How Metro Areas Rank

2

How well an individual, a household, or a family fares in any community can be judged by many criteria. Economists suggest that a household's well-being can be gauged by its consumption of goods and services. In turn, that household's consumption depends on its income. The more it earns, the greater its ability to consume, and thus the greater its economic well-being. Political scientists might suggest that individual well-being, as well as that of a community, is dependent on the quality of political institutions, the level of participation in the democratic process, and the extent to which human rights are guaranteed. Sociologists might rank the well-being of individuals and households on the basis of community cohesion and on the extent of social networks. Across the disciplines, well-being certainly depends on incomes and how they are distributed, but money is not everything. The quality of life in any city or suburb depends on how individuals fare and how they tend to treat each other.

Cities and Their Reputations

One way that we might rank the quality of life across cities is through their reputations. When *Travel + Leisure* magazine surveyed more than half a million travelers in 2002 about the cities they liked the most, the respondents named San Juan, Honolulu, and San Francisco the three most romantic cities in the United States. Of the twenty-five major cities in this poll, Washington, D.C., ranked twenty-second when it came to romance. Only Dallas/Fort Worth, Baltimore, and Atlanta were considered less romantic. On the other hand, travelers judged Washington, D.C.'s public transportation system the third best in the nation, with only New York City and Portland, Oregon, having better ones. Portland, Honolulu, and the Twin Cities (Minneapolis/St. Paul) are considered to be the safest, while Las Vegas was judged the easiest to navigate. San Francisco is judged to have the most interesting neighborhoods, with New York, New Orleans, and Boston not far behind. The Twin Cities ranked second on cleanliness, but dead last when it came to weather. San Francisco was judged the most "attractive" city of the lot; Los Angeles, less than 400 miles to its south, was judged the least. If you want great sights, visit Washington, D.C., or Orlando. If you want a great meal, go to New Orleans, Chicago, or

New York. According to travelers, no one is more proud of his or her city than a New Yorker and no one is friendlier than a resident of Nashville.

How one ranks cities by reputation depends very much on who is doing the ranking. The Washington, D.C.–based Partners for Livable Communities periodically produces a "Livability Index." Based on the index, the organization recognizes "America's Most Livable Places" (Partners for Livable Communities 2006). In 2004, it focused on "creative places" and defined them as "attractive places to live, work, play, visit, retire, raise a family, attend a university, grow a business, and enjoy diversity." Pulling together countless statistics that could be used to measure such attributes, Partners named what it considered to be the ten "Most Livable Large Cities":

- Charlotte, North Carolina
- Cincinnati, Ohio
- Denver, Colorado
- Ft. Worth, Texas
- Jacksonville, Florida
- Kansas City, Missouri
- Louisville, Kentucky
- San Diego, California
- San Jose, California
- Tulsa, Oklahoma

Some of these might seem obvious—San Diego comes to mind, with its mild year-round climate—but others might be surprising to those who do not live there.

The Mercer Company, a human resources firm that helps its clients determine whether they should offer a "hardship allowance" to top company executives who are relocated to a new city, has a created a "Quality of Living" index (Mercer Consulting 2007). It is based on how safe and stable a city is and whether it has a "dynamic *je ne sais quoi*" (a quality or attribute that is difficult to describe or express) like that often attributed to Paris, Tokyo, London, or New York. As of 2007, the Mercer index puts Zurich and Geneva, Switzerland, at the very top of the list of desirable places to live, followed by Vancouver, Canada; Vienna, Austria; and Auckland, New Zealand. The first U.S. cities do not show up until number 27 with Honolulu and San Francisco in a tie, followed by Boston (36), Washington, D.C. (42), New York (47), and finally Seattle (49). In evaluating the credibility of this index, it may be useful to know that the author of the Mercer report resides in Geneva, Switzerland!

Closer to home, according to a study conducted by Black Entertainment Television (BET) in 2002, the best U.S. city for African Americans is Columbus, Ohio. The ranking is based on comparing poverty and infant mortality rates, high school graduation rates, home ownership, median income and unemployment, teen pregnancy, and crime in the cities with the highest African American population percentages. Houston came in second in this study, followed by Boston, Charlotte, and Indianapolis. Larger cities like New York and Atlanta tended to be closer to the

bottom of the list. Columbus ranked high due in part to its low rate of violent crime and high percentage of home ownership. Houston had the lowest rate of black infant deaths and relatively few children living in single-parent families (BET *Nightly News* 2002).

If you are a major league baseball fanatic, you probably would rank Boston, New York, and Chicago as the greatest places to live. After all, the Red Sox–Yankees rivalry is legendary, the Sox consistently sell out home games, and Red Sox "Nation" has hundreds, if not thousands, of loyal Boston fans at virtually every away game, no matter where it is played. The Chicago Cubs have few rivals when it comes to committed followers. St. Louis and Cincinnati can also lay claim to being great baseball towns.

All of these rankings, of course, are highly subjective. Social scientists continually look for more objective measures to assess cities and suburbs. In this chapter, we compare metropolitan areas across a broad range of measures, most of which are produced by U.S. government agencies. First, however, it is useful if we become a little familiar with how we define the geographic boundaries of cities and suburbs.

Defining Metro Areas

Thus far we have relied on "cognitive" maps that individuals carry around in their heads to define a city. To sports fans, for example, Detroit is the home of the Tigers, the Lions, the Pistons, and the Red Wings. For older folks, Detroit is still remembered as the automobile capital of the world. To the generation of postwar baby boomers, Detroit is "Motown"—the city that spawned a musical tradition including Diana Ross and the Supremes, Stevie Wonder, and Smokey Robinson and the Miracles. Current music fans know it as the home of rapper Eminem. Current or past residents of other cities carry their own cognitive maps about the places they call home.

To be more scientific, however, we need to complement our cognitive maps with an "economic" map of metro areas—using official federal government definitions to define the boundaries of central cities and metropolitan areas.

The Need for Standard Definitions

Until 1950, there was no uniform economic definition for metro boundaries. There were political boundaries to be sure in the form of **municipalities**—areas over which a local government exercises political authority and provides public services. But these seldom corresponded to the economic boundaries of a region. Each federal and state government agency used a map of its own to define the economic borders relevant to that agency. The U.S. Department of the Interior looked at watershed regions. Local transportation agencies used maps that included all the bus and subway transit stops in their networks. But only beginning with the 1950 census did the federal government create the first set of uniform and consistent definitions of

metro areas based on the economic concept of commuting patterns. With some modification and new terminology, these census definitions have continued to evolve. Let's look at some of the key terms used for defining urban/suburban areas:

- **Urban cluster**—A geographical region consisting of a central place (or places) and adjacent densely settled territory that together contain at least 2,500 people, generally with an overall population density of at least 1,000 people per square mile.
- **Urbanized area**—An area with a total population of at least 50,000, consisting of one large central city together with adjacent areas with a population density of 1,000 or more people per square mile.

The Bureau of the Census has also defined something called the **urban population** in order to measure what share of the nation's entire population can be considered living in an urban setting as opposed to a rural community. Officially, the urban population includes all people living in official urbanized areas plus people outside of these areas who live in urban clusters (i.e., towns with more than 2,500 inhabitants). The total urban population currently comprises 80 percent of all U.S. residents.

The first official definitions issued in 1950 by the Bureau of the Budget, the predecessor to today's U.S. Office of Management and Budget (OMB), designated large metro areas as "standard metropolitan areas." In 1959, the term was changed to **standard metropolitan statistical areas (SMSAs)**. In 1983, the OMB dropped the word "standard" and just referred to them as **metropolitan statistical areas (MSAs)**, the same term used today. Seven years later, the term **metropolitan area (MA)** was adopted to refer collectively to metropolitan statistical areas, while **consolidated metropolitan statistical areas (CMSAs) was** reserved for areas around the very large cities that contain more than one MSA. Finally, **primary metropolitan statistical areas (PMSAs) was** the name given to the MSAs that were part of a large CMSA.

New Definitions

Confusing as all this may be, the OMB changed definitions again in 2003, and the terms CMSA and PMSA disappeared. Now, urban regions are divided into metropolitan and **micropolitan statistical areas** (U.S. Bureau of the Census 2003). As you might guess, metropolitan statistical areas are larger entities.

- Metropolitan statistical area—A large urban area with at least one urban cluster that has a population of at least 50,000 inhabitants.
- Micropolitan statistical area—A smaller urban area with at least one urban cluster of between 10,000 and 50,000 inhabitants.

Together, metropolitan and micropolitan statistical areas are now referred to as **core-based statistical areas (CBSAs)**. As of the 2000 census, there were 370 metropolitan statistical areas (including 8 in Puerto Rico) and 565 micropolitan statistical areas (including 5 in Puerto Rico) totaling 935 large and small CBSAs.

Determining what counts as a CBSA and what its boundaries are is a fairly complicated process. But the government begins with a general concept that has

remained central to the definition of an urban area for decades and still holds for the newfangled CBSA:

- A CBSA is a core area containing a substantial population nucleus, together with adjacent communities having a high degree of economic and social integration with that core.

Under this definition, the government begins with the political unit of the county—everywhere but in New England—to define a metropolitan statistical area. The county (or counties) containing the largest city in a region becomes the "central county" (counties). Then any adjacent counties—in that state or in an adjacent state—that have at least 50 percent of their population in the urbanized area surrounding the largest city are added to the MSA. Additional outlying counties are also added to the MSA if they meet specified commuting and population density requirements. The boundaries of a particular MSA are set when it is far enough away from one of its central counties to make commuting between the periphery and the central counties unlikely. The very largest MSAs may have one or more geographically concentrated metropolitan divisions within them, each covering several counties.

Atlanta (or more correctly, the Atlanta-Sandy Springs-Marietta, Georgia metropolitan statistical area) is a good example of an MSA. It contains more than 3.7 million residents living in twenty-eight different counties with the city of Atlanta at its core. Atlanta is the largest **principal city** in the Atlanta MSA; Sandy Springs and Marietta are considerably smaller, but are still considered to be principal cities since both of these municipalities have more than 10,000 residents. Principal cities used to be known as **central cities** under the old OMB/Census definitions and we continue to use that familiar term in this book. Principal or central cities are political jurisdictions defined by municipal boundaries, not necessarily economic logic.

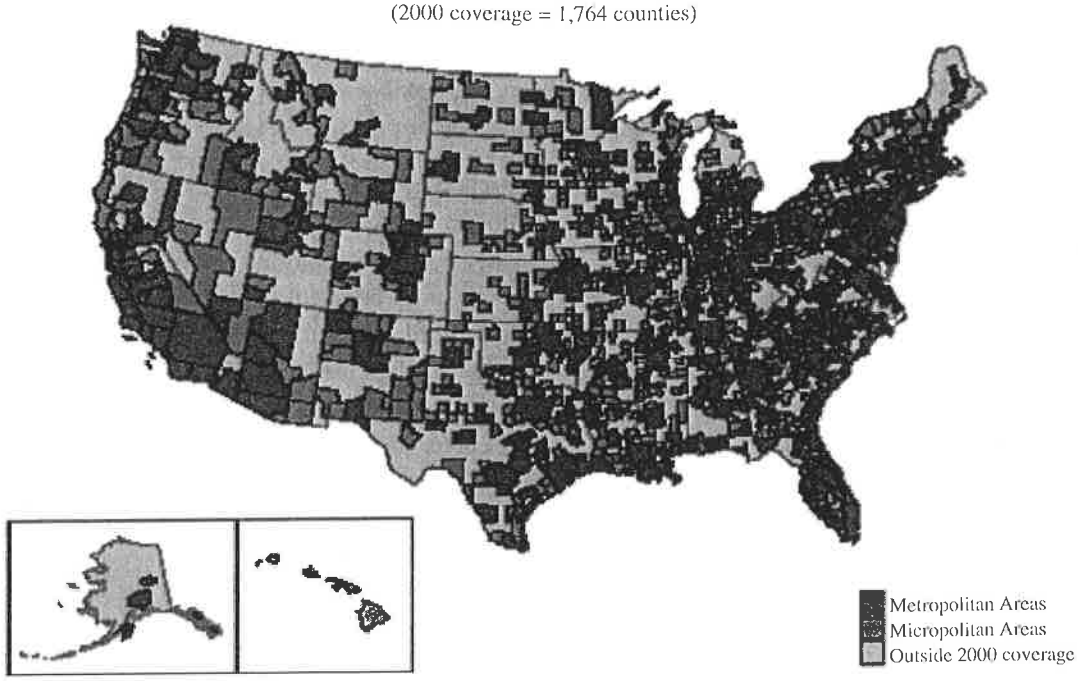
In the six New England states, where counties are less important units of government and where all land is part of one municipality or another, MSAs are collections of cities and towns rather than counties. The largest urban unit in the New England states is now known as a NECTA—a New England City and Town Area.

Figure 2.1 provides one map showing all the metropolitan and micropolitan statistical areas in 2000 and another limited to the metropolitan statistical areas in 1990. As the first map reveals, almost all of the country with the exception of the plains states and the interior Northwest is blanketed with MSAs. Even restricting the map to the larger metropolitan statistical areas reveals widespread urban areas throughout the East, the Midwest, the Southwest, and large parts of the South.

