



Social Trends Influencing Families in Missouri: Whither the Middle Class?

**2008 Catholic Conference
Jefferson City, Missouri**

October 4, 2008

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Overview

- ***What's Middle Class?***
 - ***Class, Status and Power***
- ***Large Scale Trends***
- ***Trends in Missouri***
- ***Discussion***

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Recent Books

War on the Middle Class:

How the Government, Big Business, and Special Interest Groups are Waging War on the American Dream and how to Fight Back
By Lou Dobbs
Published by Viking, 2006

Rich Dad, Poor Dad

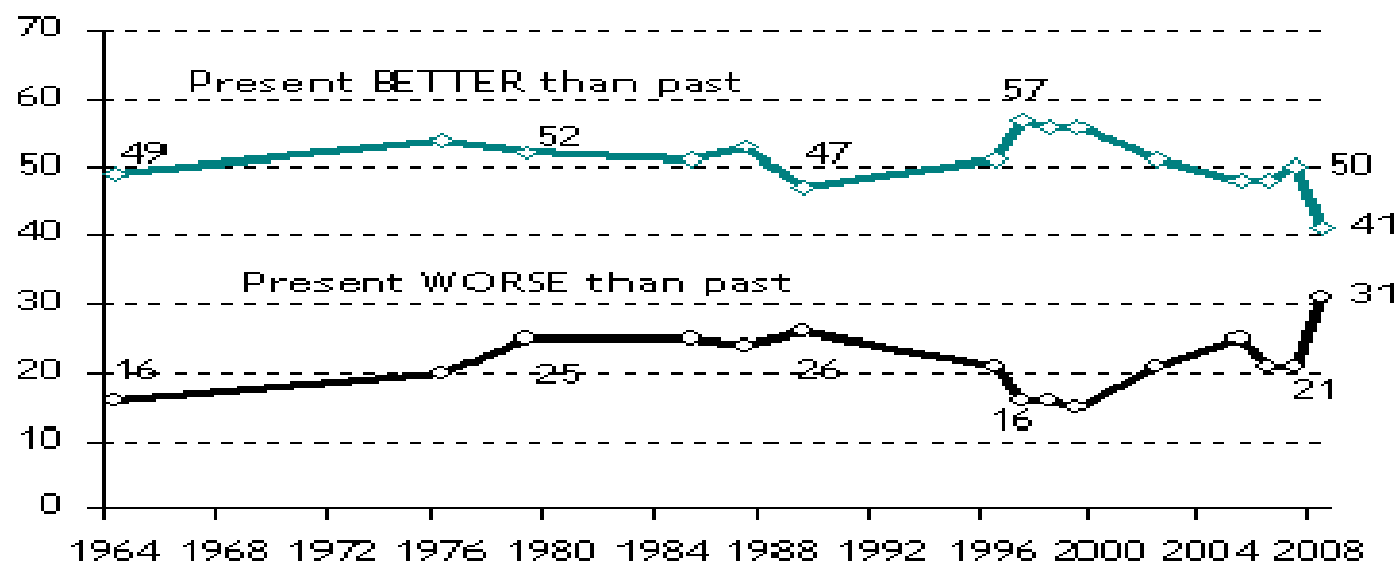
By Robert T. Kiyosaki, Sharon L. Lechter 2000

The Two-income Trap: Why Middle-class Mothers and Fathers are Going Broke
by Elizabeth Warren, Amelia Warren Tyagi, 2003

The Great Risk Shift: The Assault on American Jobs, Families, Health Care ...
by Jacob S. Hacker - Social Science - 2006

Are You Better Off Now Than You Were Five Years Ago? The Trend Since 1964.

Percentage rating...



Note: Based on ratings of your life *today* compared with your life *five years ago*. "Same" responses not shown.

Source: Surveys from 1964 to 1985 by Gallup.

PewResearchCenter

The Middle Class Blues


Compared with five years ago, is it more or less difficult for middle class people to maintain their standard of living?

	All	Upper class	Middle class	Lower class
	%	%	%	%
More difficult	79	72	78	89
Less difficult	12	15	13	7
About the same (VOL.)	6	11	6	1
Don't know/Refused	<u>3</u>	<u>2</u>	<u>3</u>	<u>3</u>
	100	100	100	100
Number of respondents	2413	522	1276	588

Note: Based on respondents who identified themselves as belonging to the lower, middle, or upper class.

PewResearchCenter

Source:
Pew Research
Center, 2008



The Census Bureau does not have an official definition of the "middle class," but it does derive several measures related to the distribution of income and income inequality.



Up then Flat, but still Squeezed

- Real median annual household income has declined since 2000.
- Since 1970, median household income has risen by 41%.



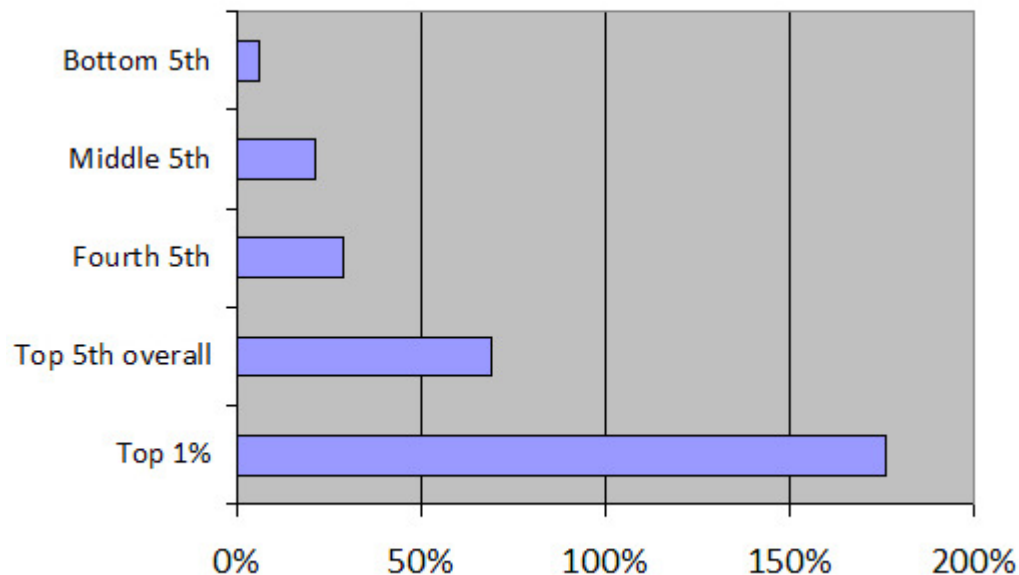
Middle Income Squeeze

- The upper-income households outperformed the middle
 - (150%+ -- 75% and 150%)
- From 1983 to 2004, the median net worth of upper-income families more than doubled, while the median net worth of middle-income families grew by just 29%.

Source: Pew Foundation

Falling Back

- Shrinking middle class
- Increased inequality
- Working class majority



*Inflation adjusted percent increase
In after-tax household income
by income Quintiles 1979-2005*

CBO, retrieved 2007



Income Range by Fifths and Five Percent, 2007

Range of Incomes		Households (Millions)
0	\$ 20,291	23,357
\$ 20,291	\$ 39,100	23,357
\$ 39,100	\$ 62,000	23,357
\$ 62,000	\$ 100,000	23,357
\$100,000	\$ 177,000	23,357
\$177,000	Highest	5,839

Source: U.S. Census




Historical Comparison Income

Source: U.S. Census

In 2007 Dollars

Year	Hlds	Lowest	Second	Third	Fourth	Top Five Pct
2007	116,783	\$20,291	\$39,100	\$62,000	\$100,000	\$ 177,000
1970	64,778	\$17,574	\$33,667	\$48,968	\$ 69,863	\$ 110,435
Diff		\$ 2,717	\$ 5,433	\$13,032	\$ 30,137	\$ 66,565

- 
- Changes in the labor market
 - “Globalization”
 - Household composition (living arrangements)
 - shift away from married-couple households to single-parent families and nonfamily households



How *flat* the world is depends on where your standing..

