

Socioeconomic Circumstances of Minority Elderly Differ from Those of White Elderly

Current Population Survey data from 1997 show that a smaller proportion of the minority population is age 60 and older than is the White population in both metro and nonmetro areas. Minority elders are less likely than Whites to rate their health as excellent or very good. Black elders are more likely to be widowed and living alone than are White elders, increasing the likelihood of poverty. A larger share of minority elders are poor or near poor than are their White counterparts, especially in nonmetro areas.

Because the U.S. population is aging, older Americans will have a greater impact on social and policy issues. The older population itself is a diverse group, and one elderly person's health, social, and economic circumstances may differ markedly from another's. Access to health, medical, and social services varies by place of residence, with many nonmetro areas deficient in such services. This is especially important because nonmetro areas had a larger share of their population at age 60 and older in 1997 (18 percent) than metro areas (15 percent). The social and economic characteristics of the older population by race and ethnicity are examined to determine how the well-being of minority elders compares with that of the White elderly.

Today's older population is predominantly White, but it is becoming more racially and ethnically diverse. While less than 10 percent of the older population in 1990 was Hispanic or races other than White, this share is expected to increase to about 20 percent by the middle of the next century. About one-fifth of older Blacks and Hispanics were age 80 and older in 1990; by 2050, this rapidly growing segment of the older population is expected to increase to almost one-third, and even higher for the White elderly. While the proportion of the population age 60 and older is relatively small among minorities, this is a growing population and each race and ethnic group has distinct characteristics.

Key minority status differences between older persons in metro and nonmetro areas include the following: (1) minorities are a smaller share of the nonmetro elderly than the metro elderly, (2) nonmetro Black elders are more likely to be widowed and to live alone than are metro elders, (3) nonmetro minority elders are less healthy and less educated than are metro and nonmetro White elders, and (4) nonmetro minority elders tend to be poorer than metro elders.

Nonmetro Elders Include a Smaller Share of Minorities than Metro Elders

The older population is predominantly White; in 1997, 92 percent of nonmetro persons age 60 and older were White, compared with 84 percent of metro elders. In metro areas, 10 percent of those age 60 and older were Black and 6 percent Hispanic. In nonmetro areas, only 6 percent of the elderly were Black and 2 percent Hispanic. Minorities are more likely to reside in metro areas, with the exception of American Indians.

The distribution of the metro-nonmetro population by age and minority status reveals a younger age structure among minorities due to higher fertility, somewhat higher mortality, and more recent immigration. In 1997, only 25 percent of the White population in nonmetro areas was under age 18, compared with 40 percent of Hispanics (fig. 1). At the other end of the age spectrum, 11 percent of Blacks were age 60 and older, while less than 10 percent of other minorities were elderly. This is in direct contrast with the nonmetro White population, with 20 percent age 60 and older. In future years, there will be greater ethnic and racial diversity within the older population due to the younger age structure of minorities.

Minority Elders Are Concentrated in the South and West

The older population is concentrated in the South, with a substantial proportion of the nonmetro White elderly residing in the Midwest. Among all nonmetro elders age 60 and older, 44 percent resided in the South and 33 percent in the Midwest in 1997. Among their metro counterparts, 33 percent were in the South and 21 percent in the Midwest. Many regions dependent on farming and mining, and with a prior history of slow growth and net outmigration—such as the Corn Belt, Great Plains, and Southern Appalachian Coal Fields—have been aging through the loss of young adults. Some areas have gained older residents, largely because of an influx of retirees. Other areas have sustained decade-long losses of outmigrating, young working-age people, while older persons have

Figure 1
Population distribution by age, race/ethnicity, and residence, 1997

Whites have a larger proportion age 60 and older than minorities



Source: 1997 March Current Population Survey (CPS) data file.

remained and become an ever-increasing proportion of the total population. This changing geographic distribution of the older population has led to disparities between resources and needs—such as medical services, social services, housing, and long-term care—in communities, regions, and States.