The Bureau of the Census also has a new definition for the largest urbanized areas in the country. They used to be called consolidated metropolitan statistical areas (CMSAs), a term introduced earlier. Now they are called **combined statistical areas (CSAs)**, which link together MSAs where there is a substantial amount of commuting between individual metropolitan areas. Hence, within the largest CSAs there can be a number of MSAs, each with one or more counties and principal cities. These combined statistical areas can cover hundreds of square miles.

2000 Metropolitan and Micropolitan Areas in the United States

(2000 coverage = 1,764 counties)



1990 Metropolitan Areas in the United States

(1990 coverage = 806 counties outside New England;
578 New England MCDs)

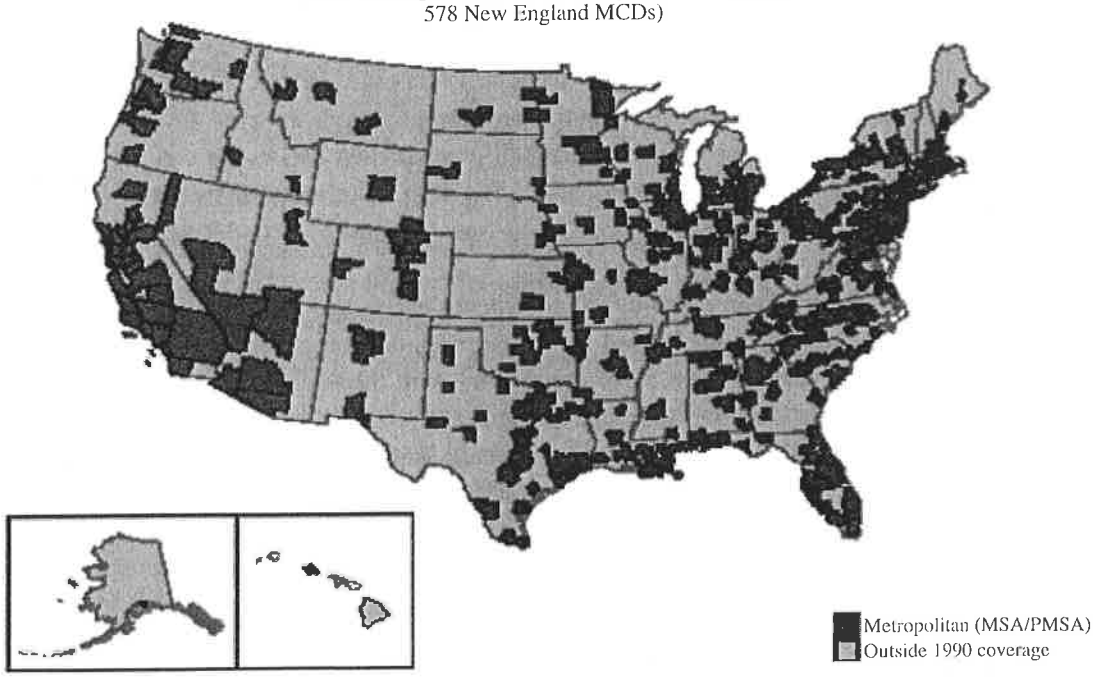


Figure 2.1 Metropolitan and Micropolitan Areas of the United States, 1990 and 2000. *Note:* Areas in New England are MCD-based under the 1990 standards but county-based under the 2000 standards. *Source*: U.S. Bureau of the Census 2003.

Of the CSAs designated by the U.S. Bureau of the Census, the largest is New York, which covers New York City and other adjacent communities in New York State, parts of northern New Jersey and eastern Pennsylvania, and a few counties in southwestern Connecticut (see **Table 2.1**). According to the 2000 census, this single CSA contained more than 21 million residents in 2000—approximately 7 percent of

Table 2.1 New York-Newark-Bridgeport, NY-NJ-CT-PA Combined Statistical Area (CSA)

Metropolitan Statistical Area	Metropolitan Division	County	Principal City
New York-Edison, NY-NJ-PA	New York-Wayne-White Plains, NY-NJ	Bergen Hudson Passaic Bronx Kings New York Putnam Queens Richmond Rockland Westchester	New York City Wayne White Plains
	Newark-Union, NJ-PA	Essex Hunterdon Morris Sussex Union Pike	Newark Union
	Edison, NJ	Middlesex Monmouth Ocean Somerset	Edison
	Suffolk County-Nassau County, NY	Nassau Suffolk	
Trenton-Ewing, NJ		Mercer	Trenton Ewing
Bridgeport-Stamford-Norwalk, CT		Fairfield	Bridgeport Stamford Norwalk Danbury Stratford
New Haven-Milford, CT		New Haven	New Haven Milford
Poughkeepsie-Newburgh-Middletown, NY		Dutchess Orange	Poughkeepsie Newburgh Middletown Arlington
Kingston, NY		Ulster	Kingston
Torrington, CT (Micropolitan Statistical Area)		Litchfield	Torrington

Source: U.S. Bureau of the Census 2003.

the total U.S. population—living in six metropolitan statistical areas and one micropolitan area spread out over thirty counties. Interstate 95, the Saw Mill River Parkway, the Long Island Expressway, the New York subway system, and commuter rail make it possible for all of these people to commute to work within the same geographically defined labor market and, therefore, this region is designated as a single combined statistical area. New York City itself, with its five boroughs, is the largest principal city in the CSA with more than 8 million inhabitants. There are also twenty other principal cities in this one CSA, including Poughkeepsie, Newburgh, and Middletown in New York State; Newark, Edison, and Union in New Jersey; and Bridgeport, Stamford, Norwalk, Danbury, New Haven, and Stratford in Connecticut. A map of the combined statistical areas in New York State is found in **Figure 2.2**. All combined statistical areas across the country are defined in the same way, their boundaries dependent on the extent to which the local transportation system permits residents to commute to work. The better the transportation system, the larger the CSA. If CSAs existed in the nineteenth century, they would have been considerably smaller than they are today simply because it was infeasible for residents to commute very far to work given horse-drawn carts, a primitive highway system, and only limited street railways.

Ranking Metropolitan Areas

With these definitions, we can rank metropolitan areas along a number of dimensions, including population growth, racial and ethnic composition, family income, income inequality and poverty, environmental quality, crime, and transportation. Some of these have to do with a metro area's demographics; others have to do with its quality of life.

We begin with population. **Table 2.2** lists the twenty-two largest combined statistical areas in the United States in 2006, including San Juan, Puerto Rico. Topping the list are New York-Newark-Bridgeport, Los Angeles-Long Beach-Riverside, Chicago-Naperville-Michigan City, Washington, D.C.-Baltimore-northern Virginia, Boston-Worcester-Manchester, and San Jose-San Francisco-Oakland, each with more than 7 million residents. Note that four of these CSAs cover more than one state, given the ability of commuters to live in one state and work in another. Rounding out the list are Charlotte-Gastonia-Salisbury, Cincinnati-Middletown-Wilmington, and Orlando-Deltona-Daytona Beach.

Another way to rank metro areas is by seeing how much each has grown over the past three decades. **Table 2.3** presents just such a comparison, where we have ranked each of 114 MSAs according to its central (or now principal) city growth and its suburban growth over three decades—the 1970s, 1980s, and 1990s. These 114 were selected from the complete set of MSAs so that they roughly represent the whole country. An MSA was considered to have a *low-growth central city* if it experienced a population loss in at least two of these three decades. It was considered to have a *high-growth central city* if it had at least two decades of 10 percent growth or better.

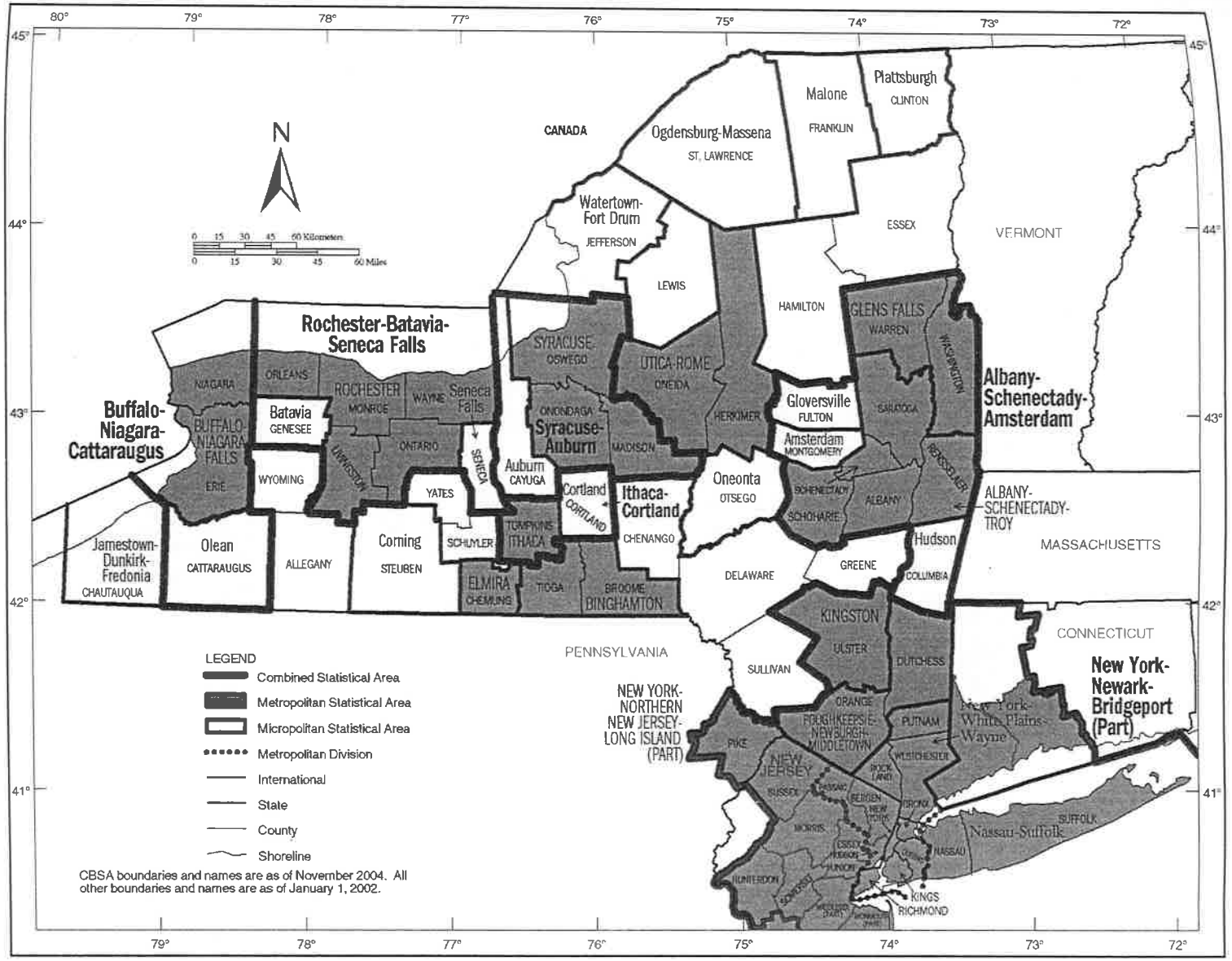


Figure 2.2 Combined Statistical Areas in New York State. *Source*: U.S. Bureau of the Census 2004.

Table 2.2 Twenty-Two Largest Combined Statistical Areas (CSAs) in the United States

Rank	Combined Statistical Area	State(s)	2006 Estimate	2000 Population	1990 Population	Percent Change, 2000–2005	Percent Change, 1990–2000
1	New York-Newark-Bridgeport	NY-NJ-CT-PA	21,976,224	21,361,797	19,710,239	2.5	8.4
2	Los Angeles-Long Beach-Riverside	CA	17,775,984	16,373,645	14,531,529	7.7	12.7
3	Chicago-Naperville-Michigan City	IL-IN-WI	9,725,317	9,312,255	8,385,397	3.8	11.1
4	Washington-Baltimore-Northern Virginia	DC-MD-VA-WV	8,211,213	7,572,647		7.3	
5	Boston-Worcester-Manchester	MA-RI-NH	7,465,634	7,298,695		1.8	
6	San Jose-San Francisco-Oakland	CA	7,228,948	7,092,596	6,290,008	1.1	12.8
7	Philadelphia-Camden-Vineland	PA-NJ-DE-MD	6,382,714	6,207,223		2.7	
8	Dallas-Fort Worth	TX	6,359,758	5,487,956		12.5	
9	Houston-Baytown-Huntsville	TX	5,641,077	4,815,122	3,855,180	11.7	24.9
10	Atlanta-Sandy Springs-Gainesville	GA-AL	5,478,667	4,548,344	3,317,380	15.4	37.1
11	Detroit-Warren-Flint	MI	5,410,014	5,357,538	5,095,695	1.3	5.1
12	Seattle-Tacoma-Olympia	WA	3,876,211	3,604,165	3,008,669	5.6	19.8
13	Minneapolis-St. Paul-St. Cloud	MN-WI	3,502,891	3,271,888	2,809,713	6.0	16.4
14	Denver-Aurora-Boulder	CO	2,927,911	2,629,980		9.1	
15	Cleveland-Akron-Elyria	OH	2,917,801	2,945,831	2,859,644	−0.5	3.0
16	St. Louis-St. Charles-Farmington	MO-IL	2,858,549	2,754,328	2,629,801	3.1	4.7
17	San Juan-Caguas-Fajardo	PR	2,694,909	2,622,876	2,429,378	2.7	8.0
18	Pittsburgh-New Castle	PA	2,462,571	2,525,730	2,564,535	−1.9	−1.5
19	Sacramento-Arden-Arcade-Yuba City	CA-NV	2,211,790	1,930,149	1,587,249	13.3	21.6
20	Charlotte-Gastonia-Salisbury	NC-SC	2,191,604	1,897,034	1,501,663	11.8	26.3
21	Cincinnati-Middletown-Wilmington	OH-KY-IN	2,147,617	2,050,175	1,880,332	3.1	9.0
22	Orlando-Deltona-Daytona Beach	FL	2,053,623	1,697,906	1,256,429	17.6	35.1

Source: U.S. Bureau of the Census, Census of the Population, July 2006.

