

The Changing Faces of the Third District: A Snapshot of the Region from the 2000 Census

BY THEODORE M. CRONE

Last year, the government began to release data from the 2000 census. Thus far, several patterns have emerged about the changing demographics of the Third District states — Pennsylvania, New Jersey, and Delaware. In this article, Ted Crone describes some of these patterns and tells us what they mean for economic growth in this region.

Every 10 years the national census provides a profile of the American people — who we are and where we live. The initial data from the 2000 census were released in March 2001, and additional details will be released through 2003.

From the data released so far, several patterns have emerged about the changing demographics of the three states in the Third District — Pennsylvania, New Jersey, and Delaware. Growth rates varied widely across the states. And the movement of people into the region from other states and from abroad significantly increased the ethnic and racial diversity of many areas in the tri-state region. Migration, birth rates, and natural aging also

altered the age distribution of the region's population. For example, the young working-age population declined in both the nation and the region. As this cohort moves through its working years, its lower numbers will limit the natural growth of the prime working-age population (25-54) over the next decade. This will translate into slower growth of the labor force and employment. Ultimately, it will mean slower growth in gross domestic product (GDP), since GDP growth is a combination of employment growth and productivity growth. Thus, the 2000 census not only gives us a record of population and demographic changes over the past 10 years; it also provides a glimpse of changes to come over the next decade.

GROWTH RATES VARIED WIDELY ACROSS REGION

At the state level, population growth ranged from above average in Delaware, the 13th fastest growing state, to well below average in Pennsylvania,

the third slowest growing state.¹ New Jersey's population increased somewhat less than the national average, and the state ranked 32nd in population growth (Table 1, *see next page*).

The differences in population growth among the three states reflect differences in the three components of growth — natural increase (births minus deaths), net domestic migration, and net international migration.² The 2000 census provides no direct measure of the components of state and local population growth, but the Census Bureau *estimates* the components of change between census years.³ And there were sharp differences in the

¹ Pennsylvania added more than three times the number of people as Delaware, but Pennsylvania is a much larger state. However, some states that were less than one-fourth the size of Pennsylvania in 1990 (Nevada, Oregon, and Utah) added more residents than Pennsylvania.

² This decomposition of population change is simply an accounting identity. Net domestic migration is the number of people who move into the state or locality from other parts of the U.S. minus those who move out of the area to other places in the U.S. Net international migration is the number of people who move into the state or locality from another country minus the number who move out of the area to some other country. For these calculations the Census Bureau considers movement to and from Puerto Rico international migration.

³ In the years between the decennial censuses the Bureau uses these estimates of the components of growth to derive estimates of total population in states and counties. The sources for data on births and deaths are the state and county records on vital statistics; domestic migration is estimated through address matching of federal tax returns; and data on international migration come from the immigration and naturalization service. (*continued on next page*)



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TABLE 1**Population Growth
1990-2000 (Percent)**

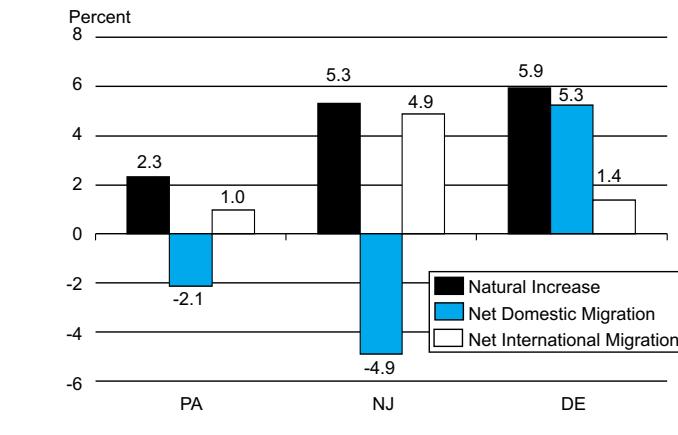
Rank	State	Growth
1	Nevada	66.3
2	Arizona	40.0
3	Colorado	30.6
4	Utah	29.6
5	Idaho	28.5
6	Georgia	26.4
7	Florida	23.5
8	Texas	22.8
9	North Carolina	21.4
10	Washington	21.1
11	Oregon	20.4
12	New Mexico	20.1
13	Delaware	17.6
14	Tennessee	16.7
15	South Carolina	15.1
16	Virginia	14.4
17	Alaska	14.0
18	California	13.8
19	Arkansas	13.7
	United States	13.2
20	Montana	12.9
21	Minnesota	12.4
22	New Hampshire	11.4
23	Maryland	10.8
24	Mississippi	10.5
25	Alabama	10.1
26	Indiana	9.7
27	Kentucky	9.7
28	Oklahoma	9.7
29	Wisconsin	9.6
30	Hawaii	9.3
31	Missouri	9.3
32	New Jersey	8.9
33	Wyoming	8.9
34	Illinois	8.6
35	Kansas	8.5
36	South Dakota	8.5
37	Nebraska	8.4
38	Vermont	8.2
39	Michigan	6.9
40	Louisiana	5.9
41	Massachusetts	5.5
42	New York	5.5
43	Iowa	5.4
44	Ohio	4.7
45	Rhode Island	4.5
46	Maine	3.8
47	Connecticut	3.6
48	Pennsylvania	3.4
49	West Virginia	0.8
50	North Dakota	0.5