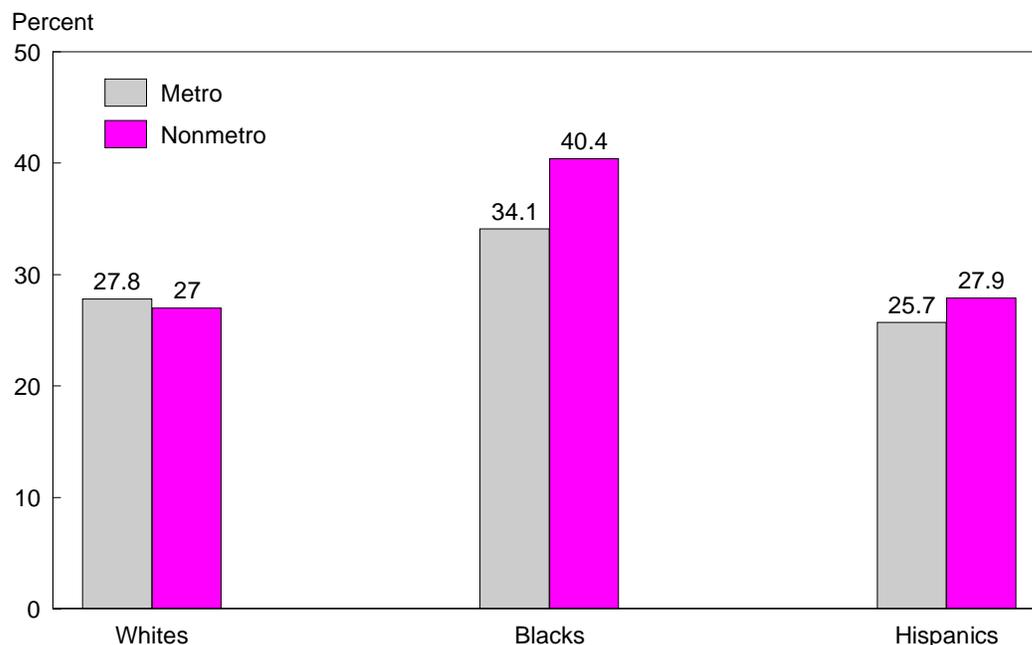
Nonmetro Black elders are concentrated in the South (89 percent) and nonmetro Hispanic elders in the South (60 percent) and West (34 percent). In the general population, nearly three-fourths of rural Blacks reside in the South Atlantic and East South Central divisions, and almost three-fourths of rural Hispanics are located in the West South Central and Mountain divisions. Asian Americans are clustered geographically in the West and American Indians in the South and West. Because of the small size of the Asian and American Indian elderly populations, the rest of this analysis will restrict comparisons to elderly Whites, Blacks, and Hispanics.

Black Elderly Persons Are More Likely to Be Widowed and to Live Alone than White or Hispanic Elders

Nonmetro older persons were more likely to be married (61 percent) than their metro counterparts (57 percent) in 1997. Married persons tend to be healthier and to have greater economic security. Among elders, Whites and Hispanics are more likely than Blacks to be in a husband-wife family; 63 percent of Whites, 61 percent of Hispanics, and 34 percent of Blacks in nonmetro areas were in married-couple families in 1997. On the other hand, nonmetro Black elders are more likely to be widowed (40 percent) than nonmetro White elders (27 percent) (fig. 2).

Figure 2
Persons 60 years and older who are widowed, by race/ethnicity and residence, 1997

Black elderly persons are more likely to be widowed



Source: 1997 March Current Population Survey (CPS) data file.

Of nonmetro persons age 60 to 74, 18 percent were widowed, but by age 75, 49 percent of nonmetro elders were widowed. Moreover, the female population (nearly two-thirds of the older population) is more likely to be widowed. In 1997, 81 percent of all widowed persons age 60 and older were female. Widows are more vulnerable in terms of having less social support and fewer financial resources for health care.