Medium-growth central cities fell in between. Similarly, if an MSA had a suburban population that grew less than 10 percent in at least two periods, it was considered a *low-growth suburban area.* A *high-growth suburban area* was one with at least 20 percent population growth in at least two periods. The higher thresholds for sub-

Table 2.3 Central City and Suburban Population Growth among Selected Metro Areas, 1970–2000

Suburban Population Growth	Central City Population Growth: Low or Negative		Medium		High	
Low	Akron	OH	Cheyenne	WY	Billings	MT
	Boston	MA	Columbus	GA	Fargo	ND
	Buffalo	NY	Fort Wayne	IN	Lexington-Fayette	KY
	Charleston	WV	Jersey City	NJ	Lincoln	NE
	Cincinnati	OH	Los Angeles	CA	San Jose	CA
	Cleveland	OH	Long Beach	CA		
	Dayton	OH	Lubbock	TX		
	Detroit	MI	New York	NY		
	Hartford	CT	Omaha	NE		
	Louisville	KY	San Francisco	CA		
	Milwaukee	WI				
	New Orleans	LA				
	Newark	NJ				
	Philadelphia	PA				
	Pittsburgh	PA				
	Providence	RI				
	Rochester	NY				
	St. Louis	MO				
	Shreveport	LA				
	Toledo	OH				
	Worcester	MA				
Medium	Baltimore	MD	Baton Rouge	LA	Bakersfield	CA
	Birmingham	AL	Columbus	OH	Charlotte	NC
	Burlington	VT	Greensboro	NC	Corpus Christi	TX
	Chicago	IL	Honolulu	HI	Fresno	CA
	Columbia	SC	Knoxville	TN	Little Rock	AR
	Grand Rapids	MI	Mobile	AL	Modesto	CA
	Kansas City	MO	Montgomery	AL	Stockton	CA
	Kansas City	KS	Oklahoma City	OK		
	Oakland	CA	Tulsa	OK		
	Portland	ME	Arlington	VA		
	Washington	DC	Wichita	KS		
			Wilmington	DE		
High	Atlanta	GA	Dallas	TX	Albuquerque	NM
	Denver	CO	Fort Worth	TX	Austin	TX
	Des Moines	IA	Houston City	TX	Boise City	ID
	Jackson	MS	Indianapolis	IN	Colorado Springs	CO
	Memphis	TN	Jacksonville	FL	El Paso	TX
	Minneapolis	MN	Madison	WI	Arlington	TX
	St. Paul	MN	Manchester	NH	Las Vegas	NV
	Norfolk	VA	Miami	FL	Virginia Beach	VA
	Richmond	VA	Nashville-Davidson	TN	Santa Ana	CA
	Salt Lake City	UT	Newport News	VA	Anaheim	CA

(*continued*)

Table 2.3 (*continued*)

High	Sacramento	CA	Orlando	FL
	Seattle	WA	Phoenix	AZ
	Spokane	WA	Mesa	AZ
	Tacoma	WA	Portland	OR
	Tampa	FL	Raleigh	NC
	St. Petersburg	FL	Riverside	CA
			San Bernardino	CA
			San Antonio	TX
			San Diego	CA
			Sioux Falls	SD
			Tucson	AZ

Legend (1970–1980; 1980–1990; 1990–2000): Low-Growth Central City: Experienced population loss in at least two of these three decades. High-Growth Central City: Experienced at least two decades of 10 percent growth or better. Low-Growth Suburban Area: Experienced less than 10 percent growth in at least two of these three decades. High-Growth Suburban Area: Experienced at least 20 percent growth in at least two of these three decades.

Source: U.S. Department of Housing and Urban Development, HUD User Policy Development and Research Information Service, SOCDS data set, 2007, http://socds.huduser.org.

urban communities reflect the fact that, in general, suburbs grew much faster than central cities during this three-decade period.

Of the MSAs in Table 2.3, twenty-one ranked low on both central city and suburban growth. Virtually all of these, save four, are in the Northeast or the Midwest. (The four exceptions are Charleston, West Virginia; Louisville, Kentucky; and New Orleans and Shreveport, Louisiana.) These tend to be older cities or ones with leading industries that have declined dramatically. Detroit and Pittsburgh are good examples: Detroit grew rapidly before 1950 as a result of the booming auto industry; Pittsburgh did the same, as the result of big steel. Between 1970 and 2000, Detroit's central city shrank from 1.5 million residents to 951,000, an extraordinary drop of 37 percent. Detroit's suburbs grew by nearly 20 percent over the same time period, leaving the total population of the region nearly unchanged. Pittsburgh's central city declined from 520,000 to 335,000. Along with a decline in its suburban population of 139,000, Pittsburgh's total MSA population shrank by more than 12 percent.

At the opposite end of the growth spectrum are MSAs experiencing rapid growth in both their central cities and their suburbs. These are overwhelmingly in southern and western states and include such metro areas as Austin, El Paso, Arlington, and San Antonio in Texas and Phoenix, Mesa, and Tucson in Arizona. Las Vegas holds the record, its population quadrupling to more than 1.5 million between 1970 and 2000. Its central city alone grew from 125,000 to more than 475,000 in just three decades. Air-conditioning made many of these areas comfortable for year-round living, drawing many retirees as well as younger families.

Two other growth patterns are of special interest. The first involves metro areas that lost central city population but saw a rapid expansion in their suburbs. Atlanta, Denver, and Richmond, Virginia, are typical of this small set of cities. Thousands of families left the central city for the suburbs, while nearly all newcomers to these areas chose suburban locations for their new homes.

The second involves five areas with high central city growth but low suburban expansion. Annexation, in many cases, accounts for this unusual pattern. The central city of San Jose, California, for example, has been growing in area through annexation of its suburbs since it was founded in 1850. In 1950, the city boundaries enclosed just 18 square miles. A decade later, the central city had expanded through the incorporation of previously unincorporated land to 40 square miles. In the following decade, the city added still another 100 square miles and another 20 square miles during the 1980s. Today, the central city spreads over nearly 180 square miles, ten times its original size. Between 1970 and 2000, San Jose's central city population literally doubled, from 447,000 to 895,000. Many of these new residents came from other places to take advantage of the city's booming economy. Others stayed put, but became citizens of San Jose when their community was absorbed into the central city. As a result of annexation, the remaining suburbs grew by less than 90,000, an increase of just 24 percent. In other parts of the country, annexation has occurred as well, but rarely in the same dramatic fashion as San Jose with its Silicon Valley.

In brief, the pattern of metro area growth and decline reflects a wealth of economic, demographic, and political factors. The general movement of people from the Northeast and Midwest to the South and West follows the fortunes of local industry. The aging of the population favors these same Sunbelt areas, as retirees flee the cold winters of the North. Rising family income provides the wherewithal to feed the tourism industry with the result that metro regions like Orlando, Florida, and Las Vegas have become boom towns with hundreds of thousands of jobs tied to vacationers and conventioneers. Federal government spending also plays an important role. Metro areas in California and Texas have benefited from huge defense expenditures that underwrite military bases and defense contractors.

Race and Ethnicity

Besides their growth rates, metro areas also differ significantly in terms of racial and ethnic composition. To get some idea of the variance in this demographic feature, we selected a small sample of metro areas from Table 2.3. From those MSAs with both low central city and suburban growth, we chose Detroit. From the low central city/high suburban growth cell, we selected Atlanta. From the medium-growth central city/low suburban growth areas, San Francisco and Los Angeles were singled out. Finally, from the high central city/high suburban growth MSAs, we focused on San Antonio and Las Vegas.

The Detroit MSA is one of the country's most segregated. While its central city, based on the 2000 census, was more than 80 percent black, its suburbs were almost 87 percent non-Hispanic white (see **Figure 2.3**). Its Hispanic population is quite small—less than 3 percent of the total. Of all the blacks who live in the entire Detroit metropolitan area, nearly 80 percent live in the central city. The central city of Las Vegas, on the other hand, looks demographically much like its suburbs (see **Figure 2.4**). About 58 percent of the central city population is non-Hispanic white; in the suburbs, non-Hispanic whites comprise about 65 percent of the population. While the black

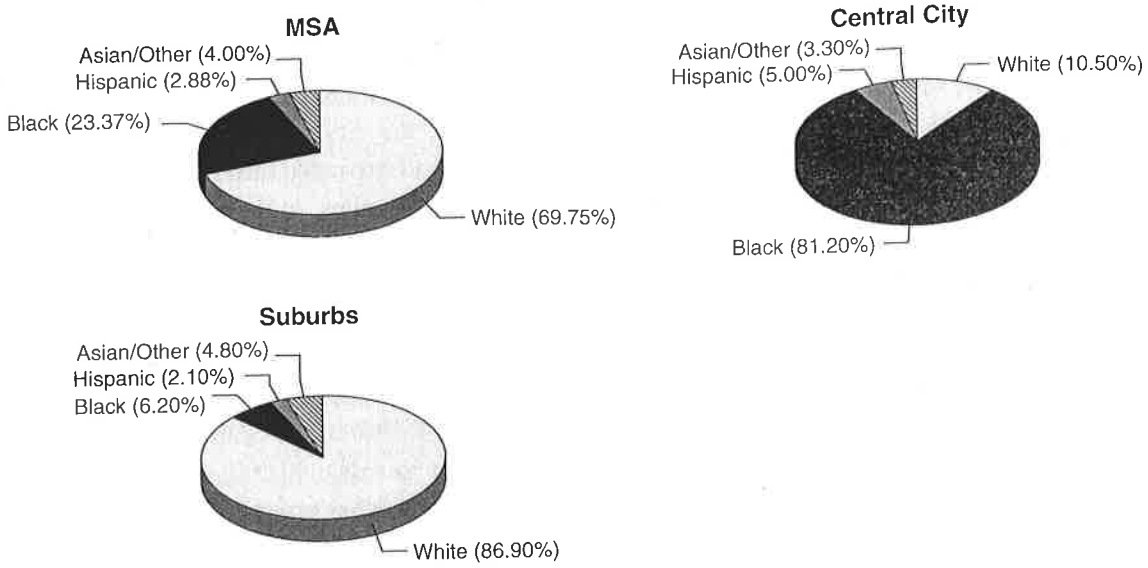


Figure 2.3 Racial/Ethnic Composition, Detroit, 2000. *Sources*: Lewis Mumford Center for Comparative Urban and Regional Research, "Census 2000 Project," www.albany.edu/mumford/; U.S. Department of Housing and Urban Development, HUD User Policy Development and Research Information Service, SOCDS data set, 2007, http://socds.huduser.org.

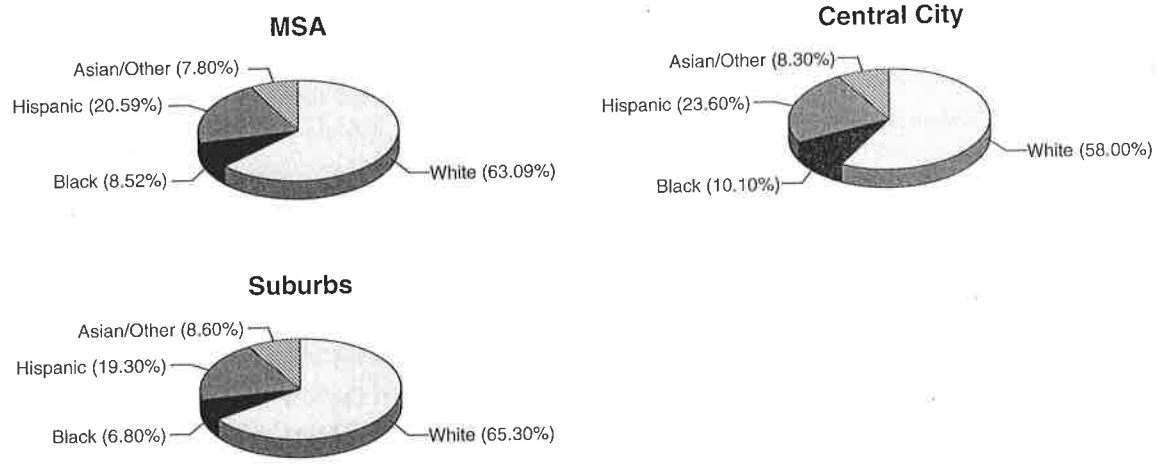


Figure 2.4 Racial/Ethnic Composition, Las Vegas, 2000. *Sources*: Lewis Mumford Center for Comparative Urban and Regional Research, "Census 2000 Project," www.albany.edu/mumford/; U.S. Department of Housing and Urban Development, HUD User Policy Development and Research Information Service, SOCDS data set, 2007, http://socds.huduser.org.

population is relatively small (less than 8 percent MSA-wide), Hispanics make up about one-fourth of the central city population and about one-fifth of the suburbanites.