relative importance of these components across the three states. Delaware is the only state in the Third District in which more people moved in from other states than moved out to other states. According to the 1999 estimates, Delaware's population increased more than 5 percent in the 1990s because of net domestic migration (Figure 1). Many of these immigrants in the 1990s probably came from Pennsylvania, since in 1990 more than one-fourth of Delaware residents born in other states were born in Pennsylvania. Both Pennsylvania and New Jersey lost population because of domestic migration. The Census Bureau estimated that between 1990

and 1999 Pennsylvania lost more than 2 percent of its population because of migration within the U.S., and New Jersey lost about 5 percent. International in-migration compensated for New Jersey's loss to other states, but in Pennsylvania international migration had little effect on population growth. Pennsylvania's growth also suffered from a low natural rate of increase. In the 1990s the birth rate in Pennsylvania was about 18 percent lower than the national average and deaths per 1000 were about 16 percent higher than average. Both these statistics are driven by the fact that Pennsylvania's population is older than the nation's in terms of both median age and percent of the population 65 and older.

Region's Growth:

Concentrated in Delaware, New Jersey, and Southeastern Quadrant of Pennsylvania. Every county in Delaware grew as fast as or faster than the national average in the 1990s. A

FIGURE 1**Estimated Change in State Population
1990–1999****By Components of Change***

* These components of change will not sum to the change in the Census count from 1990 to 2000 because they do not include the final year and the Census underestimated the population growth for the U.S. and the three states in the Third District.

few counties in New Jersey also matched or exceeded the national growth rate, and most counties in New Jersey grew more than 6 percent; only Salem County, in the southern part of the state, lost population (Figure 2). County growth in Pennsylvania ranged from an increase of more than 65 percent in sparsely populated Pike County in the northeastern corner of the state to a loss of more than 6 percent in Cambria County in the Johnstown metro area. Of the 67 counties in Pennsylvania, 19 lost population in the 1990s; most of them were in the western and northeastern parts of the state. More than half the counties with population losses were in the state's 14 metropolitan areas. In Pennsylvania the population increased more slowly in the metro areas than in the nonmetro areas, a reversal of the national pattern in which metro areas grew slightly more rapidly than nonmetro areas.⁴ Only 25 of the nation's 331 metro areas lost population in the 1990s, and five of them were in Pennsylvania.⁵

Even in the nine metro areas in Pennsylvania that had population increases in the 1990s, the central cities in all but Allentown, Lancaster, and Reading lost residents.⁶ Two counties in the Philadelphia metro area lost population (Philadelphia County in Pennsylvania and Salem County in

⁴ The population of Pennsylvania's metro areas increased 3.1 percent compared with 5.1 percent for nonmetro areas. The one nonmetro county in Delaware (Sussex) also grew faster than the other two counties in the state. There are no nonmetro counties in New Jersey.

⁵ The 331 metro areas include all the metropolitan statistical areas and primary metropolitan statistical areas. In neighboring New York, six metro areas lost population, and in Ohio, three metro areas lost population.

⁶ In New Jersey the central cities of Newark and Trenton also lost population.

