

Editorial: Poverty and place in the UK and the USA

Amy Glasmeier*, Ron Martin†, Peter Tyler‡ and Danny Dorling+

*Department of Geography, Pennsylvania State University, 302 Walker Building, University Park, PA 16802, USA, akg1@ems.psu.edu

†Department of Geography, University of Cambridge, Downing Site, Downing Place, Cambridge, CB2 3EN UK rlm1@cam.ac.uk

‡Department of Land Economy, University of Cambridge, 19 Silver St, Cambridge CB3 9EP, UK pt23@cam.ac.uk

+Department of Geography, University of Sheffield, Western Bank, Sheffield, S10 2TN, UK danny.dorling@sheffield.ac.uk

Inequality and poverty amidst prosperity

The focus of this issue of the *Cambridge Journal of Regions, Economy and Society* is on the spatial incidence of poverty in what are two of the world's richest nations, the USA and the UK. As we write this editorial, the economies of the USA and UK are experiencing considerable economic turmoil. The Sub-Prime credit and banking crisis, plummeting stock prices around the globe, the relentless rise in the real price of oil and the continued decline in the value of the dollar all pose challenges for the US and UK economies. This uncertainty comes after a decade and a half of growing prosperity in both countries when—despite cyclical ups and downs—the trend rate of real economic growth was of the order of 3.8% for the USA and 3.5% for the UK between 1992–2005. However, the economic benefits of this relatively favourable economic performance in these countries have not been shared equally across their citizens.

Both countries have witnessed a rise in income inequality over the past two decades. Inequality increased sharply during the 1980s, and while this process slowed during the 1990s, by 2004 income

inequality in both the USA and the UK was considerably higher than at the end of the 1970s (Table 1). Within this context of widening income inequality, the issue of poverty has loomed large, and intense debates have arisen concerning the measurement of poverty, the causes of its existence and persistence, and the nature and effectiveness of social policies intended to alleviate it.

Although there has been much excellent research and analysis of the nature of poverty as it arises from a lack of income (for example Palmer *et al.*, 2007) it is perhaps surprising that there are few comparative examinations of poverty in the USA and the UK, and none with a spatial focus. While existing research attributes the growth of poverty in both countries to broadly similar factors—including the lack of employment opportunities in the 1980s, the changing demands of the labour market, the shift toward the service sector where temporary work and low income is the norm, the disruption of the family, rising immigration and the affect of cumulative social isolation—interpretation of the problem of persistent poverty varies between the two. At the same time, policy responses have varied even more, in line with fundamental differences

Table 1. *Income inequality in the US and UK, 1979–2004*

	Ratio of 90th to 10th percentiles (90/10)		
	(Disposable incomes)		
	1979	1991	2004
USA	3.59	4.47	5.41
UK	4.67	5.65	5.68

Sources: USA Bureau of the Census, <http://www.census.gov/hhes/www/income/histinc/ie2.html>; UK Department of Work and Pensions

between the two countries in their social and political attitudes towards social welfare more generally. And to compound both the interpretation and policy debate surrounding the poverty problem, the measurement of poverty itself differs between the USA and the UK.

Measuring poverty is notoriously difficult and contentious as there is no universally agreed policy line (Sarlo, 2007). Different academic observers have advocated different definitions, and different countries have different official measures. There are measures based just on income, and measures that take a wider definition across a range of social deprivation factors. In terms of income, there is the further debate over relative versus absolute definitions. Relative measures utilize a threshold set as a proportion of a national average income of some sort, whereas absolute measures refer to an actual income standard. In both cases, there are additional questions of whether incomes should be calculated pre- or post-tax, and whether they should include or exclude housing costs and social benefits. In the UK different series have provided different definitions and hence different estimates of poverty. The Low Income Families (LIF) series from 1972 to 1985, for example, defined poverty as the number of people living on or below the old Supplementary Benefit level (the income level below which state support was deemed necessary). In the Households Below Average Income series, which replaced the LIF series, one of the poverty lines used is defined as 60% of national median income, the definition also adopted by the European Commission. The income estimates used are after taxes (disposable income), and are defined both including and excluding housing costs.

In the USA, however, official measures have been absolute ones. The Office of Management and Budget (OMB), calculates certain absolute thresholds of poverty determination on an annual basis, using the so-called Orshansky definition, developed in the early 1960s. The OMB description relies on a set of nominal money income thresholds that vary by standard family size and composition to determine who is in poverty. If a family's total income is less than the family's threshold, then that family and every individual in it is considered to be in poverty. According to OMB practice, the definition of poverty is based on money income before taxes and does not include capital gains or non-cash benefits (such as public housing, Medicaid and food stamps). For example, in 2007 the threshold was \$10,210 for a single person household, \$20,650 for a 4-person family unit and \$34,570 for an 8-person household. Since the 1970s, several alternative configurations of the measurement of poverty have been explored, but to date, no administration has seen fit to change the basic metric. One of the problems with absolute measures of this kind is how they should be adjusted to reflect increases in the cost of living over time; that is, how far the poverty threshold is increased in line with inflation.

Making comparisons of official income poverty rates between the USA and the UK (and the rest of Europe) is therefore not straightforward (see Notten and Neubourg, 2007). If we use the EU relative measure that defines the poverty rate as that proportion of households with incomes below 60% of the national median income, we find that poverty in the USA has remained stubbornly above 20% since 1979, and, if anything, has increased slowly over this period (Figure 1: the data are for equivalized disposable income¹). In the case of the UK, the relative poverty rate in 1979 was only 13%, significantly below that in the USA. Over the course of the 1980s, however, it increased sharply, reaching 25% by the early-1990s and thus on a par with the rate in the USA (see also Dickens and Ellwood, 2003). Since 1997, the UK poverty rate has fallen slightly more and slightly more often than it has risen—at least up to 2004—and the active policy

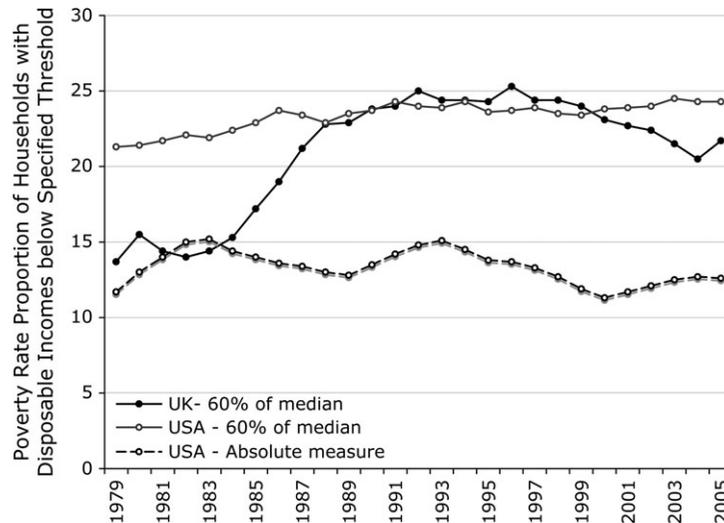


Fig. 1. Poverty rates in the UK and USA, 1979–2005

Sources: Luxembourg Income Study; US Department of Health and Human Resources; UK Department of Work and Pensions

