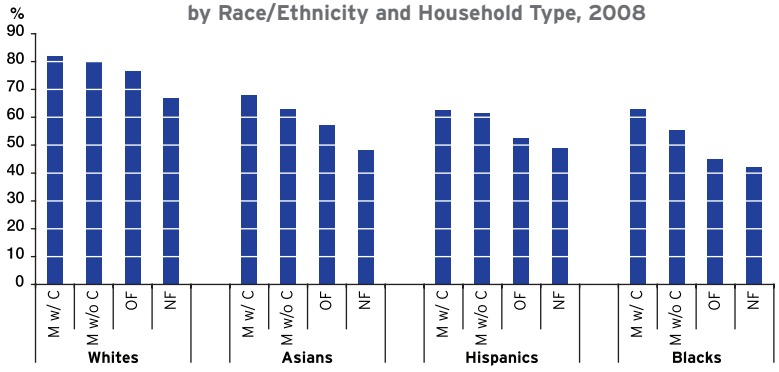
Nonetheless, suburbs are still the dominant location of married couples (with and without children). This is true across racial and ethnic groups (Figure 5). For large metro areas, the percentage of households living in the suburbs (compared with primary cities) is highest for married couples with children, lowest for non-families, and in-between for childless married couples and other families. Thus, even as "traditional families" become a less prominent part of the metropolitan landscape, those families still choose suburban locations at a significant rate. This is especially the case among African Americans, whose metropolitan populations are dominated by unmarried households. For that group, only married-couple households are more likely to live in suburbs than in primary cities.

As with primary cities, sharp distinctions in household types separate fast-growing and slow-growing suburban areas (Table 5). In five of the 10 fastest-growing metropolitan suburbs, married couples with children account for more than 30 percent of households, led by Provo, where fully 43 percent of all suburban households are married couples with children. This contrasts sharply with the situation of the slowest growing suburbs. Six of those 10 suburbs have "traditional family" shares at less than one-fifth of all households, and, in nearly all, non-family households exceed married couples with children.

Perhaps most striking, these struggling suburbs each show declines in their married-with-children couples over the decade. Among 95 large metropolitan suburbs, in only three—New Orleans, Providence, and Youngstown—did the number of households drop between 2000 and 2008. Nonetheless, fully 51 of these metropolitan suburbs showed declines in their married-couple-with-children populations, suggesting that the family-raising image of the suburbs continues to fade.

Figure 5. A Majority of Married-Couple Households in Every Major Racial/Ethnic Group Live in Suburbs

Share of Large Metropolitan Households Living in Suburbs by Race/Ethnicity and Household Type, 2008



Source: Brookings analysis of 2008 American Community Survey data
M w/ C = married couple with children; M w/o C = married couple without children; OF = other family; NF = non-family
Reflects data from 95 of 100 largest metro areas

Moreover, married-with-children families represent no more than one-quarter of households even in the farther-out, less developed mature and emerging suburbs and exurbs of metropolitan areas (Figure 6). They do have somewhat higher shares of married couples with no children, and somewhat lower shares of non-families, than higher-density suburbs surrounding cities. Yet these still-developing areas surprisingly seem no more or less "family-oriented" based on their household types than suburbs in general.

LOOKING AHEAD

Focusing exclusively on population change offers only a partial picture of metropolitan growth dynamics. Change in the number and composition of

Table 5. Other Families and Non-Families Were the Fastest Growing Household Types in Growing and Shrinking Suburbs
Change in Households by Type (%), Suburbs Ranked by Total Household Growth/Decline, 2000 to 2008

		Percent Change 2000-2008				*Share of Households, 2008 (%)*	
Rank	Metro Area Suburbs	Married Couples w/Children	Married Couples w/o Children	Other Families	Other Non-Families	Married Couples w/Children	Non-Families
Highest Household Growth							
1	Provo, UT	31	50	78	66	43	16
2	Phoenix-Mesa-Scottsdale, AZ	40	34	58	46	23	30
3	Las Vegas, NV	38	31	42	52	21	36
4	Boise City, ID	36	31	45	59	31	26
5	Austin, TX	26	39	47	56	29	28
6	McAllen, TX	16	39	56	72	34	17
7	Raleigh-Cary, NC	41	22	35	39	32	26
8	El Paso, TX	1	69	43	69	38	13
9	Houston, TX	17	33	41	32	30	23
10	Colorado Springs, CO	8	35	46	37	29	22
Highest Household Decline							
86	Springfield, MA	-7	-1	11	7	19	37
87	New Haven, CT	-6	2	3	6	21	34
88	New York-Newark, NY-NJ-PA	-5	-1	6	7	26	29
89	Scranton, PA	-9	3	11	2	18	34
90	Cleveland, OH	-10	-3	5	11	21	35
91	Pittsburgh, PA	-13	0	8	8	19	34
92	Bridgeport-Stamford, CT	-1	-1	14	-1	29	26
93	Youngstown, OH-PA	-22	-3	9	13	17	35
94	Providence, RI-MA	-15	-2	6	5	19	35
95	New Orleans, LA	-28	0	-3	11	19	33
	All Suburbs	**1**	**11**	**18**	**16**	**24**	**30**

Source: Brookings analysis of Census 2000 and 2008 American Community Survey data

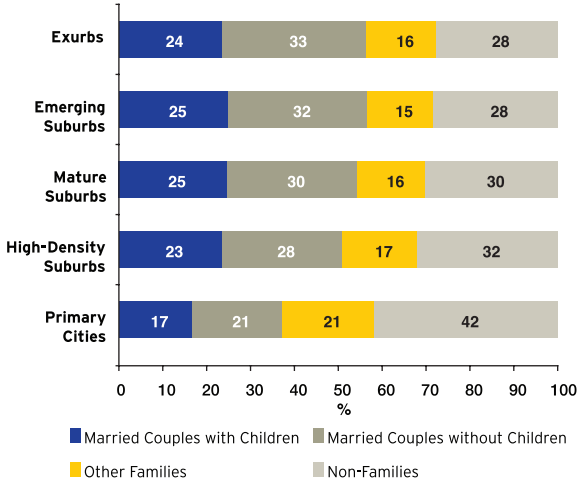
households may be a better indicator of changes in demand for housing, schools, health services, as well as the fiscal ability to meet critical local needs.

The changes in America's households reflect a complicated mix of long-run trends that together have upended traditional notions of city and suburban household profiles. Suburbs are no longer bastions of families and child-rearing, just as cities are not solely home to young singles and older residents. Still, shifts in the household makeup of cities and suburbs continue to occur within a nationwide context of dispersing households and population. The trend of faster suburban than city growth pervades fast-growing and slow-growing metropolitan areas alike, and holds for all household types.

The growth of child-centered city populations in

Figure 6. Household Types Vary Only Minimally Among Different Types of Suburbs

Share of Households by Type and Metropolitan Community Type, 2008



Source: Brookings analysis of 2008 American Community Survey data

the country's diverse metropolitan areas, especially those in the South and West, presents several challenges. They create new needs for public and private services like childcare; they may further test the adequacy of urban school systems; and they may put new stresses on the fiscal positions of these cities. At the same time, though, household patterns in the fastest-growing cities suggest that burgeoning family populations create opportunities for vibrant neighborhoods and continued growth that may not exist in other cities.

The picture is quite different in a growing number of Northeastern and Midwestern suburbs home to increasing numbers of non-family and single-parent family households The need for affordable, multi-family housing in these jurisdictions will only continue to increase. Elderly homeowners, both married couples and individuals living alone, may demonstrate a greater demand over time for services like transportation and home healthcare as they "age in place" in the suburbs.

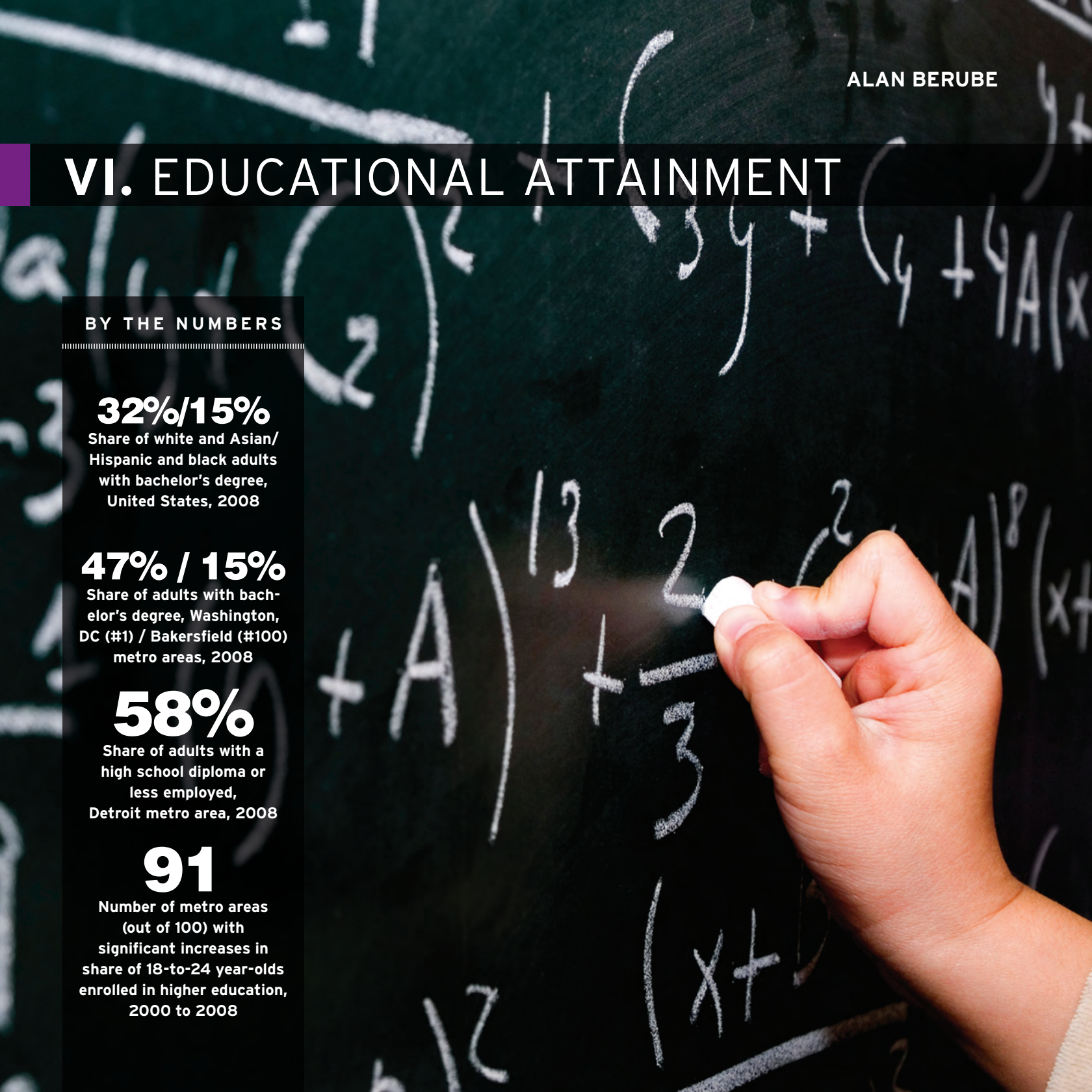
Whether these changes ultimately spur greater cooperation across city and suburban borders will undoubtedly depend on complicated local dynamics, as well as a broader realization that new realities have overtaken old perceptions of who inhabits our metropolitan communities. ■

ENDNOTES

1. Andrew J. Cherlin, *Marriage, Divorce, Remarriage* (Cambridge, MA: Harvard University Press, 1992).
2. Lynne M. Casper and Suzanne M. Bianchi, *Continuity & Change in the American Family* (Thousand Oaks, CA: Sage Publications, 2002).
3. William H. Frey, "Married with Children." *American Demographics,* March 2003, pp. 18-20.
4. Household growth and decline in a particular place can occur in a more dynamic, varied fashion than population change. Aside from in-migration and out-migration, changes in the number of households result from household formation and dissolution. New households form largely when "coming-of-age" late teens and young adults leave their parents' homes to form their own. Changes in other existing households can also affect household growth. For instance, two non-family single households may combine to form a married couple household; likewise, a divorce may create two households from one. Life transitions can also lead to changes in household type, as when a married couple without children household experiences the birth of a child (thus creating a married couple with children household), or the death of a spouse (thus creating a non-family household).

ALAN BERUBE

VI. EDUCATIONAL ATTAINMENT



BY THE NUMBERS

32%/15%
Share of white and Asian/ Hispanic and black adults with bachelor's degree, United States, 2008

47% / 15%
Share of adults with bachelor's degree, Washington, DC (#1) / Bakersfield (#100) metro areas, 2008

58%
Share of adults with a high school diploma or less employed, Detroit metro area, 2008

91
Number of metro areas (out of 100) with significant increases in share of 18-to-24 year-olds enrolled in higher education, 2000 to 2008

OVERVIEW

- **Americans are growing more educated, but progress appears to be slowing among younger adults.** While the share of U.S. adults holding a four-year college degree rose from 24 percent to 28 percent from 2000 to 2008, a lower share of 25-to-34 year-olds than 35-to-44 year-olds held a four-year college degree in 2008, a reversal from the pattern in 2000. Nearly a quarter of those younger adults have completed some college, but not a degree.

- **Smart metropolitan areas are getting smarter, faster.** Already highly-educated metro areas such as Boston, New York, San Diego, and San Francisco ranked among the top gainers of college graduates in the 2000s. Thirty-four percentage points separated the top- (Washington, D.C.) and bottom-ranked (Bakersfield) large metro areas on college degree attainment in 2008, up from 26 points in 1990.

- **In every large metro area, educational attainment for whites exceeds that for both blacks and Latinos.** Educational disparities by race and ethnicity evident at the national level are uniformly present in large metropolitan areas, where overall, 36 percent of white adults possess college degrees, versus 19 percent of blacks and 14 percent of Hispanics. Some metro areas in the West register higher degree-earning rates for African Americans, as do some in the Midwest, Northeast, and Florida for Latinos.

- **Residents of older suburbs are more highly educated than other metropolitan residents.** In Cambridge, MA; Arlington, VA; Bellevue, WA; and Sunnyvale, CA, more than half of adults have a four-year college degree, as do 36 percent of residents across all high-density suburbs. As a group, primary cities lost some of their share of college-educated residents to suburbs over the 2000s, reflecting in part the suburbanization of the large, highly-educated baby boomer generation.

- **Throughout the country, more young people are going to college or graduate school.** Among the 100 largest metro areas, 91 experienced a significant increase in the share of their young adults enrolled in higher education between 2000 and 2008. Some of the largest increases occurred in older industrial metro areas of the Northeast and Midwest, suggesting that young people in these struggling economies increasingly recognize the need for a post-secondary degree to succeed in the labor market.

There are worrisome signs that younger Americans are not making the same level of progress on educational attainment as older generations.

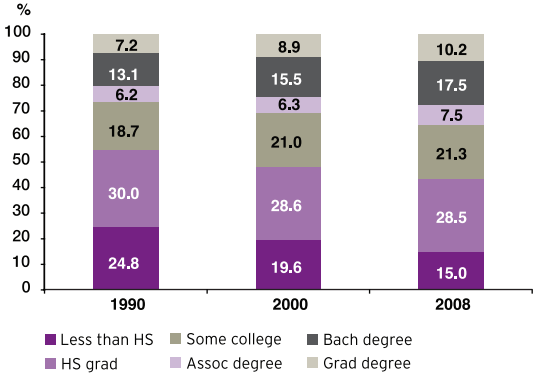
NATIONAL AND REGIONAL TRENDS

The United States is one of the most highly educated nations in the world. The Organisation for Economic Cooperation and Development (OECD) places the United States second among 29 developed economies in the proportion of its working-age population with a high school diploma and third among 30 in the proportion with a post-secondary degree.[1]

On this front, the nation made continued gains over the past two decades. The share of adults with at least a high school diploma rose from 75 percent

Figure 1. U.S. Adults Have Become More Highly Educated Over the Past Two Decades

Share of Population Age 25 and Over, by Highest Level of Attainment



Source: Brookings analysis of 1990 Census, Census 2000, and 2008 American Community Survey data

in 1990 to 85 percent in 2008 (Figure 1). Similar progress was evident for post-secondary degrees, which 35 percent of adults possessed in 2008, up from 26 percent in 1990. These gains have been uneven across regions, however. The Northeast is now the most highly educated region, with just short of 40 percent of its adults holding some form of post-secondary degree, a trait shared by fewer than one-third of Southern adults.

Even more significant than these regional differences are deep and abiding attainment differences by race and ethnicity across the United States (Table 1). Only 61 percent of Hispanic adults have a high school diploma, reflecting both recent low-skilled immigration as well as below-average completion rates for native-born Hispanics. And while that

Table 1. Large Disparities by Race/Ethnicity, and Emerging Disparities by Age, Underlie Educational Attainment in America

Educational Attainment by Race/Ethnicity, Nativity, and Age, United States, 2000 and 2008

	High school diploma or more		*Some college*		*Associate's degree*		*Bachelor's degree*	
	2000	**2008**	**2000**	**2008**	**2000**	**2008**	**2000**	**2008**
Race/Ethnicity								
White	85.5	90.1	21.9	22.1	6.6	7.9	27.0	30.7
Black	72.3	80.7	22.5	24.3	5.8	7.4	14.3	17.5
Asian	80.4	85.1	14.0	12.8	6.6	6.6	44.1	49.7
Hispanic	52.4	60.8	15.6	16.6	4.3	5.3	10.4	12.9
Nativity								
Native-born	83.3	88.3	22.3	22.9	6.5	7.9	24.4	27.8
Foreign-born	61.9	67.5	13.6	13.0	5.1	5.5	23.8	27.1
Age								
25 to 34	83.9	86.4	23.1	23.5	7.5	8.3	27.5	29.5
35 to 44	85.0	87.3	22.6	21.4	8.1	8.7	25.9	30.8
45 to 64	83.2	87.6	21.7	21.9	6.4	8.2	26.4	28.9
65 and over	65.5	75.7	15.7	17.5	2.5	3.9	15.4	20.0

Source: Brookings analysis of Census 2000 and 2008 American Community Survey data

rate increased by more than 8 percentage points since 2000, the share of Hispanics with any sort of post-secondary degree increased by less than half that margin. Meanwhile, black adults posted above-average gains in high school diploma attainment during the 2000s, but below-average gains in college degree completion. Today, just 13 percent of Hispanics and 18 percent of African Americans hold a four-year college degree, compared to 31 percent of whites, and 50 percent of Asians.

Finally, there are worrisome signs that younger Americans are not making the same level of progress on educational attainment as older generations, which could threaten continued upward progress in U.S. living standards. Over time, the United States has become more educated as younger adults gained credentials to access fields with growing educational requirements, replacing older workers who were aging out of industries and occupations that on average required less education. Now, however, a gap is beginning to open in which younger adults are posting lower levels of attainment than some older groups. In 2000, 25-to-34 year-olds actually had a slightly higher (28 percent) rate of bachelor's degree attainment than 35-to-44 year-olds (26 percent) (Table 1). But by 2008, 29 percent of 25-to-34 year-olds held a degree, compared to 31 percent of 35-to-44 year-olds. A rising share of the 25-to-34 year-old group—24 percent by 2008—indicated that they had completed some college, but had not obtained a degree, a troubling trend that is drawing increased attention in higher education.[2]

METROPOLITAN TRENDS

College Degree Attainment in 2008

Recent trends may be 'locking in' longstanding attainment differences across metropolitan areas rather than narrowing the gaps.

Considerable disparities exist across U.S. metropolitan labor markets in the educational attainment of their residents, due to differences in their underlying economic and demographic structures, migration patterns, and historical and cultural mores that affect the real and perceived return to education. As this section explores, however, recent trends may be "locking in" longstanding attainment differences across metropolitan areas rather than narrowing the gaps.[3]

Ranking all 100 metropolitan areas on the share of their population with a bachelor's degree shows that the top (Washington, DC) and bottom (Bakersfield, CA) metro areas are separated by a factor of three (Table 2). Most metro areas at the top of the list are hubs for professional services and scientific/technical industries, including Bridgeport, San Jose, San Francisco, Boston, and Raleigh.[4]

The metro areas with the lowest college attainment rates include ones in California's Central Valley, along the Texas border, and in older industrial centers of the Northeast, Midwest, and Southeast. These regions have historically been home to industries such as manufacturing, agriculture, and shipping, for which a college degree was not a prerequisite to obtaining a good-paying job. Some of these areas, such as Scranton, Modesto, or Riverside may benefit from their proximity to more productive, higher-cost markets, which during the 2000s helped them attract firms and households seeking lower costs. However, the relatively low education levels of adults in these metropolitan areas pose an important barrier to their growing more productive industries, achieving greater economic diversity, and boosting the local standard of living.

Table 2. Higher Educational Attainment Levels Vary Widely Across Metropolitan Areas

Metro Areas Ranked by Proportion of Adults Age 25 and Over with a Bachelor's Degree, 2008

Highest Rates				*Lowest Rates*			
Rank 2008	**Rank 1990**	**Metro Area**		**Rank 2008**	**Rank 1990**	**Metro Area**	
1	1	Washington-Arlington-Alexandria, DC-VA-MD-WV	46.8	91	94	Scranton, PA	21.0
2	2	Bridgeport, CT	43.8	92	91	El Paso, TX	19.6
3	4	San Jose-Sunnyvale-Santa Clara, CA	43.5	93	97	Youngstown, OH-PA	19.1
4	3	San Francisco-Oakland-Fremont, CA	43.4	94	92	Riverside-San Bernardino-Ontario, CA	19.0
5	7	Boston-Cambridge, MA-NH	41.9	95	87	Fresno, CA	18.9
6	8	Raleigh, NC	41.5	96	99	Lakeland, FL	18.7
7	5	Madison, WI	39.8	97	96	Stockton, CA	15.6
8	6	Austin, TX	38.2	98	100	McAllen, TX	15.1
9	11	Minneapolis-St. Paul, MN-WI	37.6	99	98	Modesto, CA	15.1
10	9	Denver-Aurora, CO	37.5	100	95	Bakersfield, CA	14.7

Source: Brookings analysis of 1990 Census and 2008 American Community Survey data

Changes in Attainment in the 2000s

Notwithstanding the differences in 2008, adults nearly all 100 metropolitan areas achieved increases over the 2000 to 2008 period in their college degree attainment rates. The magnitude of those increases, however, varied widely, from a more than 6 percentage-point increase in Worcester to a less than 1 percentage-point increase in New Orleans and Albuquerque (Table 3).

