

# 2020 MEMPHIS POVERTY FACT SHEET

The 2020 Update of the Memphis Poverty Fact Sheet, Produced Annually by Dr. Elena Delavega of the School of Social Work at the University of Memphis, and Dr. Gregory M. Blumenthal. Data from the 2019 American Community Survey Released in September 2020 and previous datasets.

*Memphis and  
Shelby County*



## **2020 Memphis Poverty Fact Sheet** **(Data from 2019 and 2018 ACS)**

### **NOTE on COVID and Poverty**

COVID-19 has impacted this community in some very visible ways and in some invisible ways. The full impact of the pandemic will not be known for at least another year. The data provided by the American Community Survey (ACS), a product of the Census Bureau, is the most current we have, but it is seriously behind the times. The data we are presenting now was collected at least a year ago in 2019, and it may be slightly older than that. The economy moves notoriously slowly, so in normal years the time lag is not very problematic. However, when we have events that affect the economy in significantly and dramatically, the numbers may not reflect current reality at all. At this time, we can only speculate what the impact of COVID-19 on poverty will be.

### ***Who are the Memphis Poor?***

The city of Memphis has a poverty rate of 21.7%. Child poverty is 35.0%, while the poverty rate for people over age 65 is the lowest of any age group at 14.1%. Poverty in Memphis has decreased markedly for all ages and for non-Hispanic Whites and Blacks as a whole, while increasing slightly for Hispanics/Latinos. The City of Memphis poverty rate for Blacks is 26.1%, for Hispanics/Latinos is 29.2%, and the poverty rate for non-Hispanic Whites in the city of Memphis has continued to decrease to 9.3%. In the Memphis Statistical Metropolitan Area (MSA), which includes parts of Tennessee, Arkansas, and Mississippi, the overall poverty is 15.4%, child poverty is 23.7%, poverty for people over age 65 is 10.7%, Black poverty is 22.6%, non-Hispanic White poverty is 6.9%, and Hispanic or Latino poverty is 21.9%. It is noted this year that Black and Hispanic/Latino poverty rates are converging in Memphis, except for people over 65.

### ***The Poverty Rate in Memphis and Shelby County Compared to National Rates***

In general, poverty rates for the City of Memphis continue to be higher than poverty rates in Shelby County for every category. Both are higher than poverty rates in Tennessee, with the notable exception of non-Hispanic Whites, for which poverty rates are higher in Tennessee than in Memphis at every level. While poverty rates in Memphis have generally fallen, the poverty rates in Tennessee have increased for all groups. Poverty has also increased for non-Hispanic Whites in the United States as a whole. This suggests that poverty is becoming more rural and whiter, although it is impossible to tell at this time and more years of data will be needed.

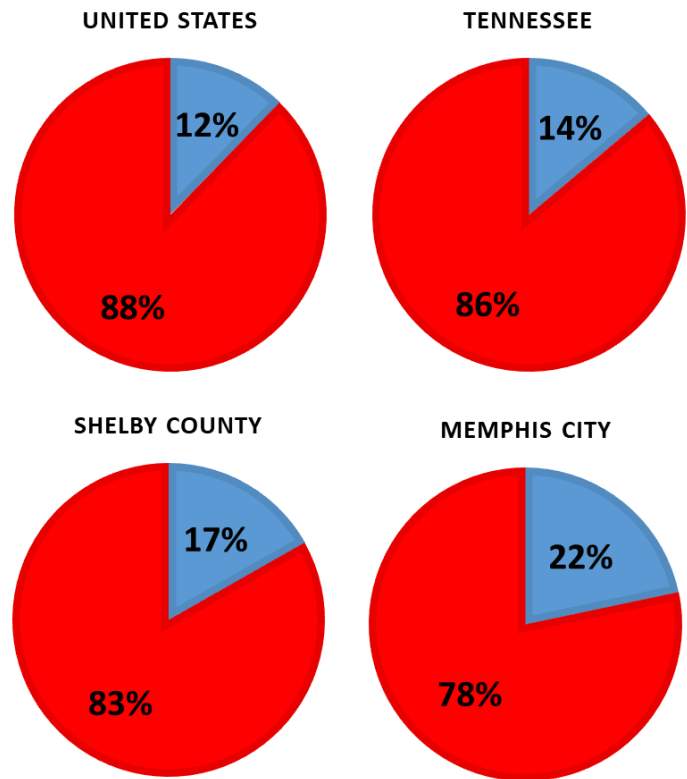
**Table 1 – Diverse Poverty Rates in Memphis, Shelby County, Tennessee, and the United States**

2019 Poverty Rate	Overall	Under 18	18-64	Over 65	Non-Hispanic White	Non-Hispanic Black	Latino	Asian
<b>United States</b>	12.3%	16.8%	12.9%	9.4%	9.0%	21.2%	17.2%	9.2%
<b>Tennessee</b>	13.9%	19.7%	12.9%	9.7%	11.2%	21.5%	23.6%	9.4%
<b>Shelby County</b>	16.8%	25.9%	14.3%	11.8%	6.8%	23.0%	24.5%	N/A
<b>Memphis city, Tennessee</b>	21.7%	35.0%	18.3%	14.1%	9.3%	26.1%	29.2%	N/A
<b>Memphis, TN-MS-AR Metro</b>	15.4%	23.7%	13.1%	10.7%	6.9%	22.6%	21.9%	N/A

**New in 2020**

The poverty rates for Memphis and Shelby County decreased in 2019 in comparison to 2018 at the same time that population sizes for most groups (except Blacks in the City of Memphis) have increased. Additionally, median incomes for all groups increased in both Shelby County and the City of Memphis. This is in contrast with the rest of Tennessee, where median incomes for all groups declined. In 2019, Memphis performed better than Tennessee, even though poverty rates remain higher in Memphis than in the rest of the State