Atlanta looks neither like Detroit nor Las Vegas. To be sure, its central city is 61 percent black while the suburbs are 63 percent white (see **Figure 2.5**). But unlike Detroit, a large proportion of the black population of Atlanta lives in the suburbs—

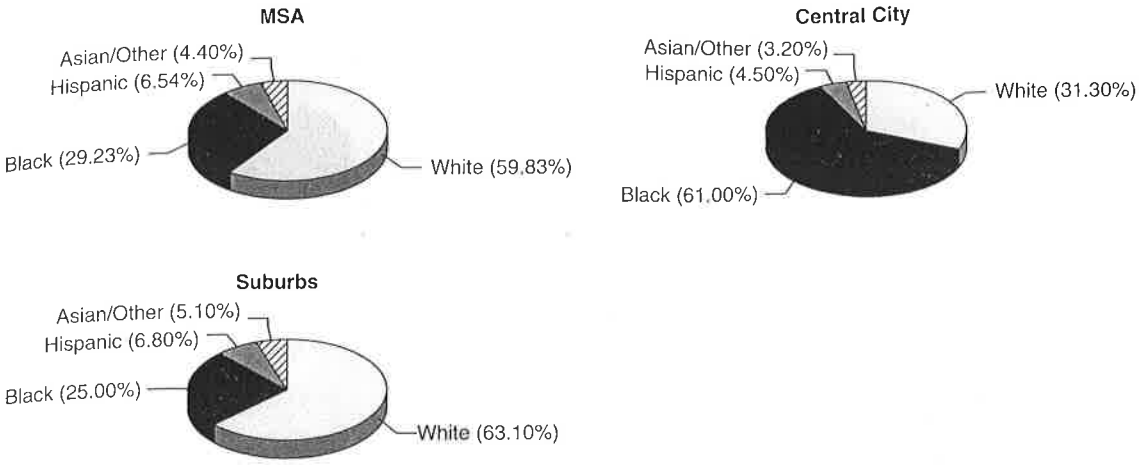


Figure 2.5 Racial/Ethnic Composition, Atlanta, 2000. *Sources*: Lewis Mumford Center for Comparative Urban and Regional Research, "Census 2000 Project," www.albany.edu/mumford/; U.S. Department of Housing and Urban Development, HUD User Policy Development and Research Information Service, SOCDS data set, 2007, http://socds.huduser.org.

close to 80 percent of the total number of blacks in the entire MSA. Part of the overall population shrinkage of this MSA's central city is due to the out-migration of black families to the surrounding suburbs. This has only recently begun to occur in Detroit.

Fast-growing San Antonio reflects the rapidly expanding Hispanic presence in the United States. More than half of the entire MSA's population (51.2%) is of Hispanic origin (see **Figure 2.6**). Less than 40 percent is non-Hispanic white and only 6 percent is non-Hispanic black. While Hispanics are somewhat concentrated in the central city, 32 percent of San Antonio's suburban population is Hispanic. It is not surprising that you hear almost as much Spanish spoken in San Antonio as English.

Asians are also becoming a significant part of America's new urban landscape. More than one in eight people who live in Los Angeles are Asian or of Asian descent; in San Francisco, the proportion is one in four (see **Figures 2.7** and **2.8**). In the city of San Francisco, famous for its Chinatown, a third of the residents are of Asian heritage—with a smattering of Native Americans making up the balance in this combined Asian/other category. There are nearly eight Asian Americans in the Golden Gate city for every ten non-Hispanic whites. In Los Angeles, where one in seven residents is of Asian ancestry, a somewhat higher proportion lives in the suburbs than in its central city. One more glance at the pie charts shows how much a city like Los Angeles (or San Francisco) has become a "prismatic metropolis" comprised of a wide array of people from different racial and ethnic backgrounds (Bobo et al. 2002).

As these charts demonstrate, there is now an enormous variation in the demographic composition of American cities. In these MSAs alone, the proportion of non-Hispanic whites runs from a high of nearly 70 percent to a low of 31 percent. Non-Hispanic blacks comprise less than 9 percent of the population in the Las Vegas MSA, but nearly 30 percent of Atlanta's. Hispanics are less than 3 percent of the

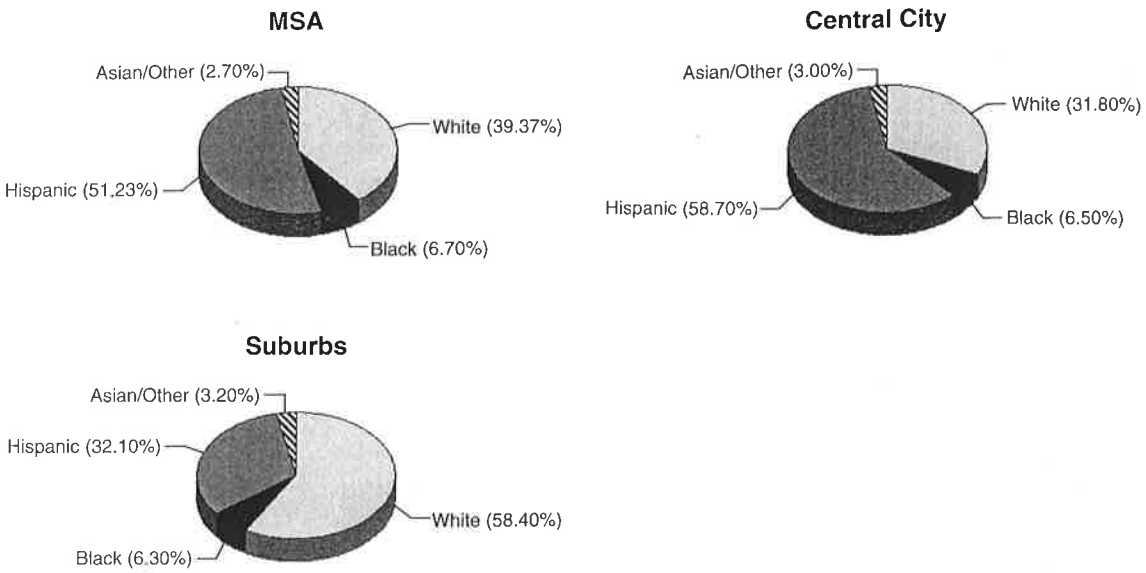


Figure 2.6 Racial/Ethnic Composition, San Antonio, 2000. *Sources*: Lewis Mumford Center for Comparative Urban and Regional Research, "Census 2000 Project," www.albany.edu/mumford/; U.S. Department of Housing and Urban Development, HUD User Policy Development and Research Information Service, SOCDS data set, 2007, http://socds.huduser.org.

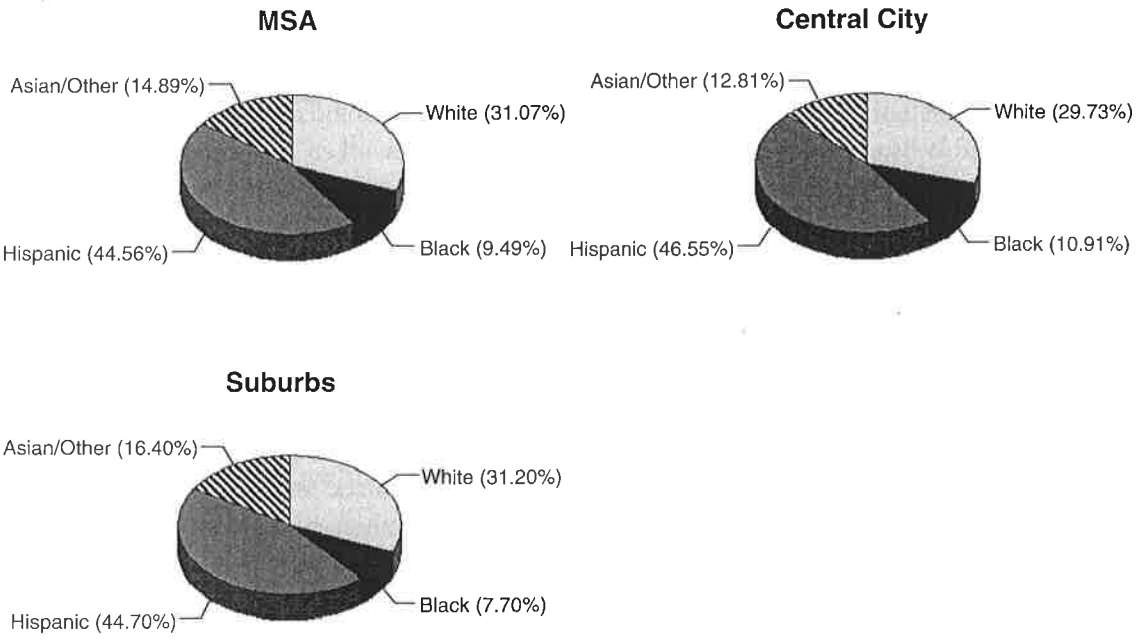


Figure 2.7 Racial/Ethnic Composition, Los Angeles, 2000. *Sources*: Lewis Mumford Center for Comparative Urban and Regional Research, "Census 2000 Project," www.albany.edu/mumford/; U.S. Department of Housing and Urban Development, HUD User Policy Development and Research Information Service, SOCDS data set, 2007, http://socds.huduser.org.

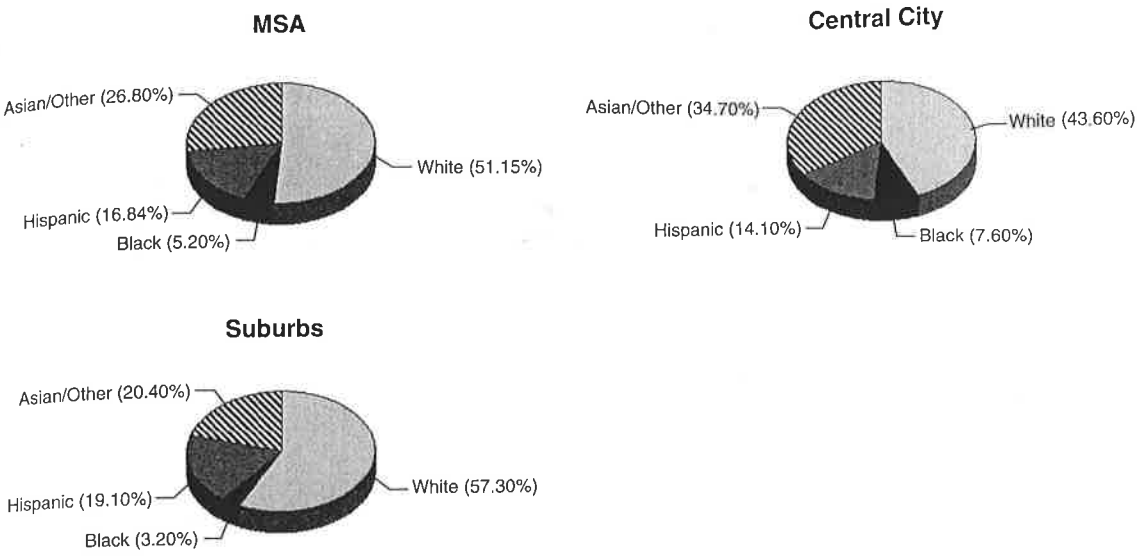


Figure 2.8 Racial/Ethnic Composition, San Francisco, 2000. *Sources*: Lewis Mumford Center for Comparative Urban and Regional Research, "Census 2000 Project," www.albany.edu/mumford/; U.S. Department of Housing and Urban Development, HUD User Policy Development and Research Information Service, SOCDS data set, 2007, http://socds.huduser.org.

Detroit MSA population, but represent a clear majority in San Antonio. It is rare to see an Asian American in San Antonio, where less than 2 percent of the population is ethnically Asian, but it is hard to miss the Asian flavor of San Francisco, where nearly a quarter of the metro region's population is of Japanese, Chinese, Indian, or Southeast Asian origin. The demographic distribution in each metro region contributes to the often unique and exciting character of each individual city, while simultaneously posing some challenges regarding the sharing of political power, equity in the provision of public services, and other types of turf battles.

Median Family Income

There are literally hundreds of ways to rank metro regions economically, but using **median family income** is particularly effective because it summarizes so much about the living standards in a particular area. If you array all the families in a city from the poorest to the richest and then take the middle one, you will have selected the family with the median income. Social scientists normally use this measure rather than mean (or average) income because a relatively few rich families in a city can make the "average" family in town seem better off than it is. The median, in most cases, represents a more "typical" family.

