

SECTION II

Overview of Total Poverty (all ages) in Appalachia during the 1990s

Although Appalachia has long been struggling economically, Appalachia's total poverty rate in 1995 was only slightly higher than in the rest of the country. Table 2.1 compares the poverty rates for the 399 Appalachian counties with the rest of the country and the entire U.S.⁴ In 1979 (based on the 1980 Census), poverty rates were two percentage points higher in Appalachia than in the remainder of the U.S. For 1989, we have two measures of poverty, the SAIPE and the census (1990 Census). According to the SAIPE figures, the gap in poverty between Appalachia and the rest of the country declined as poverty outside Appalachia increased during the 1980s while remaining virtually unchanged in Appalachia. Nationally, the 1989 SAIPE indicate that the proportion of people in poverty was slightly lower than indicated by the 1989 census.⁵ In Appalachia, the SAIPE poverty rate was about 6.4 percent lower than the census rate.

In 1993, the poverty gap between Appalachian counties and counties in the remainder of the U.S. was one percentage point, and by 1995 it had declined to just under one percentage point. The SAIP estimates suggest that this apparent compression occurred because the poverty in Appalachian counties had not increased as much as it had outside of Appalachia. While the net change in poverty for Appalachia was an increase of one half of one percentage point between 1989 and 1995, poverty rates in counties outside of Appalachia increased by 1.5 percentage points. Relative to the rest of the United States, Appalachian poverty continues to decrease, a trend apparent in decennial census data since the 1960s.

⁴ Throughout this report, poverty figures are labeled with the year that they measure income. For example, the 1990 census measures income from 1989 and are labeled as 1989 census poverty rates.

⁵ The 1989 SAIP estimates of the number of people in poverty are 4.4% lower than the 1989 census figures. This includes adjustments made for the differences in the populations included in the poverty universe (U.S. Census Bureau, 1999).

Table 2.1:
Total Poverty rates for Appalachian Counties and U.S counties outside of Appalachia

	1979 Census	1989 SAIPE	1989 Census	1993 SAIPE	1995 SAIPE
Appalachian counties	14.1%	14.1%	15.3%	16.1%	14.6%
U.S. counties outside of Appalachia	12.2%	12.7%	12.9%	15.1%	13.7%
Total	12.4%	12.8%	13.1%	15.1%	13.8%

Total Poverty in the Sub-Regions of Appalachia

As the total poverty rates in Table 2.2 indicate, the economic fortunes of the three sub-regions of Appalachia have shifted over the last few decades. Until recently, the northern sub-region enjoyed higher incomes and lower poverty than the other sub-regions of Appalachia (PARC, 1964; ARC, 1972; ARC 1979, ARC 1981). Since the late 1960s however, the decline in the manufacturing base and the gradual erosion of the higher paying jobs associated with this industry has caused a relative decrease in income and higher poverty levels in northern Appalachia. The poverty rate for the northern sub-region of Appalachia was higher in 1989 than in either 1979 or 1969 (Couto, 1994). Between 1989 and 1993, the poverty rate increased slightly by one to 2.5 percent, depending upon the estimate, SAIPE or census. But by 1995, the poverty rate in northern Appalachian counties had declined slightly to 13.6 percent, remaining above 1969 and 1979 levels.

In direct contrast to the northern sub-region, the southern sub-region has seen improvement in incomes and poverty levels over the last three decades. Between 1979 and the 1995, the gap in poverty levels between northern and southern Appalachia disappeared. Part of this convergence may have been due to the geographical changes in manufacturing that occurred during the last 25 years. Studies have noted that northern Appalachia has been losing manufacturing plants and

employment at the same time that southern Appalachia has been experiencing manufacturing growth (Jensen, 1998; Raitz and Ulack, 1984). Additionally, the metropolitan areas of Atlanta, Birmingham and Winston-Salem, with their strong economies, have helped lower the overall rate of poverty southern Appalachia. The SAIP estimates suggest that Southern Appalachia experienced a 2.5 percentage point increase in poverty between 1989 and 1993 and then the same percentage point decrease between 1993 and 1995. In other words, according to the SAIP estimates, there has been no net change in poverty in this part of Appalachia during the first half of the 1990s.

Table 2.2:
Total Appalachian Poverty by Sub-Region

	1979 Census	1989 SAIPE	1989 Census	1993 SAIPE	1995 SAIPE
North	11.3%	12.5%	14.0%	15.0%	13.6%
Central	22.7%	24.2%	25.9%	26.0%	24.1%
South	15.3%	13.6%	14.3%	15.1%	13.6%
ARC counties	14.1%	14.1%	15.3%	16.1%	14.6%

The central Appalachian sub-region has undergone its own distinct pattern of recent change in poverty. The poverty rate of the Central sub-region has been consistently higher than for the two other sub-regions. There are two differences between the central sub-region and the other two regions of Appalachia that partially account for the difference in poverty. First, the lack of diversification of industry has forced this area to rely on one primary industry, coal mining, for most of the century. Many authors have discussed the problems of extractive industries in general and the crisis of mining and exporting the coal of central Appalachia in particular (Duncan, 1985; Goodstein, 1989; Haynes, 1997). The profits from mining activities have largely flowed out of the region as a result of ownership in the industry being predominated by distant individuals and corporations, thereby exacerbating the economic uncertainty inherent in coal extraction for the workers of Eastern Kentucky, Southern West Virginia, Western Virginia and Northern Tennessee (Duncan, 1992). The original President's Appalachian Regional

Commission in 1964 noted that, “Much of the wealth produced by coal and timber was seldom seen locally. It went downstream with the great hardwood logs; it rode out on rails with the coal cars; it was mailed between distant cities as royalty checks from non-resident operators to holding companies who had bought rights to the land for 50 cent or a dollar an acre. Even the wages of the miners returned to faraway stockholders via company houses and company stores” (Isserman and Rephann 1995). The second factor distinguishing central Appalachia is that it is much more rural than the other parts of the region. There are only two metropolitan areas in central Appalachia (Huntington, West Virginia–Ashland, Kentucky and Lexington, Kentucky). Central Appalachia, like other nonmetropolitan areas nationally, suffers from higher than average poverty rates. However poverty rates for central Appalachia are high even when compared with other predominantly nonmetropolitan areas.

During the 1970s, the level of poverty in central Appalachia declined greatly. Increases in the demand for coal, such as occurred with the 1970s energy crisis, generally meant increased employment and lower poverty levels. During the 1980s as the energy crisis subsided, poverty rates rose. The Central sub-region had a poverty rate in 1979 of 22.7 percent. This rate increased to around 24 percent in 1989 according to the SAIP estimates or to around 26 percent according to the 1990 census. The sub-region’s poverty rate was at 26 percent in 1993 and by 1995 it was close to the 1989 rate of 24 percent. Throughout this period it remained much higher than the adjoining areas of Appalachia. Even though there is evidence that employment in central Appalachia is diversifying, potentially easing poverty and unemployment to levels similar to the rest of the region or the nation, it has been a slow transformation. Positive changes have been concentrated mainly in manufacturing (reducing reliance on extractive industries) but they are less evident in the service sectors.