**Figure 1 – Percent of the Population in Poverty**



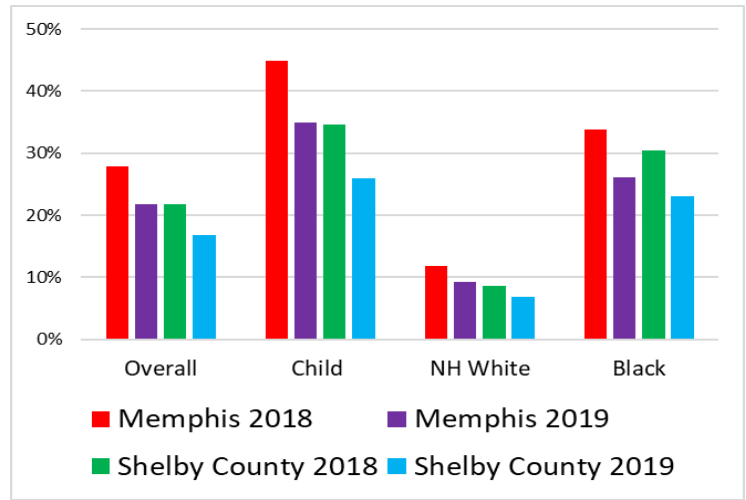
**Not-So-New in 2020**

It is not a surprise to anyone familiar with the Memphis Poverty Fact Sheet that the poverty rate in the City of Memphis is higher than in Shelby County, Tennessee, and the United States. It is also not a surprise that the poverty rate among minorities is higher than among non-Hispanic Whites. Structural disparities remain and will require deliberate efforts to dismantle. Solving poverty will require regional solutions and regional investments, such as public transportation that serves the entire community.

**Good News Overall**

In 2019, poverty in the U.S., stayed the same as in 2018, with some shifts (higher poverty among non-Hispanic Whites, lower poverty among Hispanics), but Memphis appears to finally be catching up. Unfortunately, years of observations suggest that Memphis is among the first places to experience economic disaster and decline, but one of the last to join the recovery. How this community will be affected by COVID-19 remains to be seen, but it is to be expected that poverty will increase in the next few years; even after COVID-19 has been tamed (and that is uncertain at this point), the recovery will likely take years.

**Figure 2 – Poverty Rates in 2018 and 2019 in Memphis and Shelby County**



**Table 2 – Percent Change in Poverty Rates in Memphis and Shelby County**

	Overall			Non-Hispanic White			Black			Hispanic		
	2018	2019	% Change	2018	2019	% Change	2018	2019	% Change	2018	2019	% Change
<b>Memphis</b>	27.8%	21.7%	-21.9%	11.8%	9.3%	-21.2%	33.8%	26.1%	-22.8%	28.8%	29.2%	1.4%
<b>Shelby County</b>	21.7%	16.8%	-22.6%	8.6%	8.6%	0.0%	30.5%	23.0%	-24.6%	24.0%	24.5%	2.1%

	Overall			Child			Over 65		
	2018	2019	% Change	2018	2019	% Change	2018	2019	% Change
<b>Memphis</b>	27.8%	21.7%	-21.9%	44.9%	35.0%	-22.0%	15.8%	14.1%	-10.8%
<b>Shelby County</b>	21.7%	16.8%	-22.6%	34.6%	25.9%	-25.1%	12.1%	11.8%	-2.5%

*Memphis is not “number 1” in poverty in 2020, in either overall or child poverty. However, this decline in poverty comes two years after poverty started falling nationally.*

## **DETAILED POVERTY TABLES**

**Table 3 – The Poverty Intersection of Race and Age: United States**

United States						
	Overall	Non-Hispanic White	Black	Latino or Hispanic	Asian	Native American
Population Size (in thousands)	328,240	196,789	44,990	60,482	18,637	2,847
Median Household Income	\$65,712	\$71,664	\$43,862	\$55,658	\$93,759	\$45,476
Overall Poverty Rate	12.3%	9.0%	21.2%	17.2%	9.6%	23.0%
Child (Under 18) Poverty Rate	16.8%	10.2%	30.6%	23.4%	9.2%	29.8%
Poverty Rate for People 18-64	12.9%	9.3%	18.3%	14.0%	9.2%	21.4%
Poverty Rate for People 65+	9.4%	7.3%	17.6%	17.7%	12.6%	16.4%

**Table 4 – The Poverty Intersection of Race and Age: Tennessee**

Tennessee					
	Overall	Non-Hispanic White	Non-Hispanic Black	Latino or Hispanic	Asian
Population Size (in thousands)	6,829	5,006	1,140	389	123
Median Household Income	\$56,071	\$60,678	\$40,768	\$46,126	\$85,209
Overall Poverty Rate	13.9%	11.2%	21.5%	23.6%	9.4%
Child (Under 18) Poverty Rate	19.7%	14.0%	30.9%	31.9%	8.4%
Poverty Rate for People 18-64	12.9%	11.1%	18.5%	18.5%	9.9%
Poverty Rate for People 65+	9.7%	8.6%	17.4%	13.5%	7.6%

***Memphis and Shelby County have made important strides in reducing child poverty, but children still bear the brunt of poverty and suffer the consequences.***

**Tables 5 – The Poverty Intersection of Race and Age: Shelby County**

Shelby County, Tennessee				
	Overall	Non-Hispanic White	Non-Hispanic Black	Latino or Hispanic
Population Size (in thousands)	937	330	505	61
Median Household Income	\$52,614	\$82,050	\$39,766	\$38,864
Overall Poverty Rate	16.8%	6.8%	23.0%	24.5%
Child (Under 18) Poverty Rate	25.9%	5.7%	34.5%	33.1%
Poverty Rate for People 18-64	14.3%	6.9%	19.2%	18.3%
Poverty Rate for People 65+	11.8%	7.2%	17.2%	10.0%

**Table 6 – The Poverty Intersection of Race and Age: The City of Memphis**

City of Memphis, Tennessee				
	Overall	Non-Hispanic White	Non-Hispanic Black	Latino or Hispanic
Population Size (in thousands)	651	169	410	61
Median Household Income	\$43,794	\$69,395	\$35,668	\$38,864
Overall Poverty Rate	21.7%	9.3%	26.1%	24.5%
Child (Under 18) Poverty Rate	35.0%	9.8%	40.1%	33.1%
Poverty Rate for People 18-64	18.3%	9.7%	21.8%	18.3%
Poverty Rate for People 65+	14.1%	8.0%	18.7%	10.0%

