

Did the Economic Lot of Minnesotans Improve During the 1990s?

by Dennis A. Ahlburg and Yong Nam Song

At the end of 2003, national and local newspapers carried stories of worsening economic conditions for Americans. For the second year in a row, household income fell and the poverty rate rose. Midwesterners and people of color were particularly hard hit. Minnesotans, however, escaped the worsening economic situation. In Minnesota, median income and the poverty rate remained level. In 2002, median household income in Minnesota was 30% above the national level and the poverty rate was about half the national rate. With signs of a recovery from the “jobless recovery” of the last year or so, guarded optimism seems to be returning, at least on the job front.

Although it is natural to focus on short-term ups and downs in economic conditions, economic progress is best measured over much longer periods of time than one or two years. In the mid-1990s, we published two reports for CURA¹ on the changing economic fortunes of Minnesotans during the rather turbulent 1980s, a time of stagnating real earnings and rising poverty rates. We found that poverty rates among people of color were three to four times those of White Minnesotans, and that Minnesotans of color were considerably less likely to hold a “good” job than were comparable White Minnesotans. We found that the keys to avoiding poverty are clear: work and productive attributes such as education and English language proficiency, which increase the chances of employment and increased earnings.

¹ Dennis A. Ahlburg, Yong-Nam Song, and Scott Leitz, *Are Good Jobs Disappearing?* Third in the series, *What the 1990 Census Says about Minnesota*. Minneapolis: Center for Urban and Regional Affairs, 1995 (an abstract of this report also was published as Dennis A. Ahlburg, Yong-Nam Song, and Scott Leitz, “Are Good Jobs Disappearing in Minnesota?” *CURA Reporter* 25 [December 1995]: 14–16); and Dennis A. Ahlburg, *Characteristics of Poverty: Incidence, Change, and Correlates*. Fifth in the series, *What the 1990 Census Says about Minnesota*. Minneapolis: Center for Urban and Regional Affairs, 1997 (an abstract of this report also was published as Dennis A. Ahlburg, “Characteristics of Poverty in Minnesota,” *CURA Reporter* 28 [September 1998]: 7–11). All of these publications are available from CURA.



Photo by Morry Gash, Associated Press/Wide World Photos

The incidence of poverty is greater in Minnesota households headed by women than those headed by men. Almost half of poor individuals in the state in the year 2000 lived in households headed by single women, like the single mother of three children pictured here at a food kitchen.

Table 1. Poverty Rate in Minnesota by Racial/Ethnic Group, 1990 and 2000

	Total Population*	White	Black	American Indian	Asian	Hispanic†
1990						
Number of poor individuals	402,089	317,878	31,724	18,386	23,500	10,295
Poverty rate	9.3%	7.9%	39.1%	43%	38.1%	27.6%
2000						
Number of poor individuals	349,404	238,478	38,918	12,118	24,825	25,061
Poverty rate	7.3%	5.7%	26.8%	27.3%	20.7%	22.1%

Source: Calculated by the authors using data from the Minnesota Public Use Micro Sample (PUMS), 1990 and 2000 U.S. Censuses. Poverty rates shown here may differ from published figures because of different sampling strategies. The figures for 1990 also differ from those in our earlier reports for CURA because of differences in racial/ethnic classifications introduced in 2000, as well as data revisions and slight definitional differences in the poverty rate.

* Rows do not add up to the figures shown for Total Population because only single-race responses are reported for each racial group; those who chose multiple racial designations or chose “other” as their racial designation are included in the Total Population figures, but not in the counts for individual racial groups.

† Hispanic is an ethnic category and is shown separately. People of Hispanic origin can be of any race.