Total Poverty by State in Appalachia

Rates of total poverty in Appalachia are not homogeneous across states, but instead show wide disparities (Appendix C, Table 1). Eastern Kentucky, the part of the state that is in Appalachia, and the entire state of West Virginia exhibited high rates of poverty throughout the period examined in this report. This can be partially attributed to the high unemployment rates of these

states and to the extractive and cyclical nature of the industries there. The portion of Mississippi located in Appalachia has also had a higher than average rate of poverty. Although only a small part of Mississippi is in Appalachia, the state as a whole has a higher than average rate of poverty. The Appalachian portions of Georgia, New York, North Carolina, Pennsylvania and South Carolina have experienced rates of poverty below the Appalachian average include. For some of these states, lower rates of poverty among the ARC counties may be a result of greater diversification in the economic base of those counties. For Georgia in particular, many of the Appalachian counties are suburban areas in the Atlanta metropolitan area. The difference between the 1989 SAIPE and 1989 census poverty rates is greater for individual states than it is for Appalachia as a whole or for the three sub-regions of Appalachia. Census Bureau tabulations show that the greatest differences between 1989 SAIPE and 1989 Census poverty estimates are for states in the Northeast and Midwest regions. The 1989 SAIPE estimates tend to be lower than the 1989 Census estimates for Appalachian states in the Northeast and Midwest regions (U.S. Census Bureau, 1999).

Consistent with the sub-regional change in poverty rates over the period, a north-south divergence arises. SAIPE estimates for Appalachian counties in New York suggest a 3.5 percentage point increase (a 30 percent increase) in poverty between 1989 and 1995. Poverty rates in Pennsylvania, Maryland, and West Virginia also increased between 1989 and 1995. Poverty rates in Ohio decreased between 1989 and 1995 but the poverty rate was higher for all three SAIPE years than it was in 1979. The three southeastern, Atlantic coastal Appalachian states, North Carolina, South Carolina and Georgia, all showed small increases in poverty from 1989 to 1995. More interestingly, the Appalachian counties in these states have poverty rates that have been declining for decades and are now among the lowest in Appalachia. Tennessee, Virginia, Mississippi and Alabama enjoyed declining poverty rates during the 1990s.

Since Appalachia encompasses 13 states and 399 counties, it is a heterogeneous region and each state does not contain an equal share of the Appalachian population. Pennsylvania, for example, contains more than one-quarter of the Appalachian population and therefore has a large influence on the overall poverty rate of the region. Since the poverty rates of Pennsylvania's Appalachian counties are lower than the rest of Appalachia *and* lower than the U.S. as a whole, Pennsylvania

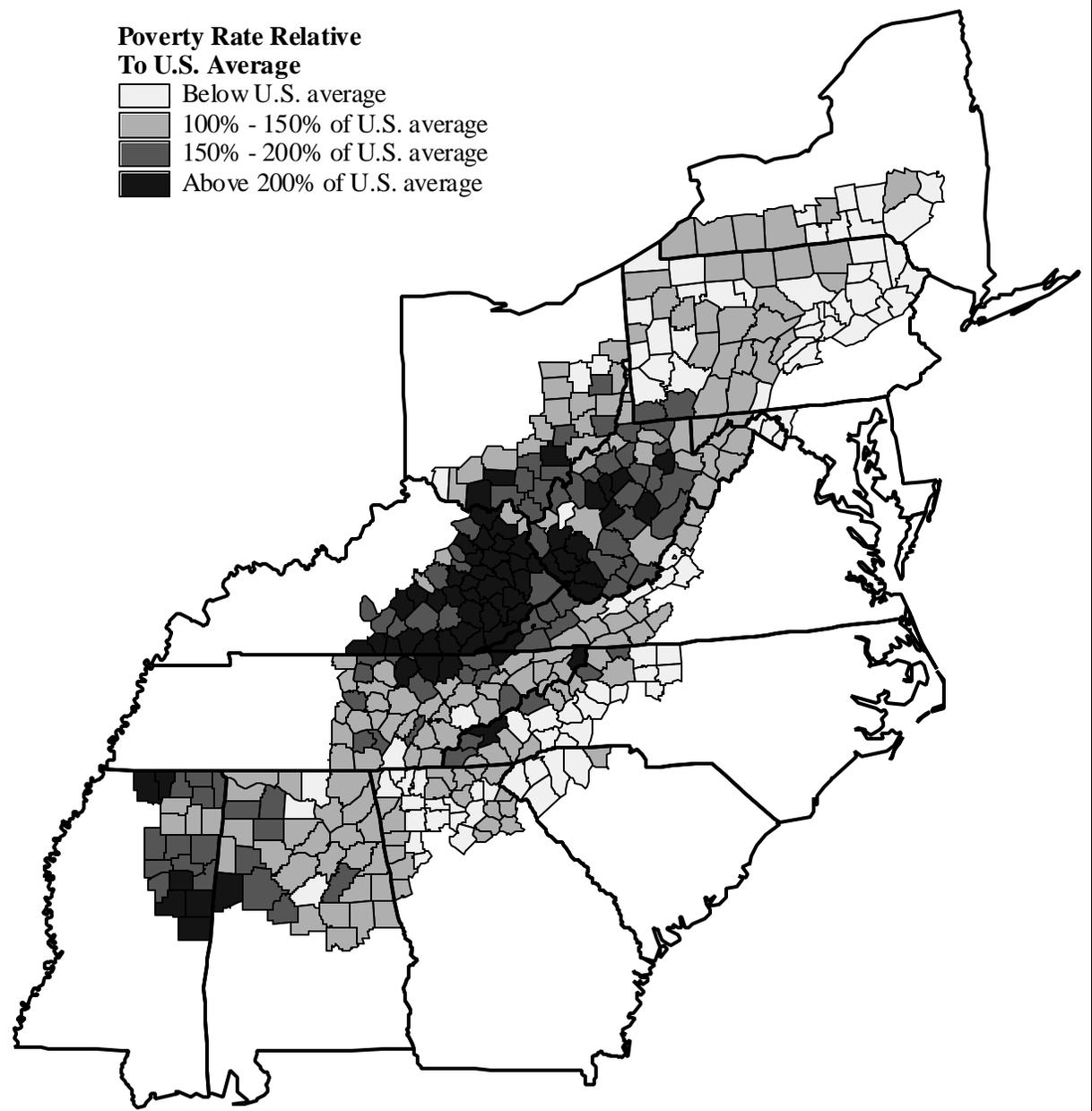
lowers the overall rate of poverty for Appalachia. And, since the poverty rate in Pennsylvania has increased since 1979, the overall decrease in Appalachia has been attenuated.