In general, two types of metro areas made significant gains: large, coastal regions with high value-added economies (e.g., Boston), and mid-sized markets that have made a transition away from manufacturing toward higher education and health care industries (e.g., Pittsburgh, Baltimore). Those metro areas nearer the bottom of the list include many that attracted large numbers of less-educated immigrants from Latin America throughout the decade to fill jobs in their growing housing sectors. Regions such as Phoenix and California's Central Valley all grew at rapid rates prior to the housing crash due in part to the new construction built by these immigrant laborers.[5]

These recent changes in educational attainment at the metropolitan level reflect a striking "path dependency" to this attribute. That is, metro areas with higher levels of college degree attainment in the first place have tended to make greater gains than those starting out with lower educational levels. Indeed, 9 of the 10 metro areas with the highest rates of college degree attainment in 2008 also ranked among the top 10 in 1990, and 9 of the 10 at the bottom of the list in 2008 were also there in 1990 (Table 2).[6] Meanwhile, the distance from the top to the bottom of the attainment distribution has grown; 34 percentage points separated the top-ranked and bottom-ranked metro areas on this indicator in 2008, up from 26 in 1990. This pattern is not immutable—indeed, initially low-ranked areas like Louisville and Las Vegas managed to post above-

Table 3. Growth in College Degree Attainment Varied Widely Among Metro Areas in the 2000s
Metro Areas Ranked by Change in Proportion of Adults Age 25 and Over with a Bachelor's Degree, 2000-2008

	Highest Growth			*Lowest Growth*	
Rank	**Metro Area**		**Rank**	**Metro Area**	
1	Worcester, MA	6.1	91	Austin, TX	1.5
2	Miami-Fort Lauderdale-Pompano Beach, FL	5.4	92	Tucson, AZ	1.5
3	Pittsburgh, PA	5.3	93	Phoenix-Mesa-Scottsdale, AZ	1.4
4	Indianapolis, IN	5.3	94	Fresno, CA	1.3
5	Baltimore, MD	5.1	95	Bakersfield, CA	1.1
6	New Haven, CT	5.0	96	Stockton, CA	1.1
7	Akron, OH	5.0	97	Modesto, CA*	1.1
8	Boston-Cambridge, MA-NH	5.0	98	Dallas-Fort Worth-Arlington, TX	1.1
9	Cape Coral, FL	5.0	99	Albuquerque, NM*	0.9
10	Des Moines, IA	5.0	100	New Orleans, LA	0.7

**Change not statistically significant at 90 percent confidence level*
Source: Brookings analysis of Census 2000 and 2008 American Community Survey data

average gains in their shares of college-educated adults—but nevertheless indicates that gains in the "war for talent" among U.S. metro areas are accruing disproportionately to already better-educated places.

Slowing Attainment Growth

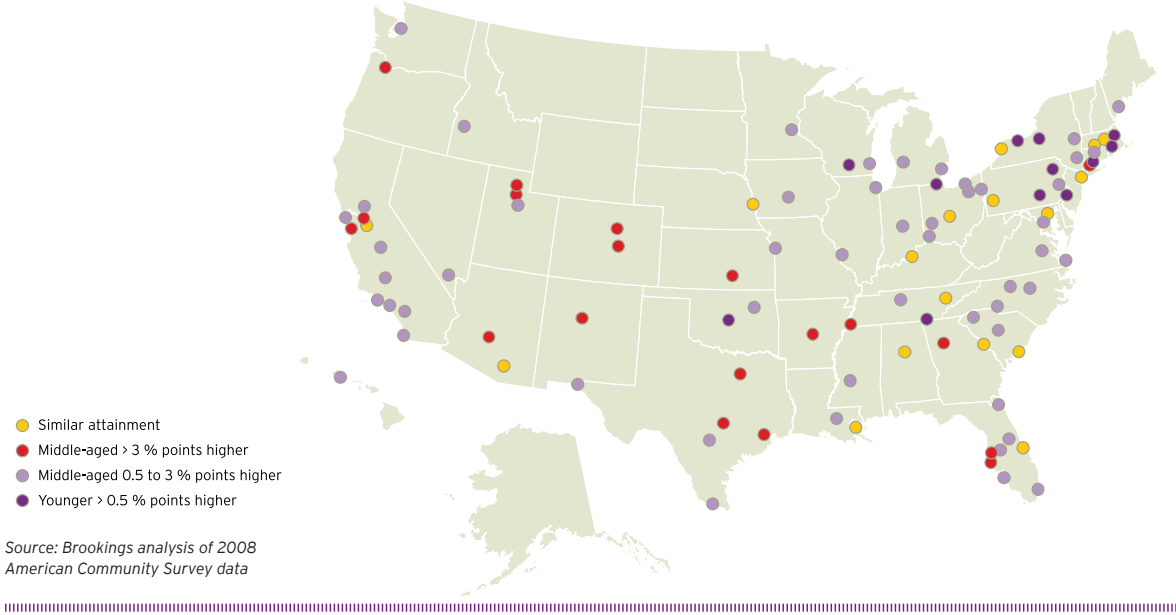
Another dynamic contributing to the gap among metro areas is the rate at which younger adults are earning college degrees compared to their predecessors. As noted above, progress has slowed on this indicator at the national level, but outcomes at the metropolitan level remain diverse. There are 30 metropolitan areas in which degree-earning rates for 25-to-34 year-olds exceed (by at least half a percentage point) those for 35-to-44 year-olds (Map 1). Many lie in the Northeast, including several with a strong university presence (e.g., New Haven, Boston, Syracuse, Pittsburgh) that helps attract graduate students, or leads these regions to retain recent bachelor's degree earners. Yet there are many more metro areas where younger adults lag the previous cohort in attainment, with serious gaps evident in several Sun Belt metro areas that already possess below-average attainment levels.[7] Even the gaps in metro areas with fairly well-educated populations overall, such as Atlanta and Portland (OR), may raise concerns about their future economic trajectory.

Racial and Ethnic Outcomes

At the metro-area level, the wide racial/ethnic disparities that characterize educational attainment nationally are replicated across the board. In each of the 100 largest metro areas, white college degree attainment exceeds that for blacks and Hispanics. Across all 100, 50 percent of Asian adults and 36 percent of white adults hold a four-year degree, compared to just 20 percent of blacks and 14 percent of Hispanics.

Among these demographic subgroups, educational attainment levels vary greatly across

Map 1. In Many Metro Areas, Middle-Aged Workers Are More Highly Educated Than Younger Ones
Share of 35-to-44 Year-Old Adults versus 25-to-34 Year-Old Adults with Bachelor's Degrees, by Metro Area, 2008



Source: Brookings analysis of 2008 American Community Survey data

metropolitan America. College degree-earning rates among blacks are relatively high in several of the high-tech metro areas that perform well overall (Map 2a), with Atlanta posting the second-highest rate for blacks. Also ranking high are a handful of Western metro areas, including Phoenix, San Diego, Los Angeles, and Portland, where the history of racial segregation is not quite as severe as in the East. Metro areas with the highest educational levels for Hispanics, by contrast, lie largely east of the Mississippi, and include Midwestern (St. Louis, Columbus, Minneapolis), Northeastern (Baltimore, Rochester, Boston), and Southern (Miami, Jacksonville, New Orleans) locations (Map 2b). With a couple exceptions, these metropolitan areas tend to have relatively small Hispanic populations.[8] Yet even the college degree attainment rates for minorities in these metropolitan areas lag the average for whites across all metro areas (36 percent).

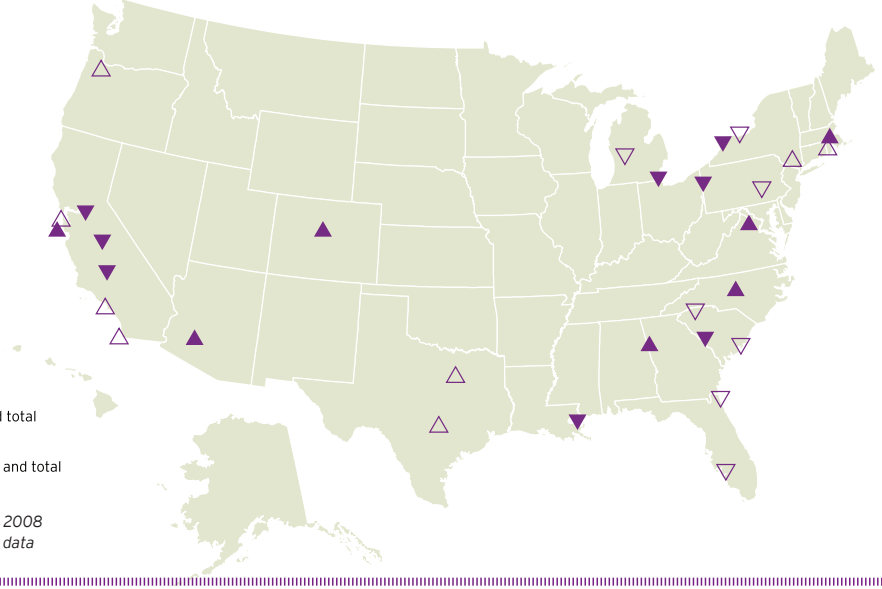
Metro areas at the bottom of the educational attainment list for blacks and Hispanics are also quite distinct from one another. Manufacturing areas of the Midwest and South figure prominently among the regions with low educational levels for blacks, while 11 of the bottom 15 for Hispanics are Western locations that have experienced significant immigration of less-skilled workers from Latin America to fill construction, agricultural, and lower-level service-sector jobs.

Employment Levels by Educational Attainment

As the Great Recession has demonstrated, there are clear linkages between educational attainment and employment prospects.[9] While we do not yet know how the downturn affected workers

Map 2a. College-Degree-Earning Rates for Blacks are Relatively High in Many Western Metro Areas, and Low in the Manufacturing Belt

Top and Bottom Metro Areas on Share of Blacks/African Americans Age 25 and Over with Bachelor's Degree, 2008

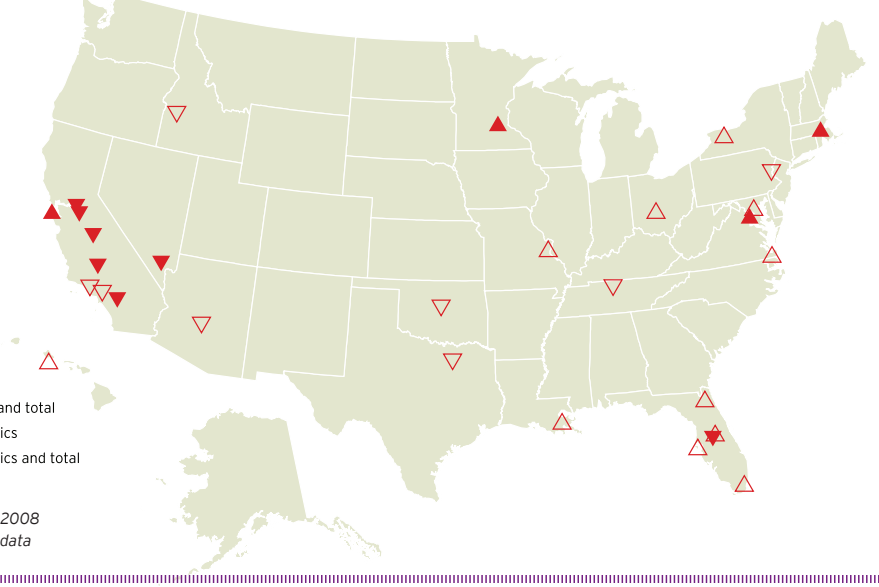


△ Top 15 metros for blacks
▲ Top 15 metros for blacks and total
▽ Bottom 15 metros for blacks
▼ Bottom 15 metros for blacks and total

Source: Brookings analysis of 2008 American Community Survey data

Map 2b. College-Degree-Earning Rates for Latinos are Relatively High in a Diverse Set of Metros, and Low in Some Southern and Western Metros

Top and Bottom Metro Areas on Share of Latinos Age 25 and Over with Bachelor's Degree, 2008



△ Top 15 metros for Hispanics
▲ Top 15 metros for Hispanics and total
▽ Bottom 15 metros for Hispanics
▼ Bottom 15 metros for Hispanics and total

Source: Brookings analysis of 2008 American Community Survey data

Table 4. Adults with No More than a High School Diploma Are Employed at Very Low Levels in Some Metro Areas
Metro Areas Ranked by Proportion of Adults Age 25 and Over with a High School Diploma or Less Employed in 2008

	Highest Rates			*Lowest Rates*	
Rank	**Metro Area**		**Rank**	**Metro Area**	
1	Des Moines, IA	76.0	91	Jackson, MS	61.2
2	Omaha, NE-IA	74.6	92	Modesto, CA	60.9
3	Madison, WI	74.4	93	El Paso, TX	60.7
4	Washington-Arlington-Alexandria, DC-VA-MD-WV	74.3	94	Augusta-Richmond County, GA-SC	60.7
5	Minneapolis-St. Paul, MN-WI	74.2	95	Greenville, SC	60.5
6	Salt Lake City, UT	74.0	96	Stockton, CA	59.9
7	Ogden, UT	74.0	97	McAllen, TX	59.1
8	Denver-Aurora, CO	73.9	98	Fresno, CA	58.9
9	Harrisburg, PA	73.7	99	Detroit-Warren, MI	57.6
10	Viginia Beach-Norfolk-Newport News VA-NC	72.1	100	Bakersfield, CA	55.1

Source: Brookings analysis of Census 2000 and 2008 American Community Survey data

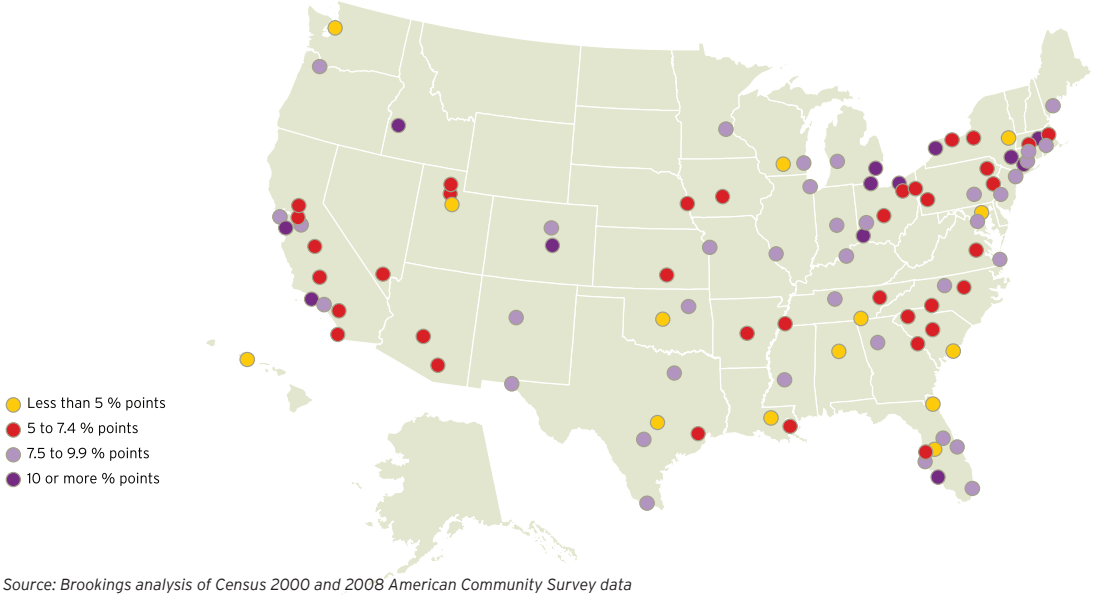
at the metropolitan level, even before the worst of the recession set in, there were marked differences among metro areas in employment rates for less-educated workers. For the college-educated, employment rates were fairly consistent, with 97 of 100 metro areas posting rates between 80 and 90 percent. For those with no more than a high school diploma, however, prospects varied enormously (Table 4). In some metro areas, particularly those in the country's mid-section, 70 percent or more of these adults were in work in 2008. Yet at the same time, many metropolitan areas posted much lower employment rates for this group. They include several manufacturing-oriented metro areas and a mix of those in the Southeast, California's Central Valley, and Detroit, regions with substantial numbers of African American adults who lack a college degree. The hard times these economies encountered in 2009 are only likely to exacerbate the serious labor market challenges facing this group.

Rising Enrollment Nationwide

Perhaps in view of the increasing returns to higher education in America, the 2000s saw widespread increases in college and graduate school enrollment among young adults. Nationally, 41 percent of 18 to 24 year-olds were enrolled in higher education in 2008, up from 34 percent in 2000. Metropolitan areas throughout New England and upstate New York all had more than half of their young adults enrolled in 2008. Gains over the decade were particularly rapid in a number of older industrial metro areas in the Great Lakes region, including Toledo, Detroit, Cleveland, and St. Louis, where enrollment rates were up 10 percentage points or more (Map 3). It may be that the loss of manufacturing jobs over the course of the decade, many of which had not required a bachelor's degree, spurred more young people in these regions to pursue higher education. Whether they will stay in these regions to pursue job opportunities after earning degrees remains to be seen. Most metro areas posting small gains already

Map 3. Enrollment in Higher Education Rose Everywhere in the 2000s, Especially the Northeast and Midwest

Change in Share of 18-to-24 year-olds Enrolled in College or Graduate School, 2000 to 2008



Source: Brookings analysis of Census 2000 and 2008 American Community Survey data

had significant student bodies, such as Baton Rouge (LSU), Madison (University of Wisconsin), Austin (University of Texas), and Provo (BYU).[10]

CITY AND SUBURBAN TRENDS

Some have posited that big cities, in particular, play an increasing role in attracting and retaining the most educated workers, especially younger individuals.[11] Across all metropolitan areas, however, college-educated adults are actually slightly less likely to live in cities than the population as a whole (Table 5). Cities with outsized proportions of their metro areas' highly educated workers include mainly southern and western locales like Charleston, Little Rock, and Seattle, as well as cities with rural, lower-income suburbs like McAllen and Bakersfield. Selective outmigration from cities in the nation's manufacturing belt over several decades has left places such as Detroit, Hartford, and Cleveland with college degree attainment rates less than half those in their suburbs.

Moreover, most metro areas saw further movement of college degree holders away from big cities, toward suburbs, during this decade. A few large cities like New York, Boston, and Washington posted a small edge over their suburbs in gaining college-educated adults from 2000 to 2008. But many more, such as Omaha, Tulsa, and Baton Rouge sustained significant losses in their share of metropolitan college graduates. This trend may indicate some degree of out-migration of the highly educated from cities, but probably owes at least as much to the aging of

Table 5. The Proportion of College-Educated Adults Living In Cities Dropped Slightly in the 2000s
Relative Likelihood of Adults with Bachelor's Degree to Live in Primary Cities in 2008, and Change in Proportion Living in Primary Cities, 2000-2008

	Relative likelihood of college-educated to live in cities, 2008					*Change in relative likelihood of college-educated to live in cities, 2000 to 2008*			
Rank	Metro Area	Share of College Educated in City(ies)	Share of All Adults in City(ies)	Ratio*	Rank	Metro Area	Share of College Educated in City(ies), 2000	Share of College Educated in City(ies) 2008	Change, 2000-08
1	McAllen, TX	35.5	19.1	185.5	1	Bakersfield, CA	53.0	55.2	2.2
2	Charleston, SC	26.6	17.3	153.8	2	Sacramento-Roseville, CA	25.7	27.5	1.8
3	Little Rock, AR	41.9	28.3	147.7	3	Cape Coral, FL	18.6	20.3	1.7
4	Bakersfield, CA	55.2	39.8	138.7	4	New York-Newark, NY-NJ-PA	39.7	41.3	1.6
5	Seattle-Tacoma-Bellevue, WA	37.9	27.9	135.9	5	St. Louis, MO-IL	9.7	11.1	1.5
91	Allentown, PA-NJ	7.1	12.6	56.4	91	Jackson, MS	36.7	29.0	-7.7
92	Youngstown, OH-PA	6.0	11.2	53.7	92	Omaha, NE-IA	54.0	45.8	-8.1
93	Cleveland, OH	9.1	18.5	49.3	93	Tulsa, OK	57.9	49.0	-8.9
94	Hartford, CT	3.8	8.5	44.9	94	Baton Rouge, LA	43.2	33.7	-9.4
95	Detroit-Warren, MI	8.5	19.6	43.3	95	New Orleans, LA	40.6	29.8	-10.8
	All metro areas	**30.4**	**31.1**	**97.8**		**All metro areas**	**31.5**	**30.4**	**-1.1**

Results include 95 metros with primary city(ies) represented in 2008 ACS estimates
**ratio of share of college-educated in city(ies) to share of total adult population in cities; 100 = parity*
Source: Brookings analysis of Census 2000 and 2008 American Community Survey data

Across all metropolitan areas, college-educated adults are actually slightly less likely to live in cities than the population as a whole.

highly suburbanized boomers, who account for an increasing share of the nation's college-educated population.

These highly educated suburbanites live disproportionately in the high-density suburbs that surround primary cities in most metropolitan areas. Overall, 36 percent of adults in these suburbs hold a bachelor's degree, versus 31 percent in mature suburbs, 28 percent in emerging suburbs, and 19 percent in exurbs. Inner suburban cities like Cambridge (MA), Arlington (VA), Bellevue (WA), and Sunnyvale (CA) exemplify the highly educated, high-income locales that abut central cities in many metro areas. In those cities, more than half of all adults hold a four-year degree.

LOOKING AHEAD

There is fairly broad recognition that the U.S. economy—and its constituent metropolitan economies—remain on an inexorable path toward higher demand for education. Technological progress and the rise of developing economies will, on balance, further shift job growth in the United States and its regions toward service-related industries that require higher-order skills, and place added value within industries on occupations and tasks that utilize such skills. Rising enrollments in higher education suggest that young people recognize this reality as well.

If anything, the deep economic downturn of 2009 magnified the educational challenge for the nation and its metropolitan labor markets. Less-educated workers, as well as the metro areas in which they are most concentrated, have borne the brunt of the significant rise in unemployment. Many of the jobs that they occupied—in sectors such as manufacturing, construction, and retail—have likely disappeared for a considerable length of time, if not permanently. Amid the worst labor market in a generation, more and more adults are going to college. The share of individuals aged 18 to 24 enrolled in school hit an all-time high in October 2008, and statistics from September 2009 indicate that it rose even further in the subsequent year, particularly in lower-cost community colleges.[12]

What might be the longer-run impact of the Great Recession on the educational profile of metropolitan areas? Trends from the past decade, along with the regionally disparate character of the recession, suggest that regional differences in educational attainment could further widen across at least three types of metro areas.

First are the highly-educated, mostly coastal metropolitan areas that were making rapid gains in college degree attainment prior to the downturn. Metro areas like Washington, D.C., New York, Boston, and the San Francisco Bay area have, in general, been less affected by the recession than other metro areas. Some of their better performance can be attributed to their higher educational levels, which research has suggested allow workers to transition more easily from declining to growing sectors.[13] If, as some expect, professional, health, and educational services continue to become a more important source of U.S. exports, these metro areas are likely to grow and attract even more highly educated workers and the firms that employ them.[14]

If anything, the deep economic downturn of 2009 magnified the educational challenge for the nation and its metropolitan labor markets.

Second are Sun Belt destinations in Florida, the Intermountain West, and inland California suffering a "housing hangover" in the wake of overbuilding and speculative lending during the early and middle years of the decade. With outsized shares of their economies concentrated in housing-related activities (e.g., construction and real estate) before the bubble burst, they may take some time to find a more stable equilibrium. Most face the added obstacle of low educational attainment among their adult populations, which resulted in part from rapid immigration (until the recession hit) of less-educated workers from Mexico and Latin America. Fortunately, many of these places still have in-demand amenities like mild weather that will probably attract more residents over the long haul. However, growing their base of educated workers will be critical to efforts to move these metropolitan economies up the value chain. Strategies to promote flexible economic opportunities for well-educated boomer residents and in-migrants, and better educate and retain young people who already live in these metropolitan areas—especially Latino minorities—could help improve their long-run outlook.