Generally speaking, urban areas with high median incomes tend to rank high on many other measures as well. More often than not, urban areas with high median incomes have lower poverty rates and crime rates and higher education and health levels. The housing stock is less dilapidated; more money is normally spent on parks and recreation. Hence, simply knowing something about median family income in a

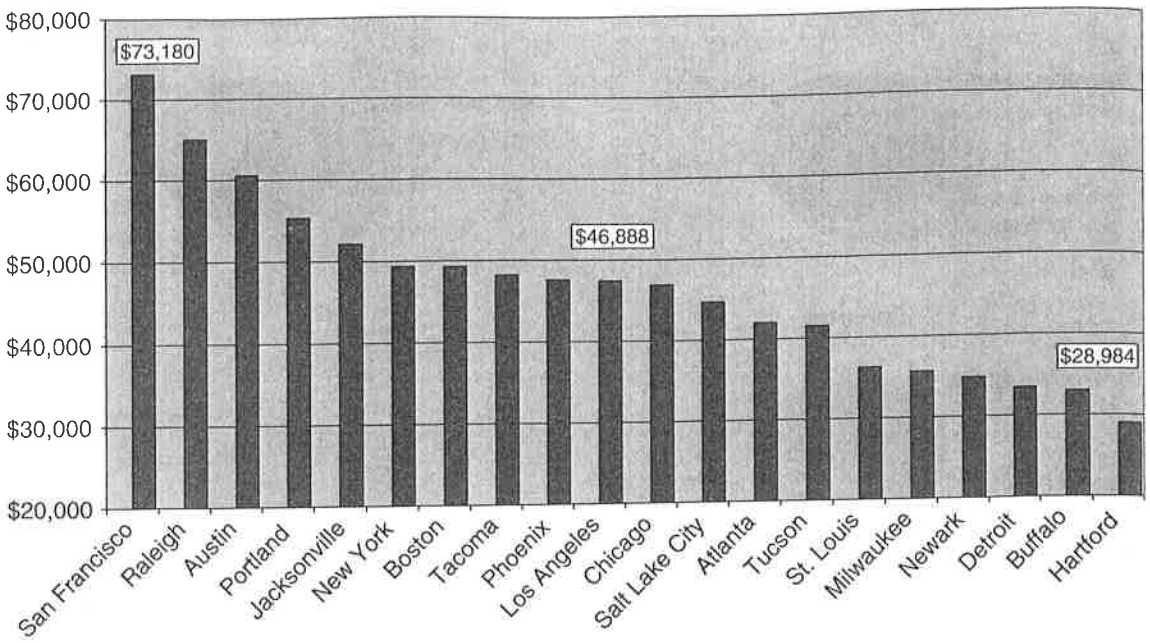
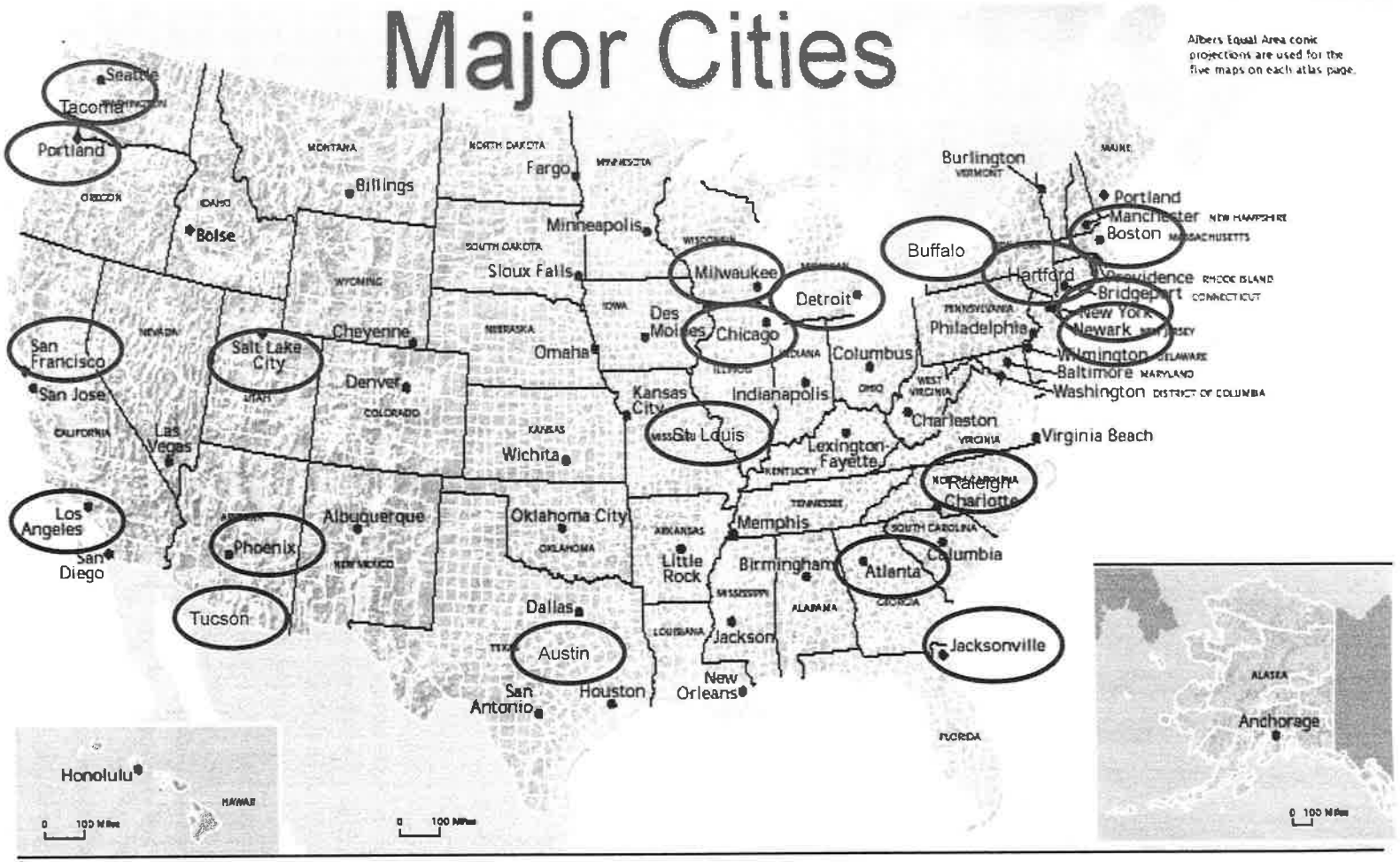


Figure 2.9 Median Family Income, Central Cities, 2005. *Source*: U.S. Department of Housing and Urban Development, HUD User Policy Development and Research Information Service, SOCDS data set, 2007, http://socds.huduser.org.

city or suburb often tells a good deal about the quality of life in those communities along multiple dimensions.

Figure 2.9 provides a snapshot of median family income in 2005 for a more or less randomly selected group of twenty of the nation's central cities—urban areas we follow for illustrative purposes throughout this book (see **Map 2.1**). Within this group, San Francisco boasts the highest median family income: $73,180. Half of the city's families live on more than $73,180; the other half live on less. At the opposite extreme is Hartford, where median family income is only $28,984—a bit less than 40 percent of San Francisco's. Somewhere in the middle of these twenty cities is Chicago, with a median of $46,888. Buffalo, Detroit, Newark, and St. Louis join Hartford at the bottom of the list. Raleigh, Austin, Portland (Oregon), Jacksonville, and New York join the Golden Gate city at the top. This simple list itself suggests a general (but not universal) geographic pattern in income. The lowest incomes are now found predominantly in the older central cities of the Northeast and Midwest. The highest median incomes are now found in the West and generally in places with warmer climes. Cities like Boston, Los Angeles, and Chicago are home to some of the wealthiest families in America. Although these families raise the average income in their cities, they do not make much of a difference in the median given that there are relatively few of them. If the income of the very richest families were to rise, the mean would go up, but the median would remain unchanged.

Not unexpectedly, median incomes are generally higher—often much higher—in the suburbs. **Figure 2.10** provides the information for the suburbs, while **Figure 2.11** shows the ratio of the suburban median to the central city median for each



Map 2.1 Twenty U.S. Metropolitan Areas. *Sources*: U.S. Bureau of the Census, TIGER data for county lines and Census 2000 data for city populations; U.S. Geological Survey, GTOPO30 elevation data for terrain shading; Environmental Systems Research Institute, ArcData for North America map. Cartography: Population Division, U.S. Bureau of the Census.

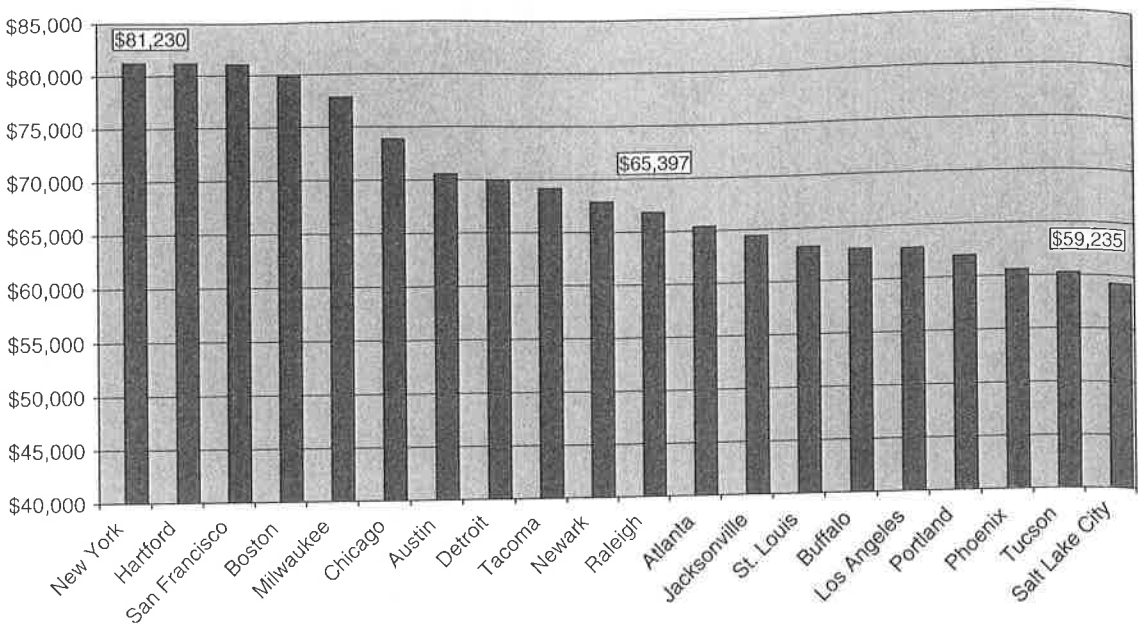


Figure 2.10 Median Family Income, Suburbs, 2005. *Source*: U.S. Department of Housing and Urban Development, HUD User Policy Development and Research Information Service, SOCDS data set, 2007, http://socds.huduser.org.

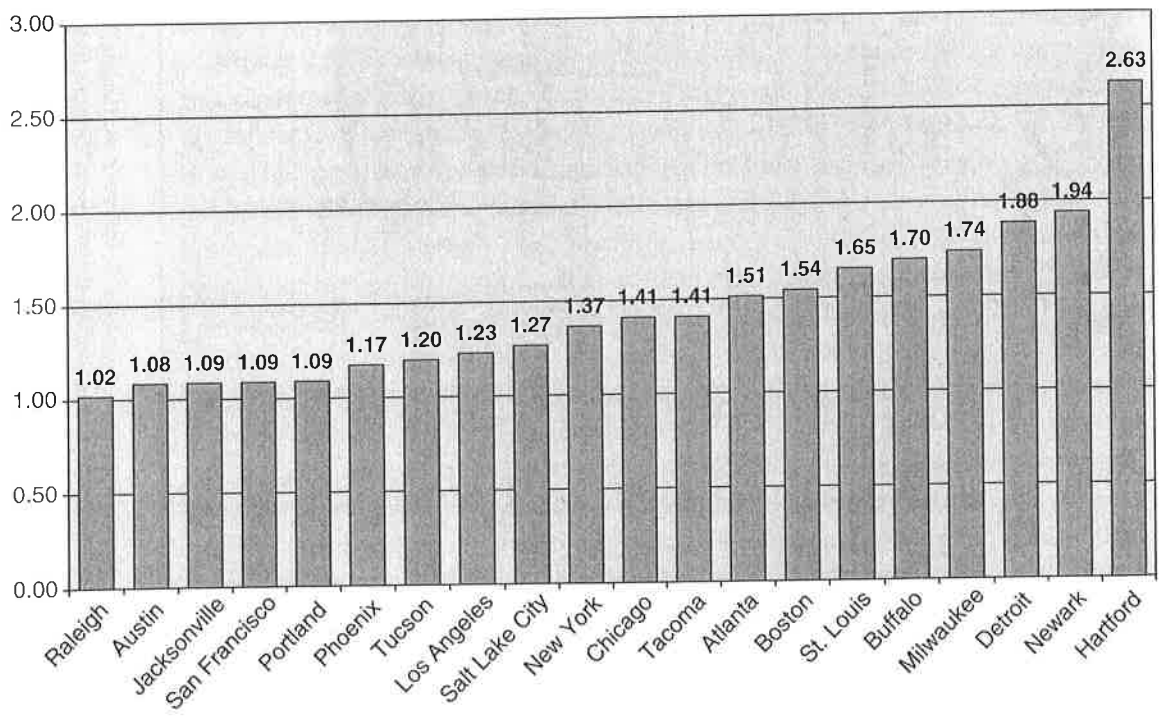


Figure 2.11 Ratio of Suburban/Central City Median Family Income, 2005. *Source*: U.S. Department of Housing and Urban Development, HUD User Policy Development and Research Information Service, SOCDS data set, 2007, http://socds.huduser.org.

metro area. In MSAs like Raleigh, Austin, Jacksonville, and Portland, the suburban medians are no more than 9 percent higher than those in their central cities. Yet in the older industrial cities of the Northeast and Midwest, the central cities have clearly been left behind. Hartford provides the extreme case, with the typical suburban family enjoying more than 2.5 times the income of the typical central city resident. In Newark, Detroit, Milwaukee, Buffalo, and St. Louis, the suburban/city income ratio is at least 1.6 to 1.

