



CENTER ON URBAN AND METROPOLITAN POLICY

Upstate New York's Population Plateau:

The Third-Slowest Growing 'State'

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"The slow pace of population growth in Upstate New York has serious implications for its economic outlook."

Findings

An analysis of population and migration data for the 52 counties of Upstate New York between 1980 and 2000 finds that:

- **Upstate New York's population grew by a mere 1.1 percent in the 1990s, slower than the growth rate of every state but West Virginia and North Dakota.** Upstate is part of a larger stagnant region, stretching from parts of New England to northern West Virginia, that grew less than 1 percent, compared to over 13 percent in the U.S. as a whole.
- **Within Upstate New York, only two regions grew in the 1990s.** Extending north of New York City through Albany and Saratoga, the Hudson Valley region is Upstate's fastest growing area, followed by the Rochester/Finger Lakes region. In contrast, Western New York, home of Buffalo-Niagara Falls, continues to decline, evidenced by a loss of over 22,000 residents during the decade.
- **Overall, more people moved out of Upstate than moved in during the 1990s.** Between 1990 and 2002, over 1.7 million people moved out of Upstate New York, while only 1.3 million moved in. The majority of out-migrants moved to states in the South and Northeast. The biggest migration flows into Upstate's regions came from within the state.
- **Nearly 30 percent of new residents in Upstate New York in the 1990s were prisoners.** Upstate gained 21,000 new prisoners during the decade, an increase that was accompanied by a growing number of prison staff, as well as inmates' relatives. Upstate has a larger share of prisoners than the nation as a whole—1.1 percent of its population in 2000, compared to just 0.7 percent of the U.S. population.
- **Upstate's large senior citizen population increased in size and share, especially in its slow growing regions, in the 1990s.** Fourteen percent of Upstate's residents in 2000 were 65 or over, compared to 12 percent nationwide. Western New York had the largest share of seniors, at 16 percent, up from 15 percent in 1990. Newburgh, in the Hudson Valley region, was the only Upstate metropolitan area where the share of seniors actually fell in the 1980s and 1990s.
- **Upstate's small racial and ethnic minority population is unevenly distributed among its metropolitan areas and segregated within them.** Though Upstate New York remains primarily white, its share of black and Hispanic residents increased by 17.6 and 54 percent, respectively, during the 1990s, reflecting trends in much of the country. Beyond the metropolitan areas closest to New York City, Buffalo and Rochester are Upstate's most diverse regions, though their racial and ethnic minorities are highly segregated.



The slow pace of population growth in Upstate New York has serious implications for its economic outlook. State and local policymakers need to understand the trends facing Upstate's disparate regions, and develop targeted strategies aimed at retaining and attracting both residents and employment. At the same time, they must examine ways to generate the resources necessary to meet the needs of Upstate's most distressed areas while abandoning the unproductive and exaggerated Upstate/Downstate dichotomy that has long dominated state policy discussions.

Introduction

The United States has always had regions that have been left behind in the face of national economic and social transformations. Appalachia, the Mississippi Delta, and the Northern Plains, for example, have all experienced long periods of population loss and economic difficulty. In the 1990s, Upstate New York—a region quite unlike these historic locations of disinvestment and economic hardship—slid into a recession from which it still has not emerged.

Upstate New York consists of the 52 counties not within the New York City and Nassau-Suffolk Primary Metropolitan Statistical Areas. Its population approaches 7 million; two of its 11 metropolitan areas—Buffalo and Rochester—have populations exceeding one million. In the 1960s, few people would have expected that this region, with its strong manufacturing base, outstanding infrastructure systems, and diverse network of metropolitan areas, would by the 1990s be among the slowest-growing areas in the country. Yet this was the case; and Upstate continues to be, as a whole, deeply depressed in the wake of another national economic downturn.

In the 19th century, Upstate New York was a prosperous center of inno-

vation. The Erie Canal transformed Upstate in myriad ways. It brought the small towns and cities into quicker communication with New York City and foreign ports, allowing access to huge forests and rich farmlands in both Upstate and the Midwest. At the junction of the two rivers and the Canal were Albany and Troy, centers of iron work that produced mill gears, stoves, bells, nails, and plows. Syracuse, known as “Salt City” for its plants on the shores of Onondaga Lake, also produced hardware, boots and shoes, paper, and agricultural implements. Rochester, a “flour city” before it became known as a “flower city” for its horticulture, had cotton factories, breweries, and boatyards. In the late 1800s, Eastman Kodak was founded in Rochester, setting the stage for the development of the optics, imagery, and instrument manufacturing sector that remains the region's economic base today. Buffalo, by far the most affected by this growth, grew from its initial plat to the second largest city in the State in fifty years, as the New York Central Railroad extended the industrial corridor. General Electric, starting out as a threshing machine manufacturer, transformed itself with electrical appliances in Schenectady. IBM, an amalgam of three companies interested in measuring time and weight, became a major employer in Binghamton. This combination of primary activities (farming and forestry), with transportation, aided by industry, powered the Upstate economy well into the 1900s.

But in the late 1900s, Upstate began to falter. The warning signs began at least in the 1970s, when the population growth of the 1960s reached a plateau instead of continuing to rise. In many ways, however, it was possible to view this plateau not as an Upstate phenomenon but as a broader issue of the shifting of the national economy from the Northeast and Midwest to the Sunbelt. In the

1980s, Upstate and Downstate both grew more slowly than the U.S. average. In the 1990s, however, Downstate recovered, while Upstate's growth slowed even more.

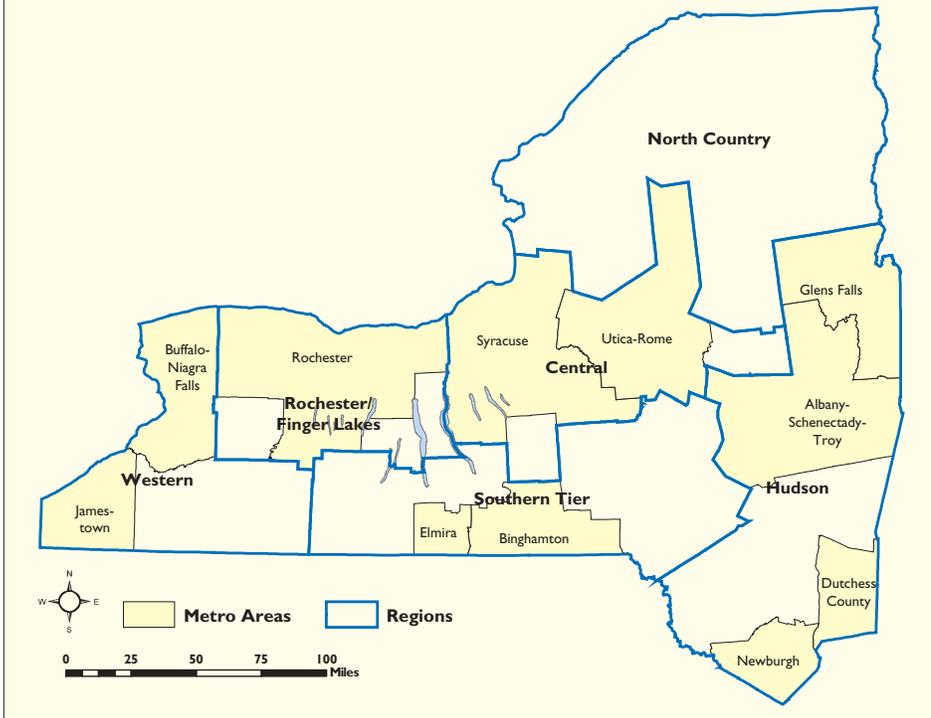
The purpose of this survey is to examine the patterns of population change in Upstate New York across its different counties, metropolitan areas, and regions. The paper will also examine who lives in Upstate New York, particularly by race and age. Most observers of Upstate already know that its population growth has been slow, but the magnitude and regional characteristics of the slow growth—and in some cases, decline—are less well-known.

