

Issue Brief

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Old and Poor in New York City

Preface

Three important global trends will affect older persons living in cities. First, the world's population is increasingly concentrated in urban areas. The United Nations estimates that over 60% of the world's population will live in cities by 2025. Second, poverty is becoming more concentrated in urban areas around the world. Third, for the most part people are living longer, and this has contributed to an increase in the number of older people around the world. Given these trends, it is critical to have a better understanding of the situation of older people in cities and their unique needs. As a result, the International Longevity Center (ILC) has launched an initiative to examine the impact of population aging and longevity in four world cities—New York City, London, Tokyo, and Paris. The initiative is called the World Cities Project and will document the common characteristics and problems, as well as the differences, related to aging in these cities.

This issue brief focuses on the situation of older persons in New York City, where the rate of poverty among older people is much higher than in the United States as a whole: 17.1% compared with 10.2%. It also varies considerably by neighborhood, race, ethnicity, gender, and whether or not an individual lives alone. By documenting the disparities that exist within New York City, the issue brief highlights the particular issues and challenges associated with growing old in a world city. Subsequent issue briefs will expand on these findings by looking more closely at income disparities and by comparing the economic status of older persons in New York with that of older persons living in London, Tokyo, and Paris. The economic status of these vulnerable urban populations needs to be a part of the international dialogue as nations prepare for the challenges presented by an aging world.

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Old and Poor in New York City

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Introduction

This ILC issue brief builds on a previous examination of America's aging poor¹ by focusing on the economic status of older persons living in New York City and the work of the ILC's World Cities Project. New York City represents a useful laboratory in which to improve understanding of the challenges and opportunities faced by older persons living in large cities in the United States and around the world. In New York City, almost 12% of the population is 65 and over, and there are neighborhoods in which the share of the population 65 and over approaches 20%, which mirrors the expected proportions in the United States by the year 2030. With birth rates decreasing and human longevity and urbanization increasing around the world, policymakers view New York as a frontier for economic, health, and social policy innovations to meet the challenge of population aging in an urban context.

According to the 2000 census, the majority of older Americans fare better today than they did 10 years ago,² but news is not equally positive in all parts of the country. Furthermore, there are significant disparities in income and wealth, and poverty rates remain very high for some groups. New York City and other "world cities"³ attract highly affluent people to work in their financial and information technology sectors. At the same time, these cities attract a large and growing number of immigrants who are employed in low-skill, low-wage jobs in the service sector of the economy. In New York City, particularly in Manhattan, this polarization has produced stark inequalities.^{4,5}

To illustrate these disparities, the analysis of Manhattan divides the borough into "Manhattan 1," which contains those traditionally high-priced residential neighborhoods that are within walking distance of the island's primary business centers, and "Manhattan 2," which encompasses the less economically well off neighborhoods of Chinatown, the Lower East Side, and the upper Manhattan neighborhoods of Harlem, Spanish Harlem, Morningside Heights, and Washington Heights.

Brief Overview of World Cities Project

The World Cities Project (WCP) focuses on health, social services, and the quality of life for persons aged 65 and over in New York City, London, Tokyo, and Paris. The WCP uses the concept of an urban core—the main part of the city—as the unit of analysis, which facilitates the comparison of similarly sized areas. Manhattan represents the historic center from which New York grew and continues to represent the central business district for the city. Like other world cities, there is a contrast in labor force participation rates, living arrangements, and home care services among older persons in Manhattan compared with the surrounding areas.⁶ Older persons in Manhattan have higher rates of labor force participation, higher rates of living alone and receiving home care services, and lower rates of institutionalization in long-term care facilities than those in the outer boroughs of the city.

New York City's Older Population

The number of persons 65 and over in New York City has remained stable over the past 50 years, but the percentage of the population 65 and over has increased steadily from 7.7% in 1950 to 11.7% in 2000. Moreover, due to a decline in birth rates and an increase in longevity for older persons, the percentage of persons 85 and over is increasing at a rapid rate. Between 1990 and 2000, Manhattan's oldest-old population increased by 19%, to a total of 1.7% of the population. Overall, as indicated in the table below, older persons in New York City, and in Manhattan in particular, have high rates of disabilities but are more likely to remain living at home, usually alone.

Older Persons in Manhattan and the United States: Selected Characteristics (2000)

	MANHATTAN	NEW YORK CITY	UNITED STATES
Persons 65+ with disabilities ⁷	46.2%	46.24%	41.2%
Persons 65+ living alone, noninstitutionalized	44.6%	33.25%	9.2%
Persons 65+ in nursing homes	2.8%	4.29%	4.5%
Nursing home beds per 1,000 65+	33.3	47.5	52.7

Sources: U.S. Census 2000, UHF 1998, AHCO 2001

The racial and ethnic makeup of New York City's older population has changed dramatically during the past 30 years. Between 1970 and 2000, the percentage of the 65-and-over population made up of non-Hispanic whites dropped from 86% to 57%, and it is projected to drop to approximately one-third by 2010. According to the 2000 census, older New Yorkers are 57% non-Hispanic white, 15% Hispanic, 21% black or African American, and 6% Asian. With its growing diversity, New York City foreshadows the projected demographic makeup of the United States in 2050. The United Nations projects that the racial and ethnic composition of older Americans will be 64% non-Hispanic white, 16% Hispanic, 12% non-Hispanic black, and 7% non-Hispanic Asian and Pacific Islander by 2050.⁸

