

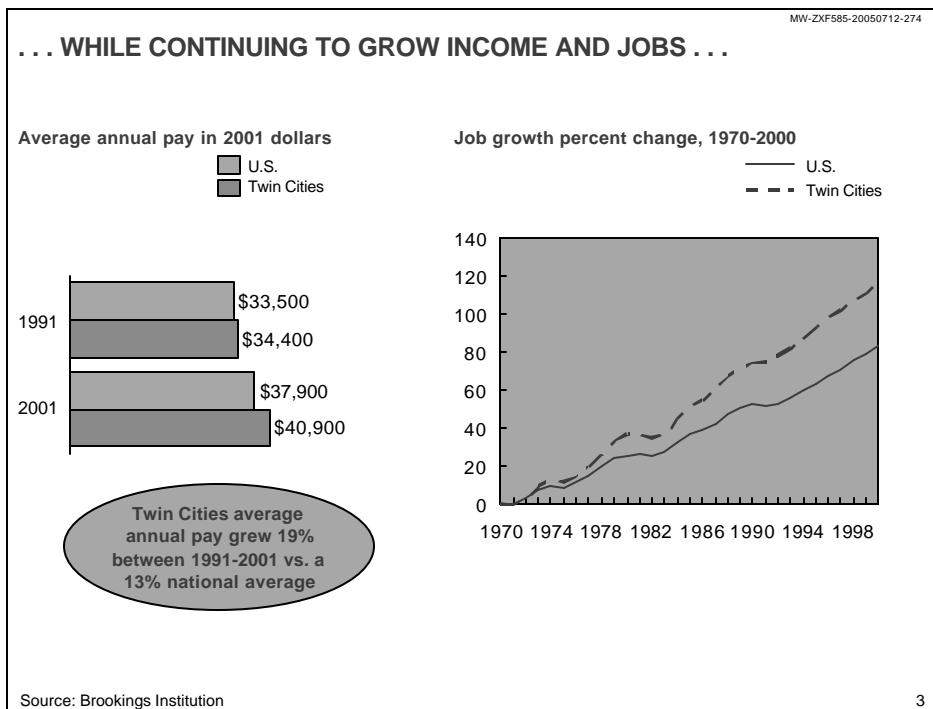
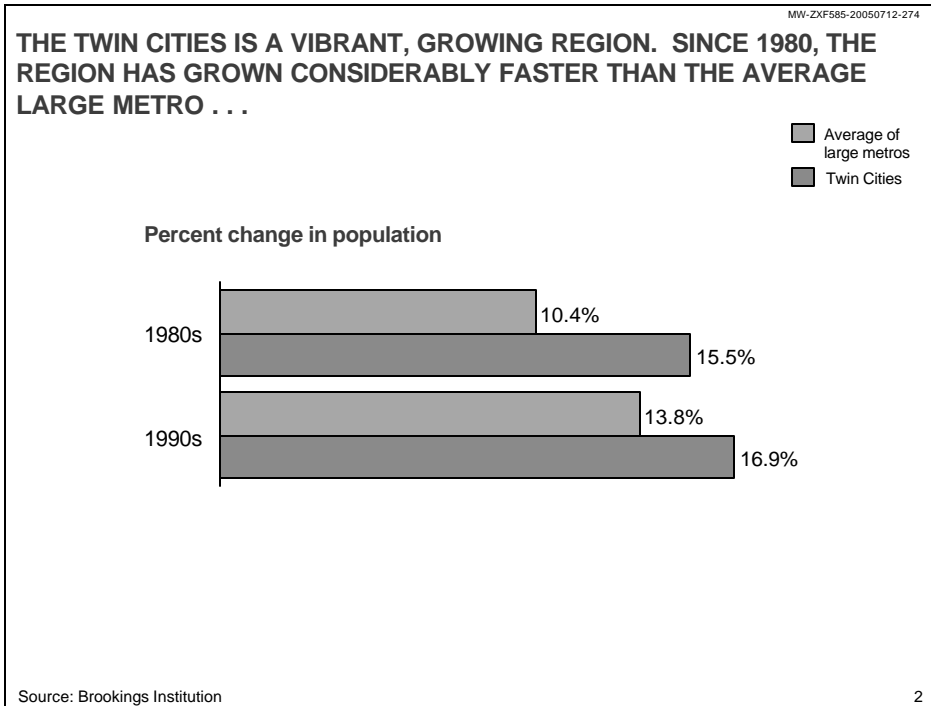
## Mind the Gap – Socioeconomic Disparities in the Twin Cities Region