FIGURE 2

County Population Growth 1990–2000

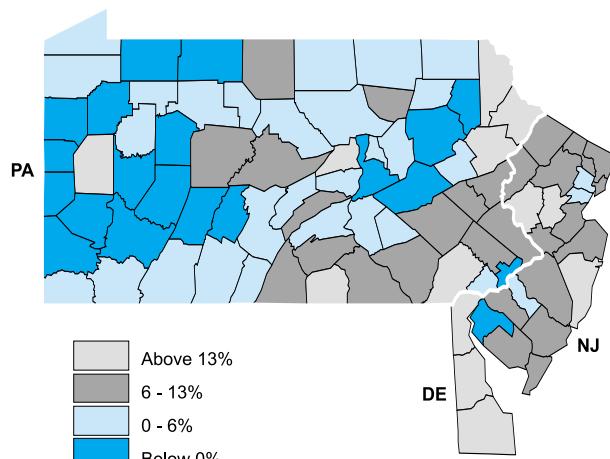
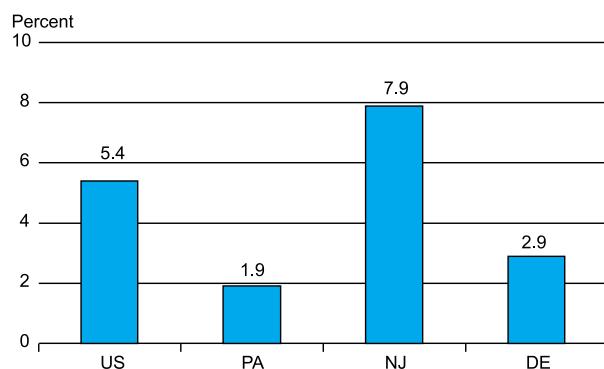


FIGURE 3

Increase in Population from International In-Migration 1990–2000*



* These percentages represent the growth in population due to foreign in-migrants who arrived in the U.S. in the 1990s and were still here in 2000. These do not include the foreign born who live in institutions, college dormitories, or other group quarters. The data do not reflect the net effect of international immigration because they do not include those who move from the U.S. to other countries.

New Jersey), but the metro area as a whole grew, albeit slowly (3.6 percent). The importance of the Philadelphia metro area for the tri-state region is difficult to overstate. It contains almost one-quarter of the population of the three states and more than 30

percent of Pennsylvania's population. Philadelphia remains the fourth largest metropolitan area in the nation, but it grew more slowly than any of the other 10 largest metro areas. (See *Population Changes in the Philadelphia Metro Area: 1990–2000, page 20*.)

IMMIGRATION PLAYED IMPORTANT ROLE IN VARIATION OF LOCAL GROWTH RATES

The census count for the U.S. in 2000 was higher than expected, in part because international in-migration was higher than estimated in the years between censuses. Immigrants accounted for an increase of 5.4 percent in the nation's population in the 1990s.⁷ The robust U.S. economy in the 1990s, which produced some of the lowest unemployment rates in 30 years, was a magnet for foreign immigrants. Differences in wage rates and unemployment rates between countries are major factors in international immigration.⁸ Moreover, when they come to the United States, immigrants tend to settle in those metropolitan areas that already have a high proportion of foreign-born residents. Economic factors play a role in this decision as well. Connections to family, friends, and previous immigrants from their home country tend to lower the cost of immigrating and increase the probability of success for new immigrants.⁹

⁷ These data are based on the 12 monthly census samples during 2000 and do not include the foreign-born population living in institutions, college dormitories, or other group quarters. Also, those born in Puerto Rico or U.S. island areas are not considered international immigrants in these data. These percentages do not represent the net effect of international migration on the population of the nation or the individual states because some people emigrate from the U.S. to other countries, and they are not picked up in the census surveys. The percentages in Figure 3 represent the growth in population due to foreign immigrants who arrived in the U.S. in the 1990s and were still here in 2000.

⁸ See Douglas S. Massey, Joaquin Arango, Graeme Hugo, Ali Kouaouci, Adela Pellegrino, and J. Edward Taylor, "An Evaluation of International Migration Theory: The North American Case," *Population and Development Review*, 20 (1994), pp. 699-751.

⁹ William H. Frey, "Immigration, Domestic Migration, and Demographic Balkanization in America: New Evidence for the 1990s," *Population and Development Review*, 22 (1996), pp. 741-63.