A person's marital status also affects whether one lives alone. Almost one-third of White elders in nonmetro areas live alone and about one-half of Blacks do so. Regardless of residence, 29 percent of Hispanic elders live alone. The likelihood of living alone increases with advancing age, and persons living alone are more likely to experience poverty.

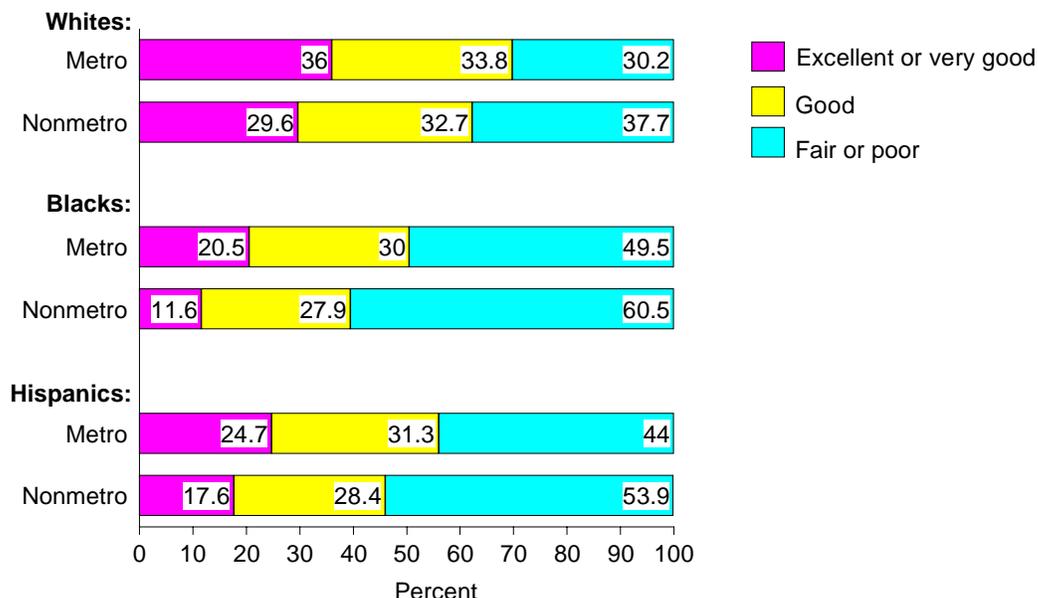
Minority Elderly Are Less Healthy than Their White Counterparts

Nonmetro elders are more likely to assess their health as fair or poor than metro elders. Minorities are less likely than Whites to rate their health as excellent or very good (fig. 3). Corresponding to their lower self-assessments of health, Black elders are also more likely to report having a health problem or disability that prevented or limited their working, as well as having retired or left a job for health reasons. While 46 percent of nonmetro Black elders reported having a health problem or disability that limited their working or prevented employment altogether, only 25 and 28 percent of their Hispanic and White counterparts did so. Furthermore, a higher proportion of nonmetro Black elderly (14 percent) retired or left a job for health reasons than did Whites (9 percent) or Hispanics (11 percent).

Despite differences in self-assessed health status, comparable proportions of nonmetro and metro elders were covered by Medicare (about 77 percent at ages 60 and above). Nonmetro Whites had a higher proportion covered (83 percent) than either Blacks (77 percent) or Hispanics (73 percent). Medicaid coverage shows an opposite racial-ethnic pattern, with minority elders more likely to be covered by Medicaid. Nearly 29 percent of Blacks and 19 percent of Hispanics in nonmetro areas had Medicaid coverage, while only

Figure 3
Health status of older persons, by race/ethnicity and residence, 1997

The nonmetro elderly were less likely to rate their health as excellent or very good, with minorities less likely to report excellent or very good health than Whites



Source: 1997 March Current Population Survey (CPS) data file.