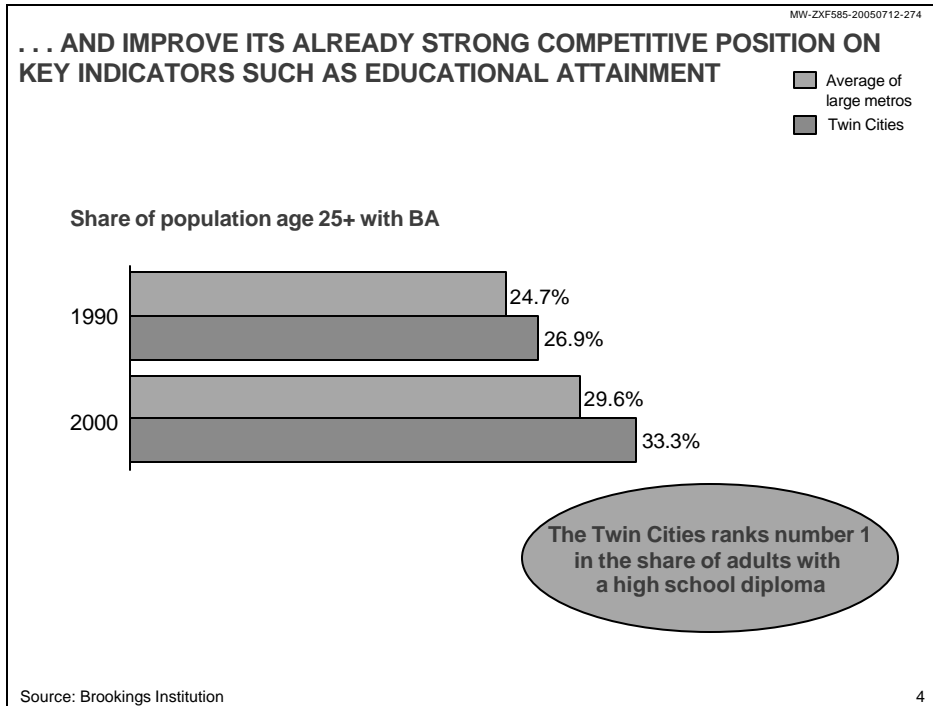
Parents United for Public Schools

May 15, 2006

### TODAY'S DISCUSSION

- ➡ **1. What are our socioeconomic disparities?**
- 2. Why do we have them?
- 3. Why does it matter?
- 4. What can we do?





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**IN SPITE OF THESE POSITIVE GROWTH TRENDS, THE TWIN CITIES REGION FACES 3 KINDS OF TROUBLING DISPARITIES**

	What is it?		For example . . .
<b>Race</b>	Differences between race and ethnic groups	▶	. . . while the Twin Cities' overall household income is among the highest in the nation, black household income is among the lowest
<b>Class</b>	Differences between income groups	▶	. . . between 1989 and 1999, the wealthiest quintile of Twin Cities households saw their incomes rise 11 percentage points more than the poorest two quintiles
<b>Place</b>	Differences between urban and nonurban geographies	▶	. . . the Twin Cities has the second worst differential between city poverty rates and suburban poverty rates in the country

Source: Brookings Institution 5

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**RACE DISPARITIES CUT ACROSS ALL SOCIOECONOMIC INDICATORS. THEY AFFECT ALMOST ALL NONWHITE RACE AND ETHNIC POPULATIONS . . .**

**Compared to the average white Twin Cities resident**

- ➔ **The average black Twin Cities resident is:**
  - Earning 48% less
  - 73% less likely to own a home
- ➔ **The average Latino Twin Cities resident is:**
  - 4 times more likely to be uninsured
  - 5 times more likely to be a teen mother
- ➔ **The average Native American Twin Cities resident is:**
  - 2.5 times less likely to have access to a car
  - 5.5 times more likely to receive inadequate prenatal care

Source: Brookings Institution; Wilder Foundation; MN Department of Health Center for Health Statistics 6

