Migration and Persistent Poverty in Rural America: A Case Study from Central Appalachia

by

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Abstract: In 1964, the President's Appalachian Regional Commission (PARC) concluded that "'real' Appalachian standards of living are below national norms." Three decades later, Central Appalachia, particularly its nonmetropolitan portion, remains severely impoverished and still stands as "a region apart." This study focuses on a six-county isolated, rural area that exemplifies long-term economic distress in Central Appalachia. It analyzes the patterns of in- and outmigration for the area during the 1980s, along with the resulting demographic changes between 1980 and 1990. It then looks at the characteristics of the region's poor population. The paper finishes by discussing how migration and demographic characteristics likely influenced the region's economic prospects during the 1990s and the implications of this for the success of recent welfare reform initiatives.

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Migration and Persistent Poverty in Rural America: A Case Study from Central Appalachia

Population migration constitutes an integral part of economic growth and change. Many households use migration as the primary means for improving economic well being. For regions and the nation, migration provides a potentially effective way of fighting poverty and increasing economic growth. Since resources tend to move toward areas perceived to have better economic opportunities, labor migrates from areas with surplus labor to those with relatively high labor demand. For many regions, migration spurs economic restructuring and regeneration over time. Eventually, periods of decline lead to renewed economic growth, as predicted by neoclassical economic theory.

This process of factor mobility spurring renewal, however, breaks down in some cases. Instead of spurring renewal, factor mobility contributes to long-term regional stagnation and decline, i.e., it becomes part of the problem instead of a solution. The mobile population leaves the region along with the jobs. The declining employment base inadequately supports the region's remaining, predominately immobile population, which, in turn, lacks the skills needed to attract new employment. In short, the remaining people cannot reasonably get to the jobs, and the jobs will not come to the people.

This scenario resembles a classic case of urban spatial mismatch with results on poverty concentration similar to those discussed by Morrill and Falit-Baimonte in the following chapter. It applies equally, however, to many nonmetropolitan regions in the United States. The process of regeneration and renewal continually unfolds even in large central cities with serious economic problems, although pockets of long-term poverty remain. Economic stability, not to mention regeneration and renewal, eludes many rural areas even after a couple decades of economic

decline and outmigration.

Because metropolitan areas house most people and economic activity in the United States, research on population migration and its relationship to phenomena such as economic growth and poverty have focused on metropolitan areas, at least since the mid-1960s. Those studies that have looked at nonmetropolitan areas have mainly pointed out the workings of marginal productivity theory in rural areas, as legions of displaced farm workers relocated to urban industrial America. The "nonmetropolitan-metropolitan migration turnaround" in the mid-1970s revived interest in nonmetropolitan areas, but this related more to the metropolitan fringe than to truly rural America. Unfortunately, statistical data typically group counties into central city, suburban, and nonmetropolitan. This masks the important distinction between nonmetropolitan and rural, as well as the different types of rural areas. The concentration of research and policy on metropolitan areas and aggregation of all other counties into nonmetropolitan has obscured the serious economic problems of many rural areas, such as extraordinarily high poverty. The Task Force on Persistent Rural Poverty (1993) stated that "Rural poverty is 'out of sight, out of mind' from a policy perspective." (p. 40)

Recently, several studies have brought the economic problems of declining rural areas to the forefront, especially the phenomenon of persistent rural poverty.[1] This coincides with a growing literature on the causes and effects of outmigration from declining rural areas.[2] Beaulieu (1988), Brown and Warner (1991), and Evensky (1991) focused on those who remained in declining nonmetropolitan areas, which is equally important for understanding the causes and effects of long-term decline. Watkins' chapter in this book illustrates how "seemingly modest

[1] For example, see Pigg (1991), Task Force on Persistent Rural Poverty (1993), and Obermiller and Philliber (1994).

population change in terms of size and/or composition can have far-reaching consequences" for these areas.

This paper presents a case study of a six-county region in southern West Virginia, a part of Central Appalachia. Historically, the economy of this small, isolated region has depended on resource extraction, which made it highly susceptible to the economic implosion and persistently high poverty described above (Brown and Warner, 1991; Task Force on Persistent Rural Poverty, 1993). This region differs significantly from the predominant agricultural-based nonmetropolitan region discussed by Cromartie in the preceding chapter, and exemplifies the diversity of experiences regarding nonmetropolitan growth and change. The region is also more isolated than the declining rural Ohio River Valley counties examined in Brown's chapter. Learning more about population mobility in this kind of region is a precondition for understanding some of the severest, most chronic poverty in the nation. It also illustrates the need for flexibility in designing policies, such as recent welfare reform initiatives, in order to deal with scenarios that defy the norm and often elude the comprehension of most people, including policy-makers and politicians.

The paper begins with a brief overview of the region, focusing particularly on employment and population change since the mid-1970s. Following this I analyze the patterns of in- and outmigration for the region during the 1985-90 period and the demographic changes in the region between 1980 and 1990. The discussion then focuses on the characteristics of the region's poverty population, particularly the working-age poor. I end by considering implications for the future prospects of the region as well as for the success of recent welfare reform initiatives.

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[2] See Swanson and Butler (1988), Fuguitt et al. (1989), Garkovich (1989), Fitchen (1991), Lichter (1992), and Lichter et al. (1992).

Economic Distress in Central Appalachia

In 1964, the President's Appalachian Regional Commission (PARC) concluded, "'real' Appalachian standards of living are below national norms." (PARC, 1964, p. 10) In the three decades since the PARC report, much of Appalachia has made significant gains relative to the rest of the United States with respect to income, poverty, and housing quality. Central Appalachia, particularly its nonmetropolitan portion, however, "is the one part of Appalachia where living standards and poverty rates are at levels that we assumed were features of the past. With respect to the standard of living, this part of Appalachia may still be 'a region apart'" (Cushing and Rogers, 1996).