Methodology

The analysis for this report is straightforward. Data are from the 1980, 1990, and 2000 censuses of population and housing at the county level for all New York counties as well as the United States as a whole. One hundred percent count data were used when available. To supplement the census data, the report uses data from the Internal Revenue Service, whose county-to-county migration files allow annual computation of in- and out-migration based on tax filers (equivalent to households) and exemptions (equivalent to population). There are limitations to these data, but they provide the best possible estimate of how many people and households moved into and out of Upstate each year from 1990 to 2002.²

The geography of the analysis focuses on trends in the whole of Upstate and its major MSAs. As of the 2000 census, Upstate had 11 metropolitan areas; two of these, the Newburgh and Dutchess County Primary Metropolitan Statistical Areas (PMSAs), belong to the New York Consolidated Metropolitan Statistical Area (CMSA). Since most observers define Upstate to include everything

Map 1. Upstate New York regions and metro areas



north of the New York City PMSA, these two outlying communities are included as part of Upstate. The Newburgh PMSA statistically includes a county in Pennsylvania; this county was omitted from the analysis. Hence all data on the Newburgh PMSA refer only to Orange County, New York. The report uses the metropolitan area definitions in place for the 2000 Census as constant boundaries between 1980 and 2000 to allow a long-term look at population changes in metropolitan areas and rural (non-metropolitan) counties. MSAs and rural counties are grouped into broader Upstate regions: Hudson Valley, North Country, Central New York, Southern Tier, Western New York, and Rochester/Finger Lakes to denote larger regional trends (Map 1).

Findings

A. Upstate New York grew by a mere 1.1 percent in the 1990s, slower than the population growth rate of all but two states in the union.

If they were a separate state, the 52 counties of Upstate New York would be the 13th largest state in the United States, with a population of about 6.9 million people in 2000, ranking between Massachusetts (6.3 million residents) and Virginia (7.1 million). Upstate New York has eleven metropolitan areas, two of them—Buffalo and Rochester—with more than one million residents. Three cities (Buffalo, Rochester, and Syracuse) have populations exceeding 100,000.

Upstate experienced stagnant population growth during the 1990s, increasing by only 1.1 percent; in fact, only West Virginia and North Dakota posted slower growth rates. Upstate New York could arguably be considered part of a larger troubled region

stretching from east central Ohio and northern West Virginia through most of western and northern Pennsylvania, across Upstate New York, and into southwest Vermont, western Massachusetts, and Hartford County, Connecticut (Map 3).

This broader region had just over 15.4 million residents in 2000, but its population grew by just three-tenths of one percent (fewer than 50,000 new residents) in the 1990s. A few other U.S. regions suffered substantial population loss in the 1990s, but almost all of them were rural: the Great Plains stretching from eastern Montana and North Dakota down through the Texas Panhandle; much of Iowa and central Illinois; the Mississippi Delta; the Appalachian backbone from the Tennessee/Virginia/Kentucky border through West Virginia; and northern New Hampshire and Maine (Map 2).

Upstate's weak growth in the 1990s contrasts with that of the United States as a whole and with Downstate New York (Figure 1). Propelled by both natural increase and immigration, the U.S. population grew by over 13 percent in the 1990s compared to 9.8 percent in the 1980s. Downstate New York, too, grew more rapidly in the 1990s than in the 1980s, though at slower rates than the country: 8.2 percent in the 1990s, after a very slow 2.5 percent increase in the 1980s. Upstate's population has trended in the opposite direction: it grew slightly more rapidly in the 1980s than the 1990s.

B. Within Upstate New York, only two regions grew in the 1990s.

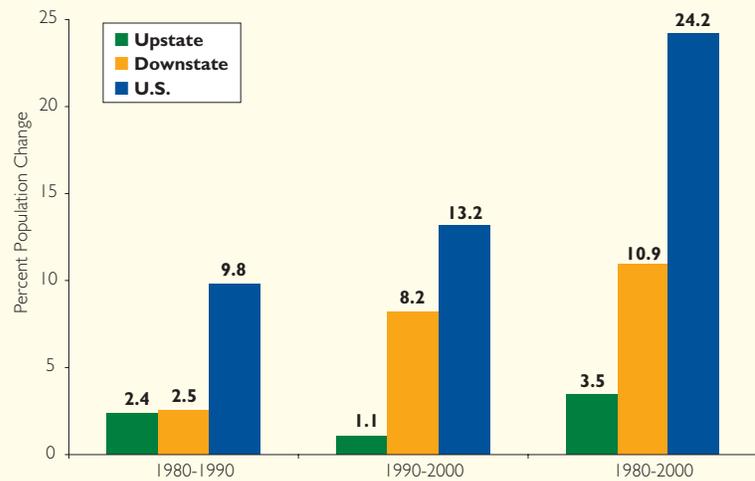
Growth in Upstate's 11 metropolitan areas was slower than rural growth in both the 1980s (1.8 percent for the metropolitan areas compared to 4.4 percent for rural counties) and the 1990s (0.8 percent and 1.9 percent respectively).

Several regions stand out as comparatively healthy amid the more

general stagnation of Upstate. The strongest axis of growth in the 1980s and 1990s was along the Hudson River, stretching from the suburbs north of New York City through Albany and Saratoga Counties and into the Glens Falls area (Map 3, Table 1). The four rural and seven metropolitan counties in this Hudson Valley region collectively grew by nearly 100,000 residents, or 5.5 percent, in the 1990s, following a growth rate of 7.2 percent in the 1980s.

A special standout along this axis is Saratoga County, whose population grew by 10.7 percent in the 1990s and 17.9 percent in the 1980s. Its population now exceeds 200,000 residents, up from just over 150,000 in 1980. As Saratoga County has grown, its housing prices have increased, encouraging

Figure 1. Percent change, total population, Upstate New York, Downstate New York, and U.S., 1980–2000



Sources: U.S. Census Bureau, 1980, 1990, and 2000 Censuses of Population and Housing, STF1A (1980, 1990) and SF1 (2000)