In this study, which was supported through a New Initiative grant from CURA, we examined how Minnesotans fared during the prolonged economic expansion of the 1990s. In particular, we looked at the percentage of Minnesotans who held “good” jobs and the percentage of Minnesotans living in poverty. We also looked at the percentage of Minnesota workers who are considered *working poor*—that is, working but earning below the poverty line. In a May 31, 2004, cover story in *Business Week* magazine titled “Working and Poor,” Michelle Conlin and Aaron Bernstein highlighted the plight of such workers, who constitute about one-quarter of the U.S. workforce between the ages of 18 and 64. About 20% of the working poor are foreign-born, mostly from Mexico, and the majority possess a high school diploma.

We looked at differences among major racial/ethnic groups: Whites, Blacks, American Indians, Asians, and Hispanics.² Although the population of Minnesota is not very racially or ethnically diverse compared to that of the nation as a whole (11.8% people of color compared to 30.9%), the percentage of people of color grew rapidly during the 1990s (from 6.3% of the population in 1990), and issues of race and ethnicity increasingly capture public attention. In a follow-up study that will be published in a future issue of the *CURA Reporter*, we will investigate

² Editor’s note: Although inconsistent with CURA’s editorial style, the terms *Black*, *American Indian*, and *Hispanic* have been retained in this article for consistency with the racial/ethnic categories used by the U.S. Census Bureau, from which the bulk of the data in this report was obtained.

the changing fortunes of new immigrants to Minnesota. During the 1990s, Minnesota’s foreign-born population more than doubled, with particularly notable increases in Hmong, Mexican, and African immigrants.

Data

As in our earlier studies, our data are drawn from the Minnesota Public Use Micro Sample (PUMS) of the 1990 and 2000 U.S. Censuses. Both PUMSs are a 5% random sample of the population. We base our analysis on households headed by an individual 16 years of age or older, and our racial/ethnic categories are based on single-race responses only.³ As in our earlier analyses, the definition of *poverty* used in this article is the federal definition established by the Office of Management and Budget and is based on the amount of money needed to purchase a least-cost nutritionally adequate food plan. The poverty level depends on a household’s size, the presence of children under the age of 18, and the age of the householder (under 65 years of age, or 65 years of age and older). If the total income of a household in the sample was below the appropriate poverty threshold, then the family or individual was classified as poor. We define a job as being a *good job* if it pays at least 150% of the poverty level. Such a job would support a middle-class standard of living. We also investigated if a greater percentage of Minnesotans held

³ Beginning with the 2000 U.S. Census, respondents were able to choose more than one racial designation to describe themselves. For the purpose of this analysis, only single-race responses were included.

jobs that were even better than a good, middle-class job.