Cushing and Rogers (1996) suggested that population migration might be both cause and effect of the persistently high rates of poverty in Central Appalachia. "Those most likely to migrate out of declining and distressed areas, however, are the young, the well-educated, and the affluent individuals. In cases of severe distress and decline, those that remain will disproportionally be those who are immobile, and therefore stuck in poverty with little choice but to muddle through. High psychic costs and unaffordable financial costs of moving, lack of information about alternatives, obsolescence of job skills (structural unemployment), and often age substantially reduce mobility for these individuals."

This type of situation has important implications for the new welfare system, which implicitly assumes that in the absence of the welfare crutch, individuals will either find employment locally or relocate to secure an appropriate job. Some areas, however, lack employment opportunities and have a population that cannot feasibly opt to relocate. "Two years and you are off" or similar welfare programs that limit the amount of time a person receives public assistance are not workable in such areas, even with allowances for a small proportion of long-

term recipients among the welfare caseload.

In the case of Central Appalachia, Cushing and Rogers (1996) note the poor prospects for returning many of the region's displaced workers to the labor force and suggest restructuring public policy accordingly. "Public policy is not likely to yield much additional adjustment in some impoverished counties that have been in decline and have suffered from economic distress for at least a decade, in some cases a few decades. In these cases, provision of adequate public welfare support, especially to the elderly and the long-term unemployed, may be the only realistic policy option." The southern portion of West Virginia, analyzed below, furnishes a classic example of economic distress in Central Appalachia.

Economic Change in Southern West Virginia

This study focuses on the six county region of "Southern West Virginia" that includes McDowell, Mercer, Monroe, Raleigh, Summers, and Wyoming Counties. This area is an Appalachian Regional Commission (ARC) local development district and part of the Central Appalachia subregion of Appalachia, as defined by the ARC. It also constitutes a Public Use Microdata Area (PUMA) for the one percent Public Use Microdata Sample (PUMS) from the *1990 Census of Population and Housing*, which facilitates the migration analysis later in this paper. As of July 1, 1994, the area had an estimated population of 231.9 thousand, comparable to a medium-sized metropolitan area.

Even within nonmetropolitan Central Appalachia, economic growth varies significantly. While most counties nearby metropolitan areas, especially those in Tennessee and central Kentucky, are growing, the more isolated coal counties of southern West Virginia and eastern Kentucky continue to stagnate. The "Southern West Virginia" region encompasses the majority

of the isolated southern West Virginia coal counties. Raleigh County touches on the southern tip of Kanawha County, the dominant county of the Charleston, WV MSA, but is distant from the majority of the metropolitan population.[3]

The Southern West Virginia region has experienced dramatic economic change during the past two decades, particularly McDowell County (Table 1). Driven by a surge in the coal mining industry in the aftermath of the OPEC oil embargo of 1973, Southern West Virginia flourished during the mid-1970s, with employment peaking in 1977. Major labor strikes in the coal mining industry and the introduction of long-wall mining ended the growth prematurely, but the regional economy remained fairly stable through the end of the decade. After 1980, the bottom dropped out. While the national economy experienced a deep recession in the early 1980s, the Southern West Virginia economy began a long-term economic decline. Employment declined by 10 percent between 1980 and 1983. The decline continued through the decade, with employment bottoming out in 1989 at a level 18 percent below its 1977 peak. By 1994, total employment had recovered to its highest level since 1985, but still 12 percent below its 1977 peak. The decline of mining employment, the traditional economic base of the region, during this time was stunning. Employment declined by 19 percent between 1976 and 1980 and then by another 35 percent by 1983. With the rapid switch to long-wall mining, the decline in mining employment has continued through the first half of the 1990s. By 1994, mining employment had declined by 82 percent from its 1976 peak. In terms of its relative importance in the region, it declined from 25 percent of total employment in 1976 to just 5 percent in 1994. In the case of McDowell County, economic collapse is a more fitting term than economic decline, as illustrated in Table 1. Total employment in 1994 stood 55 percent below and mining employment 89 percent below their 1976 peaks.

[3] Kanawha County's population declined significantly during the 1980s.

Unemployment data are just as startling for the early 1980s.[4] The unemployment rate increased from 10.4 percent to 22.7 percent between 1980 and 1983, more than double the peak national unemployment rate of 9.7 percent. The unemployment rate remained above 10 percent until 1990 and then increased substantially during the early 1990s before declining to 9.8 percent in 1994. The rapid decline in the unemployment rate by 1990 and its further decline by 1994 suggest some long-term population adjustment to the economic change. Population estimates imply substantial net outmigration from the region. Population declined from a peak of 278 thousand in 1979 to 232 thousand by 1990, a drop of 17 percent. It has remained stable since then. This percentage decline in population parallels the percentage decline in employment. In McDowell County, unemployment increased from 13 percent in 1980 to 37 percent in 1983 and remained above 20 percent until 1989. It declined to 13 percent by 1990 before increasing sharply and then falling again to 14 percent in 1994. In the meantime, population fell continuously from a high of 52 thousand in 1977 to 33 thousand in 1994, a drop of 37 percent. Population declined by about one third less than the percentage decline in employment for the county, some indication of an incomplete population adjustment to the drastic economic changes. The analysis below considers the population adjustment in more detail. I first turn to a discussion of migration for the region during the 1985-90 period and the demographic changes resulting from the migration during the decade. The migration period coincided with a period of stagnation in the regional economy and closely followed the sharp economic decline of the early 1980s, making it a prime period to observe population adjustment in an economically distressed area.

[4] Prior to 1980, consistent unemployment data at the sub-state level is unavailable for West Virginia.

