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Valley got poorer; minorities thriving

By Beth Barrett
Staff Writer

The San Fernando Valley saw a sharp decline in personal income in the 1990s, even as the community's growing minority population fared far better financially than that in the rest of Los Angeles, new U.S. census figures to be released today show.

The trend in the Valley was reflected throughout Los Angeles County, which showed a similar decline in average household income while middle-class minority families in suburban areas were thriving compared with those in more-urban neighborhoods.

Despite the overall decline in income, Valley dwellers on average still earned more than residents of the rest of the city because of the relative economic strength of minorities.

Overall, the Valley's per capita income stood at \$22,024 in 2000 -- 10.7 percent higher than the \$19,887 average of the rest of the city.

Thus, the Valley, with 36.5 percent of the population, reported total incomes of \$29.8 billion, or 39 percent of the city's total of \$76.4 billion.

"The suburban advantage is increasing all around the country," said Logan, director of the Lewis Mumford Center at the State University of New York at Albany, who compiled median household income data for Los Angeles.

"It does show a failure of central cities to hold the young adult professional class that often lives in the cities in their early 20s or 30s, but the lure of the suburbs for housing, job opportunities and schools is just too strong."

While minorities in the Valley were doing better than their counterparts in the rest of Los Angeles, the household income of non-Hispanic whites in the Valley averaged \$33,855 -- far below the average household income of \$44,876 per capita for non-Hispanic whites in the rest of Los Angeles.

Countywide, non-Hispanic households in suburban areas did better financially than those living in urban areas -- a \$56,921 median income in the suburbs compared with \$51,554 in the urban centers. Communities such as Santa Clarita, Agoura Hills and Westlake Village offset the wealth of Brentwood, Pacific Palisades and other Westside communities.



Behrouz Shayan adjusts a scooter in his Van Nuys shop World Unique Discount. (Andy Holzman / Daily News)

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Logan used a national inflation index, which makes household median figures slightly higher for the decade than per capita figures adjusted for regional inflation.

Using comparable inflation figures, the county's median household income dropped about 7 percent to \$42,189 in the decade.

By contrast, the New York metropolitan area showed economic stability, with household incomes at just over \$41,000, about the same as a decade ago. Chicago's metro region reported an increase of 9.6 percent, to \$51,680, for its median household income.

Young adult exodus

In Los Angeles, nearly as many 20- to 35-year-olds left the city as babies were born in it during the decade, for a decline of 91,000 people in the young adult category.

Non-Hispanic whites and African-Americans led the exodus from the city, with the number of non-Hispanic whites declining by 15.4 percent, while the African-American population fell 14.9 percent.

Civil-rights attorney Connie Rice said the loss of the middle class from the city is creating an unsustainable "barbell economy" of poor and extremely wealthy people that is incompatible with a successful, pluralistic and democratic city.

"It says there's no upper mobility in the economy, that it's only working for the upper class and the wealthy," Rice said.

The city and region, she said, has failed to ever do a comprehensive economic blueprint to address the imbalances.

"The reason this story is important is it's one measure of whether we'll survive as a democracy."

William H. Frey, a demographer and senior fellow at the Milken Institute in Santa Monica, said minorities, particularly Latinos and Asians, are making the same leap to the suburbs for lifestyle and financial reasons that non-Hispanic whites did a generation ago.

The movement of middle-class whites to suburbs, farther from the urban core, and to other states, propelled by a decline in the aerospace industry, continued during the decade as the income gap between whites and minorities continued to grow.

Suburban Asians who had higher incomes than suburban whites in 1990 lost that advantage by 2000.

"It's not whites in the city versus whites in the Valley anymore; it's more like Hollywood versus the suburbs, or high-tech havens versus the suburbs," Frey said.

American dream

Joel Kotkin, senior fellow at the Davenport Institute at Pepperdine University, said the migration patterns show how strong is the "American dream" to raise a family in the suburbs.

"Let's face it: Anyone with kids wants a house with a back yard," Kotkin said. "There are a few who want to live in town houses in the city. But the first place people go is the San Fernando Valley or the San Gabriel Valley, where they can be close to their businesses, and their families can have a suburban quality of life."