- *The World is Flat – “new oil wells”*
-- Thomas Friedman
- *Making Globalization Work*
-- Joseph Stiglitz
- *Networking Diverse Assets, especially human capital... “collaboration” is hard*

Breakout of Household Type

Number in

Percent


Source: U.S Census

Households

Fourth
Fifth


In Fourth Fifth

	Households	Fourth Fifth	In Fourth Fifth
Family households	77,873	18,813	24%
Married-couple families	58,370	15,705	27%
Male householder	5,100	1,058	21%
Female householder	14,404	2,050	14%
Nonfamily households	38,910	4,545	12%



Increased Household Income by Increasing Household Workers

- Female Labor Force Participation + 50%
- Real male earning flat since 1971



But Families Still Squeezed Expenditures (see Warren)

- Costs Down
 - Clothes
 - Food
 - Appliances

- Costs UP
 - Houses (price)
 - Mortgages (payments)
 - Debt (credit cards)
 - Insurance



Credit is the worst thing ever imagined.
"SPEND WHAT YOU DON'T HAVE!"
What a terrible concept. (YouTube)

No, spending it on what you don't need.

Percent Population Change

April 1, 2000 to July 1, 2007

U.S. : 20.2 Million
Five States: 10.6 Million

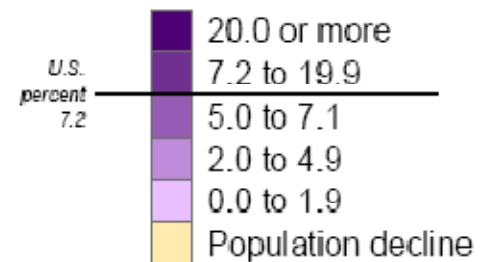
Total Population

World: 6.7 Billion

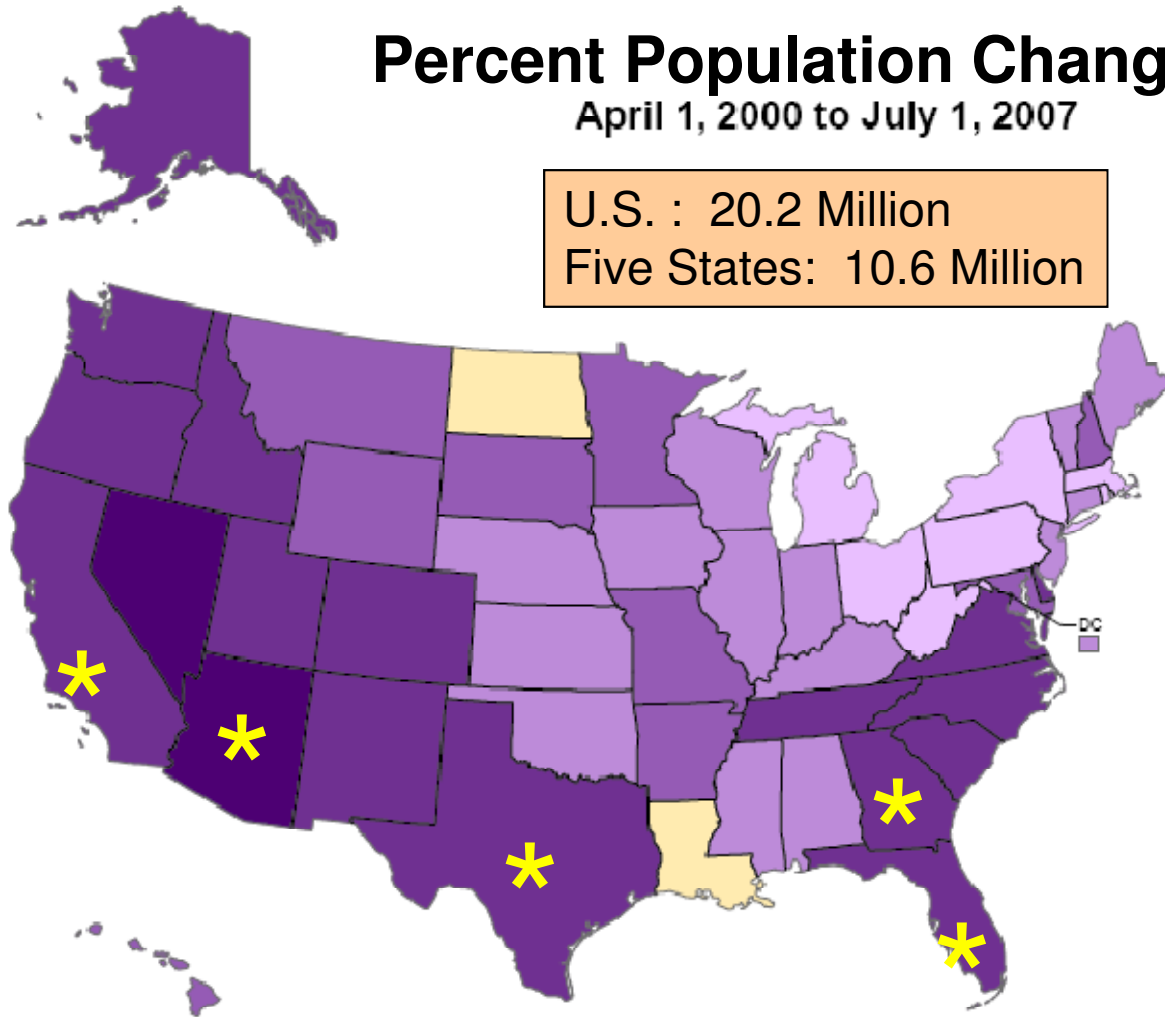
U.S.: 302 Million

Mo.: 5,878,415

Percent change
in population

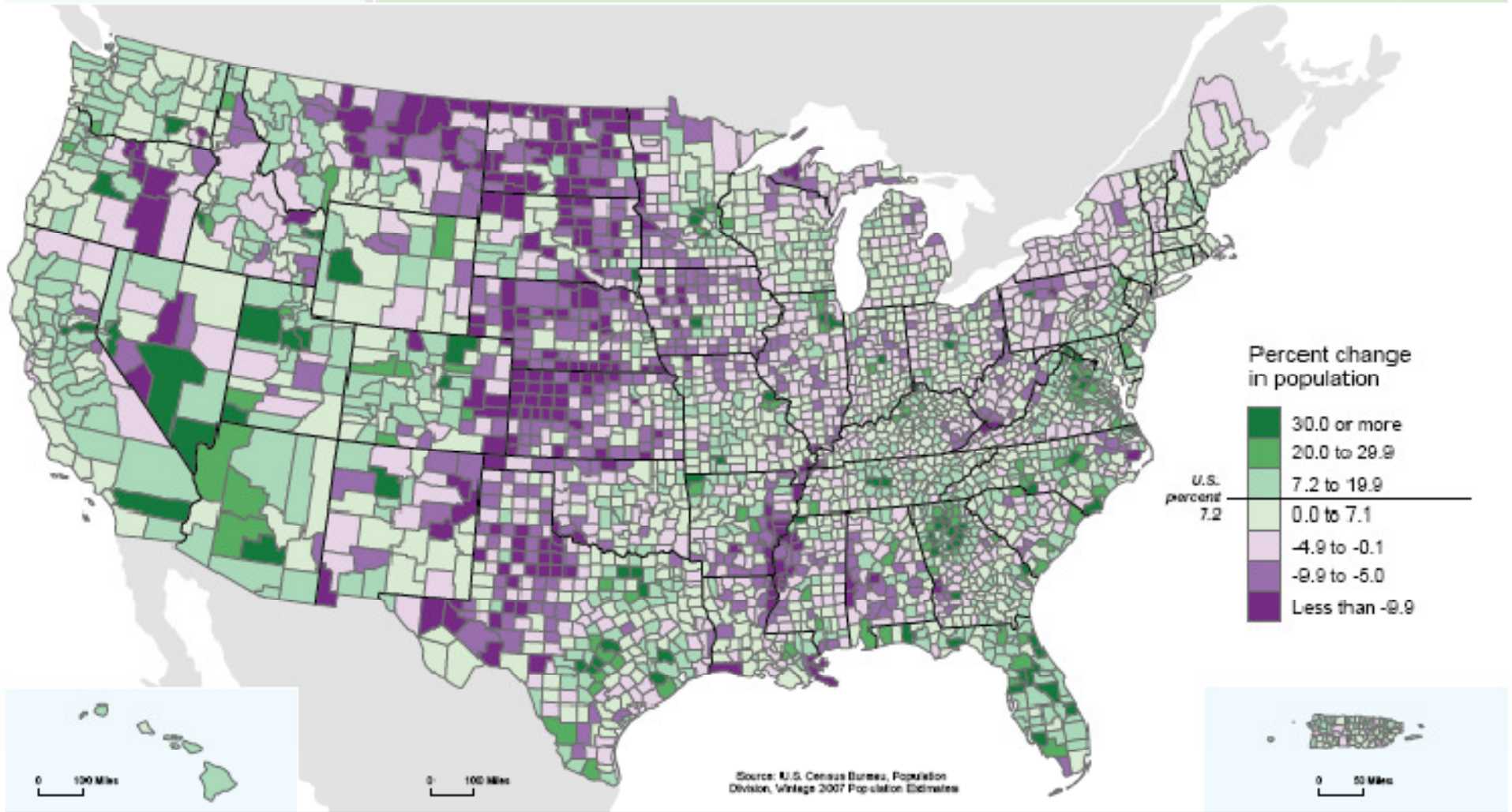
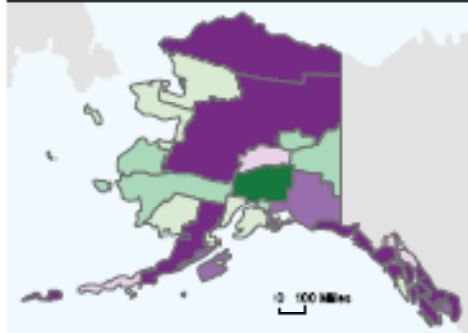


Missouri
281,732
5 percent

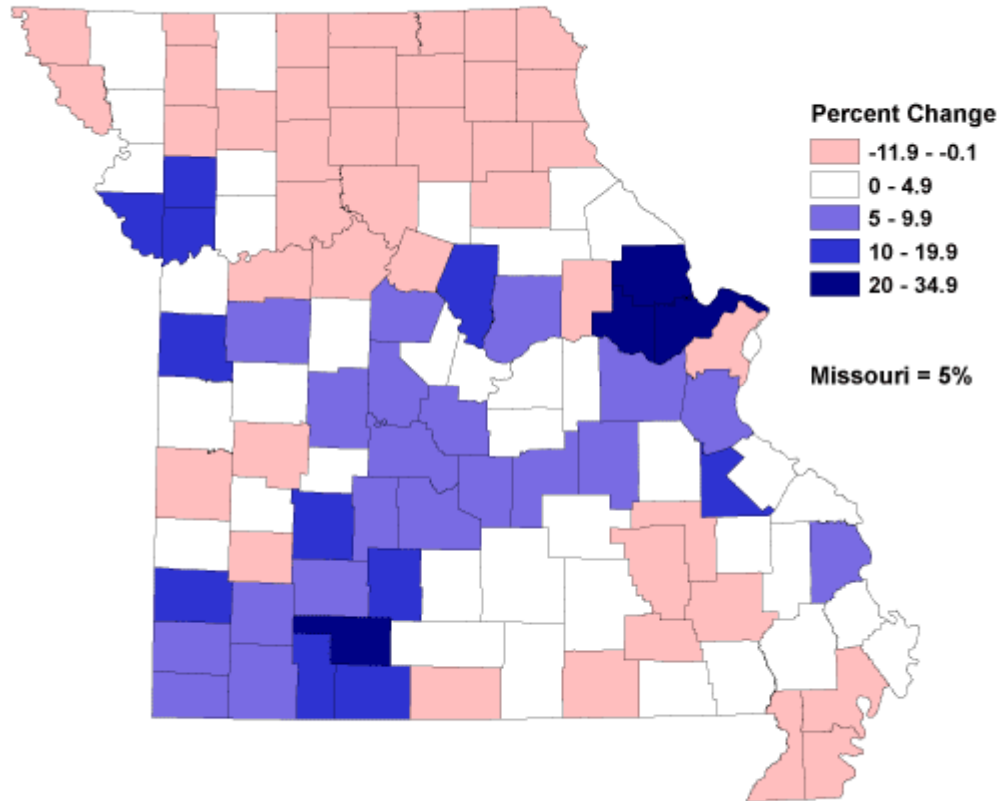


Source: U.S. Census Bureau, Population Division, 2007

Percent Change in Population for Counties and Puerto Rico Municipios: April 1, 2000 to July 1, 2007