The Changing Face of Poverty

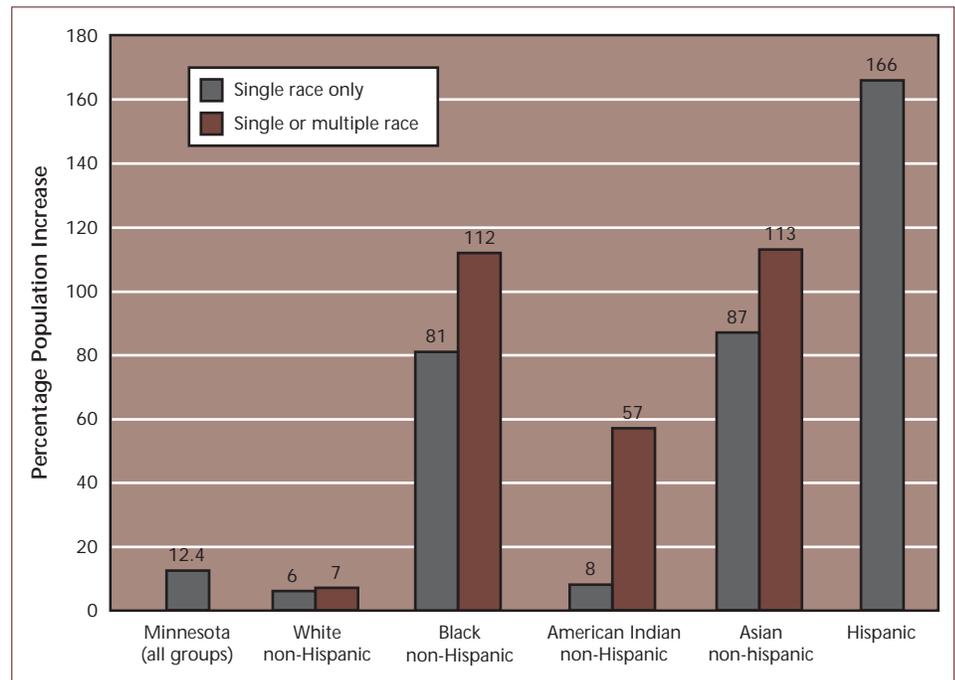
The poverty rate declined 22% during the 1990s and, despite a 12% growth in the population, the number of poor Minnesotans declined by 13%. Table 1 displays poverty rates and numbers of poor by race/ethnicity in 1990 and 2000 (the poverty figures are actually based on income during the year before the U.S. Census was taken). Poverty rates fell for all groups, with declines most notable for Blacks, American Indians, and Asians. The decline was most modest for Hispanics. In other words, irrespective of race or ethnicity, an individual in Minnesota was less likely to be poor in 2000 than in 1990. Despite declines in poverty rates, Blacks, Asians, and especially Hispanics experienced an increase in the numbers of people in poverty during the 1990s because of population growth within these groups. Population growth by racial/ethnic group is shown in Figure 1. Although the population of the state increased by 12.4%, the number of Blacks increased by between 81% and 112% (depending on the definition of race used), the number of Asians by between 87% and 113%, and the number of Hispanics by 166%. Changes in poverty rates and population numbers resulted in a 23% increase in the number of poor Blacks and a 143% increase in the number of poor Hispanics. In 1990, 80% of the poor were White, whereas in 2000, 67% of the poor were White. In 1990, only 1 poor Minnesotan in 50 was Hispanic, whereas in 2000, almost 1 in 10 poor Minnesotans was Hispanic.

In 2000, the poverty rate, shown in Table 2, was greatest in households headed by young people 16 to 25 years of age (24.2%) and lowest in households headed by an individual 46 to 55 years of age (4.3%). As in the 1980s, the decline in the poverty rate was greatest for households headed by an individual over the age of 65. The decline was three times that for the youngest households. Thus, despite a decade of economic expansion, households headed by young Minnesotans continued to struggle to find an economic footing whereas the position of older-headed households continued to improve.

The incidence of poverty was greater in Minnesota households headed by women than those headed by men, and was particularly high in those headed by unmarried women. Almost 20% of individuals in households headed by single females were in poverty in 2000, but this was an improvement on 1990 when 26.3% of such individuals were poor. Almost half of poor individuals lived in households headed by single women.

Conlin and Bernstein's *Business Week* cover story on the working poor noted that cutthroat competition among companies may mean that "the bottom rung is as high as most workers will ever get." Although this is perhaps a bit exaggerated, some evidence suggests that upward mobility for U.S. workers is now more difficult than in the past. However, it is not only economic competition that puts pressure on low-wage workers. For more than a decade, the United States has implemented significant welfare reform designed to move people off welfare and into the labor market. These forces appear to have been present in Minnesota during the 1990s. Figure 2 presents data on the increase in the number of working poor in Minnesota, as well as their representation among the poor. The first column for each racial/ethnic group is the ratio of the number of working poor in 2000 to the number in 1990. For example, although the number of working-poor people (that is, individuals in a household that is poor but where the householder works) in the state increased by 2% (ratio 1.02), the number of White people in working-poor households declined by 16% (ratio 0.84). The second column is the ratio of the percentage of the poor who were working poor in 2000 relative to that number in 1990. This number tells us if the representation of the working poor among the poor increased during the 1990s; ratios greater than

Figure 1. Population Increase in Minnesota by Racial/Ethnic Group, 1990 to 2000



Source: 2000 U.S. Census.