Kotkin said the Valley's non-Hispanic whites' lower median household income probably also reflects a larger percentage of older, retired people past their prime



Francisco Mendoza mounts a stone into a ring at his Van Nuys store, Kenny's Jewelry. (Andy Holzman / Daily News)

earning years.

"Their expenses are lower, too," he said. "People who are younger with children live farther out in the suburbs."

Kotkin said the inner city continues to be the destination for many immigrants who depend heavily on a cash-based, underground economy.

"When people become part of the formal economy, they tend to move into the suburbs," he said.

Not only are more affluent African-Americans, Latinos and Asians moving to the suburbs; they are also living in "much less poor" neighborhoods, though not always in integrated ones, Logan said.

Asians living in the suburbs had median household incomes 44.7 percent higher than Asians living in the central city, leading all groups, and reflecting immigration settlement patterns from Monterey Park to parts of the Valley.

Suburban African-Americans were the only minority group that, while doing far better than their urban counterparts, experienced a closing of the gap: The difference in household median income was 45.4 percent in 1990 and 33.5 percent in 2000.

Logan said some poorer African-American families might be moving out of the city to pockets of relative poverty elsewhere in the region.

"It looks likely that some less-affluent blacks moved to some specific suburban communities that are relatively low-income communities, the opposite of gentrification," Logan said.

Rice, the civil-rights lawyer, said Los Angeles also continues to have the wealthiest middle class in the country, in communities like Baldwin Hills, Leimert Park and portions of the Crenshaw District. Meanwhile, its working lower-middle class has tended to move to the suburbs, or the South, in the face of crime, drug dealing and social service systems in crisis.

Logan's analysis of the new census data shows median household incomes among suburban whites in Los Angeles County to be 10.4 percent higher than those who live in urban centers. Suburban African-Americans were 33.5 percent higher, Latinos 35 percent higher and Asians 44.7 percent higher than those who lived in central cities.

Wealthy whites

Demographers said the gap among non-Hispanic whites wasn't wider because of the number of wealthy whites who live in affluent urban communities, sheltered from many of the problems that prompt middle-class families to leave those neighborhoods.

"Whites are the only group where the suburb and city are not so different, while there are tremendous differences for the others," Logan said. "The non-Hispanic whites in the city are living in relatively privileged areas."

Logan said the new census data show that high household incomes for whites generally are specific to the city south of Mulholland, and not the Valley. In the Valley, the gap between the highest per-capita-income group -- whites -- and lowest -- Latinos -- is \$22,884; in the rest of the city it is \$35,259.

Whites who remain in an urban setting can be expected to have found "ways to shelter themselves from some of the costs of living in the city," Logan added.

An analysis of elementary-school students on Los Angeles Unified School District campuses suggests one such way of buffering.

While only about 10 percent of elementary-school students are non-Hispanic whites,

the average white child goes to a school that's 39 percent white, he said.

"White children in Los Angeles are attending a fairly narrow band of schools," Logan added. "That's one way non-Hispanic whites are sheltered from the full urban experience as it is experienced by minority families."

Another analysis done by the Lewis Mumford Center shows how neighborhood quality is different for whites and minorities living in the suburbs and in central cities.

In 2000, the average non-Hispanic white city dweller in Los Angeles could anticipate living in a neighborhood where the median household income was \$54,869, 38.7 percent were college-educated, 46.2 percent were professionals, and nearly half, or 47.9 percent, were homeowners.

The average Latino city dweller, on the other hand, lived in a neighborhood where the median household income was \$32,194, only 15.2 percent of the neighborhood residents had a college degree, 22.5 percent were professionals, and less than one-third, or 32.2 percent were homeowners.

The urban neighborhoods where Asians and African-Americans live have comparably low incomes, educational levels, jobs and home ownership compared with non-Hispanic whites who choose to live in the city.

Minorities that move to the suburbs typically have an entirely different neighborhood profile.

The average Latino, for example, living in the suburbs in 2000 was in a neighborhood where the median household income was \$41,361, and home ownership was just over 50 percent.

Suburban African-Americans, on average, move into neighborhoods with an even higher median household income of \$42,307, while suburban Asians' neighborhoods have a median household income of \$54,556.

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