Population Migration and Demographic Change[5]

During the 1985-90 period, Southern West Virginia experienced net outmigration of 20 thousand persons, a net loss of 8.3 percent relative to the 1985 base population of 243 thousand (Table 2).[6] The region had an outmigration rate of 15.2 percent and an inmigration rate of just 7.0 percent. Virginia and the remainder of West Virginia were the primary origins for inmigrants. They accounted for 20 percent and 29 percent of inmigrants, respectively. Most other inmigrants came from Ohio (10 percent), North Carolina (8 percent), Pennsylvania (6 percent), Missouri (5 percent), and Kentucky (4 percent). North Carolina (29 percent) and Virginia (27 percent) dominated the destination choices for outmigrants, with large numbers also going to the remainder of West Virginia (13) percent), Florida (7 percent), Ohio (4 percent), Tennessee (3 percent), and Maryland (3 percent). The migration exchange with North Carolina and Virginia accounted for 79 percent of the region's net outmigration, with Florida accounting for another 10 percent.

[5] All migration data comes from the one percent file of the Public Use Microdata Sample from the *1990 Census of Population and Housing*. Unless otherwise noted, all other data are from published volumes from the *1990* and *1980 Census of Population.*

[6] The 1985 base population equals the number of nonmovers (those at least five years of age on April 1 1990 who resided in the PUMA both on April 1, 1985 and April 1, 1990) plus the number of outmigrants (those at least five years of age on April 1 1990 who resided in the PUMA on April 1, 1985 but resided elsewhere in the United States on April 1, 1990).

Native West Virginians dominated the population of the Southern West Virginia region. Natives comprised 82 percent of the 1985 base population, 85 percent of nonmovers, and 48 percent of inmigrants. The high proportion of natives among the inmigrants suggests the possible importance of return migration. Unfortunately, the data do not permit identification of place of birth at the sub-state level.

Migration by Age

Migration significantly depleted the population under 35 years of age (Table 2A). The highest rates of net outmigration were for those aged 20-24 years (29 percent), 25-29 years (18 percent), and 30-34 years (15 percent). All three of these typically mobile age groups experienced rates of outmigration exceeding 25 percent, including a rate of 41 percent for the 20-24 age group.[7] The region also suffered a disproportionate net loss of children, not surprising given the net outmigration of the 20-34 age group. The net loss of those over age 34 was fairly small, especially in light of the extraordinary changes in employment during the 1980s. As expected, migration patterns differed for the elderly, with net inmigration of those aged 65 and older. In total, the age pattern of migration for Southern West Virginia resembles that described by Fuguitt and Heaton (1995) for nonmetropolitan agricultural communities. Compared with this agricultural prototype, however, Southern West Virginia experienced exaggerated net outmigration for those under 34 years old and a relatively low net loss of those over 45 years of age.

[7] Of the outmigrants aged 20-24, 31 percent attended school in 1990. Excluding those attending school, the outmigration rate for this group was only slightly lower (38 percent), with a net outmigration rate of 23 percent.

The changing age distribution of the region's population during the decade corresponded with the patterns of migration. It resulted in a much older age distribution of the population. The percentage of the population below 35 years of age declined from 59 percent in 1980 to 49 percent in 1990 (Table 2B). The other striking feature was the increase not only in the proportion, but also the absolute number, of persons in the 35-49 years and 65 years and over age groups. This contrasted sharply with the significant decline in the region's total population.[8] The much lower proportion of young working-age individuals (20-34 years old) and higher proportion of elderly individuals (65 and over) differed markedly from the U.S. population, which shifted toward the middle of the age distribution. Loss of young workers poses a serious obstacle to future economic growth.

Migration by Educational Attainment

As with age, migration by educational attainment (for those aged 25 and over) has hampered Southern West Virginia's ability to attain economic stability and self-sufficiency. Net outmigration increased with educational attainment, including a net loss of 18 percent of the population with a college degree (Table 3A). Gross outmigration followed the expected pattern of increasing mobility with educational level, including high rates of outmigration for the highly educated. Nearly one quarter of those with a college degree left the region during the five year period. This pattern of increasing mobility did not hold for inmigration. The inmigration rate of 5.6 percent for those with a college degree lagged all except those with an eighth grade education or less (4.4 percent). Migration appears to have lowered the average educational level of the

[8] The population decreased in all six counties between 1980 and 1990.

population and significantly reduced the number of college-educated individuals residing in the region.

Given these migration patterns, some changes in educational attainment of the population between 1980 and 1990 may be surprising.[9] The percentage of the population with eight or fewer years of education decreased substantially (from 32 down to 21 percent), the percentage with at least a high school degree increased sharply (from 49 to 59 percent), and the percentage with a bachelor's degree increased modestly (from 8 to 9 percent) (Table 3B). This reflects an ongoing transition toward a population raised during the modern era of compulsory basic education. The region still lagged well behind the United States as a whole, however, where three quarters of the population had at least a high school degree in 1990 and 20 percent a bachelor's degree. For McDowell County, the change in college degrees differed from that in the rest of the region. In 1990, nearly one third of its population had eight or fewer years of schooling, just 42 percent at least a high school degree, and less than five percent a bachelor's degree. Given the loss of jobs not requiring much formal education, such as in the extraction industries, the continued low educational attainment of the region's adult population places the region and its people at a great disadvantage in competing for jobs.

