

## Income Still Tops, But Poverty Increases

Recently released data for 1999 show that Connecticut maintained its top spot in per capita income, 37.3% above the national average. According to revised figures, that's the same lead the state enjoyed in 1998. Back in 1991, the darkest year of Connecticut's Great Recession, the state's lead stood at only 33.7%.

Unfortunately, the rising tide of income during the 1990s did not lift all boats. While the state's income picture brightened, the poverty rate worsened.

Using the Census Bureau's three-year averages at the state level, Connecticut's poverty rate rose from 8.1% in 1990-1992 to 9.9% in 1996-1998, the most recent data available. Over the same period, the national rate dropped from 14.2% to 13.2%. Thus, at the outset of the decade, the state's poverty rate was 6.1 percentage points below the national average (and third lowest in the country), but most recently it was only 3.3 percentage points below the national average (and eleventh lowest).

Why has poverty worsened in Connecticut in the midst of an economic boom? One possible answer has to do with births to unwed mothers, especially teenagers.

## Teenagers Having Children

Social scientist James Q. Wilson notes that children born to mothers who finish high school, get married, and give birth after reaching age 20 are ten times less likely to be poor than children born to mothers who fail to do these things. Children pay the price of teenage motherhood. U.S. data for 1998 indicate that mothers under the age of 20 are less likely than those 20 and over to seek health care during the first trimester, and are more likely to smoke during pregnancy. Because of these health risks and the general economic risks of poverty, babies born to teenagers face a higher risk of low birthweight, of premature birth, and of dying in the first year of life.

Children account for a disproportionate share of America's poor—the poverty rate among children is double that of adults. Children born to unmarried mothers are more likely to be poor than are children born to married mothers. And four of five teenage mothers are unmarried. Thus, when predicting the poverty rate, a leading indicator is the teenage birth rate.

Connecticut's teen rate in 1998 was 36 births per 1000 female teenagers. The national average for this group was 51 births per 1000. Hence Connecticut's teenage birth rate most recently was about 30% below the national average.

Connecticut's 1998 teen birth rate was also 11% below its own 1991 rate of 40 births per 1000. But the national rate in 1998 was 18% below its 1991 rate of 62 births per 1000. Thus, the rate has declined less rapidly here since 1991 than in the nation; in fact, only two states, Arkansas and Rhode Island, experienced less of a decline. Connecticut's slower than average decline in teen births may help explain why the state lagged the nation in alleviating poverty during the decade.

Declines in teen birth rates here and nationally could be traced to several developments. Programs aimed at reducing teen pregnancies plus growing concern about sexually transmitted diseases resulted in more abstinence and in greater use of contraceptives. The proportion of teenagers with sexual experience stopped growing in the mid-1990s, halting a two-decade-long increase. Finally, welfare reforms and a sunnier job market made teen motherhood relatively less attractive.

## Teen Birth Demographics

There are substantial differences in childbearing patterns across demographic lines. While these differences across groups may relate more to income and education than to race or place of origin, federal reports do not provide birth rate information based on income.

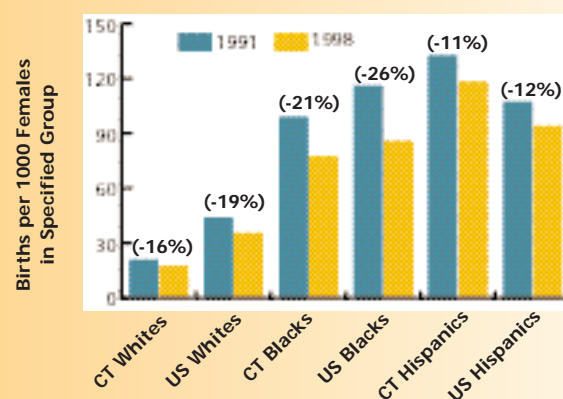
Non-Hispanic white teenage females in Connecticut experienced a rate of 17 births per 1000 in 1998, less than half the national average of 35 for this group. Only two states had lower birth rates than Connecticut. Since 1991, Connecticut's rate has declined 16% and the national average has fallen 19%, with all states showing a drop.

Black teenage females in Connecticut had a 1998 rate of 77 births per 1000—9% below the national average for black teens but more than four times the rate among the state's non-Hispanic white teens. Connecticut's birth rate among

black teens ranked 36th highest nationally. Between 1991 and 1998, Connecticut's birth rate among black teens declined by 21%. The national average fell 26%; no state showed an increase.

Hispanic teens in Connecticut had a 1998 rate of 118 births per 1000—26% above the national rate for this group, nearly seven times the rate for the state's non-Hispanic white teens, and 52% above the state's black teen rate. Connecticut's birth rate among Hispanic teens ranked seventh highest nationally. Since 1991, the rate has declined 11% in the state; the national average has declined 12%, but a

**Birth Rates Among Teenagers Declined More in U.S. than in Connecticut During the 1990s**



Source: Developed by *The Connecticut Economy* using the national Vital Statistics Report, Vol. 48, No. 6, April 24, 2000. Whites are non-Hispanic whites. Teenagers are females 15 to 19.

dozen states showed an increase. The accompanying chart summarizes state and national teenage birth rates for each group in 1991 and 1998.