Map 2. County population change, Lower 48 States, 1990–2000

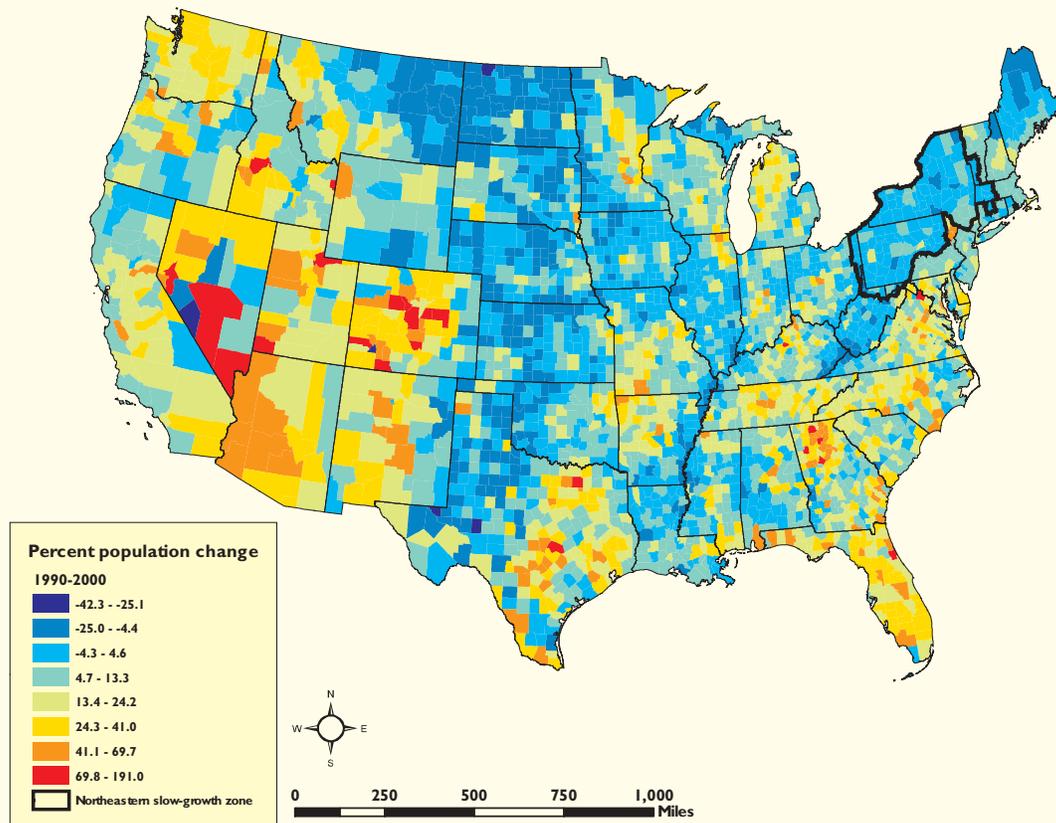


Table 1. Population, metropolitan areas and non-metropolitan areas, Upstate New York, 1980–2000

| | 1980 | 1990 | 2000 | Absolute change | | Percent change | |
|----------------------------------|-----------|-----------|-----------|-----------------|---------|----------------|-------|
| | | | | 1980s | 1990s | 1980s | 1990s |
| <i>Upstate total</i> | 6,677,298 | 6,834,397 | 6,908,309 | 157,099 | 73,912 | 2.4 | 1.1 |
| Metro | 5,263,578 | 5,359,227 | 5,404,910 | 95,649 | 45,683 | 1.8 | 0.9 |
| Non-metro | 1,413,720 | 1,475,170 | 1,503,399 | 61,450 | 28,229 | 4.3 | 1.9 |
| <i>Hudson</i> | 1,762,697 | 1,889,374 | 1,984,449 | 126,677 | 95,075 | 7.2 | 5.0 |
| Albany-Schenectady-Troy | 824,729 | 861,424 | 875,583 | 36,695 | 14,159 | 4.4 | 1.6 |
| Dutchess County | 245,055 | 259,462 | 280,150 | 14,407 | 20,688 | 5.9 | 8.0 |
| Glens Falls | 109,649 | 118,539 | 124,345 | 8,890 | 5,806 | 8.1 | 4.9 |
| Newburgh* | 259,603 | 307,647 | 341,367 | 48,044 | 33,720 | 18.5 | 11.0 |
| Non-metro counties | 323,661 | 342,302 | 363,004 | 18,641 | 20,702 | 5.8 | 6.0 |
| <i>Central</i> | 1,147,018 | 1,161,964 | 1,135,685 | 14,946 | -26,279 | 1.3 | -2.3 |
| Syracuse | 722,865 | 742,177 | 732,117 | 19,312 | -10,060 | 2.7 | -1.4 |
| Utica-Rome | 320,180 | 316,633 | 299,896 | -3,547 | -16,737 | -1.1 | -5.3 |
| Non-metro counties | 103,973 | 103,154 | 103,672 | -819 | 518 | -0.8 | 0.5 |
| <i>North Country (non-metro)</i> | 394,329 | 424,653 | 425,871 | 30,324 | 1,218 | 7.7 | 0.3 |
| <i>Rochester/Finger Lakes</i> | 1,125,717 | 1,161,470 | 1,199,588 | 35,753 | 38,118 | 3.2 | 3.3 |
| Rochester | 1,030,630 | 1,062,470 | 1,098,201 | 31,840 | 35,731 | 3.1 | 3.4 |
| Non-metro counties | 95,087 | 99,000 | 101,387 | 3,913 | 2,387 | 4.1 | 2.4 |
| <i>Southern Tier</i> | 720,347 | 731,049 | 718,973 | 10,702 | -12,076 | 1.5 | -1.7 |
| Binghamton | 263,460 | 264,497 | 252,320 | 1,037 | -12,177 | 0.4 | -4.6 |
| Elmira | 97,656 | 95,195 | 91,070 | -2,461 | -4,125 | -2.5 | -4.3 |
| Non-metro counties | 359,231 | 371,357 | 375,583 | 12,126 | 4,226 | 3.4 | 1.1 |
| <i>Western</i> | 1,527,190 | 1,465,887 | 1,443,743 | -61,303 | -22,144 | -4.0 | -1.5 |
| Buffalo-Niagara Falls | 1,242,826 | 1,189,288 | 1,170,111 | -53,538 | -19,177 | -4.3 | -1.6 |
| Jamestown | 146,925 | 141,895 | 139,750 | -5,030 | -2,145 | -3.4 | -1.5 |
| Non-metro counties | 137,439 | 134,704 | 133,882 | -2,735 | -822 | -2.0 | -0.6 |

*Orange County only.

Sources: U.S. Census Bureau, *Census of Population and Housing 1980 (STF1A)*, *1990 (STF1A)*, and *2000 (SF1)*.

some households to press even farther north into rural parts of Warren County (part of the Glens Falls metropolitan area). This area's easy access to Interstate 87 puts both New York City and Montreal within an afternoon's drive; its location near the Adirondack Park and Lake Champlain make it a prime destination for amenity migrants and retirees.

The Rochester/Finger Lakes region stood out from the general distress of the rest of Upstate west of the Hudson, growing 3.3 percent in the 1990s after about the same growth in the 1980s. Rochester was the only metropolitan area west of the Hudson Valley

with any population growth in the 1990s; it grew by 3.4 percent in the 1990s, up from 3.1 percent in the 1980s. Rochester's manufacturing economy differs from those in other Upstate metropolitan areas, centering on higher-technology activities in optics and imaging. A few non-metropolitan counties near Rochester, especially Yates County, grew somewhat more rapidly than the metropolitan-area average.

Population of the rural North Country maintained stability in the 1990s, growing by 0.3 percent. Had it not been for an increase in prison residents, however, the population would

have declined in the 1990s. The North Country's growth in the 1980s, by contrast, was more robust. The region grew by 7.7 percent during the decade, fueled by both a 54 percent increase in group quarters residents, as well as an increase in household residents.