Geographical Distribution of Total Poverty, 1989, 1993, and 1995

The 1990 census's total poverty rates for Appalachian counties are shown in Figure 2.1 as a proportion of the total U.S. poverty rates. The four color categories correspond to poverty rates *relative to the U.S. average rate*. We compare the Appalachian counties to U.S. average rates to control for changes that merely reflect national trends and because in the calculation of *distressed* status the comparisons are also made to U.S. averages. The counties with relatively higher rates of poverty in 1989 were noticeably concentrated in Kentucky, as well as West Virginia, southern Ohio, and Mississippi.

A cursory examination of SAIPE poverty rates in 1993 (Figure 2.2) indicates that relative poverty rates have a similar geographical distribution across Appalachia as they did in 1989, particularly the concentration in eastern Kentucky and West Virginia, although the northern Kentucky/southern Ohio region had somewhat lower relative poverty rates in 1993. Figure 2.3 allows a closer examination of the change between 1989 (1990 Census) and the 1993 SAIP estimate. For example, although both Figure 2.1 and 2.2 indicate that eastern Kentucky had relatively high concentrations of poverty in both time periods, the black and white areas in Figure 2.3 indicate which counties experienced either *decreases* in their total poverty rates or below average increases compared to the U.S as a whole. Nearly all the eastern Kentucky counties experienced a relative decline in poverty of at least three percent better than the national average over the period and the remainder experienced a more moderate relative decline. The significant increases in poverty (more than three percent above the national average) in Appalachia between 1989 and 1993 according to the SAIP estimates were few and were isolated counties in West Virginia, Pennsylvania, northern Virginia, Tennessee, and Georgia. Poverty in eight of the ARC counties in eastern Tennessee increased at a greater rate than the national average, as did a few counties in northern Georgia and in the western Carolinas. Counties that experienced relative improvement from 1989 to 1993 were especially clustered in Mississippi, Alabama, eastern Kentucky, southern Ohio, and West Virginia.

**Figure 2.1:
Total Poverty,
ARC Counties, 1989 (Census)**



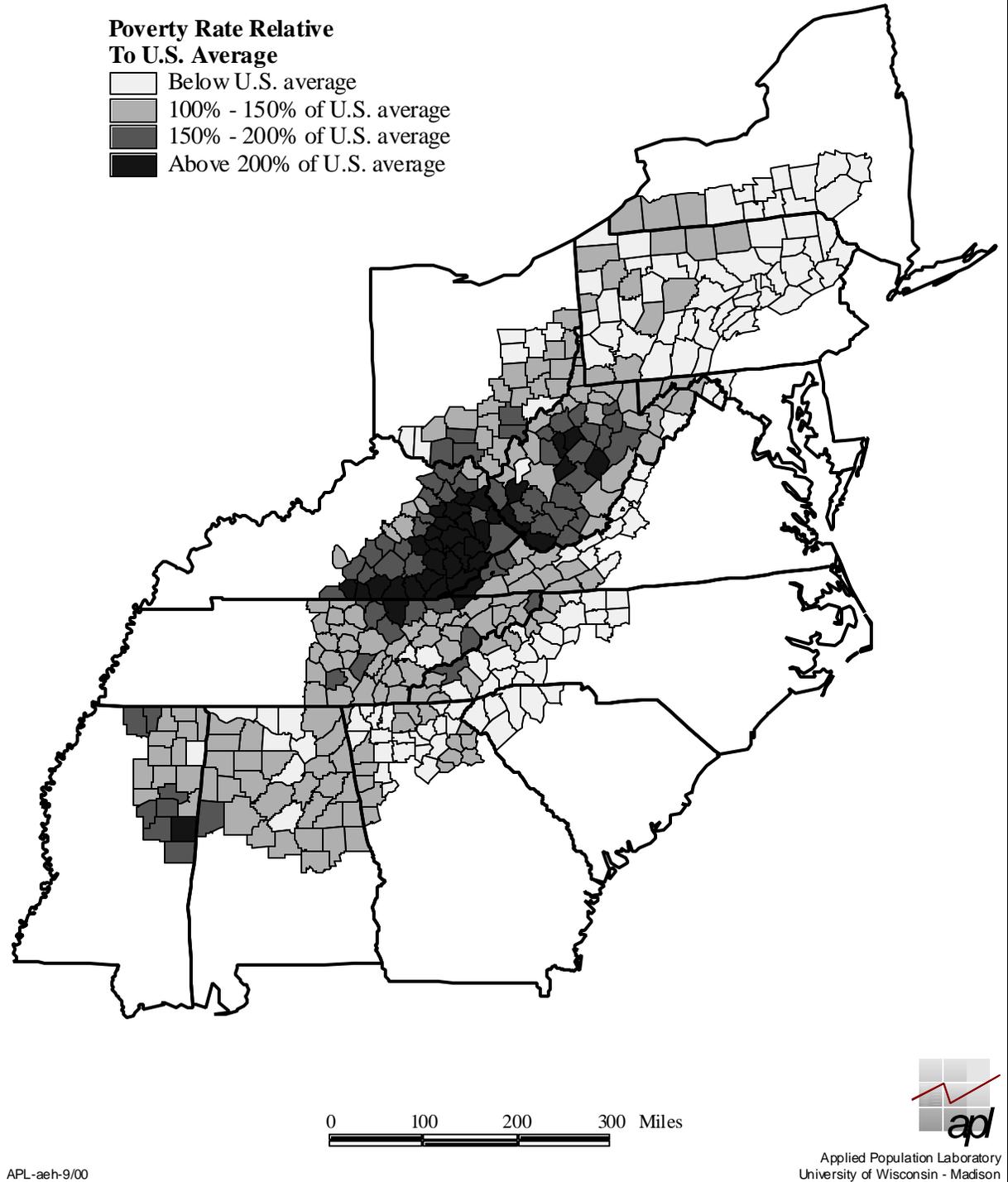
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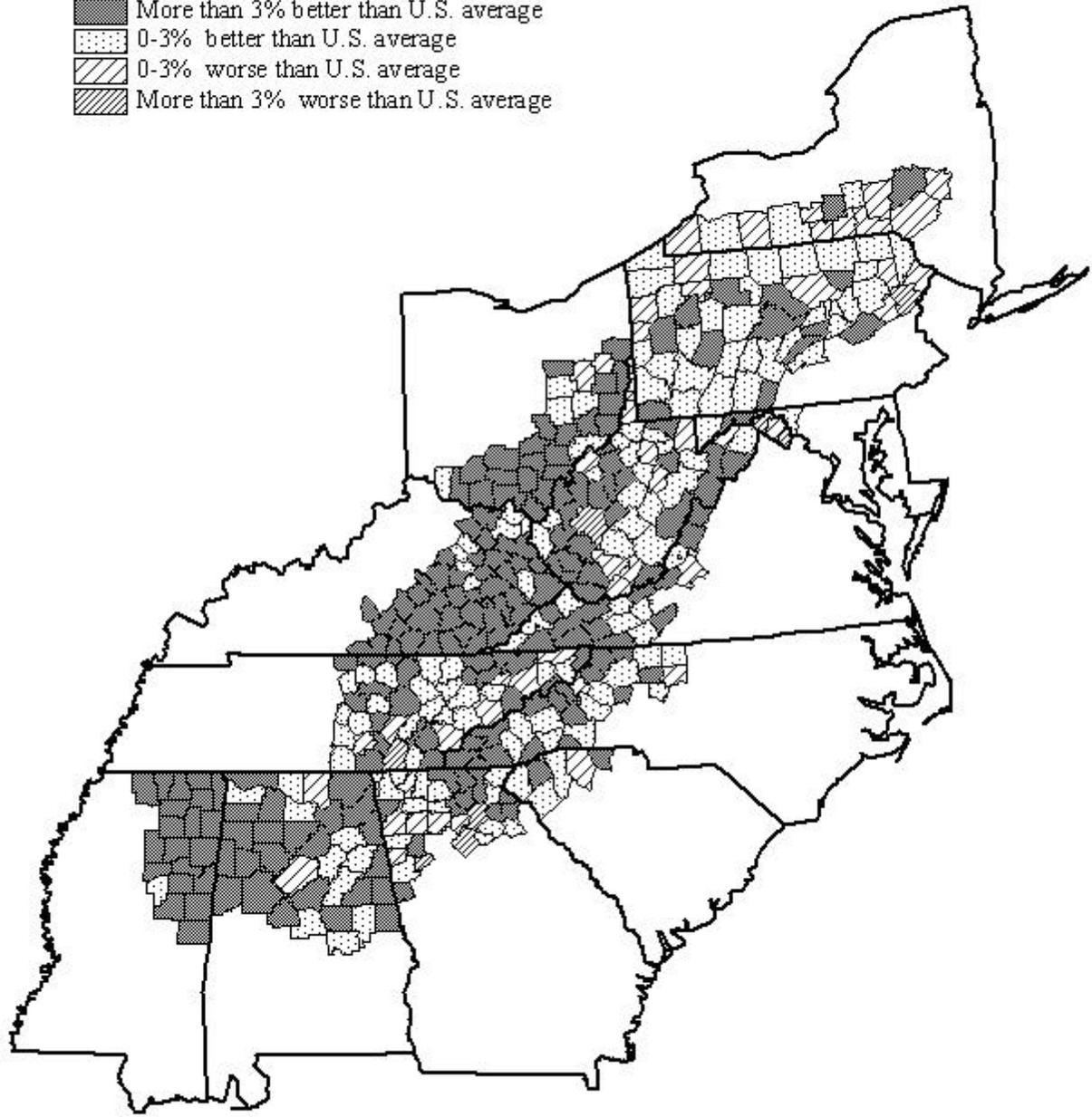
**Figure 2.2:
Total Poverty,
ARC Counties, 1993 (SAIPE)**