Both the strength of the local economy and the presence or absence of a large foreign-born population help explain the pattern of foreign immigration in the tri-state region. International in-migrants boosted New Jersey's population almost 8 percent. But they had a much more modest effect on population growth in Delaware and Pennsylvania¹⁰ (Figure 3). And almost all the international immigration in Pennsylvania was in the eastern part of the state.¹¹ The influx of immigrants into New Jersey in the 1990s can be explained in part by the large number of foreign-born who were already in the state. New Jersey's percentage of residents who are foreign-born is much higher than the U.S. average (Table 2). Pennsylvania and Delaware have much lower percentages of foreign-born residents than the U.S. average. Delaware's exceptionally strong economy and low unemployment rates, however, attracted a large number of immigrants in the 1990s, and the foreign-born population almost doubled.¹² In Pennsylvania the number of foreign-born increased only about one-third. The state has a relatively small percentage of foreign-born residents,

¹⁰ Delaware's high growth was fueled by domestic migration. According to the Census Bureau's 1999 estimates, Delaware's population grew more than 5 percent in the 1990s because of domestic migration. By 2000 more than 40 percent of the state's residents were born in another state compared with less than 30 percent for the national average and for the state of New Jersey. Only about 16 percent of Pennsylvania's residents were born in another state.

¹¹ The Census Bureau estimated in 1999 that net international migration increased population 1 percent or more in only five Pennsylvania metro areas in the 1990s (Philadelphia, Allentown, Lancaster, Reading, and State College).

¹² The foreign-born population increased more than 50 percent in New Jersey and in the nation.

TABLE 2

Percent of Population That Was Foreign Born

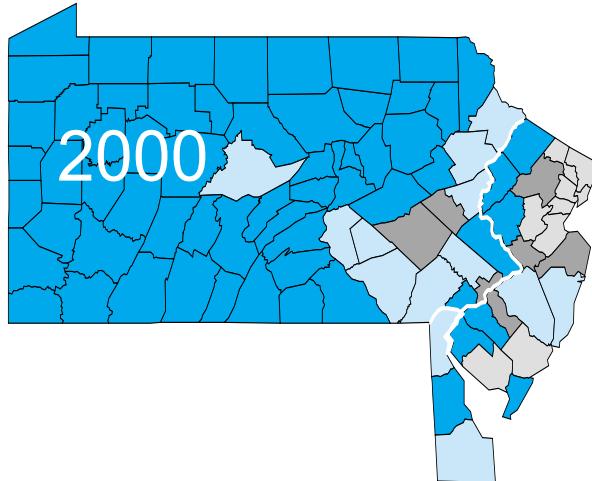
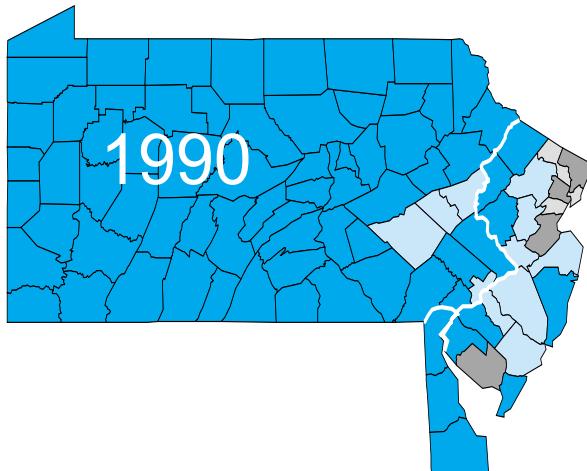
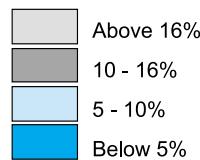
	1990	2000*
US	8.0%	10.9%
PA	3.1%	4.1%
NJ	12.5%	17.4%
DE	3.3%	5.5%

* The 2000 percentages are based on the 12 monthly Census samples in 2000 and do not include the foreign born living in institutions, college dormitories, and other group quarters.

and it had a relatively slow-growing economy in the last decade.

Immigration in the 1990s greatly increased the ethnic and racial diversity in the nation and in some parts of the tri-state region. Nationally, almost 80 percent of the foreign-born population is from Asia or Latin America. In New Jersey it is about 70 percent, and in Pennsylvania and Delaware, about 60 percent of foreign-born residents are from Asia or Latin America. These two groups continued to represent the majority of international immigrants in the 1990s. Nationwide more than 16 percent of the population is Asian or Hispanic.¹³ Asians and Hispanics also exceed 16 percent of the population in New Jersey as a whole and in nine of the state's 21 counties. In six New Jersey counties the proportion of the population that is Asian or Hispanic is 20 percent or

¹³ In the census Asian is a racial category and Hispanic is an ethnic category, but there is little or no overlap, and the proportion of the two groups combined is a good proxy for the diversity of the population due to immigration over the years.

