Experts try to find explanations for poverty rate in Davidson

By JAY HAMBURG
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It's a difficult paradox.

The cultural, social and entertainment activities in Nashville-Davidson County continue to attract people and businesses to the region.

Two small cities in Davidson County, Belle Meade and Forest Hills, are the richest in the state.

And the metropolitan region as a whole lowered its overall poverty rates and its percentage of children in poverty in the 1990s.

But Davidson County's poverty rates remained relatively high and virtually unchanged during the same period.

The disparity between Nashville and surrounding suburban counties worries Ed Cole. He is director of Cumberland Region Tomorrow, a nonprofit group that tries to encourage planned growth across the region.

"It can get to be a spiral," Cole said, noting that if the discrepancy becomes too great, then Nashville could become a less attractive area and Davidson County could face "a day of reckoning."
Figuring out how to avoid that negative turning point while nurturing continued growth is one of the missions of his group. But finding a definitive analysis, much less a solution, is difficult.

"I don't have a quick, easy answer," Cole said. "We may be seeing wealthier people going out of Davidson and poorer people coming in."

Middle Tennessee State University economics professor David Penn noted that Nashville has a widespread, eight-county metro area with several large communities such as Murfreesboro, Franklin and Hendersonville, where residents may get more land and more house for their dollar without giving up conveniences or services.

The Nashville metropolitan area has the largest percentage of population residing outside its core county when compared with seven other similar-size metro areas that include places such as Charlotte and Memphis.

It's possible, as some economists and demographers speculate, that as welfare-to-work rules forced more people to look for jobs, many folks came from the outlying rural counties to Nashville to look for work. However, if they took lower-paying jobs that left them below the poverty line or could not find jobs, they may have remained to take advantage of the higher concentration of social services in a more urban setting.

But if true, that's still just a piece of the overall picture. While working women who raise children alone may easily fall below the poverty line, other comparable cities also saw increases in single-parent families — and also saw their poverty rates drop.

Another possible explanation is that as more Hispanics arrived in the 1990s, many came to start out on the lower end of the economic scale.

Davidson did have a large increase in Hispanics, and some of those came to take lower-paying jobs.

But, again, that appears to be just a part of the picture, because Mecklenburg County (Charlotte), N.C., had larger increases in the number of Hispanics and still lowered its poverty rate.

The Davidson statistics may reflect a temporary, strange blip that will improve if the economy doesn't falter, said William Fox, an economics professor at the University of Tennessee-Knoxville.

"Because Nashville has been a fast growth area, you may be attracting a lot of people who get categorized as in poverty, but they may not remain there," said Fox, director of UT's Center for Business and Economic Research. "If someone thinks the Davidson-Nashville is an attractive place to start out, that's not the same thing as a long-term poverty problem."

But it's far from clear whether those who moved here to find lower-wage
work will move up the economic ladder or move out of the area in search of a better job climate.

"We have a lot to learn about this in Nashville and the Southeast," said William Frey, a demographer at the University of Michigan's Population Studies Center. "Those folks are new to the area and their assimilation is new. They don't have a long-term commitment to the community yet."

That's because, Frey noted, many of the new arrivals on the lower rungs are both vulnerable to small changes in the economy and willing to move to the next best place for work.

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