**Figure 2.3:
Change in Poverty,
ARC Counties, 1989-1993**

Percent Change in Poverty Relative to U.S. Average

-  More than 3% better than U.S. average
-  0-3% better than U.S. average
-  0-3% worse than U.S. average
-  More than 3% worse than U.S. average



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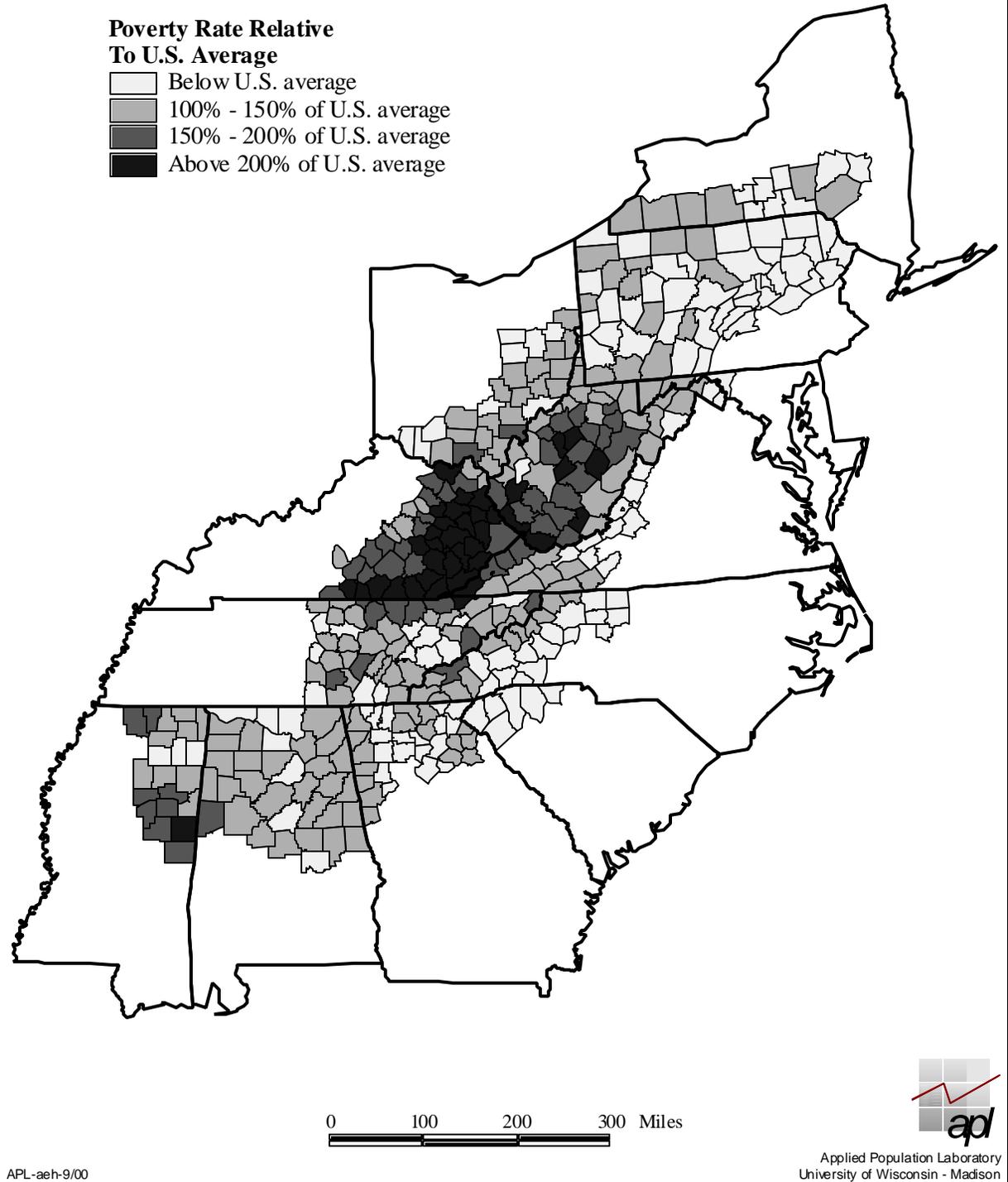