interventions of New Labour might claim some credit for this. Nevertheless, it is still around 20%, and remains substantially higher than it was at the end of the 1970s. Thus, overall in both countries a high rate of poverty seems to be an entrenched feature of the socio-economy. However, the use of this relative measure paints a very different picture of US poverty from that based on the OMB absolute definition and used by the Department of Health and Human Services. The absolute measure produces a poverty rate of only half the relative rate, around 10–12%, and also suggests that the poverty rate has fallen since the early-1990s—a striking difference from the picture painted by the relative measure. According to Förster and d’Ercole (2005), the much higher US poverty rate produced by the relative measure is due to distributional effects. They argue that the median household income is much higher in the USA than in European countries due to the wealth of the middle classes in the USA, so that the 60% threshold is correspondingly higher, and the proportion of households with incomes below this threshold is consequentially large. In their view, this means that the high rate of relative poverty in the USA is not so much an indicator of a severe poverty problem as it is of

larger inequalities between the rich middle classes and the low-income households. While this may well be a consideration, the fact is that, for disposable incomes, the US relative (60% of the median) poverty rate is not markedly out of line with that in many European countries (most are around 20%). There is also growing evidence that the rich middle classes of the USA both don’t feel as rich as this supposition would suggest nor are as well off as some used to presume (Frank, 2007).

Translated into numbers of individuals, these trends in poverty in the USA and the UK are perhaps even more disturbing. In the UK, the number of people living in poor households, using the 60% of the median threshold, doubled between 1979 and 1997, from just over 7 million to over 14 million. The total then fell by 2 million over the subsequent seven years up to 2004/5, but then rose again to 13 million in 2005/6. It is a stark reality that despite nearly 60 years of welfare reform and action by successive governments to reduce poverty there is still a fifth of the UK population living on so little. While the worsening numbers so evident in the 1980s appear to have been halted and reversed, further improvement remains very hesitant and, if anything, appears to have stalled. The promising

reductions seen in the early years of New Labour look particularly vulnerable.

Similarly the number of persons in poverty in the USA has also varied through time. Starting in 1959, when federal statistics systematically accounted for people living below the officially defined absolute poverty line, the figure has ranged from a high of 40 million persons in 1960 to a low of 23 million in 1974. Periods of low numbers of people in poverty coincide with the strong policy of the late 1960s and early 1970s, years when the War on Poverty Program was in full force. Since then poverty levels have closely tracked macroeconomic conditions, falling back in periods of economic boom and rising in periods of recession, as at the end of the 1980s and again at the end of the 1990s. From a post-recession high of 39 million in 1993, by 2006 the poverty level had dropped back to around 35 million—still a total half as large again as the number back in the mid-1970s.

In the UK, particular concern has focused on child poverty. Upon coming into office, Blair’s New Labour government pledged to halve child poverty by 2010 and to eradicate it by 2020. Although the Brit-

ish government has claimed considerable progress towards these aims, and while there has been a slight fall in the child poverty rate since 1998–1999, still some 30% of all children in the UK live in poverty as officially defined (Figure 2). The greatest progress made with respect to poverty has been in single parent households, where the rate has fallen from 65% in 1996/7 to 49% in 2005/6. Not surprisingly, the incidence of poverty is lowest in working-age couples with no children, with rates around only a fifth of those in single parent households.

Similar inter-group differences are to be found in the USA. In the early post-war years, the elderly were the group most at risk. In the 1950s, the Social Security Act underwent a series of modifications extending the benefits to larger groups in society. Subsequently, from the late-1950s onwards there was a steady decline in the number of elderly living in poverty. Indexation of wages and social security payments in the 1970s further supported the income of retired persons leading to a progressive fall in the proportion of the elderly who are poor. In 2006, according to the official absolute threshold measure,

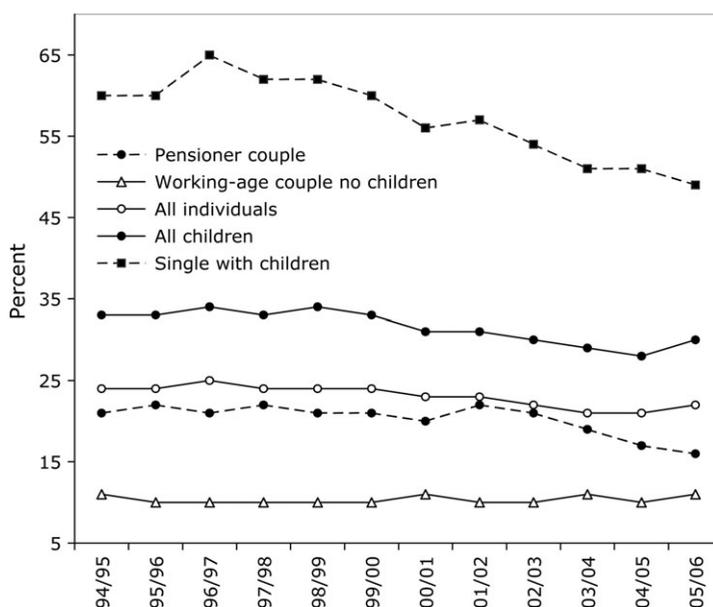


Fig. 2. UK poverty rates by different social groups (proportions in households with incomes below 60 percent of median, after housing costs) 1994/5 to 2005/6

Source: UK Department of Work and Pensions

the elderly poverty rate population was 9.4% (some 3.4 million people). If a 60% of the median relative threshold is used, this rate increases to 30%. The importance of Social Security cannot be underestimated. According to the American Association of Retired Persons, without Social Security income, as many as 50% of the elderly would fall below the official poverty line (Glasmeier, 2005).

As in the UK, children in the USA have been, and continue to be, the group at greatest risk of living in poverty. Again, using the absolute definition, from a high of 27% in 1959, child poverty declined in the 1970s, aided by poverty alleviation programmes launched during the Johnson era. The low point of child poverty was in 1968, when it dropped below 15%. In the 1970s the rate rose again and, by the 1980s, child poverty increased above 20%, reaching a high point of 23% in 1992. Subsequently, the figure declined to about 16%, but then rose once again to over 17% by 2006, approaching a rate of one in five children living in poverty. For children under the age of five, the poverty rate in 2006 was even higher at 20% (<http://www.census.gov/hhes/www/saife/>). But again, if the 60% of median income threshold is used, the figure is almost double, just over 33%. Poverty among children is more extreme in single female-headed households with children. In 2004, 35% of female-headed households with children lived in poverty; the rate for African American female-headed households was much higher, 43%. A comparable figure applies to Hispanic female-headed households. In the USA, much more than in the UK, poverty is about race. Poverty in the African American community is more than twice the national average, and Hispanics and Native Americans also experience high rates of poverty, both groups having a poverty rate substantially in excess of whites in the population. Not surprisingly, child poverty in these sectors of the population is also high, considerably above the rate found in white households.

