The Geography of Poverty and Race in New Jersey

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Earlier this year, the Economic Innovation Group (EIG) released a study, *The Expanded Geography of High-Poverty Neighborhoods*, that documented how poverty has continued to spread in the United States, despite the urban resurgence of the past decade. The study tracked the locations of high-poverty neighborhoods (defined as census tracts with a poverty rate of 30% or higher) from 1980 up through 2018, including an analysis of how the demographics of high-poverty neighborhoods have changed.

Inspired by EIG's analysis, New Jersey Future has performed a similar analysis of poverty in New Jersey over the last two decades. In 2000, New Jersey had 110 high-poverty neighborhoods, representing 5.7% of all tracts in the state.[1] In 2012, there were 134, or 6.7% of all tracts. By 2018, that number had risen to 145, or 7.2% of the total number of neighborhoods in the Garden State. A clear trend is present; the number of poor neighborhoods in New Jersey is growing. Across 18 years, the number of high poverty tracts increased steadily, highlighting the evolution of low-income neighborhoods and illustrating positive growth trends.

Concentrated Poverty is Not Shared Equally Across Counties

When examining individual counties, it becomes evident that not all counties experience poverty on the same scale. On a county basis, six counties have not featured a single high-poverty tract since 2000: Bergen, Hunterdon, Morris, Somerset, Sussex, and Warren.

The counties with the greatest percentage of high-poverty neighborhoods are Essex County, with 22% of its tracts qualifying as high-poverty neighborhoods in 2000, 21% high-poverty neighborhoods in 2012, and 21% high-poverty neighborhoods in 2018, and Passaic County, with 14% high-poverty neighborhoods in 2000, 23% high-poverty neighborhoods in 2012, and 26% high-poverty neighborhoods in 2018.

Below is a table illustrating the **percentage of neighborhoods having high poverty rates (30% or more), by county**

Percent (%) High-Poverty Neighborhoods by County			
County	2000	2012	2018
Atlantic County	8%	7%	19%
Bergen County	0%	0%	0%
Burlington County	0%	0%	1%
Camden County	14%	9%	11%
Cape May County	4%	3%	0%
Cumberland County	9%	14%	11%

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[1] The total number of census tracts in the state was 1,944 in 2000, rising to 2,010 after the 2010 Census, as population increased and new tracts were defined.

Essex County	22%	21%	21%
Gloucester County	2%	3%	5%
Hudson County	2%	7%	5%
Hunterdon County	0%	0%	0%
Mercer County	5%	12%	12%
Middlesex County	2%	3%	4%
Monmouth County	4%	3%	1%
Morris County	0%	0%	0%
Ocean County	3%	5%	4%
Passaic County	14%	23%	26%
Salem County	0%	4%	16%
Somerset County	0%	0%	0%
Sussex County	0%	0%	0%
Union County	3%	3%	4%
Warren County	0%	0%	0%
New Jersey total	5.7%	6.9%	7.5%

The table shows that the prevalence of high-poverty neighborhoods grew over time in some counties and decreased in others, so the statewide increase in such neighborhoods from 134 in 2012 to 145 in 2018 did not happen uniformly. The number of high-poverty tracts increased in eight of New Jersey's 21 counties, decreased in five, and stayed the same in the remaining eight (including the six that had zero high-poverty neighborhoods in both 2012 and 2018). We can compare data from 2012 and 2018 for individual tracts to get an idea of where individual neighborhoods have transitioned into or out of poverty.[2]

Poverty Indicators Improve in Some Places

From 2012 to 2018, 45 neighborhoods escaped high poverty. These neighborhoods are often in the places we think of as revitalizing urban centers. They were located in 11 counties: Camden (which lost two high-poverty neighborhoods, both in the city of Camden), Cape May (one, in Wildwood), Cumberland (three—one each in Vineland, Millville, and Bridgeton), Essex (16, including 12 in Newark, two in East Orange, and one each in Irvington and Montclair), Hudson (nine, including five in Jersey City, three in Union City, and one in Bayonne), Mercer (two, both in Trenton), Middlesex (three in Perth Amboy and one in New Brunswick), Monmouth (four—one each in Red Bank, Long Branch, Asbury Park, and Neptune Township), Ocean (two, both in Lakewood), Passaic (two, both in Paterson), and Union (one, in Elizabeth). With the loss of the formerly high-poverty tract in Wildwood, Cape May County now has zero high-poverty neighborhoods, perhaps part of a longer-term pattern at the Shore of year-round residents (who tend to

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[2] Tract boundaries are redefined for each decennial Census, so 2000 Census tracts cannot be directly compared to post-2010 data in many cases, limiting trend analysis for individual tracts.