8 percent of nonmetro Whites did so. This helps bridge the gap in medical coverage. However, many nonmetro elders may still have unmet needs because many nonmetro areas have limited health care and social services.

Nonmetro Minorities Are Less Educated than Their White Counterparts

While 30 percent of metro elders age 60 and older had not graduated from high school, 39 percent of nonmetro elders had not graduated. An even more striking difference is found within nonmetro areas—73 percent of Black elders and 77 percent of Hispanic elders had not completed high school, compared with 36 percent of Whites (fig. 4). This educational gap would have placed the nonmetro older population at a financial disadvantage throughout their working careers, resulting in higher poverty rates and lower retirement incomes. Educational attainment will be higher for tomorrow's elderly because younger cohorts are more likely to have completed high school and college than is true of the elderly today.

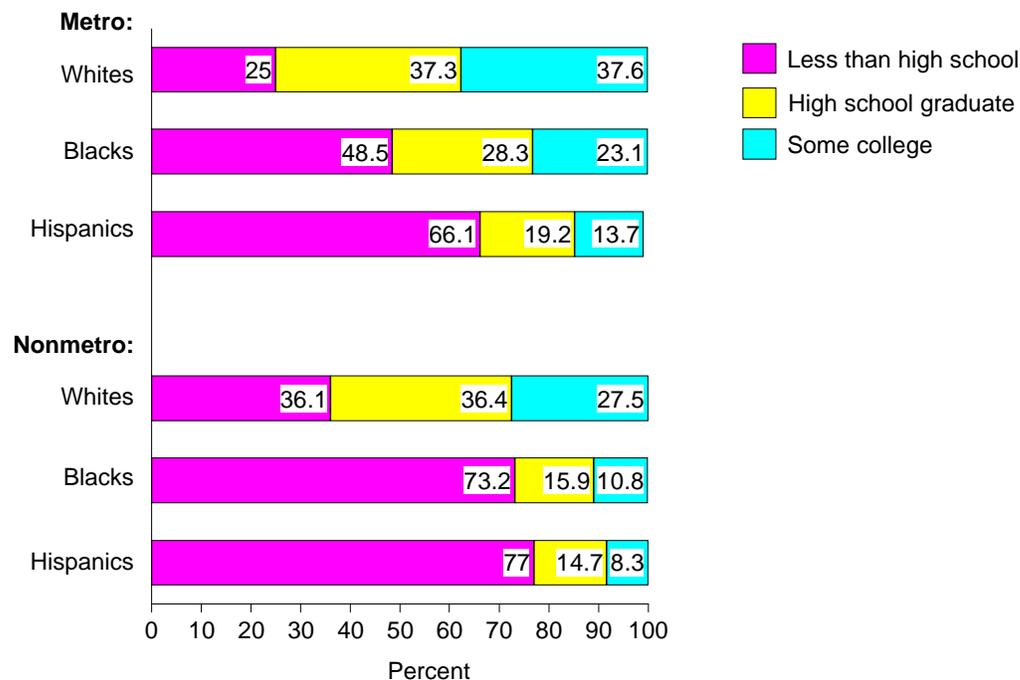
Labor force participation changes around age 60 and older due to retirement or partial retirement. In 1997, 80 percent of all persons age 60 and older were not working, and many of the remaining elders were employed in private or self-employment. A somewhat lower proportion of nonmetro elders had retired from the labor force in 1996 than metro elders, although a greater share of nonmetro elders were not in the labor force due to disability. Nearly 8 percent of nonmetro persons age 60 years and older were not in the labor force because of disability, compared with 5 percent of their metro counterparts.