The geography of poverty in the USA and the UK

Whilst there has been considerable research into the existence and persistence of poverty in the USA and

then UK, and there is much debate about its causes, consequences and policy implications in both countries, much less attention has been directed to the geographies of poverty and low income. Yet, as certain recent studies have shown—especially by Dorling and Thomas (2004) and Dorling *et al.* (2007) for the UK and Glasmeier (2005) for the USA—a geographical perspective is important for several reasons. For one thing, we know that the immense economic and social changes that have been underway since the beginning of the 1980s have impacted very unevenly across different places. Problems of unemployment, economic inactivity and lack of skills have all taken on distinct geographical dimensions, with obvious implications for the spatial incidence of low pay and poverty. At the same time, the dramatic growth of highly-skilled, technical, knowledge-based and professional jobs has been equally uneven in its spatial impact, with commensurate implications for the geographies of wealth.

Added to these are ethnic and demographic changes in the population which are shaping and reshaping the geography of the poor. In the USA, there is the growing immigrant population, which exhibits a distinct geographical pattern of settlement. Whereas once immigrants entering the USA without proper employment documentation settled in key states along the US–Mexico border like California and Texas, today restrictive state policies are driving these low-wage, undocumented workers beyond areas proximate to the US–Mexico border and into the South and other regions. Second, we know from recent research that social exclusion is concentrated in certain areas rather than others (Glasmeier, 2005; Glasmeier and Farrigan, 2007, Department for Communities and Local Government, 2007). An important question that then arises is whether and to what extent people-based poverty takes on a place-specific dimension. Poverty is not simply a result of personal attributes such as poor education and low skills, but is compounded by the social and economic conditions of particular places. Such places are characterized by few job opportunities, low-wage work and inferior public services—conditions which serve to increase the inability of the poor to

escape to other places where economic circumstances are more advantageous. In short, there are complex interactions and feedbacks between people and place in the production and reproduction of poverty.

Thus, policies to reduce poverty need to focus not only on the personal attributes and disadvantages of individuals—the target of most poverty alleviation and income support measures (like tax credits, welfare payments, child care allowances and so on)—but also on the economic, social, housing and environmental conditions of particular places where poverty and poor people are concentrated. While the interaction between people and places is difficult to disentangle, interrogating the geographies of poverty, low income and social marginalization will help to throw light on the causes of these personal conditions and also to reveal both the weaknesses in public policy interventions in this sphere and how such policies might be improved.

Unfortunately, documenting the geographies where poverty is increasing and is persistent in the UK and the USA is far from straightforward. The basic problem is that no universal definition of poverty exists to categorize the spatial incidence of poverty. In the UK in the past, the decennial Census provided some insight into spatial variations in incomes (as estimated via occupation) across the country (see, for example, Green, 1994). But tabulation of comparable social groups was changed from the 2001 Census, so that analyses of changes and developments since 1991 from this source have become very difficult. As a consequence, researchers must depend on and seek to make inferences from various *ad hoc* data or partial sources. Data sources providing various indices of multiple social deprivation include the ‘Bread Line Britain’ surveys (for example Dorling *et al.*, 2007); the New Earnings Survey (now Annual Survey of Hours and Earnings—see, for example, Martin, 1995); bank saving and deposits records; the Family Resources Survey; and indirect measures based on the receipt of and dependence on various social and welfare benefits. These sources undoubtedly afford some useful insights into regional inequalities (see Berthoud, 2008, *this issue*) in income, yet the sample size is typically too small to undertake more

spatially focused analyses. And the index of multiple social deprivation, produced by the Government does not of itself include an income variable. Thus while the general problem of poverty in the UK has attracted considerable academic and policy attention over recent years, the lack of data has hampered examination and discussion of the detailed geographies of income inequality and low incomes.

One source until recently unexplored is the data collected by CACI, a private-sector market and social conditions research organization. Over the past few years, this organization has undertaken regular major surveys of household incomes. The CACI ‘PayCheck’ dataset contains detailed information on household income at the unit postcode level for the whole of the UK. Using census-based statistics and background information on some 7 million households from CACI’s lifestyle database, PayCheck provides local level estimates of both the average level and the distribution of income across 21 income bands. In addition, CACI itself produces an annual ‘wealth of the nation’ report summarizing the salient geographical patterns in the distribution of incomes (see, for example, CACI, 2006).

The greatest strength of the PayCheck dataset is its ability to provide income estimates at a very fine level of spatial detail. Other, more conventional sources of income data tend to be supplied at the regional or local authority level—and by their very nature will miss variations in income at the local level. By contrast, the CACI data can pick out differences in the economic well-being of households on opposite sides of the same housing estate, and can illustrate the often wide variations in local income that are lost in the process of spatial averaging in other datasets. However, the methodology which underpins the PayCheck dataset does limit the kinds of analysis that can be performed. Using data drawn from the Census as well as background information from their own databases, CACI produce estimates of the level and the distribution of income at the unit postcode scale. These data are then smoothed through time and matched to a sampled income distribution. While the dataset does provide a highly detailed and internally consistent set of household income estimates, the procedures used to produce

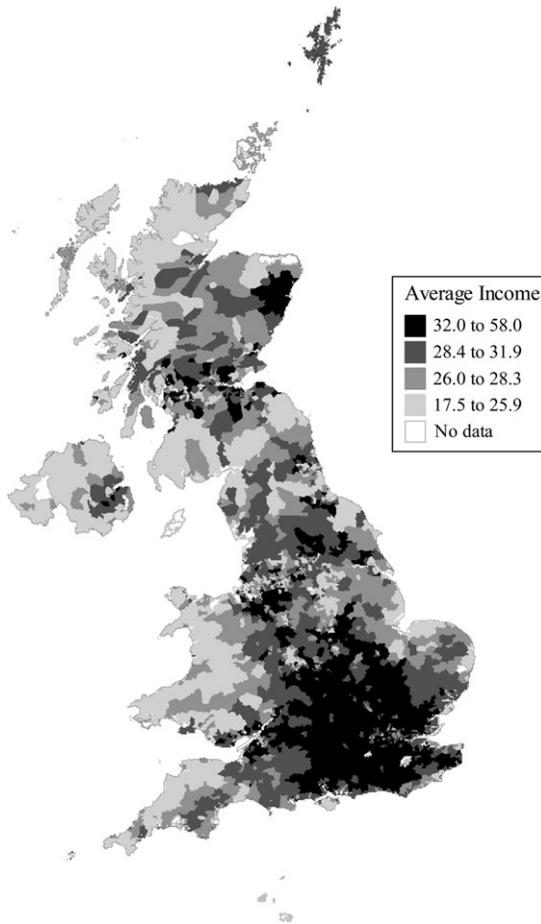


Fig. 3. Average household incomes (£000s), by post code district, 2006 (before tax and including social benefits)
Source: CACI

