

Income Inequality and Minority Group Status in Upstate Metropolitan Areas

In an earlier post, I pointed out that residents of upstate metropolitan areas actually have incomes that are somewhat higher than the average for other cities in the so called “rust belt” – cities located in the old manufacturing regions of the Northeast and Midwest. But, the largest upstate cities – Buffalo, Rochester and Syracuse have greater concentrations of poverty than average, while their suburbs have lower levels of poverty than comparable cities, creating a high degree of economic segregation.

Minority group status and location within an upstate central city are strongly related to economic disadvantage. Large income differences exist between minority group residents of central cities, and white residents. Nationally, the median [\[1\]](#) family income was \$68,426 in 2014. Nationally, black/African-American families averaged \$42,711, while families identifying as Hispanic or Latino averaged \$44,013. Families identifying as white (not Hispanic or Latino) averaged \$73,974. [\[2\]](#) But in one upstate city, the median income for Hispanic and Latino families was only \$18,149, while in the suburbs of another upstate city, white [\[3\]](#) families averaged \$91,693.

Median Family Incomes in Upstate Cities

	Median Family Income – 2014		
	Black	Hispanic	White
Albany	\$39,077	\$29,268	\$84,422
Buffalo	\$29,155	\$21,803	\$55,516

Rochester	\$28,752	\$23,717	\$56,178
Utica	\$22,975	\$18,149	\$51,043
Syracuse	\$27,902	\$23,438	\$57,246
Troy	\$21,563	\$20,061	\$60,843
Schenectady	\$27,338	\$25,111	\$62,818

There is a large gap between the median incomes of minority families in upstate cities and those of minorities nationally, and a huge gap between minority incomes in upstate cities and those of white residents of those cities – the median income of whites in upstate cities is two to three times that of blacks and Hispanics. To give a sense of just how poorly minority families are doing in upstate cities, in every city, except for black families in Albany, minority median family incomes are below what would be earned by a worker making the minimum wage proposed by the Governor – \$15 per hour, working 40 hours each week.

In five of seven upstate cities, the median incomes of white families were more than twice those of Black and Hispanic residents. In Buffalo and Rochester, white median incomes were 1.9 times those of black residents, and more than two times those of Hispanics.

In each upstate city, except Albany, the median income of black families was less than half of the national median. In two cities – Utica and Troy, the median income for black families was one-third of the national median. For Hispanic families in Utica, the median family income was only one quarter of the national median for all races/ethnicities. In Buffalo and Troy, the median family income for Hispanics was less than one third of the national median for all races. White families in upstate cities had median incomes that were below the national median for all races in most cases (except Albany, which was above the national median. But in each case, median incomes of white city families ranged from 75% to 90% of the national median.

Compared to the median income for all black families in America (\$42,711), black families in upstate cities had substantially lower median incomes. The average black family income median in upstate cities was \$28,019. In Troy, black families had a median income of \$21,563, only half of the national median. In Utica, the median income for black families (\$22,975) was only 54% of the national black family median.

The picture was just as grim for Hispanic families living in upstate cities. For Hispanic families, the average upstate median income was \$22,047. In Utica, the the median income for Hispanic families – \$18,149 – was only 40% of the national median for Hispanic families, and only 26.5% of the national median for all races and ethnicities. In Buffalo and Troy, median Hispanic family incomes were less than half of the median income for all Hispanic families in the nation. Hispanic families in Troy and Buffalo had median incomes that were less than one third of the median income for all races and ethnicities.

Median Family Incomes Outside Upstate Cities

Families living outside central cities in upstate counties had substantially higher median incomes than central city residents – regardless of racial or ethnic background. In the case of blacks and Hispanics, suburban families had median incomes that were approximately twice those of black and Hispanic families in cities. But, racial and ethnic differences were significant in suburban areas as well – minority families had median incomes that were substantially lower than those of white families.

Note that the estimates of median family incomes outside central cities have been estimated from available county and city median income data.[\[4\]](#) Most residents of the counties where upstate cities are located live outside the cities. Even outside the cities, there are significant disparities

between the median incomes of minority and white families. However, median incomes for minority and white families within counties outside central cities are significantly higher than those in the cities.

	Median Family Income – 2014		
Outside City	Black	Hispanic	White
Albany	\$67,400	\$78,594	\$91,693
Buffalo	\$39,001	\$44,463	\$77,996
Rochester	\$44,716	\$44,179	\$81,432
Utica	\$50,785	\$34,792	\$70,457
Syracuse	\$48,187	\$57,778	\$80,714
Troy	\$47,521	\$67,381	\$84,992
Schenectady	\$65,062	\$52,505	\$88,674

Black families in outside of central cities in upstate counties had median incomes ranging from \$39,001 in Erie County, outside of Buffalo, to \$67,400 in Albany County outside of Albany, averaging \$51,810. While these incomes were substantially below those of white suburban residents – for example the median income for white families in Albany County outside Albany was \$91,693, and \$77,996 in Erie County outside Buffalo, they were substantially above the median incomes for black families in central cities. For example, the median income for black families in the city of Albany was \$39,077, while in Buffalo, it was \$29,155. On average, the median incomes of white families living outside central cities in upstate counties was 62.8% higher than that of black families.

The median family income of black families living outside upstate cities was lower than that of all families nationally – ranging from 57% of the national median in Buffalo to 99% of the median in Albany. Compared to the national median income

for black families (\$42,711) black families living outside central cities median incomes were higher in all upstate counties, except Erie County outside Buffalo.