Table 2. Poverty Rate in Minnesota by Age of Householder and Gender, 1990 and 2000

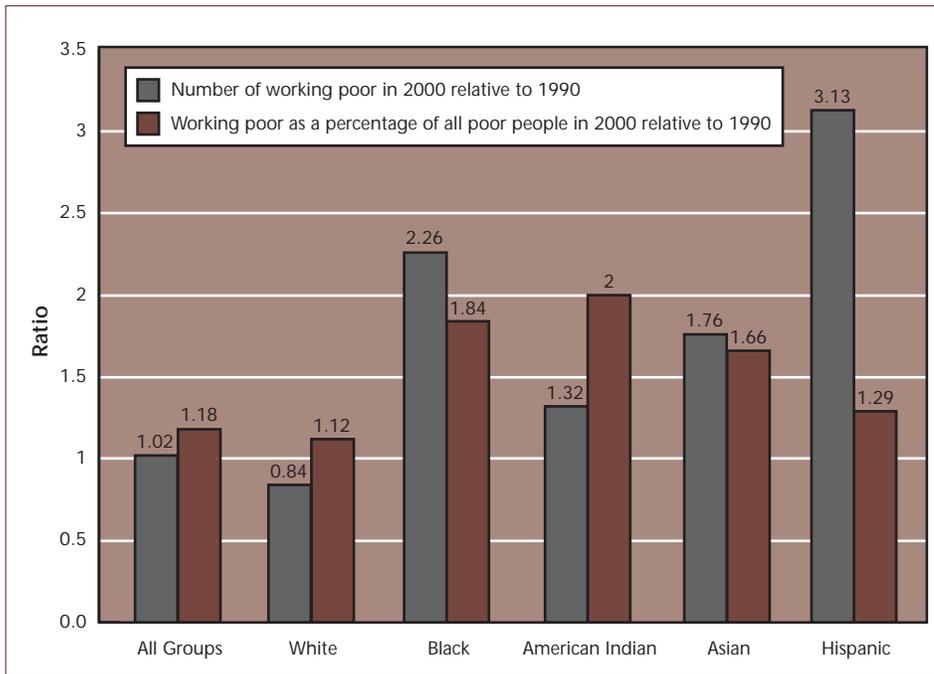
	1990		2000	
	Number of Poor	Poverty Rate (%)	Number of Poor	Poverty Rate (%)
Age of Householder				
16-25	64,144	27.3	56,195	24.2
26-35	125,589	10.6	84,538	8.9
36-45	83,314	6.8	91,982	6.2
46-55	34,919	5.5	40,212	4.3
56-65	28,384	6.6	24,727	5.3
Over age 65	62,591	11.5	47,424	8.1
Gender and Marital Status				
Married householder	146,524	4.9	116,589	3.8
Female, single householder	174,608	26.3	154,070	19.6

Source: Calculated by the authors using data from the Minnesota Public Use Micro Sample (PUMS), 1990 and 2000 U.S. Censuses.

1.00 represent an increasing representation of working poor among the poor. From the second column, we see that a poor person in 2000 was 18% more likely to be a working-poor person than they were in 1990. Although the number of working poor increased by 2% for the state, the stories for individual racial/ethnic groups vary dramatically. The number of White Minnesotans in a working-poor household decreased by 16%. In contrast, the

number of working-poor Black people more than doubled (ratio 2.26) and the number of Hispanic working-poor people more than tripled (ratio 3.13). About half of all poor Whites and Hispanics lived in households where the householder worked, and about 40% of Blacks, American Indians, and Asians lived in such households. These are significant increases from 1990 for all groups except Whites. Statewide, the percentage of the poor who were

Figure 2. Ratio of Working Poor by Racial/Ethnic Group, 1990 to 2000



Source: Calculated by the authors using data from the Minnesota Public Use Micro Sample (PUMS), 1990 and 2000 U.S. Censuses.

Note: A ratio greater than 1.00 indicates an increase from 1990 to 2000.