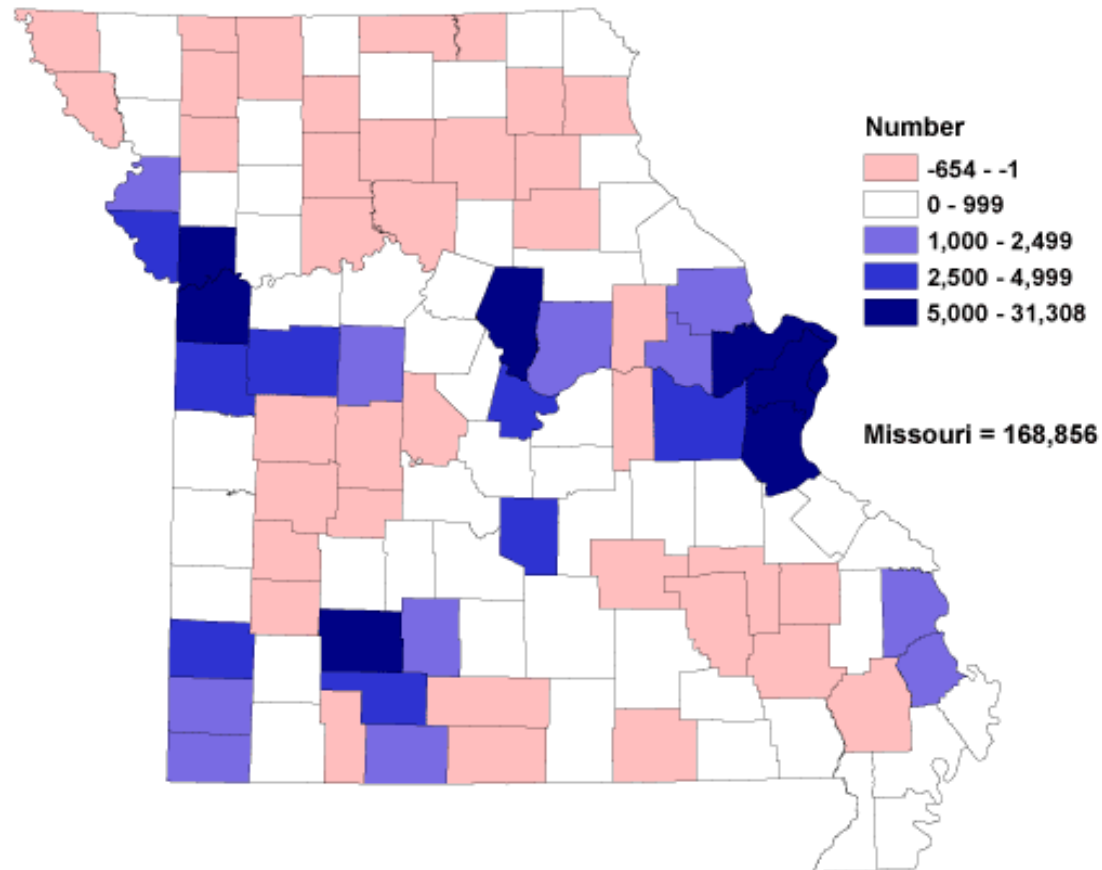


Percent Population Change in Missouri, by County 2000-2007



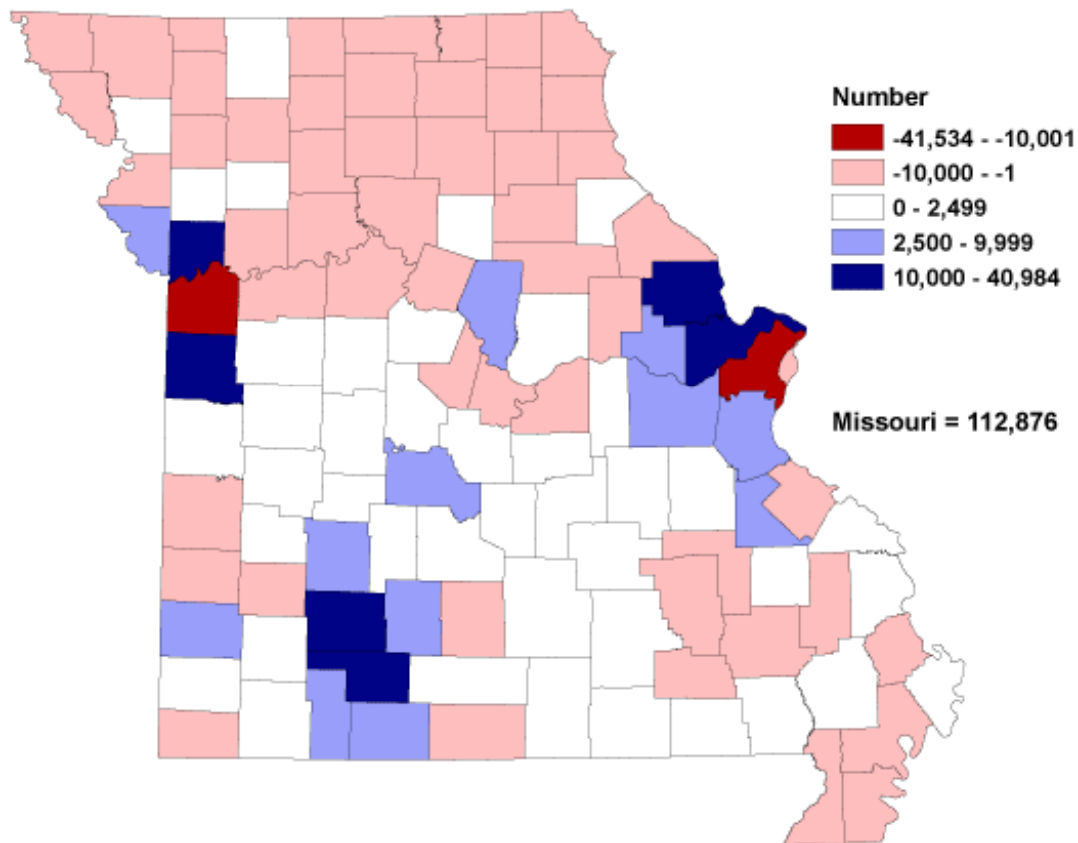
Source: Population Division, U. S. Census Bureau, Annual Estimates, April 1, 2000 - July 1, 2007.
Prepared by: University of Missouri Extension, Office of Social and Economic Data Analysis (OSEDA)
Map Generated on: 20 Mar 2008

Natural Increase in Missouri Population by County 2000-2007



Source: Population Division, U. S. Census Bureau, Annual Estimates, April 1, 2000 - July 1, 2007.
Prepared by: University of Missouri Extension, Office of Social and Economic Data Analysis (OSEDA)
Map Generated on: 24 Mar 2008

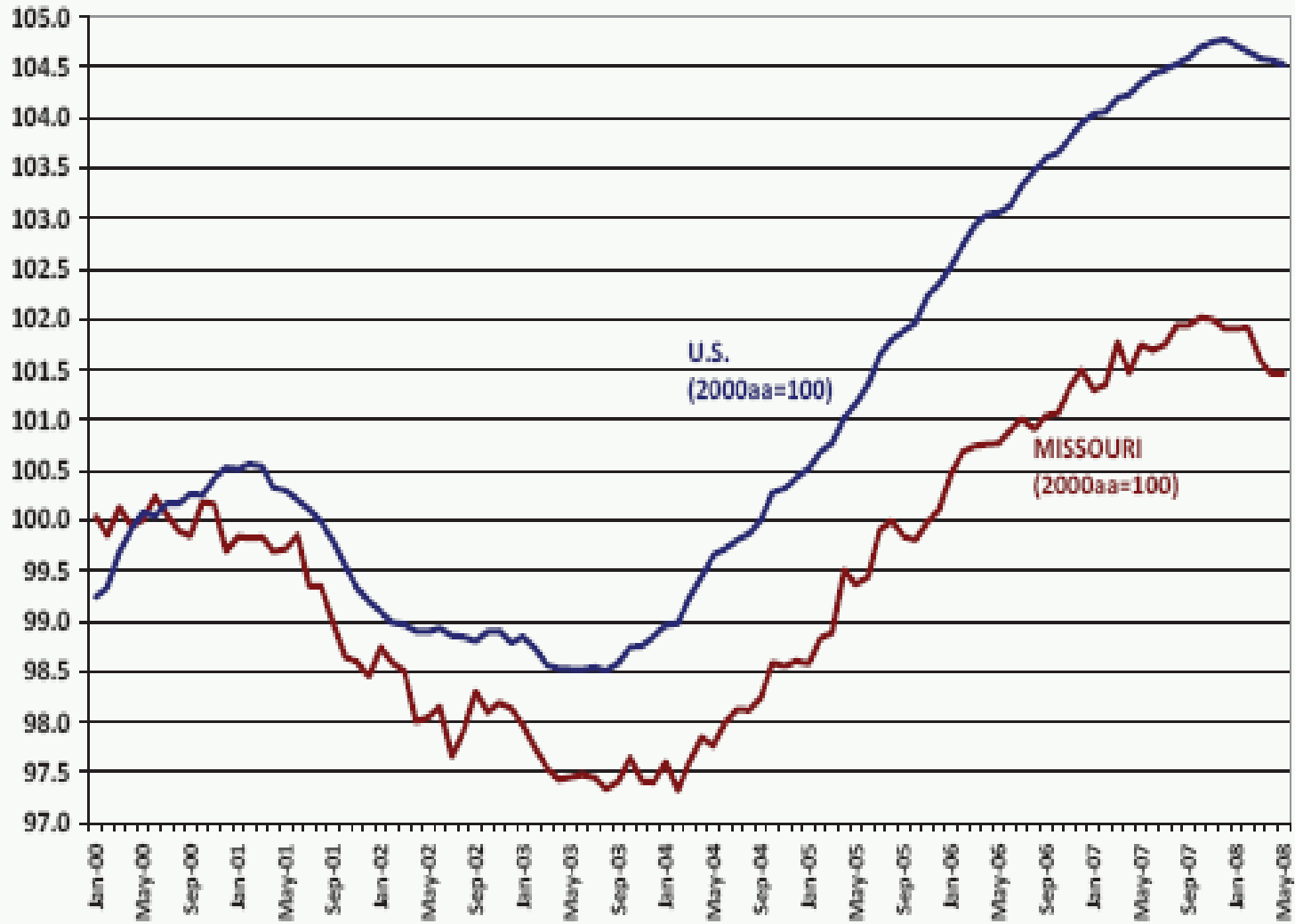
Net Migration in Missouri Population by County 2000-2007