Again, the distribution of total poverty across Appalachia in 1995 looked remarkably similar to 1989 and 1993 with higher poverty counties clustered in eastern Kentucky and West Virginia (Figure 2.4). In contrast to the map of change between 1989 and 1993 (Figure 2.3), which indicated a relative decrease in poverty among most ARC counties, a large majority of ARC counties did not perform as well as the national average between 1993 and 1995 (Figure 2.5). The U.S. average poverty rate declined from 15.1 percent to 13.8 percent between 1993 and 1995, while poverty among Appalachian counties declined from an average of 16.1 percent in 1993 to 14.6 percent in 1995. The prevalence of light gray and dark gray colored counties in Figure 2.5 highlights the fact that distinct and concentrated areas of Appalachia did not perform as well as the national average. Indeed, eastern Kentucky, West Virginia, western sections of North Carolina and Virginia, and much of Alabama fall into this category. However, Mississippi, Pennsylvania, and especially Tennessee, and Ohio did experience relative declines in poverty during the decade. During the 1989 to 1995 period overall, Ohio and Mississippi experienced the most consistent relative declines in poverty across Appalachian counties followed by Pennsylvania, West Virginia, Virginia, Kentucky, Tennessee, and Georgia (Figure 2.6). Only the southern tier of New York counties consistently experienced a relative increase in poverty.

Development Districts

We also compiled total poverty rates for Appalachian counties by development district (Appendix C, Table 2). There are patterns through the early and mid 1990s that are worth highlighting. Many of the development districts continue to struggle with much higher than average poverty levels. Most of these districts are in Eastern Kentucky (Buffalo Trace, Gateway Area, Big Sandy Area, Lake Cumberland, Cumberland Valley and Kentucky River) and one of these districts is in Alabama (South Central Alabama). These districts started out with 1989 poverty rates of at least 25 percent and continued to have poverty rates of at least 25 percent in 1995. One district, the East Central district of Mississippi, started out with a high rate of poverty but according to the SAIP estimates, experienced a substantial decline in poverty between 1989 and 1995. This district's poverty rate declined from 33.0 percent to 24.1 percent over the six-year period. One district, West Virginia's district 4, experienced a large increase in poverty from

**Figure 2.4:
Total Poverty,
ARC Counties, 1995 (SAIPE)**

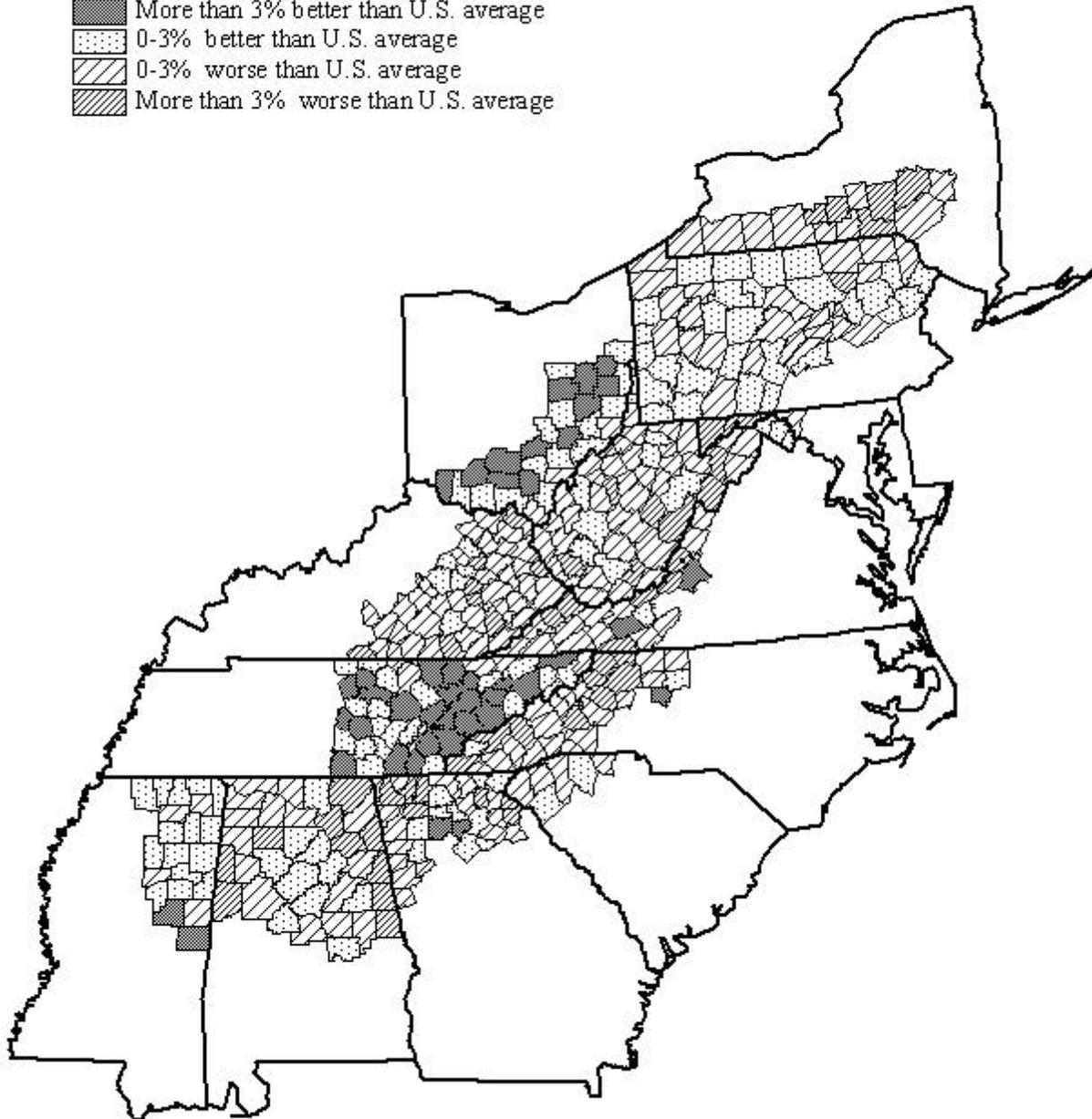


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**Figure 2.5:
Change in Poverty,
ARC Counties, 1993-1995 (SAIPE)**

Percent Change in Poverty Relative to U.S. Average

-  More than 3% better than U.S. average
-  0-3% better than U.S. average
-  0-3% worse than U.S. average
-  More than 3% worse than U.S. average