Migration by Labor Force Attachment

Labor force status data for 1990 must be interpreted carefully. Given migrants' age and educational composition and Southern West Virginia's economic decline, the substantial net outmigration of individuals employed at the end of the migration period is not surprising (Table

[9] Because of changes in categories of educational attainment used in the *Census of Population*, the educational distribution of the population in 1980 and 1990 cannot be perfectly compared. The earlier data only reports

4A). Comparing the status of inmigrants and nonmovers, i.e., those who resided in the region at the beginning and at the end of the five year period, reveals more. Just 43 percent of working-age inmigrants were employed in 1990, compared with 52 percent of nonmovers. Forty eight percent of inmigrants were not in the labor force, with another nine percent unemployed. The latter implies an unemployment rate for inmigrants equal to 17 percent. Only half of the working-age inmigrants had worked during the first quarter of 1990 (not shown in tables). One third of working-age inmigrants had previously worked, but not in more than a year (since 1988). More than five percent had never been employed. As a whole, inmigrants to the region had weak labor market attachment.

Despite Southern West Virginia's substantial outmigration and its decline in the working-age population (aged 20-64) during the 1980s, more individuals were unemployed in 1990 than in 1980. This resulted in an increased unemployment rate, from 8.9 to 11.3 percent (Table 4B).[10] The latter was twice the U.S. unemployment rate, which declined compared with 1980. The employment /population ratio remained fairly constant at a very low level, rising slightly to 53.4 percent of the working-age population in 1990. This compared poorly with the U.S. rate of 75.3 percent, which had risen by more than four percentage points. The changes in McDowell County are stunning. Despite a 28 percent decline in the noninstitutional working age population during the 1980s, the unemployment rate increased from 11 percent in 1980 to 21 percent in 1990, nearly four times the U.S. level. The employment/population ratio declined to 38 percent, about one half

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number of years of schooling, not degrees actually received. For this comparison, I consider four years of high school to mean a high school degree and four or more years of college to mean at least a bachelor's degree.

[10] The previous discussion on the unemployment rate reported "official" U.S. Bureau of Labor Statistics data. The data cover those aged 16 and over and are annual averages based on a small monthly survey (Current Population Survey), state insured employment/unemployment data, and some population benchmarks, such as the decennial census. The data in this section are for the reference week (typically late March) of the census year and are based on the roughly 20 percent of households who filled out the Census long form questionnaire.

the U.S. level.

Migration by Work Disability Status

The high level of work disabilities contributed to inmigrants' poor labor force attachment. Of working age inmigrants, 38 percent had a work disability, including 17 percent with a total work disability, i.e., prevented from working (Table 5A). These percentages matched those of nonmovers but exceeded the figures for outmigrants. Only eight percent of the latter had a work disability. The region experienced net inmigration of individuals with limited and total work disabilities and substantial net outmigration of those with no work disability. Once again, the exchange of population through migration worked to the disadvantage of the region's economy due to a net loss of able-bodied adults and net gain of adults likely to require partial or complete support from the social welfare system.

Consistent with the migration data, Southern West Virginia experienced an increase between 1980 and 1990 in the proportion of individuals with a work disability, from 15 to 18 percent of the noninstitutional working-age population (18-64 years old) (Table 5B). The absolute and percentage increase in those with a disability preventing them from working was particularly important. McDowell County endured dramatic change, with the rate of work disabilities increasing to 25 percent. Disabilities prevented nearly one in five individuals from working. Work disabilities are a severe problem for the region compared with the United States as a whole, where just eight percent of the working-age population had a work disability in 1990, down slightly from its 1980 level. Disabilities prevented just four percent of the U.S. working-age population from holding a job.

Migration by Poverty Status

The poverty rate among inmigrants is astonishing, even given the disadvantageous age, educational, labor force, and disability profile of inmigrants and the poor condition of the regional economy. About half of the region's inmigrants had income below the poverty level in 1989 (Table 6A). This is double the poverty rate of nonmovers in a poor region, and almost four times the national poverty rate. The poverty rate of inmigrants was high for all age groups, generally far above the rate for nonmovers and outmigrants. Inmigrants aged 65 and older or 30-34 fared much better than other inmigrants, with poverty rates of *only* 24 percent and 33 percent, respectively. Poverty rates for the other inmigrant age groups ranged from 41 percent (55-64 years old) to 65 percent (20-24 years old). The poverty profile of inmigrants runs counter to the scenario of individuals moving to improve their economic well-being.

Consistent with migrant characteristics and demographic changes that occurred during the decade, Southern West Virginia's poverty situation declined markedly between 1980 and 1990 (Table 6B). Despite the decline in total population, the number of persons classified as poor increased by about 17 percent and the poverty rate jumped from 17 percent in 1980 to 24 percent in 1990, nearly twice the U.S. poverty rate.[11] The U.S. poverty rate increased by less than one percentage point between 1980 and 1990. In 1990, the region's poverty rate came close to the nation's only for those 65 years and over (Table 7). The poverty rate was nearly twice the national level for those under 35 years of age and more than twice the national level for those

[11] The poverty rate reported in the Census is based on income and the official poverty lines for the prior year (1979 for the 1980 Census and 1989 for the 1990 Census).

aged 35-64 years old. The latter group typically has high earning power and a low poverty rate.[12] McDowell County's situation was more severe initially and deteriorated more sharply. The poverty rate increased from 24 percent in 1980 to 38 percent in 1990. In 1990, half of the children, 40 percent of young workers, and nearly one third of those aged 35-64 were poor.

Migration Summary

On the whole, migration to and from Southern West Virginia during the 1985-90 period did not favor future economic stability and growth in the region. The region's long and severe economic decline predestined the substantial net outmigration, generally a necessary component of regaining economic stability. The region's outmigrants, however, included a large proportion of those best-suited to adjust to economic change and provide the base for the region's labor force, i.e., the young, the well-educated, and those well-connected to the labor force. In contrast, the region's inmigrants included a disproportionate number of older and/or less-educated individuals. A large proportion of working-age inmigrants were not connected to the labor force, with work disabilities holding many back. The differing labor market success and poverty rates of inmigrants and outmigrants reveals the great imbalance in the region's migration exchange.