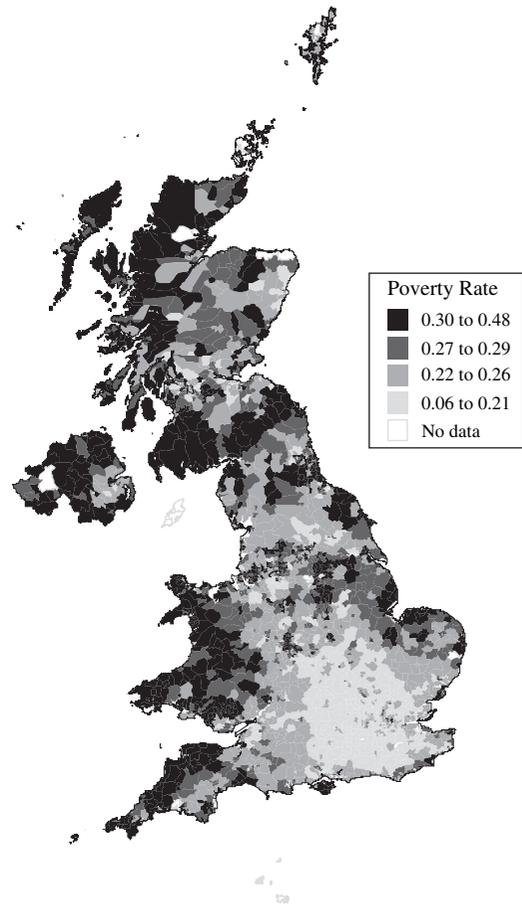


Fig. 4. The geography of poverty, by post code district, 2006 (proportion of households with incomes less than 60 percent of the median)
Source: CACI

the data mean that it is not possible strictly to compare local income levels through time. Similarly, the data do not take into account changes in household composition (though the estimates are available on an equivalized basis), or the number of employees living in individual localities. Instead, the data allow a cross-sectional examination of income at a very fine level of spatial detail.

Although PayCheck contains income estimates for some 1.78 million postcode units, it is not exhaustive. When there is relatively little or no information on which to base an estimate, CACI either

assigns a missing data value or it extrapolates from other time periods. Thus, some of the estimates for postcodes are based on more sophisticated and reliable econometric procedures than others. However, at this scale, the sample sizes are very small, so that it is much more meaningful to work with postcode sectors (approximately 11,598) or districts (3,064), or in some cases postcode areas (124). As we aggregate up to larger spatial units, the data obviously become more reliable. For very small areas it is clear that the CACI data do not reflect as much heterogeneity as is known to exist, in

particular curtailing the extremes of very low and high income areas. This adds to the incentive to consider its aggregations, for instance to district level.

Even the district-level data identify some telling patterns of wealth and poverty across the UK. Post-code districts typically contain around 9,000 households, and analysis of these data allows the identification of considerable geographical disparity in income levels. The geography of average household income in 2006 reveals a striking concentration of higher incomes in south-eastern England. This pattern extends well beyond Greater London to incorporate the M4 corridor westwards to Bristol, the A12 corridor into Essex in the east, and northwards into the south-western corner of the Eastern region and southern sections of the East Midlands and West Midlands (Figure 3). Pockets of high average incomes also are to be found outside this 'greater south-eastern' area, such as in southern Cheshire, south Manchester, north Leeds and parts of greater Edinburgh and Glasgow, around Aberdeen and around Belfast. But much of the large sweep of the UK outside of the 'greater south-eastern' area is dominated by low average household incomes, especially in the less urbanized and more rural localities. Average household incomes in many of these areas are a third or even less of those found in the high-income greater

south-eastern part of the country. What this geography clearly reflects is the geographically uneven pattern of economic growth in recent years, which has favoured south-eastern areas of the country over other regions of the UK, and which in broad terms resonates with the so-called 'north-south divide' debate (Martin, 2006).

The geographies of poverty are shown in Figure 4. Poverty is measured here by the proportion of households with incomes of less than half the national median income. Not unexpectedly, the geographical incidence of poverty is almost the mirror image of that of high average incomes shown in Figure 3. Thus, poverty rates across much of the 'greater southeast' are among the lowest in the country, typically less than 10%. The concentration of poverty in much of rural Britain (such as much of Cornwall, Wales and Scotland), in coastal areas (coastal Norfolk and Kent), and in northern urban areas such as south Yorkshire and Tyne and Wear, is immediately evident. In many of these areas the proportion of households living in poverty is over 30%, and in some cases, over 40%.

Even among the country's major cities, poverty rates differ significantly. London has the lowest overall poverty rate of the so-called 'core' cities, and almost half the rate of Liverpool, which has the highest (Figure 5). Of course, such city

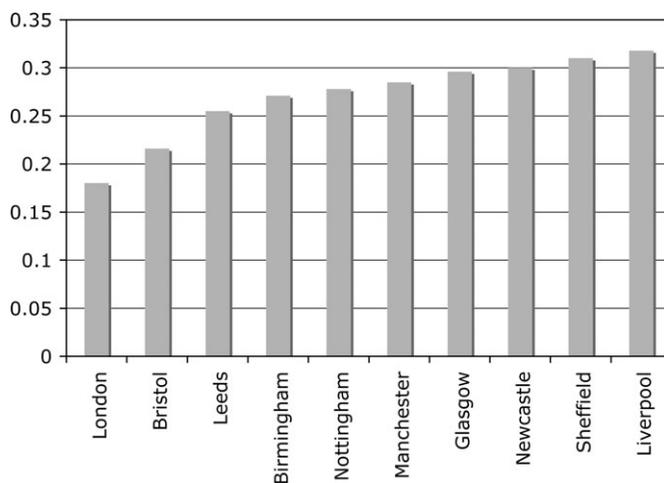


Fig. 5. Poverty rates in Britain's core cities, 2006 (proportion of households with incomes less than 60 percent of the median)
Source: CACI