**Table 7 – The Poverty Intersection of Race and Age: Memphis Metropolitan Statistical Area (MSA)**

Memphis, TN-MS-AR Metro Area				
	Overall	Non-Hispanic White	Non-Hispanic Black	Latino or Hispanic
Population Size (in thousands)	1,345	575	653	78
Median Household Income	\$54,859	\$75,827	\$40,383	\$39,902
Overall Poverty Rate	15.4%	6.9%	22.6%	21.9%
Child (Under 18) Poverty Rate	23.7%	7.2%	34.1%	30.4%
Poverty Rate for People 18-64	13.1%	7.0%	18.4%	16.0%
Poverty Rate for People 65+	10.7%	6.1%	18.3%	10.1%

## COMPARING MEMPHIS

### **Poverty Rankings**

In 2019, Memphis continued in second place in both overall poverty and child poverty among large Metropolitan Statistical Areas (MSA) with populations greater than 1,000,000 and in child poverty among large cities with populations greater than 500,000. Memphis, however, ranked in fifth place in overall poverty among large cities with populations greater than 500,000, and improved significantly among MSAs with populations larger than 500,000. While encouraging, this news needs to be evaluated with cautious optimism. Indeed, Memphis may be doing better, but children continue suffering the most egregious poverty levels. Why is it that poverty hurts minority children worst? This community needs to do more to address the needs of children and of families. Children are poor because their parents are poor. It is as simple as that. Poor families need supports such as low-cost mortgages, subsidized childcare, and city-wide access to the internet. The COVID-19 pandemic has shown what happens when children live in very precarious situation, and when schools are the only manner in which families receive any support at all: disruptions to the school system result in hunger and children who lack access to the most basic services and care.

### **What the Rankings Mean**

The rank number denotes the position of a city or MSA relative to others. The higher the rank number, the higher the poverty rate for that locality. In other words, a higher ranking is not desirable. Note that there are fewer cities with more than a half-million people than MSAs with more than a million people. This is because MSAs comprise a larger territory. As a result, Memphis is both a city with more than 500,000 people and an MSA with a population greater than one million, but not all MSAs with more than 1,000,000 people include cities with more than half a million people. It is important to note that geographies with smaller sizes tend to have greater poverty rates. Poverty can be as high as 100% of the population in certain small rural localities.

Rankings provide the necessary context to understand poverty rates. A low poverty rate that is still higher than other similar populations is not necessarily a good thing; and a high poverty rate when examined in the context of other populations may indicate that the city is performing better than others

**Table 8 – Memphis’ Rank in Poverty Rates**

Memphis		2018		2019			
		Poverty Rate	Poverty Rank	Poverty Rate	Poverty Rank	Rank Change	% Change
Among Cities with Populations Greater than 500,000 (36 Cities)	Overall	27.80%	2	21.7%	5	-3	-21.9%
	Under 18	44.90%	2	35.0%	2	----	----
Among MSA with Populations Greater than 500,000 (108 MSA)	Overall	18.60%	5	15.4%	13	-8	-17.2%
	Under 18	29.30%	5	23.7%	9	-4	-19.1%
Among MSA with Populations Greater than 1,000,000 (53 MSA)	Overall	18.60%	1	15.4%	2	-1	-17.2%
	Under 18	29.30%	1	23.7%	2	-1	-19.1%

**Table 9 – Highest Poverty Rates in Cities in the United States**

Highest Poverty Rates Rank 1		2018		2019	
		Rank 1	Poverty Rate	Rank 1	Poverty Rate
Among Cities with Populations Greater than 500,000 (36 Cities)	Overall	Detroit City, Michigan	33.4%	Detroit City, Michigan	30.6%
	Under 18	Detroit City, Michigan	47.4%	Detroit City, Michigan	43.2%
Among MSA with Populations Greater than 500,000 (108 MSA)	Overall	McAllen-Edinburg-Mission, TX Metro Area	31.2%	McAllen-Edinburg-Mission, TX Metro Area	27.3%
	Under 18	McAllen-Edinburg-Mission, TX Metro Area	43.3%	McAllen-Edinburg-Mission, TX Metro Area	38.3%
Among MSA with Populations Greater than 1,000,000 (53 MSA)	Overall	Memphis, TN-MS-AR Metro Area	18.6%	New Orleans-Metairie, LA Metro Area	16.4%
	Under 18	Memphis, TN-MS-AR Metro Area	29.3%	New Orleans-Metairie, LA Metro Area	23.8%

**Table 10 – Top Ten Large MSAs in Overall Poverty**

MSAs with populations greater than 1,000,000 people (53 MSAs)	Rank in Overall Poverty	Overall Poverty Rate
New Orleans-Metairie, LA Metro Area	1	16.4%
Memphis, TN-MS-AR Metro Area	2	15.4%
Birmingham-Hoover, AL Metro Area	3	14.0%
Tucson, AZ Metro Area	4	13.8%
San Antonio-New Braunfels, TX Metro Area	5	13.5%
Cleveland-Elyria, OH Metro Area	5	13.5%
Miami-Fort Lauderdale-Pompano Beach, FL Metro Area	7	13.5%
Buffalo-Cheektowaga, NY Metro Area	8	13.1%
Detroit-Warren-Dearborn, MI Metro Area	9	12.6%
Rochester, NY Metro Area	10	12.4%

**Table 11 – Top Ten Large MSAs in Child Poverty**

MSAs with populations greater than 1,000,000 people (53 MSAs)	Rank in Child Poverty	Child Poverty Rate
New Orleans-Metairie, LA Metro Area	1	23.8%
Memphis, TN-MS-AR Metro Area	2	23.7%
San Antonio-New Braunfels, TX Metro Area	3	20.3%
Cleveland-Elyria, OH Metro Area	4	19.2%
Birmingham-Hoover, AL Metro Area	5	19.0%
Buffalo-Cheektowaga, NY Metro Area	5	19.0%
Tucson, AZ Metro Area	7	18.4%
Detroit-Warren-Dearborn, MI Metro Area	7	18.4%
Rochester, NY Metro Area	7	18.4%
Miami-Fort Lauderdale-Pompano Beach, FL Metro Area	10	18.1%