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**. . . AND ARE PARTICULARLY PROFOUND FOR RECENT IMMIGRANT GROUPS**

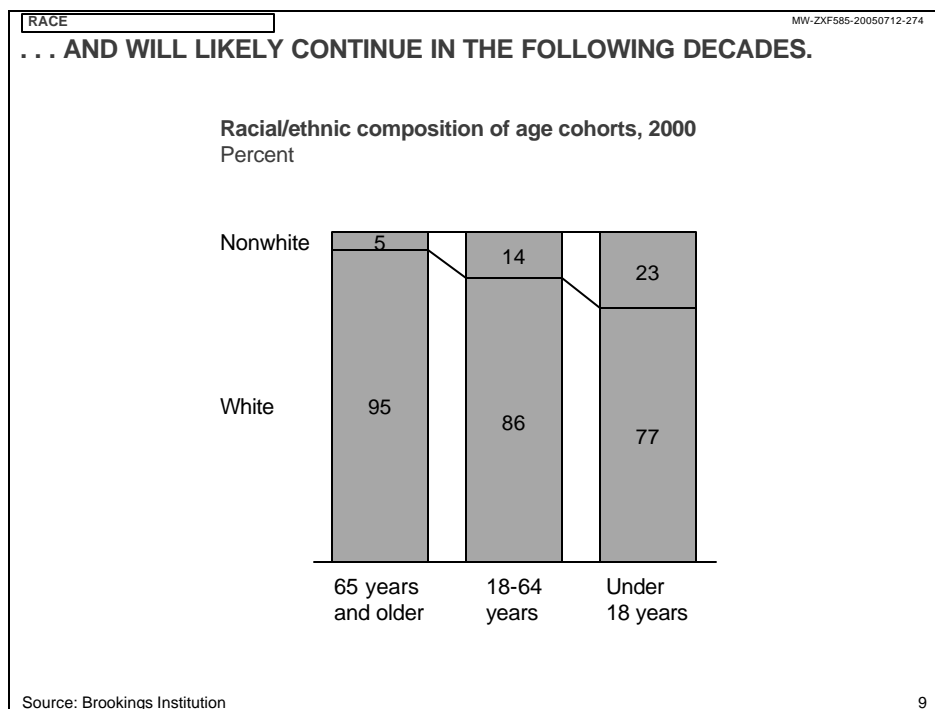
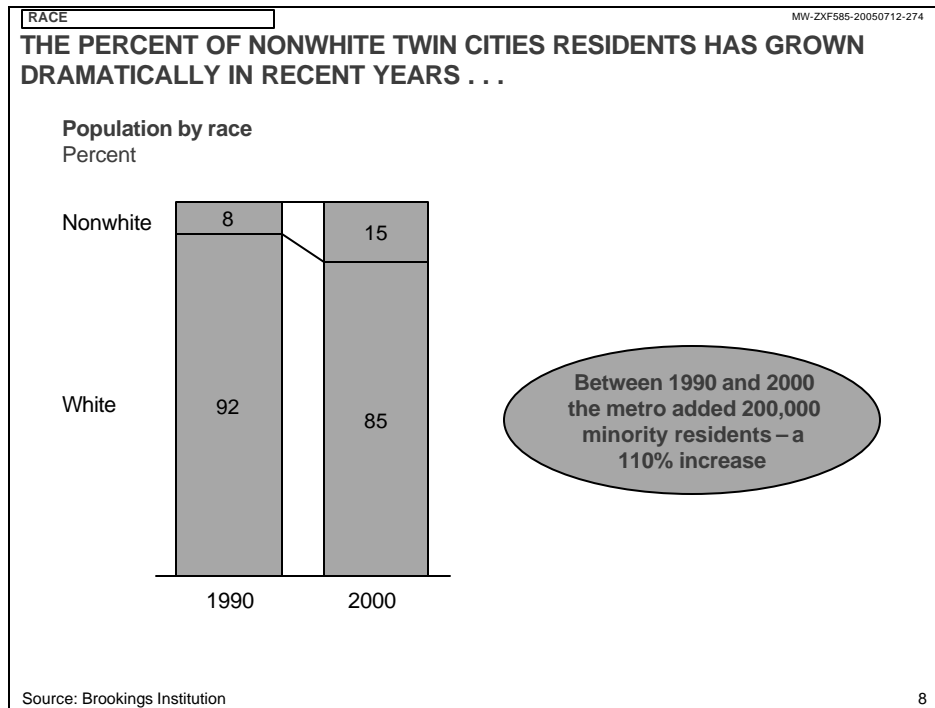
**Poverty rate, 1999**