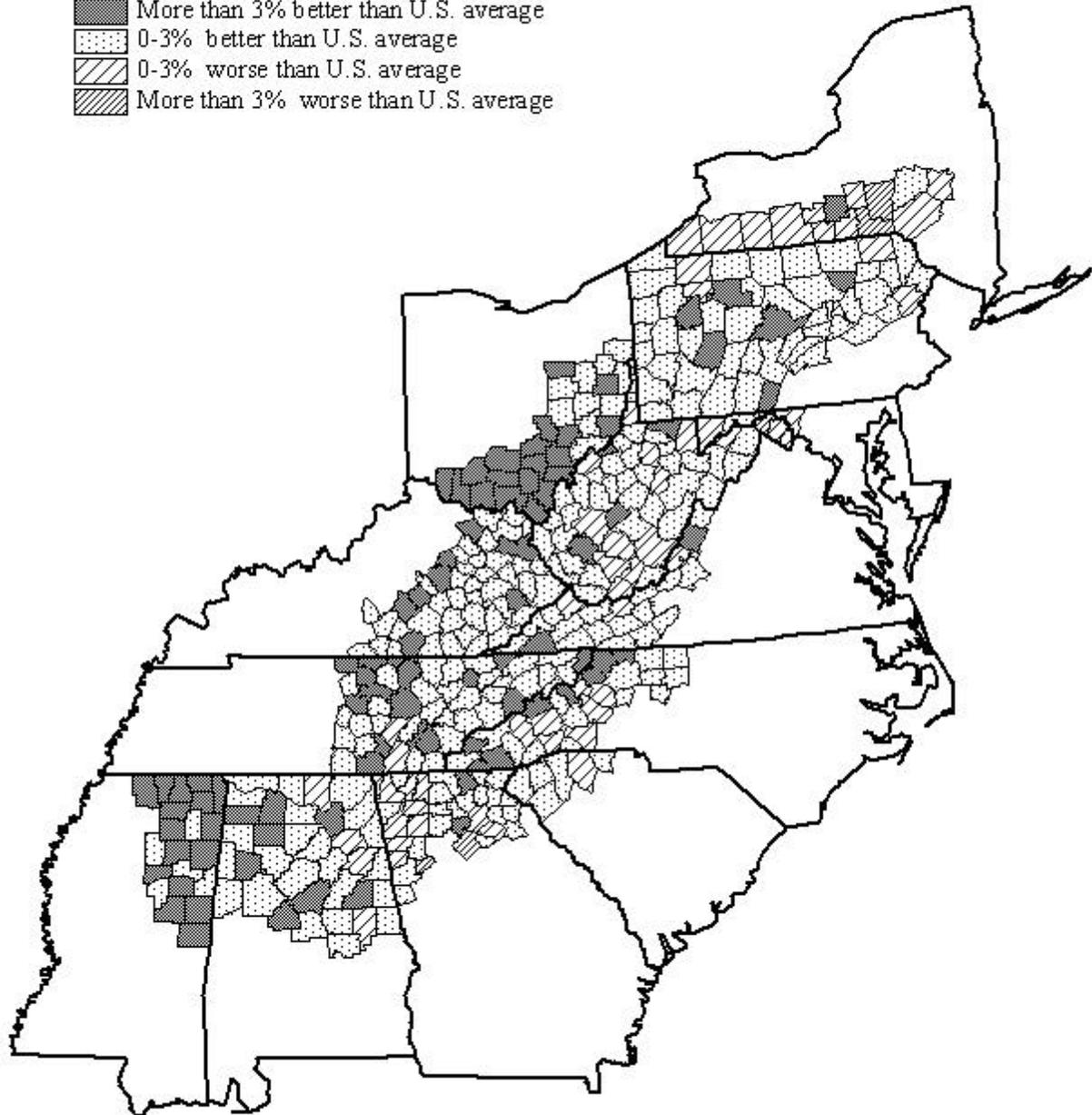


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**Figure 2.6:
Change in Poverty,
ARC Counties, 1989-1995**

Percent Change in Poverty Relative to U.S. Average

-  More than 3% better than U.S. average
-  0-3% better than U.S. average
-  0-3% worse than U.S. average
-  More than 3% worse than U.S. average



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1989 to 1995. It should be noted that every district in West Virginia experienced an increase in poverty during the period.

Total Poverty by Metropolitan Status

Similar to the U.S. as a whole, there is a difference in total poverty levels between metropolitan and non-metropolitan counties in Appalachia.⁶ Non-metropolitan counties historically have had higher poverty rates than metropolitan counties (Fuguitt, Brown and Beale, 1989; Lichter and McGlaughlin, 1995). This has also been the case in Appalachia. Throughout the period non-metropolitan counties have had an aggregate poverty rate about five percentage points higher than metropolitan counties (Table 2.3). This held true even in 1993 when the estimates tended to show that overall U.S. poverty increased in metropolitan areas while it stayed the same in non-metropolitan counties. The one exception to the difference is the 1989 Census poverty figures with a slightly greater, six percentage point difference, between metropolitan and non-metropolitan Appalachian counties. For 1989, the SAIPE poverty estimates did not capture the same increase in poverty between 1979 and 1989 measured by the decennial census. This could be an indication of the 1989 SAIPE model's relative inability to accurately predict poverty for counties with smaller populations.

Table 2.3:
Total (All Ages) Poverty Rates by Metropolitan Status in Appalachia

	Number of counties	1979 Census	1989 SAIPE	1989 Census	1993 SAIPE	1995 SAIPE
Metro	109	11.8%	12.0%	12.8%	14.0%	12.5%
Nonmetro	297	17.2%	17.1%	18.8%	18.9%	17.4%
ARC counties	406	14.1%	14.1%	15.3%	16.1%	14.6%

⁶ We use the 1993 delineation of metropolitan status (U.S. Census Bureau, 1992).

For more detailed information on the effect of population size and proximity to metropolitan counties, Table 3 in Appendix C provides aggregate Appalachian total poverty rates by the 1993 rural-urban continuum codes developed by the Economic Research Service of the U.S.D.A. (Butler and Beale, 1994). Overall, there is a gradient of poverty rates based on the metropolitan hierarchy code. The poverty rates among metropolitan counties are inversely related to their size classification. Thus the largest and core metropolitan counties have the lowest poverty rates. For non-metropolitan counties, the same pattern holds true with the caveat that adjacency status also matters. Counties that are less urban (fewer people) and not adjacent to metropolitan counties are more likely to have higher poverty rates. Over time, there isn't much change in this pattern. The only movement is that the largest counties have seen their poverty rates increase faster than the other counties. Additionally, the suburban counties in the largest metropolitan areas and the counties with no urban places have seen their poverty rates decrease over the period.