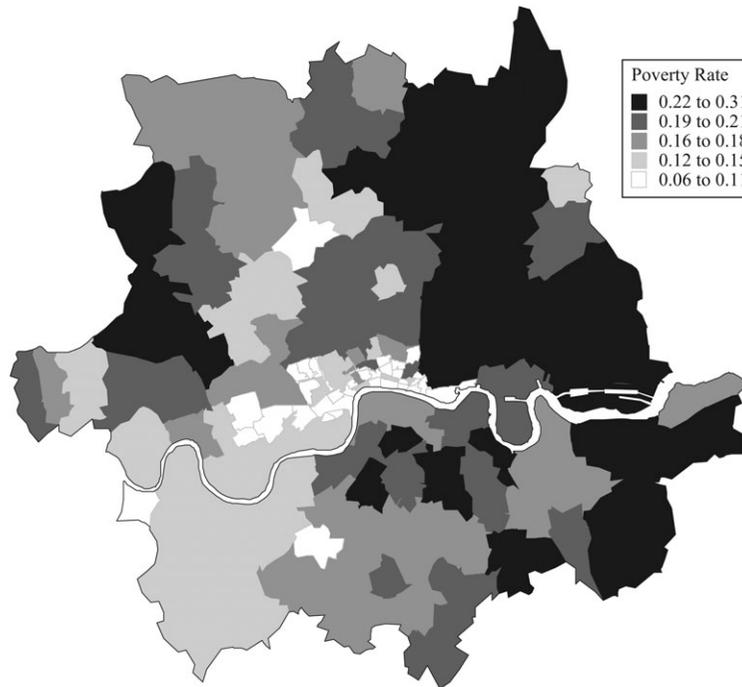


Fig. 6. *The geography of poverty in London, by post code district, 2006 (proportion of households with incomes less than 60 percent of the median)*

Source: CACI

aggregates conceal substantial intra-urban variations. Hence, while London may well have the lowest aggregate poverty rate of the major cities, there are substantial differences in poverty rates between those postcode districts in the eastern parts of the city (where it approaches 30%), and those in the more central and south-western districts (where it is typically much less than 10%) (Figure 6). As is the case for the national picture, the incidence of poverty in London is almost the mirror image of the geography of average incomes in the city (Figure 7). However, there are (for Britain) an unusually large number of areas within London with both high rates of poverty and high mean incomes.

Poverty in America also has a distinct geography. Mapping the OMB absolute poverty rate by county reveals a number of obvious spatial concentrations of the nation's poor (Figure 8). Based on the absolute poverty definition, the location of poverty follows a predictable pattern. The poor have always

been most numerous in the South, a direct legacy of slavery and long-term dependence on agriculture and low-wage industry, but other stubborn concentrations also stand out: Appalachia, the eastern coastal plain (the Piedmont), the Mississippi Delta, the US–Mexico Border, and the First Nation Lands in the North central Plains and Southwest. Poverty has spread since the 1990s with new geographical concentrations appearing most notably in the central valley and northern timber regions of California and along the northern sea coast of Maine.

A picture of more widespread poverty is evident when using the measure of poverty based on median income. In Figure 9, the percentage of the population earning 60% or less of the national median reveals a far more pervasive distribution of poor people. Many more counties in the west and along the eastern seaboard appear poor by national standards. The regions with low shares of the population earning less than 60% of the national

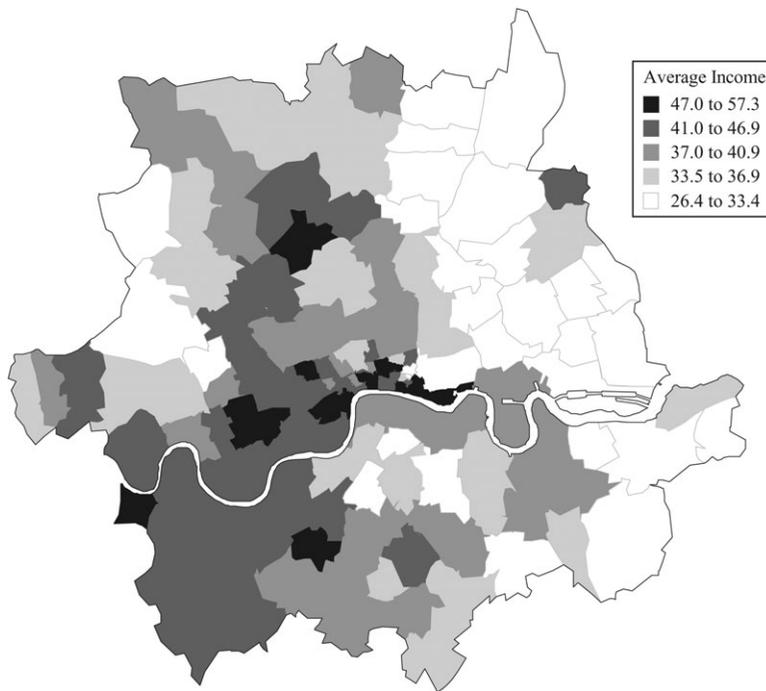


Fig. 7. Average household income (£000s) by post code district, london, 2006 (before tax and including social benefits)
 Source: CACI

median income are the Midwest and the urban corridor of the Northeast. Both regions are traditional centres of high-wage and unionized manufacturing. The experience of these two regions is in sharp contrast with the rest of the country where below median income is the norm.

Despite years of effort and in some cases significant federal expenditure, persistent poverty appears intractable in many of these places. Efforts have emphasized infrastructure creation and to a lesser extent programmes to change the material basis of the lives of families and their children. In the most intransigent cases, social exclusion, geographic isolation, rigid class-based institutions and political cynicism are often to blame for poverty's persistence.

Child poverty mirrors the location of poverty of the general population, and if anything is even more focused in spatial incidence. A sharp distinction delineates poverty in the South from the traditional manufacturing and agricultural regions of the Midwest. Lower rates of child poverty in the central

valley of California and parts of the Southwest no doubt reflect the high proportion of Latinos, some undocumented, who work in the USA away from their families.

Within these broad geographical patterns, US cities contain their own internal spatial inequalities in incomes and poverty rates. While metropolitan areas as a whole tend to enjoy high average incomes, elevated by significant concentrations of wealth, they also contain large numbers of poor households. Indeed, America's top ten cities exhibit metropolitan-wide poverty rates considerably higher than the national rate of 12.3%. Moreover, there are consistent spatial disparities in these metropolitan areas between the core city and the wider metropolitan area, with poverty rates in the former sometimes 50% higher than those in the latter (Figure 10). In only two cities, San Jose (Silicon Valley region) and San Diego (a large military-dependent metro area) are core city rates of poverty at or below the national average rate of household poverty.