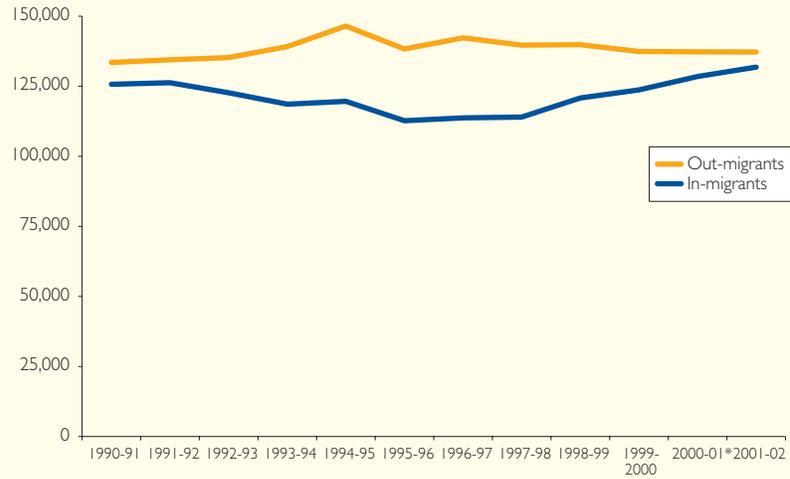
The Southern Tier region declined in the 1990s by 1.7 percent after growth of 1.5 percent in the 1980s. The Binghamton MSA's population grew by less than 1 percent in the 1980s but fell by 4.6 percent in the 1990s. Elmira, the state's smallest MSA (adjacent to Binghamton), lost 6.7 percent of its population between

1980 and 2000, falling from almost 98,000 to just over 91,000 residents. Only three of the 318 metropolitan areas nationwide lost population faster than did Binghamton and Elmira in the 1990s: Steubenville-Weirton (Ohio/West Virginia), Grand Forks (North Dakota/Minnesota), and Utica-Rome. On net, the Southern Tier's rural counties gained population in the 1990s, but not enough to compensate from the metropolitan areas' losses.

Central New York was even harder-hit than the Southern Tier in the 1990s. Metropolitan Syracuse, which gained nearly 20,000 residents in the 1980s, lost about 10,000 in the 1990s, for an overall 1.3 percent population gain between 1980 and 2000. Metropolitan Syracuse lost over 3,000 group quarters residents in the 1990s, a consequence of downsizing and closures of military installations in the metropolitan area in the early 1990s. Utica-Rome, whose economic base was hit hard by deindustrialization and the closure of Griffiss Air Force Base in 1994, lost over 3,500 residents in the 1980s and 16,700 in the 1990s, giving Utica the third fastest rate of metropolitan population decline in the country in the 1990s. Rural counties in Central New York also lost population in the 1990s as they struggled with plant closures and economic restructuring.

Western New York, finally, suffered two straight decades of decline. In absolute terms, only Pittsburgh lost more people than the Buffalo MSA between 1980 and 2000; Buffalo declined by over 50,000 residents in the 1980s and nearly 20,000 more in the 1990s, adding up to a 5.9 percent decline between 1980 and 2000. The Jamestown MSA lost nearly 7,200 people between 1980 and 2000, 4.9 percent of its population. The two rural counties in Western New York also lost residents in both the 1980s and the 1990s. Perhaps the only bright spot for Western New York is that the

Figure 2. Out- and in-migration, Upstate New York, 1990–2002



Source: Internal Revenue Service, County-to-County migration files, unpublished data.
 *2000-01 value interpolated by author between 1999 and 2001 values; IRS estimates for 2000 were based on 18 months of data.

Map 3. Population change in Upstate New York and beyond, 1990–2000

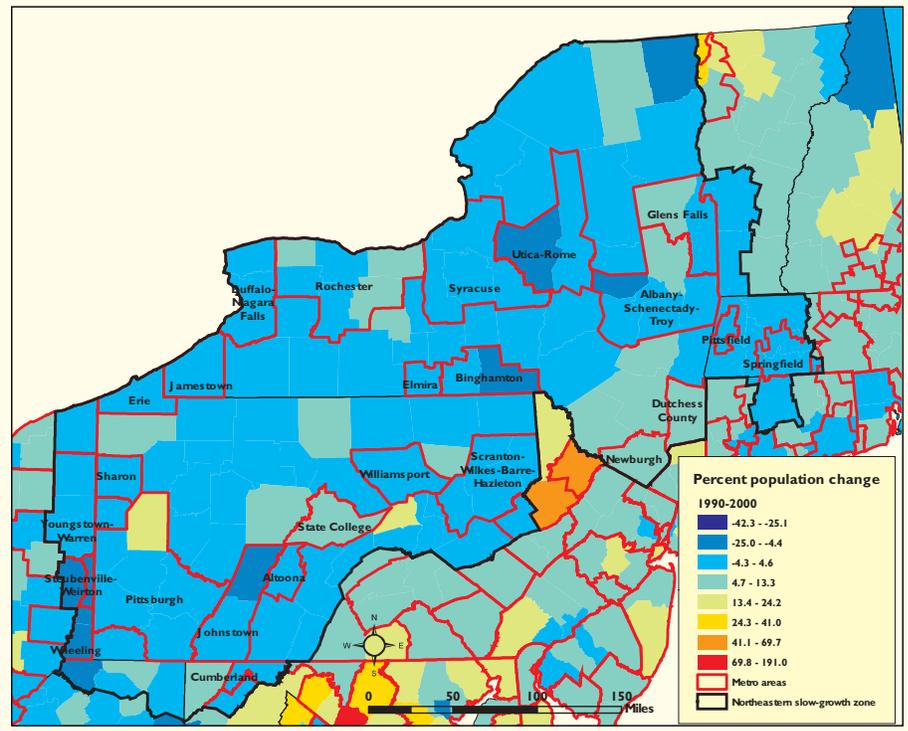
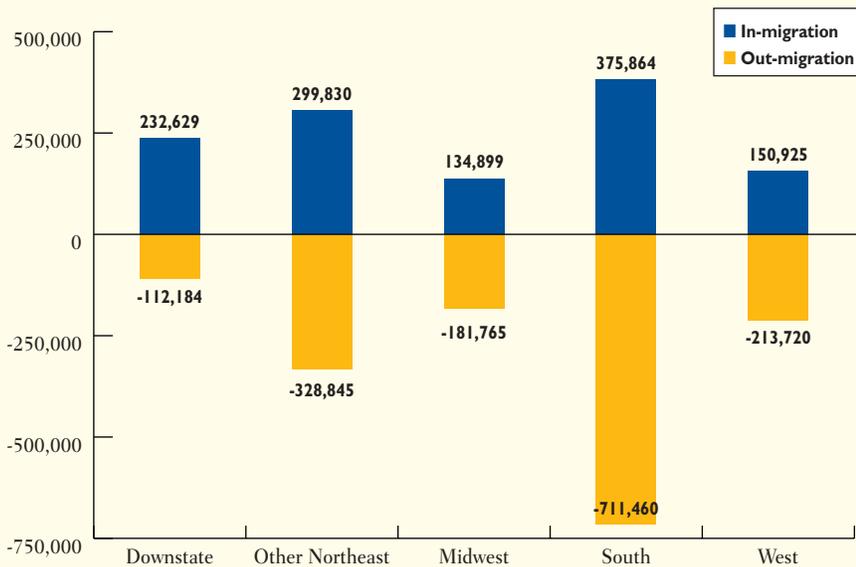


Table 2. Net migration among New York regions, total exemptions, 1990-2002

| Receiving region | Sending region | | | | | | | Total |
|------------------------|----------------|----------|---------------|------------------------|---------------|---------|-----------|----------|
| | Central | Hudson | North Country | Rochester/Finger Lakes | Southern Tier | Western | Downstate | |
| Central | 0 | -1,899 | 2,113 | -3,387 | 950 | -1,532 | 2,298 | -1,457 |
| Hudson | 1,899 | 0 | 1,840 | -545 | 206 | 494 | 109,612 | 113,506 |
| North Country | -2,113 | -1,840 | 0 | -571 | -93 | -118 | 672 | -4,063 |
| Rochester/Finger Lakes | 3,387 | 545 | 571 | 0 | 1,546 | 5,385 | 1,690 | 13,124 |
| Southern Tier | -950 | -206 | 93 | -1,546 | 0 | 70 | 6,967 | 4,428 |
| Western | 1,532 | -494 | 118 | -5,385 | -70 | 0 | 518 | -3,781 |
| Downstate | -2,298 | -109,612 | -672 | -1,690 | -6,967 | -518 | 0 | -121,757 |

Source: Internal Revenue Service, County-to-County Migration Files. Unpublished data. These totals exclude inter-county flows of 10 or fewer persons per year, which account for approximately 70,000 additional total inter-county migrants within Upstate alone.