Table 3. Labor Force Participation Rate and Employment Rate of Householders in Minnesota by Racial/Ethnic Group, 1990 and 2000

	2000		1990	
	Labor Force Participation Rate (%)	Percentage Employed (%)	Labor Force Participation Rate (%)	Percentage Employed (%)
All races/ethnicities	88	85	89	85
White	89	86	90	86
Black	79	72	74	65
American Indian	73	63	67	56
Asian	79	77	72	69
Hispanic	80	76	83	75

Source: Calculated by the authors using data from the Minnesota Public Use Micro Sample (PUMS), 1990 and 2000 U.S. Censuses.

working poor increased 18%. For Blacks, American Indians, and Asians, the percentage of the poor who were working but still poor approximately doubled during the 1990s. In 2000, 7 out of 10 working-poor people were White, but in 1990, 9 out of 10 were White. In 2000, 1 in 10 working-poor people were Black and 1 in 10 were Hispanic. In 1990, only 1 in 20 working-poor people were Black and only 1 in 50 were Hispanic. Just as the face of poverty in Minnesota has changed during the last decade, so too has the face of the working poor.

Data on labor force participation rates in Minnesota by race/ethnicity for

those aged 16–64 suggest that differences in labor force participation and employment contributed to racial/ethnic differences in poverty, and that work is no guarantee of an escape from poverty (although it certainly helps, as we shall soon see). Table 3 provides estimates of the percentage of householders in the labor force (those employed or actively seeking work) and the percentage employed by race/ethnicity. Roughly 9 out of 10 White householders participated in the labor market and 86% were employed. However, the labor force participation rates of most of the other groups are 10 percentage points lower and, for American Indians,

16 percentage points lower. For Whites, Asians, and Hispanics, most of those who were in the labor force were employed. This was not the case for Blacks and American Indians; for these groups, only about 9 out of 10 of those who wanted to work were able to find work. A statistical investigation of the factors associated with being employed suggests that an additional year of education increased the chance of a male householder being employed by 1%, having a disability decreased it by 3.4%, and living in the Twin Cities metropolitan area increased it by 1.2%. Blacks and American Indians were 4.3% and 5.3%, respectively, less likely to be employed than Whites and Asians with the same levels of education, work experience, language skills, disability status, and residence. Hispanics were 2.7% more likely to be employed. The effects for female householders are similar, except that Black women are 7% less likely to be employed than similar White, Asian, and Hispanic women. The effect of having a disability was a 5.4% reduction in the likelihood of a woman being employed. It is not clear whether these differences across racial/ethnic groups reflect differences in the quality of observed characteristics, differences in characteristics not measured in the U.S. Census, or discrimination. Data on labor force participation and employment suggest that at least part of the difference in poverty rates by race and ethnicity is due to differences in being involved in the labor market, but part of this difference may be due to discrimination in the labor market.

Characteristics of the Poor

In our earlier study of the 1990 U.S. Census, we used statistical analysis to identify characteristics of householders and their households that were associated with them being poor. Table 4 summarizes the findings of a similar analysis of the 2000 U.S. Census data. The numbers shown in Table 4 represent the impact of each characteristic on the probability that the household is classified as poor. Those who work are less likely to be poor: the chance of being poor was 6.8% lower if the householder was employed and an additional 4.9% lower if his or her spouse was employed. Education and language skills are valued in the marketplace; each additional year of education decreased the chance of being poor by almost 2%, as did speaking English well or very well. These impacts take into consideration the effect of being employed and all of the

Table 4. Correlates of Poverty in Minnesota, 1990 and 2000

	2000 Percentage Impact (%)	1990 Percentage Impact (%)
Householder employed	-6.8	-10.1
Spouse employed	-4.9	-6.2
Education	-1.7	-0.9
Proficient in English	-1.8	-1.9
Metro area residence	-2.4	-3.8
Service-industry or farm job	1.8	5.5
Married with children	1.7	3.3
Single father	3.8	7.3
Single mother	7.2	1.4
Household size	0.8	1.3
Race/ethnicity		
Black	4.6	6.7
American Indian	3.7	7.5
Asian	2.8	6.4
Hispanic	1.7	3.9

Source: Regression equations estimated by the authors based on data from the Minnesota Public Use Micro Sample (PUMS), 2000 U.S. Census.