Minority Elders Have Lower Incomes than White Elders

Nonmetro elders have lower median family incomes than their metro counterparts for all race-ethnic groups. Incomes are much lower for minority elders. For nonmetro persons age 60 and older, White median income was \$22,320 in 1996; Black median income was \$12,600, and Hispanic median income was \$14,373. About 33 percent of White elders in

Figure 4
Educational attainment of older persons, by race/ethnicity and residence, 1997

Minorities, especially in nonmetro areas, are less educated than Whites, with a smaller share having attended college



Source: 1997 March Current Population Survey (CPS) data file.

nonmetro areas had incomes under \$10,000, whereas 55 percent of Blacks and 44 percent of Hispanics had low incomes.

Several other measures of relative economic well-being include homeownership (which reflects one's assets) and the receipt of Supplemental Security Income (SSI) or food stamps (both of which indicate low assets and income). Minority elders are less likely to own their own homes; nearly 89 percent of nonmetro Whites owned their homes, compared with 78 percent of Blacks and 81 percent of Hispanics. Minority households are more likely to receive SSI and food stamps. While only 4 percent of nonmetro White elders received SSI, 27 percent of Blacks and 12 percent of Hispanics did so. About 24 percent of nonmetro Black elders received food stamps, as did 14 percent of Hispanics and only 5 percent of Whites.

Nonmetro elders depended somewhat more on Social Security income than metro elders, who were more likely to have other sources of retirement income. Among persons 60 years and older, 87 percent in nonmetro areas received Social Security income, compared with 82 percent in metro areas. Whites have somewhat of an advantage; 87 percent of nonmetro Whites, compared with 80 percent of Blacks and 76 percent of Hispanics, received Social Security payments. Forty-two percent of metro persons age 60 and over received retirement income other than Social Security, compared with 36 percent of nonmetro elders. Minority elders fared even worse on this source of income; in nonmetro areas, 37 percent of Whites received other retirement income, while only 17 percent of Blacks and 13 percent of Hispanics did so. Minorities also were less likely than Whites to receive income from interest and dividends.

A Larger Proportion of Nonmetro Minority Elders Are Poor or Near-Poor than Their Metro Counterparts

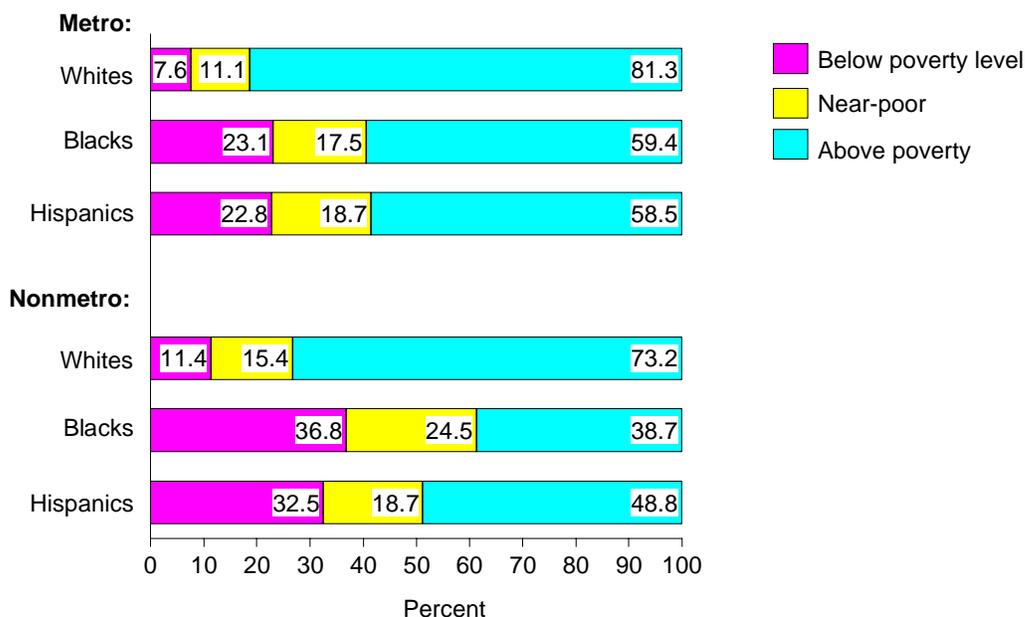
At age 60 years and older, 13 percent of nonmetro elders were poor and 16 percent near-poor (100-149 percent of poverty level), compared with 10 percent poor and 12 percent near-poor among metro elders. A larger proportion of minority elders are poor or near-poor, especially in nonmetro areas. In 1996, 23 percent of metro Black elders and 37 percent of nonmetro Black elders were poor; these rates are about three times those of Whites (fig. 5).