The migration exchange during the 1980s, along with the continued economic decline, has left Southern West Virginia in a very disadvantageous, perhaps desperate, economic situation. Other than some improvement in the high school completion rate, the key characteristics of the population and labor force were less amenable to economic recovery in 1990 than in 1980, when the region began its economic collapse. In 1990, the population had an older age distribution, a lower college completion rate, a greater rate of work disabilities, less attachment to the labor

[12] Comparable county-level data were not readily available for 1980.

force, and much greater poverty than in 1980. Rather than helping the region to restructure its economy and regain economic stability, population migration severely depleted its productive work force. The remaining work force will have difficulty attracting new employment, especially given the rural, relatively isolated nature of the region. Unemployment, including discouraged workers who drop out of the official labor force, will probably remain high into the next millennium.

Characteristics of the Poor, 1990

Besides the implications for the regional economy, the long-term economic decline and consequent demographic changes brought on by the extensive exchange of outmigrants and inmigrants raise important policy issues regarding Southern West Virginia. One important issue, welfare reform, is designed to reduce welfare roles by pushing more able-bodied adults into the labor force. New programs set short-term and lifetime limits on the length of time an individual may receive welfare benefits. The new welfare structure permits states to have a certain percentage of long-term welfare cases, with this allowance decreasing over time. Welfare reform's advocates assume that the vast majority of current welfare recipients can either find work locally or relocate to secure a job. The stagnant economy, large proportion of unemployed working-age adults, and high poverty level do not conduce this type of adjustment by Southern West Virginia's population. The characteristics of the region's poverty population also make this a difficult task.

We have already seen that Southern West Virginia's poverty rates exceed the nation's for all age groups, more than doubling the nation's rate for those aged 35-64 years (Table 7). The region's poor concentrate relatively more in the 35-64 age group (28 percent for the region, 22

percent for the nation) and less in the younger working ages (26 percent for the region versus 30 percent for the nation). This probably reflects a greater proportion of displaced workers, many of whom will have difficulty retraining for other employment.

Census data support this notion. As of the 1990 Census, only one quarter of the region's working-age (20-64) poor were employed, about 11 percent officially unemployed, and almost two thirds out of the labor force (Table 8). For the United States, 41 percent of the working-age poor were employed and 11 percent officially unemployed. Of the region's poor aged 35-54, about 30 percent participated in the labor force during the past, but had not held a job since 1984. Another quarter last worked between 1985 and 1988. For the United States, the corresponding figures are 21 percent and 13 percent. For those aged 55-64, more than half had participated in the labor force previously, but had not worked since 1984, compared with 43 percent for the nation. In short, a large proportion of the poor aged 35-64 have experienced chronic unemployment, indicating a significant structural unemployment problem. Work disabilities explain part of this long-term unemployment. Of the working age poor, 27 percent had a disability that prevented them from working (compared with 14 percent for the nation) and another seven percent had a disability that limited the type of work they could undertake.

Relatively low educational attainment typifies the poverty population, however, it more seriously limits Southern West Virginia compared with the nation. In the region, nearly one half of the working age poor had not attained a high school degree as of 1990 and only three percent had either an associate or a bachelor's degree. For the nation, the proportion of the poor not having a high school degree was similar, but 12 percent of the poor held an associate or higher degree.

Some housing characteristics also distinguish Southern West Virginia's poor from the remainder of the nation. We assume the vast majority of the poor live in rental housing. In 1990, this was true for the nation, where 66 percent of the working-age poor resided in rental housing. Southern West Virginia reversed the situation, with nearly 60 percent of the working-age poor residing in owner-occupied housing. This makes the region's poor population relatively immobile. Much of this owner-occupied housing is poor quality and holds little market value. In 1990, about a third of the region's owner-occupied structures were mobile homes. Regardless of the quality, however, these owner households have a piece of property and some housing security. Relocating in search of employment would mean giving up the security of home-ownership, which protects them from eviction, for what may be more costly, less secure, and less desirable rental housing.

Other characteristics rendering the region's poor less mobile and less able to obtain employment include poor access to a telephone and absence of an automobile. One third of the region's working-age poor lack a telephone in their housing unit, compared with 20 percent for the United States. One in five live in a housing unit without an automobile. This is somewhat less than for the nation (one in four), but more seriously affects a region such as Southern West Virginia. Job search in sparsely-populated rural areas, which rarely have much public transportation, require good access to a phone and a car.

In sum, the characteristics of Southern West Virginia's poverty population differ from the nation's poverty population. The region's poor tend to be older, much less attached to the labor force, and somewhat less educated. This reflects a relatively large group of displaced workers, including many former coal miners, who would be difficult to retrain and place in new jobs. Many of these former workers have disabilities and, therefore, receive disability benefits. The economic

benefits from trying to retrain and place the rest of these older individuals in jobs may not justify the costs. Given the short time horizon for older individuals, policymakers should consider the sensibility of simply providing adequate public welfare support to most of them and concentrating retraining and job placement efforts elsewhere.

In addition, Southern West Virginia's poverty population more likely resides in owner-occupied housing, albeit relatively low-quality housing with low market value. The region's poor are also more isolated, due to low access to phones and automobiles, and almost no access to public transportation because of its spread-out rural nature. Greater isolation reduces the ability to search regionally for employment, while both housing tenure and isolation reduce mobility out of the region. These characteristics reduce information on opportunities elsewhere as well as the ability to reach those opportunities. In addition, relocation may exact a great expense, considering not only moving costs, but also the likely substantial increase in housing costs. For most of these people, a major move would impose considerable psychic costs. It would entail leaving "home" and family for the first time and moving from a small, rural area to the "big city." Relocating to a city of just 25,000 people would shock many of these individuals.