Third are the metropolitan areas of the

manufacturing belt. In the wake of the Great Recession, employment levels in many of these areas may be permanently lower, especially for workers who possess no more than a high school education. Recognizing this, states like Michigan are putting considerable resources into post-secondary education and training for displaced workers. Yet these workers and others who are coming of age in the Great Lakes region with high levels of education may nevertheless continue to leave to pursue opportunities elsewhere. Younger college-educated adults from these metro areas may be attracted to large labor markets with diverse job opportunities, not just on the coasts but also in Midwestern locations like Chicago and Minneapolis-St. Paul. Mid-career workers who have some post-secondary education and flexible skills may depart for economically healthier climes in Texas and parts of the Southeast. Such migration dynamics would probably leave these workers better off, but could further disadvantage the metro areas left behind—and their large numbers of less-educated African American residents—as they struggle to adapt to a knowledge-fueled economy.

In sum, educational inequalities among metropolitan areas seem likely to grow in the years ahead, absent more deliberate public policies to upgrade educational achievement and attainment in lagging corners of the country, and for the demographic groups that live there. ■

ENDNOTES

1. Education at a Glance 2009: OECD Indicators.
2. William G. Bowen, Matthew M. Chingos, and Michael S. McPherson, *Crossing the Finish Line: Completing College at America's Public Universities* (Princeton University Press, 2009).
3. The section focuses primarily on four-year college degree attainment, the level at which these distinctions are most evident.
4. These regions and others near the top also boast very high proportions of adults holding graduate degrees; for instance, nearly half of all college graduates in the Washington region have such a degree.
5. See the Immigration chapter for further metropolitan-level analysis of immigrant educational attainment in the 2000s.
6. A simple linear regression of the trend from 1990 to 2008 suggests that a metropolitan area with a college degree attainment rate one standard deviation above the mean in 1990 experienced a rise in that rate 2.3 percentage points higher than a metropolitan area with a rate one standard deviation below the mean in 1990.
7. Colorado Springs and Virginia Beach rank near the bottom of the list due in part to the presence of major military bases, which tend to inflate the number of young adults in these areas who lack a college degree, relative to the 35 to 44 year-old group.
8. The Latino population in these metropolitan areas is also characterized by a smaller share of Mexican-born members than in metro areas with a less highly educated Latino population.

9. Between December 2007 and November 2009, unemployment rates increased by: 2.7 percentage points for workers with a four-year degree; 5.3 percentage points for workers with some college or an associate's degree; 5.7 percentage points for workers with only a high school diploma; and 7.4 percentage points for workers without a high school diploma.
10. The data do not reflect a significant change in enrollment during the first year of the Great Recession (from 2007 to 2008), but as noted later, reports from 2009 suggest surging enrollment in response to a terrible labor market for young people.
11. See, e.g., Richard Florida, *The Rise of the Creative Class: And How It's Transforming Work. Leisure, Community and Everyday Life* (New York: Basic Books, 2002); Joseph Cortright, "The Young and Restless in a Knowledge Economy" (Chicago: CEOs for Cities, 2005).
12. Richard Fry, "College Enrollment Hits All-Time High, Fueled by Community College Surge" (Washington: Pew Research Center, 2009).
13. Jonathan Rothwell, "College Education: Metros' Anti-Recession Vaccine?" *The Avenue*, December 30, 2009 [online at **www.tnr.com/blogs/the-avenue**]
14. Moreover, the greater size of these areas has been found to increase productivity and raise wages for educated workers. Edward L. Glaeser and Albert Saiz, "The Rise of the Skilled City," Brookings-Wharton Papers on Urban Affairs 5(2004): 47–94.

Educational inequalities among metropolitan areas seem likely to grow in the years ahead, absent more deliberate public policies to upgrade educational achievement and attainment.

HOWARD WIAL and ALEC FRIEDHOFF

VII. WORK

BY THE NUMBERS

+3.4% / -8.3%

Change in wages for high-wage / low-wage workers, United States, 1999 to 2008

5

Metro areas (out of 100) in which wages increased for low-, middle-, and high-wage workers, 1999 to 2008

1.85

Ratio of earnings, workers with college degree to workers with high school diploma only, 100 largest metro areas, 2008

2

Metro areas (out of 20) experiencing among highest jumps in unemployment during last two recessions, 2001-2003 and 2007-2009 (Detroit and San Jose)

OVERVIEW

- **Nationwide, wage inequality grew in the 2000s.** From 1999 to 2008, the inflation-adjusted earnings of high-wage workers grew by 3.4 percent. This occurred while hourly earnings for middle-wage workers fell by 4.5 percent and the wages of low-wage workers fell by an even greater 8.3 percent.

- **In half of the 100 largest metropolitan areas, high-wage earners saw their wages grow, while middle- and low-wage workers experienced declines.** Most large metro areas had wage growth at the top and sometimes at the midpoint of their wage distributions, but in only five metropolitan areas—Cape Coral, Jacksonville, Providence, New Haven, and Virginia Beach—did wages grow for high-, middle-, and low-wage workers.

- **Earnings inequality rose more sharply in the 100 largest metro areas than in the nation overall.** All but three metro areas—Augusta, Syracuse, and Tucson—posted increases in their high- to low-wage earnings ratios. By 2008, five states accounted for 17 of the 20 large metro areas with the highest earnings inequality. Eleven (11) were located in either California or Texas, and Colorado, Louisiana, and New York contained two each.

- **Overall metropolitan wage inequality levels are associated with wage outcomes by factors such as race and educational attainment.** High levels of wage inequality in metro areas like Houston, Los Angeles, and New York accompany relatively large differences there in the earnings of whites versus other groups, and college graduates versus those with only a high school diploma.

- **Unemployment rates skyrocketed between 2007 and 2009 in metropolitan areas most affected by the housing bubble and turmoil in the automotive industry.** These effects are most obvious in metropolitan areas in California and Florida, where the effects of the housing crisis have been widespread, and in the manufacturing-oriented states of Ohio and Michigan. The geography of unemployment growth during this recession differed from that following the 2001 recession, primarily due to the extraordinary impact of the recent housing market collapse, though both downturns heavily impacted many Great Lakes metro areas.

The great sums of income that the American labor force generates are distributed unevenly among its workers.

NATIONAL TRENDS

The U.S. economy is the largest in the world, propelled by a vast labor force of some 154 million people.[1] But the great sums of income that the American labor force generates are distributed unevenly among these workers, and many millions of individuals who want to work are unable to find jobs. This chapter focuses on trends in these most basic labor market outcomes and the disparate experiences of workers across the many distinct metropolitan labor markets that together form the American economy.

Following the 2001 recession, the United States entered a period of impressive productivity gains that lasted until the Great Recession took hold in

2008.[2] Productivity growth is critical to increasing standards of living because it allows workers to produce more without increasing hours.[3] However, productivity growth alone does not guarantee that all, or even most, workers will see their standard of living improve. In the late 20th century, the gains from increased productivity—measured in terms of wages—were not distributed evenly, with high-wage workers benefiting more than middle- and low-wage workers.[4] This chapter examines growth trends in hourly wages for full-time, full-year workers from 1999 through 2008 in metropolitan areas, asking who has benefited from the productivity growth of the 2000s.[5]

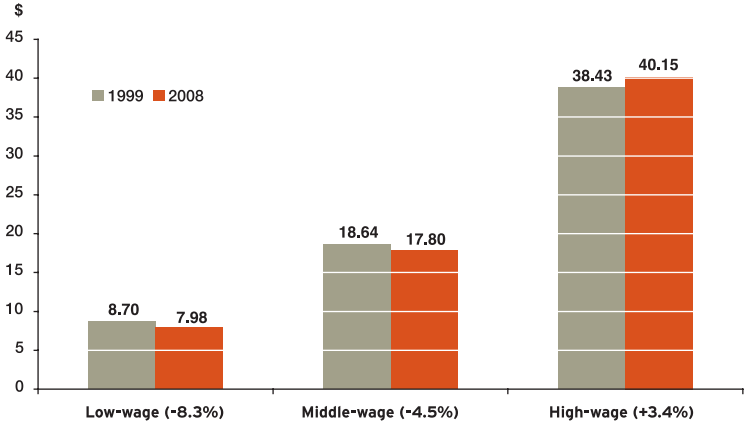
At the national level, wages at the top diverged from those at the middle and bottom. Middle-wage workers saw their inflation-adjusted hourly earnings decline by 4.5 percent from 1999 through 2008.[6] In 2008, they earned $17.80 per hour, down from $18.64 in 1999 (all wages are expressed in 2008 dollars). A steeper drop of 8.3 percent was recorded for low-wage workers, whose hourly earnings fell from $8.70 in 1999 to $7.98 in 2008. The trend was positive for high-wage workers, however. Their hourly earnings rose by 3.4 percent, to just over $40.00 in 2008. In short, the productivity gains of the 2000s did not result in broadly shared wage gains.

This divergence caused earnings inequality to increase in the United States in the 2000s. In 1999, the high-to-low wage ratio—a broad measure of earnings inequality that captures just how far high wage earners have "pulled away" from low wage earners—stood at 4.5; by 2008, it had risen to 5.0, reversing a trend of declining wage inequality in the late 1990s.[7] This inequality in turn is associated with unequal wage outcomes in the labor market for workers with different characteristics. For example, middle-wage male workers make 21 percent more than middle-wage female workers; white workers make 29 percent more than black workers and 48 percent more than Hispanic workers; and the college wage premium is especially high—workers with a bachelor's degree or higher make nearly 78 percent more than workers with just a high school education.

Of course, any discussion about work in America in the 2000s cannot overlook the labor market convulsions that occurred at the end of the decade. The economy officially entered a recession in December 2007, when the nation's unemployment rate stood at 4.8 percent. One year later, the rate had risen to 7.1 percent, and workers nationwide were clearly feeling the recession's effects. The jobs picture worsened greatly in subsequent months, and failed to improve noticeably during the second half of 2009 despite growth in GDP. By December 2009, the

Figure 1. Wages Declined for Middle-Wage and Low-Wage Workers in the 2000s, but Rose for High-Wage Workers

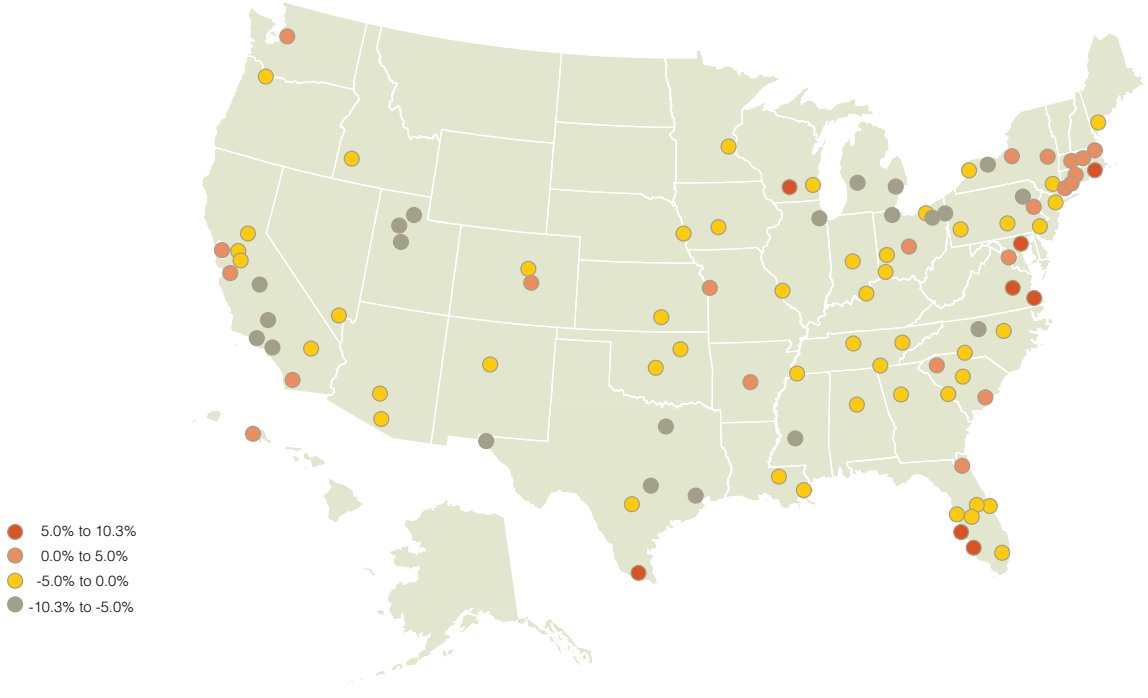
Inflation-Adjusted Hourly Wage by Wage Category, Full-Time, Year-Round Workers, United States, 1999 and 2008



Source: Brookings analysis of Census 2000 and 2008 American Community Survey data
Worker wage categories are defined by position in the wage distribution of all workers in year noted: low-wage (10th percentile); middle-wage (50th percentile); and high-wage (90th percentile)
Change in wages from 1999 to 2008 noted in parentheses

Map 1. Middle-Wage Workers in 30 of 100 Large Metro Areas Experienced Wage Increases in the 2000s

Change (%) in Inflation-Adjusted Hourly Wages, Middle-Wage Workers, 1999-2008



Source: Brookings analysis of Census 2000 and 2008 American Community Survey data
Note: Middle-wage workers are those earning at the 50th percentile of wage distribution for specified year and metro area

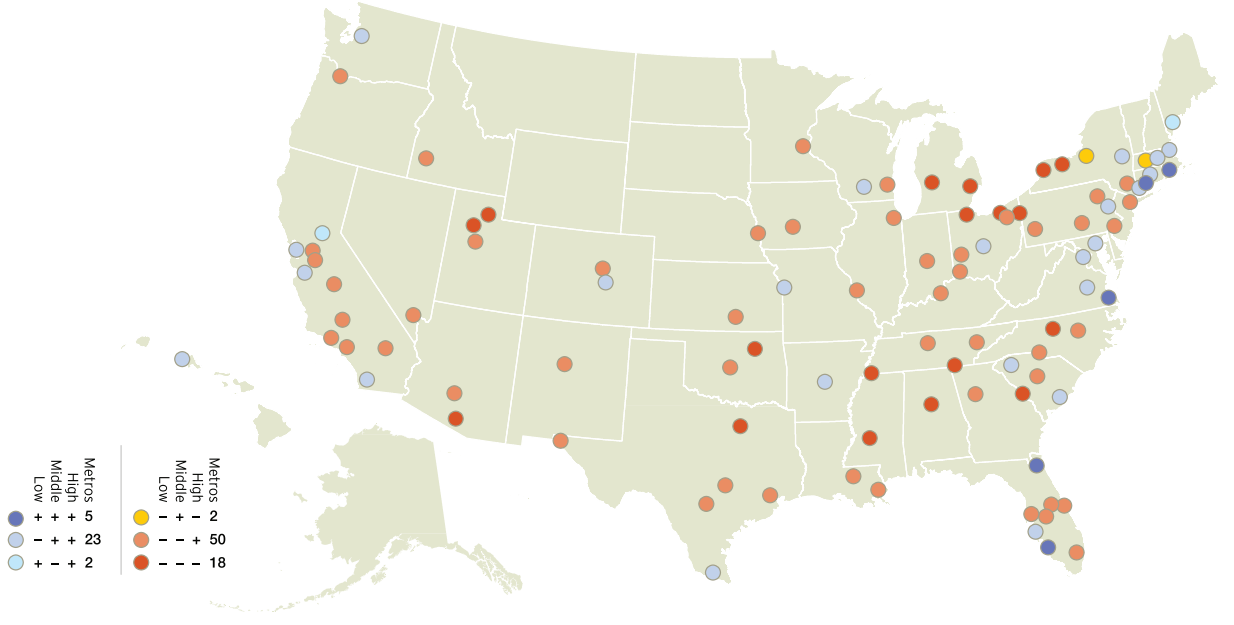
U.S. unemployment rate was 9.7 percent—more than double the rate two years prior.

The persistence of high unemployment even after economic growth resumes is not a new story; indeed, a "jobless recovery" followed the early 2000s recession. While that recession officially lasted only eight months (March 2001 to November 2001), unemployment continued to rise for more than a year-and-a-half after the recession ended and it didn't approach pre-recession levels until late in 2006 (the national unemployment rate never did return to its March 2001 rate).[8] But the Great Recession has caused the national unemployment rate to soar far beyond its levels during the 2001 recession; not since 1983 have so many people been out of work. This makes the prospect of a jobless recovery all the more troubling as the nation moves further into 2010.

How the Great Recession will ultimately affect the distribution of wages in the United States is still unclear. We do know, however, that less educated workers have been hit particularly hard, at least in terms of employment. From December 2007 to December 2009, BLS data show that the national unemployment rate for college graduates rose from 2.0 to 4.7 percent compared with an increase from 4.7 to 10.6 for high school graduates only. If extremely

Map 2. Half of Large Metro Areas Saw Wages Rise for High-Wage Workers, and Fall for Middle- and Low-Wage Workers

Direction of Inflation-Adjusted Wage Changes by Worker Wage Category, 1999-2008



Source: Brookings analysis of Census 2000 and 2008 American Community Survey data
Note: High-wage workers are those earning at the 90th percentile; middle-wage workers earn at the 50th percentile; low-wage workers earn at the 10th percentile of wage distribution for specified year and metro area

high unemployment among less educated, lower earning workers holds back wage growth for that group in the coming months and years, wage inequality at the national level could increase even further in the future. However, it is too soon to tell whether the disparity in unemployment between these two groups will persist as the economy recovers.

METROPOLITAN TRENDS

Trends within the Wage Distribution

The 100 largest metropolitan areas together tended to follow national wage trends in the 2000s, but displayed notable variation among themselves in the relative performance of workers in different parts of the wage distribution. Across all 100 areas, middle-wage workers suffered a less severe decline in wages (1.5 percent) than the national average (4.5 percent) from 1999 to 2008. In either case, these workers faced the troubling reality of being worse off near the end of the decade than at the start.

Most, but not all, large metro areas shared in this trend. Middle-wage workers in 30 metro areas experienced a rise in hourly earnings from 1999 to 2008, from as little as 0.1 percent in Colorado Springs to as much as 10.3 percent in Cape Coral (Map 1). The

Table 1. Only Three Metro Areas Saw a Decline in Wage Inequality in the 2000s; Increases Were Rapid in Others
Metro Areas Ranked by Change in Ratio of Wages for High-Wage Versus Low-Wage Workers, 1999-2008

Declines/Smallest Increases				*Greatest Increases*			
Metro Area	**1999**	**2008**	**Change**	**Metro Area**	**1999**	**2008**	**Change**
Tucson, AZ	4.53	4.43	-0.10	Greenville, SC	3.89	4.81	0.93
Augusta-Richmond County, GA-SC	4.68	4.62	-0.06	Knoxville, TN	4.07	5.00	0.93
Syracuse, NY	3.93	3.91	-0.02	Washington-Arlington-Alexandria, DC-VA-MD-WV	4.55	5.50	0.95
Providence, RI-MA	3.96	4.00	0.04	Charlotte, NC-SC	4.20	5.16	0.96
Youngstown, OH-PA	3.95	4.06	0.11	Austin, TX	4.51	5.48	0.96
Cape Coral, FL	3.79	3.91	0.12	Jackson, MS	4.21	5.17	0.96
Harrisburg, PA	3.70	3.84	0.14	Minneapolis-St. Paul, MN-WI	3.58	4.55	0.97
Greensboro-High Point, NC	3.81	3.97	0.15	El Paso, TX	4.26	5.25	0.99
Albany, NY	3.94	4.10	0.16	Denver-Aurora, CO	4.16	5.29	1.14
Sacramento-Roseville, CA	4.24	4.40	0.16	Bridgeport-Stamford, CT	5.93	7.20	1.27

Source: Brookings analysis of Census 2000 and 2008 American Community Survey data
Note: High-wage workers are those earning at 90th percentile, and low-wage workers at 10th percentile, of wage distribution for specified year and metro area

positive trend extended to most large New England metro areas, as well as the mid-Atlantic areas of Baltimore, Washington, Richmond, and Virginia Beach. California, Florida, New York, and South Carolina also had multiple metro areas in which middle-wage workers experienced wage growth in the 2000s. By the same token, 70 metropolitan areas saw wages for middle-wage workers decline over the decade. The declines were largest (greater than 5 percent) in a number of Great Lakes metro areas (e.g., Detroit, Grand Rapids, Toledo, Rochester), as well as in Utah and California metro areas where the mid-decade construction boom had fallen off rapidly by 2008.

Compared to the national trend, wages at the top and bottom of the distribution in the nation's 100 largest metro areas diverged even more strongly in the 2000s. In these metro areas, high-wage workers experienced wage growth of 4.3 percent from 1999 to 2008 (versus 3.4 percent nationally), while at the same time low-wage workers' hourly earnings declined by a full 10.0 percent (versus 8.3 percent nationally).

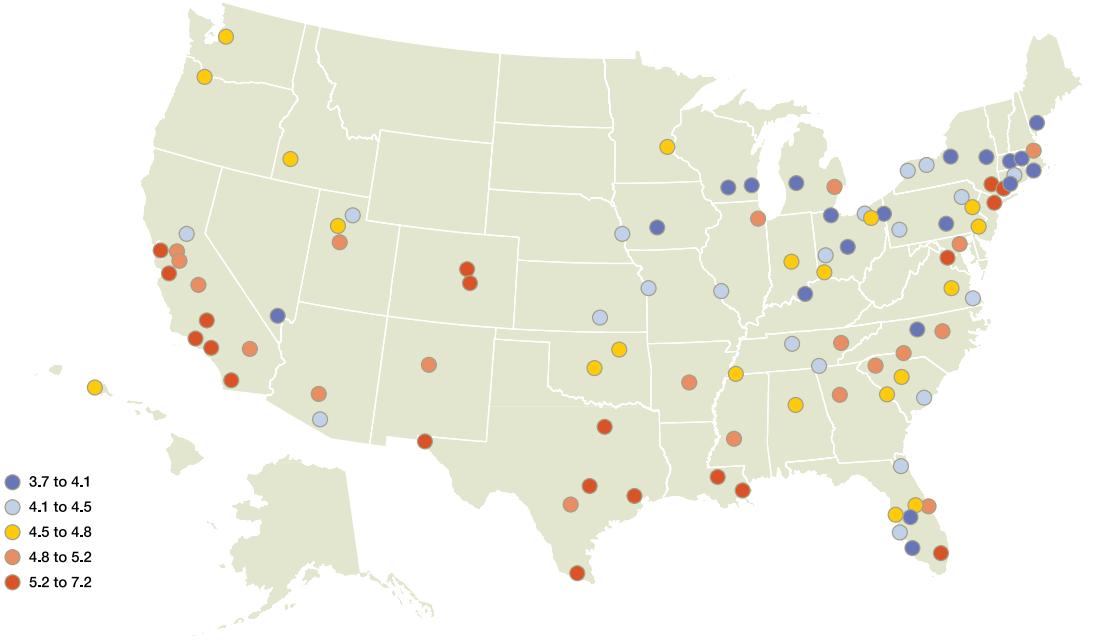
Exactly half of the nation's 100 largest metro areas followed the national pattern at all three points in the wage distribution: growth for high-wage workers, and declines for middle- and low-wage workers (Map 2). Those metro areas could be found in nearly every region of the country, with the exception of New England. Growth was more widely shared in another group of 23 metro areas where both high- and middle-wage workers saw increases. But in only five East Coast metropolitan areas (Cape Coral, Jacksonville, New Haven, Providence, and Virginia Beach) did workers at all three points of the wage distribution experience growth. More common was a pattern in 18 metro areas, extending from the Great Lakes to portions of the Southeast and Intermountain West, in which wages declined across the board during the 2000s.

