

Connecticut is Home to Wide Economic Disparity by Race and Place

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In Connecticut, not all boats are rising with the recovery's tide. Though the state's longstanding investments in high-quality public services, such as health care and education, contribute to overall levels of prosperity that compare well to the rest of the nation (the 10.8 percent poverty rate is third lowest and the child poverty rate of 14.4 percent is sixth lowest), the story is vastly different for many residents.

Connecticut is experiencing economic segregation that inhibits economic mobility – a detriment not only to the pursuit of equal opportunity for children in these communities, but to the state's future workforce and economic success as well.¹ In Connecticut, two children who live just blocks away from one another often have widely divergent levels of opportunity. Educational resources and public services vary significantly. For many who struggle to make ends meet, economic segregation, high housing costs and a regressive property tax system are barriers. Strategic investments are needed in the health and education of children so that they are provided a fair shot, regardless of race or where they live.²

We are fortunate that incomes in Connecticut are among the highest in the country, we have regained all the private sector jobs lost during the Great Recession, and the state's labor force participation has rebounded faster than the nation. But poverty rates for black residents (20.8%) and Hispanic residents (26.5%) are three to four times that of white residents (6.1%), according to the most recent U.S. Census data. Among children, the disparity is even wider: 5.6 percent of white children live in poverty, and alarmingly, 30.5 percent of black children and 33.5 percent of Hispanic children live in poverty.³

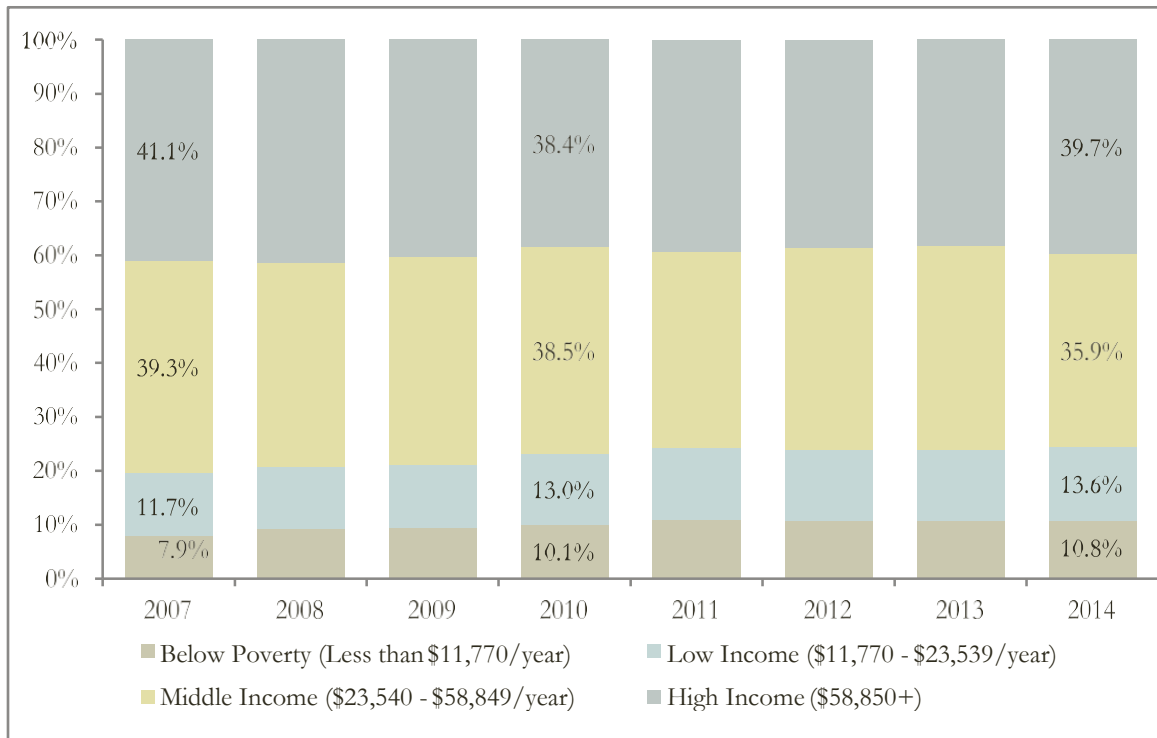
Our *State of Working Connecticut* report found that, despite a declining unemployment rate, the recovery is leaving many behind. Only one in two black residents over the age of 16 is employed, the lowest rate of employment on record. It also found that black and Hispanic workers make a median hourly wage that is, on average, \$7.25 to \$8 less than white workers (a gap that has widened since before the Great Recession).⁴

Moreover, Connecticut's income gap is the second largest in the nation just behind New York – the average income of the highest 1 percent of earners is 51 times greater than the average income of everyone else.^{5,6} Among the nation's 100 largest metropolitan areas, the Brookings Institution found that Bridgeport-Stamford-Norwalk is first in the nation and New Haven-Milford is ninth in terms of income inequality.⁷

And even at the neighborhood level, New Haven-based research nonprofit DataHaven finds that individuals in "Hartford and greater New Haven are just as likely to live in an extremely poor, predominantly minority neighborhood as those in greater Detroit or greater Philadelphia...[while] 27 percent of top-earning households live in neighborhoods that are predominantly white and wealthy."⁸

Finally, as the state's population in poverty expanded during the Great Recession and into the recovery, the share of middle-income Nutmeggers shrank. Since 2007, the share of the state's population in poverty grew 35.5 percent, the share of the low-income population grew 16.3 percent, and middle- and high-income earner populations declined by 8.5 and 3.3 percent, respectively.