FIGURE 4**Proportion of Population That Is Asian or Hispanic**

higher. Among the three states in the region, Pennsylvania has the lowest proportion of residents who are either Asian or Hispanic (5 percent), but several counties in the eastern part of the state moved above the 5 percent or 10 percent levels in the 1990s (Figure 4). But with the exception of Centre County, which includes Penn State University, all the counties in the western half of the state and most in the northern part of the state have populations that remain less than 5 percent Asian or Hispanic. In the state of Delaware, New Castle and Sussex counties have passed the 5 percent level for residents who are either Asian or Hispanic. Most of the counties in the tri-state region that grew rapidly in the 1990s also became more racially and ethnically diverse, in part, through international immigration.

AGE DISTRIBUTION OF POPULATION CHANGED SIGNIFICANTLY IN REGION

The natural aging process along with the components of growth — births, deaths, and domestic and international migration — contributes to shifts in the age distribution of the population. In some parts of the tri-state region, these shifts had significant implications for the local economy. Nationwide, the share of the population under 18 increased slightly in the 1990s, and the share of those 65 and older declined slightly. But the most significant shift in the age distribution of the population was among the working-age population. The median age in the U.S. increased primarily because the older working-age population (45 to 64) increased more than 30 percent and the younger working-age population (20 to 34)

declined more than 5 percent. This shift in the age distribution is the result of the baby boomers, born between 1946 and 1964, and those born in the birth-dearth years in the 1970s moving through their life-cycles.¹⁴ These differences in growth rates among various age groups and changes in the age distribution of the population have important economic consequences.

School-Age Population: Large Change Can Have Major Impact. In the nation and in all three states in the region the number of school-age children grew more rapidly than the general population in the

¹⁴ There were almost 4 million births per year in the U.S. between 1946 and 1964, the baby boom years, and only about 3.2 million births per year between 1972 and 1978, the birth-dearth years.

1990s¹⁵ (Figure 5). But since primary and secondary education is a local government function, differences in growth rates for the school-age population at the county and school-district levels are more important than differences at the state level, and there was a wide dispersion across the counties in the three states. Changes in school-age population ranged from an increase of more than 100 percent (Pike County, Pennsylvania) to a decline of 15 percent (Cambria County, Pennsylvania). More than half the counties in western Pennsylvania and many in northern Pennsylvania had declines in their school-age populations (Figure 6). The Pennsylvania counties with increases of 10 percent or more were mostly in the southeastern and south-central parts of the state. Even Philadelphia County, which had a loss in total population of more than 4 percent, had an increase in school-age population of more than 8 percent, and a few Philadelphia suburban counties had increases greater than 25 percent. All of the counties in Delaware and most of the counties in New Jersey had school-age population growth of more than 10 percent, and several had increases greater than 25 percent.

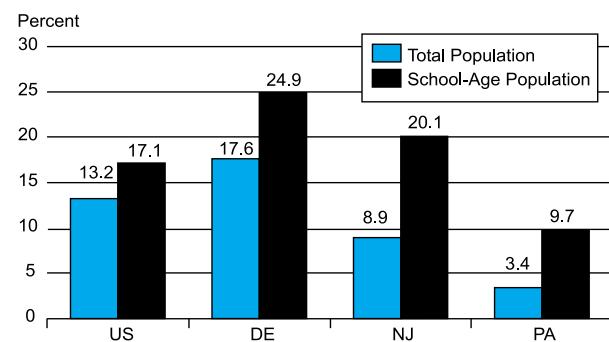
Nationally, public education accounts for more than half of local government employment.¹⁶ In Pennsylvania and New Jersey it accounts for 60 percent and in Delaware for more than 70 percent of local government employment. Because of the large increases in

¹⁵ Because of the age breakdown of the population currently available from the 2000 census, we count those five to 17 years old as the school-age population. In fact, when the census is taken in April, most students in grades one through 12 are between six and 18 years old.

¹⁶ This does not include state employees involved in education.