**Table 12 – Top Ten Large Cities in Overall Poverty**

Citiess with populations greater than 500,000 people (36 cities)	Rank in Overall Poverty	Overall Poverty Rate
Detroit city, Michigan	1	30.6%
Philadelphia city, Pennsylvania	2	23.3%
Fresno city, California	3	23.2%
Milwaukee city, Wisconsin	4	22.4%
Memphis city, Tennessee	5	21.7%
Baltimore city, Maryland	6	20.2%
Houston city, Texas	7	19.7%
Tucson city, Arizona	8	19.1%
El Paso city, Texas	9	18.6%
Dallas city, Texas	10	17.5%

**Table 13 – Top Ten Large Cities in Child Poverty**

Citiess with populations greater than 500,000 people (36 cities)	Rank in Child Poverty	Child Poverty Rate
Detroit city, Michigan	1	43.2%
Memphis city, Tennessee	2	35.0%
Milwaukee city, Wisconsin	3	32.6%
Fresno city, California	4	32.2%
Philadelphia city, Pennsylvania	5	32.1%
Baltimore city, Maryland	6	30.5%
Houston city, Texas	7	28.9%
Dallas city, Texas	8	27.8%
El Paso city, Texas	9	26.9%
Tucson city, Arizona	10	25.8%

## **THE RACIALIZATION OF POVERTY**

### ***The Relationship between Poverty and Race***

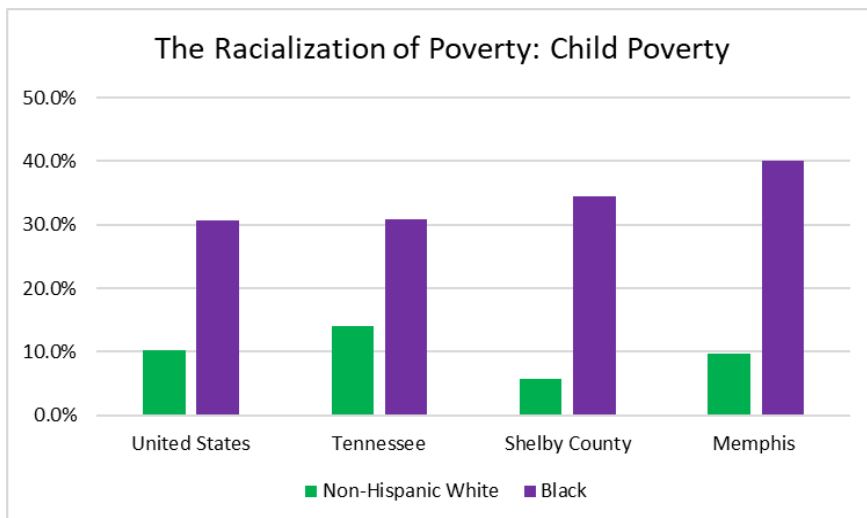
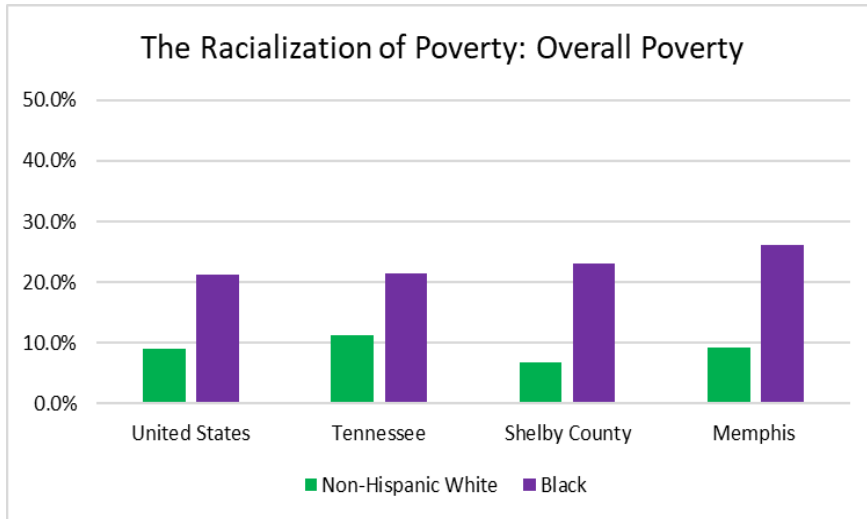
It has now been observed for several years that the poverty rate among non-Hispanic Whites is lower in Shelby County than in Tennessee or the nation as a whole. Poverty among non-Hispanic Whites is much lower than for all other groups. The poor in Memphis tend to be minorities. The poverty rates for Blacks and Latinos (although decreasing for Latinos) are higher than the overall poverty rate, and poverty rates for minorities are higher in every age category than poverty rates for non-Hispanic Whites.

### ***The Poverty Rate and Rank for Non-Hispanic Whites***

It is very interesting to note that while Memphis ranks second in poverty among large MSAs (population greater than 1,000,000) and fifth when including cities with over 500,000 population, when the rate for

non-Hispanic Whites is considered by itself, Memphis is positioned much lower in the list, ranking 31<sup>st</sup> among large MSA (population greater than 1,000,000) and 75<sup>th</sup> among 108 MSA with populations greater than 500,000. The differences between the poverty rates of minority groups and non-Hispanic Whites are striking. While Memphis ranks second in overall poverty, it ranks significantly better when only non-Hispanic Whites are included. The disparities between non-Hispanic Whites and Blacks are much more severe than nationally, and this is cause for great concern.

**Figures 3-4 – Comparison of Poverty Rates for non-Hispanic Whites Only and Blacks Only**



**Table 14 – Comparison of Poverty Rates and Rankings for non-Hispanic Whites Only**

Memphis non-Hispanic Whites Only	2019			
	Overall Poverty Rate	Overall Poverty Rank	non-Hispanic White Poverty Rate	non-Hispanic White Poverty Rank
Among Cities for which data are provided (36 cities, 500,000+ Population)	21.7%	5	9.3%	<b>20</b>
Among MSA for which data are provided (108 MSA, 500,00+ Population)	15.4%	13	6.9%	<b>75</b>
Among MSA for which data are provided (53 MSA, 1,000,000+ Population)	15.4%	2	6.9%	<b>31</b>