Figure 1: Since Recovery (2010), Low- and High-Income Populations Rise, Middle Declines



Source: American Community Survey 2014 1-year estimates, Table B17002. Income levels are defined using Federal Poverty Guidelines (FPG). Poverty is defined as earning below 100% FPG (less than \$11,770 per year for a single individual with no children); Low-income is defined as earning between 100 and 199% FPG (\$11,770 - \$23,539 per year for a single individual with no children); Middle-income is defined as earning between 200 and 399% FPG (\$23,540 - \$58,849 per year for a single individual with no children). High-income is defined as earning 400% FPG or more per year for a single individual with no children).

Mapping Disparities by Race and Place²

To better gauge the economic disparities described above, our interactive Mapping Disparities by Race and Place maps allow users to compare the U.S. Census American Community Survey’s most recent five-year estimates on income, poverty, educational attainment, and housing characteristics of all 169 Connecticut towns. Along with the indicators, each table lists the margin of error (MOE).

The Disparity by Place map reflects the differences across town lines. In addition, when populations are large enough for accurate measures, differential poverty rates are shown by race and ethnicity using proportional dots – the larger the dot, the greater the difference in rates in the Disparity by Race map.

In Hartford, more than a third of all individuals and nearly half of the city’s children live in poverty (*Table 1*). That is three times the state child poverty rate of 14.8 percent and 25 times more than some of the state’s wealthiest towns.

Table 1: Connecticut Towns – Highest Poverty and Child Poverty Rates

<i>Town</i>	<i>Poverty Rate (%)</i>	<i>MOE (%)</i>	<i>Town</i>	<i>Child Poverty Rate (%)</i>	<i>MOE (%)</i>
<i>Connecticut</i>	10.8	0.5	<i>Connecticut</i>	14.8	1.1
Hartford	34.4	1.7	Hartford	46.3	2.8
New Haven	26.4	1.6	New London	37.7	7.7
New London	25.3	3.3	New Haven	37.3	3.3
Windham	25.2	3.2	Waterbury	36.8	3.7
Waterbury	24.2	1.7	Windham	36.4	6.6
Bridgeport	23.6	1.1	Bridgeport	34.9	2.3
New Britain	23.5	1.6	New Britain	31.9	3.6
Ansonia	19.2	4.8	Ansonia	28.0	9.6
Mansfield	16.5	2.9	Derby	25.0	14
Norwich	15.1	2.4	Meriden	24.3	3.9

Source: U.S. American Community Survey, 2010-2014 5-year estimates (state rate based on 1-year estimates)

Generally, higher levels of unemployment and lower median household incomes mirror the towns with the highest rates of poverty and child poverty (*Table 2*). The state unemployment rate is 5.1 percent and Connecticut’s median household income is \$69,899.

² See our webpage with interactive maps here: <http://www.ctvoices.org/node/3481>

To obtain large enough samples to analyze small populations across the state, 5-year estimates are collected over 60 months, from January 1, 2010 through December 31, 2014. Data should be referred to as 2010-2014 data, not by release date, i.e., 2015 data.

Our ‘Mapping Disparity by Race and Place’ maps will include margins of error (MOE) when applicable. Margins of error define the range of values in which the sample statistics differ from the actual population with a level of confidence of 90% (confidence interval). For example, we can say with 90% accuracy that a poverty rate of 10% with a margin of error of +/- 2 falls between a confidence range of 8 and 12%. Confidence ranges are presented in the Disparity by Race maps.

Table 2: Connecticut Towns – Highest Unemployment Rates and Lowest Median Household Income

<i>Town</i>	<i>Unemployment Rate (%)</i>	<i>Town</i>	<i>Median Household Income</i>	<i>MOE</i>
<i>Connecticut</i>	5.1	<i>Connecticut</i>	\$70,048	\$828
Hartford	8.9	Hartford	\$29,313	\$1,428
Waterbury	7.9	New Haven	\$37,508	\$1,691
Bridgeport	7.4	New Britain	\$40,515	\$1,902
New London	7.2	Windham	\$41,019	\$3,375
New Britain	7.0	Waterbury	\$41,136	\$1,501
Ansonia	6.9	Bridgeport	\$41,204	\$1,414
New Haven	6.5	New London	\$41,230	\$4,614
Norwich	6.2	Ansonia	\$43,144	\$4,028
Sterling	6.2	Putnam	\$46,418	\$8,638
Griswold	6.2	Norwich	\$49,695	\$2,638

Source: U.S. Census American Community Survey, 2010-2014 5-year estimates (state rate and MHI based on 1-year estimates) and CT Department of Labor, Nov. 2015

Not surprisingly, the towns with a greater share of adults over the age of 25 without a high-school diploma are the same towns that exhibit high levels of poverty and higher rates of unemployment (*Table 3*). In Connecticut, 38 percent of adults over 25 years of age have a bachelor’s degree or more, while 9.9 percent of adults over 25 years of age do not have a high-school diploma.

