

Indiana's Income by Race

The tragedy of Katrina brought some broader societal issues to the surface, including the vast chasm between black and white income levels that continues to haunt this nation. The per capita income of a white person in Orleans Parish, La., was \$31,971 while that same figure for a black person was a mere \$11,332, according to Census 2000. One would think that Indiana communities would not have this severe gap dividing our communities into well-off whites and impoverished blacks like New Orleans and other areas in the deep south, but do the data support this assumption?

Undoubtedly, nowhere in Indiana has as high a concentration of African Americans as Orleans Parish, where 67 percent of the population is black. Lake and Marion counties lead the state at 25 percent and 24 percent, respectively. **Table 1** shows some common income indicators for the ten counties with the most African Americans. Note: all calculations in this article are based on those classified as white alone or black alone and do not include those who indicated multiple races. Data is from Census 2000, unless otherwise noted.

Per Capita Income

Statewide, per capita income for whites was \$21,198, while blacks had

an income of \$15,049. In 16 counties, the per capita income for whites was more than \$10,000 higher than it was for blacks (see **Figure 1**). Per capita income for whites ranged from \$33,378 in Hamilton County to \$16,036 in Crawford County. Meanwhile, that value for blacks ranged from \$48,349 in Brown County to \$1,688 in Ripley County (that county had only eight African Americans, all of whom were under 20 years old and only three were 15 or older). As in all of the county-level calculations, it is more likely for those counties with smaller

FIGURE 1: DIFFERENCE BETWEEN WHITE AND BLACK INCOME, 2000

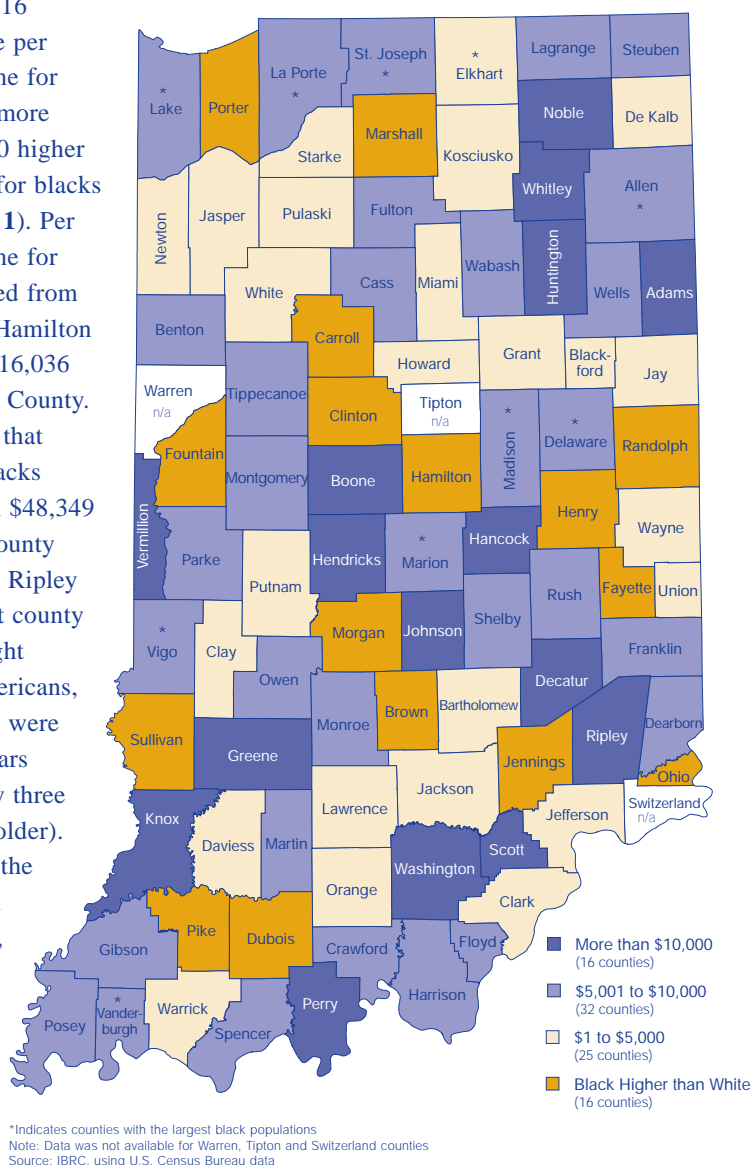


TABLE 1: INDICATORS FOR COUNTIES WITH THE LARGEST BLACK POPULATION, 2000

County	Total Population			Per Capita Income			Median Household Income			Poverty Rate	
	Black	White	Percent Black	Black	White	Difference	Black	White	Difference	Black	White
Marion County	207,357	605,755	24	\$15,741	\$24,415	\$8,674	\$30,446	\$43,617	\$13,171	20.4	7.9
Lake County	122,279	323,214	25	\$14,910	\$22,048	\$7,138	\$28,362	\$47,294	\$18,932	25.6	6.5
Allen County	37,085	275,512	11	\$13,985	\$23,100	\$9,115	\$28,004	\$45,186	\$17,182	26.2	6.4
St. Joseph County	29,652	219,630	11	\$12,586	\$21,277	\$8,691	\$27,062	\$42,221	\$15,159	28.0	7.3
Vanderburgh County	13,586	153,436	8	\$13,209	\$21,547	\$8,338	\$21,159	\$37,992	\$16,833	31.2	9.0
La Porte County	11,005	94,934	10	\$12,398	\$20,042	\$7,644	\$30,656	\$42,227	\$11,571	21.7	7.1
Madison County	10,447	119,874	8	\$14,599	\$20,773	\$6,174	\$28,113	\$39,745	\$11,632	23.3	7.9
Elkhart County	9,354	157,296	5	\$16,260	\$21,197	\$4,937	\$29,379	\$46,013	\$16,634	21.3	6.3
Delaware County	7,761	107,979	7	\$13,253	\$19,935	\$6,682	\$24,456	\$35,754	\$11,298	29.2	13.6
Vigo County	6,464	95,873	6	\$12,920	\$18,114	\$5,194	\$21,313	\$34,311	\$12,998	31.9	12.4