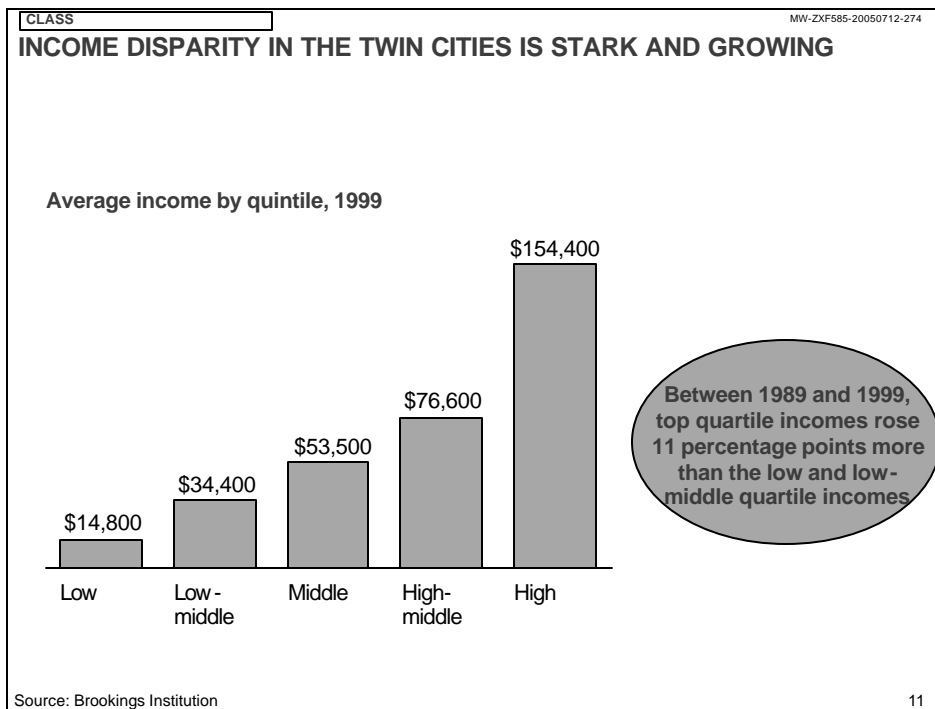
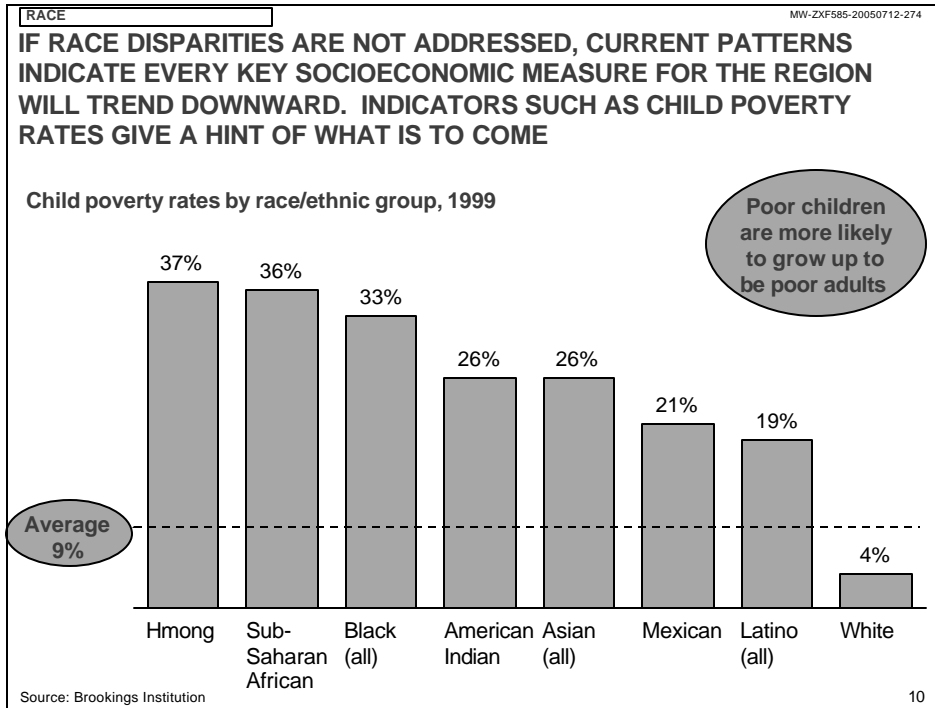
Race	Poverty rate, 1999
White	4%
Sub-saharan Africa	29%
Hmong	33%

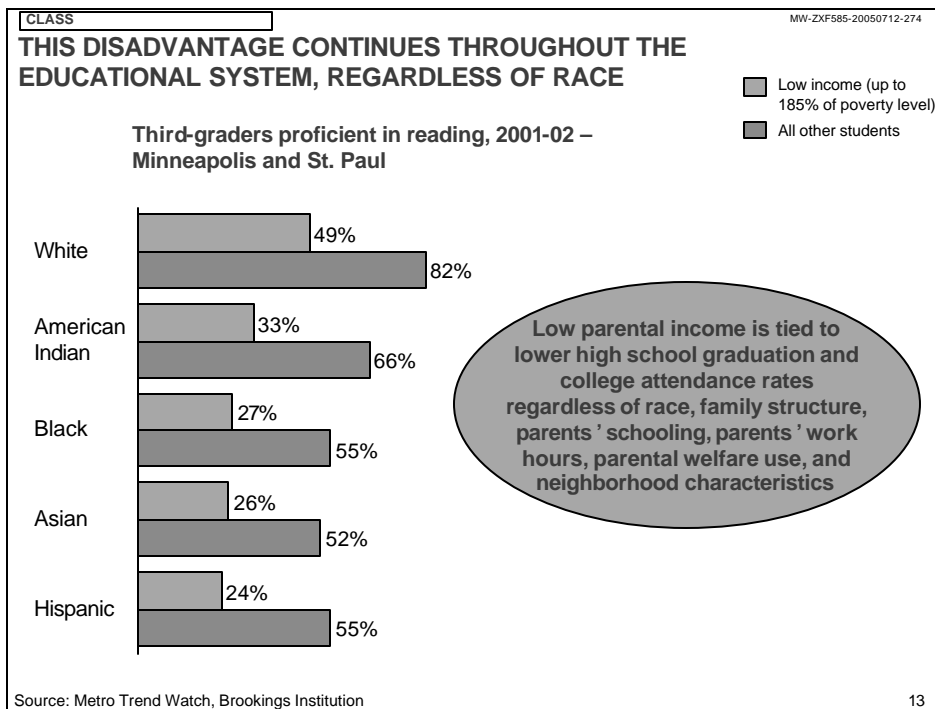
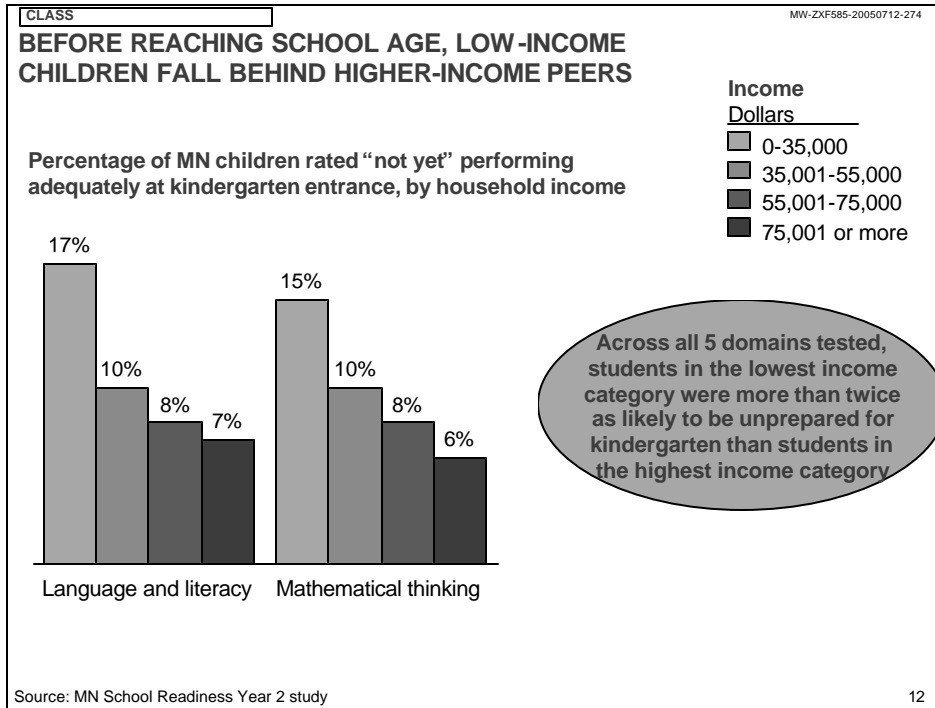
**Share of 25+ population without a high school degree, 2000**