Note: A positive number indicates the attribute is correlated with an increased likelihood of a person being in poverty.

other characteristics shown in Table 4. Where you live and the type of work you engage in also matters. Metro area residents were 2.4% less likely to be poor than nonmetro residents, and those in service or farm jobs were somewhat more likely to be poor than were those employed in white-collar or blue-collar jobs (1.8%). Again, these differences existed after taking into consideration whether the householder was employed and his or her education and language skills. Differences in household structure also were associated with differences in poverty. It is not clear whether these difference cause or are caused by poverty—that is, does being poor lead to the breakup of marriages or does not being married lead to poverty? Causation likely goes in both directions, thus we note here the association between household structure and poverty without attributing causation. Having children was associated with higher rates of poverty. Married couples with children were 1.7% more likely to be poor than were married couples without children. The differences were much larger for single moms (7.2%) and single dads (3.8%). This effect is not explained by

the fact that households with children are larger than those without children because we also took into account household size. Each additional person in the household increased the chance of poverty by almost 1%.

For single-mother households, employment was even more important than it was for other households. If a single mother was employed, her household was 26% less likely to be poor than if she was unemployed. Single mothers who did not speak English well were at a 9% disadvantage, and those who lived outside the metro area were 7% more likely to be poor. These findings underscore the importance of jobs to single mothers and their families as they moved off welfare. The prospects of single mothers were further enhanced if they had marketable education and language skills and if they lived in the metro area where jobs were more plentiful.

Racial/ethnic differences in poverty remained even after we took into account differences in employment, education, English language skill, and household structure, but these differences were smaller than

they were in 1990. In other words, the effect of race diminished during the decade. In 2000, Black households in Minnesota were 4.6% more likely to be poor than White households, whereas American Indian households were 3.7% more likely, Asian households 2.8% more likely, and Hispanic households less than 2% more likely to be poor. For single Black and American Indian mothers, the racial/ethnic differences were much greater—about 9%. It is not clear whether these differences reflect differences in the characteristics that were measured and are discussed in this article, unmeasured differences between the groups, or discrimination. Whatever the cause of the existing differences, it is notable that the impact of race/ethnicity halved during the 1990s (taking into account other factors).

The Story on Good Jobs

Much attention during the last year or two has focused on the loss of lucrative white-collar jobs as these jobs have moved offshore. For the last decade, there also has been concern about the loss of good blue-collar jobs because of globalization. The concern has most often taken the form: Can the head of a household earn enough by himself/herself to support the entire family? Thus, our analysis focuses on the earnings of the householder rather than those of the entire household. Some family members may work not because they wish to, but rather because the earnings of the householder are too low to support the family, so looking at total household earnings does not address the crux of the policy question. For each householder, we compared their earnings to those of the official poverty level for their household. The question is, did householders in Minnesota gain or lose good jobs during the 1990s?

For the state as a whole, the news was good (see Table 5). The vast majority (88%) of jobs held by householders paid above the poverty level. A large number (77%) were also “middle-class” jobs—that is, they paid 150% of poverty level or more. About two-thirds of jobs paid 200% of poverty level or more, and about 40% were very good jobs paying more than three times the poverty level. During the 1990s, a greater percentage of jobs paid above the poverty level (an increase of two percentage points). There was a three-percentage-point increase in

Table 5. Percentage of Jobs in Minnesota That Pay Above the Poverty Level by Racial/Ethnic Group, 1990 and 2000