Poverty Rates Among Older New Yorkers

Evidence from the 2000 census indicates that the economic prosperity of the 1990s was felt in most, but not all, areas of the country.⁹ Between 1990 and 2000, the poverty rate in the United States fell from 13.5% to 12.4% of the population. Similarly, the poverty rate among people 65 and over fell from 12.7% to 10.2%. However, in New York City, the overall poverty rate increased from 19.3% to 20.8%, and among older persons living in New York City, the poverty rate increased from 16.5% in 1990 to 17.1% in 2000. In Manhattan, the poverty rate of people 65 and over declined slightly from 19.3% to 18.9%.¹⁰

The official federal poverty line is often criticized as an inadequate measure of economic status, especially for older people.¹¹ It is particularly inadequate in cities like New York because it does not account for higher housing and other cost-of-living prices. To provide a more accurate picture of the scope of poverty among older persons in New York, figures from the New York City Housing and Vacancy Survey¹² are examined for older persons who are "near poor," in addition to those below the poverty level. The near poor are defined as those living below 125% of the poverty line. In 1990, the official poverty line for a two-person household 65 and over was \$7,900; in 2000 that figure was \$10,409. According to the Housing and Vacancy Survey, the percentage of older households that were poor and near poor increased from 27% in 1989 to 34% in 1999. This increase was widespread, touching all parts of the city. In Manhattan's lower income neighborhoods (Manhattan 2) the percent of older persons living in economically dire circumstances reached 51% in 1999.

Percentage of Persons 65 and Over, Near and Below Poverty

	1989	1999
Outer Boroughs*	27%	35%
Manhattan	26%	34%
Manhattan 1	16%	22%
Manhattan 2	41%	51%

Sources: Housing and Vacancy Survey 1990, 2000. *This comprises the four outer boroughs of New York City: Brooklyn, the Bronx, Queens, and Staten Island.

Poverty Rates by Gender and Race

For a variety of reasons, including but not limited to divorce and widowhood, older women are much more likely to live in poverty than older men.¹³ Older women in New York City are more likely to be poor than older women in the nation as a whole. In 2000, the poverty rate among older women in New York City was 17.7%, compared with 12.2% in the United States.

In the poorer neighborhoods of Manhattan, the economic situation of older women is even more precarious than that of older men. In 1990, 33% of older women in Manhattan 2 were living below the poverty line, as compared to 25% of men. This difference between older women and men was much lower in Manhattan 1, where 14% of older women and 12% of older men were living below the poverty line, but these rates are higher for both groups than the national averages (12.2% among older women and 7.5% among older men in 2000).

Over the past decade the percentage of older racial and ethnic minority households that are poor or near poor has increased dramatically. In Manhattan, the number of older white households living near or below the poverty line increased by five percentage points from 16% in 1989 to 21% in 1999. For older black/African American and Hispanic households, these rates increased seven percentage points (from 40% to 47%) and 10 percentage points (from 43% to 53%) respectively.¹⁴

Moreover, racial and ethnic differences with regard to poverty are even more pronounced within Manhattan's wealthier neighborhoods. In Manhattan 1, white households are significantly better off than black/African American and Hispanic households. In Manhattan 2, nearly half of all older households, regardless of race or ethnicity, are near or below the poverty line. Older white households in Manhattan 2 have seen the greatest rise in poverty, as rates increased from 26% to 41%.

Older Households Living Near or Below the Poverty Line by Race and Ethnicity

	1989		1999	
	MANHATTAN 1	MANHATTAN 2	MANHATTAN 1	MANHATTAN 2
White	14%	26%	17%	41%
Black/ African American	23%	43%	38%	49%
Hispanic	31%	50%	50%	53%

Sources: Housing and Vacancy Survey 1990, 2000

Alone and Poor

Older New Yorkers who live alone did not fare well in the 1990s. While rates of older persons living alone have remained fairly constant from 1990 to 2000, the poverty rates of these persons have increased. In 1999, 45% of those living alone in New York City were poor or near poor, while only 21% of those living with someone else were near or below the poverty line. In comparison, in 1989, 35% of older persons living alone were below or near the poverty line versus 18% of those not living alone.

In Manhattan, a much larger percent of older persons live alone, compared with the rest of the city. According to the 2000 census, 45% of older persons in Manhattan lived alone, compared with only 30% in the outer boroughs. As shown in the table below, in the poorer neighborhoods of Manhattan poverty among older persons who live alone is alarmingly high. In 1999, 58% of those living alone in Manhattan 2 were living near or below the poverty line, as compared with 27% in Manhattan 1 and 39% overall. Moreover, these rates increased citywide from 1989.