Source: Population Division, U. S. Census Bureau, Annual Estimates, April 1, 2000 - July 1, 2007.
Prepared by: University of Missouri Extension, Office of Social and Economic Data Analysis (OSED A)
Map Generated on: 24 Mar 2008

U.S. and Missouri Payroll Employment

Index: 2000 annual average = 100



Unemployment Rates Missouri vs. U.S. (past 36 months, seasonally adjusted)

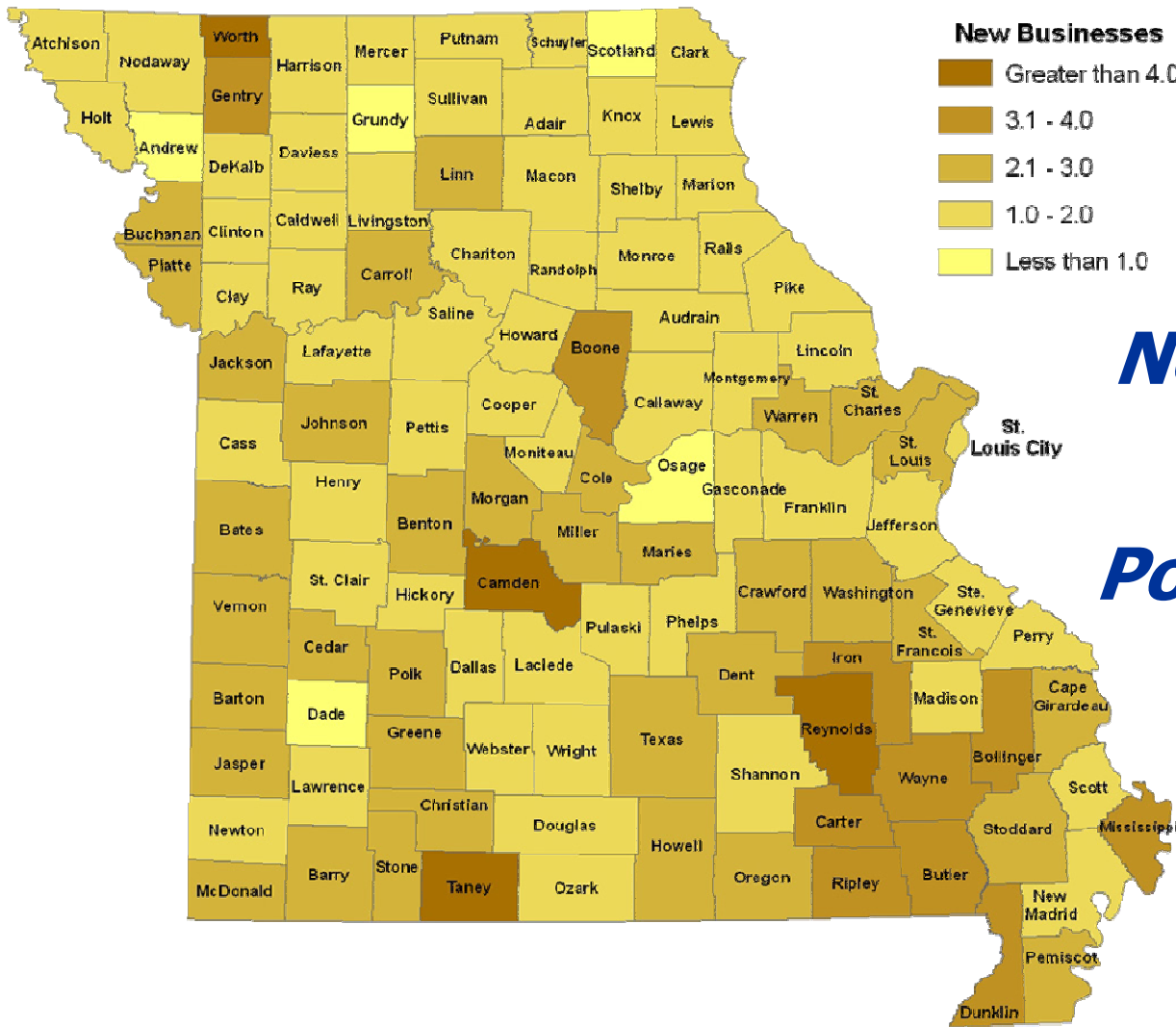


Wage and salary employment growth by industry sector, projected 2004-2014



*Missouri
Projected Employment
Growth by Sector
2004-2014*

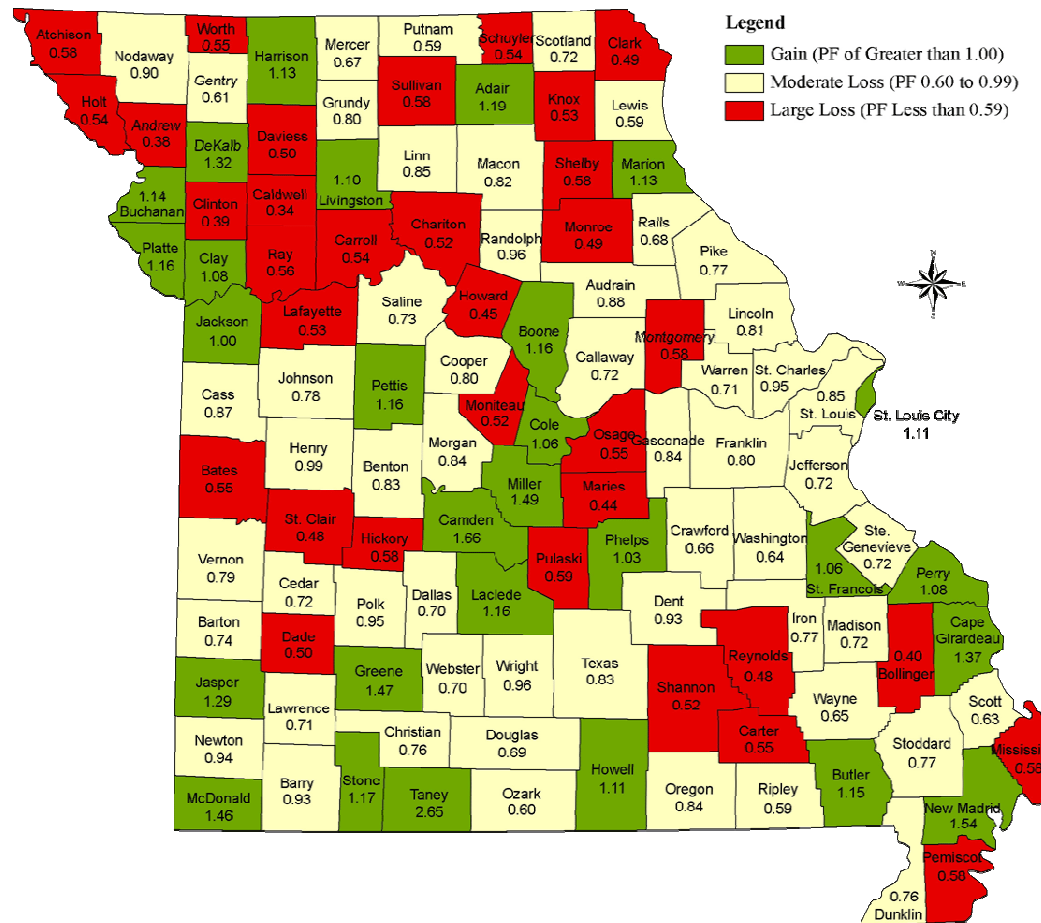
Source: MERIC



New Businesses per 1,000 Population, 2006

Source: MERIC

Retail Pull Factors



Missouri “Sustainable Wages”