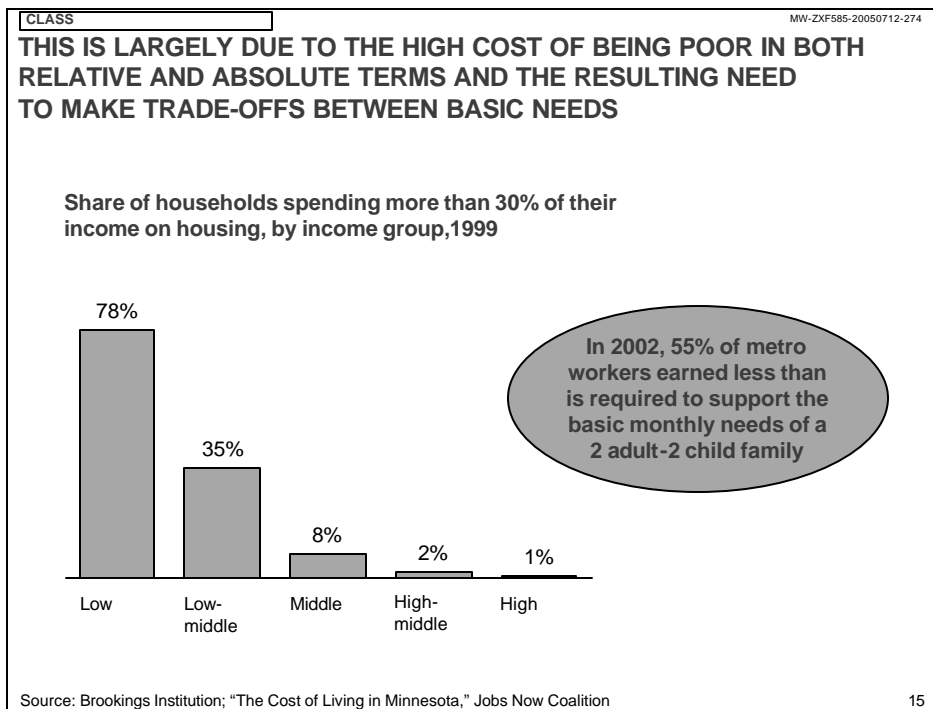
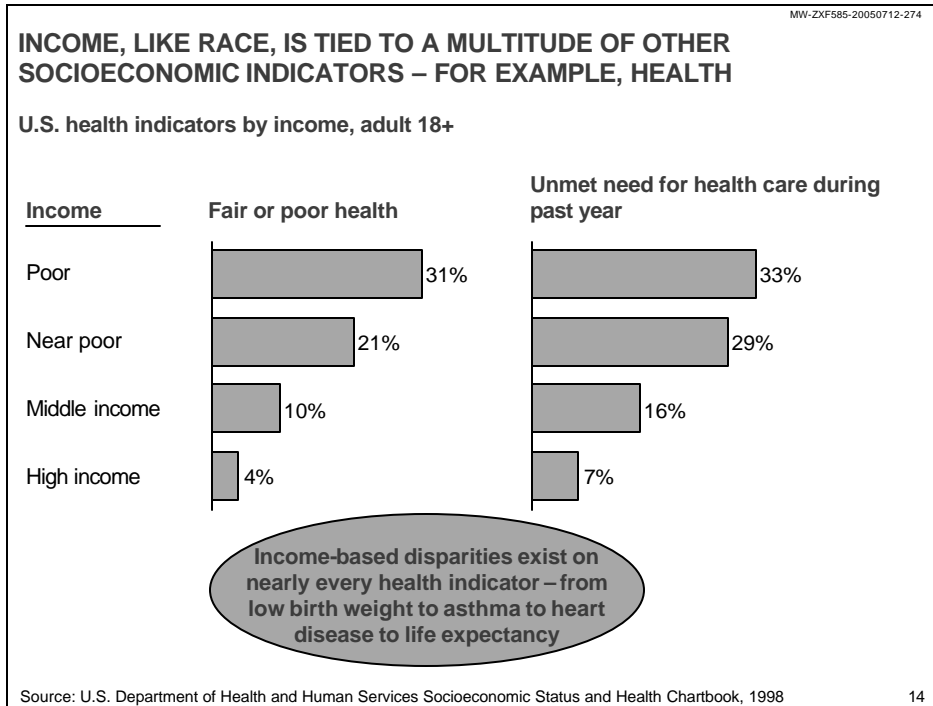
Race	Share of 25+ population without a high school degree, 2000
White	7%
Sub-saharan Africa	20%
Hmong	55%