Figure 3. Domestic migration flows by region to and from Upstate, 1990–2002



Source: Internal Revenue Service, County-to-County migration files, unpublished data. Migrants measured as the total number of exemptions; exemptions do not account for between 10 and 20 percent of persons who migrate. 2000-01 value interpolated by author between 1999 and 2001 values.

1990s were not as bad as the 1980s, as the region’s population losses slowed from 4.0 percent to 1.5 percent over the two decades.

C. Overall, more people moved out of Upstate than moved in during the 1990s.

IRS county-to-county migration files show that nearly 900,000 “tax house-

holds” accounting for over 1.7 million exemptions—referred to as “people” from this point forward—moved out of Upstate between 1990 and 2002.³ Only about 690,000 households with 1.3 million people, by contrast, moved into Upstate during the same time period. The annual balance between outflow and inflow tells a more optimistic story and suggests that Upstate has recovered to an extent from the peak of its out-migration (Figure 2). Out-migration grew between 1990 and 1995; it then fell between 1995 and 1996 and stabilized until 2002.⁴ Meanwhile, in-migration fell steadily between 1991 and 1995, stabilized in mid-decade and then recovered between 2001 and 2002 to higher levels than in 1990 to 1991. The net outflow increased from about 11,000 people between 1991 and 1992 to over 51,000 over the next three years; between 2000 and 2001, the net outflow dropped to approximately 14,000, and between 2001 to 2002 to only 6,500.

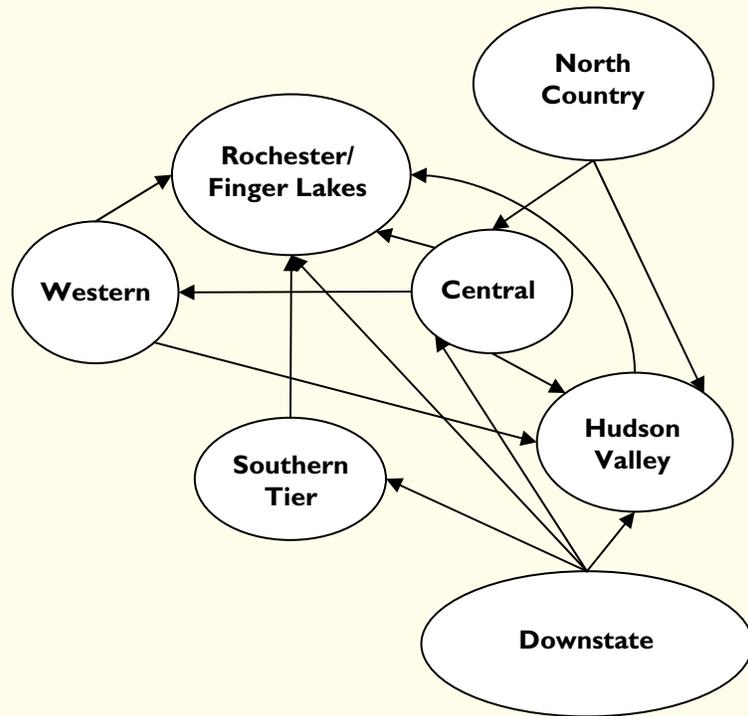
The largest share of migrants from every Upstate region—a total of 711,000 people—moved to the South between 1990 and 2002 (Figure 3). Only 375,000 people moved to Upstate from the South over that period. Western New York had the

highest share of residents moving to the South (38 percent). Other Northeastern states were the second-place out-of-state regional destination for movers from Upstate, with 328,000 people moving out but only 300,000 moving in. The Hudson Valley region sent 22 percent, and the Southern Tier 19 percent, of migrants to other Northeastern states. The other four regions all sent between 13 and 14 percent of their migrants to other Northeastern states, a level in line with the share of total national population in the Northeast. No more than 35 percent of out-migrants from any Upstate region remained in New York State between 1990 and 2002.

The biggest migration flows into Upstate regions come from other New York regions.⁵ The biggest recipient of migration from Downstate was the Hudson Valley region, with nearly 190,000 Downstate in-migrants between 1990 and 2002; only about 80,000 moved in the opposite direction. The Newburgh PMSA, Dutchess County PMSA, Ulster County, and Sullivan County—the closest counties to the New York PMSA—accounted for nearly 90,000 of the net 110,000 Downstate migrants to the Hudson Valley. The Hudson Valley also gained from all other Upstate regions except Rochester/Finger Lakes, but all these net increases combined amounted to only 11 percent of the net in-migration from Downstate (Figure 4, Table 2). The IRS data, combined with age-specific data from the 1990 and 2000 Censuses, strongly imply that the in-migrants from Downstate are families looking for more affordable housing opportunities, whereas the out-migrants to Downstate are smaller and probably younger households.

The Rochester/Finger Lakes region had net in-migration from all other Upstate regions between 1990 and 2002, with the largest numbers of in-migrants coming from the Western and Central regions. Western New York, by contrast, lost migrants on net

Figure 4. Significant net migration flow within New York State, 1990–2000



Note: Significant flows are those with over 1,500 netmigrants

to every region except the North Country; the North Country lost to every Upstate region. (Its population gains in the 1990s were predominantly non-tax filers or people whose taxes were filed elsewhere: prisoners and military personnel.) The Southern Tier also received a population boost from Downstate in-migrants, over half of which went to rural Delaware and Otsego Counties, but the Southern Tier had either even exchanges or lost residents to all the other Upstate regions. Central New York gained about equal numbers of net in-migrants from Downstate and the North Country, but had net out-migration because of stronger flows toward Rochester and the Hudson Valley. The North Country, finally, lost the largest number of net out-migrants between 1990 and 2002, with only a weak flow of tax-filing residents from Downstate

and moderate flows to all other Upstate regions.

Aside from Downstate, only foreign countries provided net in-migrants to Upstate New York. New immigrant neighborhoods have received significant attention in some Upstate cities. The 2000 Census registered over 2,500 Bosnians in Oneida County, for example, most of them in Utica. Schenectady's mayor has been campaigning to increase his city's population of Guyanese—about 500 of whom lived in Schenectady County in 2000—by advertising the city's low unemployment and affordable home prices in Queens. These enclaves are remarkable mostly, however, because so few foreign immigrants move to Upstate New York. According to the 2000 Census, only 4.8 percent of Upstate's residents in 2000 were born abroad, compared to 11.1 percent of

