Mobility falls to record low as Americans stay put

HOPE YEN, Associated Press

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WASHINGTON (AP) — Americans are staying put more than at any time since World War II as the housing bust and unemployment keep young adults at home and thwart older people's plans for a beachfront or lakeside retirement.

New information from the Census Bureau is the latest indicator of economic trouble after earlier signs that mobility was back on the upswing. It's also a shift from America's long-standing cultural image of ever-changing frontiers, dating to the westward migration of the 1800s and more recently in the spreading out of whites, blacks and Hispanics in the Sun Belt's housing boom.

Rather than housing magnets such as Arizona, Florida and Nevada, it is now more traditional, densely populated states — California, Illinois, Massachusetts, New York and New Jersey — that are showing some of the biggest population gains in the recent economic slump, according to the data released Thursday.

Residents have been largely locked in place. Families are stuck in devalued homes and young adults are living with parents or staying put in the towns where they went to college.

"The fact that mobility is crashing is something that I think is quite devastating," said Richard Florida, an urban theorist and professor at the University of Toronto's Rotman School of Management. He described America's residential movement as an important element of its economic resilience and history, from development of the nation's farmland in the Midwest to its coastal ports and homesteading in the West.

"The latest decline shows we are in a long-run economic reset and that we never really recovered — we've just been stagnating along," Florida said.

About 11.6 percent of the nation's population, or 35.1 million, moved to a new home in the past year, down from 12.5 percent in the previous year. The current level of low mobility comes after the recession technically ended in mid-2009, beating a previous low of 11.9 percent in 2008.

It is the lowest in the 60-plus years that the Census Bureau has tracked information on moves, dating to 1948.

The share of people moving has been declining for decades, due in part to increases in two-income families that are more tied down by jobs and to an aging population that is less mobile.

The peak for U.S. mobility came in 1951, when it hit 21.2 percent. The rate had leveled off at around 13 percent before falling off notably in 2008 during the recession.

Among young adults 25 to 29, the most mobile age group, moves fell to 24.1 percent from 25.9 percent in the previous year.

Longer-distance moves, typically for those seeking new careers in other regions of the country, remained largely flat at 3.4 percent.

The biggest drop-off occurred in local moves, down to 15.4 percent from 17.7 percent in 2010. It's a sign that young adults in the prolonged slump weren't even willing to venture outside their counties, continuing instead to live with relatives or on college campuses.

People most often cite a desire to live in a new home as the main reason for moving, as well as reasons of family or economy such as marriage or a new job. But analysts say with many young adults delaying marriage while struggling to find employment and aging baby boomers expressing financial worries about retirement, the current mobility freeze could continue for several more years.

An Associated Press-LifeGoesStrong.com poll this month found that more than half of baby boomers born between 1946 and 1964 say they are unlikely to move somewhere new in retirement; about 4 in 10 say they are very likely to stay in their current home throughout all of their retirement.

The annual growth of retirement-destination counties, typically in Sun Belt states such as Florida, Arizona and New Mexico, has fallen sharply since the recession that began in late 2007. It's down nearly half compared with the period 2000-2007, according to recent census data.

In all, the mid-decade housing boom and subsequent bust took a toll on virtually all age and race groups.

Homeownership declined in 47 states and the District of Columbia while the national ownership rate fell by its largest amount since the 1930s. Hispanics who moved and purchased homes in new destinations in the Southeast were hit especially hard, with bigger drops in average income and increases in poverty after low-wage construction jobs dried up in states such as South Carolina, North Carolina, Alabama, Kentucky and Tennessee.

In contrast, middle-class blacks from the North who migrated to Southern states such as Georgia, Florida and Texas fared better, maintaining higher incomes than African-Americans who remained in declining industrial centers such as Michigan and Ohio.

Other bright spots in the housing bust included urban, high-tech college meccas that are proving to be a draw for young, college-educated adults of all races and ethnicities.

The data covering 2008-2010 show that Raleigh, N.C.; the Texas cities of Austin, San Antonio and Houston; Denver; Pittsburgh; and Baltimore and Washington, D.C., had some of the biggest gains in residents. All of them tend to promise specialized tech jobs and hip lifestyles.

William H. Frey, a Brookings Institution demographer who reviewed the education and race data, said many of these cities will continue to attract new residents after the economy fully recovers. He said other cities must seek ways to diversify their industries, draw new investment and build partnerships with local universities to attract young talent, much like Pittsburgh has been striving to do after the collapse of its steel industry.

"Right now, the 'cool' cities are serving as way stations for the small number of adventurous young people who are willing to move in a down economy. But when the broader economy picks up, a much larger group of people will move to wherever the jobs spring up," Frey said, noting that people are staying put for now because they have to, not because they want to.

"We are now just in a lull, albeit a hyperextended one," he said.

Other findings:

—Texas posted increases in average income across all race groups even after the housing bust. The District of Columbia had the biggest overall gain in average income between 2005-2007 and 2008-2010 time periods, increasing 9 percent to nearly $60,000. Thirty-six states had declines.

—The district, New York, Connecticut, Louisiana, Mississippi, Texas, Alabama and California have levels of income inequality that rise above the national average. Broken down by large metropolitan areas, New York City, Miami, Los Angeles, Houston, Memphis, Tenn., New Orleans, San Francisco, and Birmingham, Ala., each had wider-than-average gaps between rich and poor.

—Across smaller areas of geography, Fountainhead-Orchard Hills, Md., just north of Hagerstown, had the greatest measured income inequality. Country Knolls, N.Y., near Albany, registered the least.

—Suburban and rural homeowners were more likely to stay put than others. Some 93.5 percent of the suburban and 93.7 percent of the rural population in owner-occupied units are residing in the same house as one year ago, up from the 2005-2007 time period, according to Kenneth Johnson, senior demographer at the University of New Hampshire.

—Renters were more mobile: Overall, 68.8 percent lived in the same rental unit one year ago.

John R. Logan, a sociology professor at Brown University, described consequences for mostly minorities should U.S. mobility stay frozen for extended periods. His research on neighborhood segregation has found that the average black or Hispanic household earning over $75,000 lives in a poorer neighborhood than the average white resident earning under $40,000.

"Being locked into place has its most severe effects on blacks and Hispanics, who are often segregated into disadvantaged neighborhoods regardless of their own incomes," he said. "Many middle-class homeowners in these neighborhoods have lost home equity, making it harder to move to communities with better schools and safer streets. Even the slow decline in black-white segregation that we've seen in the last 20 years will be hard to maintain under these conditions."

The census findings were based on the Current Population Survey as of March 2011, as well as comparisons of the 2005-2007 and the 2008-2010 American Community Survey to provide a snapshot of every U.S. community with at least 20,000 residents. Figures on income inequality come from a census analysis of survey data from 2005-2009.