- **Two Working Family with Insured Infant, Preschooler & School age child**

<i>County</i>	<i>Hourly</i>	<i>Annual</i>
• Jackson	\$13.29	\$55,283
• Livingston	\$10.04	\$41,756
• Maries	\$10.36	\$43,079
• St. Charles	\$13.63	\$56,684

Cost Component	Jackson	Maries
Childcare	\$18,369.00	\$11,288.86
Food	\$7,965.75	\$7,965.75
Housing	\$10,488.00	\$6,804.00
Medical	\$3,378.03	\$3,378.03
Telephone	\$340.00	\$340.00
Transportation	\$5,121.95	\$5,804.46
Total	\$55,283.10	\$43,079.16
Pct Child Care	33%	26%

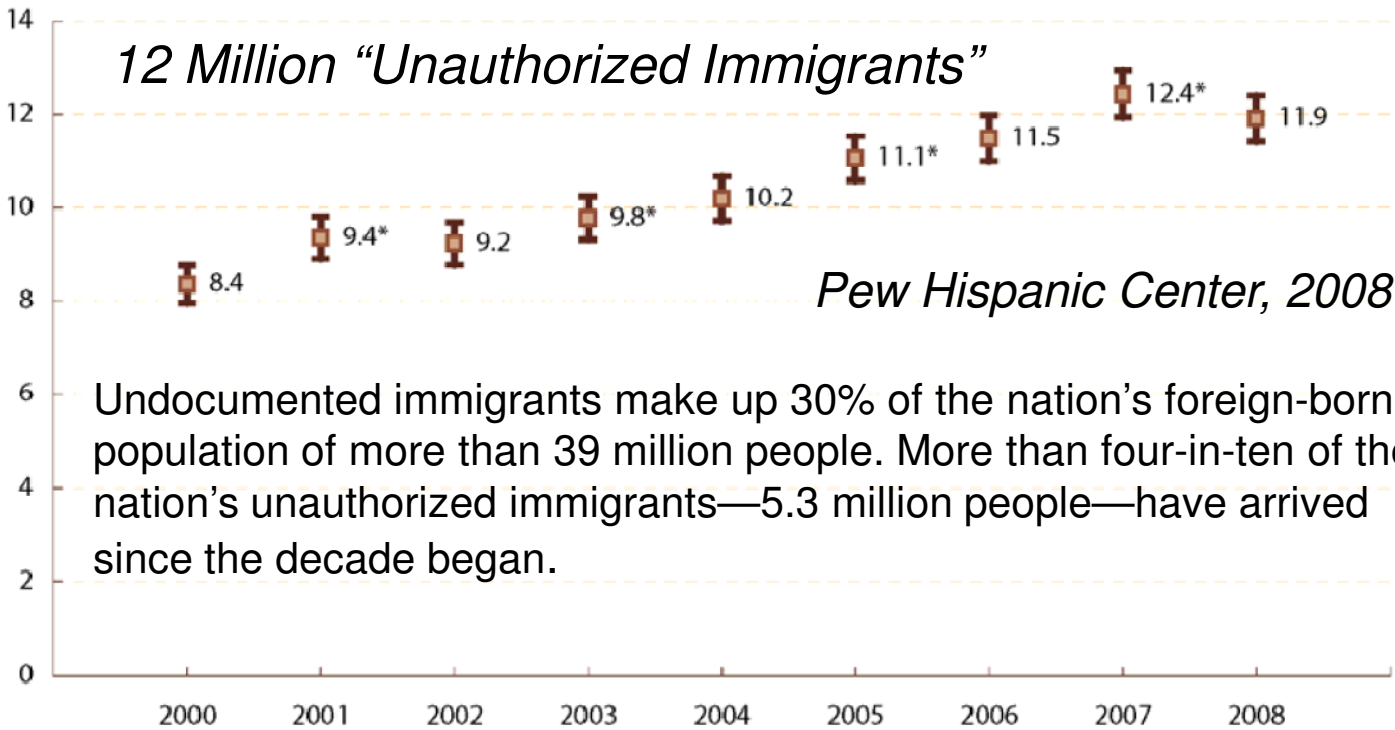


Change in the Hispanic Population 2000 - 2006

- Percent Change: U.S. 6.4% -- Hispanic 25.5%.
- Hispanics (44.3 million)
- Blacks (38.3 million)
- Missouri Hispanic Population 2006
 - 164,194
 - 38.4% gain since 2000

Figure 1

Estimates of the U.S. Unauthorized Immigrant Population, 2000-2008
(millions)



Undocumented immigrants make up 30% of the nation’s foreign-born population of more than 39 million people. More than four-in-ten of the nation’s unauthorized immigrants—5.3 million people—have arrived since the decade began.

Note: Estimates are based on residual methodology; see appendix. Bars indicate low and high points of the estimated 90% confidence interval (Table 1). The symbol * indicates that the change from previous year is statistically significant.

Source: Pew Hispanic Center estimates, 2008, based on March Supplements to the Current Population Survey (CPS).