Older Persons Living Near or Below the Poverty Line

	1989		1999	
	LIVING ALONE	NOT LIVING ALONE	LIVING ALONE	NOT LIVING ALONE
Outer Boroughs	38%	16%	48%	21%
Manhattan	28%	21%	39%	27%
Manhattan 1	18%	12%	27%	12%
Manhattan 2	46%	33%	58%	42%

Sources: Housing and Vacancy Survey 1990, 2000

Social Security

For the majority of older people in the United States, Social Security pensions are the most important source of income, and rates of poverty among older persons would increase dramatically without them. This is true for older residents of New York City as well, but a significantly lower percentage of the 65-and-over population in New York draws these pensions than in the United States as a whole. About 80% of the city's 65-and-over population received Social Security benefits in 2000, compared with over 93% nationally. One reason that fewer older people in New York receive pensions is the disproportionately high number of immigrants who are not eligible because they did not accumulate enough credit in the Social Security system through employer and employee contributions during their working lives. This is reflected in the high, and growing, number of older New York City residents who receive Supplemental Security Income (SSI), a federal means-tested program that is available to people who fall below the poverty line. Between 1990 and 2000, the percentage of New York's older SSI recipients increased from 11% to 17%. In contrast, only 6% of older persons in the United States received SSI benefits in 2000.

Conclusion

During a decade of economic expansion and the generation of extraordinary wealth, many older persons in New York City became poorer. The fastest growing segments of the 65-and-over population—racial and ethnic minorities—are among the poorest segments of the population. Growing income inequalities and concentration of poverty in economically deprived neighborhoods of New York are reflected in the economic circumstances of older persons. Our next issue brief will compare the economic status of older persons in New York with those living in London, Tokyo, and Paris. This comparison will allow us to investigate whether the concentration of poverty among New York's older residents is a common characteristic among world cities or an effect of national, state, and local policy decisions.

Endnotes

1. C. Muller, J. Nyberg, and J. Estrine, *Old and Poor in America*, an International Longevity Center issue brief (October 2001).
2. "Older Americans 2000: Key Indicators of Well Being," Federal Interagency Forum on Aging-Related Statistics press release, August 10, 2000.
3. The term "world cities" was originally used by the British city planner Patrick Geddes in relation to cities with a concentration of high-level functions in government, business, the media, and the arts. More recently, "world cities" and "global cities" have been used interchangeably to mean cities at the center of the global economy or hubs in the international world of transnational corporations, financial services, and information exchange. P. Geddes, *Cities in Evolution* (London: Williams and Norgate, 1915); P. Hall, *The World Cities*, 3rd ed. (London: Weidenfeld and Nicholson, 1984); S. Sassen, *The Global City: New York, London, Tokyo* (Princeton, N.J.: Princeton University Press, 1981); Caralampo Focas, ed., *The Four World Cities: Transport Study* (London: London Research Centre, 1998).
4. C. Hamnett, "Social Polarization in Global Cities: Theory and Evidence," *International Journal for Research in Urban and Regional Studies* 31, no. 3 (April 1994).
5. P. Dreier, J. Mollenkopf, and T. Swanstrom, *Place Matters: Metropolitanism for the 21st Century* (Lawrence: University of Kansas Press, 2001).
6. International Longevity Center-USA, *World Cities Project Fact Sheet* (www.ilcusa.org, 2002).
7. For the 2000 census a new definition of disability was used, entailing a "long-lasting physical, mental, or emotional condition. This condition can make it difficult for a person to do activities such as walking, climbing stairs, dressing, bathing, learning, or remembering. This condition can also impede a person from being able to go outside the home alone or to work at a job or business."
8. Federal Interagency Forum on Aging-Related Statistics, *Older Americans 2000: Key Indicators of Well Being*. A report prepared by the Federal Interagency Forum on Aging-Related Statistics' Chartbook Working Group (2001).
9. Peter Killborn, "Census Shows Bigger Houses and Incomes But Not For All," *New York Times*, May 15, 2002.
10. According to the 2000 census, the percent of older individuals in Manhattan dropped by less than 1% from 19.3% in 1990 to 18.9% in 2000.
11. M. Katz, *The Undeserving Poor: From the War on Poverty to the War on Welfare* (New York: Pantheon Books, 1989). C. Muller et al., 2001.
12. U.S. Census Bureau, 1999 New York City Housing and Vacancy Survey.
13. M. J. Bane, "The Feminization of Poverty," in *The Politics of Social Policy in the United States*, eds. M. Weir, A. S. Orloff, and T. Skocpol (Princeton, N.J.: Princeton University Press, 1980). C. Muller et al., 2001.
14. Figures for Asian households have not been included due to small sample size in the 1990 and 2000 Housing and Vacancy Surveys.

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The International Longevity Center–USA (ILC–USA) is a not-for-profit, nonpartisan research, education, and policy organization whose mission is to help individuals and societies address longevity and population aging in positive and productive ways, and highlight older people’s productivity and contributions to their families and society as a whole.

The organization is part of a multinational research and education consortium, which includes centers in the United States, Japan, Great Britain, France, and the Dominican Republic. These centers work both autonomously and collaboratively to study how greater life expectancy and increased proportions of older people impact nations around the world.

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