Table 3. Population by race and ethnicity, Upstate New York, 1990 and 2000

| | Percent of total, 2000 | | | | Percent change, 1990-2000 | | | |
|----------------------------------|------------------------|-------|-------|----------|---------------------------|-------|-------|----------|
| | Non-Hispanic | | | | Non-Hispanic | | | |
| | White | Black | Asian | Hispanic | White | Black | Asian | Hispanic |
| <i>Upstate total</i> | 86.4 | 6.8 | 1.5 | 3.5 | -3.2 | 17.6 | 38.2 | 54.0 |
| Total metro | 85.2 | 7.8 | 1.6 | 3.7 | -3.8 | 17.5 | 40.5 | 55.7 |
| Non-metro Total | 90.9 | 3.2 | 1.2 | 3.0 | -1.1 | 18.9 | 27.9 | 46.9 |
| <i>Hudson</i> | 85.2 | 6.3 | 1.7 | 5.3 | -0.6 | 26.2 | 41.3 | 69.1 |
| Albany-Schenectady-Troy | 88.1 | 5.9 | 1.9 | 2.7 | -3.1 | 34.8 | 51.8 | 60.2 |
| Dutchess County | 80.3 | 8.9 | 2.5 | 6.4 | 1.0 | 21.9 | 22.5 | 84.9 |
| Glens Falls | 95.4 | 1.7 | 0.4 | 1.5 | 3.9 | 3.1 | 36.5 | 5.9 |
| Newburgh* | 77.6 | 7.5 | 1.5 | 11.6 | 1.5 | 23.3 | 48.8 | 84.5 |
| Non-metro counties | 85.7 | 5.6 | 1.1 | 5.9 | 1.3 | 18.5 | 32.1 | 51.9 |
| <i>Central</i> | 89.3 | 5.4 | 1.3 | 2.2 | -5.5 | 11.6 | 34.4 | 43.9 |
| Syracuse | 88.0 | 6.3 | 1.5 | 2.1 | -5.1 | 13.4 | 36.4 | 49.2 |
| Utica-Rome | 90.5 | 4.4 | 1.0 | 2.7 | -7.9 | 3.3 | 31.8 | 31.6 |
| Non-metro counties | 95.6 | 1.3 | 0.5 | 1.4 | -1.5 | 43.5 | 12.9 | 68.9 |
| <i>North Country (non-metro)</i> | 90.7 | 3.7 | 0.7 | 2.8 | -2.5 | 17.5 | 7.8 | 37.9 |
| <i>Rochester/Finger Lakes</i> | 83.2 | 9.4 | 1.7 | 4.1 | -1.7 | 18.6 | 42.1 | 49.4 |
| Rochester | 82.2 | 9.9 | 1.8 | 4.3 | -1.9 | 18.4 | 42.9 | 50.1 |
| Non-metro counties | 93.4 | 3.1 | 0.5 | 2.1 | 0.4 | 26.8 | 15.8 | 35.6 |
| <i>Southern Tier</i> | 92.0 | 2.6 | 2.1 | 1.8 | -4.7 | 21.8 | 39.5 | 45.2 |
| Binghamton | 91.8 | 2.6 | 2.4 | 1.8 | -8.4 | 47.3 | 48.9 | 58.0 |
| Elmira | 90.2 | 5.7 | 0.8 | 1.8 | -6.5 | 4.8 | 5.1 | 11.7 |
| Non-metro counties | 92.6 | 1.8 | 2.3 | 1.8 | -1.6 | 16.8 | 37.4 | 47.9 |
| <i>Western</i> | 84.6 | 9.6 | 1.2 | 2.8 | -5.4 | 12.2 | 36.7 | 40.6 |
| Buffalo-Niagara Falls | 82.5 | 11.5 | 1.3 | 2.9 | -5.9 | 12.0 | 39.5 | 39.5 |
| Jamestown | 91.9 | 2.0 | 0.4 | 4.2 | -4.4 | 22.8 | -0.6 | 45.5 |
| Non-metro counties | 95.0 | 0.9 | 0.6 | 0.9 | -2.3 | 14.6 | 20.8 | 47.0 |

Note: 2000 population includes only those who self-identified as being of exclusively one race.

Sources: U.S. Census Bureau, STF1 (1990) and SF1 (2000).

*Orange County only.

the nation's population. In all of Upstate New York, there were just over 300,000 foreign-born residents, over one-quarter of whom arrived in the country before 1965, compared to 10.6 percent of the nation's total foreign-born population. Upstate has clearly not been a target for the new immigration; as many studies have shown, the immigrants of the last two decades have overwhelmingly concentrated in "gateway" metropolitan areas on the coasts.

D. Nearly 30 percent of new residents in Upstate New York in the 1990s were prisoners.

In the 1990s, the population in Upstate correctional institutions grew from 57,678 to 78,579, an increase of nearly 21,000 prisoners (36.2 percent gain) in just 10 years.⁶ Since Upstate's population grew by just under 74,000 people in the 1990s, this means that 28.3 percent of net new Upstate residents were new prisoners. This substantial increase was accompanied by growth in the population of prison staff and their families and in some

areas by the migration of prisoners' families to the areas in which the prisons were built and expanded in the 1980s and 1990s. Meanwhile, the number of those incarcerated in Downstate New York dropped by over 2,800 prisoners.

The New York State Department of Correctional Services operates 70 facilities throughout the state, 61 of which are in Upstate New York. The Upstate prison population has grown dramatically in part because 38 of these 61 facilities opened after 1980. No new facilities have been built in

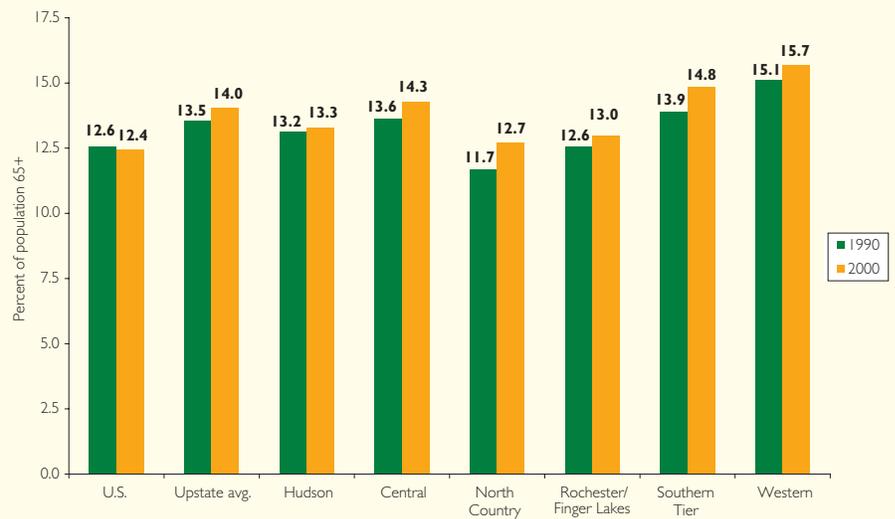
Downstate since 1980. Fifteen of the 17 maximum-security prisons and 34 of the 37 medium-security prisons are located in Upstate New York; three Upstate counties—Chemung, Dutchess, and Ulster—each have two maximum-security prisons. Franklin County has the largest number of correctional facilities, five in all (one maximum, three medium, and one minimum security facility). Dutchess, Erie, Oneida, and Ulster counties each have four facilities.

Upstate has a much greater share of its population in prison than does the United States on average, and by some measures the growth of its incarcerated population has even outstripped that of the country, despite New York's slow population growth. Between 1980 and 1995, the number of inmates in state correctional facilities in Upstate New York jumped 258 percent, compared to a 224 percent increase in state correctional facilities across the United States. Meanwhile, Upstate's population grew only 4.1 percent, whereas the U.S. population grew by 17.5 percent. As a consequence of this extraordinary growth, prisoners accounted for 0.7 percent of the U.S. population in 2000, compared to 1.1 percent of Upstate's population.

Rural Upstate, with 22 percent of Upstate's population in 2000, accommodates over 41 percent of the Upstate prison population. The prison population is especially noticeable in the North Country because of its low population density. In 2000, over 5,000 prisoners lived in Franklin County, along the U.S.–Canada border, 10.8 percent of the population. This concentration is nearly twice that in 1990 (5.6 percent). Over nine percent of the residents of Wyoming County, home of Attica State Prison, lived in correctional institutions in 2000. Oneida, Dutchess, and Erie Counties—all metropolitan counties—also had over 5,000 prisoners each.