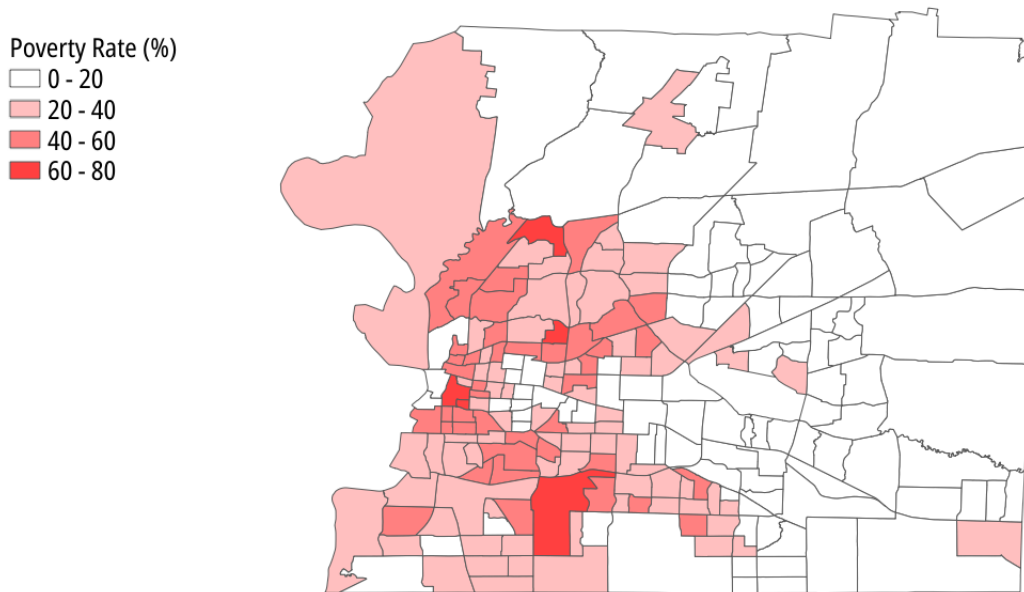
**Table 15 – Comparison of Poverty Rates for Non-Hispanic Whites and Blacks for Various Demographics and Locations**

	All Ages		Under 18		18-64		Over 65	
	Non-Hispanic Whites Only	Blacks Only	Non-Hispanic Whites Only	Blacks Only	Non-Hispanic Whites Only	Blacks Only	Non-Hispanic Whites Only	Blacks Only
<b>United States</b>	9.0%	21.2%	10.2%	30.6%	9.3%	18.3%	7.3%	17.6%
<b>Tennessee</b>	11.2%	21.5%	14.0%	30.9%	11.1%	18.5%	8.6%	17.4%
<b>Shelby County</b>	6.8%	23.0%	5.7%	34.5%	6.9%	19.2%	7.2%	17.3%
<b>Memphis</b>	9.3%	26.1%	9.8%	40.1%	9.7%	21.8%	8.0%	18.7%

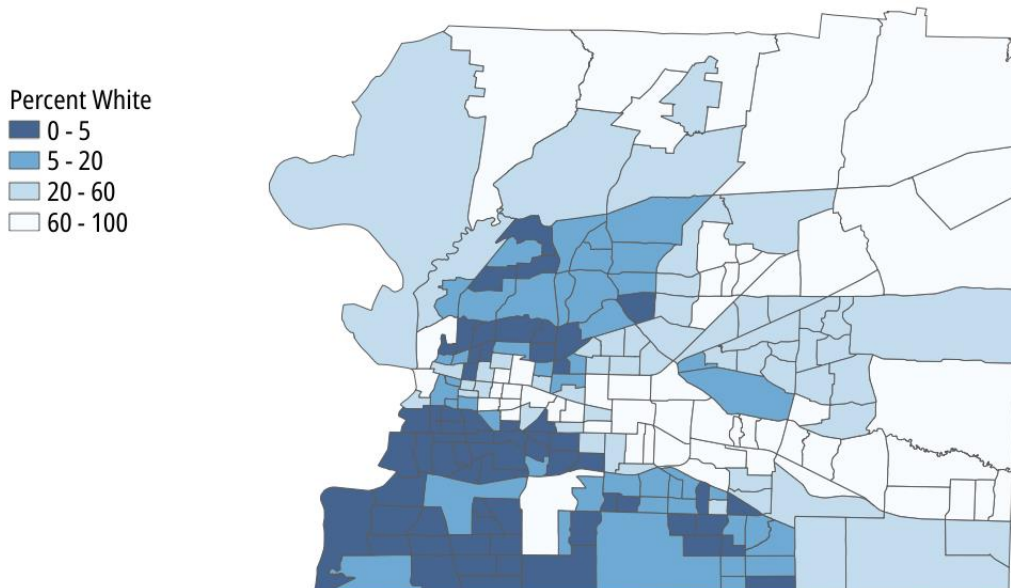
***Minorities consistently suffer greater rates of poverty than non-Hispanic Whites in Memphis and Shelby County. The disparities observed in Shelby County are much larger than in the United States.***

These maps illustrate the segregated nature of Shelby County, and the association between race and poverty

