

Who Are the Poor?

The Demographics of Poverty

by Anne Jackson
and Jack Betts

To hear the politicians tell it, North Carolina is in a period of unparalleled prosperity. Thousands of new jobs, billions of dollars in new investment, higher manufacturing wages, better education—in short, an economic renaissance. But contrast that with what the experts tell us—that nearly a million North Carolinians are in poverty and hundreds of thousands more are in near-poverty, that too many people are in low-wage, dead-end jobs, that one in five children and one in five persons over 65 is in poverty, that while the poverty rate is high the percentage of welfare recipients is low, that those on public assistance don't get enough help, and that increasingly, the poor are women and children who will have no real future. To understand these conflicting claims, North Carolinians must first know more about the poor.

J Gordon Chamberlin still winces at the recollection. As executive director of the Greensboro-based North Carolina Poverty Project, Chamberlin was speaking to a civic club in a town he now declines to identify. He asked its 90 members to list their ideas for ways the business community should deal with poverty in the state. Wrote one respondent: "Get rid of minimum wage, get rid of welfare, sterilize the women after two children, and hang the bums."

Widespread misunderstanding about the nature and causes of poverty, says Chamberlin,

poses one of the greatest impediments to easing the condition that afflicted some 884,000 North Carolinians in 1987, an estimated 14.3 percent of the population, according to U.S. Census figures. Nationwide, about 13.6 percent of Americans live in poverty.¹

"What we're up against is attitudes—negative stereotypes, hostility, moral judgments," Chamberlin says. "Social policy [and] political decisions are not based on statistics. More funda-

Anne Jackson is a Raleigh writer and frequent contributor to Insight. Jack Betts is editor of North Carolina Insight.



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mental than that is basic attitudes.”

Statistics, in fact, reveal information that might be unsettling to those who assume that in booming economic times in this growing state, poverty must be the result of laziness, moral laxity, or both. Consider:

■ One in five children and one in five persons age 65 or older lives in poverty in North Carolina.²

■ Even with its above-average poverty rate, North Carolina has one of the lowest percentages of welfare recipients in the nation.³ Many North Carolina poor are either too proud to ask for help, or they don't know how to apply. And certain barriers to assistance—problems with transportation to social services offices, lengthy and difficult forms to fill out, waiting periods before benefits arrive—may discourage the needy from getting help. (See *Profiles in Poverty*, p. 52, for more). For whatever reason, government poverty programs don't reach all those who need help.

■ Those who are on public assistance don't get enough help to bring them close to the federally-established poverty level. An unemployed mother with two children could receive up to \$266 per month from the Aid to Families with

Dependent Children (AFDC) program in 1988 and \$228 per month in food stamps, bringing her annual total income to \$5,928, which still is less than two-thirds of the official federal poverty level of \$9,690 for a family of three.

■ North Carolina has the highest proportion of working mothers in the nation—65 percent. The national average is 55 percent.⁴ Many of these working mothers are the heads of their households.

■ The average AFDC check issued by the state in July 1988 benefited 2.2 persons, refuting the myth that welfare rolls are crowded with welfare mothers who keep having babies to increase their handout.

■ In North Carolina and across the nation, the income gap is widening. While the wealthiest fifth of U.S. households gained \$1,490 from 1980 to 1983, after federal budget cuts, tax policy changes, and recession, the nation's poorest fifth lost \$190.⁵

But for all the statistics the state compiles about its neediest citizens, there are some glaring gaps. For one thing, no state agency keeps a reliable *annual* tally of the number of poor North Carolinians. Policymakers must rely on estimates

compiled by the U.S. Bureau of the Census from small yearly surveys of about 2,500 N.C. households—less than one-tenth of 1 percent of the state total. The State Data Center at the N.C. Department of Administration warns that the potentially large sampling error “may lead to false conclusions.” And while various statistical tables are available, few of them are based on estimates of the poverty population for the same year. Instead, they purport to represent the status of poverty in North Carolina for different years.

That’s just one problem with the data collection. For another, recent Democratic and Republican governors have kept scrupulous records about the number of new jobs they claim to have brought to the state, but the state keeps *no* statistics concerning, for instance, how many workers earn only the minimum wage of \$3.35 per hour. At minimum wage, an employee would have to work 55 hours a week 52 weeks a year just to earn more than the poverty-line of \$9,690 for a family of *three*.⁶ Or put another way, a worker would have to earn \$5.39 an hour and work 40 hours a week for 52 weeks—taking no vacation, no holidays, and no time off for illness—to meet the federal poverty standard of \$11,629 for a family of *four*.

The state also lacks information about the needs of specific target areas of poor people—the urban poor, for example. “We don’t know what’s worked and what hasn’t,” says Joel New, director of the state Division of Employment and Training. “It’s been a serious problem.”

James Forte, director of the state Division of Economic Opportunity, agrees that the lack of a reliable count of the state’s poor hinders policy development. “Why we don’t do anything more than that, I cannot answer,” he says. “I would think [a tally] at least every three years, which is the normal planning period, would be most helpful.”

Despite this lack of comprehensive data, the statistics that do exist paint a vivid portrait of North Carolinians in poverty—women in poverty, poverty and race, children in poverty, the working poor, the rural poor, and the urban poor. But to understand these problems requires a historical perspective.

Roots of Poverty

From its earliest days, North Carolina had an image as a haven for the indolent. In 1728, the explorer William Byrd observed:

Surely there is no place in the world where the Inhabitants live with less Labour than in N Carolina. It approaches nearer to the description of Lubberland than any other, by the great felicity of the Climate, the easiness of raising Provisions, and the Slothfulness of the People.⁷

A hundred years later, little had changed. North Carolina in the ante bellum period remained a poor state with little industry and low wages in the ones that did exist. Known then as the “Rip Van Winkle State” because it appeared to be slumbering economically, North Carolina went into the Civil War with its reputation intact. As

Frederick Law Olmsted wrote shortly before the war, “North Carolina has a proverbial reputation for the ignorance and torpidity of her people.”⁸

Following the Civil War, North Carolina began to make economic progress that afforded its people a steady job and a

wage—albeit a low wage that often held workers indentured to the mills that sprang up along the state’s waterways. In the 20th century, more economic progress arrived in the form of further industrialization and gradual diversification from reliance on agriculture. The state became the nation’s most industrialized state in terms of work force employment, but these industries by and large paid low wages—textiles, furniture, and tobacco. (For a thorough discussion of the transitions in North Carolina’s economy, see Bill Finger, “Making the Transition to a Mixed Economy,” *North Carolina Insight*, Vol. 8, Nos. 3-4, April 1986, pp. 3-21.)