Changes in Median Income over Time

Each of the income rankings we have reviewed so far is "static." Each refers to a ranking at a single point in time—in this case, 2005. However, for a study of urban well-being, it is much more interesting to observe how metro areas change over time—in other words, an examination of urban "dynamics." There is a fascinating ebb and flow of economic success in many metro areas that often can be traced back decades and even centuries. Urban areas that once dominated the landscape are replaced in rank order by others when there is a major change in demographics or an upheaval in technology and industry. Once-proud cities fall on hard times; other regions gain new energy and become leading centers of commerce, tourism, and cultural amenities. Why this happens is discussed at length throughout this book. To prepare us for this later discussion, we look briefly here at how median family income has changed over time—a good proxy for the economic fortunes or misfortunes of metro areas across the country.

Figure 2.12 provides a graphic representation of how families have fared economically in central cities between 1970 and 2005. During this period of three and a half decades, San Francisco, Austin, and Raleigh all experienced substantial increases in real median family income. By "real," economists mean adjusted for increases in the cost of living. The typical family in the Bay Area in 2005 enjoyed nearly one-third more real income than the typical family in 1970. For a number of other central cities, including New York, Salt Lake City, Tacoma, and Atlanta, median incomes rose, but not quite as fast as inflation. The result was a slight loss in real income by 2005. Then there were some big losers; none have experienced harder times than Hartford, Detroit, Milwaukee, and Buffalo. The typical family living in the city of Hartford in 2005 was more than 40 percent poorer than the typical family in 1970. In Detroit and Buffalo, real median income fell by 17 percent or more. These cities saw their key industries substantially downsize or move away, followed by many of their wealthier residents. Left behind in these central cities was an increasingly poor population, partly comprised of families who lost good jobs and fell down the income ladder, but mostly made up of both long-term residents and new arrivals who had never enjoyed good economic times.

Those who live in suburbs have, in general, experienced a very different pattern of income growth. As **Figure 2.13** demonstrates, none of the suburbs in the MSAs we have followed experienced a decline in real family income between 1970 and 2005. Hartford is a vivid example of diverging well-being between central city and

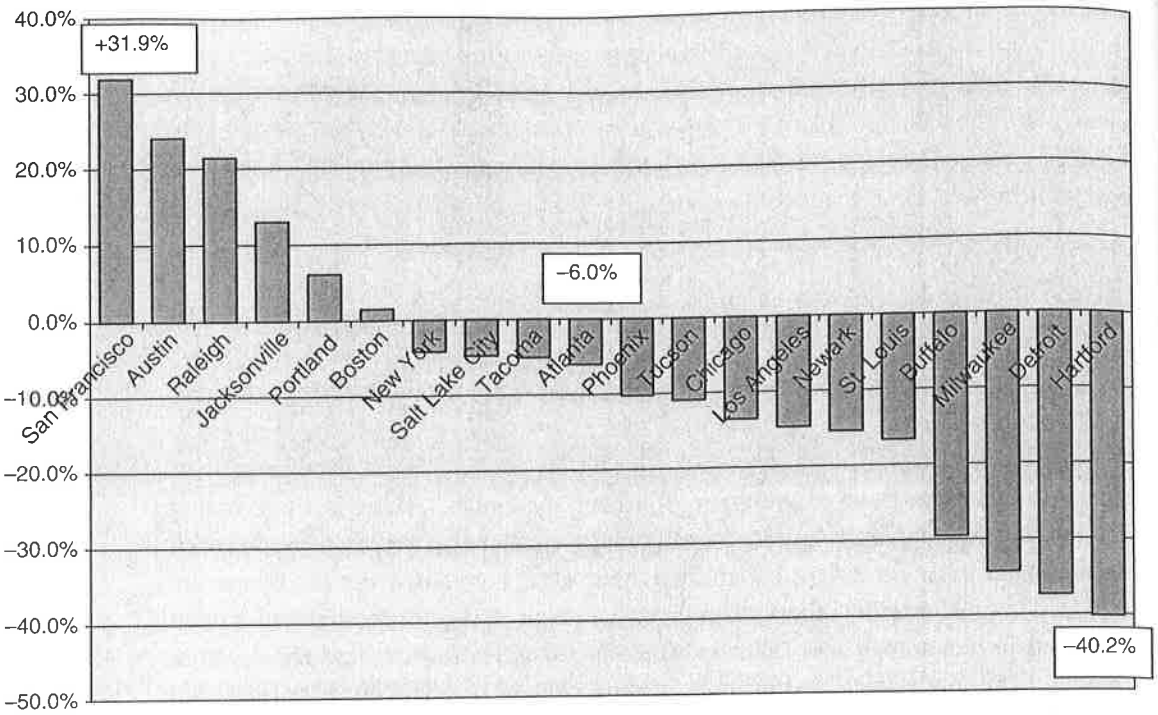


Figure 2.12 Percent Change in Median Family Income, Central Cities, 1970–2005 (2005 Dollars). *Source*: U.S. Department of Housing and Urban Development, HUD User Policy Development and Research Information Service, SOCDS data set, 2007, http://socds.huduser.org.

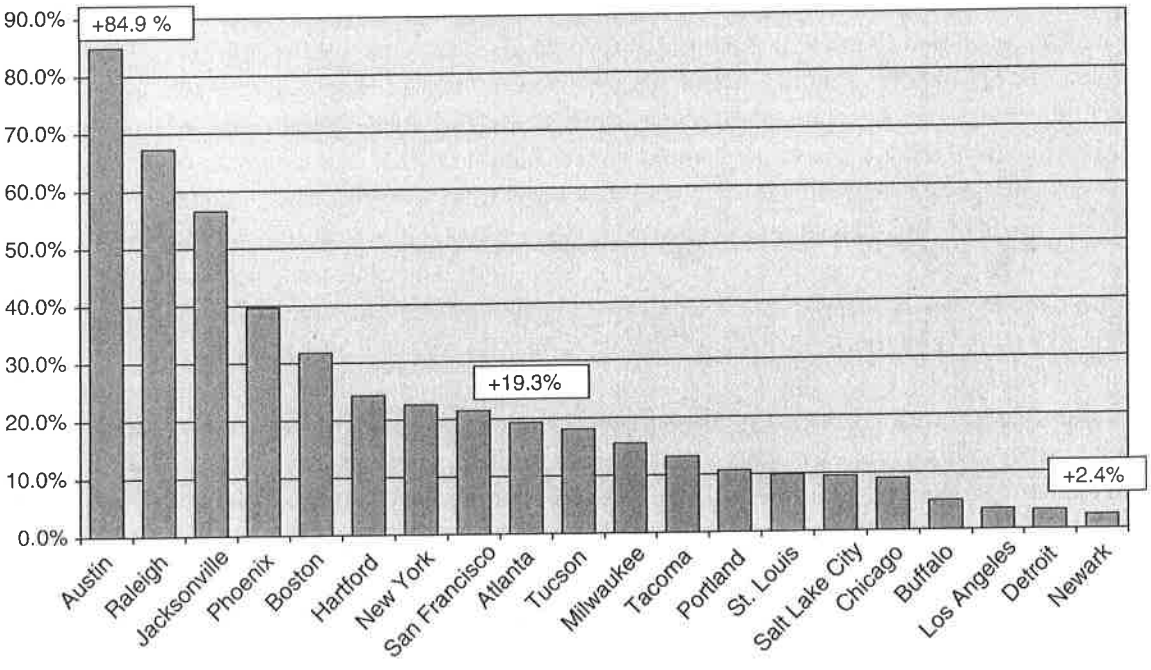


Figure 2.13 Percent Change in Median Family Income, Suburbs, 1970–2005 (2005 Dollars). *Source*: U.S. Department of Housing and Urban Development, HUD User Policy Development and Research Information Service, SOCDS data set, 2007, http://socds.huduser.org.

suburb. While real incomes in the city of Hartford were falling by more than 40 percent, suburban dwellers in the Hartford MSA were enjoying nearly a 25 percent *increase* in their incomes. Indeed, Hartford suburbanites saw their incomes rise proportionately faster than suburbanites living in such western boomtowns as Tucson, Portland, and Tacoma. The suburbanites who have fared the best, however, are found in Austin, Raleigh, and Jacksonville. In just thirty-six years, real median income in Austin has grown by an extraordinary 85 percent. That is quite an accomplishment for any region and reflects Austin's ability to create and grow companies like Dell Computer.

One last set of figures provides us with an even clearer picture of the diverging fortunes of central cities and highlights the real winners in the suburbs. **Figure 2.14** depicts the levels of real family income in central cities in 1970 and in 2005. Compared with the extraordinary variance in incomes across central cities in 2005, the picture back in 1970 was of much greater uniformity that indicated greater equality. Note, for example, that in 1970 there was a $7,000 difference in real median income between San Francisco and Hartford. By 2005, the typical central city family in San Francisco had an income more than $44,000 higher than its Hartford counterpart. In percentage terms, the typical San Francisco household in 1970 was about 14 percent better off income-wise than the typical Hartford family. By 2005, the median San Franciscan family was 152 percent better off. This trend toward inequality across cities mirrors the growth in inequality among individual families, a trend that has been ongoing since the early 1970s.

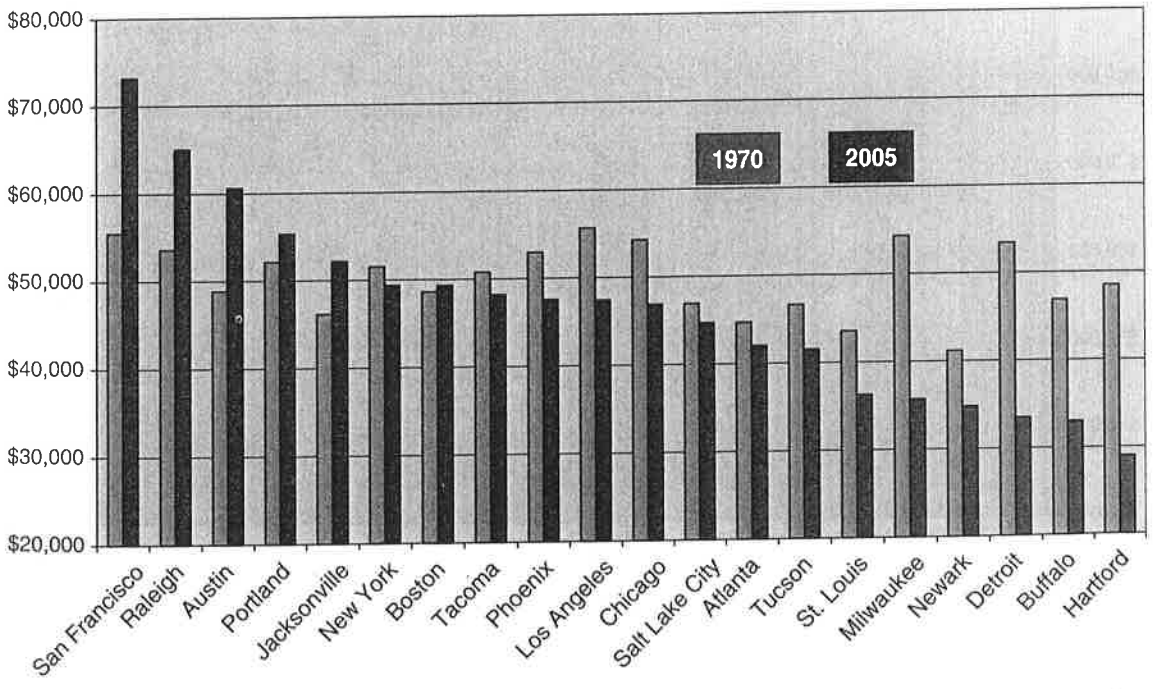


Figure 2.14 Median Family Income, Central Cities, 1970 versus 2005 (2005 Dollars). *Source*: U.S. Department of Housing and Urban Development, HUD User Policy Development and Research Information Service, SOCDS data set, 2007, http://socds.huduser.org.