**Figure 5– Mapping the Racialization of Poverty in Memphis – Percent Poverty in Memphis**



**Figures 6 – Mapping the Racialization of Poverty in Memphis – Percent White in Memphis**



**Table 16– Poverty Rates and Racial Composition of Memphis Zip Codes**

ZIP CODE	Population	Percent White	Percent Black	Percent Hispanic/Latino	Overall Poverty	Poverty Rank	Child Poverty	Child Poverty Rank
38002	40,245	70.7	18.8	5.4	6.1	29	9.2	28
38004	10,614	83.2	9.2	3.0	6.2	28	10.7	26
38011	9,855	84.4	10.7	1.3	8.8	24	15.3	21
38016	47,757	40.1	48.0	4.9	5.4	30	6.3	31
38017	54,372	73.3	12.9	2.3	3.9	33	6.0	32
38018	37,217	47.7	37.5	5.9	10.9	21	19.6	19
38028	6,965	86.3	11.0	1.8	4.1	32	1.1	34
38053	26,545	67.3	23.1	5.1	15.0	20	23.4	18
38054	271	70.1	16.2	11.8	0.0	36	0.0	36
38103	14,044	54.2	33.3	3.3	16.2	19	7.2	30
38104	23,517	64.1	26.1	5.7	21.6	17	18.6	20
38105	6,209	11.3	78.5	4.2	41.5	5	48.3	9
38106	24,029	1.7	96.2	1.8	42.4	4	64.9	3
38107	16,120	17.8	77.3	1.2	33.5	7	49.4	8
38108	17,894	13.9	62.3	22.1	44.7	2	63.5	4
38109	44,922	1.7	96.0	1.7	26.7	15	42.2	14
38111	43,563	40.3	48.6	7.6	29.2	12	45.0	13
38112	17,082	35.6	55.7	5.5	27.9	14	41.9	15
38114	26,786	4.9	91.3	2.0	35.4	6	51.9	5
38115	40,837	6.3	82.0	10.4	29.8	11	50.9	7
38116	39,758	2.9	93.4	2.3	28.8	13	47.6	10
38117	25,881	83.5	8.9	4.9	9.9	23	9.3	27
38118	38,664	6.3	76.6	14.3	32.8	8	51.1	6
38119	22,947	50.7	41.3	2.6	10.2	22	15.0	22
38120	14,634	83.2	4.6	3.0	6.5	27	11.1	25
38122	24,695	45.1	20.9	29.1	31.0	9	47.2	12
38125	37,519	13.2	74.0	6.8	8.0	25	13.5	24
38126	6,407	2.7	95.8	0.8	64.1	1	84.4	1
38127	44,227	9.8	84.6	3.2	43.2	3	66.3	2
38128	45,509	10.3	80.4	6.6	30.8	10	47.5	11
38133	22,254	54.5	22.2	16.8	7.8	26	13.9	23
38134	44,853	41.7	49.4	6.3	17.1	18	28.7	17
38135	29,714	63.8	29.7	3.1	4.2	31	7.5	29
38138	24,972	84.2	5.0	2.9	3.2	34	1.8	33
38139	15,774	89.9	1.3	1.1	1.6	35	0.7	35
38141	22,340	5.6	83.6	9.0	22.2	16	41.7	16



## ***Trends in Poverty Rates***

The poverty rates for non-Hispanic Whites are better in Shelby County than for the same group in Tennessee or the United States, while the rates for Blacks are generally worse in Memphis and Shelby County than Tennessee or the nation. It is also interesting to note that for non-Hispanic Whites, the worst poverty rates are at the state and the city level. Given that the majority of the population in Tennessee (in contrast to the City of Memphis) is White, it is clear that the driver for poverty in the State is White poverty.

### ***Poverty Trends – Has Poverty Gotten Better?***

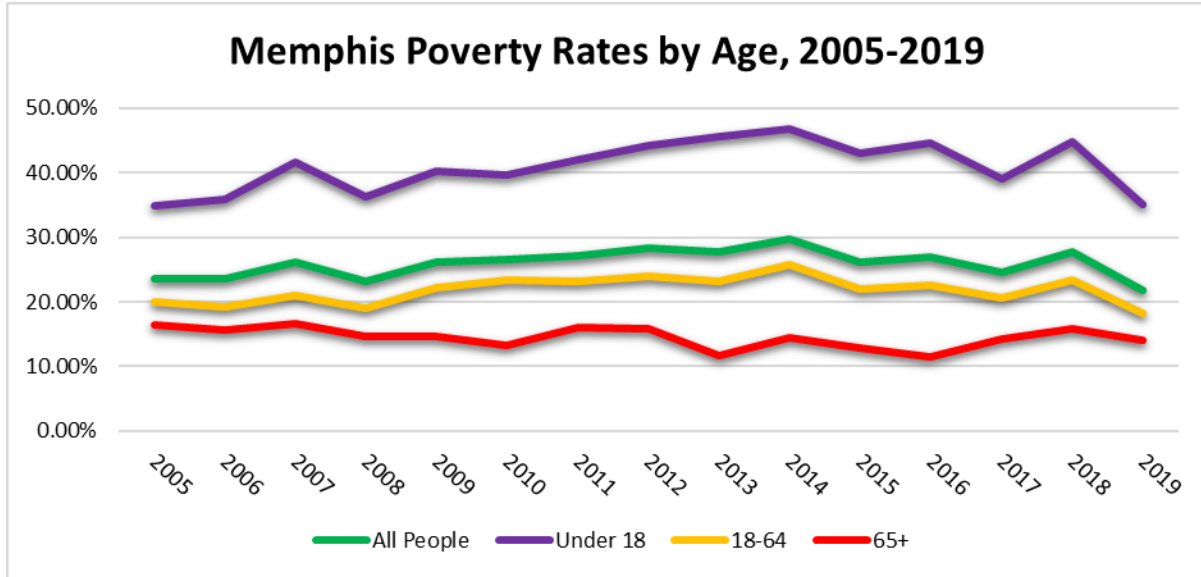
Over the course of our study of poverty in Memphis the rates of poverty have remained relatively resistant to change, with minor increases and decreases from one year to the next. It is clear that the economic crash of 2008 had an impact on the poverty rates in Memphis. However, the controlling trends seem to be structural in nature and not cyclical. It is also possible that the way we measure poverty misses the mark severely. The Orshansky method that is used (three times the cost of a basic but healthy diet for a family of four) has not changed in decades even though the needs of people in the modern world are very different.