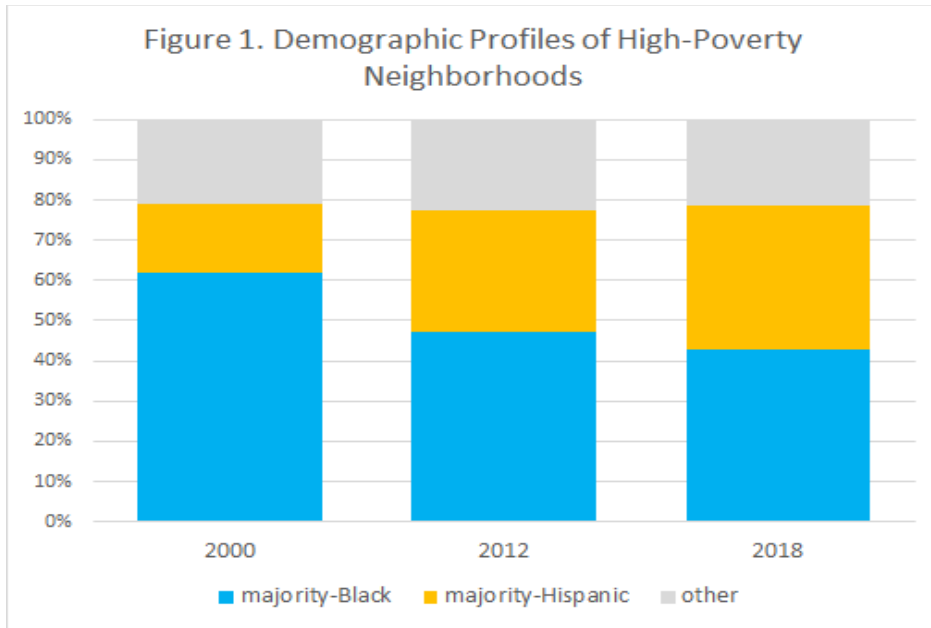have lower incomes than summertime visitors) being gradually replaced by vacation and rental properties.

