

Census 2000: Key Trends and Implications for Cities

By: Lindsey Springer, Research Associate, CERC

October 2003

Census data are important for understanding the status of our major cities, which are the driving force behind the U.S. economy. With this data, it is possible to forecast problems more accurately, and think of appropriate strategies to deal with problems as they arise. An example of this was shown in a recent lecture to students at Macalester College in St. Paul, Minnesota. Bruce Katz (vice president of the Brookings Institution) presented data from the 2000 Census and findings about major cities across the nation. Five major trends became apparent when examining this data:

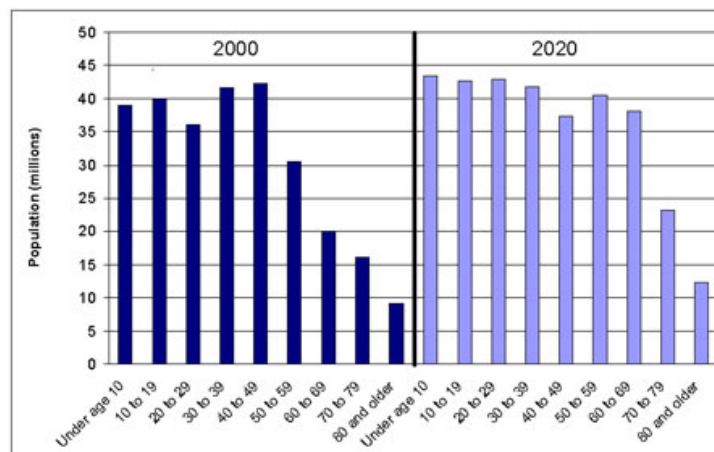
Population resurgence and decentralization

- Population growth in the "New Sunbelt"
- Aging of the "baby boom" population
- Immigration
- Widening inequality between low and high-income households

Overall growth in large cities was (-1.6) percent in the 1970s, 6.3 percent in the 1980s and 9.8 percent in the 1990s. Although recent growth was substantial, the population also decentralized into surrounding suburban areas in almost every metro area in the U.S. This is shown to be a nation-wide occurrence. The states that have been named "The New Sunbelt" are those located in the southeast and west such as Florida, Virginia, Texas, Arizona and Nevada. These states have seen the largest growth in population in the U.S. This growth is mostly due to domestic migration from the old "Sunbelt" region such as California. However, most of these states have experienced decentralized population growth as well.

When it comes to the "baby boomers," most of these people also live in the suburbs, and plan to stay there. Their households are getting smaller as their children grow up and move away. As shown in the chart below, Katz surmises that by 2020 the population distribution will not be so uneven. The basic premise is that by the time the baby boomer generation moves up from the 40-59 age range to the 70 and older age range, the large number of people aged from infant to 30 will move up to take their place, and new births will fill the space left by these previous young people. As distribution by age of the population becomes more balanced the pyramid in the middle of the chart moves to the left and the tail, or downward slope, of the pyramid starts to disappear. Because of the shape of the relative graph, this theory is called "a pyramid to a pillar."¹

Population Outlooks: 2000 and 2020



In 2000, the top 100 cities in the U.S., according to population, were what Katz called "majority minority" with 44 percent of the city's population white and the other 56 percent comprised of minorities. In the 1990s through 2000, the foreign-born share of the population was almost as high as the rates of immigration of the early 1900s. When looking at these major cities, it becomes apparent that inequality is alive and well by the fact that these cities are losing their middle-class households. The size of the middle class in the U.S. is shrinking as educational attainment becomes more crucial to finding good employment.

By using the Census data, Katz categorizes the major cities into four groups with defined characteristics. The first category is the "Coastal Giants." These are cities such as Boston, New York, Chicago or Los Angeles. They have stable population growth, strong immigration, high inequality and very high housing costs. The next category is the "Talent Magnets," which includes cities such as Atlanta, Austin, Portland (OR), Seattle or Denver. These cities have high population growth, but significant decentralization. They have both high immigration and domestic migration, and their housing costs are rapidly rising. The third class of cities is the "Regional Hubs" that includes Columbus (OH), Dallas, Kansas City and Nashville. These cities have moderate growth, lower but rising immigration, a strong middle class, high levels of employment opportunities and more affordable housing. The last category of cities is the "Challenged Cores." Hartford, Miami, Newark, New Orleans, Buffalo and Baltimore all fall under this category. These cities have significant population declines, little to no immigration, low levels of educational attainment, and moderate priced housing that is out of reach for many residents.

To conclude his lecture, Katz used the information gathered from the Census to come up with an agenda for competitive cities. This agenda includes:

1. **Fix the basics.** Have good schools, safe streets, competitive taxes, modern infrastructure, and a functioning real estate market.
2. **Build on assets.** Increase fixed institutions such as universities and hospitals, have employment clusters, improve the downtown and waterfront areas, and support cultural institutions and parks.
3. **Create quality neighborhoods.** There should be neighborhood markets, access to capital, mixed-income communities, and home ownership opportunities. Next is to build family wealth. Families should have access to quality jobs, income and work support. They should also have access to financial institutions and be able to build their assets.
4. **Improve governance and infrastructure.** There should be metropolitan governance, land-use and transportation reform. There should also be access to metropolitan opportunity and urban reinvestment.

Riche, Martha. "Implications of Changing U.S. Demographics for Housing Choice and Location in U.S. Cities." The Brookings Institute March 2001