Percentage of jobs in 2000 that paid. . .	All races/ethnicities	White	Black	American Indian	Asian	Hispanic
Above poverty level	88	89	77	72	78	70
150% or more of poverty level	77	79	61	54	65	53
200% or more of poverty level	66	67	48	41	52	39
300% or more of poverty level	41	42	25	23	33	22
Percentage of jobs in 1990 that paid. . .	All races/ethnicities	White	Black	American Indian	Asian	Hispanic
Above poverty level	86	86	80	66	76	76
150% or more of poverty level	74	75	67	54	60	60
200% or more of poverty level	61	61	51	35	46	50
300% or more of poverty level	36	37	31	18	30	26

Source: Calculated by the authors using data from the Minnesota Public Use Micro Sample (PUMS), 1990 and 2000 U.S. Censuses.

householders holding middle-class jobs and five-percentage-point increases in jobs above 200% and 300% of poverty level. Despite nationwide reports of a loss of good jobs, there does not seem to be much evidence that this occurred in Minnesota during the 1990s.

Male householders were more likely than female householders to hold a good job (81% compared to 66%, 1990 figures not shown in table). The male advantage increased the higher the earnings from the job, with 44% of male householders holding jobs that paid 300% of poverty level or more compared to 32% of female householders. These gaps increased somewhat during the 1990s. The metro area held a higher percentage of well-paying jobs. Fully 85% of metro-area householders held jobs paying 150% or more of poverty level, compared to 73% of non-metro-area householders. The metro-area advantage was even greater for very well paid jobs: 54% for jobs paying at least 300% of poverty level compared to 32% in the non-metro area.

As can be seen in Table 5, there were substantial differences by race and ethnicity in the quality of jobs people held in 2000. Although most minority householders held jobs paying above the poverty level, the percentages for Asians and Blacks were about 10 percentage points lower than for Whites, whereas for American Indians and Hispanics the differential was about 20 percentage points. The differential widened for better paying jobs. For example, Whites were 30% more likely than Blacks to hold a good job

Table 6. Correlates of Holding a "Good" or "Very Good" Job in Minnesota, 1990 and 2000

	2000		1990	
	Percentage impact on holding a job that pays. . .		Percentage impact on holding a job that pays. . .	
	150% or more of poverty level*	300% or more of poverty level†	150% or more of poverty level*	300% or more of poverty level†
Education	3.2	5.8	2.6	4.8
Experience	1.0	10.0	1.1	1.4
Sex	-12.5	-14.4	-15.0	-14.2
Not proficient in English	-12.3	-18.4	-8.5	-0.3
Disability	-6.5	-4.7	-15.2	-13.2
Metro-area residence	14.2	21.0	14.4	-19.4
Race/ethnicity				
Black	-15.5	-20.1	-13.4	-13.7
American Indian	-11.6	-9.7	-12.9	-13.7
Asian	-14.7	-16.8	-21.3	-19.4
Hispanic	-13.8	-13.3	-13.4	-11.3
Occupation				
Service	-12.3	-23.3	-18.4	-23.7
Farm	-10.7	-25.2	-22.8	-17.2
Blue collar	-2.7	-4.5	-5.2	-8.8

Source: Regression equations estimated by the authors based on data from the Minnesota Public Use Micro Sample (PUMS), 1990 and 2000 U.S. Censuses.

Note: A positive number indicates an attribute is correlated with an increased likelihood of a person holding a job that pays above the poverty level.

* Considered a "good" job for the purpose of this study.

† Considered a "very good" job for the purpose of this study.



Each year of additional education increases the probability of holding a good job by 3.2%, and of holding a very good job by 5.8%.

and 68% more likely to hold a job paying at least 300% of poverty level. The relative positions of American Indians and Hispanics were far worse: Whites were almost 50% more likely to have held a good job and 90% more likely to have held a job paying 300% or more of poverty level. Although Whites, American Indians, and Asians made gains in all categories in the 1990s, Blacks and Hispanics experienced declines. For example, Blacks and Hispanics were less likely to hold a good job in 2000 than in 1990 (six- and seven-percentage-point decreases, respectively). The declines for Blacks and Hispanics could reflect a worsening position for them in the labor market. More likely is that the labor market skills of new immigrants were lower than those already resident in the state or that other characteristics predisposed them to poverty.