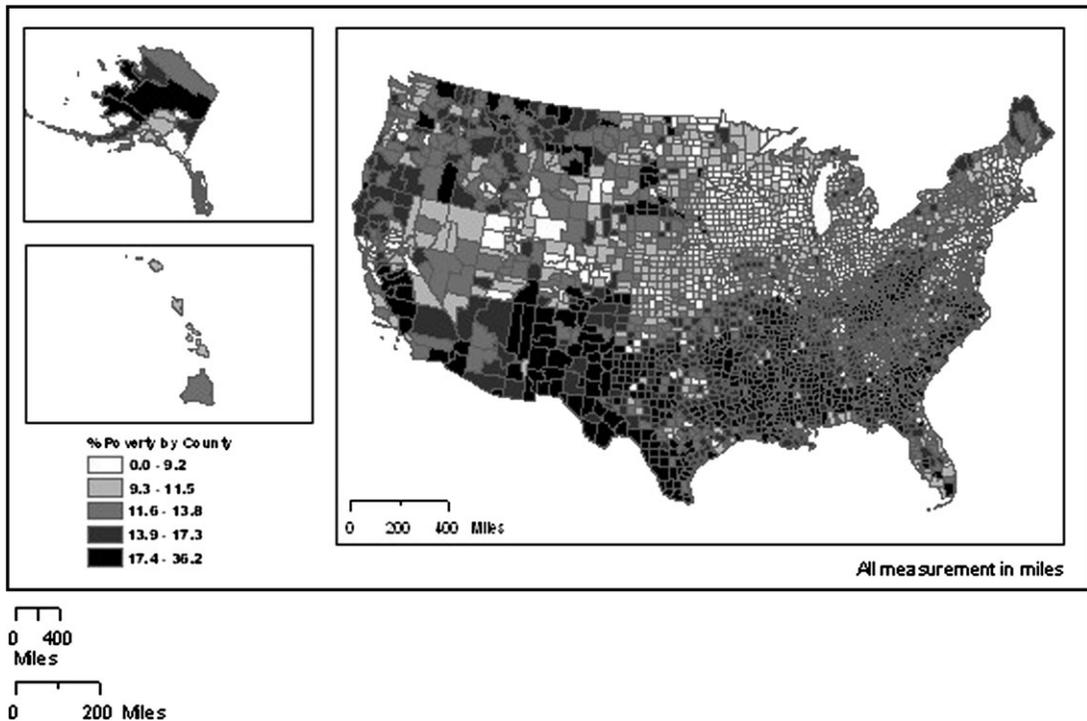


Fig. 8. *The geography of poverty in the USA (proportion of persons in households below OMB family poverty thresholds), 2003*
 Source: USA Bureau of the Census, Small Area Poverty Estimates, 2003. <http://www.census.gov/hhes/www/saipel/>

As Figure 11 suggests, of America's largest cities, Detroit, Michigan stands out with exceptionally high rates of metropolitan and central city poverty. The city's poverty rate (OMB definition) is almost twice the national average and the inner core area poverty rate is above 30% (Figure 12). Once one of the nation's most dynamic urban economies, built around the American automobile industry, Detroit now stands as an example of excess mono-economic growth.

Starting in the 1920s and accelerating through the 1950s, industrialization attracted a large population of African Americans from the South to take jobs in Detroit. Starting in 1950, the development of ring roads and freeways outside the city's core industrial area encouraged the rapid exodus of the city's white residents to the region's suburbs. Always geographically segregated, African Americans remained locked into relatively few inner city areas in deplorable conditions on the metro area's

eastern edge. With the exodus of white residents between 1950 and 1990, Detroit was transformed from a predominantly white city to black, so that by the 2000 Census, Detroit's city population was 82% black. In 1960 Detroit was America's fourth largest city with a population of 1.6 million. Today the city of Detroit is half of its former size even as surrounding suburbs continue to grow. With the loss of industrial jobs, the city's inner city economy is dominated by low-wage service and retail jobs. Despite massive federal efforts to improve the city's economic conditions, it remains America's poorest urban area, a once storied urban centre now comprised of 15,000 vacant buildings and 12 square miles of abandoned land.

From this brief discussion, two issues stand out. First, even within what are often celebrated as being two of the world's richest nations—both of which enjoyed a long economic boom from the early-1990s to the late-2000s—poverty for many has co-existed

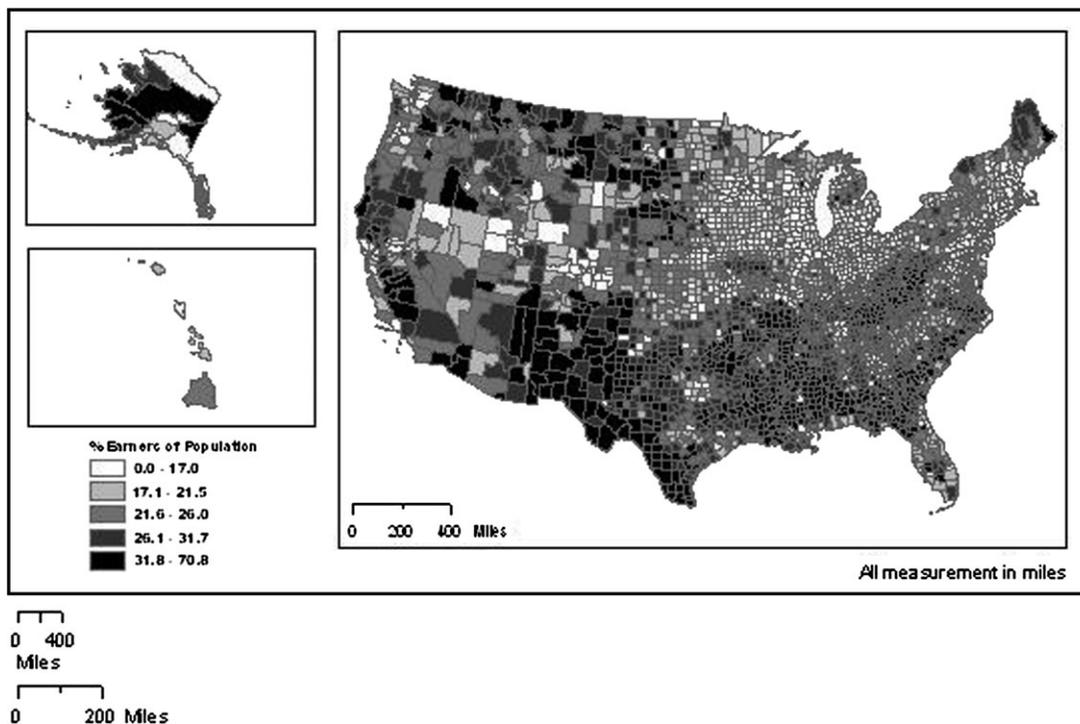


Fig. 9. Proportion of income earners making less than 60 percent of the national median. 2000
 Source: Bureau of the Census, Decennial Census 2000

with rising wealth for others. Poverty rates have not fallen, but rather have remained stubbornly high, and in the case of the UK are substantially higher than they were two decades or more ago. Second, and inextricably bound up with this problem, poverty is highly concentrated within particular social groups and particular geographical places. We are still far from understanding the various forces—some common to both the USA and the UK, others specific to each country—that explain the concentration and persistence of poverty in particular places. The papers that make up this issue of the *Journal* are intended to contribute to this task.

Exploring poverty and place: the contributions

With this introduction serving as a backdrop revealing the nature, extent and geographical incidence of

poverty in the UK and the USA, the papers that follow deal with particular aspects of poverty and place in the two countries, and link the issues raised with wider questions of social welfare, policy intervention and the intersection of people and place-based factors.