### ***Why Is Poverty High in Memphis?***

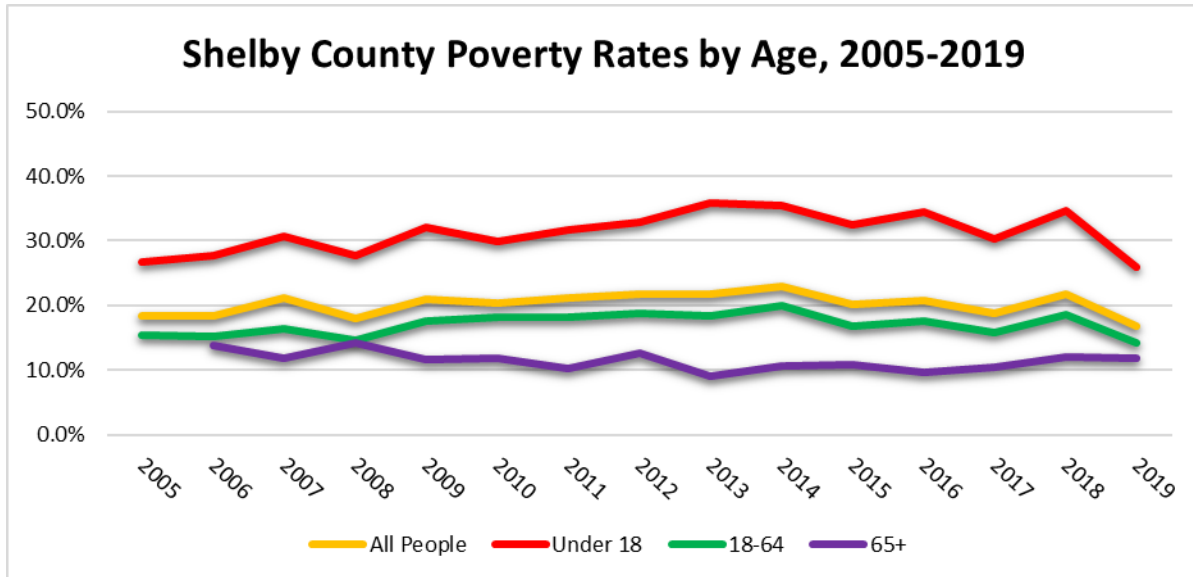
One possible explanation is that the labor market in Memphis tends to consist of unskilled workers in the warehouse industry. The lack of comprehensive, effective, and efficient public transportation also makes progress against poverty very difficult. Finally, the divide between the city and the county, as evidenced by the racial and geographical differences in poverty, tends to deprive the city of Memphis of the funds it needs to support the region.

***Minority children living permanently in poverty experience and are traumatized by Adverse Childhood Experiences (ACEs) that will affect Memphis for years to come.***