Statistics on the standard deviation—a measure of variation—in real median income reveal that this growing divergence in central city incomes is not true only for San Francisco and Hartford, but holds more generally. In 1970, the standard deviation equaled just 8.5 percent of the average median income across our twenty central cities. By 2005, this variance measure had nearly tripled to 24.5 percent.

If anything, the picture in the suburbs seems to be the reverse of the central city experience (see **Figure 2.15**). With such rapid income growth in what had been lower-income suburbs like those in Austin, Jacksonville, and Raleigh, the gap between the best- and worst-faring suburbs has closed a bit. This is confirmed by using the same variance statistic we calculated for the central cities. For the suburbs, the standard deviation as a percent of the average median *declined* between 1970 and 2005, from 17 percent to 11 percent. Hence, we seem to have some convergence across suburban communities in economic well-being, while divergence seems to be the name of the game for the central cities. While some suburbs have fared better than others, the real gap in living standards has occurred across central cities, with some enjoying continued economic success or a recent renaissance while others face a deepening erosion of industry and employment opportunity.

Poverty

Closely related to how median family incomes are distributed across the country is the distribution of poverty. In 2005, a family of four was considered officially poor if

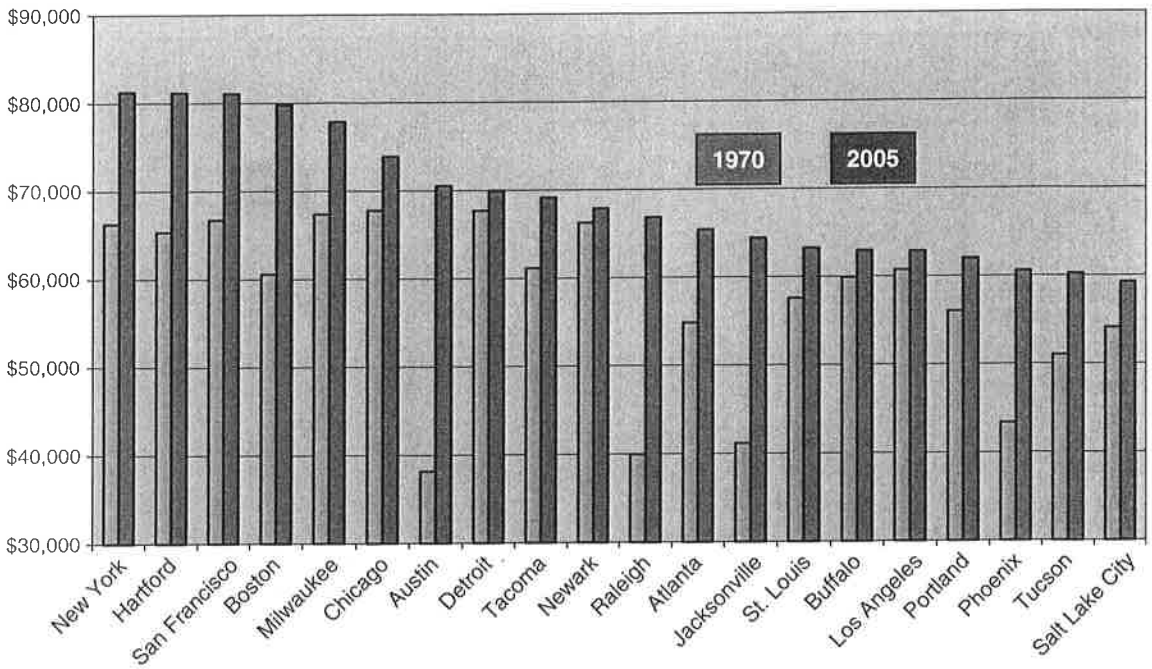


Figure 2.15 Median Family Income, Suburbs, 1970 versus 2005 (2005 Dollars). *Source*: U.S. Department of Housing and Urban Development, HUD User Policy Development and Research Information Service, SOCDS data set, 2007, http://socds.huduser.org.

its money income—income excluding the value of food stamps or rent subsidies—fell below $19,305 for the year. That amounts to little more than $1,600 per month or $370 per week to pay for rent, food, clothing, transportation, and everything else. In the 2000 census, Danbury, Connecticut, had the lowest incidence of poverty among all MSAs in the country—just 4.4 percent. Of all the metro areas across the nation, about a third (106) had poverty rates under 10 percent. But in nineteen metropolitan areas, more than one in five residents was officially poor. These very poor metro areas were concentrated in Louisiana, Georgia, and Texas. The McAllen-Edinburg-Mission, Texas MSA along the Mexican border was poorest of all, with more than one-third (36%) of its more than half a million residents in poverty.

Central city poverty rates are, in most cases, much higher than those in suburban areas. Data from the U.S. Census Bureau's 2003 *American Community Survey* reveals that nearly 30 percent of the population in Miami, Florida, and nearly 27 percent in Atlanta and Detroit were officially counted as poor. In New York City, the rate was 20 percent; in Washington, D.C., 17.5 percent.

With the post–World War II migration of middle-income households, particularly white families, from the inner city to the suburbs, there was a concern that particular neighborhoods in the central cities would become areas of concentrated poverty—where 40 percent or more of the households are living under the poverty line (Danziger and Gottschalk 1987; Kasarda 1993). The concern turned out to be fully justified. By 1990, there were more than 3,400 census tracts containing 10.4 million people living in concentrated poverty, most in inner cities. A **census tract** is a contiguous neighborhood of 2,500 to 8,000 persons who generally share similar population characteristics, economic conditions, and living standards. These 3,400 neighborhoods represented more than a doubling from 1970 in the number of high-poverty census tracts in the country. Across all of the high-concentration poverty neighborhoods in the United States, 69 percent of the residents were black or non-white Hispanic, while just 26 percent were white.

In 1990, among the twenty largest metro areas in the United States, Detroit had the highest concentration of black poverty (Jargowsky 2003). More than half (54%) of all poor black people in the metro area lived in census tracts where 40 percent or more of the residents were poor. Other metro regions that had more than a third of their poor black residents concentrated in high-poverty neighborhoods were Chicago (45%), New York (40%), St. Louis (39%), and Baltimore (35%). Among Hispanics, Philadelphia had the highest concentration of poverty (62%), followed by New York (41%) and Detroit (36%).

Only with the reemergence of the central city as a prime location for young professionals and older "empty nesters" has this trend been partly arrested. Still, most central cities today have particular neighborhoods that are dilapidated and often crime-ridden—a function in part of the growing income inequality throughout the nation.

In general, the proportion of the central city population in poverty is greater today than in the 1960s and 1970s. In Boston, for example, 15.5 percent of central city residents in 1970 were listed as poor. By 2005, the census counted 22.3 percent in

poverty. In Chicago, the rate has gone from 14.4 to 21.3 percent; in Detroit, it has exploded from 14.7 to 31.4 percent.

Additional Measures of Metro Area Well-Being

Using data from the 2000 U.S. census, researchers in the St. Louis MSA have tracked the well-being of its area households across a broad array of measures, comparing St. Louis to thirty-five "peer" metro regions across the country (East-West Gateway Coordinating Council 2002). An MSA was considered a peer region if it had a population of 950,000 or more, was within 500 miles of St. Louis, or had an economic function similar to that of the St. Louis region. The MSA peers ranged from huge metro areas like New York and Los Angeles to smaller ones like Cleveland, Nashville, and Austin.

Purchasing Power

Knowing a household's income is only part of the information needed to understand its real standard of living. The inflation-adjusted incomes used here, published by the U.S. Bureau of the Census, rely on national data and not local variation to adjust for price changes over time. Given the enormous difference in living costs across the country, the same income in, say, San Francisco and Minneapolis, confers very different purchasing power in the two cities. In almost all cases, the most important difference in purchasing power is related to the cost of housing. Generally, paying for housing absorbs 25 percent or more of a household's income.

After adjusting median household income for the cost of living in each of St. Louis's peer regions, it turns out that Baltimore—ranked ninth in income—was number one when it came to purchasing power. The ability to buy a median-priced house for less than $160,000 contributed mightily to the region's star billing in the purchasing power index. The other cities rounding out the top five in purchasing power were Minneapolis, Atlanta, Austin, and Dallas. At the very bottom of the purchasing power index were New York, San Francisco, Miami, Los Angeles, and Washington, D.C. The nation's capital might have had the second-highest median family income among St. Louis's peers (after San Francisco), but its eighth-highest housing costs helped put it thirty-first when it came to overall purchasing power. San Francisco was ranked thirty-fourth. With the median household income you would have received in either of these cities, you might have felt pretty well-off—until you had to find a place to live.

The "Family Budget Calculator," available from the Economic Policy Institute in Washington, D.C. (2005), provides an alternative measure of the cost of living in each metro area. The calculator uses a wide array of price data to estimate basic budgets for working families of various sizes. The budgets are constructed by costing out what a family needs to fulfill its basic needs for housing, transportation, food, personal items, health care, and other necessities, based on existing 2004

Table 2.4 A Tale of Two Cities

Boston		Raleigh-Durham-Chapel Hill	
Monthly Housing	$1,266	Monthly Housing	$ 779
Monthly Food	$ 587	Monthly Food	$ 587
Monthly Child Care	$1,298	Monthly Child Care	$ 866
Monthly Transportation	$ 321	Monthly Transportation	$ 358
Monthly Health Care	$ 592	Monthly Health Care	$ 368
Monthly Other Necessity	$ 500	Monthly Other Necessity	$ 369
Monthly Taxes	$ 824	Monthly Taxes	$ 350
Monthly Total	$5,388	Monthly Total	$3,677
Annual Total	$64,656	Annual Total	$44,124

Source: Economic Policy Institute 2005.

prices in each region. The difference in cost of living can be dramatic, as **Table 2.4** indicates. The overall cost of living for a family of four with two children was estimated to be $64,656 in the Boston MSA. In Raleigh-Durham-Chapel Hill, the same market basket of goods and services would cost only $44,124. Boston's housing costs, child care expenses, health care, other necessities such as haircuts and other personal services, and taxes are all higher than in the North Carolina metro region. Cost of living differences of this magnitude can affect where businesses locate and where families choose to live. If your family earns $65,000 in Boston, you are just barely making ends meet. If you can earn the same in Raleigh, you have $20,000 left over for other things—including savings—after paying for the same basic set of goods and services.

Since the cost of living can differ so much across metro areas, a family's real standard of living cannot be judged by income alone. It is important to consider the relationship between family income and living costs. **Figure 2.16** provides just such a comparison by showing the ratio of MSA median family income in 2005 to MSA living costs for a family of four with two children in the twenty metro regions we have been tracking. To make this calculation, we adjusted the 2004 living cost data from the Economic Policy Institute to 2005 using an official government price index so that we could compare median incomes with purchasing power for the same years. Even though New York and Boston rank high on median family income, after controlling for purchasing power, these two metro regions are the least affordable places to live among our twenty MSAs. In contrast, lower-income metro areas like Milwaukee and Detroit turn out to have higher real standards of living, given how far each dollar goes in the marketplace. A family of four living in New York and earning the region's median family income has just 11 percent more than what it needs to pay for its basic family budget. A lower median family income in Milwaukee will nevertheless buy 46 percent more than what the basic family budget costs. Other "best buy" metro areas include Hartford, Tacoma, and Austin. Differences in the cost of living may be so great today that they actually affect where people wish to live and where businesses seek to set up operations or expand (Bluestone 2006).

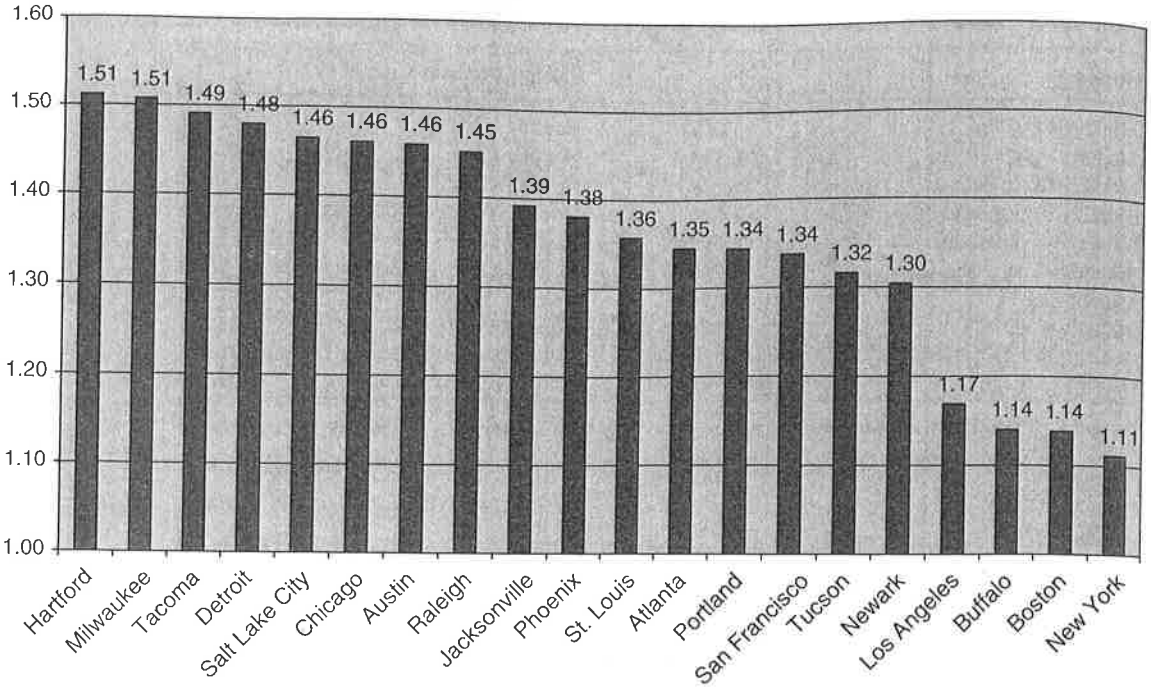


Figure 2.16 Metro Area Median Family Income versus Cost of Living, Four-Person Family, 2005. *Source*: U.S. Department of Housing and Urban Development, HUD User Policy Development and Research Information Service, SOCDS data set, 2007, http://socds.huduser.org; Economic Policy Institute 2005.