Conclusion

Population migration is an inevitable and integral part of economic change for any region. For some regions, migration enables growth and prosperity to continue. For others, it is a sometimes painful, but necessary part of adjusting to economic decline, a process that eventually brings about economic stability and renewed prosperity. For some declining regions, such as Southern West Virginia, this self-correcting mechanism does not fully work. Ultimately, it increases instability and prolongs economic stagnation. Instead of continually relocating the

unemployed to reduce the surplus labor pool, migration leaves a large group of hard-core unemployed and a population that becomes increasingly more impoverished as economic decline continues.

The situation in a declining, isolated, rural region differs from that in a densely populated urban area. The former exhibits less diversity in employment, fewer opportunities for retraining and placing dislocated workers, and less opportunity for local development, combined with much greater attachment to "home." In urban areas, some economic regeneration always occurs, with some industries growing and others declining. In an area such as Southern West Virginia, the situation even differs notably from that in most other declining rural areas, such as many farm communities discussed in Cromartie's chapter. In many farm communities, the employment decline has primarily affected young workers. As technology changed or large conglomerates bought up family farms, few opportunities remained for young workers. As young people left, the population declined and age distribution changed. Unemployment often stayed low or rose only during a brief period of transition. The remaining farming community often prospered. Even during crisis years when financial institutions foreclosed on family farms, communities adjusted accordingly, though painfully. Those who lost their farms also lost their homes and had no choice but to relocate, finding another means of employment. The usual successful transition in rural agricultural communities led Davis (1977) to conclude that "rural outmigration appears to contribute to the development and well-being of sending regions." (p. 165) The large number of middle-aged and older workers who lost their jobs, the low educational attainment of these workers, and the stronger attachment to "home" differentiates Southern West Virginia from the typical Midwest farm community. These hard-to-place workers lost their jobs, but not their homes.

This raises important concerns regarding recent welfare reform, quite different from the immigrant issues discussed in the chapter by Espenshade et al. In an impoverished area, subsidized private employment, government employment, local development initiatives, and relocation constitute the primary alternatives for getting most poor individuals off welfare and into jobs. An area like Southern West Virginia has few opportunities to apply the first three options. To meet goals for reducing welfare roles and placing welfare recipients into jobs, the region would have to rely primarily on relocation. For many of the region's poor, however, relocation is not viable. Characteristics such as high age and low educational attainment would yield a small financial return to migration, even for those who succeeded in securing a job at a new location. Those owning their own house and piece of land would incur especially high migration costs. Taking all expected private and social benefits and costs into account, the only rational and ethical solution to poverty and economic distress in Southern West Virginia may consist of providing long-term public welfare support to the immobile, while allowing the region to adjust slowly through aging, mortality, and continued outmigration of the mobile population. Eventually, demographic change will bring about the adjustments necessary to stabilize Southern West Virginia's economy and reduce the large number of individuals not strongly connected to the labor force.

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Table 1: Trends in the Southern West Virginia Economy, 1973-1994

	Region				McDowell County			
	Population[a]	Total Employment[a]	Mining Employment[a]	Unemployment Rate[b]	Population[a]	Total Employment[a]	Mining Employment[a]	Unemployment Rate[b]
1950	340.0				98.9			
1960	279.5				71.4			
1970	238.5				50.7			
1973	251.4	81,659	17,314		50.3	14,866	7,450	
1974	253.9	83,058	18,050		50.5	14,841	7,562	
1975	259.3	87,769	20,224		51.2	16,127	8,451	
1976	268.1	92,875	22,788		52.0	17,127	9,520	
1977	274.2	94,230	22,374		52.2	16,964	9,240	
1978	276.4	93,851	20,337		51.8	15,660	7,941	
1979	277.5	93,686	18,913		51.2	15,811	7,858	
1980	275.5	93,416	18,477	10.4	49.7	15,801	7,601	13.0
1981	273.9	89,810	15,806	11.6	48.9	14,084	6,236	14.7
1982	272.9	89,176	15,697	15.9	48.2	13,301	5,874	27.2
1983	270.7	83,906	11,925	22.7	47.6	11,788	4,555	37.1
1984	265.9	84,879	11,775	18.2	46.0	11,561	4,408	28.4
1985	261.7	83,829	10,734	15.0	44.6	11,311	4,323	23.0
1986	257.2	81,181	9,202	15.1	43.2	10,549	3,764	24.6
1987	249.1	78,567	7,140	15.2	41.0	8,018	1,452	32.8
1988	241.6	77,521	6,263	12.9	38.6	7,835	1,411	23.2
1989	236.1	77,311	5,975	10.7	36.6	7,782	1,630	17.4
1990	232.2	78,818	6,076	9.4	35.0	7,919	1,682	13.0
1991	231.6	79,625	5,568	11.4	34.4	7,690	1,434	18.0
1992	232.0	80,139	5,143	12.4	34.0	7,853	1,413	16.1
1993	232.1	81,075	4,469	12.2	33.6	7,765	1,356	15.0
1994	231.9	83,366	4,198	9.8	33.1	7,772	1,094	14.0

[a]Source: Regional Economic Information System, U.S. Bureau of Economic Analysis except 1950, 1960, and 1970 populations which are from the *Census of Population*, 1950, 1960, and 1970, respectively.