FIGURE 5

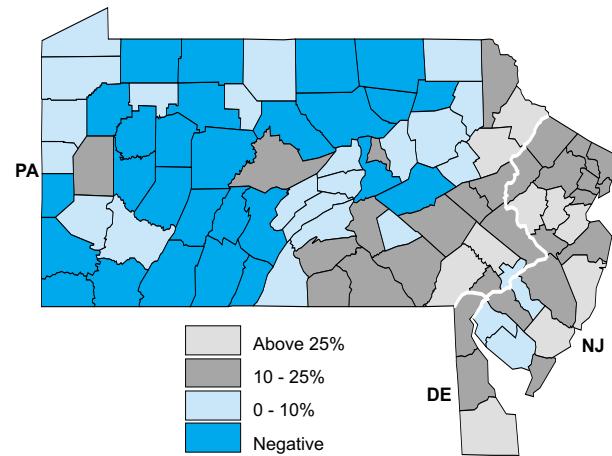
Growth of General Population and School-Age Population 1990–2000*



* Because of the age breakdown available from the 2000 Census, we count those between ages five and 17 as the school-age population.

FIGURE 6

County School-Age Population Growth 1990–2000*



* Because of the age breakdown available from the 2000 Census, we count those between ages five and 17 as the school age population.

school-age population, these jobs increased faster than overall employment and faster than other local government employment in each of the three states in the region.

Since the major source of funding for public education is the

property tax, increases in property taxes reflect increases in the number of school-age children. On an inflation-adjusted basis, property tax revenue in Delaware and New Jersey increased 25 and 22 percent, respectively, between 1991-92 and 1997-98. In

Pennsylvania, where the school-age population grew more slowly than in the other two states, property tax revenue increased only 8 percent.¹⁷

Changes in Size of Elderly Population: Demand for Health Care.

In the United States, per capita spending on health care for those 65 and over is more than four times the per capita spending on those under 65.¹⁸ Nationwide, the population 65 and older grew somewhat more slowly than the overall population in the 1990s, so this age group declined slightly as a share of the population. This relieved some of the upward pressure on per capita health-care expenditures nationwide. In Pennsylvania and Delaware, however, the population 65 and older grew slightly faster than the population as a whole. But the largest increases in the population 65 and over will come after 2010 when the first wave of baby boomers turns 65.

Prime Working-Age Population: More Rapid Growth Than General Population Nationally and Regionally.

The official United Nations definition of the working-age population encompasses people between the ages of 15 and 64.¹⁹ But in the U.S. the labor force participation rates of those under 25 are relatively low, and many of those workers are part-time. Moreover, after age 54, workers begin to retire in large numbers, and the labor force participation rate for this age group

drops significantly.²⁰ Therefore, those between 25 and 54 are considered members of the prime working-age population. Labor force participation in this age group is higher than 80 percent.

Two major factors have determined the growth and age-distribution of the working-age population and ultimately the size of the labor force in recent years — (1) the aging of the baby boomers and those born in the birth-dearth years and (2) foreign immigration. All the members of the baby boom generation were in their prime working years in 1990 and remained in that working-age group through 2000, so the prime working-age population grew faster than the overall population in the last decade. But growth in this age group was slower in the 1990s than in the 1980s because the oldest of those born in the birth-dearth years entered their prime working years in the late 1990s (Table 3). Had it not been for strong foreign in-migration, growth of the prime working-age population would have decelerated even more in the 1990s. Figure 7 shows both the actual growth of this age group and the growth of the group due to the natural aging of the population.²¹ In Pennsylvania, out-migration reduced the growth of the prime working-age population below what would have resulted just from the natural aging of the population.

TABLE 3

Growth of Prime Working-Age Population (25–54)

	1980s	1990s
US	24.6%	15.2%
PA	11.9%	6.8%
NJ	20.2%	10.7%
DE	27.3%	18.1%

But growth of the prime working-age population in the nation, in New Jersey, and in Delaware was greatly increased by in-migration. For the nation and New Jersey, that increased growth was dependent on international in-migration. For Delaware, it was highly dependent on in-migration from other states.²²

We can also estimate the natural growth of the prime working-age population between 2000 and 2010. In this decade, the natural rate of increase of the prime working-age population will be negative for the nation and for all three states in the region (Figure 8). The leading edge of the baby-boom generation will move out of their prime working years, and the youngest of those born in the birth-dearth years will move into their prime working years.

