

Household Poverty in the Midwest: The Influence of Race/Ethnicity, Location, and Local Opportunity Structures

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ABSTRACT

Communities in the Midwest region have been experiencing demographic changes associated with a growing Latino population and an out-migration of the non-Latino population. These demographic changes have an impact on places and people and are linked to local social and economic conditions. The economic restructuring in the Midwest has had devastating effects on people, families, and communities, exacerbating old wounds of inequality and economic hardships. Racial/ethnic minorities are disproportionately affected by these structural economic changes—they have, on average, lower levels of education, lower access to employment, and lower wages, all of which contribute to higher levels of poverty. Using a multilevel framework, this study investigates the integrated influences of race/ethnicity, location, and local opportunity structures on household poverty. Data are drawn from the 2005–2007 American Community Survey Public Use Microdata Sample data for the individual and household characteristics and from the American Community Survey Summary Files for labor market area characteristics. Results indicate that racial/ethnic minorities remain disproportionately disadvantaged in terms of household poverty. The odds of poverty are largely the result of differences in residential location and local labor market area socioeconomic and opportunity structures, not of the effects of individual and household characteristics, such as education, household structure, and industry of employment. These findings imply that improving the local labor market opportunity structures—i.e., creating and keeping good jobs in the Midwest, concomitant with improving education and job skills, and helping forgotten and disadvantaged communities—can better address the well-being of racial/ethnic minorities.

ABOUT THE AUTHOR

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