So more than 250 years after Byrd wrote his disparaging words, North Carolina remains a place of poverty, despite real gains in industrial development, in education, in per capita income, and in the quality of life. In 1988, in a state where the unemployment rate remained under 4 percent

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*“For ye have the poor
always with you.”*

—Matthew 26:11
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most of the time, poverty and its related problems kept hundreds of thousands of people in its unrelenting grip. And more than ever before, its victims were women, children, the elderly, and working people.

President Lyndon Johnson's War on Poverty helped North Carolina enjoy a steady decline in the number and percentage of poor people among her citizenry throughout the 1960s. The downward trend continued in the 1970s, although at a slower pace. According to Census figures, 992,000, or 20.2 percent of the population, lived in poverty in North Carolina in 1970, a figure that declined to 839,000, or 14.8 percent, by 1980. In the 1980s, that figure has waxed and waned, up to an estimated 996,000 in 1983 projections (see Table 1, p. 10) and back down to 884,000 in 1987. But the overall poverty rate in the 18 years since 1970 has declined to a current estimated rate of 14.3 percent.⁹

The Feminization of Poverty

These numbers may change from year to year, but they clearly show distinct trends. One such trend is the increasing feminization of poverty. In 1983, for example, a report by the Division of Economic Opportunity in the Department of Natural Resources and Community Development found that women headed 58 percent of all poor households in the state, making them "the new poverty class."¹⁰ The same study showed that 37 percent of poor households were headed by people over age 65, and that nearly half of the state's female householders were elderly. The number of such "poverty-prone" households is expected to account for half of all N.C. households by the year 2000, the study predicted.

What accounts for this rise in women in poverty? "The 'feminization of poverty' is due largely to the economic impact of separation,

In 1964, President Johnson's White House staff looked for a poor family to help dramatize LBJ's War on Poverty, and settled on the family of William David Marlow of Rocky Mount. In this photograph, Johnson and then-Gov. Terry Sanford (now a U.S. Senator) sit on the steps of the Marlow home and pose for the national press. Evidently the Marlows did not appreciate the gesture. Mrs. Marlow told reporters later, "We didn't ever feel like we were in poverty," adding, "we've been talked at, talked to, talked about, and throwed off on."



N.C. Department of Cultural Resources

divorce, widowhood, longer life spans, the lack of better paying jobs, and limited job opportunities for women," concludes the report.

The report, titled "The Changing Face of Poverty," noted that a majority of the women in poverty who also had children under six were working mothers, but that they found it difficult to work their way out of poverty because of a lack of job skills, experience, opportunities, and the cost of day care. "Another problem facing women and minority householders now and in the future is that most of the new jobs in the state are in the service and retail sales fields. While many of these jobs do pay well, the type traditionally held by women and minorities are low-wage jobs."

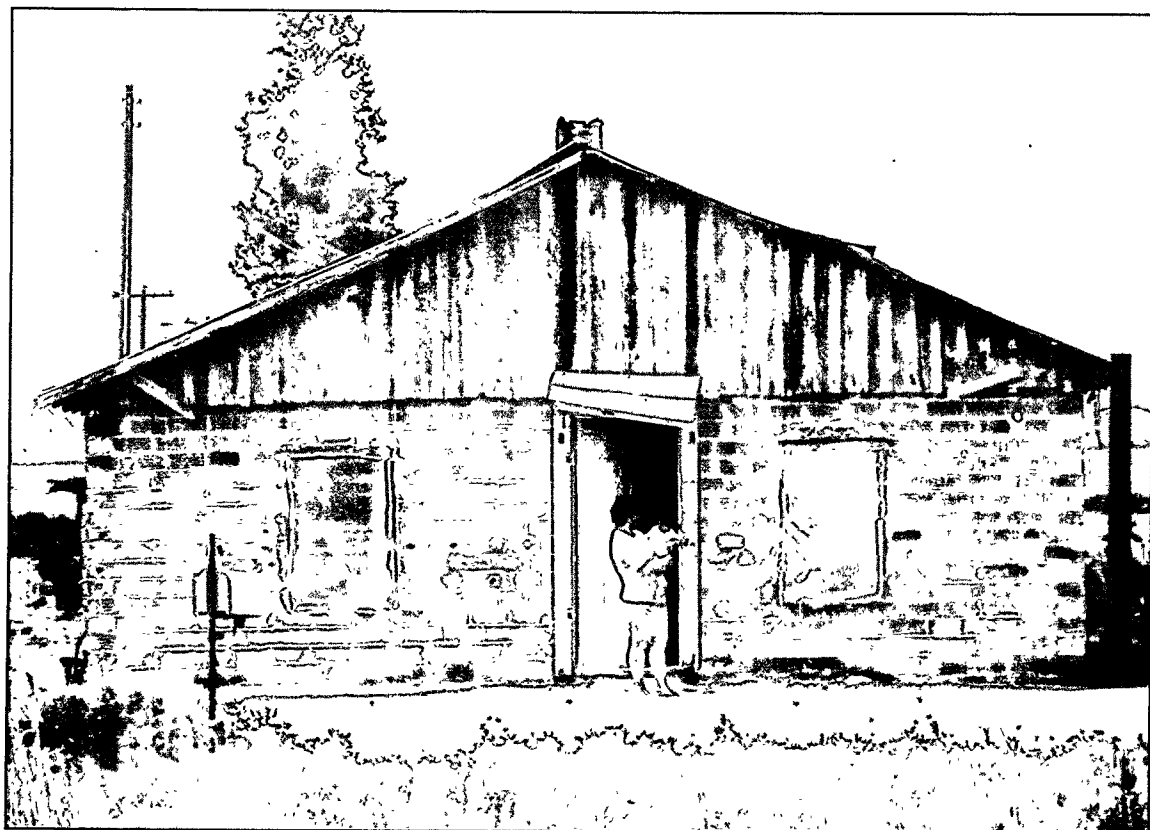
The Ford Foundation echoes this observation. "Poverty is inextricably tied to family structure, especially among households with children. Today, nearly half the female-headed households with children are poor, while fewer than one-tenth of two-parent families are poor. Moreover, single-parent families are likely to remain poor for long periods of time."¹¹

The Color of Poverty

Few may realize it, but in numbers, far more whites than blacks are mired in poverty in North Carolina—though a greater percentage of blacks than whites are poor. Although more white families (91,916) than black (87,492) lived in poverty in 1985, the 30.7 percent poverty rate among black families represented a 4 percent increase over 1980, while the 6.6 percent rate for white families represented a decline of 1 percent.¹²

"The Changing Face of Poverty" reported that of the poverty households in North Carolina, about 58 percent were white and 42 percent minorities. Of the white households, about half (28 percent) comprised the elderly, while 20 percent were 41-65 years old and 10 percent were under 40. Of the minority households, the breakdown in age was more even. About 11 percent were over 65, 18 percent were 41-65, and 13 percent were under 40.