The net effect of Connecticut's falling birth rate on the total number of teen births depends on relative population shifts among female teens between 1991 and 1998. According to Census Bureau estimates, Connecticut's population of non-Hispanic white teenage females slipped 1% between 1991 and 1998; the population of black teen females rose 8%; and the population of Hispanic teen females jumped 18%. Therefore, among non-Hispanic white teens, a declining population reinforced the falling birth rate to cut the number of teen births. Among blacks, a growing population of female teens partly offset the falling birth rate; consequently, the number of such births still declined but not as fast as the birth rate. And among Hispanic teens, rapid growth in numbers more than offset the falling birth rate, resulting in more Hispanic teen births in 1998 than in 1991.

# Mothers of All Ages

Finally, let's turn to mothers of all ages. About 31% of all Connecticut births in 1998 were to unmarried women, a figure slightly below the national average of 33%. The national average has been rising for decades and is nearly double its 1980 level of 18% (historical trends at the state level are not readily available).

Connecticut's 13,676 births to all unmarried women in 1998 included 5,301 to non-Hispanic whites, 3,753 to blacks, and 3,987 to Hispanics. In 1998, births to unmarried women in Connecticut accounted for 18% of all births to non-Hispanic whites, 69% of those to blacks, and 64% of those to Hispanics. Nationally, comparable figures were 22% for non-Hispanic whites, 69% for blacks, and 42% for Hispanics. The share of births to unmarried women ranked Connecticut 45th highest nationally among non-Hispanic whites, 22nd among blacks, and first among Hispanics.

Between 1991 and 1998, Connecticut's total non-Hispanic white population declined 4%, the black population increased 6%, and the Hispanic population increased 21%. Thus, the state's population grew among groups with a higher share of births to unmarried mothers, and this likely contributed to the state's rising poverty rate.

No question, there have been numerous success stories among families headed by unmarried mothers. Many have gotten jobs, and an extended family can provide financial, moral, and child-care support. But on average the odds are still stacked against children born to unmarried mothers, particularly teenage mothers.

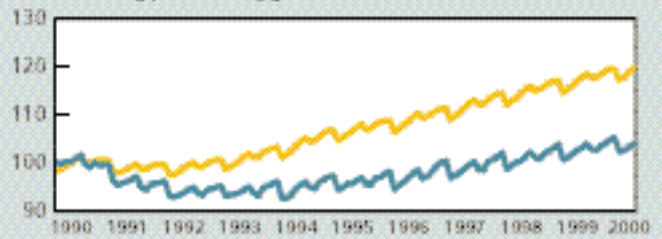


## INDEX OF ECONOMIC INDICATORS

Indexed so 1990 = 100

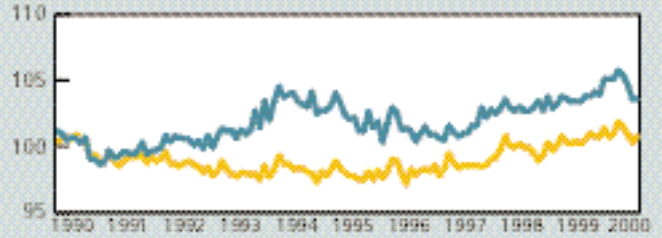
### Job Totals

(not seasonally adjusted)



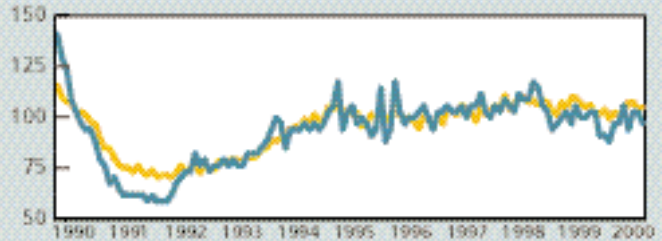
### Average Real Hourly Earnings in Manufacturing

(not seasonally adjusted)



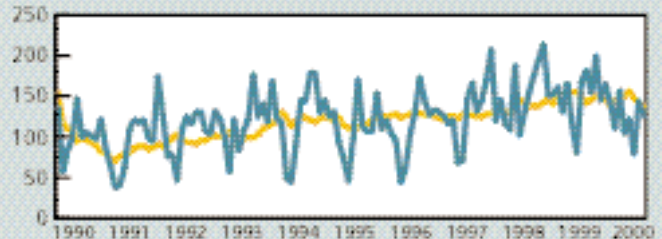
### Help-Wanted Ads

(seasonally adjusted)



### New Housing Permits

(not seasonally adjusted)



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## Connecticut Travel and Tourism Index

The overall index increased 4.1% in the second quarter compared to the same quarter the year before. The index consists of hotel-motel revenues, hotel-motel occupancy rates, attendance at six major tourist attractions, and traffic on five tourist roads.

Hotel/Motel Rev.	H	14.1%
Occupancy Rate	H	2.3%
Attendance	H	-1.0%
Traffic	H	0.9%
Overall	H	4.1%

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