

## ■ Rural Income and Poverty

Between 1989 and 1993, rural median household income declined 3.2 percent after adjusting for the effects of inflation, falling to \$25,256. This decline continued the trend of generally stagnant-to-declining incomes experienced by rural households since the late 1970's. Urban income declined even more abruptly, falling 8.5 percent since 1989. As a result, the gap between rural and urban incomes narrowed, although the median income of rural households was still 24 percent less than

that of urban households. Incomes were substantially lower for rural minorities, for families headed by women, and for women living alone.

The poverty rate in rural America increased 1.5 percentage points during the period 1989-93 to stand at 17.3 percent. This percentage was substantially higher than the urban rate of 14.6 percent. The rural-urban poverty gap narrowed, however, because urban poverty increased even more rapidly in the early 1990's than did rural poverty.

Over half of the rural poor (51 percent) live in the South, a disproportionate concentration compared with the South's 43 percent of the total rural population.

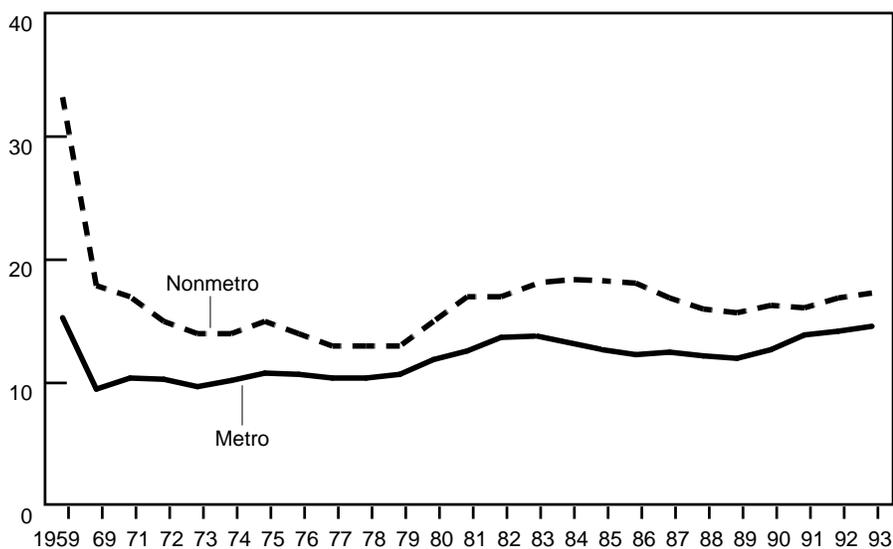
Families headed by women experience the highest poverty rate of all family types. A higher proportion of families headed by women are poor in rural areas (43.4 percent) than in urban areas (38.2 percent).

Poverty among blacks in inner cities receives much more public attention than does that among rural blacks, yet the 1993 poverty rate for rural blacks (40.7 percent) was substantially higher than that for central city blacks (35.6 percent). More than half of all rural black children (53.5 percent) live in families with incomes below the poverty level.

Figure 4-3.

Poverty rate by residence, 1959-1993

*Percent poor*

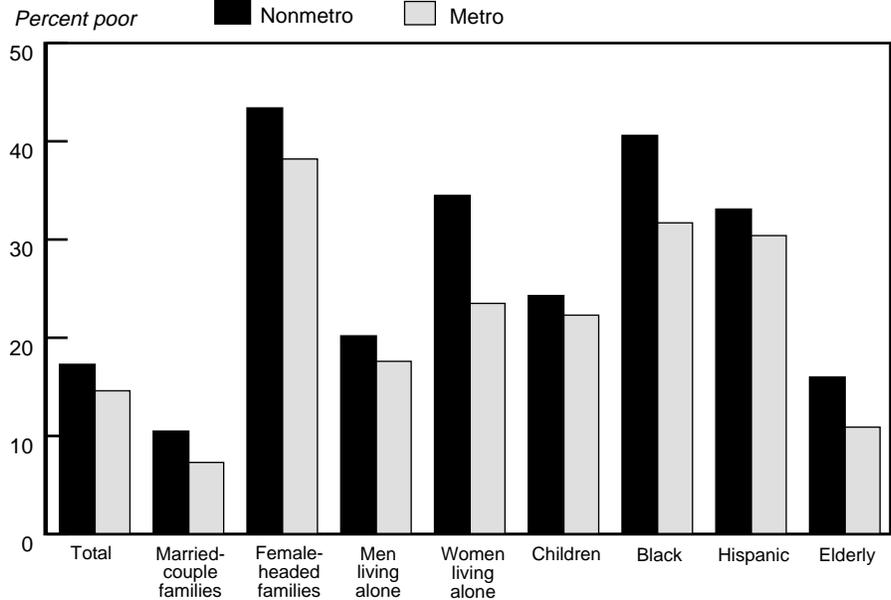


\*Poverty estimates for 1989 and 1992 are based on reweighting of the respective CPS based on 1990 decennial census data. This makes them comparable to the 1993 estimates.  
Source: U.S. Bureau of the Census P-60 series 1974-1994.

Figure 4-4.

Poverty rates by population group, 1993

Nonmetro residence increased poverty risk for all groups.



Source: U.S. Bureau of the Census Current Population Survey