In the first paper, Sanford Schram, Richard Fording and Joe Soss provide empirical evidence on the operation and effects of the neo-liberal system of poverty governance emerging in the USA. Relying on data collected on Florida, a state recognized for innovation in implementing welfare reform, the authors present findings that demonstrate systematic inequities in the way sanctions are applied to clients who fail to comply with participation requirements in Florida's welfare-to-work programme. The findings underscore how the enduring influence of race, place and their interaction are critical to the emerging neo-liberal system of poverty governance.

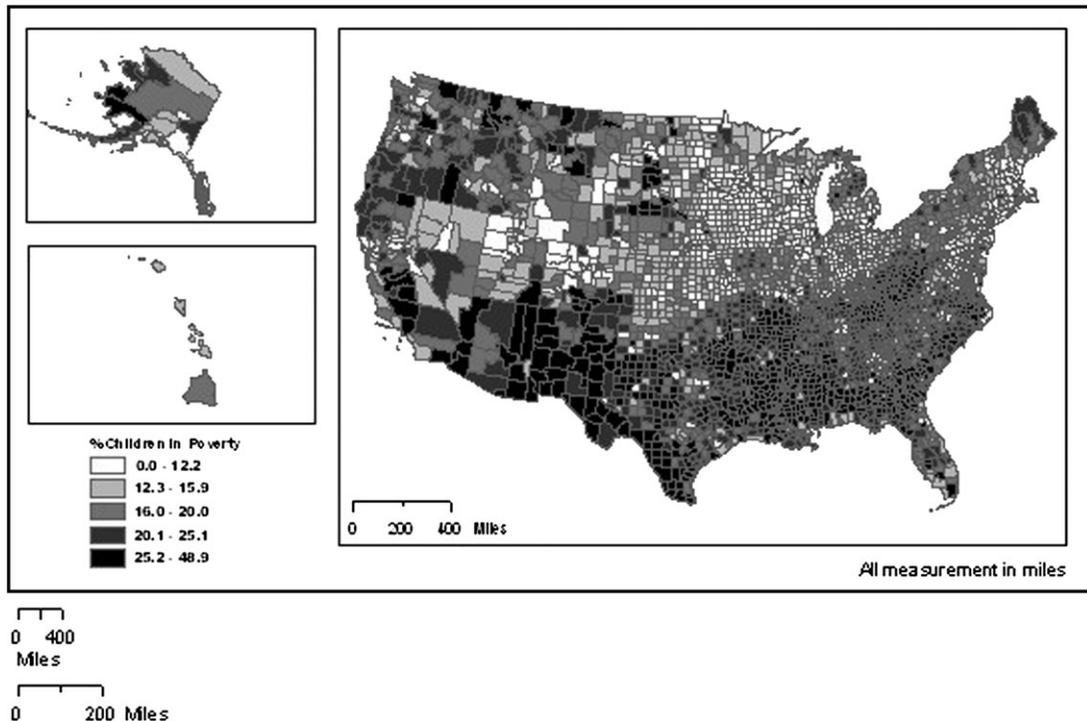


Fig. 10. *The geography of child poverty in the USA (proportion of young people – 18 years or under – in households below OMB family poverty thresholds), 2003*

Source: USA Bureau of the Census, Small Area Poverty Estimates, 2003. <http://www.census.gov/hhes/www/saife/>

Richard Berthoud considers area variations in household income across Britain using an under-exploited data source to undertake decomposition of geographical aggregation at a series of levels. He is able to assess the extent to which the national pattern of inequality is attributable to variation *between* areas, or whether, on the contrary, there is wide variation between households *within* areas.

Daniel Lichter, Domenico Parisi, Michael Taquino and Brian Beaulieu use block-group data from the US decennial censuses to document changes in concentrated poverty. They observe that the majority of poor sub-county areas were located (and hidden) in low poverty counties. The 1990s brought large declines in the share of high-poverty (sub-county) areas and the share of people, including poor people, who lived in them. Poor minorities—both in metro and non-metro areas—were highly ghettoized in high-poverty neighbour-

hoods and are highly segregated from the white and the non-poor population. The implication is that discussions of concentrated poverty cannot be uncoupled from minority group residence patterns.

In their paper, Bob Rowthorn and David Webster examine male worklessness and the rise of lone parenthood in Britain. Deindustrialization has eliminated many traditionally male jobs in Great Britain. Using geographical comparisons based on Census data, their paper estimates that the resulting fall in male employment explains the 1.16 million increase, from 38 to 59%, in lone parent families during the period 1971–2001. As noted above, lone parent families make up a high proportion of the poor in Britain, and have by far the highest incidence of poverty. The impact has been greatest in the areas that suffered most from industrial decline. Higher male employment would help to contain,

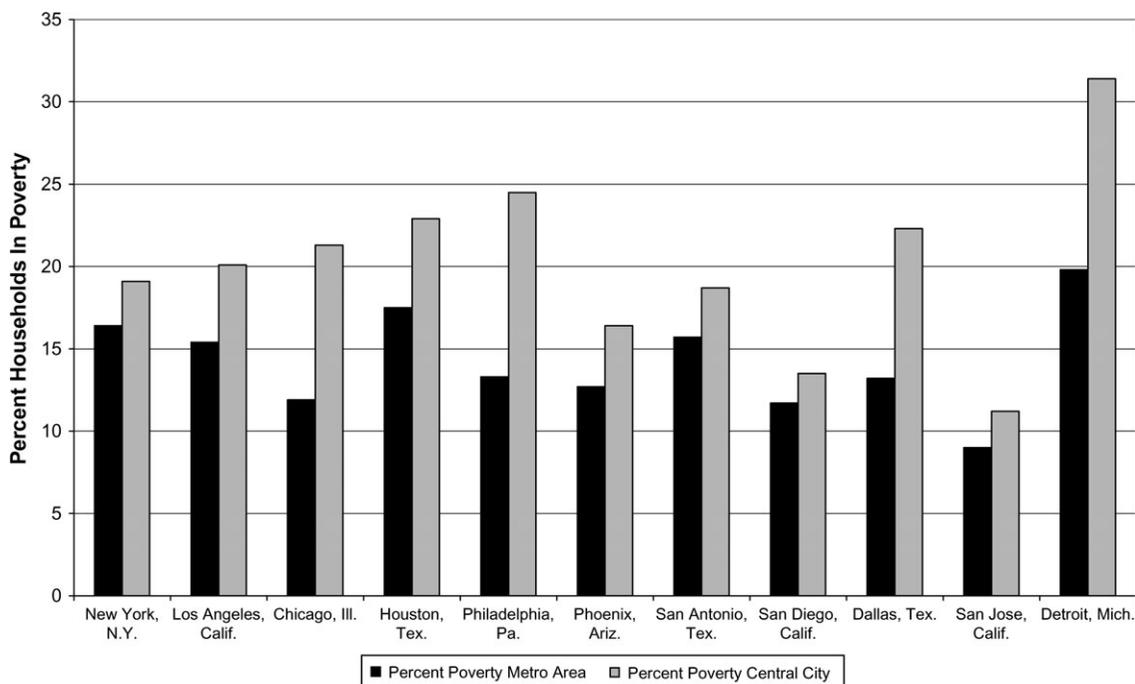


Fig. 11. Poverty rates in America's Largest Cities: metropolitan area and central city, 2005

Sources: American Community Survey accessed through State of American Cities Data System, Housing and Urban Development, Current Population Survey 2006, Bureau of the Census

and maybe reverse, the growth of lone parenthood, by reducing inflows into lone parenthood and increasing outflows through re-partnering and consequent stepfamily formation. Female employment is found to have no consistent net effect on lone parenthood.