[b]Source: West Virginia Department of Employment, Bureau of Employment Programs

Table 2: Migration and Demographic Change by Age

A. Migration, 1985-90

	Nonmovers		Inmigrants		Outmigrants		Net Migration		Migration Rates (percent)		
Age	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Inrate	Outrate	Netrate
5-19	53,550	25.9	3,258	19.2	9,241	24.9	-5,983	29.7	5.2	14.7	-9.5
20-24	11,430	5.5	2,466	14.5	8,046	21.7	-5,580	27.7	12.7	41.3	-28.7
25-29	10,656	5.2	2,520	14.8	5,416	14.6	-2,896	14.4	15.7	33.7	-18.0
30-34	14,310	6.9	2,124	12.5	5,066	13.7	-2,942	14.6	11.0	26.1	-15.2
35-44	32,256	15.6	2,448	14.4	4,403	11.9	-1,955	9.7	6.7	12.0	-5.3
45-54	25,236	12.2	1,782	10.5	2,694	7.3	-912	4.5	6.4	9.6	-3.3
55-64	24,336	11.8	612	3.6	945	2.5	-333	1.7	2.4	3.7	-1.3
65plus	34,614	16.8	1,764	10.4	1,286	3.5	478	-2.4	4.9	3.6	1.3
Total	206,388	99.9	16,974	99.9	37,097	100.1	-20,123	100	7.0	15.2	-8.3

Migration rates are relative to the 1985 base population (nonmovers+outmigrants).

B. Age Distribution, 1980-90

	Region				McDowell County				United States			
	1980		1990		1980		1990		1980		1990	
Age	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
0-19	93,848	34.1	67,739	29.1	18,932	37.9	11,247	31.9	72,458,463	32.0	71,321,886	29.9
20-34	67,512	24.5	45,947	19.8	11,764	23.6	6,896	19.6	58,400,543	25.8	62,196,244	26.1
35-49	40,097	14.6	48,894	21.0	6,568	13.2	6,917	19.6	36,724,465	16.2	51,451,476	21.6
50-64	42,154	15.3	34,558	14.9	7,484	15.0	4,966	14.1	33,412,907	14.7	32,498,436	13.6
65 and over	31,792	11.5	35,494	15.3	5,151	10.3	5,207	14.8	25,549,427	11.3	21,241,831	8.9
Total	275,403	100.0	232,632	100.0	49,899	100.0	35,233	100.0	226,545,805	100.0	238,709,873	100.0

Table 3: Migration and Demographic Change by Educational Attainment for those Aged 25 Years and Over

A. Migration, 1985-90

Education	Nonmovers		Inmigrants		Outmigrants		Net Migration		Migration Rates (percent)		
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Inrate	Outrate	Netrate
0-8 yrs.	29,772	21.1	1,368	12.2	1,305	6.6	63	-0.7	4.4	4.2	0.2
9-12 yrs.	30,474	21.6	2,448	21.8	3,161	16.0	-713	8.3	7.3	9.4	-2.1
HS Diploma	64,602	45.7	5,958	53.0	10,336	52.2	-4,378	51.1	8.0	13.8	-5.8
Assoc. Deg.	5,022	3.6	630	5.6	1,398	7.1	-768	9.0	9.8	21.8	-12.0
College Deg.	11,538	8.2	846	7.5	3,610	18.2	-2,764	32.3	5.6	23.8	-18.2
Total	141,408	100.2	11,250	100.1	19,810	100.1	-8,560	100.0	7.0	12.3	-5.3

Migration rates are relative to the 1985 base population (nonmovers+outmigrants).

B. Educational Attainment, 1980-90

Education	Region				McDowell County				United States			
	1980		1990		1980		1990		1980		1990	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
0-8 years	50,948	32.2	32,132	21.2	11,322	42.5	7,048	31.8	24,257,683	18.3	16,502,211	10.4
Some HS, but No Degree	30,229	19.1	30,772	20.3	5,767	21.6	5,718	25.8	20,277,514	15.3	22,841,507	14.4
HS Degree	64,527	40.7	74,668	49.3	8,195	30.7	8,354	37.7	66,742,010	50.2	87,214,465	54.9
Bachelor's Deg.	12,698	8.0	13,998	9.2	1,381	5.2	1,015	4.6	21,558,480	16.2	32,310,253	20.3
Total	158,402	100.0	151,570	100.0	26,665	100.0	22,135	100.0	132,835,687	100.0	158,868,436	100.0

Table 4: Migration and Demographic Change by Labor Force Status for those Aged 20-64 Years

A. Migration, 1985-90

	Nonmovers		Inmigrants		Outmigrants		Net Migration		Migration Rates (percent)		
Labor Status	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Inrate	Outrate	Netrate
Military	180	0.2	324	2.7	876	3.3	-552	2.7	30.7	83.0	-52.3
Civ. Employed	61,488	52.0	4,806	40.2	19,502	73.4	-14,696	73.0	5.9	24.1	-18.1
Unemployed	5,706	4.8	1,062	8.9	949	3.6	113	-0.6	16.0	14.3	1.7
Not in Labor Force	50,850	43.0	5,760	48.2	5,243	19.7	517	-2.6	10.3	9.3	0.9
Total	118,224	100.0	11,952	100.0	26,570	100.0	-14,618	72.6	8.3	18.4	-10.1

Migration rates are relative to the 1985 base population (nonmovers+outmigrants).