"Making up only 23 percent of all households in the state, minority households accounted for close to half of the poverty households in 1981,"



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says the report. "In contrast to white households in poverty, for whom poverty appears to be more a problem of aging, three-quarters of minority households in poverty are headed by persons 65 and under. Poverty for minorities seems to be much more a problem of being poor while of working age—often a jobs problem."

The Youth of Poverty

More than one child in five lives in poverty in North Carolina, according to the latest estimates, and the effects of poverty on children often perpetuate the cycle. In a report issued in August 1988, the N.C. Child Advocacy Institute identified poverty as a leading cause of hunger, juvenile crime, unsatisfactory school performance, neglect, and even deaths in children. "Some children aren't able to concentrate in class because they're hungry," says Margaret B. Arbuckle of Greensboro, chairman of the institute's board of directors.¹³ In a report titled the *North Carolina Children's Audit*, the institute said that 22 percent of North Carolina's 1.6 million children under 18 live in poverty—and that many of them go to school hungry each day.

Although state and federal aid is available to poor children and their families, the institute's report indicated that no more than half of all poor N.C. families received food stamps in 1987, while no more than one-third received AFDC.

The report found that while the state's wealthiest counties are thought to be doing the best job for poor families and children, that's not always the reality. In some cases, the state's poorer counties do better. "You would expect that the rich counties would do a better job of providing services to children," says John Niblock, president of the institute. "But the audit shows this is not true. Some of the poorest counties do the best job of seeing that children in poverty benefit from the programs available."

The Permanently Dependent

Much of North Carolina's poverty population includes those who cannot work because of chronic illness, disability, or other impairments. These include alcoholics, the physically disabled, the elderly, the mentally ill, the retarded, the physically handicapped, and the deformed. The Poverty Project has estimated that 495 persons in poverty are alcoholics, 32,000 are elderly with no

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"We are the first industrial nation in the world in which children are the poorest age group."

—Sen. Daniel Moynihan

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Social Security income, 109,000 are mentally ill, and 218,000 are retarded. These are among the poor who are "permanently dependent upon public assistance," notes Gordon Chamberlin of the Poverty Project.

The Working Poor

A common stereotype of the Southern poor person is a lazy free-loader who won't work. But most of the poor in this state are steady workers who are mired in poverty not because of their work habits, but because they can't get better jobs. A higher-than-average poverty rate and lower-than-average jobless rate indicate that many poor people in North Carolina hold jobs. Many of those work in the growing service sector of the economy, where jobs are plentiful but wages and benefits are often meager.

"We have attracted lots of employers to our state over the years who have created lots of work here," Jonathan P. Sher of the University of North Carolina's Small Business and Technology Center reported in a study for the N.C. Association of Educators. "Nevertheless, the data show that far too much of this employment has been in low-wage, seasonal, part-time and dead-end jobs—jobs that do not provide sufficient income, benefits and security to lift even the people employed to a place above the poverty line."¹⁴

For 23 years, Fentress Morris has worked at the Community Action agency in Edenton, helping channel government grant money to poor people in a 10-county area of northeastern North Carolina, historically one of the poorest areas of the state. Many of the people now turning to the agency for help in paying their rent are people with jobs, Morris said. "A lot of the people we see

are working in a lot of the service industries—McDonald's and Hardee's," he said. "We do have a lot of that, where they're eligible [for assistance] even though they're working."

Nationally, the number of full-time wage earners who are still poor increased by two-thirds—to two million—between 1978 and 1985, while the number of working people between the ages of 22 and 64 who remained poor increased by more than 60 percent.¹⁵ Nationally, about 9.3 million persons in poverty have some type of job, but many are part-time or seasonal.

William C. Crawford Jr., director of social services in Montgomery County, thinks more working people qualify for aid in part because of state and federal lawmakers' actions to relax some eligibility standards in response to federal budget cuts in domestic aid programs made by the Reagan administration (overall public assistance spending is up, but numerous cuts were made in some programs and the rate of growth was trimmed in others). "It's a marked public policy change from 10 years ago," Crawford says. "We're almost beginning to reach up ... into what you might call the lower middle class—people we wouldn't have served [earlier]."