Earnings Inequality Trends

While wages are somewhat higher in the 100 largest metropolitan areas than in the nation as a whole at the low,

Map 3. California and Texas Have a Large Number of Metro Areas with High Levels of Wage Inequality

Ratio of Wages for High-Wage Workers to Wages for Low-Wage Workers, 2008



Source: Brookings analysis of Census 2000 and 2008 American Community Survey data
Note: High-wage workers are those earning at the 90th percentile, and low-wage workers earn at the 10th percentile, of wage distribution for specified year and metro area

middle, and high ranges of the distribution, the difference is greater at the high end. High-wage workers in the 100 largest metro areas earned $44.00 hourly in 2008, versus a national rate of $40.00 hourly; large-metro low-wage workers earned only $0.40 more hourly than the national average ($8.40 versus $8.00). As a result, wage inequality across large metro areas exceeds the national average, with a high-to-low wage ratio of 5.25.

That ratio varied considerably across metropolitan labor markets in 2008, from 3.7 in Springfield (MA) to 7.2 in Bridgeport (Map 3). California and Texas had 11 of the 20 metro areas with the highest wage inequality, and Colorado, Louisiana, and New York each added two metropolitan areas to this group. Wage inequality was high in some high-wage metro areas such as New York, San Francisco, and Washington, as well as in some relatively low-wage metro areas such as El Paso, New Orleans, and Bakersfield. Size also related to wage inequality, with New York, Houston, Los Angeles, San Francisco, Washington, Miami, and Dallas all ranking among the metro areas with the highest levels of wage inequality.

Metro areas with low levels of wage inequality, on the other hand, tended to cluster in the Midwest, Northeast, and Florida. Las Vegas was the only metropolitan area in the western United States to rank

Table 2. Metropolitan Wage Inequality Reflects Underlying Wage Differences by Race/Ethnicity and Education

Metro Areas Ranked by Ratio of Wages for High-Wage versus Low-Wage Workers, and Wage Differences by Gender, Race/Ethnicity, and Educational Attainment

Highest Overall Wage Inequality

Metro Area	High-Wage/Low-Wage	Male/Female	White/Non-White	Bachelor's/HS Only
Bridgeport-Stamford, CT	7.20	1.22	1.70	2.05
San Jose-Sunnyvale-Santa Clara, CA	6.31	1.26	1.44	2.27
Los Angeles-Long Beach-Santa Ana, CA	6.13	1.11	1.77	2.00
Houston, TX	6.13	1.21	1.67	1.93
Oxnard-Thousand Oaks-Ventura, CA	5.95	1.18	1.74	2.05
New York-Newark, NY-NJ-PA	5.87	1.13	1.60	1.83
San Francisco-Oakland-Fremont, CA	5.77	1.13	1.59	2.06
San Diego, CA	5.77	1.08	1.41	2.00
Bakersfield, CA	5.60	1.16	1.54	1.90
Baton Rouge, LA	5.54	1.33	1.52	1.56

Lowest Overall Wage Inequality

Metro Area	High-Wage/Low-Wage	Male/Female	White/Non-White	Bachelor's/HS Only
Youngstown, OH-PA	4.06	1.34	1.16	1.65
Louisville/Jefferson County, KY-IN	4.05	1.16	1.29	1.67
Providence, RI-MA	4.00	1.22	1.37	1.63
Greensboro-High Point, NC	3.97	1.21	1.41	1.79
Cape Coral, FL	3.91	1.20	1.35	1.38
Syracuse, NY	3.91	1.17	1.42	1.56
Harrisburg, PA	3.84	1.12	1.31	1.70
Portland, ME	3.79	1.22	1.13	1.64
Madison, WI	3.75	1.21	1.38	1.57
Springfield, MA	3.72	1.11	1.33	1.47

Source: Brookings analysis of Census 2000 and 2008 American Community Survey data
Note: High-wage workers are those earning at 90th percentile, and low-wage workers at 10th percentile, of wage distribution for specified year and metro area

among those with the lowest levels of wage inequality, likely due to its high rates of union membership.

Consistent with the national trend, fully 97 of 100 large metro areas experienced a rise in wage inequality in the 2000s. Only three regions—Tucson, Augusta, and Syracuse—actually posted a decline in their high-to-low wage ratios (Table 1). However, in each of these metro areas, the decline resulted from a faster drop in wages for high-wage workers than for low-wage workers, rather than a real improvement in wages at the bottom end.

At the other extreme lay metro areas that experienced large jumps in wage inequality. Bridgeport and Denver exemplify two different patterns underlying the trend. Hourly earnings for high-wage workers in Bridgeport grew at a brisk 15.6 percent pace from

1999 to 2008 (highest among the 100 largest metro areas), while those for low-wage workers declined modestly by 4.8 percent. By contrast, wages for Denver's highest earners grew at a relatively anemic 2.8 percent rate, even as wages at the low end plummeted 19.3 percent (the second-largest decline). As shown above, this pattern of growth at the high end and decline at the low end led to increases in wage inequality in 73 of the 100 largest metro areas during the 2000s.

Demographic Dimensions of Wage Inequality

At the national level, wages differ among groups of workers by gender, race and ethnicity, and educational attainment. Places that are more diverse along the dimension of race and ethnicity, and where wage outcomes differ more widely by race and educational attainment, exhibit higher overall levels of overall wage inequality.

Generally speaking, metro areas with larger minority populations tend to have higher overall wage inequality and more unequal outcomes by race. Six California metro areas with relatively large Hispanic populations, along with the highly diverse metro areas of Houston and New York, rank among the 10 metro areas with the highest levels of overall wage inequality. All exhibit above-average differences in wages between whites and non-whites, or between workers with college degrees and those with only a high school diploma, or both.[9] Metro areas with smaller minority populations, including mid-sized manufacturing centers (Youngstown, Greensboro, Springfield) and those with state capitals (Harrisburg, Portland (ME), Madison) exhibit lower overall wage inequality, in part because of their smaller wage differences by race/ethnicity and educational attainment. Notably, wage inequality by gender appears to be somewhat higher in these places than in metro areas with high overall wage inequality.

Trends in the 2000s exacerbated these demographic wage differentials. Across the 100 largest metro areas, the college/high school wage premium grew from 1.73 to 1.85, the result of flat wages for college-educated workers and falling wages for workers with a high school diploma only. Similarly, overall wage gaps by race continued to widen from 1999 through 2008 with the white/black wage differential growing from 1.29 to 1.34 and the white/Hispanic differential increasing from 1.53 to 1.60.

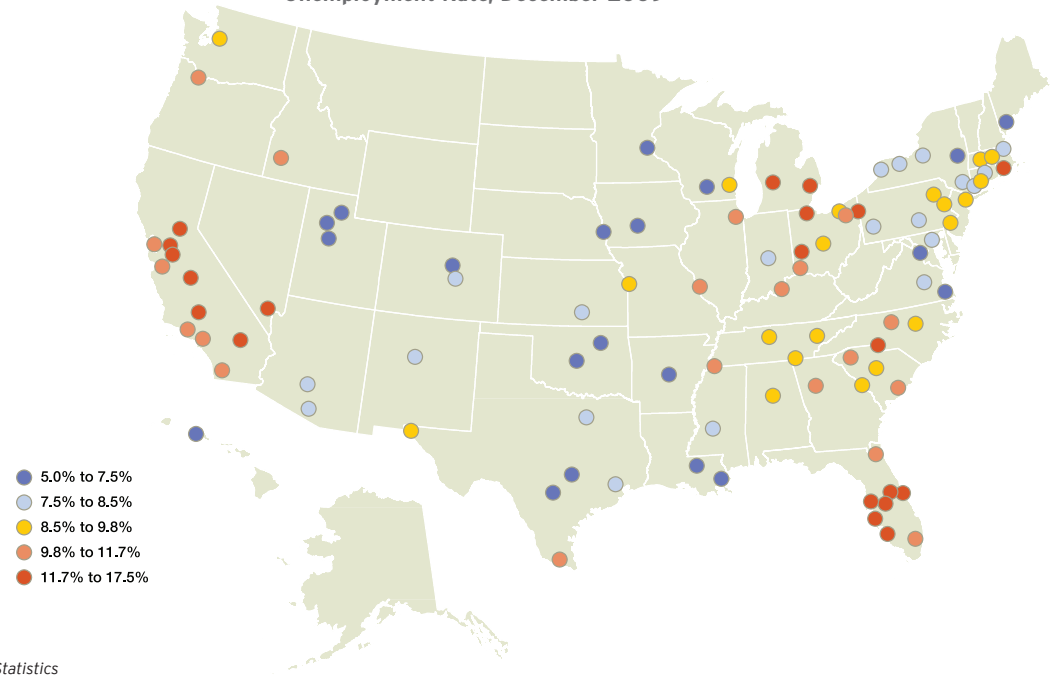
Unemployment

Wage trends provide one view of the disparate outcomes experienced by workers in metropolitan areas in the 2000s. As the economy has struggled under the weight of the Great Recession, these divergent outcomes have become even more apparent in metropolitan unemployment rates.

According to data from the Bureau of Labor Statistics, in December 2009, unemployment rates varied considerably across the nation's 100 largest metropolitan areas, from 5.0 percent in the Omaha area to 17.5 percent in the Modesto area (Map 4). The geographic pattern reveals two of the major storylines of the Great Recession—the collapse of the housing market and the woes of auto and auto parts manufacturing. Seven of the 10 metro areas with the highest unemployment rates (12.8 percent or higher) were located in "housing bubble" areas of California and Florida, joined by similarly hard-hit Las Vegas. The auto-dependent regions of Detroit and Youngstown areas rounded out the 10 most heavily affected metro areas. Conversely, the 10 metro areas with the lowest unemployment rates (6.6 percent or less) lay mostly in the nation's mid-section, and

Map 4. Metro Areas Most Affected by Crises in the Housing and Manufacturing Sectors Have the Highest Unemployment Rates

Unemployment Rate, December 2009



Source: Bureau of Labor Statistics

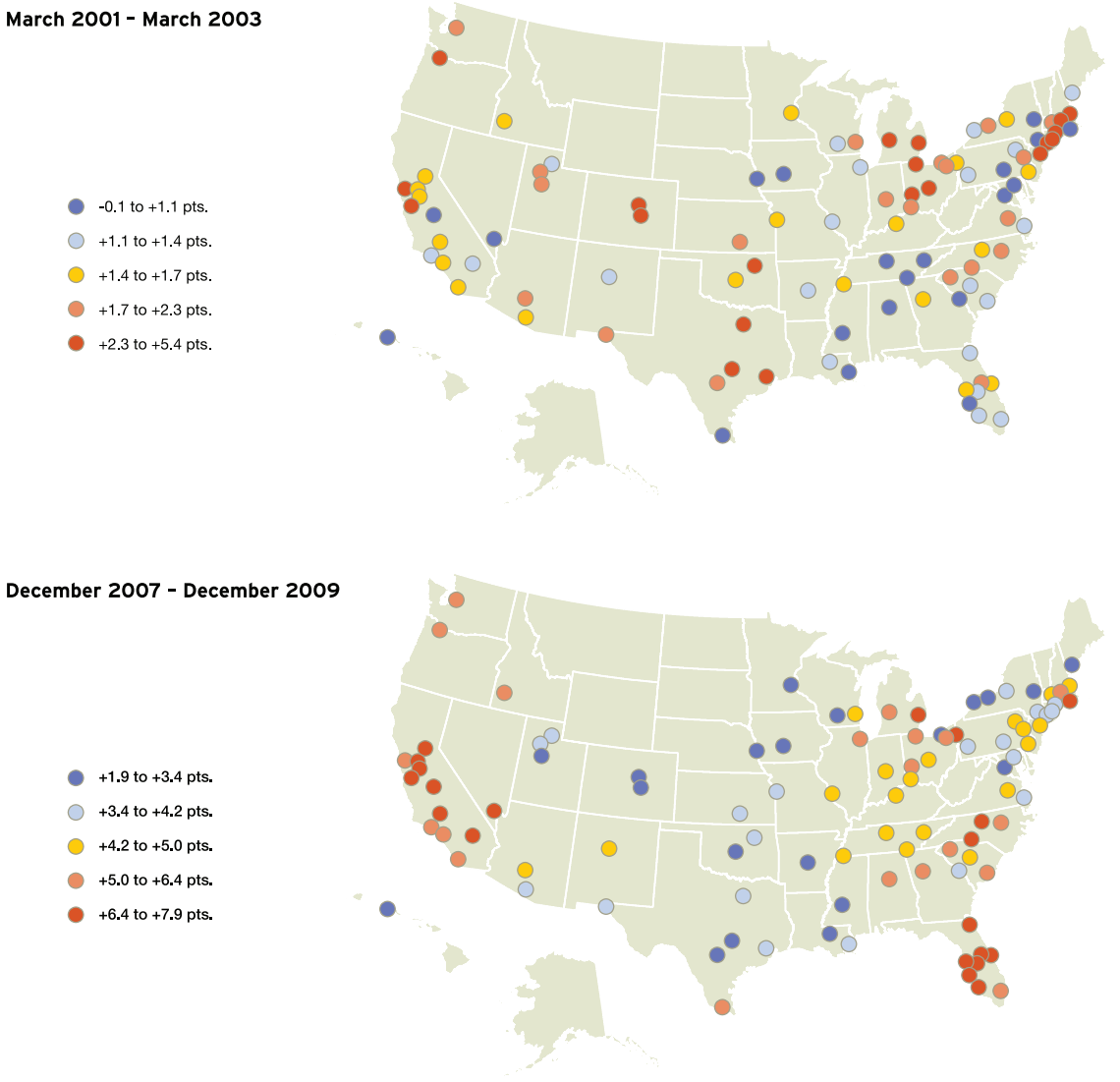
portions of the Intermountain West. Each of the 100 largest metro areas experienced an increase in its unemployment rate between December 2007 and December 2009. However, those increases ranged from under 2 percentage points in Omaha to nearly 8 percentage points in Lakeland, Stockton, and Cape Coral.

The 2000s were bookended by two recessions that, beyond obvious differences in their magnitudes, also affected America's metropolitan landscape quite differently. Of the 20 metropolitan areas experiencing the largest increases in unemployment in the two years following the start of the Great Recession, only two—Detroit and San Jose—ranked among the hardest-hit 20 in the two years after the start of the 2001 recession (Map 5). During that period, most large Florida metro areas, and California metro areas outside the Bay Area, experienced small- to medium-sized upticks in unemployment. In another contrast, most metro areas in the nation's mid-section, extending into the Colorado and Utah portions of the Intermountain West, experienced above-average jumps in unemployment during and after the 2001 recession, compared with below-average increases this time around. Finally, in addition to large differences across metropolitan areas, trends in unemployment within metro areas appear to differ from the early 2000s recession, as suburbs are tracking cities more closely than before.[10]

Some patterns, however, held in each recession.

Map 5. The Two Recessions of the 2000s Drove Large Unemployment Increases in Different Sets of Metropolitan Areas

Change in Unemployment Rate 24 Months from Start of Two Most Recent Recessions–
March 2001 to March 2003 and December 2007 to December 2009



Source: Bureau of Labor Statistics

Several metro areas in the Great Lakes states of Michigan and Ohio suffered large increases in unemployment during both downturns, likely a reflection of decreased demand for cars and many of the other durable goods produced in those regions. A number of metro areas (such as Albany, Des Moines, Jackson (MS), Honolulu, Omaha, and Washington, D.C.) also experienced more stable unemployment rates during both periods.

Data from 2008 for metropolitan areas reflect the unemployment rate disparities by educational attainment evident at the national level in more recent data. For the 100 largest metro areas combined, the unemployment rate in 2008 was 6.6 percent for individuals with only a high school diploma, versus 2.8 percent for individuals with a bachelor's degree.[11] In every one of the 100 largest metro areas, the 2008 unemployment rate was higher for those with only a high school diploma than for college degree holders. In Detroit and Fresno, the gap was more than 8.0 percentage points, while in Salt Lake City, Tulsa, Honolulu, Harrisburg, and Provo, it was less than 2.0 percentage points. Both Fresno and Detroit have experienced large overall increases in unemployment during the Great Recession, suggesting that if national trends hold in these regions, unemployment rates among those with only a high school education might very well be closer to 19 and 21 percent, respectively.[12]

LOOKING AHEAD

The unemployment and wage inequality findings reported in this chapter raise profound questions about the future of economic opportunity in America at the regional level. For most of the last century, the auto-producing metropolitan areas of the central Great Lakes region, with their combination of high overall wages and low wage inequality, exemplified broadly shared prosperity in a way that most other parts of the country did not. As such, they showed what the U.S. economy, at its best, could deliver for working people. The Great Recession decimated the economies of those metropolitan areas. Will those economies recover anytime soon? If so, will they recover in a way that restores broadly-shared prosperity?

It is not clear whether other metropolitan areas will take the place of the auto-producing areas as exemplars of such growth. The housing-bubble metropolitan areas of Florida, Nevada, and much of California, which also suffered from very high unemployment during the recession, mostly had much larger wage gaps between high- and low-wage workers. Absent major changes in the structure of their economies, they do not seem likely to inherit the mantle of broadly-shared prosperity even when their economies eventually recover. The large coastal metropolitan areas, though generally hit less hard during the recession than either the auto-producing or housing-bubble areas, also had very large wage gaps. So did the regional economies of Texas, where the Great Recession's impact was more modest than elsewhere.

Two groups of metropolitan areas both suffered relatively little during the recession and had relatively small gaps between high- and low-wage earners before the recession: (1) the broad swaths of the South and Great Plains that did not have a housing bubble and (2) the eastern Great Lakes metropolitan areas of western Pennsylvania and New York that do not depend heavily on the auto industry. Either of these groups of metropolitan areas could point the way toward new forms of inclusive economic growth, but in each case there are obstacles that stand in the

The unemployment and wage inequality findings reported in this chapter raise profound questions about the future of economic opportunity in America at the regional level.

way of that outcome.

For decades before the Great Recession, the growth of the non-housing-dependent South and Great Plains was based largely on low wages and a low cost of living. As these regions grew, however, their wages and living costs rose relative to those in the Northeast, West Coast, and Great Lakes, potentially threatening their continued ability to attract employers from other parts of the nation and abroad. Moreover, with few exceptions the states and metropolitan areas of the South and Great Plains lack public policies that would raise productivity to support high-wage job growth. The eastern Great Lakes metropolitan areas, despite suffering relatively small increases in unemployment during the recession, must still overcome the effects of decades of long-term manufacturing job loss. Their regional economies, now based in large part on higher education, health care, and highly specialized manufacturing, are much smaller than they were just a few decades ago. They may offer a regional model for shared economic growth, but perhaps on only a relatively small scale.

If no metropolitan areas provide a model of what a more inclusive form of economic opportunity can look like in the 21st century, then it will be increasingly difficult for Americans to imagine that such a future is possible.

Broadly shared prosperity is important at the metropolitan level, not just the national level. Most people experience the economy where they live and work. Almost no one lives or works throughout the nation; the vast majority live and work in economically distinct metropolitan areas. If no metropolitan areas provide a model of what a more inclusive form of economic opportunity can look like in the 21st century, then it will be increasingly difficult for Americans to imagine that such a future is possible. ■

ENDNOTES

1. Data are from the Bureau of Labor statistics for 2009; this figure counts the civilian labor force only.
2. Lawrence Mishel, Jared Bernstein, and Heidi Shierholz, *The State of Working America* (Ithaca: ILR Press, an imprint of Cornell University Press, 2009).
3. Robert Atkinson and Howard Wial, "Boosting Productivity, Innovation, and Growth Through a National Innovation Foundation" (Washington: Brookings Institution and Information Technology and Innovation Foundation, 2008).
4. Ibid.
5. Using annual wage data and information on hours and weeks worked from the 2000 Census PUMS and 2008 American Community Survey (ACS) PUMS, we calculate hourly wages for all full-time, full-year (those who work 35-plus hours per week and 50-52 weeks per year) wage and salary workers (i.e. not those who report that they are self-employed or who are unpaid family workers). Wage data from the 2008 ACS are collected throughout the year and so different individuals report data for different 12-month periods. However, we refer to these data as representing the year 2008 (all data have been adjusted to 2008 dollars). Wage data from Census 2000 refer to earnings from the previous year, and we refer to these data as representing the year 1999, accordingly. Access to PUMS data was provided by the IPUMS-USA project at the Minnesota Population Center. See Steven Ruggles and others, *Integrated Public Use Microdata Series: Version 4.0* [Machine-readable database] (Minneapolis, MN: Minnesota Population Center [producer and distributor], 2009).

   The lowest level of geography identifiable in the PUMS is the Public Use Microdata Area (PUMA); we aggregate PUMA data to create data for metropolitan statistical areas. In most cases, PUMA boundaries align well with metropolitan area boundaries, but in some

cases PUMAs extend beyond the boundaries of metro areas—resulting in overbounding error—and in other cases PUMAs do not extend far enough—resulting in underbounding error. According to 2000 population data, in eight metro areas the sum of individuals erroneously assigned (or not assigned) to a metropolitan area due to overbounding error (or underbounding error) equals between 10 and 20 percent of the actual metro area population; in three metro areas (Des Moines, Grand Rapids, and Greenville), this amounted to approximately 22 percent of the actual metro area population. Due to population growth since 2000, errors may be more substantial for 2008 data; available data do not allow us to precisely measure error as of 2008, though our analysis reveals that it is likely Des Moines represents the extreme in 2008 with an underbounding error around 30 percent.

6. To represent low-, medium-, and high-wage workers, we use the 10th, 50th, and 90th hourly wage percentiles. A wage at a given percentile describes the share of workers earning more or less than that wage. For example, if the 10th percentile hourly wage is $8/hour, it implies that 10 percent of workers made less than that amount and 90 percent made more. All calculations of wage change have been carried out using inflation-adjusted data.
7. Mishel, Bernstein, and Shierholz, *The State of Working America*. Note that this trend is based on a more broad group of workers than the full-time, full-year working population covered in this chapter.
8. Analysis uses seasonally adjusted data.
9. However, in three metro areas where 50 percent or more of the population was a race other than non-Hispanic white (Honolulu, Stockton, and Modesto), the wage ratio of white to non-white workers was relatively low.
10. Elizabeth Kneebone and Emily Garr, "The Landscape of Recession: Unemployment and Safety Net Services Across Urban and Suburban America" (Washington: Brookings Institution, 2010).
11. Based on data from the 2008 American Community Survey.
12. These figures are meant to approximate 2009 annual unemployment rates. They were calculated by applying 2008–2009 growth rates for the labor force and unemployed population (according to national-level BLS data) to the metro-level American Community Survey data for each metro area and education group. Note that data from the 2008 ACS is published for the population age 25 to 64 while BLS data by educational attainment cover the population age 25 and older.

ELIZABETH KNEEBONE and EMILY GARR

VIII. INCOME & POVERTY

BY THE NUMBERS

-$2,241
Change in real median household income, United States, 1999 to 2008

+8.2% / -17.1%
Change in real median household income, Worcester / Detroit metro areas, 1999 to 2008

53%
Share of poor individuals living in suburbs, 100 largest metro areas, 2008

+2.2
Projected percentage-point change in poverty rate, 100 largest metro areas, 2008 to 2009

OVERVIEW

- **The middle class shrank over the course of the decade as income for the typical U.S. household declined.** In 2008, U.S. median household income was $52,029—a real decline of $2,241 since 1999. Over the same period, the share of households earning "middle class" incomes fell by 1.8 percentage points. In 2008, racial income disparities persisted, with the typical black household lagging U.S. median income and the typical Asian household exceeding it by nearly the same margin ($17,000 and $18,000, respectively).