Table 6 shows characteristics of householders that are significantly associated with their holding a good job or very good job. The characteristics are the same for both good and very good jobs, but the size of the impacts differs. The keys to holding a good job are education, work experience, proficiency in English, and good health. These characteristics of householders were more important in increasing the chance of holding a very good job

(those paying at least 300% of poverty level). For example, one extra year of education or 10 years of work experience increased the chance of holding a good job by 3.2% and 1%, respectively, but increased the chance of holding a very good job by 5.8% and 10%. Other factors that mattered were occupation and place of residence. Higher paying jobs were available in the metro area and in white-collar occupations. The penalty for being a service or farm worker was especially large for very good jobs. That is, very good jobs are scarcer in these sectors.

Even when personal characteristics such as education, experience, language skills, residence, and broad occupational group were taken into account, people of color were much less likely to hold good jobs than were Whites. The differences were about 15 percentage points for good jobs and were somewhat larger for Asians and Blacks for very good jobs. As we have noted above, we are unable to say whether these differences reflect discrimination or some other factor. The negative employment effect for people of color decreased slightly during the 1990s for Hispanics and Blacks, but decreased by 30% for very good jobs for Blacks. For American Indians and Asians, the negative impact of race/ethnicity on holding a good job increased during the 1990s.

Conclusion

Our analysis of data from the 2000 U.S. Census and a comparison with data from the 1990 U.S. Census does not support a generally pessimistic view of the economic position of most Minnesotans. During the 1990s, the poverty rate and number of Minnesotans who were poor both declined. However, rapid population growth among Blacks and Hispanics led to increases in the number of poor in these groups. Poverty rates remained high in single female-headed households and 50% of the poor lived in such households. Despite declines in the number of poor Minnesotans, there was an increase in the number of working poor in the state, except among Whites. For all racial/ethnic groups, the working poor comprised a larger percentage of the poor in 2000 than they did in 1990. An encouraging sign was the large reduction in the impact of race on the chance of being poor, after taking into account other factors.

A greater percentage of Minnesotans held good jobs in 2000 than in 1990. Gains were particularly large for very good jobs, those paying three or more times the poverty level. Whites, American Indians, and Asians enjoyed such gains, but Black and Hispanic Minnesotans were less likely to hold a good job in 2000 than in 1990. Blacks and Hispanics benefited from a decline in the negative effect of being a person of color on the likelihood of holding a good job, taking into account other factors, whereas the position of American Indians and Asians worsened. What these results mean is that changes in the "pure" impact of race/ethnicity were outweighed by changes in other factors.

Economic success was associated with better education and health, greater English language proficiency, more work experience, and living in the Twin Cities metropolitan area. Workers in service and farm jobs were less likely to make a good living, and Minnesotans of color were less likely than White Minnesotans to hold good jobs, even taking into consideration other factors that are related to greater economic success.

These results, like those in our earlier study, point to continued improvement in the economic situation of most Minnesotans and to the importance of education and other market skills in securing a promising economic future. One bleak spot is the increase

among the poor of the working poor. That is, more of the poor are poor not because they lack a job, but because the job that they have does not pay above the poverty line.

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The research upon which this article is based was supported in part through a New Initiative grant from CURA. These grants support projects that are initiated by faculty, community organizations, government agencies, or students and that are not appropriate for consideration under another CURA program.

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Fall 2004
Volume 34, Number 4

The Center for Urban and Regional Affairs (CURA) is an all-University applied research and technology center at the University of Minnesota that connects faculty and students with community organizations and public institutions working on significant public policy issues in Minnesota.

The *CURA Reporter* is published quarterly by the Center for Urban and Regional Affairs to provide information about its programs and projects. This publication is available in alternative formats.

Thomas M. Scott, director
William J. Craig, associate director
Michael D. Greco, editor

Layout and production by Mori Studio
Figures by Jeff Matson and Mori Studio
Printed by University Printing Services

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