In terms of overall labor force growth, the slow natural growth of the prime working-age population will be partially offset by two factors. First, foreign immigration is expected to continue at a strong rate. In recent years almost half of foreign immigrants have been in their prime working years, and about one-quarter have been between

¹⁷ These increases in revenue reflect changes in both tax rates and the assessed value of property in the state. The data on property tax revenue by state can be found at www.census.gov/govs/www/estimate.html.

¹⁸ Uwe E. Reinhardt, "Health Care for the Aging Baby Boom: Lessons from Abroad," *Journal of Economic Perspectives*, 14 (Spring 2000), pp. 71-83.

¹⁹ The U.S. Bureau of Labor Statistics considers only those 16 and over who are working or looking for work as members of the labor force.

²⁰ For labor force participation rates by age and labor force projections, see Howard N. Fullerton, "Labor Force Projections to 2008: Steady Growth and Changing Composition," *Monthly Labor Review* (December 1999), pp. 19-32.

²¹ To calculate the growth that would have been due to the natural aging of the population, we took the total number of people in five- or 10-year age groups and moved them forward 10 years, taking account of the average death rate for each age group. For age-specific death rates, see *National Vital Statistics Report*, Vol. 47, No. 28, December 13, 1999, Table 1: "Life Table for the Total Population: United States, 1997."

²² Figure 3 indicates that Delaware's population did not increase much because of international in-migration.

FIGURE 7

Actual Growth of Prime Working-Age Population and Growth Due to Natural Increase 1990–2000

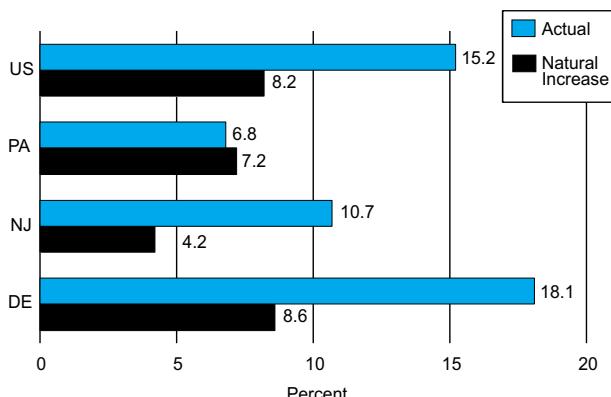
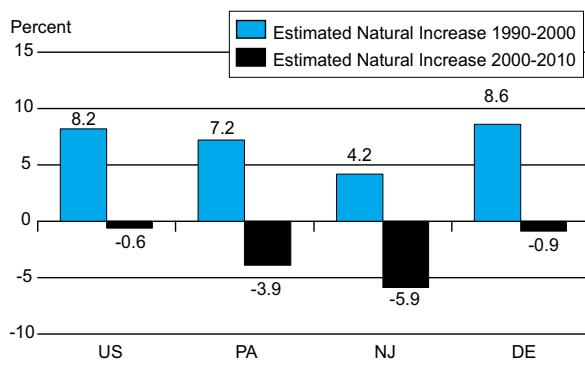


FIGURE 8

Estimated Natural Rate of Growth for Prime Working-Age Population (25–54) 1990–2000 and 2000–2010



25 and 34 years old.²³ The second factor partially offsetting the slow natural growth of the prime working-age population will be the rapid increase of the oldest cohort in the working-age population, that is, those between

55 and 64. Even though this older group has a much lower labor force participation rate than the prime working-age group, their numbers will increase significantly.²⁴ When all

²³ In both cases these percentages are higher than the percentages of residents in those age groups. For the data on the age distribution of immigrants, see 1997 *Statistical Yearbook of the Immigration and Naturalization Service*, p. 52, Table 12.

²⁴ The 55- to 64-year-old group will increase strongly because the leading edge of the baby boom generation will enter this age group in the current decade. The natural increase for this group nationally will be 45 percent. For Pennsylvania and New Jersey the increase will be greater than 40 percent, and for Delaware the increase will be greater than 35 percent.

the factors that determine labor force growth are considered — natural growth of the working-age population, foreign immigration, and labor force participation rates — the Bureau of Labor Statistics estimates that labor force growth will be lower in the next 15 years than at any time since 1950.²⁵

SUMMARY

In general, population growth in the tri-state region lagged growth at the national level in the 1990s. The major exceptions were growth in the state of Delaware and parts of New Jersey. In-migration from other states boosted Delaware's growth, and international in-migration significantly increased growth in New Jersey and some areas of eastern Pennsylvania. Foreign immigration also increased the racial and ethnic diversity of those areas.