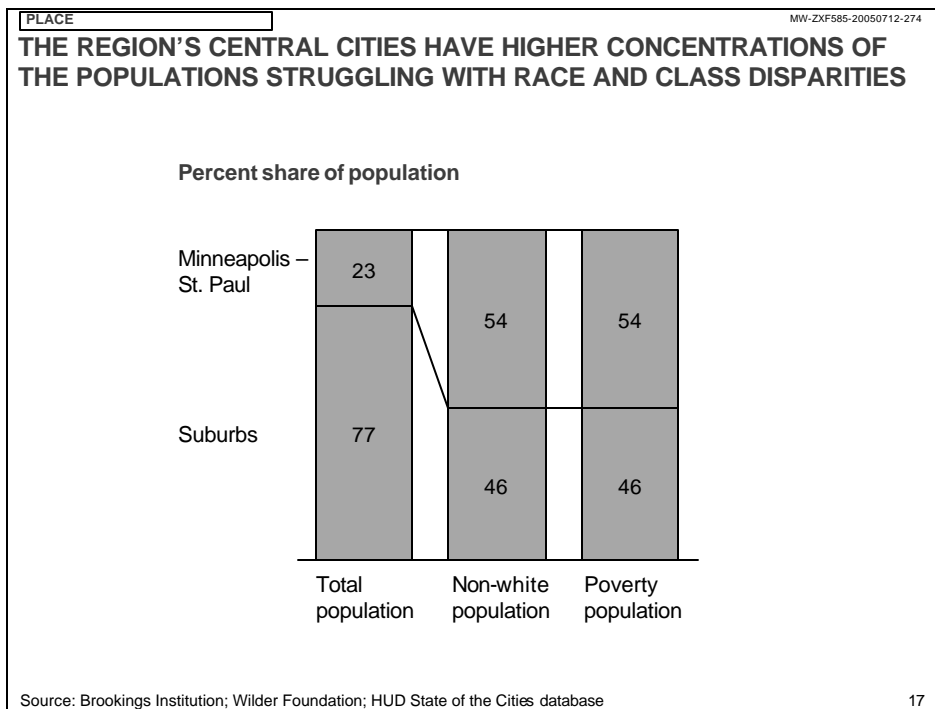
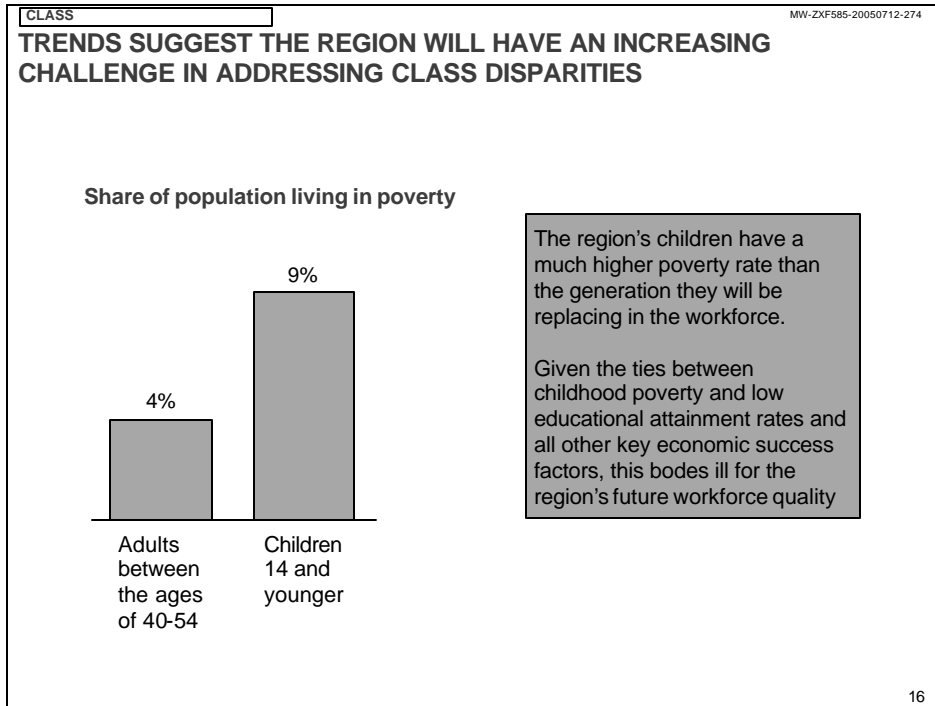
Source: Brookings Institution 7