Income growth for the typical American household had stalled even before the onset of the Great Recession.

- **Even as incomes fell for the typical metropolitan household, large disparities persisted across and within metro areas.** Between 1999 and 2008, metro areas in every Census region saw median incomes decline. Midwestern metro areas—led by regions like Detroit, Grand Rapids, and Youngstown—experienced the greatest decline in median income (8.2 percent). Meanwhile, the difference in median income between the 10th-ranked and 90th-ranked metro area rose from $19,500 to $22,000.

- **Suburbs are home to the fastest growing and largest poor population in the country.** Between 1999 and 2008, the suburban poor population grew by 25 percent—almost five times the growth rate of the primary city poor—so that by 2008 suburbs were home to almost one-third of the country's poor population, and 1.5 million more poor than primary cities. While city and suburban poor residents generally resemble one another, slightly more of the suburban poor are high-school graduates, married, and white; blacks and Latinos make up a disproportionate share of the poor in both cities and suburbs.

- **Income declined and poverty increased in the first year of the Great Recession, particularly in Sun Belt metro areas.** Metro areas in California and Florida saw some of the greatest declines in median household income, along with the largest increases in city and suburban poverty between 2007 and 2008, likely reflecting the early timing and impact of the housing market collapse. Based on unemployment increases over the past year, Sun Belt metro areas like Cape Coral, Modesto, and Stockton, and manufacturing metro areas like Detroit and Youngstown may see their poverty rates rise by at least 3 percentage points in 2009.

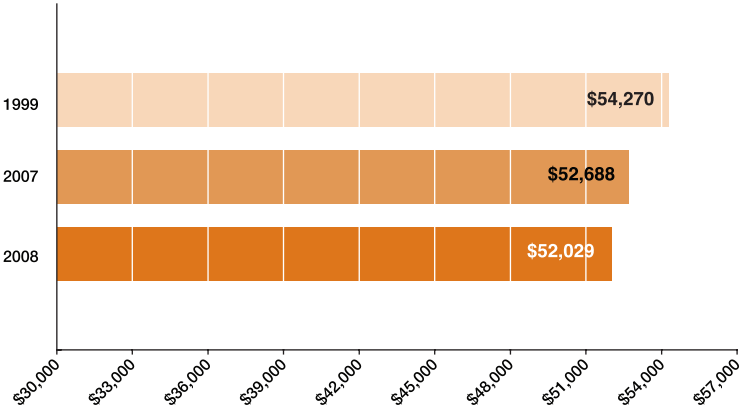
NATIONAL TRENDS

The Great Recession has brought about falling incomes and increased economic hardship across the country. But income growth for the typical American household had stalled even before its onset (Figure 1). By 2007, median household income in the United States had fallen by almost $1,600 since the start of the decade. It fell further in 2008 to $52,029, a real decrease of 4.1 percent, or $2,241, from its level in 1999.

As income in the typical household fell, the relative size of the middle class declined. Between 1999 and 2008, the share of middle-income households (i.e., between 80 and 150 percent of median income) dropped to 28.2 percent, while the share of households at both the upper and lower ends of the income spectrum increased (Figure 2).[1] In 2008, lower-income households continued to make

Figure 1. Median Household Income in the United States Declined Over the Course of the Decade

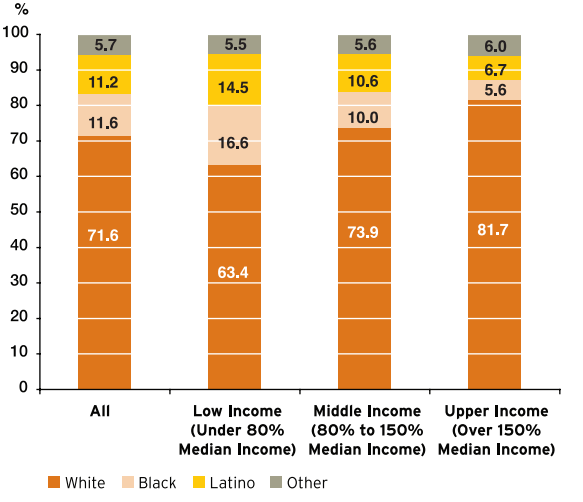
U.S. Median Household Income, 1999, 2007, and 2008 ($2008)



Source: Brookings analysis of Census 2000 and 2008 American Community Survey data

Figure 3. Minority Householders are Over-Represented Among Low-Income Households

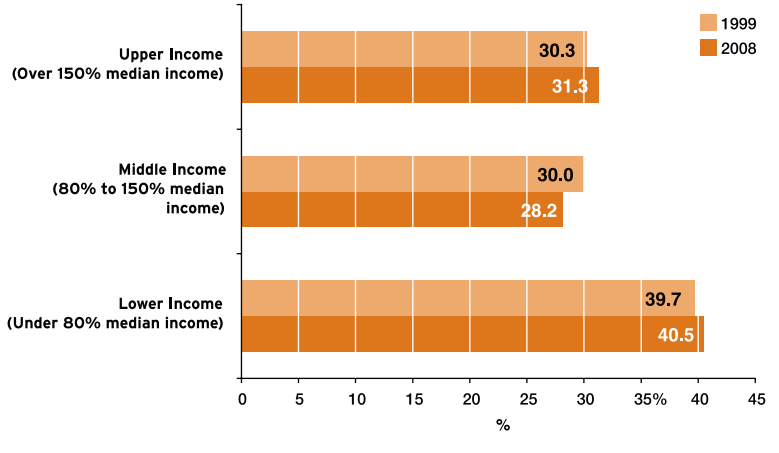
Share of U.S. Households by Race and Income Category, 2008



Source: Brookings analysis of internal 2008 American Community Survey data

Figure 2. The Share of Middle Class Households Declined in the 2000s

Share of U.S. Households by Income Category, 1999 and 2008



Source: Brookings analysis of Census 2000 and 2008 American Community Survey data

up the largest share of American households (40.5 percent).

The country also saw significant increases over the 2000s in the number of individuals living below the poverty line, which was $21,834 for a family of four in 2008. From 1999 to 2008, the poor population in the United States grew by 5.2 million people, or 15.4 percent—almost twice the growth rate of the population as a whole. By 2008, more than 39.1 million individuals lived in poverty, or 13.2 percent of the nation's population. That represented a significant increase over 1999 (12.4 percent) and put the rate on par with that in 1990 (13.1 percent).

Amid a decade of economic stagnation or decline for most American households, large economic disparities among different racial and ethnic groups persisted. Nationally, the median income for African American households ($35,425) was almost $17,000

Table 1. As Metropolitan Median Incomes Fell Overall, the Gap Between City and Suburban Incomes Narrowed Slightly
Change in Median Income by Primary Cities and Suburbs and Region, 95 Metro Areas*, 1999 to 2008

	1999			2008			% Change, 1999 to 2008		
Region	**Metro Total**	**Primary Cities**	**Suburbs**	**Metro Total**	**Primary Cities**	**Suburbs**	**Metro Total**	**Primary Cities**	**Suburbs**
Midwest	61,181	46,604	68,524	56,135	41,593	62,303	-8.2%	-10.8%	-9.1%
Northeast	61,839	45,833	69,863	61,598	46,229	68,875	-0.4%	0.9%	-1.4%
South	56,823	48,009	62,054	54,724	45,398	59,497	-3.7%	-5.4%	-4.1%
West	62,126	55,373	66,797	61,143	54,441	65,436	-1.6%	-1.7%	-2.0%
95 Metro Area Total	**60,080**	**49,317**	**66,345**	**57,970**	**47,317**	**63,525**	**-3.5%**	**-4.1%**	**-4.3%**

All income figures are reported in 2008 dollars
All changes significant at the 90 percent confidence level
**Primary city and suburb data are reported for 95 of the largest 100 metropolitan areas for which data are available*
Source: Brookings analysis of Census 2000 and 2008 American Community Survey data

below the median for all households in 2008, while the gap for the typical Latino household ($41,470) was $11,000. In contrast, white households had a median income of $56,826—almost $5,000 above the median for all households—and the typical income for an Asian household ($70,069) exceeded the overall median by $18,000. At the same time, black and Latino households made up a disproportionate share of low-income households and were under-represented among middle- and upper-income households (Figure 3).

METROPOLITAN, CITY, AND SUBURBAN TRENDS

Median Household Income

Taken together, the country's largest metro areas saw income in the typical household fall more than $2,100, or 3.5 percent, between 1999 and 2008 (Table 1). By far the most marked decreases occurred in Midwestern metro areas, which experienced a drop of over 8 percent—more than $5,000—in their median household income. Driving this regional trend were metro areas like Detroit, Grand Rapids, Toledo, and Youngstown (Table 2). Each of these metro areas saw their median incomes decline by 10 percent or more, likely reflecting the economic toll of job losses in the region's auto manufacturing sector during the 2000s.

Southern metro areas, however, have the lowest median household income among all regions ($54,724), while Northeastern metro areas have the highest ($61,598). Among other factors, the considerable income gap between these two regions likely reflects differences in costs of living and average wage levels. That gap widened in the 2000s, as incomes fell more steeply in Southern metro areas than in the Northeast.

The income gap across individual metro areas also widened over the decade, increasing the "distance" between metro areas at the top and bottom of the list for median household income. For

Table 2. Changes in Median Household Income Varied Widely Across Metro Areas
Metro Areas Ranked by Percent Change in Median Household Income, 1999 to 2008

	Largest Increases			*Largest Declines*	
Rank	**Metro Area**	**Change, 1999-2008 (%)**	**Rank**	**Metro Area**	**Change, 1999-2008 (%)**
1	Worcester, MA	8.2	81	Akron, OH	-10.1
2	New Orleans, LA	5.9	82	Little Rock, AR	-10.2
3	Washington-Arlington-Alexandria, DC-VA-MD-WV	5.1	83	Cleveland, OH	-10.8
4	San Diego, CA	4.7	84	Greenville, SC	-11.2
5	Honolulu, HI	4.6	85	Dayton, OH	-11.2
6	Virginia Beach-Norfolk-Newport News, VA-NC	3.9	86	Youngstown, OH-PA	-13.6
7	Stockton, CA	3.5	87	Greensboro-High Point, NC	-13.9
8	Poughkeepsie, NY	3.5	88	Toledo, OH	-14.3
9	Albany, NY	3.1	89	Grand Rapids, MI	-14.6
10	Riverside-San Bernardino-Ontario, CA	2.9	90	Detroit-Warren, MI	-17.1

Changes were statistically insignificant at the 90 percent confidence level in 10 metro areas, thus 90 metro areas are ranked
Source: Brookings analysis of Census 2000 and 2008 American Community Survey data

instance, the difference between median household income in the 10th ranked metro area and the 90th ranked metro area increased from roughly $19,500 in 1999 to $22,000 in 2008.[2]

Wide disparities in income also exist within metro areas, though the income gap between city and suburban households varies by region (Table 1). In 2008, the median income in large metropolitan suburbs was $63,525—roughly $16,000 more than median income in primary cities ($47,317). This disparity, however, is somewhat less stark in Southern metro areas, and even more muted in the West. In contrast, median incomes in Northeastern and Midwestern suburbs outstripped those in their primary cities by over $20,000. The gap reached almost $30,000 in metro areas like Milwaukee, Cleveland, and Detroit, and as much as $40,000 in Bridgeport and Hartford. In part, the magnitude of these disparities reflects long-standing racial and ethnic divisions between cities and suburbs in these regions.

While these differences are striking, between 1999 and 2008 the gap between suburban and city median incomes did narrow slightly—overall and in three of the four regions—reversing the widening seen during the 1990s. With the exception of Northeastern metro areas, this narrowing has not occurred because of gains in primary cities, but because of declining median incomes in the suburbs.

Racial and Ethnic Disparities in Income

Similar to national figures, black and Latino households in the 100 largest metro areas lagged behind the median income for all households in 2008, while white and Asian households exceeded it. The Bridgeport metro area showed the greatest level of income inequality across races in 2008; the median income for black households there was $42,000 less than the median for all households, while the gap was more than $37,000 for Latino households. In general, metro areas in the Northeast and Midwest,

and along the coasts, exhibited considerably larger racial and ethnic income disparities than metro areas in the South and interior West. Disparities between black households and all households topped $30,000 in Minneapolis-St. Paul, San Francisco, Des Moines, Madison, and San Jose. Metro areas where Latino households faced income gaps of that magnitude included Boston, Hartford, and Worcester. In contrast, metro areas like Albuquerque, Greensboro, Las Vegas, and Oklahoma City all exhibited below-average racial and ethnic income disparities.

Size and Characteristics of the Middle Class

In addition to declining median incomes, this decade has also seen the metropolitan middle class lose ground. Of the top 100 metro areas, 52 experienced a significant change in the size of their middle class. Fully 42 of these metro areas saw the share of their households with middle incomes decline, with 10—including Ogden, Wichita, Virginia Beach, and Madison—experiencing a drop of at least 5 percentage points. For the metro areas that saw an increase in their middle-income household share—including Knoxville, New York, and McAllen—that growth coincided with a drop in the share of upper-income households, rather than a relative decline in lower-income households.

Suburbs accounted for a majority of this middle-class decline in metropolitan areas in the 2000s. Led by metro areas like Denver, Minneapolis-St. Paul, Chicago, and Dallas, suburbs saw their middle-class share of households drop by 1.8 percentage points between 1999 and 2008, compared to a decline of 1.5 percentage points in primary cities. However, suburbs experienced somewhat greater growth than primary cities in their upper-income household share (1.2 percentage points versus 0.9 percentage points) and, in turn, less growth in their lower-income household share. Even with these changes, the middle class makes up a larger share of households in suburbs than in primary cities (30.2 percent versus 26.5 percent), though they are increasingly rare in both types of places.

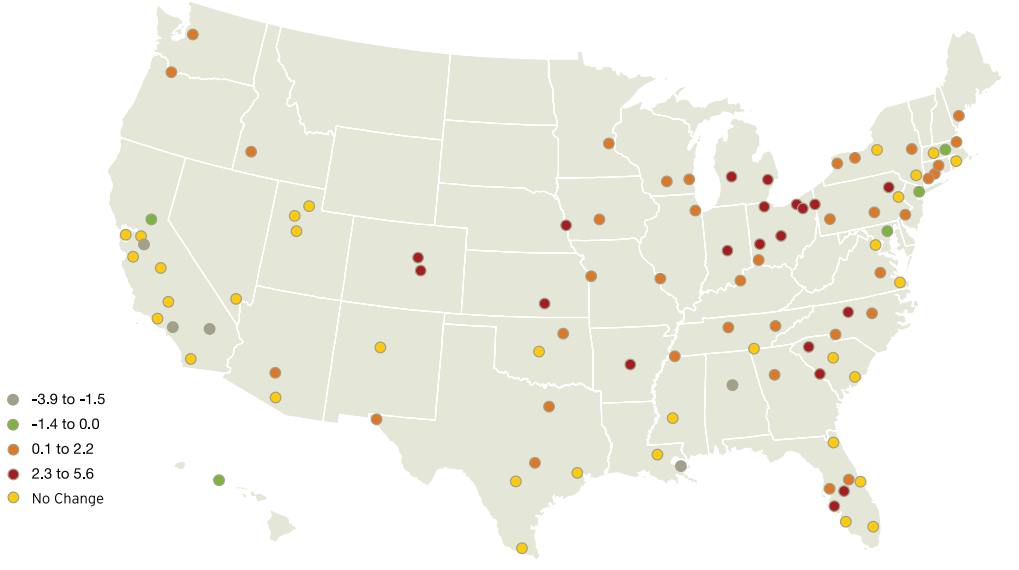
Interesting differences emerge between the characteristics of middle-income households in cities and suburbs (Table 3). White households make up nearly three-fourths of the suburban middle class, while black and Latino households account for a greater share of the middle class in primary cities. Middle-class households in primary cities are

Table 3. Middle-Class Households in Cities Are More Diverse and More Highly Educated than Those in Suburbs
Characteristics of City and Suburban Middle-Class Householders, 100 Metro Areas, 2008

Householder Characteristic	Primary Cities	Suburbs
Race/Ethnicity (%)		
White	55.3	73.6
Black	18.3	9.0
Latino	17.7	11.2
Other	8.7	6.1
Gender (%)		
Male	55.0	58.7
Female	45.0	41.3
Educational Attainment (%)		
No diploma	10.2	7.8
High school only	20.3	24.9
Some college	23.0	24.9
Associates degree	8.1	9.3
Bachelor's degree	23.9	21.5
Graduate degree	14.5	11.5

Source: Brookings analysis of internal 2008 American Community Survey data

Map 1. Most of the Largest Increases in Metropolitan Poverty Occurred in Midwestern Metro Areas
Change in Poverty Rates, 100 Metro Areas, 1999 to 2008



All estimates of change are significant at the 90 pcerent level
Source: Brookings analysis of Census 2000 and American Community Survey 2008 data

somewhat more likely to be headed by a female than such households in suburbs. And while middle-class householders in cities are slightly more likely to have not completed high school, they also have higher shares of bachelor's and advanced degree holders than their suburban counterparts.

Poverty Trends

As metropolitan incomes declined and the middle class shrank, the country's 100 largest metro areas also saw their collective poverty rate increase significantly between 1999 and 2008, from 11.6 percent to 12.2 percent. However, these increases were not shared evenly across all 100 metro areas (Map 1). As with the steepest declines in income, many of the greatest increases in poverty were concentrated in Midwestern metro areas like Grand Rapids and Youngstown, and Southern metro areas like Greenville, Greensboro, and Little Rock. In contrast, some regions showed significant decreases in poverty between 1999 and 2008, like Los Angeles, Modesto, and Riverside, though as the recession deepened and spread in 2009, this progress likely stalled and probably reversed.

These poverty trends across metropolitan areas occurred amid an important shift in poverty within metro areas. In 1999, 400,000 more people below the poverty line lived in primary cities of the country's largest metro areas than in their suburbs. Between 1999 and 2008, however, the number of

suburban poor increased by 25 percent—10 points above the national average and almost five times the growth in primary city poor (Figure 4). Overall, suburbs gained more than 2.5 million poor individuals, and by 2008 they were home to almost one-third of the country's poor population. Between 1999 and 2008, the balance of metropolitan poverty had effectively "tipped" so that by 2008 suburbs were home to 1.5 million more poor than their primary cities. Metro areas including Cleveland, Baltimore, Detroit, Rochester, Minneapolis-St. Paul, Jackson, and San Diego exemplify the shift in poverty from majority urban to majority suburban, as they saw the share of poor living in the suburbs pass the 50 percent mark this decade.

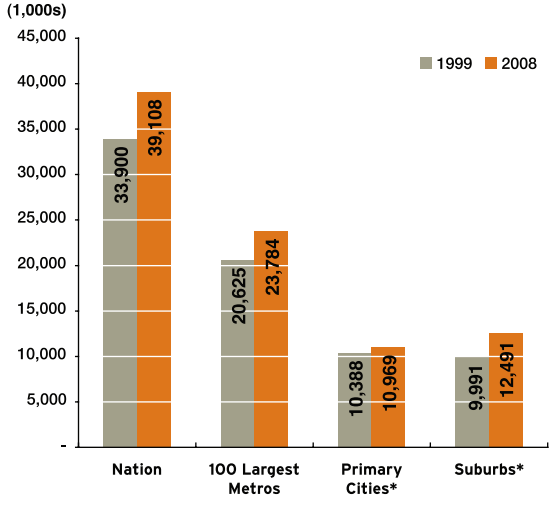
As the suburban poor population grew, the gap between city and suburban poverty rates narrowed slightly. Suburbs saw a greater increase in their poverty rate than cities from 1999 to 2008—0.9 percentage points versus 0.3. Despite this narrowing, by 2008 primary-city residents were still almost twice as likely as suburban residents to live in poverty (18.2 percent versus 9.5 percent, respectively).

Characteristics of the City and Suburban Poor

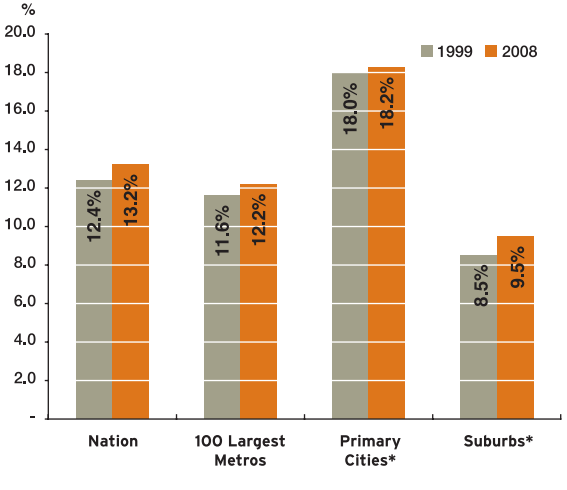
By and large, poor residents of cities and suburbs resemble one another on key social and demographic characteristics (Table 4). City residents are just slightly more likely to live in "deep" poverty, with incomes less than half of the poverty line (44 versus 42 percent), whereas a somewhat higher share of suburban residents have incomes just below the poverty line (32 versus 30 percent). Comparable shares obtained a college degree, though the city poor are less likely to have completed high school (38 versus 32 percent). And immigrants make up only a slightly larger share of the city poor than the suburban poor

Figure 4. The Number of Poor, and the Poverty Rate, Increased Significantly Over the Decade in Metro Areas, Cities, and Suburbs

Individuals in Poverty by Location, 1999 and 2008



Poverty Rates, 1999 and 2008



**Includes 95 of the largest 100 metropolitan areas for which data are available*
Source: Brookings analysis of Census 2000 and internal 2008 American Community Survey data

Table 4. Poor Residents of Cities and Suburbs Have Many Similar Characteristics
Characteristics of the Poor in Cities and Suburbs, Large Metro Areas, 2008

	Primary Cities	Suburbs
Share of individuals in poverty	18.2	9.5
Share of households in poverty	16.6	9.0
Share of poor individuals:		
With incomes:		
Below 50% of the poverty threshold	44.0	42.3
50 to 74% of of the poverty threshold	26.2	25.4
75% to 99% of the poverty threshold	29.8	32.4
Between 16 and 64 who:		
Work full-time, year-round	11.4	12.0
Work part-time or part-year	36.6	38.8
Did not work	52.0	49.2
25 and over who have completed*:		
Less than high school	38.1	31.8
High school only	28.7	31.9
Some college or associates degree	21.3	23.6
Bachelor's degree or higher	12.0	12.7
Who are:		
White	24.8	46.4
Black	32.4	17.0
Latino	34.3	29.1
Other	8.6	7.4
Who are foreign born	22.3	18.9
Share of poor households:		
That are:		
Married couples	15.5	20.3
Female-headed families	29.2	27.5
Male-headed families	4.8	5.1
Female-headed non-families	29.3	29.2
Male-headed non-families	21.2	17.8
That received Food Stamps*	39.2	32.0

** Includes 95 of the 100 largest metro areas for which data are available*
Source: Brookings Institution analysis of 2008 American Community Survey data

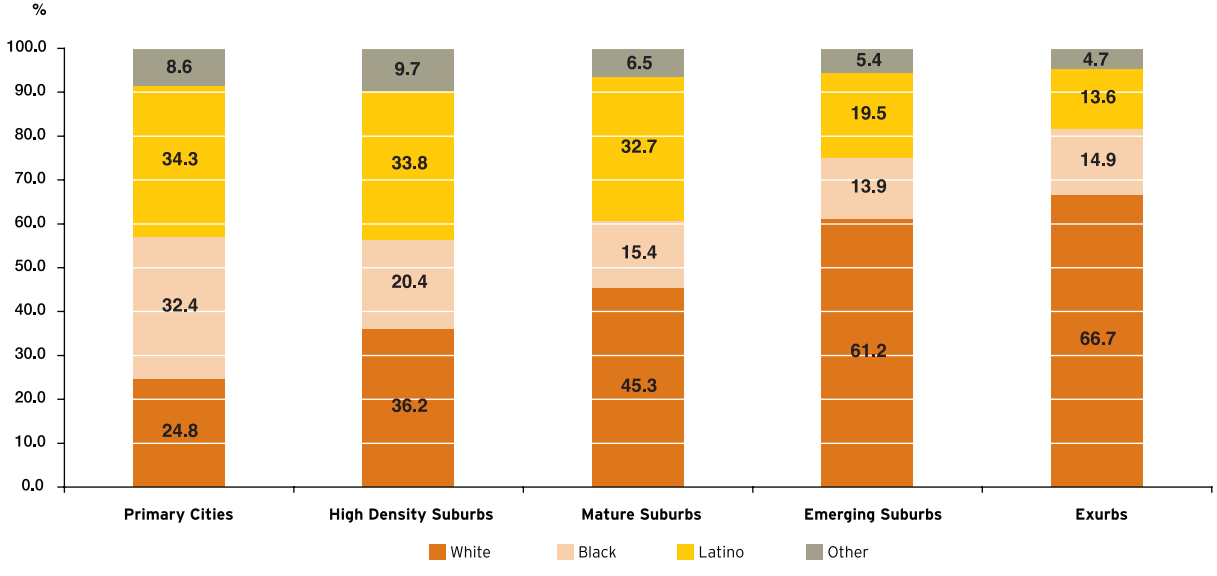
(22 percent versus 19 percent). Larger differences arise when it comes to family structure: Married-couple families make up more than 20 percent of poor suburban households, compared to less than 16 percent of poor city households. And though more poor now live in the suburbs, food stamp receipt in cities continues to outpace suburban uptake; only 32 percent of poor suburban households received food stamps in 2008, compared to 39 percent of poor city households.