The school-age population increased more than the overall population in the nation and in the three states in the region. But contrary to the national pattern, the number of people 65 and older also increased somewhat faster than the general population in Pennsylvania and Delaware. But the large increase in the number of people over 65 will come after 2010.

Most important for economic growth in the region is the growth of the prime working-age population. The growth rate for this group slowed in the 1990s and is likely to slow even further in the current decade. Growth in the labor force will depend heavily on foreign in-migration and on raising the labor force participation rates of those who are beyond their prime working years. ■

²⁵ See *Working in the 21st Century*, Bureau of Labor Statistics, June 2001. The projected annualized growth between 2000 and 2015 is 1.0 percent. Labor force growth in the 1990s was 1.2 percent at an annual rate.

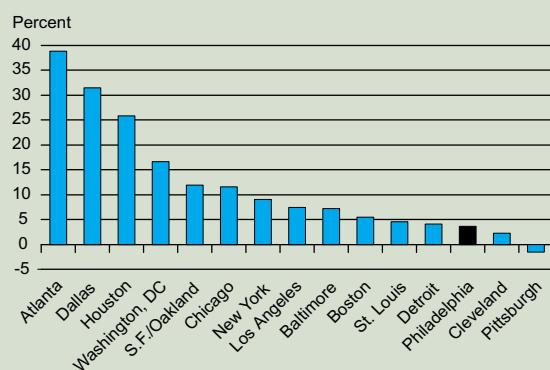
Population Changes in the Philadelphia Metro Area: 1990–2000

T

he Philadelphia metro area grew not only more slowly than the other 10 largest metro areas in the country but also more slowly than some other large metro areas in the Northeast and Midwest like Baltimore, Boston, and St. Louis that are

not in the top 10^a (Figure A). One reason for the slower growth in the Philadelphia area was that growth from foreign immigration was lower in Philadelphia than in any of the other 10 largest metro areas except Detroit. Even though Philadelphia's growth was relatively slow in the 1990s compared with other large metro areas, it grew more rapidly than at any time since the 1960s.^b The Philadelphia metro area grew more slowly in the 1990s than any metro area in Delaware or New Jersey,^c and it ranked seventh in growth among the 14 metro areas in Pennsylvania.

Figure A
Metro Area Population Growth*



* This graph includes the 10 largest metro areas (Los Angeles, New York, Chicago, Philadelphia, Washington, Detroit, Houston, Atlanta, San Francisco/Oakland, and Dallas) as well as other metro areas in the Northeast and Midwest with populations greater than two million (Boston, St. Louis, Baltimore, Pittsburgh, and Cleveland).

^a The 10 largest metro areas in terms of population are Los Angeles, New York, Chicago, Philadelphia, Washington, Detroit, Houston, Atlanta, San Francisco/Oakland, and Dallas. Boston, St. Louis, Baltimore, Pittsburgh, and Cleveland are included in Figure A because they are metro areas in the Northeast and Midwest with populations greater than 2 million.

^b The metro area actually lost population in the 1970s.

^c The Philadelphia metro area spans two states; five of the metro-area counties are in Pennsylvania, and four are in New Jersey.

^d The major exceptions to this pattern were losses in some sparsely populated municipalities in Salem County and the loss of population in some municipalities in eastern Burlington County that include parts of the Pinelands Preservation Area, where development is restricted.

^e See Gerald A. Carlino, "From Centralization to Decentralization: People and Jobs Spread Out," Federal Reserve Bank of Philadelphia *Business Review*, November/December 2000, pp. 15- 27.

Not every municipality in the Philadelphia area grew slowly in the 1990s. The slow metro-area growth was accompanied by considerable spreading-out of population from the municipalities in and around the city of Philadelphia to the outer suburbs. The city of Philadelphia and many of the close-in, densely populated municipalities on both sides of the Delaware River lost population in the 1990s^d (Figure B). Most of the municipalities whose populations increased 20 percent or more were located in outer Chester and Montgomery counties and in central Bucks County. The rapid growth of the less dense outer suburbs and declines in the densely populated inner suburbs represented a continuation of the decentralization of the metro area that has been taking place for several decades.^e

Figure B
Phila. Area Municipalities Population Growth