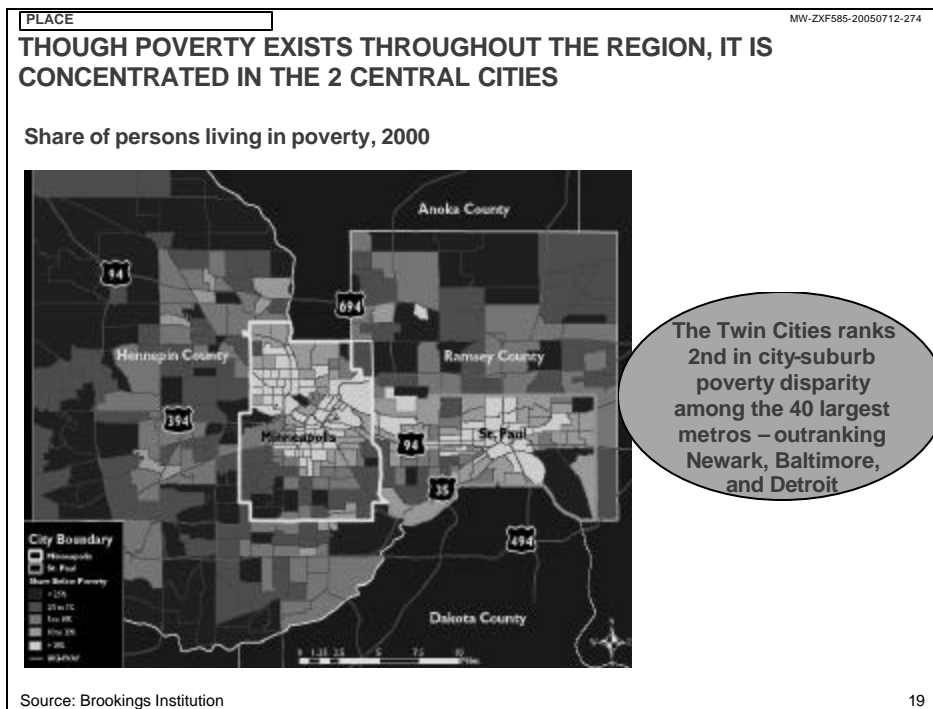
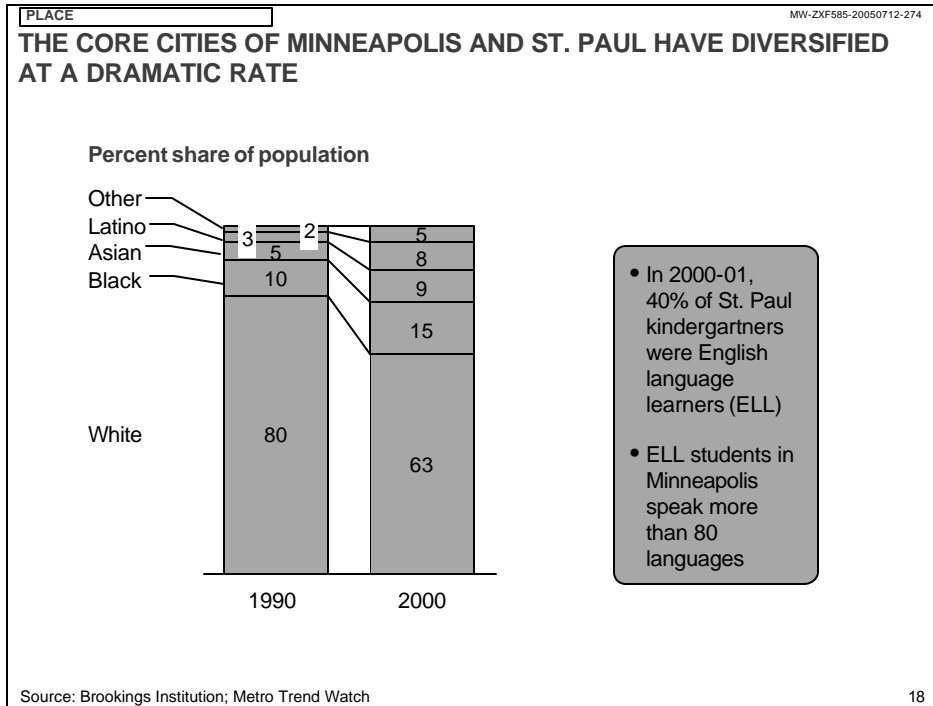