Linda Lobao, Gregory Hooks and Ann Tickamyer examine poverty and inequality across space from a sociological perspective, and thus begin to link the study of stratification, traditionally a foremost concern of sociologists, with a more geographical approach. In their article they critique sociological research on poverty and other inequalities across space and focus on a disciplinary impasse, the lack of a coherent, well-developed tradition at the subnational or regional scale. Drawing from research on the USA, they address how sociologists are making progress against this impasse, in an emergent body of work that tackles inequality beyond the discipline's traditional binary subfields

aimed at the cross-national and urban scales and which speaks to important inequalities in advanced societies.

In a discursive examination informed by British experience of academic research and policy debate around the issue of poverty, Bill Jordan investigates elements of social scientific theorizing about how poverty related to place; namely, the physical infrastructure (or built environment); mobility (the turnover of population, and the social characteristics of those entering, staying and leaving particular places); and culture (interactions between residents, leading to shared norms and collective practices). Arguing that the ways they have been combined has varied markedly over time, he comments that we may at present be in a new transition, in which mobility (or lack thereof) is perhaps replacing culture as the key factor in explaining the dynamics of impoverishment in deprived districts, and how this is assessed in the light of research on well-being.

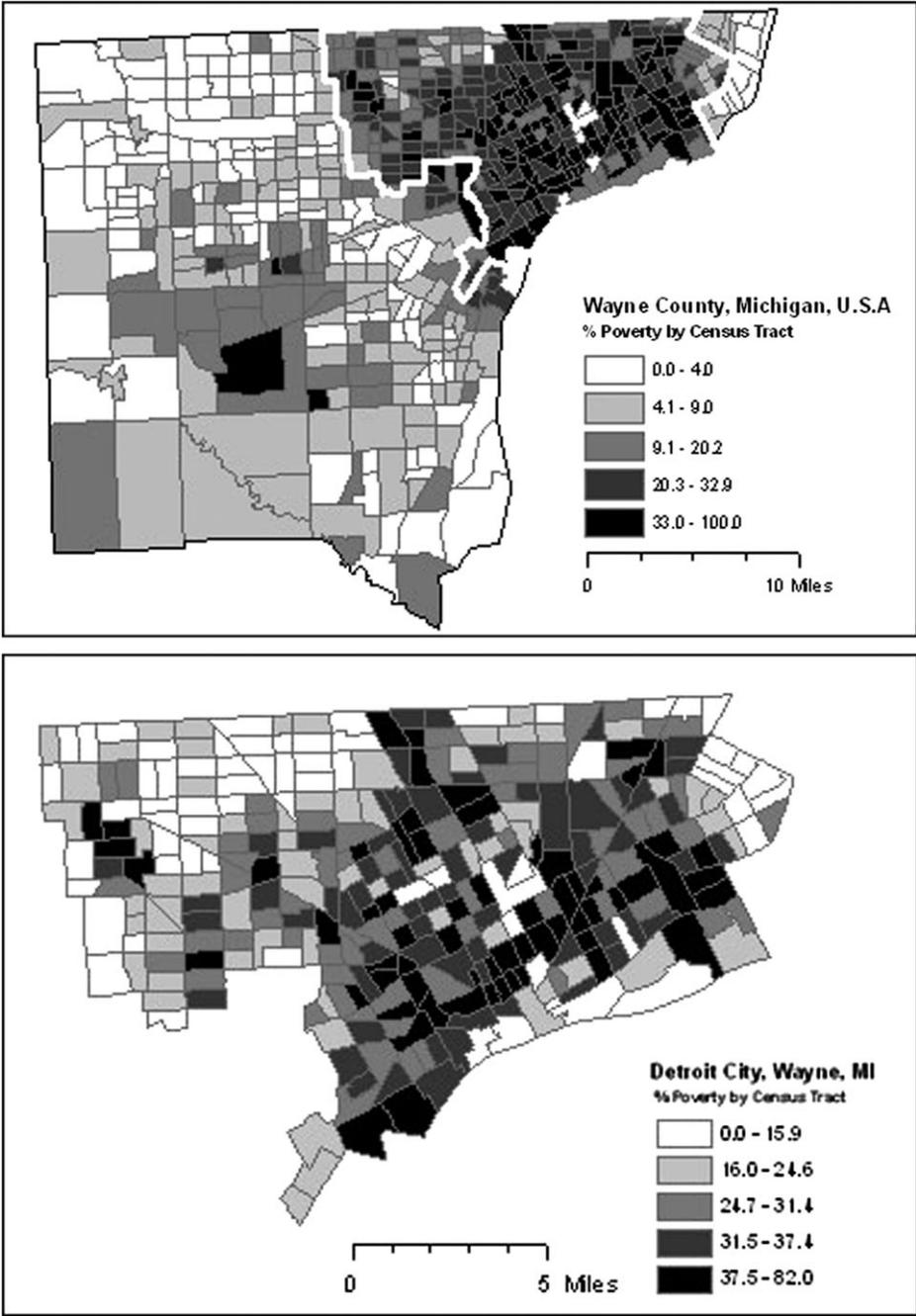


Fig. 12. The spatial concentration of poverty in the Detroit, 2000: The metropolitan area and the city core
Sources: US Census Bureau, 2000 Decennial Census. Data compiled by Censustracker, <http://www.stratamodel.com>

And finally, Mark Partridge and Dan Rickman examine place-based policy and rural poverty on the basis of the urban spatial mismatch literature. They develop a distance-based friction explanation of higher US rural poverty by arguing that labour market frictions akin to urban spatial mismatch exist in rural areas. Empirical examination of US poverty supports these frictions as partly underlying higher rural poverty. This derives from analysing the relationship between remoteness and poverty in addition to an analysis of labour supply responses to labour demand shifts. Higher rural poverty does not appear to be simply a result of those who are most at risk from poverty self-selecting to live in remote areas. The results suggest that place-based antipoverty policies may be beneficial.

What is clear from the research presented in this Journal is that there is an urgent need to understand more about the processes that are producing such significant geographical variations in poverty in both countries and what may be the scope for policy intervention. The hope is that, collectively, the papers might stimulate a much needed comparative research agenda on this pressing topic.

Endnote

¹ That is income adjusted for household size and composition by means of equivalence scales, which reflect the extent to which households of different size require a different level of income to achieve the same standard of living.

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