Because such a large share of new

Figure 5. Percent of population 65 years and older, 1990 and 2000, U.S. and Upstate



Sources: U.S. Census Bureau, 1990 and 2000 Censuses of Population and Housing, STF1A (1990) and SF1 (2000)

Upstate residents were prisoners or other group quarters residents, Upstate's *household population* (i.e., all those who did not live in group quarters) grew only 0.8 percent in the 1990s, compared to 1.1 percent for Upstate's population as a whole.⁷ Household residents are arguably more central to local economies and community life than group-quarters residents. They tend to be in the labor force and have higher rates of employment; they vote and participate in local elections; they have higher incomes; more of them own property; and more pay local property taxes.

E. Upstate's large senior citizen population increased in size and share, especially in its slow growing regions, in the 1990s.

Fourteen percent of Upstate residents in 2000 were at least 65 years old, compared to 12.1 percent of U.S. residents (Figure 5). Moreover, the share of seniors in Upstate increased in the 1990s while the share dropped in the rest of the United States, mostly as a

consequence of immigration and the continued dominance of baby boomers in the national population. The senior population of Upstate grew 4.8 percent in the 1990s; the population between 18 and 65 years old, by contrast, was essentially static during that time, and the population under 18 grew only 1.8 percent.

Slow-growing Upstate regions tended to have the highest shares of residents over 65 years old. Nearly 16 percent of residents in Western New York were over 65 in 2000, up from 15.1 percent in 1990 and 12.5 percent in 1980. The Southern Tier and Central regions also had comparatively high shares of seniors, 14.8 percent and 14.3 percent, respectively. As a whole, the Hudson Valley region had the lowest share of seniors—13.3 percent of the population—but the Newburgh and Dutchess County metropolitan areas had significantly smaller shares of seniors than the rest of Upstate and even lower than the U.S. average (10.3 percent and 12.0 percent, respectively). Newburgh is

the only Upstate metropolitan area in which the share of seniors fell in the 1980s and the 1990s.

The concentration of so many seniors in Upstate poses important challenges for the economy and for various levels of government. Smaller proportions of the elderly than of people aged 40 to 65 years old are employed. Seniors are also more likely than other residents to require health care; state and county governments bear substantial costs for this health care through the funding of county hospitals. Finally, the lack of growth in the population between 18 and 65 signals that many home-owning seniors or their heirs may have substantial difficulty selling their homes when they wish to do so.

F. Upstate's small racial and ethnic minority population is unevenly distributed among its metropolitan areas and segregated within them.

Upstate New York remains predominantly white and non-Hispanic, but like other parts of the United States, it grew more diverse in the 1980s and 1990s. In 1980, 93 percent of Upstate residents were white non-Hispanic; by 2000, that share had declined to 86 percent.⁸ Meanwhile, the Hispanic share of the population increased from under 1.4 percent to 3.6 percent of Upstate residents. The non-Hispanic black share⁹ also grew, from 4.9 percent to 6.8 percent of all Upstate residents.

The shifting shares of the total are a consequence of both a declining white non-Hispanic population and rising populations of other racial and ethnic groups. The number of white non-Hispanic residents in Upstate declined by nearly 200,000 in the 1990s alone, after falling by a little more than 15,000 in the 1980s (Table 3). The black non-Hispanic and Hispanic populations grew by over 70,000 and 85,000 in the 1990s, respectively; the number of Asians and Pacific Islanders grew by over 25,000, and that of

“other non-Hispanics” grew by over 85,000.¹⁰

Diversification has occurred unevenly across Upstate. About 85 percent of year 2000 residents in metropolitan areas were non-Hispanic white, compared to 91 percent of residents in rural areas, down from 93 percent and 96 percent in 1980. Diversity grew most rapidly in the Newburgh and Dutchess County PMSAs, where the Hispanic population grew by 252 percent and 208 percent, respectively, from 1980 to 2000 (Table 3). Over one-third of the Newburgh metropolitan area's net new population growth since 1980 came from net growth in the Hispanic population; Hispanics constituted 7.3 percent of metropolitan Newburgh's and 4.1 percent of metropolitan Dutchess County's population in 2000. The share of non-Hispanic blacks in both PMSAs also grew between 1980 and 2000, and non-Hispanic blacks still outnumber Hispanics, with 8.9 percent of Dutchess County's population and 7.5 percent of Newburgh's.

Among the metropolitan areas where the influence of New York City is less pronounced, Buffalo and Rochester are most racially and ethnically diverse, with between 82 and 83 percent non-Hispanic white residents in 2000. In both regions, the share of black or African American residents (11.5 percent and 9.4 percent, respectively) far exceeds that of the Hispanic population (2.9 percent and 4.3 percent). These metropolitan areas are also, however, highly segregated.¹¹ By one index, the Dissimilarity (D) index, Buffalo-Niagara Falls has the ninth highest level of segregation between blacks and whites in the United States. This index ranges from 0 to 100, with higher numbers denoting more segregation; Buffalo's D index is 76.7, just behind Cleveland's (77.3) and higher than St. Louis's (74.4).¹² Syracuse, with a D index of 69.3, is the 32nd most segregated metropoli-

tan area in the United States, and Rochester is the 49th at 66.3. Utica-Rome, Glens Falls, and Albany were also in the 100 most highly segregated metropolitan areas between blacks and whites as of 2000.

Segregation between Hispanics and non-Hispanic whites is important for Upstate because although Hispanics still constitute a small share of all Upstate residents, their numbers are growing fast. The Upstate metropolitan areas were exceptions to a general tendency across the United States toward rising segregation between Hispanics and non-Hispanic whites in the 1990s. The two metropolitan areas closest to New York City, which experienced large growth in their Hispanic populations, had low and falling segregation between non-Hispanic whites and Hispanics (D indices of 39.6 in Newburgh and 33.4 in Dutchess County). Even with their falling segregation levels, however, Buffalo, Rochester, Utica-Rome, and Jamestown all placed in the 50 most segregated metropolitan areas in the United States for Hispanics, with D indices ranging from 52 to 57.

“Upstate New York needs to concentrate on both jobs and people—on the factors that encourage strong business conditions as well as those that encourage residents to stay in the region.”

Conclusions and Policy Implications

As the U.S. economy mushroomed and its population grew more rapidly in the 1990s, Upstate New York was almost unique in the nation as a major urbanized region in decline. Out-migration reduced its population growth to minimal levels; the white non-Hispanic population declined, the number of prisoners increased dramatically, and some metropolitan areas lost not only residents but also households. Out-migration from Upstate peaked in the mid-1990s, but many areas of Upstate remain anemic even now.

Legislators and other decision-makers, as well as the general public, should be concerned about slow population growth. People move to regions with strong employment prospects; this fact is well enough recognized by now, and fuels the state’s main economic development priorities on the creation of jobs. But many studies also show that jobs follow people.¹³ This mutually supportive relationship between population and economy suggests that policy for Upstate New York needs to concentrate on both jobs and people—on the factors that encourage strong business conditions as well as those that encourage mobile residents to stay in the region, especially once they graduate from college. More specifically, these findings have at least three important implications for local, state, and federal policy-makers.