B. Labor Force Status, 1980-90

	Region				McDowell County				United States			
	1980		1990		1980		1990		1980		1990	
Labor Status	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Military	122	0.0	223	0.2	16	0.0	36	0.2	1,384,964	1.1	1,540,541	1.1
Civ. Employed	77,255	51.6	67,425	52.1	11,216	43.5	6,976	37.2	87,617,950	68.1	106,242,733	72.6
Unemployed	7,531	5.0	8,606	6.6	1,413	5.5	1,849	9.9	5,461,984	4.2	6,399,217	4.4
Not in Labor Force	64,923	43.3	53,163	41.1	13,163	51.0	9,906	52.8	34,166,217	26.6	32,136,057	22.0
-institutional	(2,268)	(1.5)	(2,828)	(2.2)	(78)	(0.3)	(202)	(1.1)	(3,616,131)	(2.8)	(3,232,910)	(2.2)
Total	149,831	100.0	129,417	100.0	25,808	100.0	18,767	100.0	128,631,115	100.0	146,318,548	100.0
Unemployment Rate		8.9		11.3		11.2		20.9		5.8		5.6
Employed/Pop. Ratio		52.4		53.4		43.7		37.8		71.2		75.3

Table 5: Migration and Demographic Change by Work Disability Status for those Aged 20-64 Years

A. Migration, 1985-90

Disability Status	Nonmovers		Inmigrants		Outmigrants		Net Migration		Migration Rates (percent)		
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Inrate	Outrate	Netrate
Limited	25,146	21.3	2,556	21.4	1,690	6.4	866	-5.9	9.5	6.3	3.2
Can't Work	18,792	15.9	1,980	16.6	509	1.9	1,471	-10.1	10.3	2.6	7.6
None	74,286	62.8	7,416	62.0	24,371	91.7	-16,955	116.0	7.5	24.7	-17.2
Total	118,224	100.0	11,952	100.0	26,570	100.0	-14,618	100.0	8.3	18.4	-10.1

Migration rates are relative to the 1985 base population (nonmovers+outmigrants).

B. Work Disability Status, 1980-90

Disability Status	Region				McDowell County				United States			
	1980		1990		1980		1990		1980		1990	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Limited	6,761	4.0	6,194	4.3	1,913	6.5	1,076	5.1	6,011,090	4.2	6,232,420	4.0
Can't Work	18,881	11.3	19,037	13.3	3,879	13.2	4,118	19.4	6,308,461	4.4	6,594,029	4.2
None	141,741	84.7	117,885	82.4	23,663	80.3	16,019	75.5	132,347,081	91.5	144,497,473	91.8
Total	167,383	100.0	143,116	100.0	29,455	100.0	21,213	100.0	144,666,632	100.0	157,323,922	100.0

Table 6: Migration and Demographic Change by Poverty Status

A. Poverty Status of Movers and Nonmovers by Age, 1985-90

	Nonmovers		Inmigrants		Outmigrants	
Age	Number of Poor	Poverty Rate	Number of Poor	Poverty Rate	Number of Poor	Poverty Rate
5-19	18,810	35.9	1,242	47.3	1,936	24.0
20-24	2,538	22.8	1,458	65.3	1,596	21.0
25-29	3,708	34.8	1,278	57.7	240	4.5
30-34	4,806	34.1	630	33.0	962	19.6
35-44	6,354	19.8	1,386	56.6	494	11.4
45-54	4,806	19.0	756	49.4	255	10.0
55-64	4,266	17.5	252	41.2	249	26.3
65plus	5,958	18.0	324	24.0	126	12.3
Total	51,246	25.2	7,326	49.1	5,858	16.9

B. Poverty Status, 1980-90

	Region				McDowell County				United States			
	1980		1990		1980		1990		1980		1990	
Age	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Poor	46,914	17.3	54,974	24.1	11,715	23.5	13,195	37.7	27,392,580	12.4	31,742,864	13.1
Nonpoor	224,864	82.7	173,317	75.9	38,060	76.5	21,790	62.3	193,453,186	87.6	210,234,995	86.9
Total[a]	271,778	100.0	228,291	100.0	49,775	100.0	34,985	100.0	220,845,766	100.0	241,977,859	100.0

[a]Population for whom poverty status was determined.

Table 7: Poverty Status by Age, 1990

	Region			McDowell County			United States		
Age	Number of Poor	Percent of Poor	Poverty Rate	Number of Poor	Percent of Poor	Poverty Rate	Number of Poor	Percent of Poor	Poverty Rate
0-17	20,184	36.7	33.6	5,095	38.6	50.3	11,428,916	36.0	18.3
18-34	14,214	25.9	27.8	3,416	25.9	43.2	9,479,824	29.9	14.3
35-44	6,630	12.1	18.6	1,620	12.3	30.9	3,207,376	10.1	8.6
45-64	8,450	15.4	17.9	2,012	15.2	30.4	3,846,163	12.1	8.3
65 plus	5,496	10.0	16.1	1,052	8.0	20.7	3,780,585	11.9	12.8
Total	54,974	100.0	24.1	13,195	100.0	37.7	31,742,864	100.0	13.1

Source: U.S. Bureau of the Census, *1990 Census of Population and Housing*, STF-3 file.

Table 8: Percentage Distribution of Characteristics of the Working-Age Poor (20-64 years old), 1990

	Region	United States		Region	United States
Labor Force Status			Work Disability Status		
Military Employment	0.7	0.2	Limited	6.6	6.3
Civilian Employment	24.5	40.6	Can't Work	27.0	13.6
Unemployed	10.7	11.4	No Work Disability	66.4	80.1
Not in Labor Force	64.1	47.8			
Year Last Worked (35-54 yrs. old)			Year Last Worked (55-64 yrs. old)		
1989-90	30.2	55.9	1989-90	11.2	29.7
1985-1988	24.1	12.8	1985-1988	11.6	15.9
1984 or earlier	31.4	21.1	1984 or earlier	55.4	43.4
Never worked	14.3	10.1	Never worked	21.9	11.0
Education			Housing Tenure		
No H.S. Degree	46.0	42.2	Owner-Occupied	57.4	34.4
Only H.S. Degree	51.2	46.1	Rental	42.6	65.6
Post-Secondary Degree	2.8	11.7			
Telephone in Housing Unit			Automobile Available		
Yes	66.3	80.0	Yes	80.7	74.1
No	33.7	20.0	No	19.3	25.9

Source: One percent file of the Public Use Microdata Sample from the *1990 Census of Population and Housing*.