Total Poverty by Nonmetropolitan Social and Economic Function

Appendix C, Table 4 shows total poverty rates broken down by non-metropolitan social and economic function as developed by the Economic Research Service of the USDA (Cook and Miser 1994; See Appendix B for definitions). The table reflects the higher poverty rates that persist in Appalachian non-metropolitan counties as a whole. In each of the functional categories, the poverty rate for classified counties has decreased during the 1990s. Throughout the period, manufacturing and retirement destination counties have had the lowest poverty rates in Appalachia. By the mid-1990s, poverty in Appalachian retirement-destination counties had fallen below the national average. Not surprisingly, counties with the persistent poverty designation have had the highest rates of poverty throughout the period. These are counties that have maintained high poverty levels since the 1960 census. Persistent poverty counties in addition to government and agricultural counties do demonstrate the biggest decreases in the percent of persons living at or below poverty during the nineties. Lastly, the mining counties highlight the changes mentioned earlier with a large increase in poverty rates between 1980 and 1990 that remained high throughout the period.

Considering the Starting Level of Total Poverty and Subsequent Change

Examining changes in poverty without a starting reference point can obscure the fact that while there are counties that significantly *increased* their total poverty rate, many of these counties still had relatively *low* rates even after the increase. The worsening trend, therefore, does not necessarily place these counties in a worse position relative to counties with higher rates of total poverty. For example, between 1989 (1990 Census) and 1993, counties could experience among the highest rates of increase in poverty, yet their poverty *level* among counties could remain low. This example illustrates our conviction that a comparison of changes in total poverty rates is more meaningful when the *relative* starting levels of county poverty are taken into account. To study change, therefore, we jointly consider shifts in total poverty and starting levels prior to those shifts. We cross-classify counties according to their relative *levels* of total poverty in 1989 (above or below average) with their subsequent *change* in poverty between 1989 and 1993 (above or below average). Likewise, counties are jointly grouped according to their relative levels of total poverty in 1993 and their relative change in poverty rates between 1993 and 1995.

The following tables and corresponding maps show how Appalachian counties fit into the four categories based on the comparison of individual counties with the national level of poverty at the beginning of the period and the comparison with the national change in poverty during the period. Those counties labeled “Best” (light gray) had below average levels of total poverty *and* decreased their poverty over the time period, or had below average increases. Those counties labeled “Worrisome” (dark gray) also began with below average levels of poverty, but experienced above average increases in poverty over the time period. Counties labeled “Hopeful” (white) started the period with above average levels of poverty, but decreased their poverty rates, or experienced below average increases, over the time period. Counties labeled “Worst” (black) had above average levels of total poverty *and* above average increases in poverty.

Table 2.4 shows a cross-tabulation of the 1989 poverty rates in Appalachia as determined by the 1990 Census and by the change in poverty rates between 1989 and the 1993 SAIP estimates. Here, the national benchmark for initial level of total poverty is 13.1 percent and the national

change in the total poverty rate over the four years was an increase of 3.8 percent. The percent of Appalachian counties with higher than average poverty rates was over 76 percent. A higher percentage of counties (85.2 percent) had poverty rates that were either decreasing or not increasing as rapidly as the national average. The largest proportion of counties (70.4 percent) fit into the *Hopeful* category with a higher than average starting level of poverty in 1989 but a lower than average change in poverty between 1989 and 1993. Over 14 percent were considered to be in the *Best Position* (low starting rates and smaller than average increases), while only 6.3 percent of Appalachian counties were categorized as *Worst* (high starting rates and higher than average increases).

Table 2.4:
Relative Poverty Position of Appalachian Counties, 1989-1993

Level	Change in Total (all ages) Poverty Rate Less Than U.S. ($< +3.8\%$)	Change in Total (all ages) Poverty Rate Greater Than U.S. ($> +3.8\%$)	Total
Counties Below U.S. Poverty Rate in 1989 ($< 13.1\%$)	<i>Best</i> 59 14.8%	<i>Worrisome</i> 34 8.5%	93 23.3%
Counties Above U.S. Poverty Rate in 1989 ($> 13.1\%$)	<i>Hopeful</i> 281 70.4%	<i>Worst</i> 25 6.3%	306 76.7%
Total	340 85.2%	59 14.8%	399 100%

The comparison between Tables 2.4 and 2.5 allows us to contrast the distribution of these county types in Appalachia to the U.S. as a whole. The distribution of U.S. counties among these four categories differs somewhat, with almost a quarter of U.S. counties categorized as *Best* between 1989 and 1993, and only 5.1 percent categorized as *Worst*. A somewhat smaller percentage of U.S. counties were categorized as *Hopeful* and a higher percentage were categorized as *Worrisome*, relative to Appalachian counties.

Figure 2.7 displays the spatial distribution of these four county types for the time period 1989-1993. All of the Appalachian counties in Kentucky that had relatively high poverty in 1989 either decreased their poverty rates, or increased less than the national average and are therefore labeled *Hopeful* (white). There were no strong clustering patterns of *Best* counties, although western North Carolina and Pennsylvania had a disproportionate share. Pennsylvania, New

Table 2.5:
Relative Poverty Position of all U.S. Counties, 1989-1993

Level	Change in Poverty Rate Less Than U.S. ($< +3.8\%$)	Change in Poverty Rate Greater Than U.S. ($> +3.8\%$)	Total
Counties Below U.S. Poverty Rate in 1989 ($< 13.1\%$)	<i>Best</i> 722 23.1%	<i>Worrisome</i> 424 13.5%	1,146 36.6%
Counties Above U.S. Poverty Rate in 1989 ($> 13.1\%$)	<i>Hopeful</i> 1,824 58.3%	<i>Worst</i> 160 5.1%	1,984 63.4%
Total	2,546 81.3%	584 18.7%	3,130 100%

York, and Georgia had a significant number of counties with lower than average poverty rates in 1989, but many of these counties increased their poverty rates at a rate greater than the national average of 5.8 percent for the period, and therefore were labeled *Worrisome* (dark gray). The Appalachian counties labeled *Worst* were largely clustered in West Virginia, and to a lesser degree along the Tennessee/North Carolina border. Two counties in Georgia and two in New York were also labeled worst due to having poverty rates just above the national average in 1989 and then experiencing a greater than average increase in poverty during the period.

Tables 2.6 and 2.7 show the *Relative Poverty Positions* for Appalachian and U.S. counties between 1993 and 1995. In contrast to the increase in poverty between 1989 and 1993, the U.S. experienced a decline in poverty (-4.3 percent) between 1993 and 1995. About 41 percent of Appalachian counties experienced an even more significant decline in poverty rates than U.S. counties on average, while 59 percent did not perform as well. Only thirteen percent of Appalachian counties were considered to be in the *Best* category, compared to 25.7 percent of all U.S. counties. Appalachia also had proportionately more counties categorized as *Worst* than did the U.S. (39.8 percent versus 35.3 percent). It is important to remember that counties whose poverty rates declined, but not as much as the national average, would be categorized as experiencing a *relative worsening trend* in total poverty. This could partially account for the significant jump in counties categorized as *Worst* in Appalachia.