A. Rethink the regional context of Upstate New York.

The simplistic “Upstate/Downstate” distinction has long dominated thinking about New York and may have outlived its usefulness for at least three reasons. First, “Upstate/Downstate” is too broad to capture the diversity of Upstate New York. The Hudson River Valley, for example, prospered in the 1980s and 1990s,

creating challenges of school crowding, traffic, and declining open space. Since the Legislature meets in Albany, many decision-makers have a partial view of Upstate’s current conditions. Legislators and staff members who live in New York City, Dutchess County, or Saratoga County and commute to Albany mainly see evidence of economic prosperity and growth, notwithstanding the distressed conditions of several Hudson River cities. Western New York, the Southern Tier metropolitan areas, and Central New York, by contrast, have serious problems of population decline and aging. Policies to revive “Upstate” that focus on the Hudson Valley will not provide direct benefits to these regions; such policies may instead simply attract more of the most mobile (youngest) residents away from declining areas.

In addition, “Upstate/Downstate” obscures the interdependence of various Upstate regions with Downstate. The dichotomy encourages state politics to define Upstate in relation, and usually in opposition, to New York City. This report makes clear that the future of the Upstate/Downstate relationship will increasingly be one of mutual dependence, not competition. The Hudson Valley is increasingly the home of people who work or have retired from jobs in New York City. The North Country has become, for better or worse, the temporary home of convicted criminals from Downstate. If state policies build upon the mutual dependence between particular regions and Downstate, rather than foster animosity, the entire state will gain.

B. Capitalize on and plan for a growing wave of in-migrants from Downstate.

Burgeoning Downstate New York, already the only serious net contributor of residents to Upstate, is an obvious place to look for more and broader Upstate population gains. New York City now has its largest pop-

ulation in history. As they become established in the United States, many of the children of the immigrant families who account for the recent population gain will buy suburban houses. Many immigrants and their children will move up the Hudson Valley, and increasing numbers may be attracted to other Upstate regions. Some regions and cities have started programs to encourage immigration; metropolitan Pittsburgh is probably the best known. Iowa has a state-level program to attract immigrants. These programs are still too new to evaluate but will soon provide valuable lessons for New York decision-makers considering a deliberate immigrant attraction strategy for Upstate beyond the Hudson Valley.

Newcomers to Upstate will provide broad benefits to economic vitality and real estate markets. They have already contributed to the growth of every Upstate region, especially the Hudson River Valley. They have fostered rapid gains in rural towns' tax bases and have helped maintain city and village populations when incorporated units in the rest of Upstate are rapidly losing residents. But they also pose new challenges ranging from disappearing open space to new needs for public school investment, and local resources may not be enough to respond to these issues. Moreover, minority residents who move to Upstate—especially Rochester, Syracuse, Buffalo, and Albany—face constrained and segregated housing markets that threaten to prolong and even exacerbate the isolation of new Hispanic and African-American families, reducing their ability to make contributions to regional economies and ultimately to Upstate. Upstate needs measures to ensure freedom of choice as these prospective new residents look for a place to live.

C. Meet basic needs in Upstate's declining regions.

It is likely that some Upstate regions will continue to lose residents and households for at least the next decade. Even if economic growth materializes, these regions will need substantial new outside resources to meet their more vulnerable residents' basic needs. The issues are especially acute for seniors, who constitute a disproportionate share of Upstate residents. Rural and small-metropolitan hospital systems in Upstate will face growing demands from a graying population, but municipalities and counties may lack the tax base to support their share of the costs. Furthermore, it will be a challenge to maintain adequate numbers of doctors and nurses in these areas. Much of Upstate will also need new and rehabilitated housing that suits the needs of elderly residents.



Endnotes

- 1 Rolf Pendall is an associate professor of city and regional planning at Cornell University.
- 2 The IRS data exclude persons who do not file tax returns and who are not represented by exemptions on filed returns. Seniors (especially those whose only income comes from social security), college students, low-income people, and people who have recently lost a spouse are among those most likely not to file. The overall population coverage rate nationally is estimated to be between 80 percent and 90 percent. Furthermore, only returns where the social security number matched for both years are included in the county-to-county migration tables. Matches fail when there are errors in social security numbers, when people marry between filings and become the secondary entry on the tax return, when people who had never previously filed a U.S. tax return immigrate from abroad, and when people die. In addition, some tax returns are filed with an address other than the filer's residence.
- 3 This takes in the period from April 1990 to April 2002; annual in-migration and out-migration are both estimated based on changes in addresses between tax filings. The IRS combines small flows between counties into larger groups. See note 2 for limitations of the IRS data.
- 4 The IRS data for 2000–2001 reflect 18 months instead of 12 months of migration because the IRS changed the way that it accounts for the timing of inter-county migration by taxpayers. I have interpolated a value for 2000–2001 between the more valid 1999–2000 and 2001–2002 values for use in Figure 2.
- 5 These figures underestimate the real flow even of tax filers (not to mention of non-filers), because over 70,000 tax households had in-state moves across county lines whose destinations were not specified. Some of these in-state moves were probably to Downstate counties, but it is not possible to determine how many.
- 6 The Census of Population and Housing provides tabulations of inmates in correctional institutions (prisons and jails) as part of its data on the group quarters population.
- 7 Upstate added just over 13,000 non-institutionalized group quarters residents—e.g., students in dormitories and military personnel in barracks—in the 1990s in addition to the larger increment of new prisoners. The number of other institutionalized persons (especially those in psychiatric facilities) declined.
- 8 Racial classifications for 1980 and 1990 are fairly consistent. Racial classification in 2000 was complicated by the “two or more races” option. Fewer than five percent of respondents nationally self-identify as being of two or more races; for the purposes of this study, I use the single-race responses as indications of race in 2000. Multi-racial individuals are classified as being of “other” race. The computed differences between the 2000 race/ethnicity data and the earlier data are therefore subject to minor classification errors.
- 9 Most Upstate black or African American residents do not self-identify as being Hispanic; less than one-half of one percent of all Upstate residents are Hispanic black, and even in cities the share of Hispanic blacks does not exceed 1 percent of the total population. Dominicans, Puerto Ricans, and Cubans sometimes self-identify as Hispanic Black.
- 10 The Census Bureau does not make available data on household population vs. group quarters population by race for small areas. It is likely that Upstate New York has been “diversified” racially and ethnically in part by a growing incarcerated population; at the national level in 2000, 47 percent of men in institutionalized group quarters (most of whom were in prison) were non-Hispanic white, compared to their 69 percent share of the entire population.
- 11 A team headed by John Logan at the University of Albany computed racial segregation indices for all U.S. metropolitan areas immediately after the 2000 Census results were released. I use their results in this report. All measures use census-tract level results to gauge neighborhood segregation.
- 12 The index of dissimilarity (D) shows the percent of residents of one or another group that would have to make one-way moves to achieve complete integration.
- 13 See, for example, Vias, Alexander C. and Gordon F. Mulligan, “Integrating Economic Base Theory with Regional Adjustment Models: The Nonmetropolitan Rocky Mountain West,” *Growth and Change*, 30 (1999): 507–525; Carlino, Gerald A. and Edwin S. Mills, “The Determinants of County Growth,” *Journal of Regional Science*, 27 (1987): 39–54.

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This series of five publications will examine the social and economic health of Upstate New York over the past two decades. It will focus on trends in Upstate as a whole, in the 11 major metropolitan areas that make up Upstate, and the six broad regions (such as Hudson Valley and Rochester/Finger Lakes) that are home to these metro areas and their surrounding rural counties. The analyses will use data from the U.S. Census of Population and Housing, the Regional Economic Information System, County Business Patterns, and the U.S. Department of Agriculture's National Resources Inventory. Forthcoming reports in the series will examine urban sprawl and land use, the economy, poverty and inequality, and education and workforce issues.



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