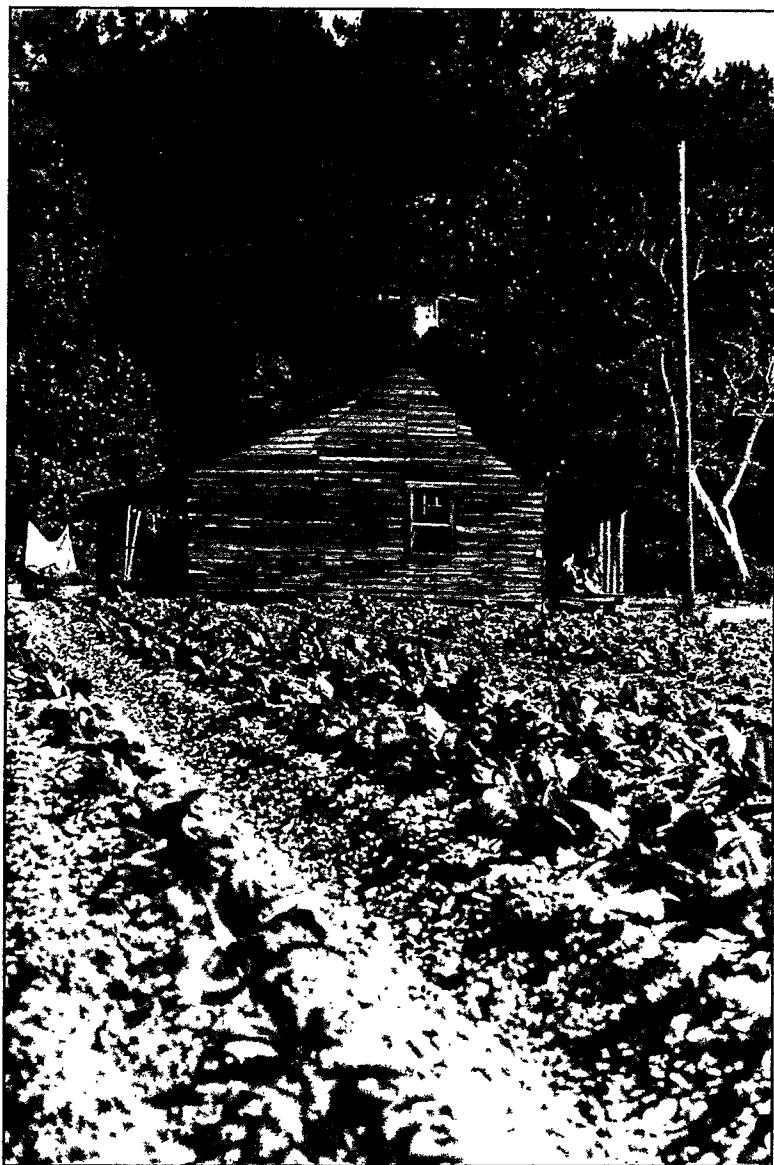
But Niblock of the Child Advocacy Institute also points out that many families have lost benefits during this period. "Kids have been cut off AFDC, school lunches, and food stamps," points out Niblock.

With no increase in the \$3.35-an-hour minimum wage since 1981, workers are now earning the equivalent of just \$1.55 in 1975 dollars.¹⁶ "If they go to work at minimum wage, a lot of people believe they're better off not working. And there's a grain of truth in it, I must concur," says Bob Leatherwood, executive director of Mountain Projects, a Community Action agency

serving Jackson and Haywood counties in western North Carolina.

Joel New, head of the Division of Employment and Training in the Department of Natural Resources and Community Development, says that in 1980, 49 percent of poor people held jobs; nearly one-third of those worked full time. Today, he estimates, 50 to 60 percent of adults in poverty work. "You've got a group of folks who don't have the training and skills to move into higher-paying jobs," he said. "The impression of people being poor is they don't work. That's just not true."

But no one knows for sure just how many working poor there are, or how many make the minimum wage or less. The U.S. Census Bureau



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estimates that about 2 percent of the nation's work force work full-time at less than minimum wage and live in poverty. If that were applied to North Carolina's work force of 3.3 million, then more than 66,000 North Carolinians *work full time* and make *less* than \$6,700 per year—which itself is far less than the federal poverty level in 1988 of \$9,690 for a family of three, or \$11,652 for a family of four.

Crawford, the social services director, says the existence of a class of working poor people seems to be a growing phenomenon. "Even for people who work 30 or 40 hours a week at a low-income job—especially if they don't have health insurance or retirement benefits—they can't make enough to really sustain themselves," he observes.

Montgomery County's unemployment rate jumped to 15.6 percent at the height of the recession in the early 1980s. But last year, with the county jobless rate dipping below 4 percent, some local employers added benefits to draw workers. Some employers introduced retirement programs for hourly employees, and one even agreed to pay half of day care costs for the children of female workers, Crawford says.

Low wages are an obvious part of the poverty problem. In June 1988, North Carolina ranked next-to-last among the 50 states and Washington, D.C., in the average weekly manufacturing wage. The N.C. average was \$327.24, the U.S. average \$418.59, according to the U.S. Bureau of Labor Statistics. Yet a higher percentage (29 percent) of North Carolina's work force held manufacturing jobs than that of any other state.¹⁷

The Rural Poor and the Urban Poor

The causes of poverty are numerous and varied, and even geography has been a key factor in North Carolina's poverty problem. Poverty is much more widespread in the rural areas of eastern and western North Carolina, but pockets of destitution remain in the wealthier metropolitan areas of the Piedmont as well. Sher notes that "to an alarming degree, geography is destiny in North Carolina. Children born in certain communities predictably will not have opportunities and life chances equal to those of similar children who had the good fortune to be born in more favored communities."¹⁸ Sher found that except for Wake, Dare, and Carteret counties, every county east of Chatham had a poverty rate higher than the state average. The same was true for 14 border counties in the West.

Larry Barnes, director of social services in eastern North Carolina's Sampson County, puts it this way: "We are eastern, we are rural, we are agriculturally based, and we are poor—and getting poorer."

Even in Wake County, where the poverty rate is half the state average and personal income averages one-third higher, many poor people can't afford rent, clothing, or food. In Raleigh, 4,800 people crowd a waiting list for just 3,000 public housing units. The wait can last anywhere from three to 10 years, according to Anne Burke of Urban Ministries. "Raleigh is not alone," she said. "There's a tremendous shortage of housing."

Burke's organization is supported by 75 local churches and operates a downtown shelter for the homeless. Burke says that between 60 and 75 percent of the 30 or 35 people who sleep at the shelter have jobs. Although shelter rules restrict how many nights a person may stay, Burke said the staff tries to help as much as possible. "We keep them as long as we can, as long as we know they're really trying," she says. (For a full discussion of housing problems in North Carolina see "Mortgage Overdue: The State Enters the Housing Market," *N.C. Insight*, Vol. 5, No. 2, August 1982.)

North Carolina long has been a state with stark rural-urban contrasts. Perhaps the most striking is that the state's most rural counties are the counties with the heaviest percentages of citizens in poverty—but the urban counties have the far greater numbers of poor people. As Table 1 indicates, for instance, the state's smaller counties, such as Hyde and Tyrrell in the East and Graham and Swain in the West, have large percentages of the poor—31 percent in Hyde, 27 percent in Tyrrell, 27 percent in Graham, 35 percent in Swain. These counties are doubly vexed. Not only do they have high percentages of the poor, but they also have relatively modest tax bases with which to support services to the poor.