Minorities comprise a larger share of the poor older population than would be expected based upon their small representation among the elderly. Of the poor older population in metro areas, 64 percent were White, 22 percent Black, and 13 percent Hispanic. Among poor older persons in nonmetro areas, 79 percent were White, 15 percent Black, and 5 percent Hispanic.

A higher proportion of the nonmetro than metro elderly population is age 75 years or older, and older age among the 60-and-older population is associated with a higher likelihood of being poor. Among nonmetro elders age 60 to 74, 11 percent were poor—9 percent of Whites, 33 percent of Blacks, and 31 percent of Hispanics. At ages 75 and older, 18 percent were poor—17 percent of Whites, 45 percent of Blacks, and 37 percent of Hispanics.

Poverty rates for older women are higher than those for men. While 10 percent of nonmetro men age 60 and older were poor, 16 percent of women were poor—14 percent of Whites, 40 percent of Blacks, and 34 percent of Hispanics. Of the poor population age 60 and older, over two-thirds were women, nearly half of the poor were widows, and about two-thirds lived alone. The elderly poor have less access to support services, good housing, adequate nutrition, and transportation, and are apt to be less healthy than their wealthier counterparts.

Figure 5
Poverty status of older persons, by race/ethnicity and residence, 1996
A larger proportion of minority elders are poor or near-poor, especially in nonmetro areas



Source: 1997 March Current Population Survey (CPS) data file.

Tomorrow's Elderly Will Differ From Today's

No matter what race-ethnic group, it is very different to be part of a healthy older married couple with Social Security and a work-related pension than to be 85, widowed, and living alone with chronic health problems and minimum Social Security income. The lifetime experiences in employment and earnings of older Whites differ from those of Black and Hispanic elders. This generally means fewer resources at retirement age for Blacks and Hispanics. Hence, some elderly are economically secure, while others, especially the oldest old, those living alone, Blacks, and Hispanics, have relatively high poverty levels.

The elderly of tomorrow will have characteristics different from today's elderly, and such differences will ultimately affect their health and economic status. Minority elderly will differ in many ways from today's minority elderly. For example, young minorities are more likely to be employed in occupations covered by retirement plans than their parents were and more have attended college, leading to a better financial position in their retirement years.

The older population is widely distributed throughout the country, although nonmetro areas generally have higher proportions of the population age 60 and older. Issues such as access to medical and social services are more critical for the nonmetro elderly due to the lesser availability of such services in low-density areas. Because of the diversity in the nonmetro population and differing patterns of growth in the nonmetro elderly, local communities will need to adopt different strategies and policies to meet the needs of the elderly. New social and policy challenges for an aging population lie ahead.

The future size and composition of the older population is of fundamental importance for planning budget outlays for federally sponsored health and pension programs. Many questions lie ahead, such as whether more elderly will be at risk of extended years of disability or whether the age of onset of chronic conditions will be postponed. Is there a greater role for educating the public about long-term physical and economic effects of lifestyle in the younger years? Who will care for the physically and economically dependent aged? And will old age care programs take into account cultural differences? These are but a few of the questions an aging society must address. [*Carolyn C. Rogers, 202-694-5436, crogers@econ.ag.gov*]