Affordable Housing and Home Ownership

Another way to judge the cost of living is to consider what percent of the homes in a region are affordable to a household with median income. **Affordable housing** in this case is defined by the U.S. Department of Housing and Urban Development as a home mortgage payment or monthly rent that takes no more than 30 percent of a household's income. Using this housing affordability measure, Indianapolis is ranked number one among St. Louis peers. There, with plenty of modestly priced housing units, more than 83 percent of homes are affordable by the median-income family. In San Diego, on the other hand, only about one in five households (22%) can find "affordable" housing. San Francisco, as you might imagine, is almost off the charts. Only 7.8 percent of the single-family homes in that region are affordable by the median-income household. This might not be a major problem for a family that moved to San Francisco years ago and bought a home when prices were more affordable. But for families who have recently arrived in the Bay Area, trying to buy a house there today is an expensive and often frustrating experience. Boston is not much better; in just five years between 2000 and 2005, the median home price rose by 60 percent (Heudorfer and Bluestone 2006).

Home ownership rates also vary tremendously across America. On average, about 65 percent of households own their own home—or, more accurately, share ownership with a bank or mortgage company. In Charlotte, North Carolina, the

home ownership rate is better than 75 percent, with Detroit, Philadelphia, and Kansas City near the top of the St. Louis peer list. At the other end of the list are Los Angeles, San Francisco, and New York, where the majority of households rent rather than own.

Income Disparity and Inequality

When St. Louis set out to compare itself to other metro regions, it also investigated economic disparity using an index measure of economic inequality between central city and suburb. The measure it selected takes into account such factors as household income, poverty rates, and home ownership. The higher the index number, the greater the disparity between the economic well-being of typical households in the suburbs compared to those in the central city. The largest disparity in economic well-being was found in Milwaukee, Detroit, Cleveland, and Washington, D.C., where suburbanites did so much better than their central city counterparts. The areas with the smallest gaps between the well-being of city and suburban households were Phoenix, Oklahoma City, Charlotte, Miami, and Salt Lake City. Given that a community's tax base depends on household income and/or the value of residential and commercial property, wide differences in income between a metro region's central city and its suburbs means that the quality of public services is likely to vary substantially as well—often exacerbating differences in income per se.

Education

Economists have shown that income is highly correlated with education. Education is one form of "human capital," defined as any investment or attribute that renders a worker more productive. Other forms are training, health status, and one's willingness to migrate to areas with better economic opportunities. In general, the more education you have, the better your chances to get a good job at good pay.

Of the thirty-five metro regions in the St. Louis study, Washington, D.C., Boston, and San Francisco had the highest percentage of adults (age 25+) with master's, professional, or doctorate degrees. Almost one in five (19%) of those living in the Washington, D.C. metro region were this well educated. Charlotte, Memphis, and San Antonio were at the other end of the continuum, having no more than one in twelve (8%) of their adults with advanced degrees. Approximately two out of five adults in San Francisco, Washington, D.C., and Boston had bachelor's degrees, while in Louisville this number was less than one in seven. Minneapolis led the peer cities in terms of adults with at least a high school diploma (90%). In Los Angeles, less than 70 percent had their diplomas, owing in large measure to the great number of recent immigrants from Mexico, Central America, and Southeast Asia. New York spent the most on its public school students—nearly $12,000 per year per student. Salt Lake City spent the least, only a little more than $5,000 per student. How this affects metro area prosperity is discussed in Chapter 8, where we focus on the issue of urban education.

Environmental Quality

The quality of urban life depends a great deal on income and purchasing power, but other things matter as well. The environmental quality in a city or suburb is increasingly a factor that households take into account when considering where to live. In 2000, Los Angeles suffered through forty-five days of "unhealthy air quality"; Houston, Atlanta, and Memphis all had twenty-four such days or more. At the other end of the environmental-quality spectrum are San Francisco, Minneapolis, Chicago, San Antonio, Miami, and Portland—all of which had zero days of unhealthy air quality.

Threats to water quality, as reported by the U.S. Environmental Protection Agency, also differ significantly across metro regions. Among the St. Louis peer regions in 1999, Dallas had the best watershed conditions, followed by Denver, Nashville, and Austin. The worst watershed conditions were found in Philadelphia, Louisville, Milwaukee, and Indianapolis.

Crime

Where families want to live also depends on the level of crime and a sense of personal security. In 2000, the murder capital among the St. Louis peer regions was Memphis, where nearly 15 people per 100,000 were murder victims. Your chances of being murdered in Memphis were tiny compared with death from heart disease (252 per 100,000) or cancer (197 per 100,000), but you were still more likely to die at the hands of someone else than by suicide (10.7 per 100,000). Boston had the lowest murder rate (1.8 murders per 100,000), followed by Portland, Seattle, and San Diego. Washington, D.C., which once was considered the murder capital of the United States, had a murder rate only half that of Memphis and just slightly above the peer group average of 6.7 per 100,000.

The MSAs where you are most likely to be the victim of theft are Miami, Oklahoma City, and San Antonio. In Miami, there were 6,856 property crimes reported per 100,000 population in 2000. Perhaps surprising, New York is third *lowest* on this measure at only 2,666 per 100,000. Only Boston and Pittsburgh have lower rates than New York.

One might also want to consider the central city to suburban crime ratio as an indicator of how the central city environment differs from the usually more affluent suburbs. The highest disparity is found in St. Louis, where residents of the central city are five times as likely to be crime victims as residents in the surrounding suburbs. Detroit, Milwaukee, and Oklahoma City also have high central city to suburban crime ratios. At the bottom of the list is San Diego, where you are only 20 percent more likely to be a crime victim in the region's central city neighborhoods than in its suburbs. Denver, Miami, and Phoenix also have relatively low central city/suburban crime ratios. Such disparities in crime rates and therefore personal security ultimately affect where people would like to live. Studies have shown that cities with high and rising crime rates are among the most likely to lose population,

particularly among families who have the income to relocate to what they believe are safer communities within the region (Nivola 1999).

Transportation

Commuting patterns differ across regions. Miami, Los Angeles, Portland, and Detroit have the most miles of roadway relative to the number of square miles in the MSA. There are nearly 16 miles of roadway per square mile in Miami and better than 12 miles in Los Angeles. Nashville has one-third as much as Miami. Los Angeles holds the record among St. Louis peer regions in terms of roadway congestion. Your chance of being caught in a traffic jam on the Los Angeles freeways is twice as high as in Pittsburgh or Kansas City. Commuters also need a lot of patience to drive in San Francisco, Washington, D.C., and Atlanta.

The most extensive mass-transit system in the nation is in New York; in 2000, the subways and buses in the region provided 37 billion passenger miles of public service. The next highest is Chicago, with 11 billion passenger miles, and at the bottom of the list is Oklahoma City, where buses served up only 118 million transit seat miles. In some cities, your best way to get to work is by bus or subway; in others, you are more than likely to be traveling to work by car. In some metro areas like Detroit, you have little choice but to use your car or spend hours on a mass-transit system that lacks street railways or subways.

Using Data Wisely

Data help to answer questions, but they are also quite useful for posing them. If you have been following the statistics closely, numerous questions might already have occurred to you. Why is the population of some metro areas rising rapidly while it seems to be collapsing in others? How can median household incomes be diverging so much between the central cities and suburbs of particular MSAs and among central cities across the country? Why is there a housing cost explosion in some communities, but not in others? What accounts for differences in environmental quality and the incidence of crime? These but scratch the surface of a whole array of interesting questions that are raised whenever you use the lens of urban economics to delve into a wide range of economic, social, and political issues.

Essentially, statistics provide the first step in a much longer process of inquiry. The first task is to try to decipher clear patterns in the data. Are there real differences between central cities in the old industrial Midwest and the newer central cities in the Southwest? If so, what do these differences represent and with what are they correlated? Can we trace the economic and institutional mechanisms that are responsible for the dynamic trends we see in the data? The answers to one set of questions will almost inevitably force us to dig deeper into the data to find root causes. In the chapters that follow, we will use economics, sociology, and political science to try to answer these questions and others. Hang on and enjoy the ride!

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Chapter 2 Questions and Exercises

Metropolitan and Micropolitan Areas

1. Go to

   http://www.census.gov/geo/www/maps/stcbsa_pg/stBased_200411_nov.htm

   and take a look at the map of metropolitan and micropolitan statistical areas in your state. Which three MSAs within your state are closest to where you live?

   You also might want to look at MSAs in adjoining states. Do you live in a metropolitan or a micropolitan statistical area, or in neither?

2. As mentioned in this chapter, there are 370 metropolitan statistical areas and 565 micropolitan statistical areas in the United States.

   - How many metropolitan areas are in your state?
   - How many micropolitan areas are in your state?
   - How many of the metropolitan areas in your state are part of larger CSAs?

Exploring and Comparing Important Characteristics of Metropolitan Areas

3. Using the *Urban Experience* CD, select the CBSA closest to your home, or another CBSA of your choice (other than the twenty presented in the book), and prepare charts for the racial and ethnic composition (percentages) of this CBSA, its principal cities, and its suburbs.

   To obtain these data in the *Urban Experience* CD, go to the "Get Data" screen and follow these steps:

   - In the "Choose Data Items" section, click on the arrow immediately to the right and choose "Percentages."
   - Check the box next to "Percentages" when it appears under "Choose Data Items" and a drop-down list of data categories will appear.
   - Check the box next to "Race/Ethnicity & Nativity." A drop-down list will appear. Check the boxes next to "Black," "Hispanic," "Other," and "White."
   - Next, go to the "Choose Locations" section of the screen. Double-click on "By CBSA Name" and a drop-down list of all CBSAs (metropolitan areas and micropolitan areas) will appear. Scroll down until you locate the CBSA you have selected. Double-click on the name of the CBSA and a list will appear. The first item in the list is the sum for all the principal cities in the CBSA (the identifying name ends with ("CBSA-Prin Cities"). The second item in the list is the sum for all suburbs in the CBSA (the identifying name ends with "CBSA-suburbs"). The next items in the list are each of the individual principal cities in alphabetical order (there may be one or more than one). After all principal cities have been listed, the list continues with each of the individual suburbs in alphabetical order. For this exercise, check the box next to the CBSA name (offset to the left above the drop-down list). Then check the box for the sum of all principal cities ("CBSA-Prin Cities") and the box for the sum of all suburbs ("CBSA-suburbs").
   - In the "Choose Years" section of the screen, check the box for 2005.
   - Click on "Go," and then, on the far left side of the screen, click on "Chart." (*Note:* Census data for some principal cities and some suburbs are not available for 2005. If the chart comes up blank for the areas you chose, go back to the "Get Data" screen and under "Choose Years," uncheck "2005" and check "2000.")

   Of the six metro areas for which we have described the racial and ethnic composition in the book, which comes closest to describing the racial and ethnic composition in the CBSA you have selected?

4. Using the *Urban Experience* CD, prepare tables for the median family income in the MSA, the principal cities, and suburbs that you used in question 3.

- Which central (principal) cities in the chapter are most similar to your principal cities?
- Which suburbs are most similar to the suburbs in your MSA?

To obtain these data in the *Urban Experience* CD, follow these steps:

- Go to the "Get Data" screen.
- In the "Choose Data Items" section, click on the arrow immediately to the right and choose "Counts."
- Check the box next to "Counts" when it appears under "Choose Data Items" and a drop-down list of data categories will appear.
- Check the box next to "Income and Poverty" and another drop-down list will appear.
- Check the box next to "Median Family Income (2005$)."
- Proceed with the "Choose Locations" segment of the screen as you have done in the exercises for Chapter 1.

5. Using the median family income data in the *Urban Experience* CD for 1980 and 2000 for the CBSA you selected in question 3, calculate the percentage change in income for your CBSA, for its principal cities, and for its suburbs. Choose a suburb close to your home, or another suburb in any metro area of your choice, and compare changes in median family income to the suburban data in this chapter.

   Focusing on the differences you find in the median family income of principal cities versus suburbs, which factors might be responsible for these differences?

6. Using the *Urban Experience* CD, repeat questions 3, 4, and 5 for your own city or town (if it is not the only principal city in your CBSA).