By contrast, the urban—and wealthier—counties of Mecklenburg, Guilford, Wake, and Cumberland have much lower percentages of the poor—but far greater poor populations. Mecklenburg, to cite the prime case, has a 12 percent poverty rate, but ranks first in the state in its poverty population of more than 51,000 North Carolinians. That's *more than five times* the *entire* population of Hyde, Tyrrell, Graham, and Swain put together. Guilford's poverty population tops

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Table 1. Projected Poverty Population by Rank and Percentage, 1983[#]

County	Est. Total Population	Rank	Poverty Population	Rank	Percent in Poverty	Rank
Alamance	97,673	15	14,651	19	15.0	73
Alexander	26,610	63	2,661	87	10.0	100
Alleghany	9,955	92	2,001	14	20.1	44 *
Anson	26,494	65	4,981	69	18.8	52
Ashe	22,936	70	6,124	58	26.7	16 *
Avery	14,029	86	2,890	86	20.6	43
Beaufort	42,075	47	10,014	36	23.8	27 *
Bertie	21,576	74	7,077	50	32.8	2
Bladen	31,761	57	9,306	41	29.3	7
Brunswick	39,680	49	9,444	39	23.8	27 *
Buncombe	163,072	7	24,624	7	15.1	71 *
Burke	73,728	24	9,216	44	12.5	91 *
Cabarrus	87,880	19	10,985	31	12.5	91 *
Caldwell	70,577	28	9,243	42	13.1	84 *
Camden	5,987	99	982	100	16.4	63
Carteret	43,710	46	6,338	55	14.5	74 *
Caswell	21,004	76	4,495	72	21.4	38 *
Catawba	108,633	10	10,972	32	10.1	99
Chatham	34,361	54	3,711	79	10.8	97
Cherokee	19,507	78	4,955	71	25.4	20
Chowan	13,221	87	3,226	84	24.4	24
Clay	6,985	97	1,872	97	26.8	15
Cleveland	85,609	21	14,468	21	16.9	61
Columbus	52,668	40	16,696	14	31.7	3
Craven	70,979	27	13,912	23	19.6	48
Cumberland	247,606	4	39,617	3	16.0	65
Currituck	12,575	89	2,402	89	19.1	51
Dare	15,885	82	2,081	92	13.1	84 *
Davidson	117,562	9	16,106	15	13.7	81
Davie	26,014	66	3,668	81	14.1	78
Duplin	42,034	48	10,845	34	25.8	18
Durham	151,686	8	20,326	10	13.4	92 *
Edgecombe	57,884	36	13,545	24	23.4	31
Forsyth	246,275	5	31,277	5	12.7	88 *
Franklin	30,304	58	6,576	53	21.7	36
Gaston	164,888	6	22,095	8	13.4	82 *
Gates	8,890	95	1,787	98	20.1	44 *
Graham	7,448	96	2,026	93	27.2	13
Granville	32,767	56	6,062	59	18.5	53 *
Greene	16,163	80	4,461	74	27.6	10 *
Guilford	315,488	2	40,067	2	12.7	88 *
Halifax	55,635	37	17,247	13	31.0	6
Harnett	60,908	34	12,669	26	20.8	42
Haywood	47,186	43	9,343	40	19.8	47
Henderson	62,517	31	8,940	46	14.3	77
Hertford	22,610	72	5,811	60	25.7	19
Hoke	21,491	75	4,986	68	23.2	32
Hyde	6,038	98	1,884	96	31.2	5
Iredell	84,763	22	11,104	30	13.1	84 *
Jackson	23,700	67	4,977	70	21.0	41
Johnston	72,950	25	14,590	20	20.0	46
Jones	9,876	94	2,163	91	21.9	35
Lee	38,949	50	6,894	51	17.7	58

Table 1. *continued*

County	Est. Total Population	Rank	Poverty Population	Rank	Percent in Poverty	Rank
Lenoir	60,152	35	12,993	25	21.6	37
Lincoln	44,966	45	5,396	63	12.0	96
Macon	20,841	77	4,064	77	19.5	49
Madison	16,101	81	4,444	75	27.6	11 *
Martin	26,498	64	7,605	49	28.7	8
McDowell	36,078	52	5,051	66	14.0	79 *
Mecklenburg	415,406	1	51,095	1	12.3	94
Mitchell	14,609	85	3,214	85	22.0	34
Montgomery	23,115	70	3,606	82	15.6	67
Moore	53,468	39	7,753	48	14.5	74 *
Nash	69,775	29	14,932	18	21.4	38 *
New Hanover	107,605	12	19,369	11	18.0	56 *
Northampton	22,264	73	6,323	56	28.4	9
Onslow	97,088	16	15,340	16	15.8	66
Orange	71,809	26	10,915	33	15.2	70
Pamlico	10,682	90	2,286	90	21.4	38 *
Pasquotank	28,125	62	5,147	65	18.3	55
Pender	23,376	69	5,587	61	23.9	26
Perquimans	9,884	93	2,471	88	25.0	21 *
Person	29,983	59	5,397	62	18.0	56 *
Pitt	88,548	18	21,783	9	24.6	23
Polk	13,119	88	1,981	95	15.1	71 *
Randolph	95,344	17	11,632	29	12.2	95
Richmond	46,900	44	8,020	47	17.1	60
Robeson	107,836	11	29,008	6	26.9	14
Rockingham	86,191	20	13,963	22	16.2	64
Rowan	98,436	14	12,403	28	12.6	90
Rutherford	55,482	38	9,765	37	17.6	59
Sampson	51,242	41	12,452	27	24.3	25
Scotland	33,567	55	6,210	57	18.5	53 *
Stanly	49,255	42	6,354	54	12.9	87
Stokes	35,592	53	4,983	67	14.0	79 *
Surry	61,296	32	10,114	35	16.5	62
Swain	10,500	91	3,675	80	35.0	1
Transylvania	23,541	68	3,390	83	14.4	76
Tyrrell	4,098	100	1,119	99	27.3	12
Union	73,800	23	9,225	43	12.5	91 *
Vance	37,836	51	9,055	45	23.8	27 *
Wake	308,339	3	31,759	4	10.3	98
Warren	16,753	79	5,294	64	31.6	4
Washington	15,136	84	3,784	78	25.0	21 *
Watauga	28,969	61	6,605	52	22.8	33
Wayne	98,685	13	19,145	12	19.4	50
Wilkes	61,025	33	9,459	38	15.5	68
Wilson	63,927	30	15,087	17	23.6	30
Yadkin	28,987	60	4,464	73	15.4	69
Yancey	15,374	83	4,105	76	26.7	16 *
Totals	5,982,405		966,215		16.1 %[#]	

[#] 1983 is latest year in which poverty projections have been made for each county. A 1987 state projection estimated the poverty rate at 14.3 percent.