Source: U.S. Census Bureau

TABLE 2: INDIANA'S DISTRIBUTION OF HOUSEHOLD INCOME BY RACE, 2000

Income Category	Black		White	
	Number	Percent	Number	Percent
Total:	184,808	100	2,078,102	100
Less than \$10,000	32,761	17.7	146,390	7.0
\$10,000 to \$14,999	15,705	8.5	124,801	6.0
\$15,000 to \$19,999	15,935	8.6	131,316	6.3
\$20,000 to \$24,999	16,017	8.7	140,707	6.8
\$25,000 to \$29,999	14,040	7.6	142,166	6.8
\$30,000 to \$34,999	12,467	6.7	140,532	6.8
\$35,000 to \$39,999	10,626	5.7	132,680	6.4
\$40,000 to \$44,999	9,668	5.2	129,869	6.2
\$45,000 to \$49,999	7,886	4.3	114,249	5.5
\$50,000 to \$59,999	13,080	7.1	215,358	10.4
\$60,000 to \$74,999	14,003	7.6	243,537	11.7
\$75,000 to \$99,999	12,443	6.7	218,778	10.5
\$100,000 to \$124,999	4,922	2.7	96,289	4.6
\$125,000 to \$149,999	2,271	1.2	40,463	1.9
\$150,000 to \$199,999	1,411	0.8	29,227	1.4
\$200,000 or more	1,573	0.9	31,740	1.5

Source: U.S. Census Bureau

black populations to fall at the high and low extremes because there are not as many people to compensate for outliers.

Household Income

Table 2 shows the distribution of income among black and white households statewide. Twenty-six percent of black households earned less than \$15,000, compared to 13 percent of white households. At the other end of the spectrum, 1.6 percent of black households made over \$150,000 per year, compared to 2.9 percent of white households.

Indiana's median income for those with a white head of household was \$42,744. That figure fell to \$29,164 for black households, a difference of \$13,580. At the county level, these numbers can appear distorted where the concentrations of black households are relatively low. For example, Morgan County had a median household income of \$47,791 for whites and \$176,437 for blacks (no, that isn't a typo). Of the 12 black households in Morgan

County, nine earned between \$150,000 and \$200,000, while the other three households fell in the \$45,000 to \$50,000 range.

Poverty

Marion, Lake and Allen counties have the highest numbers of both whites and blacks in poverty (see **Table 3**). Those counties account for 21 percent of the impoverished whites statewide, but account for 73 percent of the African American population in poverty statewide. Marion County has about 5,700 more whites in poverty, although its rate was 12.5 percentage points lower than the black poverty rate. Lake County, by contrast, had close to 9,900 more blacks than whites in poverty and the gap in the poverty rates was just over 19 percentage points.

Poverty rates can mislead if taken at face value. Rush County shows a staggering 73.7 poverty rate among blacks (see **Table 4**). While not a pleasant statistic, this equates to only 126 people, and a small percentage of

TABLE 3: MOST PEOPLE IN POVERTY, 2000

Geography	Number in Poverty		Poverty Rate	
	Black	White	Black	White
Indiana	111,256	404,581	23.2	7.8
Marion County	41,121	46,832	20.4	7.9
Lake County	30,750	20,865	25.6	6.5
Allen County	9,421	17,414	26.2	6.4

Source: U.S. Census Bureau

TABLE 4: HIGHEST POVERTY RATES, 2000

Indiana County	Black Poverty Rate	Total Blacks Below Poverty Level
Rush	73.7	126
Washington	72.7	48
Adams	69.6	16
Decatur	58.8	10
Knox	55.3	171
Orange	53.5	23
Franklin	50.0	1
Vermillion	42.5	17
Greene	42.3	11
Johnson	40.1	363

Source: U.S. Census Bureau

the overall number in poverty in the county.

Median Earnings

The most current data is from the 2004 American Community Survey, but it is only available for the state as a whole plus Lake and Marion counties. For Indiana, the median earning statistic for all whites was \$26,482, while the comparable figure for African Americans was \$20,673. **Table 5** indicates that the racial gap in earnings is much more pronounced for men than for women (particularly in Lake County). It must be remembered that women are working from lower wage levels than their male counterparts to begin with; however, the gender gap appears to be more pronounced among white women than black women. Nevertheless, black women have the lowest median earnings across the board.

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TABLE 5: MEDIAN INCOME BY GENDER FOR THOSE WHO WORKED YEAR ROUND, FULL-TIME IN THE LAST 12 MONTHS, 2004

Geography	Men			Women			Gender Gap	
	Black	White	Difference	Black	White	Difference	Black	White
Indiana	\$31,265	\$41,269	\$10,004	\$26,231	\$28,338	\$2,107	\$5,034	\$12,931
Lake County	\$27,269	\$46,622	\$19,353	\$23,235	\$26,193	\$2,958	\$4,034	\$20,429
Marion County	\$32,932	\$42,068	\$9,136	\$27,212	\$33,262	\$6,050	\$5,720	\$8,806

Source: U.S. Census Bureau (American Community Survey)