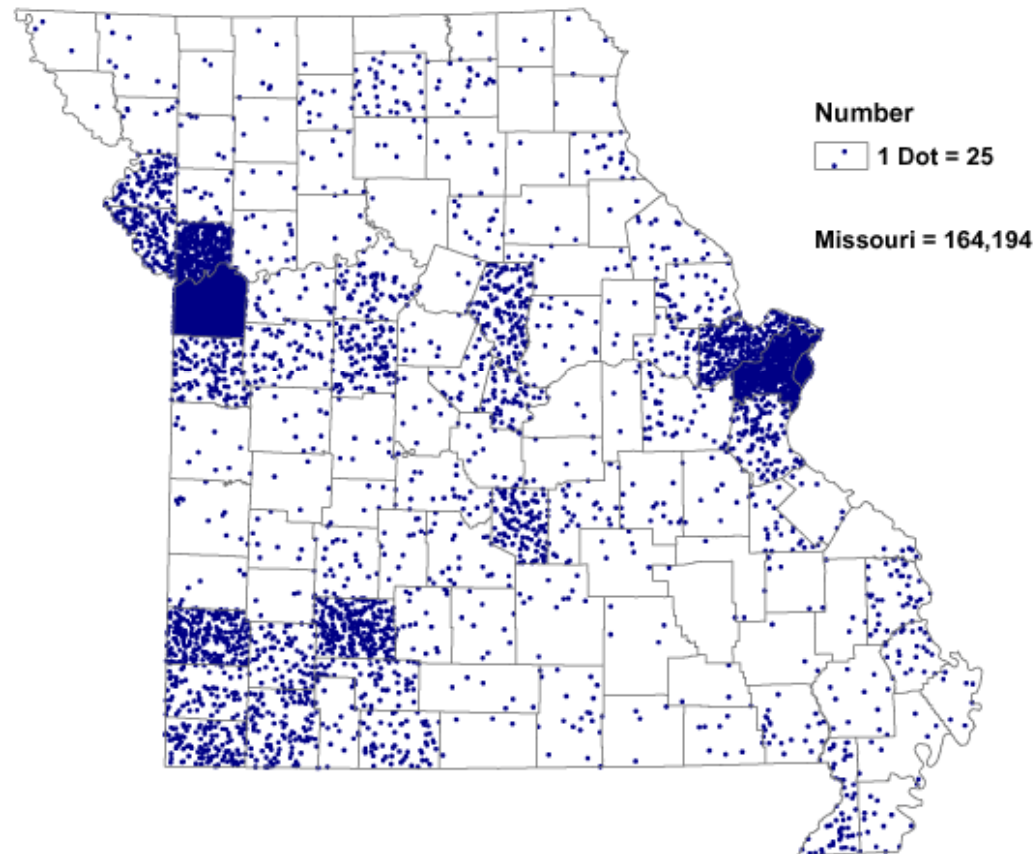


Enrollment Change

From 1.4% to 2.8% in 5 years

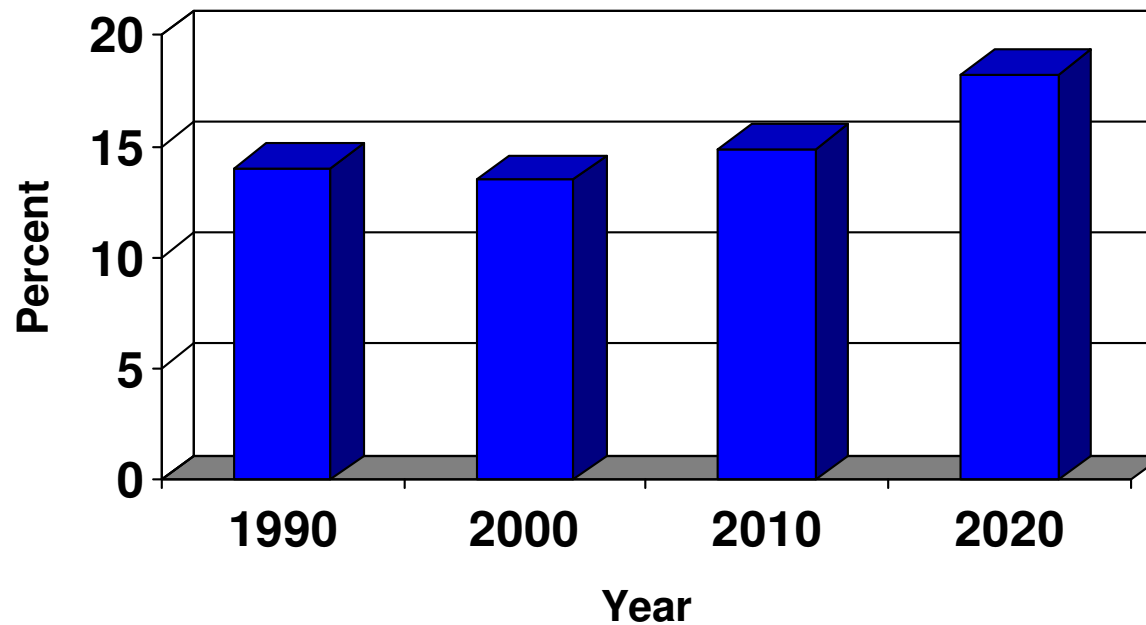
	1999	2005	Change	Pct Change
Total	896,910	894,855	-2,055	-0.2%
Hispanic	12,633	25,166	12,533	99.2%

Hispanic Population in Missouri, 2006



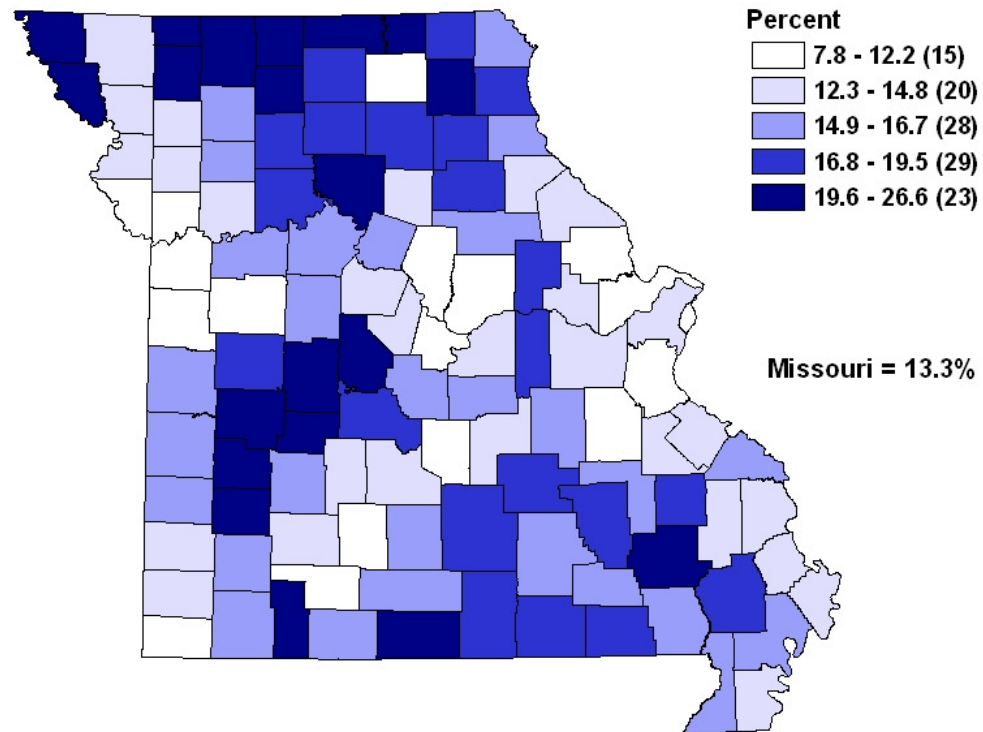
Source: USDC, Bureau of the Census, (2006 Estimates)
Prepared by: University of Missouri Extension, Office of Social and Economic Data Analysis (OSEDA)
Map Generated on 13 Nov 2007

Percent Missouri Population Age 65+: 1990-2020



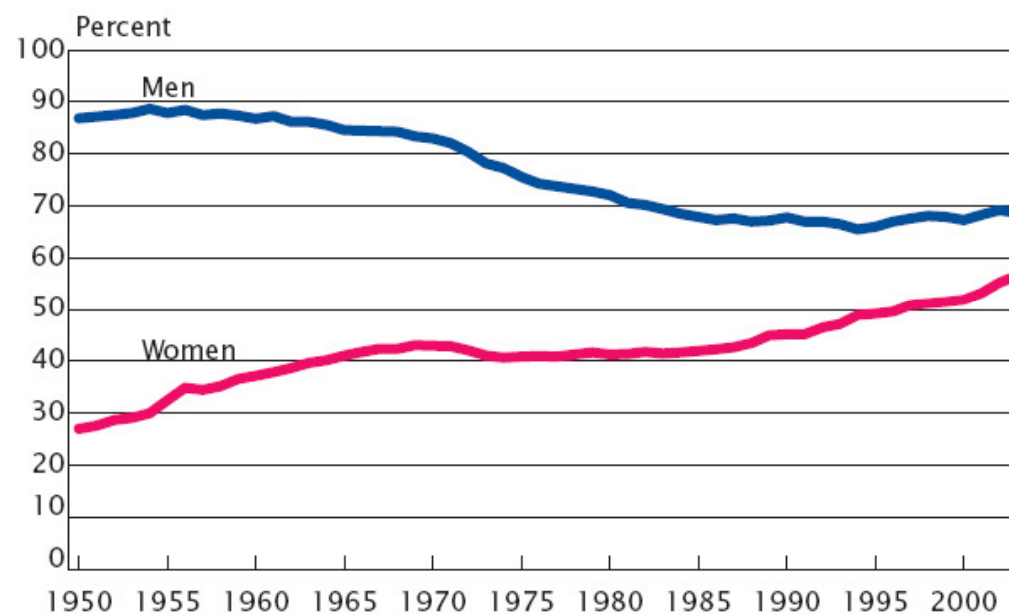
SOURCE: Census Bureau/NCHS. Projection algorithm, programming by OSEDA
Chart Prepared by: University of Missouri Extension, Office of Social and Economic Data Analysis
24March2006

Percent of Missouri's Population, 2005: Age 65 and Older



Source: USDC, Bureau of the Census, 2000 Decennial Census
Produced by: University of Missouri Extension, Office of Social and Economic Data Analysis
Map generated on 28June2007