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Source: State Data Center

Table prepared by Center Intern Kurt W. Smith

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Table 2. Per Capita Income by County, 1986

County	Total Population	Rank	Per Capita Income	Rank	County	Total Population	Rank	Per Capita Income	Rank
Alamance	103,229	15	\$13,704	9	Lee	41,408	50	\$12,334	20
Alexander	26,814	64	11,530	31	Lenoir	60,220	35	10,760	46
Alleghany	9,722	93	9,703	67	Lincoln	46,278	46	11,532	30
Anson	26,324	67	9,153	81	Macon	23,085	75	10,820	44 *
Ashe	23,251	72	9,163	80	Madison	17,359	80	8,291	92
Avery	15,028	84	9,272	77	Martin	26,719	65	10,321	52
Beaufort	43,396	48	10,006	60	McDowell	36,220	53	9,453	75
Bertie	21,251	77	9,675	70	Mecklenburg	453,107	1	16,786	1
Bladen	30,826	59	8,632	90	Mitchell	14,541	85 *	9,735	65
Brunswick	47,797	45	9,624	71	Montgomery	23,852	71	9,846	63
Buncombe	170,004	7	12,587	19	Moore	56,009	39	14,339	7
Burke	75,990	27	11,095	40	Nash	71,241	28	13,130	13 *
Cabarrus	92,844	19	12,808	16	New Hanover	114,656	11	12,796	17
Caldwell	70,146	29	11,084	41	Northampton	22,497	74	10,195	54
Camden	5,861	98	10,405	51	Onslow	125,134	9	10,013	58
Carteret	50,414	41	11,190	37	Orange	84,729	23	15,032	5
Caswell	22,489	76	7,493	98	Pamlico	11,053	89	10,223	53
Catawba	114,143	12	13,312	12	Pasquotank	29,860	61	10,702	47
Chatham	36,015	54	12,749	18	Pender	25,199	69	9,699	68
Cherokee	20,363	78	8,758	86	Perquimans	10,534	91	8,741	88
Chowan	13,387	87	10,106	56	Person	30,648	60	9,966	61
Clay	7,210	95	8,742	87	Pitt	97,406	18	11,604	27
Cleveland	86,216	21	11,126	39	Polk	14,486	86	14,217	8
Columbus	52,292	40	8,906	84	Randolph	99,070	16	11,563	29
Craven	80,211	24	11,277	34	Richmond	46,227	47	9,244	78
Cumberland	254,943	5	10,884	42	Robeson	106,094	13	7,899	97
Currituck	13,366	88	10,562	49	Rockingham	85,516	22	11,821	25
Dare	18,705	79	11,575	28	Rowan	104,523	14	12,096	22
Davidson	119,094	10	11,904	24	Rutherford	56,880	37	10,616	48
Davie	28,415	63	12,945	15	Sampson	50,321	42	9,171	74
Duplin	41,685	49	8,905	85	Scotland	33,735	58	10,105	57
Durham	165,839	8	14,786	6	Stanly	50,276	43	11,810	26
Edgecombe	59,071	36	9,529	73	Stokes	35,610	55	10,820	44 *
Forsyth	260,853	4	16,282	3	Surry	61,546	33	11,274	35
Franklin	34,173	57	9,551	72	Swain	10,938	90	8,027	95
Gaston	171,784	6	12,058	23	Transylvania	26,132	68	11,327	33
Gates	9,557	94	10,011	59	Tyrrell	4,088	99	7,117	99
Graham	7,179	96	8,021	96	Union	79,832	25	13,594	10
Granville	37,696	52	10,172	55	Vance	38,740	51	9,881	62
Greene	16,586	81	8,233	93	Wake	366,004	2	16,666	2
Guilford	329,862	3	15,733	4	Warren	16,452	82	8,672	89
Halifax	56,030	38	9,711	66	Washington	14,541	85 *	9,299	76
Harnett	64,009	32	8,974	82	Watauga	34,479	56	9,678	69
Haywood	48,469	44	11,276	35	Wayne	97,410	17	10,882	43
Henderson	67,222	30	13,413	11	Wilkes	60,727	34	11,168	38
Hertford	24,046	70	9,494	74	Wilson	64,564	31	12,316	21
Hoke	23,135	73	7,097	100	Yadkin	29,643	62	11,342	32
Hyde	5,909	97	8,401	91	Yancey	15,843	83	8,950	83
Iredell	88,429	20	13,130	13 *					
Jackson	26,577	66	9,736	64					
Johnston	78,191	26	10,559	50					
Jones	9,814	92	8,166	94					
					North Carolina 6,331,288				
					\$12,438 avg.				

* = Tie

Source: State Data Center

Table prepared by Center Intern Kurt W. Smith

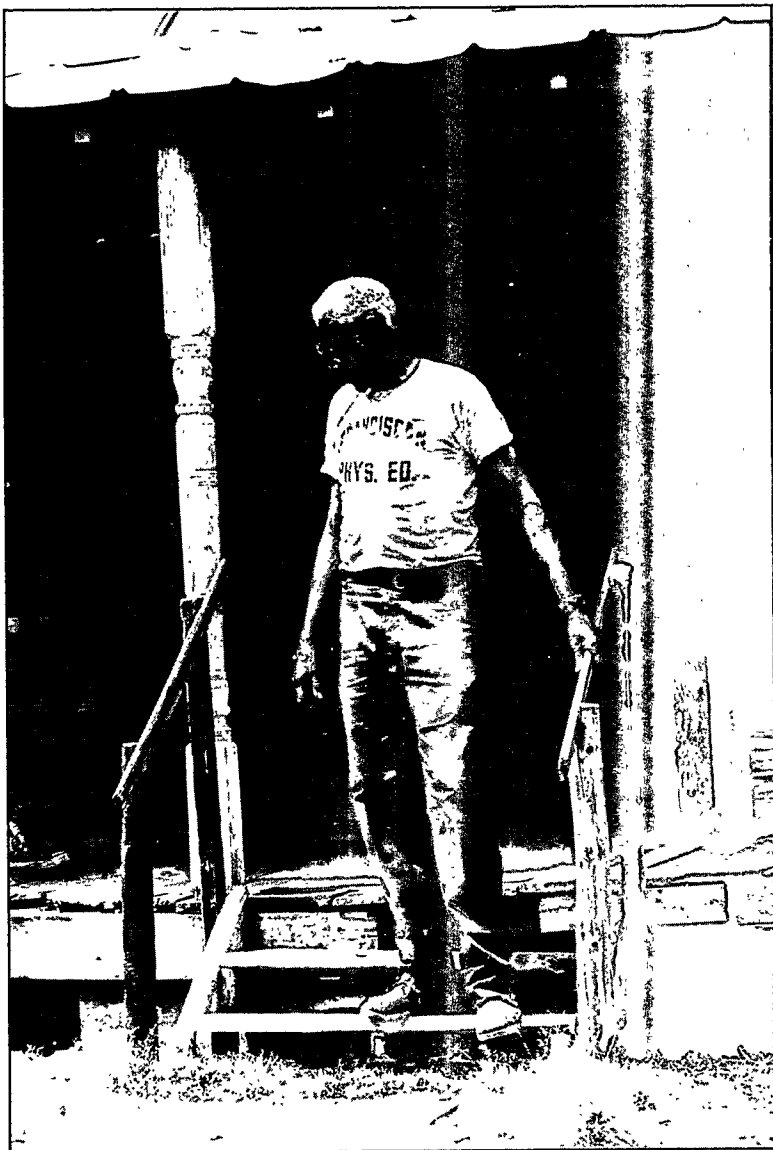
40,000, while Cumberland has more than 39,000 and Wake has more than 31,000 poor persons.