**Figure 8 – Trends in Poverty Rates by Age, Memphis**

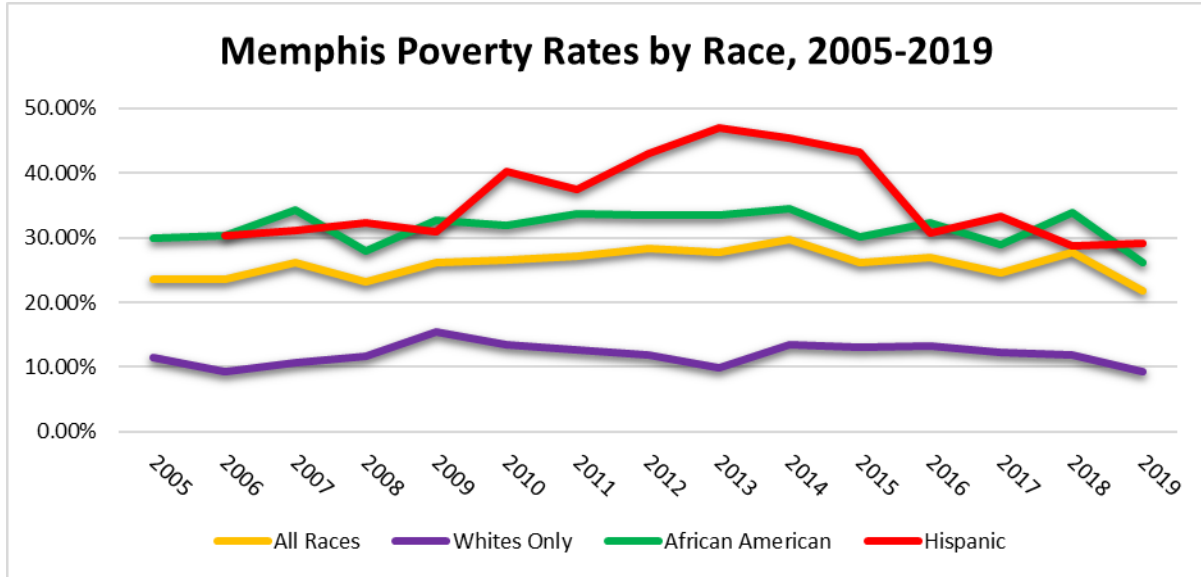


**Figure 9 – Trends in Poverty Rates by Age, Shelby County**

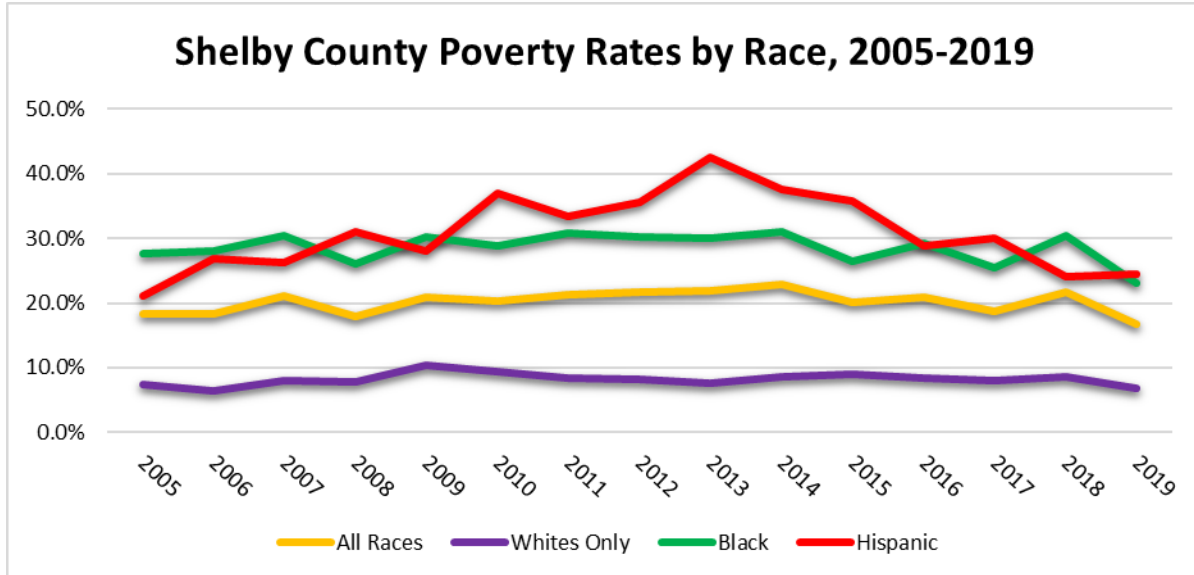




**Figure 10 – Trends in Poverty Rates by Race, Memphis**



**Figure 11 – Trends in Poverty Rates by Race, Shelby County**



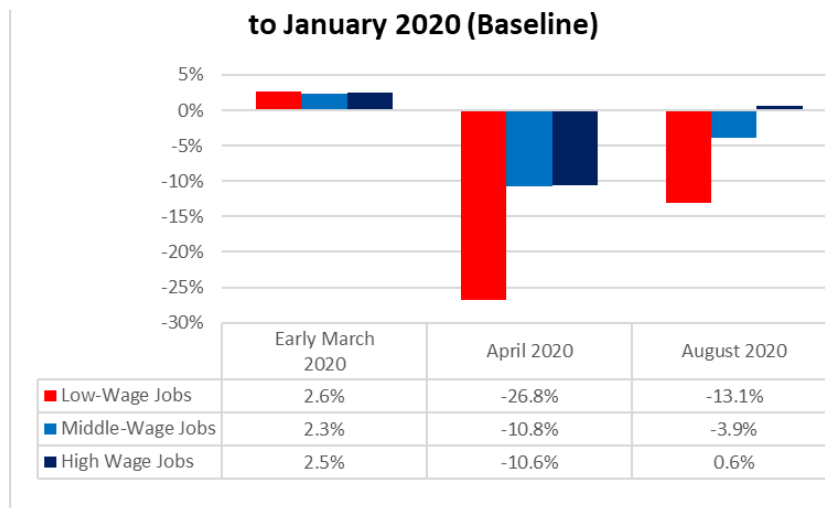
## COVID and Poverty\*

\*Data on Economic Indicators from <https://tracktherecovery.org/>

The effects of COVID on employment, business, and income have been enormous. As a result of the closures and desertion of businesses, particularly tourism, entertainment, and restaurant/bars, consumer spending declined in March 2020 compared to January 2020 in U.S. by 32.9%; in Tennessee by 26.9%; in Shelby County by 32.4%; and the Memphis MSA by 32.4%. These losses affected low-income people in more direct and severe ways, were likely much greater among people in poverty because of the industries affected. Small businesses in Memphis lost 43.8% of their revenue by the end of March 2020 compared to January 2020, and these losses had not been recovered by August, with an average loss of 20% of revenue. The losses experienced by small businesses also had a negative impact on employment among low-wage workers. The Memphis MSA lost 16.2% of jobs in April, but these job losses affected low-wage workers much more. Among low-wage workers the loss in employment in April 2020 was of 26.8% compared to January 2020, whereas for middle- and high-wage workers the loss in employment was almost 11% for the same period. By August 2020, high-income workers had almost recovered from all employment losses, while middle-wage workers still had job losses of 3.9% compared to January 2020, and low-wage workers still had job losses of 13.1% compared to January 2020. It is unclear whether low-wage workers will recover any time soon, or whether they will experience persistent lack of employment opportunities.

Clearly, these economic losses and employment losses will result in increased poverty. How much is impossible to tell at this moment, as the Census data that will inform the answer to this question will not be published until September 2021. It could be argued that if unemployment has increased by a factor of three, so should poverty, but this is not necessarily so as many of those who have been most seriously impacted by COVID-related job losses were already low-wage workers who may have already been classified as being below poverty. It is also possible that middle-wage workers will fall into poverty as a result of the COVID-19 pandemic. Time will tell by how much poverty will increase, and for how long. At this time, it is impossible to predict with any degree of accuracy.

**Figure 12 – The Impact of COVID-19 on Employment in the Memphis MSA**



***A community cannot have such high percent of people in poverty without affecting everyone. The data point to this fact very clearly: Shelby County and suburban areas are not immune to increasing poverty and the accompanying social and economic malaise. We must understand that to eliminate poverty, we need to work together for the benefit of all.***

***#SharedRiskforSharedProsperity***

*The School of Social Work at the University of Memphis is dedicated to understanding poverty and its causes through research and engaged scholarship. Our purpose is to identify the most effective ways to eliminate poverty and promote social and economic development for our region.*

*The authors thank Barbara Blumenthal for her invaluable assistance in reviewing this document for publication.*

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Gregory Miles Blumenthal, PhD, obtained his B.A. in Chemistry from Vanderbilt University and his doctorate in Pharmacology from Duke University. He has produced a body of work of enormous depth and breadth, encompassing research in toxicology, risk analysis, secure financial web applications, and other data science projects for such agencies as NIH, EPA, the VA, and NASA (from whom he received an award in 2014). His presentation developing objective criteria for PBPK models was expanded into the 2006 US EPA criteria for application of PBPK models to risk assessment. His specific contributions to the realm of statistical analysis continue to influence scientific analysis to this day. The August 2018 US FDA Guidance for acceptance of PBPK models in support of drug evaluations was based upon this US EPA document. Dr. Blumenthal's strongest area of expertise is data science and data analysis, to which he has dedicated his life, but he is also strongly committed to the Memphis community, serving as a member of the Temple Israel delegation to Memphis Interfaith Coalition for Action and Hope (MICAHA), and as a technical lead for the Economic Equity Workgroup. During his few moments of free time, he volunteers with CodeCrew, teaching disadvantaged youth the magic of technical expertise.

*If you would like more information on Memphis poverty, please contact Dr. Elena Delavega at [mdlavega@memphis.edu](mailto:mdlavega@memphis.edu)*

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Sources:

Economic indicator data obtained from Opportunity Insights: Track the Recovery, Retrieved September 17, 2020 from <https://tracktherecovery.org/>

Population, poverty, and median income data obtained from the US Bureau of the Census, September 17, 2020.

All Data except Latino (Hispanic): 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018 and 2019 ACS 1-Y Estimates (Table S1701: Poverty Status in the Past 12 Months. Other Tables: DP03, C01001); 2005, 2006, 2007, 2008, 2009, 2009, 2011, 2014, 2015, 2016, 2017, 2018 & 2019 American Community Survey 1-Year Estimates (US Bureau of the Census); DP05, 2019-1-Year Estimates (US Bureau of the Census); B17001, 2018 1-Year Estimates (US Bureau of the Census); B01003, 2019 1-Year Estimates (US Bureau of the Census); US24PR, 2019 1-Year Estimates (US Bureau of the Census); Tables S1903 and S0601 2019 1-Year Estimates for Tennessee.

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