By far the greatest differences between the city and suburban poor are found in their racial and ethnic makeup. In primary cities, 25 percent of the poor population was white in 2008 versus 46 percent in the suburbs, while 32 percent of poor city residents were black, compared to 17 percent in the suburbs. Some of the differences in the makeup of the city and suburban poor can be explained by differences in the racial and ethnic composition of their total populations. However, even accounting for these differences, African Americans and Latinos make up a disproportionate share of the poor in both cities and suburbs. Only in outer suburbs and exurbs do whites account for a majority of the poor, and, even there, minorities make up a disproportionate share of the poor (Figure 5). In both cities and low-density exurban communities, African Americans account for an outsized share of the poor, whereas in older and denser suburbs, the poor are disproportionately Hispanic.

LOOKING AHEAD: INCOME, POVERTY, AND THE GREAT RECESSION

Whether in large cities, suburbs, or the nation as a whole, income and poverty trends are inextricably

Figure 5. Minorities Make Up More than Half the Poor in Cities and Most Types of Suburbs
Race and Ethnicity of the Poor by Metropolitan Community Type, 100 Metro Areas 2008



Source: Brookings analysis of internal 2008 American Community Survey data

Though more poor now live in the suburbs, food stamp receipt in cities continues to outpace suburban uptake.

linked to the performance of the economy. Declining median incomes, a shrinking middle class, and rising poverty this decade reflect in part the economic challenges the nation faced in the early 2000s, as well as the onset of the deepest and longest recession of the post-World War II era. But these trends also reflect several years of aggregate economic growth that failed to produce real gains for the typical American household.

Undoubtedly, we have yet to see the full extent of the Great Recession's impact on these trends, but early indications reveal that the nation was already feeling the negative effects of the downturn by the end of 2008. Nationally, median income declined over the first year of the recession, falling 1.3 percent, or $659, between 2007 and 2008. At the same time, the country saw the middle class contract 0.4 percentage points, with an accompanying slight, but significant, uptick of 0.2 percentage points in the share of lower-income households.[3] The nation's poor population grew by more than 1 million, a roughly 3 percent increase over the course of one year, leading to an increase of 0.2 percentage points in the U.S. poverty rate.

The 100 largest metro areas also experienced declines in real median income between 2007 and 2008, with the suburbs bearing the brunt of the decreases overall: the typical suburban household saw income drop $388 while primary city median income remained statistically unchanged on the whole. Suburban decreases were driven by declines in Sun Belt metro areas, like Modesto, Bakersfield, Fresno, Palm Bay, and Tampa. This likely reflects the early timing of the housing market collapse, which

Table 5. Western Metro Areas Saw the Greatest Growth in Both City and Suburban Poor Populations in the First Year of the Great Recession

Change in City and Suburban Poor Population by Region, 95 Metro Areas*, 2007 to 2008

	Primary Cities			Suburbs		
	2007	2008	Change (%)	2007	2008	Change (%)
Metro Total	**10,748,398**	**10,969,243**	**2.1%**	**11,941,943**	**12,491,486**	**4.6%**
Midwest	2,127,005	2,143,793	0.8%	2,138,486	2,198,817	2.8%
Northeast	2,520,359	2,516,153	-0.2%	2,184,478	2,289,853	4.8%
South	3,320,929	3,356,181	1.1%	4,419,690	4,612,951	4.4%
West	2,780,105	2,953,116	6.2%	3,199,289	3,389,865	6.0%

All changes significant at the 90 percent confidence level
**Includes 95 of the largest 100 metropolitan areas for which data are available*
Source: Brookings Institution analysis of Census 2000 and 2008 American Community Survey data

hit many Sun Belt metro areas—with concentrations in the construction and real estate industries—particularly hard. At the same time, a number of metro areas managed to buck this trend—many of them in the Northeast (e.g., Worcester, Poughkeepsie, and Buffalo)—and experienced real increases in their median incomes in the first year of the recession.

Changes in metropolitan poverty over this time period largely mirror the income dynamics in these regions. Much of the nation's increase in poverty was concentrated in the largest metro areas, and particularly in the suburbs, which accounted for more than half the nation's increase in the number of poor. Contrary to the longer-run trend from 1999 to 2008, Western metro areas led among regions for increases in both city and suburban poverty between 2007 and 2008, again likely reflecting the early onset of the recession in the Sun Belt (Table 5). At the same time, primary cities in the Northeast actually saw their central-city poor population decline overall, even as the poor population in the surrounding suburbs increased almost 5 percent.

While it is notable that some areas saw household income growth and falling poverty during the first year of the recession, research indicates that 2009 is likely to bring higher poverty rates across all major metropolitan areas.[4] Based on the increases in unemployment seen over the course of 2009 as the recession deepened and spread, the 100 largest metro areas may see a 2.2 percentage-point increase in their collective poverty rate, with increases of 3.5 percentage points or more in Sun Belt metro areas like Cape Coral, Stockton, and Modesto; and manufacturing centers like Detroit and Youngstown. In general, these trends are driven by high unemployment increases in both cities (e.g., Stockton, CA) and suburbs (e.g., Modesto, CA) between 2008 and 2009.[5] Altogether, more than half of metropolitan areas may see a rise of 2 percentage points or more in their poverty rates in 2009.

In the wake of the recession at the start of the decade, the nation lost ground on incomes for typical households and reducing poverty. Now, as the country works to emerge from a much deeper and more protracted recession, the trends explored in this chapter are likely to get worse before they get better, especially in communities hit hardest by recent job losses and rising unemployment. But the

future trajectory of these trends will depend on how the economy recovers: Will this recovery be a repeat of the one we saw earlier this decade, which brought increased productivity but stagnating income and growing poverty? If so, what will that mean for metro areas that have already fallen behind as metropolitan income disparities widened over the decade? Or will this recovery bring the kind of shared prosperity the country experienced in the 1990s—one that increased incomes for the average family, reduced poverty in cities and suburbs, and brought economic gains to metropolitan areas now in danger of suffering permanent losses?[6] ■

ENDNOTES

1. In 2008, U.S. median household income was $52,029, thus nationally middle-income households were those with incomes between $41,623 and $78,044. The 80 percent threshold is in keeping with the U.S. Department of Housing and Urban Development's definition of low-income (see, e.g., **www.huduser.org/portal/datasets/il/index_il2009.html**). While no one definition of "middle income" exists in the literature, we use the 150 percent income cutoff as in Paul Taylor, et al, "Inside the Middle Class: Bad Times Hit the Good Life" (Washington: Pew Research Center, 2008).
2. Dollar amounts in 1999 were adjusted to 2008 for comparison purposes.
3. The increase of 0.2 percentage points in the share of upper-income households did not meet the test for statistical significance at the 90 percent level.
4. Elizabeth Kneebone and Emily Garr, "The Suburbanization of Poverty: Trends in Metropolitan America, 2000 to 2008" (Washington: Brookings Institution, 2010).
5. Elizabeth Kneebone and Emily Garr, "Landscape of Recession: Unemployment and Safety Net Services Across Urban and Suburban America" (Washington: Brookings Institution, 2009).
6. Paul Jargowsky, "Stunning Progress, Hidden Problems: The Dramatic Decline of Concentrated Poverty in the 1990s" (Washington: Brookings Institution, 2003).

Much of the nation's recent increase in poverty was concentrated in the largest metro areas, particularly in the suburbs.

EMILIA ISTRATE, ROBERT PUENTES, and ADIE TOMER

IX. COMMUTING

BY THE NUMBERS

76% / 5%
Share of workers commuting by driving alone / public transit, United States, 2008

-0.2% / -1.6% / 0.5%
Change in share of workers commuting by driving alone/ carpool/transit, 100 largest metro areas, 2000 to 2008

2
Metro areas (out of 100) in which fewer than 75% of workers commute by car, 2008 (New York and San Francisco)

14% / 27%
Share of transit commuters with incomes $75,000 and over, primary cities / suburbs, 2008

OVERVIEW

- **Reversing a pair of 40-year trends, the share of Americans that commute by transit increased from 2000 to 2008, while the share of those that drive alone to work fell slightly.** However, driving alone remains the method by which fully three-quarters of Americans get to work. Transit usage increased among whites and Asians, while carpooling dropped significantly among blacks and Hispanics.

- **Regional differences distinguish metropolitan commuting modes.** Commuters drive alone to work in high proportions in mid-sized Midwestern and Southern metro areas like Youngstown and Baton Rouge. Carpooling is most popular in Southern and Western metro areas, including many with large Hispanic populations like Bakersfield and McAllen. Public transit commuting is concentrated in the nine large metro areas that have rates above the metropolitan average (7 percent), including New York, San Francisco, Washington, and Boston.

- **Metropolitan areas with large transit systems were not alone in seeing increased transit usage during the 2000s.** While metropolitan areas such as New York and Washington with extensive rail networks saw the largest increases in the share of commuters using transit, metro areas that opened light rail lines this decade such as Charlotte and Phoenix saw upticks as well. Others that rely almost exclusively on buses for transit commuting (Colorado Springs, Albuquerque, and Seattle) also experienced notable increases.

- **In only 19 of the 100 largest metro areas did more than a quarter of the workforce in 2008 commute by a mode other than driving alone.** In only two of those metropolitan areas (New York and San Francisco) did more than a quarter of workers commute other than by car. Carpooling is an important alternative to driving alone in both mid-sized (Honolulu, Stockton) and large (Los Angeles, Seattle) metro areas.

- **Residents of cities and older, high-density suburbs are more likely to use transit than commuters elsewhere in metro areas.** Suburban transit users have higher incomes than both city transit users and suburbanites overall. Rates of working at home are roughly the same across cities and all types of suburbs, though more common among higher educated workers.

Commuting flows are the 'blood' of regional economies, showing the connections among businesses and the labor market.

NATIONAL TRENDS

Travel to work is essential in defining our metropolitan areas.[1] Commuting flows are the "blood" of regional economies, showing the connections among businesses and the labor market. They also tie together urban cores and adjacent places and, in fact, are the key criteria used to statistically define U.S. metropolitan areas.[2]

Commuting—that is, the journey to and from work—is only a small fraction of daily travel in the United States, about 15 percent of trips in 2009.[3] The significance of commuting results not from the amount of it but from the requirements it imposes on the transportation system. In comparison with

Transit increased significantly its share of all commutes for the first time in 40 years.

other trips, commuting is regular in its frequency, time of departure and destination. Because of its volume and regularity, commuting significantly determines peak travel demand patterns.[4]

From the view of transportation policymakers, how people get to work—by car, public transportation, walking, or another "mode"—is among the most important aspects of commuting.[5] It shows commuters' demand for the use of the transportation system, such as highways, transit, or streets. This information feeds directly into the planning of transportation services and capacity. Therefore, this chapter focuses almost exclusively on commuting mode patterns in metropolitan America, leaving aside other issues covered in the American Community Survey such as travel time, departure time, or workplace geography.

In this regard, several small but important changes in the national modal patterns of commuting occurred in the 2000s (Figure 1).[6] One is that transit increased significantly its share of all commutes for the first time in 40 years. Five percent of American workers took transit to work in 2008, compared to 4.6 percent in 2000.[7] Commuters in the Northeast and Midwest helped drive this increase, as did bus commuters, who accounted for over half of transit growth from 2000 to 2008. While even this slight increase is historic, it still leaves transit short of its 1990 share of all commutes (5.1 percent).

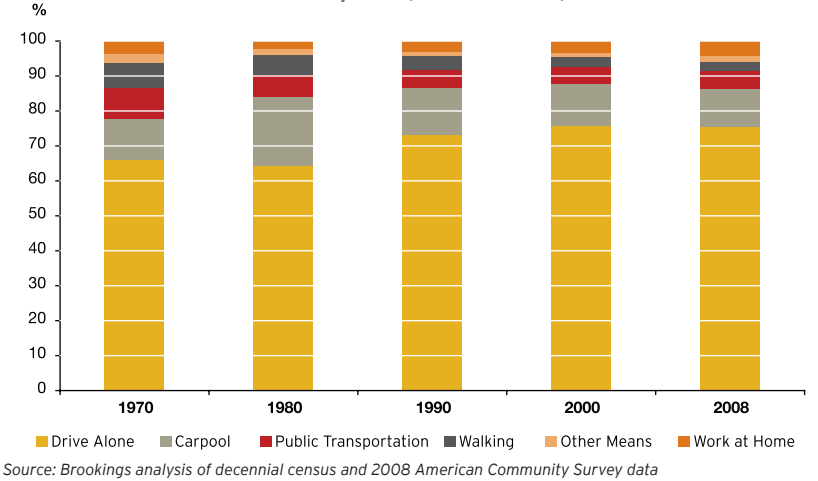
Another shift regards the role of the car in commuting. The share of Americans driving alone to work stayed relatively stable between 2000 and 2008 at 76 percent, though this disguised a small but statistically significant drop during the first year of the recession (0.6 percentage points). Even so, Americans continue to drive alone to work in vastly greater numbers than all other modes combined. Carpooling, however, experienced the largest decline in its share of commutes during the 2000s, led by decreases in the South and West. The share of workers who commuted via carpool in 2008 (11 percent) was even below its level in 1970 (12 percent).

Other commuting modes displayed both increasing and decreasing popularity. Commutes via two wheels (mostly bicycles and motorcycles) increased slightly to 1.7 percent of all commutes from 2000 to 2008. However, the share of Americans that walk to work continued to decline and now stands at 2.8 percent, down from 7.4 percent in 1970, reflecting the steady dispersal of people and jobs throughout U.S. metro areas. And while this chapter focuses on Americans' work trips, there is a growing trend of people not commuting at all: those who work at home. That share reached 4.1 percent in 2008, a number closer to the transit commuting share and much higher than walking or biking, with the South leading the way.

These different commuting modes do not distribute equally across all types of places. In particular,

Figure 1. The Share of Workers Commuting Via Public Transit Increased in the 2000s, Though Driving Alone Remains the Dominant Mode

Share of Commuters by Mode, United States, 1970 to 2008



Source: Brookings analysis of decennial census and 2008 American Community Survey data

commuting via public transportation is primarily a large-metro phenomenon; the 100 largest metro areas accounted for 93 percent of such commutes in 2008, compared to two-thirds for other modes. These metropolitan areas drove the slight increase in public transit usage seen nationwide during the 2000s.

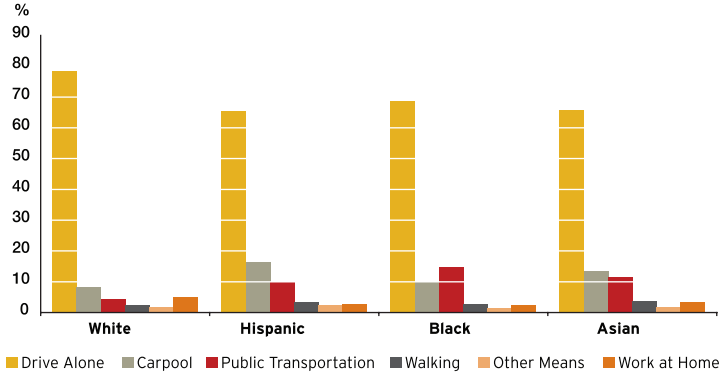
As further evidence of the diverse distribution of modes across the country, racial and ethnic groups in large metro areas diverged in their commuting mode patterns in the 2000s (Figure 2).[8] Whites and Asians commuted more by public transportation in 2008 than in 2000, essentially driving the small increase in transit usage in the 2000s. But Hispanics and blacks drove alone more, and carpooled much less, perhaps reflecting their increased suburbanization (see the *Race and Ethnicity* chapter). All groups saw small upticks in working at home. In the end, however, a majority of every major racial/ethnic group drove alone to work in 2008, as was the case in 2000. Whites did so at a far greater rate than other groups, but were also the only group who used this mode less in 2008 than in 2000.

METROPOLITAN TRENDS

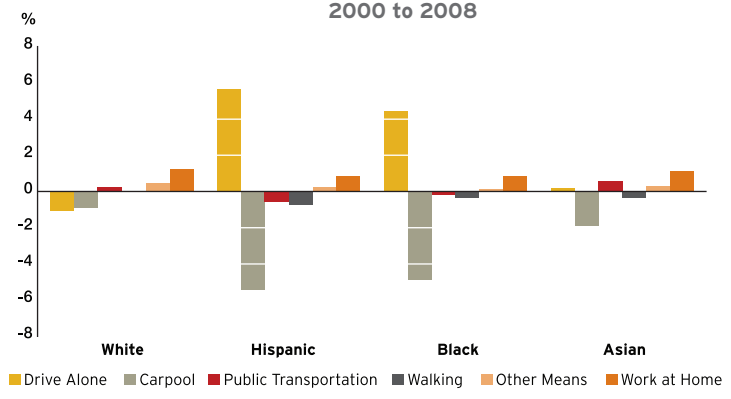
Commuting patterns by mode at the national level conceal starkly different trends among the top 100 metropolitan areas.[9]

Workers in Midwestern and Southern metro areas tend to drive alone to work more often than those elsewhere. Youngstown is the nation's commuting capital for solo drivers, with over 85 percent of its metropolitan workers choosing that mode in 2008 (Table 1). Conversely, Northeastern and Western metropolitan areas tend to rank lower on this measure. New York is a significant outlier, with only about half of its commuters driving alone to work.

Figure 2. Minority Groups Commute Via Public Transit More Often than Whites, but Whites Drove Increases in Transit Usage in the 2000s
Commuting Mode by Race/Ethnicity, 100 Largest Metro Areas, 2008



Change in Commuting Mode by Race/Ethnicity, 100 Largest Metro Areas, 2000 to 2008



Source: Brookings analysis of Census 2000 and 2008 American Community Survey data

Though the rate remained relatively stable nationally, about one-fourth of the 100 largest metro areas saw the share of commuters driving alone to work increase significantly from 2000 to 2008 (Map 1). This trend reinforced current patterns in the South (e.g., El Paso and Charleston) and in the interior West (e.g., Las Vegas, California's Central Valley, and Tucson). Metropolitan New Orleans witnessed the largest increases in driving alone to work

Table 1. Commuters in Midwestern and Southern Areas Exhibit Higher Rates of Driving Alone to Work

Metro Areas Ranked by Share Commuting By Driving Alone to Work, 2008, and Change in Share, 2000-2008

	Share Driving Alone to Work, 2008 (%)			*Change in Share Driving Alone to Work, 2000-2008 (% pts)*	
Rank	**Metro Area**		**Rank**	**Metro Area**	
1	Youngstown, OH-PA	85.1	1	New Orleans, LA	5.3
2	Wichita, KS	84.6	2	Modesto, CA	3.3
3	Akron, OH	84.4	3	El Paso, TX	3.2
4	Baton Rouge, LA	84.1	4	Las Vegas, NV	3.0
5	Knoxville, TN	84.0	5	Oxnard-Thousand Oaks-Ventura, CA	3.0
96	Seattle-Tacoma-Bellevue, WA	69.0	96	Bridgeport, CT	-2.7
97	Washington-Arlington-Alexandria, DC-VA-MD-WV	66.3	97	Poughkeepsie, NY	-2.9
98	Honolulu, HI	64.2	98	Portland, ME	-3.2
99	San Francisco-Oakland-Fremont, CA	62.4	99	Dayton, OH	-3.3
100	New York-Newark, NY-NJ-PA	50.3	100	Austin, TX	-3.6
	All metro areas	**74.0**		**All metro areas**	**-0.2**

Source: Brookings analysis of Census 2000 and 2008 American Community Survey data
Note: All changes statistically significant at 90 percent confidence interval

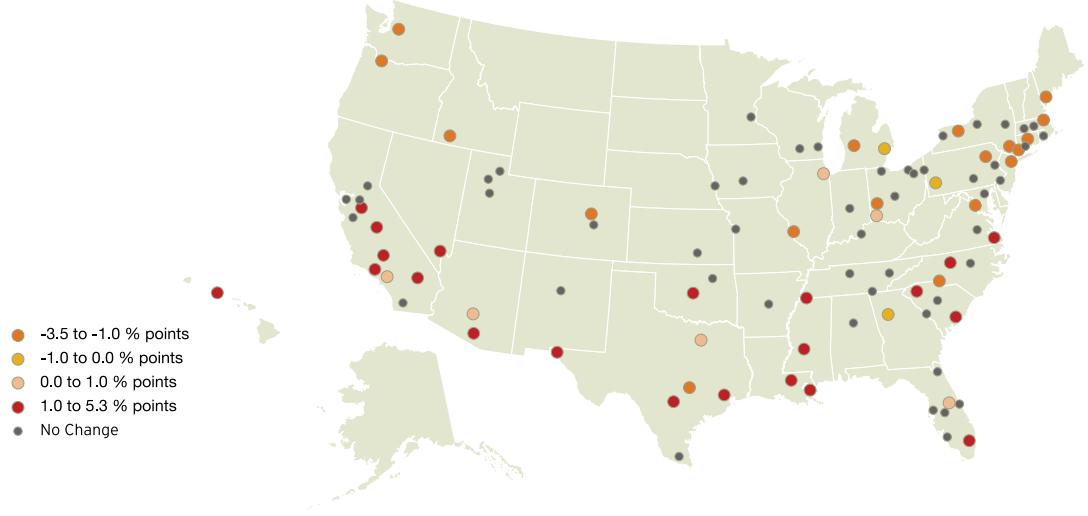
(5.3 percent), likely due to the aftermath of Hurricane Katrina.[10] Interestingly, no Northeastern metropolitan area experienced a significant increase in commuting by solo driving during the 2000s.