These counties, with their larger tax bases, should be in a better position to provide services to the needy, but the local directors of social services will affirm that even the urban counties struggle to provide basic necessities to their poor. Table 2 illustrates the problem. In the state's urban counties, per capita income is high. Mecklenburg, Wake, and Guilford are in the \$15,000-\$17,000 range. In other words, the average income for *each person* in the county is well above the poverty level for an entire *family* of four. But look at the rural counties. Many, like Graham and Swain, have *less than half* the per capita income of Mecklenburg.

These urban-rural disparities were a part of the debate over the Basic Education Plan in 1985. The plan was adopted not only to increase overall expenditures on public schools, but also to increase educational opportunities in the poorer counties that could not afford to provide the sorts of courses available in urban counties. Sher's report notes that despite the highly touted plan implemented by the legislature in 1985, the state dropped from 33rd to 34th place in per-pupil expenditures in 1986-87. And in per capita spending on elementary and secondary school, the state ranks 42nd.¹⁹ Meanwhile, people without high school diplomas headed 77 percent of the N.C. households in poverty in 1983.²⁰

Assisting the Poor

Governmental aid to the poor in North Carolina comes through a variety of sources, including Aid to Families with Dependent Children (AFDC), food stamps, Medicaid, and job training. At least 69 programs funded by federal, state, and



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local tax dollars funnel cash and other aid to the poor in North Carolina. The total comes to more than \$3 billion, and the largest direct aid programs are Medicaid, AFDC, and food stamps (see "Policymaking and Poverty in North Carolina — Who's On First?," p. 18, for more).

AFDC, which provides cash assistance to poor families with children, served 190,000 people in 1988, according to figures from the Division of Social Services. Food stamps went to 391,000 people. While the number of food stamp recipients has declined from 478,000 in 1985, AFDC rolls were growing from the 163,500 clients who received that aid in 1985. One reason for the increase is a change in state law that took effect Jan. 1, 1988. That change allows families

Table 3. Federal Poverty Levels and AFDC Payments for a Family of Three in N.C.

	1975	1980	1985	1988
Poverty Level:	\$4,293	\$5,565	\$8,573	\$9,690
Needed Per Month:	\$ 358	\$ 463	\$ 714	\$ 808
Maximum Monthly N.C. AFDC Payments: ¹	\$ 183	\$ 192	\$ 246	\$ 266
Monthly Gap:	\$ 175	\$ 271	\$ 468	\$ 542
Maximum Monthly Food Stamp Payment: ²	\$ 128	\$ 165	\$ 211	\$ 236
Monthly Gap With AFDC & Food Stamps: ³	\$ 47	\$ 106	\$ 257	\$ 306
Percentage of Poverty Level Income Supplied by AFDC & Food Stamps:	87%	77%	64%	62%



¹This benefit represents the maximum payment to a family of three. It may be a lesser amount if the family has other income.

²This benefit represents the maximum cash value of food stamps for a family of three.

³The term "gap" means the difference between the combined values of AFDC and Food Stamps, and the Poverty Level, which is the minimum amount of income the federal government says is needed to maintain a family of three.

Chart prepared by Anne Jackson

to qualify for AFDC with more income than they were allowed before.²¹ Between 3,000 and 4,000 cases—representing up to 9,000 individuals—were added to the AFDC roster because of the new law, according to department figures.

Some AFDC recipients are required to work in exchange for benefits. About 32,000 AFDC recipients age 16 or older live in the 41 counties with workfare-type programs, says Lucy Burgess, who directs employment programs for the Division of Social Services. Of those, 9,875 went to work last year through the state program, she

says. A recent survey by the division showed that 57 percent of these clients who went to work remained off AFDC at the end of one year. Of the other 43 percent, 10 percent had some earnings. Critics of such workfare programs say there's little correlation between these employment programs and getting a job; many recipients would have gotten jobs anyway. (See article on job training, p. 64, for more.)

"I think our participation rate shows that our clients want jobs," Burgess says. "We feel we're not doing anybody a favor by helping them stay

on AFDC. The payments are not that high, the lifestyle is not that great."

In fact, AFDC payments don't come close to providing minimum poverty level income. As Table 3 illustrates, the gap between the maximum AFDC payments and food stamp benefits in North Carolina for a family of three, and the federal poverty level, is substantial—and has been increasing. In 1975, the gap per month was about \$47, when AFDC and food stamps supplied about 87 percent of the income needed for the poverty level. By 1986, the monthly gap had risen to \$257 while the percentage of income provided plummeted to 64 percent. That dropped further in 1988, when AFDC and food stamps provided 62 percent of the income needed to match the poverty line.

The Center for Social Welfare Policy and Law makes regular assessments of state-by-state benefit levels and reports that North Carolina is one of many states that do not provide sufficient benefits to obtain "the basic necessities of life." The report notes, "The combined value of AFDC and food stamp benefits is below the federally established poverty level and is substantially below that level in most states," including North Carolina. In fact, North Carolina is one of 20 states that provide less than \$300 per month in AFDC benefits for a family of three. The other 30 states provide much more.²²

Medicaid pays health care costs for certain poor families with children and for low-income elderly and disabled people. The state's Medicaid program covers 20 of the possible 32 optional services.²³ For a family of three, the average Medicaid benefit for the 1988 fiscal year was \$1,079 for an adult and \$689 for each child, according to the Department of Human Resources.