For Hispanics, the pattern was similar. Hispanic family median incomes averaged \$54,342 in counties outside upstate central cities. Hispanic families in Utica had a median income of \$18,149, but Hispanic families outside Utica had a median income of \$34,792. The median income of white families living in Oneida County outside Utica was \$70,457. On average, the median incomes of white families living outside central cities in upstate counties was 59.1% higher than for Hispanic families. Hispanic families living in upstate counties outside central cities, other than in Oneida County outside Utica, had median incomes that were higher than the national median for Hispanics.

Where Minority and White Families Live

Given that most residents of upstate metropolitan counties live outside central cities; a reader might conclude that because minority families living in suburban communities have substantially higher incomes than minority families, there are many minority families who have relatively high incomes. In fact, the level of residential segregation is very high in suburbs outside upstate central cities. Minority families make up very small percentages of suburban populations in upstate metropolitan areas.

Percent of Population		
Outside City	Black	Hispanic
Albany	2.7%	2.7%
Buffalo	3.3%	2.0%
Rochester	4.3%	3.0%
Utica	0.9%	1.0%

Syracuse	2.3%	1.8%
Troy	0.9%	2.0%
Schenectady	1.4%	1.4%

In the counties surrounding upstate cities, minority families make up substantially less than 10% of families – in Oneida County, less than 2% of all families. Outside Syracuse, only 2.3% of families identified themselves as black/African-American, while 1.8% identified themselves as Hispanic. Outside Rochester, 4.3% of families identified themselves as black and 3% of families were Hispanics. These numbers stand in stark contrast to the percentage of minority families in upstate cities.

Percent of Population		
Central City	Black	Hispanic
Albany	35.2%	8.0%
Buffalo	40.5%	10.4%
Rochester	44.8%	18.2%
Utica	13.6%	10.0%
Syracuse	33.4%	8.0%
Troy	16.6%	8.8%
Schenectady	19.0%	9.7%

While 7.4% of families living in Monroe County, outside Rochester were blacks or Hispanics, 63% of Rochester families were members of these minority groups. In Syracuse, 41% of families were black or Hispanic, while in Onondaga County, outside Syracuse only 4.2% of families were black or Hispanic.

Implications

Upstate New York metropolitan areas are not post-racial communities. White families living outside of central cities in upstate counties are the majority of county families.

Minority group members constitute a tiny fraction of suburban populations. Median incomes of white families living in suburban communities are substantially higher than the medians for all families and for white families nationally.

Minority families are concentrated in central cities – few enjoy the benefits of suburban housing and school systems. Typical black and Hispanic families bear a heavy burden of economic inequality. Median family incomes for minority city residents are very low – only one quarter to one third of the median incomes of white suburban residents.

The contrast between the relative affluence of suburban families and minority residents of central cities is extreme. Consider that in Rochester, the median black family income was \$28,752 in 2014 and of Hispanic families \$23,717 while white families in Monroe County outside Rochester had a median income of \$81,432. In Schenectady, the median income for black families was 27,338 and for Hispanic families \$25,111, but the median for white families in Schenectady County was \$88,674.

The causes of minority group members' privation have been discussed elsewhere – weak educational backgrounds that lead to limited job-skills, single parent families that can't get good jobs, high levels of incarceration, and limited access to public transportation, among others. There are no easy solutions to these problems, but there are many approaches to helping low income people in central cities. Among them are:

- Strengthen early child development interventions that promote better parenting, and provide more resources to help low income families access early childhood education options.
- Help low income parents access better child care options by providing access to all disadvantaged children.
- Consider adopting classroom management approaches used by successful charter schools in center city public

schools.

- Reduce the concentration of economically disadvantaged students in central cities through strategies like inter-district magnet schools.
- Employ “dual-generation” assistance models for low income families that integrate a range of health, social and other services in local schools.
- Leaders should emphasize to targeted audiences how difficult it is to raise children without a committed co-parent.
- Offer a range of birth control measures, including long acting forms for free.
- Strengthen SNAP (food stamp) administration. Because of wide variability in food stamp usage rates among eligible populations, consider state administration and increase the number of sites for in-person verification.
- Consider providing a state supplement to the SNAP program to ensure more adequate support for nutrition.
- Enhance support for community college programs that provide industry specific skills in high demand fields.
- Support efforts to provide community college training with flexible class scheduling, and short modules outside traditional AA or certificate programs.
- Increase or supplement the Earned Income Tax Credit – the program is an effective work incentive. Increasing benefits would provide more adequate support for low income families.
- Expand or supplement the Child Tax Credit – make it fully refundable.
- Consider increasing the minimum wage. Though trade-offs are likely in the form of increased unemployment if the minimum wage is raised to \$15, a more moderate increase would provide a better balance between assisting low income workers, and potential lost jobs.
- Address the negative impacts of high levels of incarceration in the minority male population. Consider ways to reduce the impact of “stop and frisk” policing

strategies, reduce penalties for non-violent crimes, reduce barriers to employment for those who have completed prison sentences.

- Focus on developing better public transit access to work sites and community college locations for central city residents.

Despite the stark reality of the economic and residential segregation of minority groups in upstate metropolitan areas, little attention has been paid to this problem at the state level. The question is why political leaders haven't made the economic deprivation of minority residents of central city residents a top policy priority, and how the needs of low income inner city residents can become a priority for them.

[\[1\]](#) The income at which half the families have greater incomes and half the families have incomes that are lower.

[\[2\]](#) Source: U. S. Census Bureau, American Community Survey – 2014-2010, 5 year average data.

[\[3\]](#) Henceforth I will refer to voters who identify as “white, not Hispanic or Latino” as “white.”

[\[4\]](#) The products of median incomes and the number of families were calculated for counties and cities. City totals were subtracted from county totals, and the result divided from the number of outside city families to derive median income estimates for outside city families.