LOOKING TO THE FUTURE:
DEMOGRAPHY, EQUITY & SUSTAINABILITY

05.12
MANUEL PASTOR

U.S. Decadal Growth Rates for Population by Race/Ethnicity, 1980-2010

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<tbody>
<tr>
<td>White</td>
<td>4%</td>
<td>3%</td>
<td>1%</td>
</tr>
<tr>
<td>Black</td>
<td>11%</td>
<td>15%</td>
<td>12%</td>
</tr>
<tr>
<td>Latino</td>
<td>48%</td>
<td>61%</td>
<td>43%</td>
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<tr>
<td>API</td>
<td>94%</td>
<td>49%</td>
<td>43%</td>
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Kansas City Metro Decadal Growth Rates for Population by Race/Ethnicity, 1980-2010

U.S. Change in Youth (<18) Population by Race/Ethnicity, 2000-2010
THE GAP MATTERS

Demographics and State Capital Spending Adjusted for Income

Per capita state spending capital outlays adjusted for per capita income (100 = average of U.S. states)

AL  AK  AZ  AR  CA  CO  CT  DE  FL  GA  HI  ID  IL  IN  IA  KS  KY  LA  ME  MD  MA  MI  MN  MS  MO  MT  NE  NV  NH  NJ  NM  NY  NC  ND  OH  OK  OR  PA  RI  SC  SD  TN  TX  UT  VT  VA  WA  WV  WI  WY

THE GAP MATTERS

Income Adjusted Per Pupil Spending on Public Schools & the Generation Gap by State 2007-2008

Per Pupil Spending / Per Capita Income

VT  ME  AK  NY  RI  NJ  DE  WV  WY  NH  AL  PA  OH  MI  WI  MD  MS  OR  NV  ID  TN  CO  UT  CA  AZ  TX

Difference in % non-Hispanic white between the old (>65) and the young (<18)

THE CHALLENGE OF INEQUALITY

Income Distribution in the U.S., 1917-2010

- Top 1% (incomes above $352,000 in 2010)
- Top 5-1% (incomes between $150,000 and $352,000)
- Top 10-5% (incomes between $106,000 and $150,000)

Source: Emmanuel Saez, Striking It Richer: The Evolution of Top Incomes in the United States (Update: August 5, 2009).

Percent of Population Living Below 150 Percent of the Federal Poverty Line by Race/Ethnicity, Kansas City Metro, 1990-2010

- White: 17% (1990), 17% (2010)
- Black: 42% (1990), 40% (2010)
- Latino: 43% (1990), 30% (2010)
- API: 33% (1990), 27% (2010)
- All: 20% (1990), 22% (2010)
PUTTING IT TOGETHER
America’s Tomorrow:
Equity is the Superior Growth Model

WHAT’S THE EVIDENCE?

- Utilizing weighted regression approach to 341 metro areas in the U.S. 1990-2000

  Per capita income as a function of:
  (+) regional education
  (-) manufacturing concentration
  (+) central city presence
  (-) previous income
  (?) region of U.S.
  (-) measure of inequity, including ratio of city to suburb poverty, concentration of poverty, income distribution, black-white segregation
FROM THE FEDERAL RESERVE

- Federal Reserve of Cleveland studies almost 120 mid-size regions, looking for factors that predict regional prosperity
  - Usual suspects: skilled workforce, quality of life, industrial decline
  - Unusual suspects: income inequality, racial exclusion, concentration of poverty – and they’re highly significant

IT’S A BROTHER STORY

- Underinvestment in each other makes us less competitive as a nation
  - Social tensions over who will gain and who will lose make us less likely to cohere on what we need to do to thrive
LEADING THROUGH THE DIVIDE

- So it’s a challenge for all of us: economic development folks and business leaders need to rethink the role of equity
- But equity proponents need to consider economic realities and constraints and propose feasible, growth-enhancing approaches
- And we need the concrete workforce, land use, and transit policies to make this real

POLICIES FOR METROPOLITAN EQUITY

WORKFORCE STRATEGIES
Need to promote clusters that have career ladders, integrating this with neighborhood-based delivery systems and learn from the local model of community benefits agreements to include local hiring and other targets in federal spending.

TRANSPORTATION STRATEGIES
A continuing need to reverse the bias toward highway spending to public transit, from infrastructure to operations. Transit-oriented development can offer real possibilities for neighborhood revitalization.

HOUSING STRATEGIES
Provide real incentives for inclusionary zoning and acknowledge that the recovery of urban areas requires protection against displacement and gentrification.
POLICIES FOR METROPOLITAN EQUITY

**ASSET BUILDING**

Need to consider the financial deserts that result from lack of bank services. “Bank On” programs help banks see the customer base with new data, help customers see the banks with financial literacy, and create systems of accountability.

**HEALTHY COMMUNITIES**

Need to consider the lack of fresh food as well as environmental disparities in both exposures and opportunities. The Fresh Food Financing Initiative pioneered by The Reinvestment Fund and others is a start; park and other access is key.

**EDUCATIONAL IMPROVEMENT**

The toughest nut to crack and yet absolutely essential to retention of families in cities. There may be many different strategies but metropolitan leaders cannot stand apart from this and there are significant federal opportunities.

WHERE TO BEGIN

- But the first step involves a new and different sort of conversation about our shared future

- Metros offer new opportunities to bridge difference face-to-face, race-to-race, space-to-space

- And key to that is the development of a shared data and measurement framework
JUST GROWTH?

We explore this in our new book, *Just Growth*. With support from the Ford Foundation, we combined quantitative and qualitative analysis to uncover when equity and growth come together.

JUST GROWTH?

We find that a diversified economy, a minority middle class, higher education and other variables matter – but just as important is an epistemic community (what you know and who you know it with).
WHAT ARE THE IMPLICATIONS?

- Understand that equity and inclusion are no longer luxuries but imperatives for economic and social sustainability

- Understand the need for policy packages, unexpected alliances, and new collaborations

- Understand that collaboration and conflict can go together

THE NEXT AMERICA DREAM