Single people without children and married childless couples who are neither disabled nor



Scott Dedman / Pisgah Legal Services

elderly qualify for neither cash assistance nor Medicaid. They may, however, qualify for food stamps. Yet advocates for the poor say that only about one-third of those who need it actually receive help under Medicaid.

The Charlotte Observer notes that North Carolina trails 40 other states in the amount of AFDC cash payments to eligible families, and observes, "And even more disturbing, North Carolina taxes those families at a higher rate than other states." The *Observer* also says that AFDC families are not the only ones faring poorly. "Poor families generally and single people and childless couples are falling behind, too. In large measure that is because North Carolina has no general assistance or relief programs to help needy adults

who are not elderly or disabled."²⁴ The state does, however, provide some emergency assistance for these citizens.

Future Directions

In 1983, the Division of Economic Opportunity recommended to Gov. Jim Hunt's administration that the state establish a lead agency to coordinate planning and supervision of North Carolina's anti-poverty programs. "A state focal point, preferably a designated lead agency, should be established. Its role: To develop a common theme for North Carolina poverty programs and to oversee the carrying out of that theme through agency coordination," the division said.²⁵ That proposal was never implemented.

"We have all different types of programs, all segmented. They don't work together," lamented Chamberlin. His organization is pushing for consolidation and also urging various sectors of North Carolina society—business groups, school administrators, religious leaders, and others—to consider ways they can help reduce poverty in the coming decade.

Chamberlin thinks such a feat would require more than isolated acts like increasing welfare benefits or raising the minimum wage. "Poverty is a systemic thing," he says. "The cycle of poverty is not family, it's community."

Social services directors from across the state issued recommendations for alleviating poverty when they met in April 1987 for a conference on welfare reform. In "A Blueprint for the Future," they called for job training for all welfare recipients, coordination of public and private funding, and a stronger emphasis on enforcing child support requirements.²⁶

Eradicating poverty may not be a realistic goal, even in the world's wealthiest nation, some observers believe. Chamberlin says he thinks poverty will remain a fact of life in North Carolina unless the public stops thinking of aid to the poor as charity and begins to look at it as justice.

Crawford doubts that will happen. "I really think North Carolina is comfortable . . . with a certain level of poverty," he says. "We've always had the myth of whether the poor are victims or culprits. And we're still wrestling with that."



FOOTNOTES

¹"North Carolina State Data Center Newsletter," Office of State Budget and Management, Vol. 10, No. 2, August 1988, p. 14. The State Data Center makes updated projec-

tions based on U.S. Census Bureau reports stemming from the 1980 census. Using the traditional method, the Census Bureau pegs the national poverty rate at 13.6 percent; in early 1989, the Census Bureau reported that if all sources of income and assistance, including non-cash income, were considered, the national poverty rate would be lower, at 10.3 percent.

²"The Changing Face of Poverty," Division of Economic Opportunity, Department of Natural Resources and Community Development, March 1, 1983, p. 4.

³Jonathan P. Sher, "North Carolina Today: A State of Emergency, a State of Grace, a State of Anticipation," N.C. Association of Educators, 1988, p. 10. Fewer than one-third of North Carolina's poor children receive AFDC, according to the Office of Planning and Information, Division of Social Services, in the Department of Human Resources.

⁴"A North Carolina Population Snapshot, 1980 Census Data," State Data Center, N.C. Department of Administration, undated, p. 4.

⁵"Smaller Slices of the Pie: The Growing Economic Vulnerability of Poor and Moderate Income Americans," published by the Center on Budget and Policy Priorities, Washington, D.C., November 1985, p. 4.

⁶"The Incredible Shrinking Paycheck," *Time* magazine, Aug. 1, 1988, p. 40.

⁷As quoted in *The North Carolina Miscellany*, edited by Richard Walser, The University of North Carolina Press, May 1962, p. 51.

⁸As quoted in *North Carolina Illustrated, 1524-1984*, edited by H.G. Jones, The University of North Carolina Press, 1983, p. 191.

⁹These figures are based on periodic assessments issued by the State Data Center in the Office of State Budget and Management in Raleigh. All such estimates are based on U.S. Census estimates, which themselves are based on original raw data from the 1980 Census, much of it collected in 1979.

¹⁰"The Changing Face of Poverty," p. 3.

¹¹"The New Permanence of Poverty," *The Ford Foundation Letter*, Vol. 19, No. 2, June 1988, p. 2.

¹²"Families in Poverty, United States and North Carolina, 1969, 1979, 1985," State Data Center, N.C. Department of Administration, undated, p. 8.

¹³Nina Youngstrom, "Group calls on state to aid poor children," *The News and Observer*, Raleigh, N.C., Aug. 30, 1988, p. 3C.

¹⁴Sher, p. 10.

¹⁵"Smaller Slices of the Pie," p. 13.

¹⁶*Time*, p. 40.

¹⁷Sher, p. 10. According to the N.C. Bureau of Labor Statistics *Monthly Report*, 29 percent of the N.C. workforce is engaged in manufacturing (December 1988, p. 1).

¹⁸*Ibid.*, p. 18.

¹⁹*Digest of Education Statistics*, U.S. Department of Education, 1988, p. 133.

²⁰"The Changing Face of Poverty," p. 5.

²¹Section 67, Chapter 738 (H 1514), 1987 Session Laws.

²²Analysis of 1988 Benefit Levels in the Program of Aid to Families with Dependent Children," Center on Social Welfare Policy and Law, Washington, D.C., March 1988, p. 1.

²³Isaac Shapiro and Robert Greenstein, "North Carolina: Holes in the Safety Nets, Poverty Programs and Policies in the States," the Center on Budget and Policy Priorities, Washington, D.C., Spring 1988, p. 14.

²⁴"Will N.C. Care For Its Poor?," *The Charlotte Observer*, May 29, 1988, Editorial Page.

²⁵"The Changing Face of Poverty," p. 11.

²⁶"A Blueprint for the Future: Poverty or Prosperity Among North Carolina's Families," N.C. Association of County Directors of Social Services, April 14, 1987, pp. 2-3.