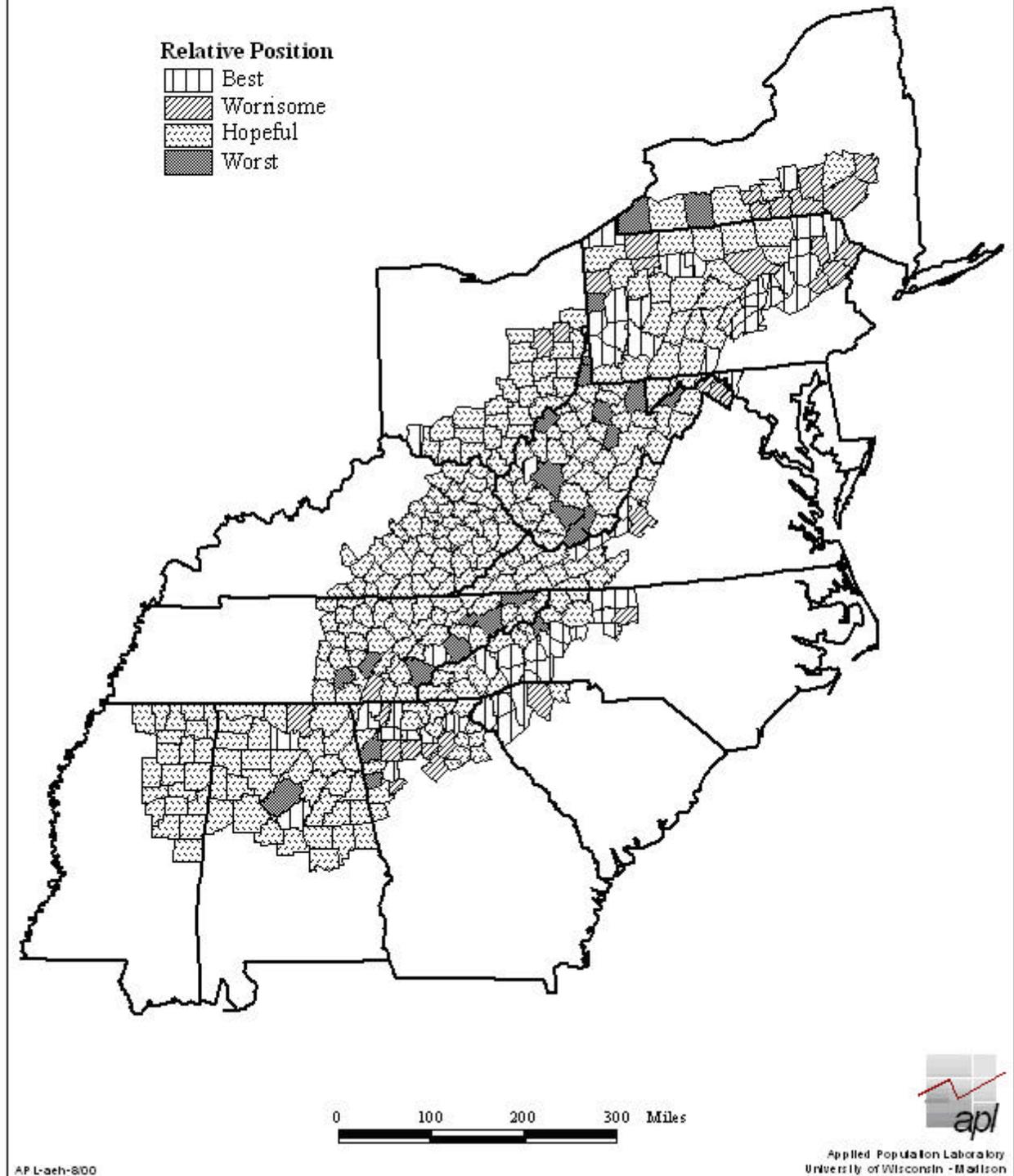
Table 2.6:
Relative Poverty Position of Appalachian Counties, 1993-1995

Level	Change in Poverty Rate Less Than U.S. ($< -4.3\%$)	Change in Poverty Rate Greater Than U.S. ($> -4.3\%$)	Total
Counties Below U.S. Poverty Rate in 1993 ($< 15.1\%$)	<i>Best</i> 52 13.0%	<i>Worrisome</i> 77 19.3%	129 32.3%
Counties Above U.S. Poverty Rate in 1993 ($> 15.1\%$)	<i>Hopeful</i> 111 27.8%	<i>Worst</i> 159 39.8%	270 67.7%
Total	163 40.9%	236 59.1%	399 100%

Table 2.7:
Relative Poverty Position of U.S. Counties, 1993-1995

	Change in Poverty Rate Less Than U.S. ($< -4.3\%$)	Change in Poverty Rate Greater Than U.S. ($> -4.3\%$)	Total
Counties Below U.S. Poverty Rate in 1993 ($< 15.1\%$)	<i>Best</i> 805 25.7%	<i>Worrisome</i> 780 24.9%	1,585 50.6%
Counties Above U.S. Poverty Rate in 1993 ($> 15.1\%$)	<i>Hopeful</i> 442 14.1%	<i>Worst</i> 1,105 35.3%	1,547 49.4%
Total	1,247 39.8%	1,885 60.2%	3,132 100%

Figure 2.7:
Relative Poverty Position,
ARC Counties, 1989-1993



The spatial distribution of these four county types for the time period 1993-1995 appears in Figure 2.8. Although most of the Appalachian counties in Kentucky had been labeled *Hopeful* between 1989 and 1993, between 1993 and 1995 their designation predominantly changed to *Worst*. The *Worst* relative position and change counties were concentrated in Kentucky, West Virginia, western Virginia, along the North Carolina/Tennessee border, and along the eastern and western boundaries of Alabama. Again, we emphasize that certain counties labeled as “worst” may have decreased their rates of poverty, but less than the national average. Therefore, while those counties may have improved their position compared to the previous time period, their *relative* position with regard to U.S. averages remained or became “worst.”

Finally, Table 2.8 provides the breakdown of counties for Appalachia and the U.S. as a whole by status above or below the national poverty level. Appalachian counties were still more likely to have poverty rates above the national average than all U.S. counties. Slightly more than two-thirds of Appalachian counties had poverty rates above the U.S. national poverty rate. During the time period covered by this analysis, a declining number of Appalachian counties exhibited these high poverty rates. Between the 1979 census and the 1995 SAIP estimates, a net of 38 counties moved from having higher than average poverty rates to lower than average poverty rates. Interestingly, most of this decline occurred between the 1979 and 1989 census, a period when the *overall* Appalachian poverty rate increased faster than the national poverty rate.

Table 2.8:
Poverty levels for Appalachian and U.S. counties using SAIPE estimates for 1995.

	Appalachia	United States
Below U.S. Poverty Rate in 1995 (< 13.1%)	128 31.5%	1,485 47.3%
Above U.S. Poverty Rate in 1995 (> 13.1%)	278 68.5%	1,656 52.7%