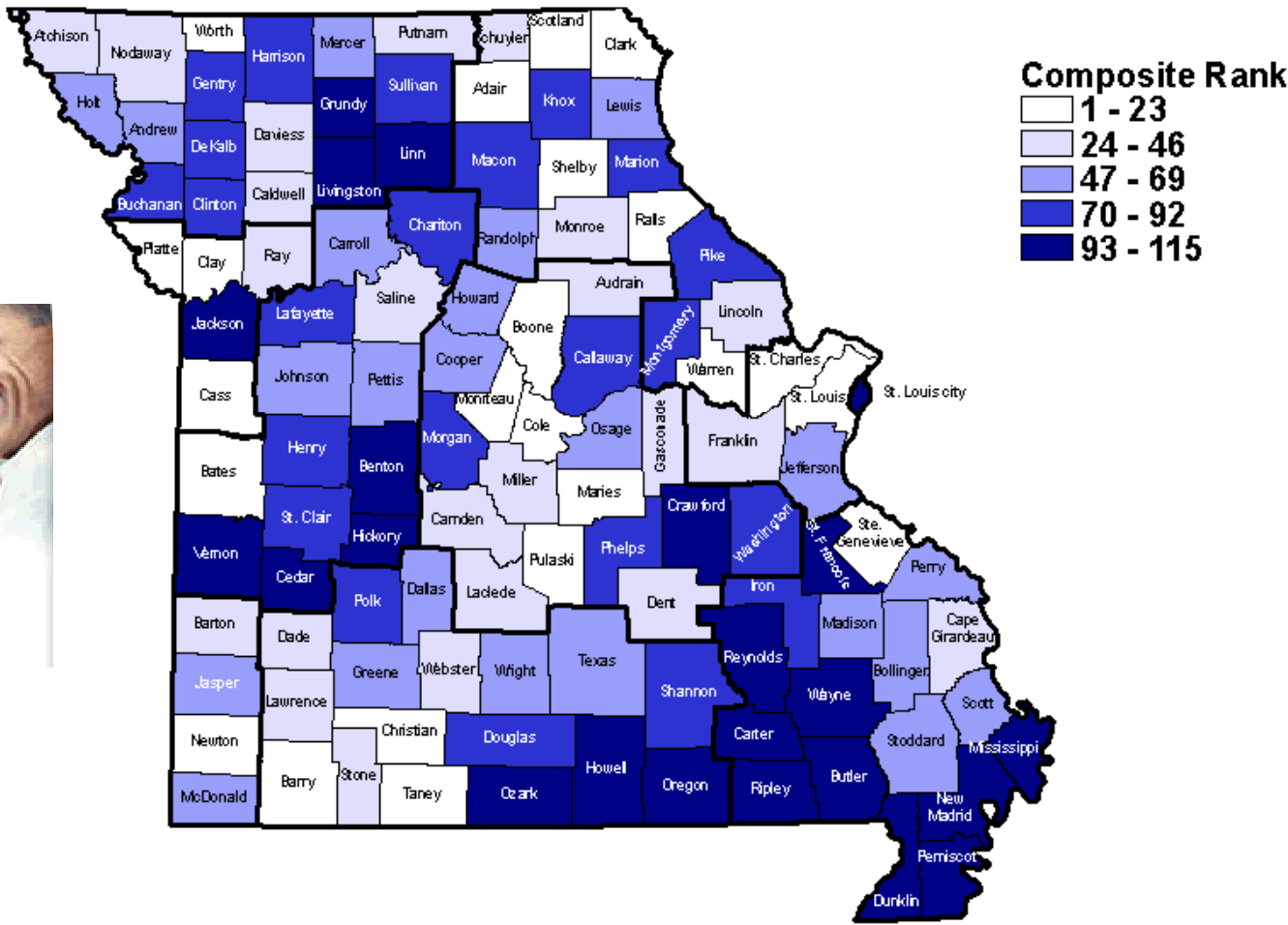
Figure 4-5.
**Labor Force Participation Rates for the Population
Aged 55 to 64 by Sex: 1950 to 2003**



Note: The reference population for these data is the civilian noninstitutionalized population.

Source: Bureau of Labor Statistics, 2004c. For full citation, see references at end of chapter.

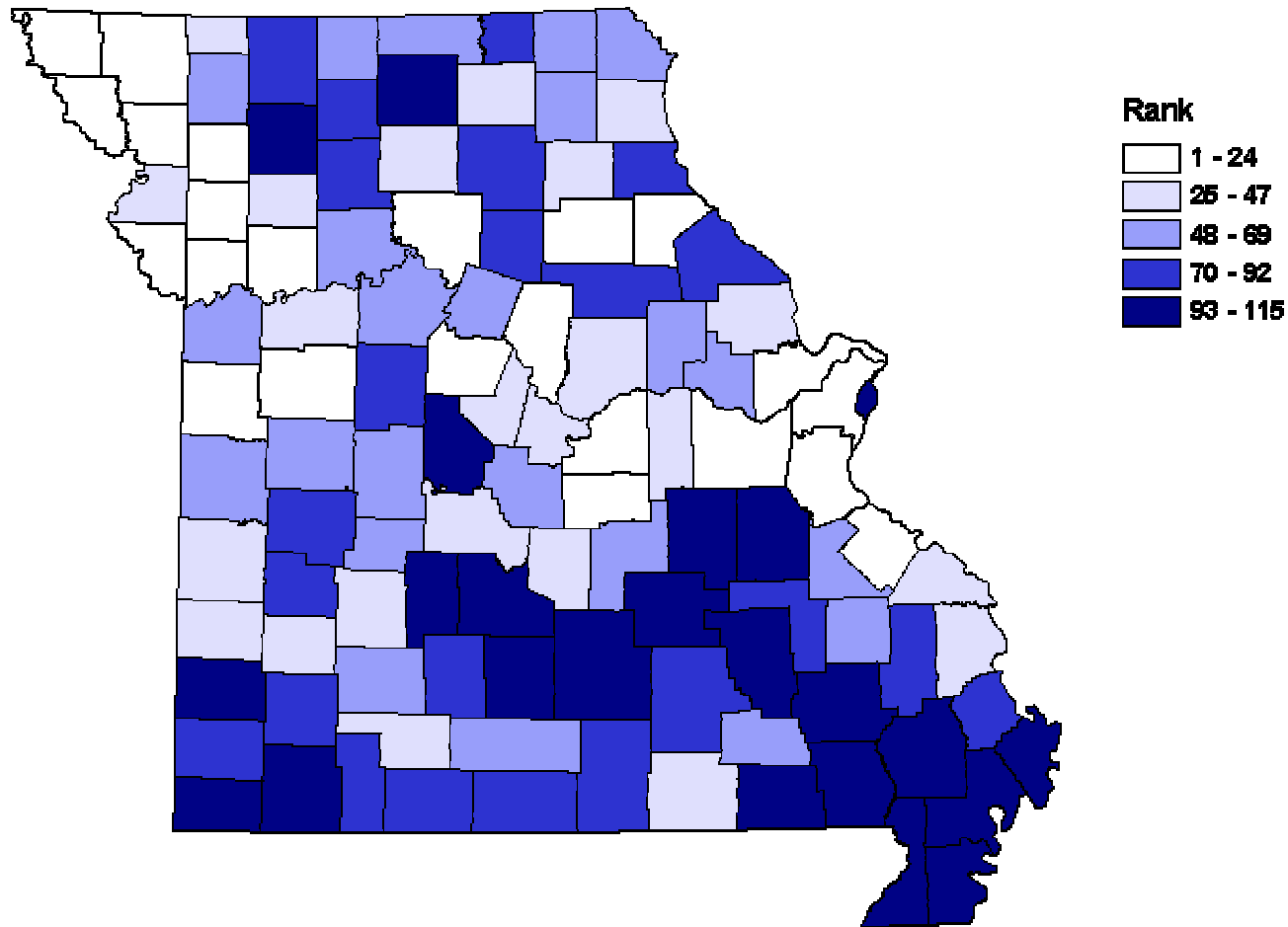
Missouri Senior Report 2006



Consider Columbia!
 Whether it's settling down or moving up, Columbia is for you.

Prepared by: Office of Social and Economic Data Analysis (SEDA); 7/06

Composite County Kids Count Rank, 2006





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