Concentrated Poverty is Persistent and On the Rise

Meanwhile, 56 new neighborhoods entered high poverty, many of which are in different parts of the same cities in which other neighborhoods are transitioning out of poverty, a reminder that poverty is still a growing problem even in cities where "gentrifying" neighborhoods grab most of the headlines. These neighborhoods were spread over 14 counties—Atlantic (which had eight neighborhoods transition into high poverty, all but one in Atlantic City and the other in Pleasantville), Burlington (one, in Burlington city), Camden (four, all in the city of Camden), Cumberland (two—one each in Millville and Bridgeton), Essex (16, including 12 in Newark, two in Irvington, and one each in East Orange and Orange), Gloucester (one, in Woodbury), Hudson (six, including four in Jersey City and one each in Hoboken and North Bergen), Mercer (two, both in Trenton), Middlesex (four, all in New Brunswick), Monmouth (one, in Asbury Park), Ocean (one, in Lakewood), Passaic (five, including four in Paterson and one in Passaic), Salem (three— two in Salem city and one in Penns Grove), and Union (two, both in Elizabeth). In South Jersey, the net increases in the spread of poverty were dramatic in percentage terms. In Atlantic County, 7% of all tracts were high-poverty in 2012 but rose to 19% in 2018; in Salem, the share of tracts qualifying as high-poverty rose from 4% in 2012 to 16% in 2018.
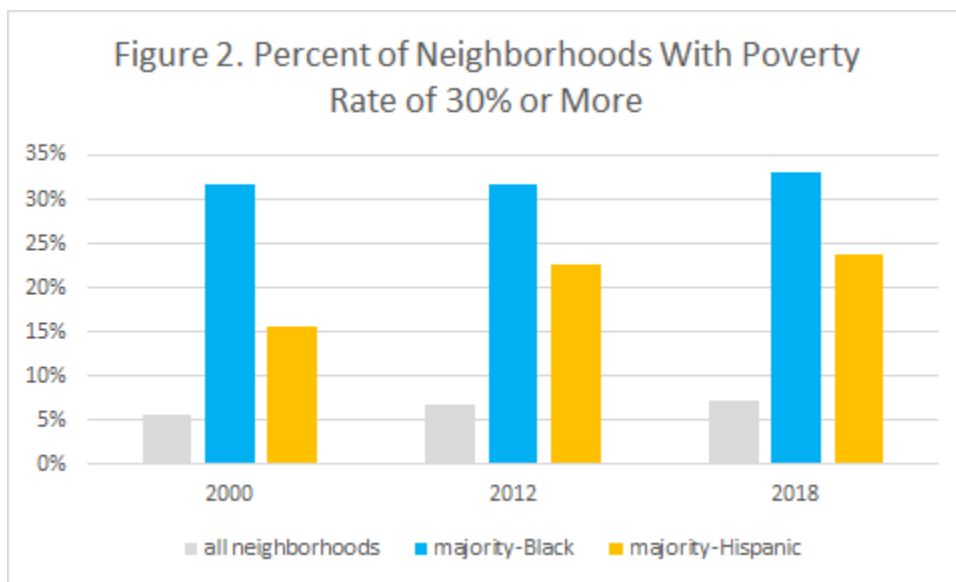
The overall story, however, is one of persistent poverty. From 2012 to 2018, 89 neighborhoods stayed high-poverty. The majority are located in just three counties: Essex (28, all but one of which are in Newark alone), Passaic (21, of which eight are in the city of Passaic and another 12 are in Paterson), and Camden (10, all of which are in the city of Camden). Despite the resurgence of population growth in New Jersey's urban and older suburban areas since the Great Recession, and despite widespread discussion of gentrification, high-poverty neighborhoods clearly remain a stubborn presence in New Jersey and nationally.

Concentrated Poverty Disproportionately Tracks with Racial Segregation

There has been a gradual decrease in the share of high-poverty neighborhoods that are also majority-Black (see Figure 1). In 2000, 61.8% of high-poverty neighborhoods were also majority-Black; the percentage fell to 47.0% by 2012, and fell further, to 42.8%, as of 2018. But the percent of all census tracts that are majority-Black also decreased, from 11.0% in 2000 to 9.9% in 2012 to 9.3% in 2018. In other words, while there are fewer high-poverty majority-Black neighborhoods, there are also fewer majority-Black neighborhoods overall.

Figure 1. Demographic Profiles of High-Poverty Neighborhoods

In fact, the percent of majority-Black neighborhoods that are also high-poverty has increased slightly, because the number of neighborhoods that are both majority-Black and high-poverty has not decreased as quickly as the total number of majority-Black tracts. In 2000, 31.8% of majority-Black tracts were also high-poverty, but this crept up 33.2% by 2018 (see Figure 2). Among majority-Black neighborhoods, then, the incidence of high poverty in 2018 is much higher than among the population as a whole—33.2%, compared to only 7.2% of all tracts statewide.

Figure 2. Percent of Neighborhoods With Poverty Rate of 30% or More

As the share of high-poverty neighborhoods that are also majority-Black has gone down, the share that is also majority-Hispanic has gone up, as Hispanic people have grown as a

share of the state's total population (and as a share of its lower-income population). In 2000, 17.3% of high-poverty neighborhoods were also majority-Hispanic; this rose to 30.6% by 2012 and to 35.9%—more than a third—as of 2018.

As the total number of majority-Hispanic neighborhoods in the state has grown (from 122 in 2000 to 181 in 2012 to 218 in 2018), so has the share of such neighborhoods that are also high-poverty. In 2000, 15.6% of majority-Hispanic neighborhoods had a poverty rate of 30% or more; by 2012, it was 22.7%, rising further to 23.9% as of 2018.

With the percent of all neighborhoods having poverty rates of 30% or more gradually increasing, and with the percentages of majority-Black and majority-Hispanic neighborhoods that are also high-poverty both much higher than the statewide rate and growing faster, it is clear that poverty—and especially racially segregated poverty—is very much still with us.