Table 3: Connecticut Towns – Largest Share of Adults 25+ with Bachelor’s Degree and without High School Diploma

<i>Town</i>	<i>% Adults 25+ w/ Bachelor’s Degree+</i>	<i>MOE</i>	<i>Town</i>	<i>% Adults 25+ w/o HS Diploma</i>	<i>MOE</i>
<i>Connecticut</i>	38.0	0.5	<i>Connecticut</i>	9.9	0.4
Sterling	11.5	3.6	Hartford	29.7	1.4
Hartford	15	0.9	Bridgeport	25.6	1.4
North Canaan	15.3	6.4	New Britain	20.6	1.5
Plainfield	15.9	2.7	Waterbury	20.5	1.5
Waterbury	16%	1.1	Windham	19.9	2.4
Ansonia	16.3	2.9	New London	18.8	2.5
Bridgeport	16.5	0.9	New Haven	17.7	1.0
Lisbon	18.3	5.0	Danbury	17.5	1.6
Griswold	18.4	3.8	East Hartford	16.1	1.8
New Britain	18.4	1.4	Meriden	15.4	1.5

Source: U.S. Census American Community Survey, 2010-2014 5-year estimates (state rate based on 1-year estimates)

Less intuitive, however, is the lack of a relationship between high-poverty towns and towns where rent equals more than 35 percent of household income. Among towns with the widest income gaps, half are among towns with the highest median household income (*Table 4*).

Table 4: Connecticut Towns – Largest Share of Cost Burdened Renters and Greatest Inequality

<i>Town</i>	<i>Gross Rent as % of Household Income</i>	<i>MOE</i>	<i>Town</i>	<i>Income Inequality (Gini Index)</i>	<i>MOE</i>
<i>Connecticut</i>	44.1	1.2	<i>Connecticut</i>	0.501	0.005
Middlefield	70.8	25.6	Greenwich	0.586	0.011
Woodbridge	69.5	18.6	Washington	0.557	0.067
Willington	66.3	14.6	Sharon	0.543	0.060
New Fairfield	62.3	23.1	Westport	0.542	0.013
Preston	62.3	19.7	New Canaan	0.535	0.017
Washington	61.7	18.3	Roxbury	0.524	0.061
Ashford	60.2	17.3	New Haven	0.519	0.011
Old Saybrook	60.1	16.2	Darien	0.519	0.018
Columbia	59.7	25.5	Stamford	0.515	0.010
Kent	59.4	20.1	Westbrook	0.506	0.060

Source: U.S. Census American Community Survey, 2010-2014 5-year estimates (state rate/index based on 1-year estimates)

The towns with the widest racial and ethnic differences in poverty rates are also among the state’s largest cities. The table below is sorted by black poverty rates, whereas the **Disparity by Race** map illustrates the difference in poverty rates. The five towns with the greatest difference between black and white poverty rates are: West Hartford, Middletown, Stamford, Waterbury, and Meriden. Even adjusting for large margins of error in towns such as West Hartford, for example, black poverty ranges from 18.4 to 37.8 percent and white poverty ranges from 4 to 5.6 percent - enormous disparities exist.

Table 5: Connecticut Towns – Difference in Racial/Ethnic Poverty Rates

<i>Town</i>	<i>% Blacks Below Poverty</i>	<i>MOE</i>	<i>% Whites Below Poverty</i>	<i>MOE</i>	<i>% Hispanic/Latino Below Poverty</i>	<i>MOE</i>
Hartford	31	2.5	22.9	3.1	34	1.8
West Hartford	28.1	9.7	4.8	0.8	7.7	1.3
New Haven	28.1	2.7	16.2	1.8	26.3	1.7
Waterbury	27.6	3.6	12	2.1	24	1.8
Middletown	25.5	7.5	9	1.7	12.4	1.9
Norwich	24.6	8.6	10.5	2.3	13.3	2.2
Bridgeport	23	2.3	12.9	2	23.3	1.1
Meriden	22.2	6.2	7.5	1.9	14.7	1.6
New Britain	20.8	4.9	15	1.9	23	1.6
Manchester	20.4	6.8	7.8	1.4	11.2	1.6

Source: U.S. Census American Community Survey, 2010-2014 5-year estimates

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- ¹ Chetty, Raj. Hendren, Nathaniel. *The Equality of Opportunity Project*. Retrieved from: http://www.equality-of-opportunity.org/images/mobility_geo.pdf
- ² See our 2016 Advocacy Priorities: <http://www.ctvoices.org/advocacy/policy-agenda16>
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