Carpooling rates tell a similarly diverse regional story. Southern and Western metro areas, particularly those with large Hispanic populations, dominate the top ranks, while Northeastern and Midwestern metropolitan areas rank near the bottom (Table 2). In Bakersfield, 17 percent of workers drove with others to work in 2008, nearly double the national rate. Indeed, only two Western metropolitan areas (Modesto and San Jose) exhibited carpooling rates below the metropolitan average of 10.3 percent. At the same time, only three Northeastern metropolitan areas (Scranton, Harrisburg, and Portland) cracked the top 50. And as carpooling declined nationally in the 2000s, only Dayton among the 100 largest metro areas saw its carpooling rate increase. Conversely, rates declined in a number of Sunbelt metro areas where driving alone increased over the decade.

Not surprisingly, the metropolitan areas with the largest shares of transit commuters are older, larger areas with relatively extensive systems: New York, San Francisco, Washington, Boston, and Chicago (Table 3). Transit commuters in New York and Washington commute primarily by subway, while those in Chicago and San Francisco mostly ride the bus to work. Bridgeport, just outside of New York, leads in the share of its workers commuting by railroad/commuter rail. These large places clearly dominate, as only nine of the top 100 metropolitan areas have transit commuting rates exceeding the large metro area average (7.0 percent).

Map 1. More Commuters Drove Alone to Work in Southern and California Metro Areas, While Fewer Did in the Northeast and Midwest

Change in Share of Commuters Driving Alone to Work, 100 Largest Metro Areas, 2000-2008



Source: Brookings analysis of Census 2000 and 2008 American Community Survey data

About one-fourth of the 100 largest metro areas saw the share of commuters driving alone to work increase significantly from 2000 to 2008.

Table 2. Southern and Western Metro Areas Rank High on Carpooling, But Saw Rates Slip in the 2000s

Metro Areas Ranked by Share Commuting by Carpool, 2008, and Change in Share, 2000-2008

	Share Carpooling, 2008 (%)			*Change in Share Carpooling, 2000-2008 (% pts)*	
Rank	**Metro Area**		**Rank**	**Metro Area**	
1	Bakersfield, CA	17.1	1	Dayton, OH*	2.0
2	Honolulu, HI	15.9	2	Madison, WI	0.9
3	Stockton, CA	15.1	3	Scranton, PA	0.9
4	Cape Coral, FL	14.4	4	Cape Coral, FL	0.7
5	McAllen, TX	14.2	5	Portland, ME	0.5
96	Cleveland, OH	8.1	96	Lakeland, FL*	-3.7
97	Springfield, MA	8.0	97	Jackson, MS*	-4.1
98	Youngstown, OH-PA	7.8	98	McAllen, TX*	-4.9
99	Akron, OH	7.5	99	El Paso, TX*	-5.2
100	New York-Newark, NY-NJ-PA	7.3	100	Modesto, CA*	-5.2
	All metro areas	**10.3**		**All metro areas***	**-1.6**

Source: Brookings analysis of Census 2000 and 2008 American Community Survey data
** Changes statistically significant at 90 percent confidence interval*

Table 3. Northeastern and Western Metro Areas Continue to Dominate Public Transit Commuting

Metro Areas Ranked by Share Commuting by Public Transit, 2008, and Change in Share, 2000–2008

	Share Using Public Transit, 2008 (%)			*Change in Share Using Public Transit, 2000-2008 (% pts)*	
Rank	**Metro Area**		**Rank**	**Metro Area**	
1	New York-Newark, NY-NJ-PA	30.4	1	New York-Newark, NY-NJ-PA*	2.9
2	San Francisco-Oakland-Fremont, CA	14.4	2	Washington-Arlington-Alexandria, DC-VA-MD-WV*	2.3
3	Washington-Arlington-Alexandria, DC-VA-MD-WV	13.4	3	Bridgeport, CT*	1.3
4	Boston-Cambridge, MA-NH	11.7	4	Poughkeepsie, NY*	1.2
5	Chicago-Naperville-Joliet, IL-IN-WI	11.3	5	Seattle-Tacoma-Bellevue, WA*	1.0
96	Greenville, SC	0.4	96	Houston, TX*	-0.5
97	McAllen, TX	0.4	97	Milwaukee, WI*	-0.5
98	Lakeland, FL	0.4	98	Las Vegas, NV*	-0.6
99	Tulsa, OK	0.4	99	Honolulu, HI	-0.7
100	Palm Bay, FL	0.3	100	New Orleans, LA*	-2.7
	All metro areas	**7.0**		**All metro areas***	**0.5**

Source: Brookings analysis of Census 2000 and 2008 American Community Survey data
** Changes statistically significant at 90 percent confidence interval*

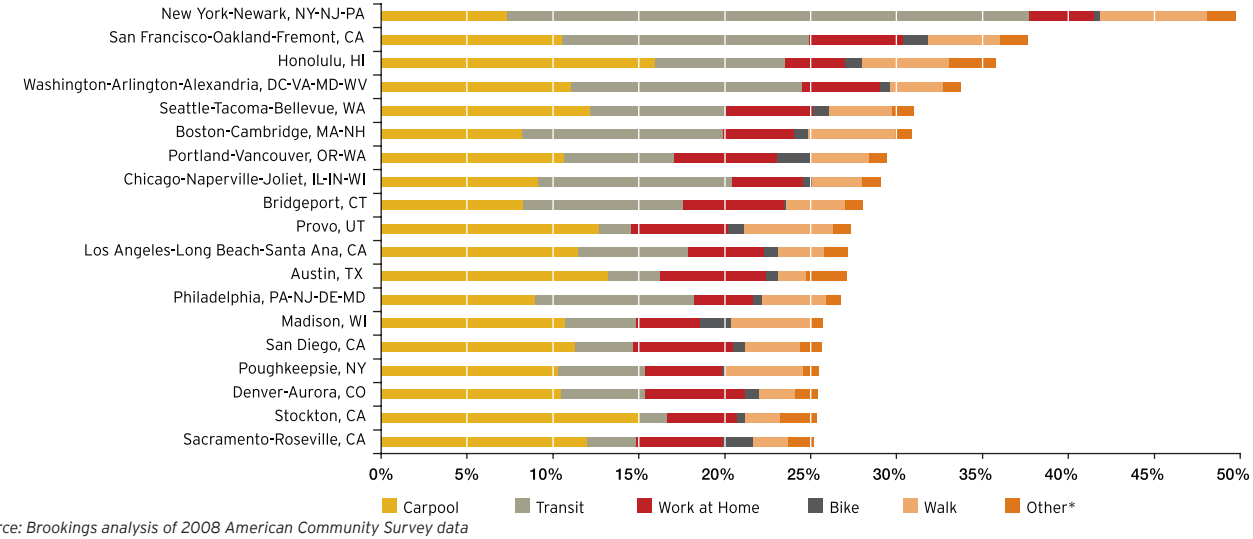
As described above, transit usage increased for the first time in decades during the 2000s, though by a small degree. The increase was most apparent in metropolitan areas with large transit systems, such as New York and Washington, where the share of commuters choosing the mode rose by at least 2 percent from 2000 to 2008. But increases were also seen in metropolitan areas that opened new transit lines and expanded transit service in the last eight years. Charlotte opened a light rail line in November 2007 and Colorado Springs opened an intercity commuter bus line in 2004, and both managed to place among the top 10 metropolitan areas for increases in commuter transit ridership, and rate of commuting by transit.[11]

While one-third of metropolitan areas saw significant increases in their transit commuting rate during the 2000s, most of these increases were very small. Only five metro areas posted increases of more than one percentage point. At the same time, the only decrease larger than one percentage point occurred in New Orleans, as a result of hurricane-inflicted damages to its public transit infrastructure. The first year of the Great Recession, which coincided with a spike in gasoline prices, contributed to the move toward greater transit usage. Between 2007 and 2008, rates of driving alone to work dropped in 38 of the largest 100 metro areas. In return, about 30 metro areas saw increases in carpooling and commuting by transit during the same period.

For most metropolitan areas, driving alone to work remains the commuting mode for the overwhelming majority of workers, and other options concentrate in a relatively small number of places. Indeed, only 14 metro areas have transit commuting rates higher than the national rate of 5 percent. In

Figure 3. In Only 19 Metro Areas Do More than 25 Percent of Commuters Travel to Work By a Mode Other Than Driving Alone

Share of Commuters by Mode Other Than Driving Alone, Selected Metro Areas, 2008



Source: Brookings analysis of 2008 American Community Survey data
** Includes taxicab, motorcycle, and miscellaneous means of transportation*

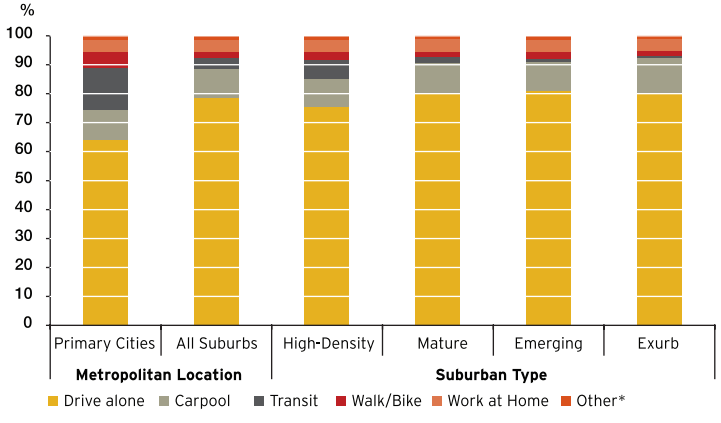
fully half of the 100 largest metro areas, transit commuting rates lie below 2 percent. Only 19 had more than one-quarter of their workforce in 2008 commuting by a mode other than driving alone (Figure 3). When taking into account any other means of transportation besides cars, only New York and San Francisco have more than 25 percent of their labor force not driving to work. Carpooling looms as a more important mode in smaller metro areas like Honolulu and Stockton, and larger ones like Seattle, Los Angeles, and Denver.

City and Suburban Trends[12]

Americans commute differently based on where they live within metropolitan areas. Across the 100 largest metro areas, a majority of commuters in both primary cities and suburbs drove alone to work in 2008, but city residents did so at a lower rate (64

Figure 4. City and Inner Suburban Residents Are Less Likely to Drive, and More Likely to Use Transit, than Commuters Elsewhere in Metro Areas

Share of Commuters by Mode and Metropolitan Community Type, 2008



Source: Brookings analysis of 2008 American Community Survey data
** Includes taxicab, motorcycle, and miscellaneous means of transportation*

Table 4. Transit Commuters in Cities and Suburbs Have Different Socio-Economic Characteristics

Selected Characteristics, Primary City versus Suburban Transit Commuters, 79 Large Metro Areas, 2008

Characteristic	Primary Cities	Suburbs
Share of all workers	15.5	3.8
With incomes:		
$15,000 to $24,999	18.2	13.9
$75,000 and over	13.7	26.5
In the Age Group:		
25 to 44	50.6	45.6
45 to 54	19.3	23.8
Who are:		
Below the poverty line	11.3	6.9
Foreign-born	38.1	29.8
Renters	67.6	41.0

Source: Brookings analysis of 2008 American Community Survey data
Note: Analysis limited to 106 primary cities and 79 metro areas due to data availability.

percent) than suburbanites (78 percent) (Figure 4). City workers commute more by transit, walking, and biking than those in suburbs, while rates of carpooling are similar in both types of places.

All suburbs are not created equal in their commuting patterns, of course. In 2008, commuters in the high-density suburbs that often surround primary cities took transit more often, and drove alone less often, than other suburban commuters. By contrast, less than 1 percent of exurban commuters took transit, but more than 12 percent carpooled to cover the often long distances between home and work. Rates of working at home, somewhat surprisingly, differed little among metropolitan community types.

The overall increase in the 2000s of transit usage owes primarily to increased transit commuting in cities. In 2000, commuters in primary cities used transit at a rate 10.3 percentage points higher than suburban commuters, and the gap had narrowed in the 1990s due to decreased ridership in cities. This trend reversed over the past decade, as transit usage increased faster in primary cities than in suburbs, so that the gap reached 11.2 percentage points in 2008. Carpooling, on the other hand, declined among both primary city and suburban commuters in the 2000s, though the decline was faster in cities, erasing any difference in the rate of carpooling across city and suburban lines by 2008.

Interesting differences emerge in probing the socioeconomic profile of transit commuters in cities and suburbs (Table 4).[13] Those residing in the suburbs tend to be older than those in cities, in line with the overall population age differences between cities and suburbs. Not surprisingly, suburban transit commuters are more likely to have higher incomes, but they are actually higher income than suburban

residents overall, perhaps reflecting their greater likelihood of residing in close-in, transit-accessible suburbs that may be more expensive than outer suburbs. And while immigrants make up a larger share of city transit commuters, they still account for an outsized share of suburban transit commuters (30 percent). Primary city workers who commute by transit are more likely to rent, and more likely to be poor. These differences signal that while transit may be evolving into a mode of choice for certain types of suburban residents, it remains a mode of necessity for many city residents.

Finally, mode choices differ among workers at different educational levels, but the patterns are not necessarily consistent across cities and suburbs. In all types of communities, workers who have completed some college exhibit the highest rates of driving alone to work (from 69 percent in primary cities to 82 percent in outer suburbs), and the lowest rates of transit usage, while those without a high school diploma carpool much more often than others (20 percent). In suburbs, the least educated workers are more likely than other groups to walk to work, but in cities, all groups walk at roughly the same rate (4 to 5 percent). Workers with a bachelor's degree are slightly more likely than others to bike to work in cities (1.2 percent), but slightly less likely to bike in suburbs. And across all community types, the highest educated workers are most likely to work from home (5 to 6 percent), reflecting the more flexible nature of their jobs and access to technology.

CONCLUSION

Between 2000 and 2008, transit commuting increased as a share of all commuting for the first time in 40 years. It grew across the entire United States, in primary cities and suburbs, in metropolitan areas with large transit systems in the Northeast and West, and in metropolitan areas in the South and West with growing systems. While significant, the increase was rather small, at the national and metropolitan levels. Less than 2 percent of the workforce in half of the 100 largest metro areas commuted by transit in 2008.

Very few of the largest metro areas are seeing dramatic changes toward a 'greener,' lower-carbon commuting future.

Driving remains, by a long shot, the primary commuting mode in America. While driving alone to work had underwent a small loss in commuting share during the last decade, carpooling use declined significantly. An increasing share of Hispanics and blacks traded carpooling for driving alone to work between 2000 and 2008, although more Americans preferred carpooling to driving alone during the first year of recession.

While it is uncertain whether these trends will continue, it does suggest that very few of the largest metro areas are seeing dramatic changes toward a "greener," lower-carbon commuting future. Only 19 of the 100 largest have more than a quarter of the workforce commuting by other means than driving alone to work. The number is reduced to only two (New York and San Francisco) when considering only non-driving commuting means.

Part of the challenge is that workers in many metropolitan areas simply do not have any alternatives to driving to work. Fifty-four (54) of the 100 largest metro areas do not have any rail transit service and also have relatively weak bus systems. Half of them are found in the South.[14] Some metro areas, such as Charlotte, are opening new transit lines, but such efforts remain limited. Even as metro areas in the Northeast and portions of the West were able to reduce their driving-alone-to-work footprint in the 2000s, several in the Southeast and Southwest saw those rates increase over the decade.

Others still have to make do with a road and transit network that fits commuting patterns of the 1950s, when cities still functioned as regional hubs. Today only 21 percent of jobs in large metro areas locate within three miles of downtown, while over twice that share (45 percent) are more than 10 miles away from the city center. Moreover, job decentralization accelerated through at least the first half of the 2000s.[15]

Given these overall trends, the incremental changes in commuting patterns evident in the 2000s are not sufficient to reach any meaningful reductions in carbon emissions. In order for the U.S. to truly commit to a low carbon future, significant investments in cleaner vehicles and alternative transportation modes will be necessary.[16] But given the continued decentralization of metropolitan area jobs and residences, serious attention to more sustainable growth patterns will also be necessary.

As the experience of other countries shows, this will not be a rapid change.[17] Yet policy initiatives abound on all levels of government to help remake the sprawling American landscape, by developing integrated regional plans that link housing, transport, jobs and land use and create more compact and transit rich communities. Doing so will bring particular advantages, in compact development patterns that preserve rural lands and valuable ecosystems, and in a wider array of transportation options in more of our metropolitan areas that lead to fewer miles driven and lower greenhouse gas emissions. ■

ENDNOTES

1. This chapter employs the U.S. Census notion of "journey-to-work" as the travel from home to work of American workers 16 years and older. Therefore, commuting data refer only to half of the commuting trip, unless noted otherwise.
2. The Office of Management and Budget (OMB) measures the social and economic integration between the core and adjacent territory of Metropolitan Statistical Areas and Micropolitan Statistical Areas by commuting ties. Office of Management and Budget, "Update of Statistical Area Definitions and Guidance on Their Uses." OMB Bulletin No. 09-01 (2008).
3. The 2009 National Household Travel Survey (NHTS) data was collected over thirteen months—April 2008 through April 2009. The estimates represent annual estimates but not a calendar year. Federal Highway Administration, National Household Travel Survey 2009 (Department of Transportation, 2010).
4. Alan E. Pisarski, "Commuting in America III." National Cooperative Highway Research Program Report 550 and Transit Cooperative Research Program 110 (Washington: Transportation Research Board, 2006).
5. The Census Bureau defines commuting mode in this way: "means of transportation to work refers to the principal mode of travel or type of conveyance that the worker usually used to get from home to work during the reference week." Source: U.S. Census Bureau, "American Community Survey 2008: 2008 Subject Definitions" (Department of Commerce, 2009). There are four main categories: private vehicle (drive alone or carpool), public transportation (bus, streetcar, subway and elevated systems, railroad, ferryboat), other means (taxicab, motorcycle, bicycle), and walking. The absence of travel to work, "work at home," is also reported by the Census Bureau as part of the travel behavior of American workers. One of the major shortcomings of Census travel data is that the commuting modes refer only to "the principal mode of travel." Given that driving and public transportation are the main means used to commute for longer distances, walking or biking in a multi-modal commuter trip is not reported.

6. All the changes in this chapter are statistically significant at the 90 percent confidence level, unless noted otherwise. Due to data constraints, public transportation includes taxicab in Figure 1.
7. Commuting by transit excludes trips to work by taxicab, unless noted otherwise.
8. The analysis of commuting mode by race and ethnicity is limited to 92 metro areas for African Americans, 75 metro areas for Asians, and 90 metro areas for Hispanics due to data availability limitations, There were no commuting mode data in the following metro areas for African Americans: Albuquerque, Boise, McAllen, Ogden, Oxnard, Provo-Orem, Salt Lake City, and Scranton; for Asians: Akron, Augusta, Birmingham, Boise, Bradenton, Cape Coral, Chattanooga, Dayton, Des Moines, El Paso, El Paso, Greensboro, Greenville, Jackson, Knoxville, Lakeland, Little Rock, McAllen, Ogden, Palm Bay, Portland, Scranton, Toledo, Tulsa, Wichita, Youngstown.; and for Hispanics: Akron, Augusta, Baton Rouge, Birmingham, Chattanooga, Harrisburg, Jackson, Knoxville, Little Rock, Youngstown. Note: The changes in share of commuting mode add up to one by race. Change in transit share for African Americans and driving alone share for Asians for the largest 100 metro areas are not statistically significant at the 90 percent confidence level.
9. This analysis focuses on the primary commuting modes: driving alone to work, carpooling and transit. The authors intend to explore other modes (walking, biking, and working at home) in a separate analysis.
10. Flooding related to Hurricane Katrina damaged miles of the New Orleans metropolitan area's streetcar tracks and destroyed hundreds of buses. Three years after the hurricane, ridership had dropped by 75 percent. Ariella Cohen, "Transportation's Slow Ride to Recovery in NOLA." *Next American City*, Fall 2008.
11. The transit commuting rate is the share of all workers who commute by public transportation (excluding taxicab). Commuting ridership by transit (excluding taxicab) is the number of employees who choose transit as their main means of transportation to work.
12. Changes in this section have not been tested for statistical significance due to data limitations.
13. The analysis of transit commuter profiles in primary cities and suburbs is limited to 106 cities in 79 metropolitan areas, because there were no commuting mode data for 21 primary cities that are the only primary cities in their metropolitan areas in ACS 2008. There were no data for additional 10 primary cities, but because they were not the only primary cities in their metropolitan areas, the data for their 10 metropolitan areas are included in the analysis. Excluded metro areas are: Albany, Birmingham, Bradenton, Cape Coral, Charleston, Chattanooga, Columbia, Greenville, Harrisburg, Hartford, Jackson, Lakeland, Little Rock, McAllen, Palm Bay, Portland (ME), Poughkeepsie, Providence, Scranton, Springfield, and Youngstown. Excluded cities are: Bellevue (Seattle); Cary (Raleigh); High Point (Greensboro); Joliet (Chicago); Kansas City, KS (Kansas City); Pompano Beach (Miami); Scottsdale (Phoenix); Thousand Oaks and Ventura (Oxnard); and Warren (Detroit).
14. Robert Puentes, "A Bridge to Somewhere: Rethinking American Transportation for the 21st Century" (Washington: Brookings Institution, 2008).
15. Elizabeth Kneebone, "Job Sprawl Revisited: The Changing Geography of Metropolitan Employment," (Washington: Brookings, 2009).
16. Electric vehicles will only partially solve this problem if the sources of electric generation themselves remain as carbon-intensive as they are today.
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ALAN BERUBE

POLICY IMPLICATIONS

Some commentators have begun to refer to the 2000s as "the lost decade," largely on the basis of the lack of job and economic growth nationally over the decade.[1] President Obama himself referred to the decade as such in his January 2010 State of the Union address.

But the decade was lost in another sense, too; the nation lost time and opportunity to respond to the challenges and prospects that its new demographic realities portend.

We now stand on the precipice of a "decade of reckoning." The economic rollercoaster of the past 10 years has distracted the United States and its major metropolitan areas from grappling with the urgent implications of the longer-run shifts afoot in our society. Issues such as how to support communities with rapidly aging populations, how to meet family and labor market needs through immigration, how to build workforce skills to maintain American economic leadership, and how to help lower-paid workers support themselves and their families simply cannot go unaddressed for another decade without risking serious degradation to our collective standard of living, not to mention the quality of our democracy. Tackling these and other challenges will require coherent, purposeful leadership at the national scale in the coming years.

This reckoning must occur at the metropolitan level, too. National policy will be necessary, but not sufficient, for addressing the wide range of challenges facing metropolitan areas. Indeed, the increasingly distinct profiles of major metro areas along the key dimensions outlined in this report demand that their own agendas—at the state, regional, and local levels—confront the issues most pressing to their own futures. For all metropolitan areas, that includes embracing governance adaptations that recognize and take advantage of the increasingly common demographic, social, and economic trajectories of their cities and suburbs.

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THE MACRO—SECURING THE PLATFORM FOR METROPOLITAN PROSPERITY

The issues that the five new realities documented here raise are by no means completely off the national radar. Government fiscal analysts, financial planners, and hospital administrators, for instance, are only too aware of the challenges and opportunities raised by the impending retirement and ongoing aging of the boomers. Likewise, the future of America's immigration policies remains in flux amid contentious debate over how they should treat undocumented workers.

Yet in these areas and others, national conversations tend to overlook the fact that these new realities affect not only "macro" conditions such as the federal budget and the U.S. labor market. They are also experienced in places—mostly in our nation's largest metropolitan areas. Actors at the metropolitan level cannot, on their own, tackle the enormous challenges emerging from these social, demographic,

and economic shifts. Only national policy makers have the fiscal and jurisdictional reach, and authority to make the truly market-shaping decisions needed to address these new realities. However, this requires an agenda that goes beyond the conventional ways in which these issues are framed at the national level, to confront aspects of particular concern for the metropolitan communities on the front lines of these trends.

Accommodating More Efficient Growth

America's growth, as described earlier, confers both blessings and challenges. The economic and fiscal future of our nation would be in much greater doubt if we were not managing to continuously replenish our younger population through natural increase and immigration. At the same time, the volumes of people that we expect to add in the coming decades—a projected 90 million between now and 2050—are without equal in the industrialized world. Moreover, that growth will coincide with urgent new challenges for energy consumption and global climate change. Quite naturally, the debate at the national level around growth and the future of our environment has focused on reducing greenhouse gas emissions by raising the relative market price of the energy sources that produce them, through a carbon tax, "cap and trade," and investment in cleaner energy technologies.

In addition to these strategies, however, national leaders makers must address flaws in federal policy that have enabled the sort of energy-intensive, distended growth patterns familiar to most metropolitan areas:

• Because transportation is the single largest contributor to the nation's carbon footprint, federal **transportation policy** must also play a role in reducing wasteful growth patterns. The reauthorization of the federal transportation law should reward and direct greater alignment between housing and transportation planning at the state and local levels; condition federal affordable housing and transit funds on the coordinated use of both; and issue "sustainability challenge contracts" to states and metropolitan areas that allow them to pursue coordinated growth strategies that collectively reduce their carbon footprints[2]

• Reducing the **deductibility of mortgage interest** could help discourage the over-consumption of housing, which not only contributes to sprawling development patterns within metro areas, but also fueled the economic crisis of the late 2000s and over-supply in many Western and Southeastern growth centers. Proposals to lower the rate at which higher-income taxpayers can itemize deductions, convert the mortgage interest deduction to a credit, or phase out the deduction for larger, more expensive, or second homes could all preserve society's implicit preference for homeownership, while encouraging more environmentally prudent housing patterns[3]

Integrating and Incorporating Diverse Populations

The notion of America as a great "melting pot," popularized during the last great wave of immigration at the dawn of the 20th century, implied that new arrivals to this country would absorb the ways of their new society, preserving a more homogeneous "American culture." That notion was always a bit of a myth, because as immigrants assimilated into American society, they expanded the boundaries of its culture. That expansion and its accompanying tensions continue today, especially given the dramatic regional shift in the sources of U.S. immigration, the rising share of population born abroad, and the

labor market challenges currently facing the country. Moreover, underlying concerns extend beyond the foreign born to include other growing non-white shares of the U.S. population, such as African Americans and the "second generation" children of immigrant parents.

As others have persuasively argued, the demographics of our society require the successful economic and social incorporation of diverse younger populations.[4] As the ratio of seniors to working-age residents grows in the coming decades, how these populations fare will largely dictate our ability to support older populations economically, maintain a stable housing market, and supply the human capital for the institutions and occupations on which seniors will depend. In this sense, comprehensive immigration reform that protects our borders, meets our labor market needs while protecting U.S. workers, and provides a fair pathway to legal status for long-time residents is surely an immediate national policy priority.

While this approach may resolve for now the future of U.S. immigration policy, it does not amount to a coherent U.S. *immigrant* policy that assists in the incorporation of these new populations and others like them. In its absence, metropolitan communities on the receiving end of recent waves of immigrants have responded in hundreds of conflicting, often counter-productive ways to these influxes. Responding in a timely and strategic way to new and existing immigrant populations at the regional level may require federal support to bolster programs and practices—such as literacy training, workforce assistance, civic engagement and citizenship classes—that facilitate incorporation but may be destined for cuts in the current fiscal environment. One proposal would create a **national Office of New Americans** to elevate the largely makeshift, localized efforts toward integration to form a strategic nationwide network.[5] Such a network should focus on metropolitan approaches, as individual jurisdictions do not serve the broader set of communities (e.g., workplaces, schools, places of worship, social networks) that form the locus of immigrant integration.

Enhancing Community Affordability and Vitality for Seniors

The national conversation around aging has recently focused, with good reason, on the fiscal impacts of boomer retirements—particularly on public health care expenditures. The recently enacted health care reform law probably represents only the beginning of what will be a long-running debate on the topic. Still to be fully reckoned with are decisions to ensure the fiscal future of the Social Security system, while preserving and encouraging the labor market contributions of boomers as they advance beyond age 65.

We cannot know for sure what the retirement of the boomers will mean for the landscape of America's metropolitan areas, especially the suburbs in which most are located. The generation's demographic, social, and economic diversity suggests that communities will both benefit and face new challenges from the aging in place of the boomers.

Federal policy has an important role to play in helping communities accommodate these diverse older populations in ways that enhance quality of life and community vitality for all residents. On priority must be to meet increased demand for **affordable housing** for seniors, such as units subsidized through the U.S. Department of Housing and Urban Development's (HUD's) Section 202 program, and coordinate supportive services for those populations (funded by the U.S. Department of Health and Human Services). For the home-owning majority of boomers, HUD should also exact greater oversight of

The generation's demographic, social, and economic diversity suggests that communities will both benefit and face new challenges from the aging in place of the boomers.

counseling around **home equity conversion mortgages (HECMs)**. These products allow seniors to convert their home equity into cash advances while still living in their homes, but which are too often marketed and sold in misleading ways.[6] To preserve and enhance senior mobility, federal **transportation planning requirements** could obligate grantees to take into account the specific highway and transit needs of older populations, and funding could be conditioned on their success in meeting accessibility targets.[7] Likewise, greater coordination of federal affordable housing and transit programs could be a further lever to improve seniors' access to walkable communities with a range of transportation options.[8]

Accelerating Higher Educational Attainment

Improving the quality of education is no less than a public policy obsession for many public- and private-sector leaders, at all levels of the system. And with good reason—the rising human capital levels of our population explained much of America's economic success in the 20th century, and will probably be an even more important contributor to our standards of living into the future.[9]

In that regard, it is difficult to see how much longer the United States can abide widely divergent educational outcomes by race and ethnicity, given our changing population characteristics. By 2050, non-Hispanic whites will represent less than half of the nation's prime working-age (25 to 64) population. Over the next 40 years, blacks and Hispanics are projected to account for roughly 90 percent of total growth in that age range.[10] But post-secondary educational attainment rates for those groups track below 20 percent, roughly half those for whites and Asians. Although racial and ethnic gaps in educational achievement and access to college have narrowed over time, they have persisted in college completion. Increasing diversity in the younger college-going population may go some way toward explaining the lower rate of college degree attainment among 25 to 34 year-olds than the previous cohort.

Thus, federal policies that promote access to higher education, such as the recently enacted increase in the Pell Grant program, are important but not sufficient for significantly raising attainment. First, strategies to reduce inequities in preparedness for higher education are crucial. The U.S. Department of Education should continue to focus, through multiple programs such as **Race to the Top, Investing in Innovation Fund**, and **Title I**, on enhancing teacher quality for students in need and promoting effective interventions for low-performing schools, which locate disproportionately in large metropolitan centers, both inner-city and suburban. Second, research indicates that rewarding institutions and students not just for enrollment, but also for persistence and completion, in higher education can result in improved rates of attainment.[11] The proposed **College Access and Completion Innovation Fund** and **American Graduation Initiative** would focus more federal resources, and leverage state and local resources, to promote pathways to degrees. Their biggest targets would be the community colleges that are present in multiple parts of all metropolitan areas, and which serve a large and growing share of their racial and ethnic minority students. Both programs were dropped from recent legislation enacting the Pell Grant increase, but their ideas deserve continued support from federal policy makers concerned with reducing racial and ethnic disparities in higher education.

Reducing Income Inequality

Throughout most of the 1980s and 1990s, middle-income households and middle-wage workers derived limited benefit from economic growth in the form of rising earnings. Higher-income families and workers began to pull away from the pack, and income inequality increased. But the 2000s put an exclamation point on this pattern, resulting in real income and wage losses at the middle and bottom of the distribution, even as those at the higher end posted gains. The combination of the types of jobs lost during the recession, and those sustained and now growing in its wake, could in fact contribute to a labor market with even greater wage and income inequality than what preceded the downturn.[12]

At the moment, lessening income inequality has taken a back seat to resolving the plight of unemployed workers and creating jobs among federal economic policy priorities, with good reason. As the federal government considers strategies and investments to reduce unemployment, it should seek to create and sustain jobs that not only fill critical functions in the economy, but also provide employment opportunities and decent wages for low- to middle-skilled workers. Along these lines, investments that restore and grow the productive capacity of the nation's **auto communities** would help keep the nation on the front lines of innovation and the move to a low-carbon economy, rebalance U.S. trade, and bolster a sector that has traditionally generated good middle-class jobs.[13] Given the suffering these communities endured at the hands of the economic crisis, investments to modernize their infrastructure and land use, support their leadership in clean energy production, and keep and grow their advanced manufacturing industries now lie clearly and uniquely within the purview of federal policy.

Over the longer run, educational policies that prepare a larger segment of the workforce to serve in higher-paying industries and occupations are another wise investment. But for the foreseeable future, there will remain jobs that pay wages insufficient to help workers meet basic costs of living for themselves and their families. This is especially the case now that unemployment rates will likely remain high for an extended period of time. Federal policy must thus continue to supplement the wages and incomes of low- and moderate-income families. Subsidizing their purchase of health insurance, as the recently enacted health care reform law will, is an important step in this direction. Stepped-up **labor standards enforcement**, which the Obama administration has begun to undertake, could help improve wages for vulnerable workers and communities toward the bottom of the income distribution.[14] Equally critical are tax credits that support lower-income working families—a majority of whom live in suburbs—such as the **Earned Income Tax Credit** and the **Child Tax Credit**.[15] Federal policy makers should renew provisions of these credits in the coming years that are scheduled to expire, as well as consider strategies to combine and expand these and related credits as part of a more fundamental re-writing of the federal tax code.

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THE METRO—UNDERSTANDING AND TAILORING RESPONSES TO REGIONAL REALITIES

National policy makers have the unique obligation to address aspects of the five new realities that affect all metropolitan areas, or are simply beyond metropolitan areas' own capacity to tackle. As this report demonstrates, however, different challenges assume varying levels of prominence in different types of

metropolitan areas. The future of second generation Americans, for instance, is a much more pressing issue in Diverse Giant and Border Growth metro areas than in Industrial Core areas. National policy responses must recognize the diverse starting points of metropolitan areas and, where necessary, ensure that interventions are tailored to those differing on-the-ground realities.

The 2010s will be metropolitan areas' decade of reckoning, too. Because these places pulled even farther apart from one another on several dimensions of the new realities in the 2000s, federal policy alone cannot provide a solution tailored to each metropolitan area's individual situation. Therefore, leaders at the state, regional, and local levels must now more than ever understand and respond purposefully to the demographic, social, and economic changes most affecting their places. In doing so, they can look to the experience and support of metro areas with which they share important characteristics, as no metropolitan area is so unique that it stands totally alone in the face of these dynamics.

Border Growth and Mid-Sized Magnets

In the once booming, now sputtering growth centers of the Southwest and Southeast, the 2000s were an ephemeral decade in which housing and in-migration grew to play too important a role in the metropolitan economy. The subprime mortgage crisis originated in many of these places, and eventually triggered a full-blown international economic crisis that shut down the engines of their growth. Much of that growth was not only economically unsustainable, but also environmentally wasteful.

Over the next decade, these metropolitan areas must seek greater balance. This applies first and foremost to their economies, which policies must seek to diversify away from housing, toward productive industries that can contribute to America's emerging next economy. Smart infrastructure investments in these metro areas could promote growth of alternative energy production and distribution, international travel and tourism, and linkages with larger nearby centers of global commerce (e.g., Los Angeles, Houston, Miami). This also applies to their own growth patterns, which in many cases have strained natural resources by concentrating development in low-density locations. Their current oversupply of housing and slowed rates of in-migration obligate these places to reconfigure their housing and transportation plans, to provide more sensible options for homeowners and renters in an aging society (especially in the Southeast) and carbon-constrained economy.

The other, even more existential challenge facing these places is to equip their emerging workforce with the education and skills necessary to attract and retain productive, competitive industries and occupations. With many of these metro areas located in states suffering severe fiscal challenges, their institutions of higher education—both 2-year and 4-year colleges—face severe cuts in their own budgets. Local and regional leaders in these areas must be fierce champions for the continued viability of these institutions, which offer the best hope for ensuring that their large and growing young, minority populations can contribute meaningfully to future economic growth, and provide an even better life for their families than their parents could.

Diverse Giant/Next Frontier

The large coastal and growing Western metro areas that make up the Diverse Giant and Next Frontier categories will retain an economic advantage in

the next decade from their built-in stocks of human capital, innovative firms and research institutions, and denser urban cores that attract and retain highly educated workers. While their increasingly diverse demography confers numerous strengths, it also raises challenges in the form of high and rising educational and income inequality.

The 18 metropolitan areas in these categories contain 56 percent of the nation's foreign-born population, and a majority of its "second generation" children, too. These populations are highly diverse in their national origin, educational background, and recentness of entry to the United States. Moreover, 57 percent of their foreign born are located in suburban communities, many of which are quite new to the phenomenon of immigration. As changes in these populations occur relatively quickly, public, private, and non-profit leaders in Diverse Giant and Next Frontier metro areas should undertake region-wide efforts to monitor the size and status of their foreign-born populations. They should also adopt the most innovative practices for accelerating the civic and labor market integration of these populations, such as intergenerational and vocational literacy training, and programs that help immigrants become U.S. citizens.[16]

The high levels of inequality that mark many of these areas also create intense price pressures for low-income, and even middle-income, workers and families. Providing high-quality, affordable communities for these segments of the population is important not only to ensure that basic public needs are met (e.g., by key workers in health care, education, and safety), but also to keep retail prices in check more generally, and to provide viable options for families as they climb the economic ladder.[17] The housing price crash has perhaps ameliorated the affordability pressures in these markets temporarily, but they are sure to grow again in the coming decade. More cities and regions in these metro categories could benefit from the sort of bold, long-term thinking that undergirded New York City's ambitious PlaNYC, or the Sacramento Region's Blueprint, each of which provide a roadmap for addressing future local and regional population needs in an environmentally sustainable, fiscally efficient manner.[18] In addition, strategies to promote greater affordability within these regions should take into account the costs of not just housing but also household transportation, as the latter can represent an equally heavy burden on the budgets and time of moderate-income working families.[19]

Leaders at the state, regional, and local levels must now more than ever understand and respond purposefully to the demographic, social, and economic changes most affecting their places.

New Heartland

New Heartland metropolitan areas, as indicated by their title, represent in some ways the "middle of the road" on the new demographic realities transforming America. Their population characteristics—more educated, somewhat less diverse, younger, and with lower levels of educational and income inequality—reflect in large part the selective in-migration they experienced in the 2000s and earlier decades. As the recovery gets underway, the diverse economic specializations of these places will likely position them well to participate in the next wave of U.S. economic growth during the 2010s. However, with migration rates likely to remain somewhat lower in the near term, an "import strategy" for augmenting their human capital may not be as reliable as in the recent past.

To that end, these metropolitan areas would do well to focus on growing a more educated pipeline of workers, both present and future, from within their own borders. Some are home to challenged urban and inner-suburban school systems with high proportions of lower-income minority students (e.g.,

Atlanta, Indianapolis, Minneapolis), that may now have an opportunity to attract new, young, middle-class families who are choosing to live in the urban core. This could mean improved learning prospects for disadvantaged kids as well as a wider constituency for continued investment in and improvement of these systems.[20] In addition, most of these metropolitan areas are home to major public universities that educate many of their own residents, or those elsewhere in the state. Closer partnership between regional economic development and university officials could be geared toward convincing more of their students to begin their careers—and build the next middle class—in their alma mater's region.

Skilled Anchor and Industrial Core

Economically, the Skilled Anchor and Industrial Core metro areas are quite distinct. The former have lower shares of their populations in manufacturing industries, and higher shares in services industries such as health and education. This difference has insulated them from the recent, deep economic suffering visited on the Industrial Core areas. Indeed, some of the larger cities among the Skilled Anchors (e.g., Baltimore, Boston, Philadelphia, Pittsburgh, St. Louis) showed renewed signs of residential strength in the 2000s that were less apparent in the Industrial Cores.

Yet on most of the five new demographic realities transforming metropolitan areas, Skilled Anchor and Industrial Core areas are more similar than distinct. They experienced rapid decentralization amidst only modest growth in the 2000s, and an above-average share of their commuting occurs by car (the highest rate in Industrial Cores). Immigration to these metro areas—with a couple of notable exceptions—is quite low, though most retain significant African American populations as a consequence of their former manufacturing might. They have among the oldest age profiles of the metropolitan types, the result of low in-migration and a significant aging-in-place boomer and senior population.

While both types of areas have similar challenges to tackle, then, their different economic positions may dictate different approaches. Slowing the tide of decentralization should be a priority for all of these metropolitan areas. Skilled Anchors have, as their name implies, significant anchor institutions in the form of universities and hospitals that can be effective partners in both economic and residential development.[21] Many such institutions are present in the Industrial Cores, too, but in light of their vast but now unutilized industrial and population footprints, those regions likely need more radical land-use interventions to revive residential and economic vitality.

These strategies should also take account of the particular opportunities and challenges accompanying the rapid aging of their populations. Many experienced a "brain drain" of younger workers in recent decades, even the Skilled Anchors where educational attainment remains above average. For that reason, efforts to keep the boomers connected to the labor market, even as they reach retirement age, could benefit these regions both socially and economically.[22] Integrating housing and social services for their larger-than-average senior populations, in both urban and suburban settings, as well as supporting the use of home and community-based services (versus institutional care) to care for the elderly should be additional priorities.

Finally, the out-migration these regions have experienced reflects not only a decline in their economic functions, but also the perception among departing younger workers and married-couple families that areas like the New Heartland and the Next Frontier may offer themselves and their

children better educational opportunities, or a more diverse and vibrant cultural environment. Thus, priorities that apply to other metropolitan categories around welcoming and incorporating new (if still small) immigrant populations, and improving (if not completely overhauling) the human capital pipeline, apply at least equally to the Skilled Anchors and Industrial Cores.[23]

Enabling Metropolitan Action

Finally, new demographic realities must be met with new governance arrangements. More than ever, the lines between cities and suburbs—and the long, fruitless history of battles and mistrust between them—must be transcended. Cities and suburbs increasingly share challenges like poverty, growing elderly populations, and influxes of new Americans. At the same time, the fiscal crisis has dramatically undermined the capacity of individual jurisdictions to address familiar existing needs, and has compromised their ability to react to new realities. States are facing their own intense fiscal stresses, which will get worse before they get better, and thus they cannot be counted on to support the local government status quo.

The demographic and fiscal outlook demands three kinds of changes from local leaders. First, they must create regional solutions to new, shared regional challenges. Changes in suburban demographics and the challenges they raise will not abate in the 2010s. Local leaders need to recognize that these trends are playing out to a greater or lesser extent across most of the jurisdictions in their metropolitan area, and work toward regional solutions to regional issues. Older, larger jurisdictions, with greater experience in dealing with poverty, or the needs of second-generation children, have valuable insights that can structure regional responses and keep other places from reinventing the wheel. Sometimes, new institutions are needed. For instance, in a growing number of metro areas, regional workforce intermediaries serve as critical links between the supply and demand sides of the labor market, working with employers, educational institutions, workforce training providers, and workers at the regional scale.[24]

Second, metropolitan areas need to overcome their legacy of fragmented "little box" governments, either through greater collaboration between jurisdictions, or outright consolidation of outdated, inefficient local government units. The Pittsburgh metropolitan area, for example, which declined in population in the 2000s, still contains 775 separate local governments that include municipalities, townships, counties, and special districts. Fragmentation such as this keeps governments weak: the vast majority of municipalities have limited tax bases and struggle to provide even the most basic services. Fragmentation also increases the cost of government, often leading competing jurisdictions to duplicate infrastructure, staffing and services that could otherwise be provided more cost effectively. Finally, fragmentation exerts weakens long-term regional economic performance: parochial jurisdictions compete against each other rather than working together to resolve shared challenges and compete in the world economy. Consolidation, particularly of school districts, has yielded savings, better services, or both. Maine has saved $36 million by reducing the number of school districts from 290 to 215, and hopes to make additional reductions. School district consolidation has also been proposed in Pennsylvania (from 500 districts to 100) and Indiana.

Third, metropolitan areas have to act like metropolitan areas, especially in their dealings with states. In 29 states, large metropolitan areas contain a

More than ever, the lines between cities and suburbs—and the long, fruitless history of battles and mistrust between them—must be transcended.

majority of the population; in some of those states, just one or two metropolitan areas alone make up a majority of the population. Yet state legislators from these large centers, together with their smaller metropolitan counterparts, do not reliably unite to exercise their numerical advantage. They are divided by party, by race, by class, and by the outdated view that cities, suburbs, exurbs, and rural areas (all of which are found within metropolitan areas) have incompatible interests. As metropolitan areas grow and share an increasingly unified demographic profile—and attendant challenges—they should consolidate their influence on common issues that concern the well-being of their populations.

These governance ideas are, admittedly, not necessarily new, nor have they been widely practiced to date. But the recent pace and scale of demographic change in metropolitan areas, and the challenges those trends raise amid a bleak fiscal environment, mean that the time has come for individual metropolitan jurisdictions to govern together, in ways befitting their increasingly common destinies.

CONCLUSION

Specific policy responses that truly engage and make the most of America's potential in the face of emerging demographic realities must be priorities for national, metropolitan, and local actors alike in the coming decade. This chapter presents a policy framework for approaching these issues from both "macro" and "metro" perspectives.

But a higher-order leadership is just as needed. Notwithstanding the long-term sweep of many of the trends described here, the pace of change and complexity of U.S. society only seems to multiply with each passing decade. Now, as the nation and its major metropolitan areas reach a series of critical demographic junctures, forging a constructive path forward to the "next society" is as much about helping communities manage the velocity of change as it is about responding to its specific character. Failure to maximize shared responses to the inevitable challenges of change, and to promote common ownership of the solutions, will only serve to sow the seeds of intergenerational and inter-racial, inter-ethnic conflict. The resulting polarization, already evident in our national politics, impedes adaptation and the timeless American struggle to form a more perfect union.

Understanding—from the ground up—who Americans are, and who they are becoming, is a critical step toward building those bridges before they become impassable divides. We hope that the *State of Metropolitan America* proves a useful platform from which to build that understanding. ■

ENDNOTES

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