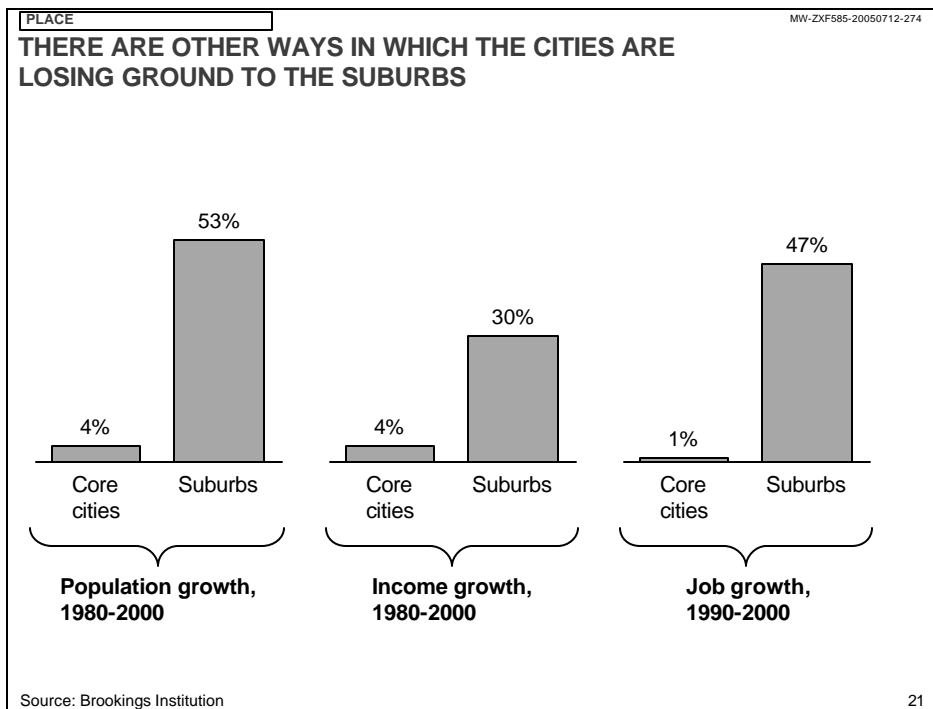
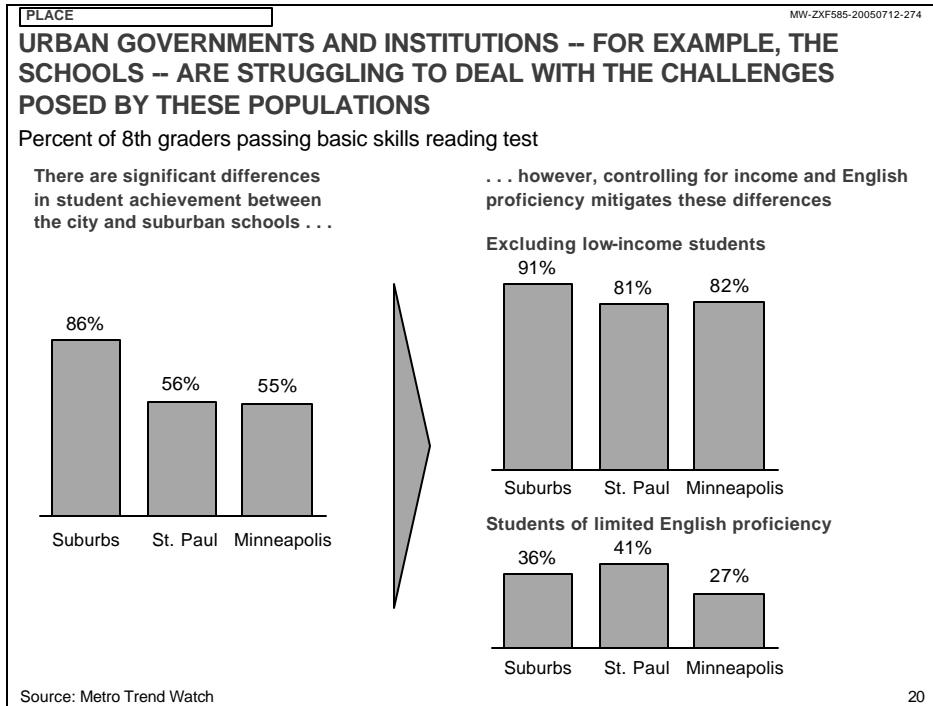


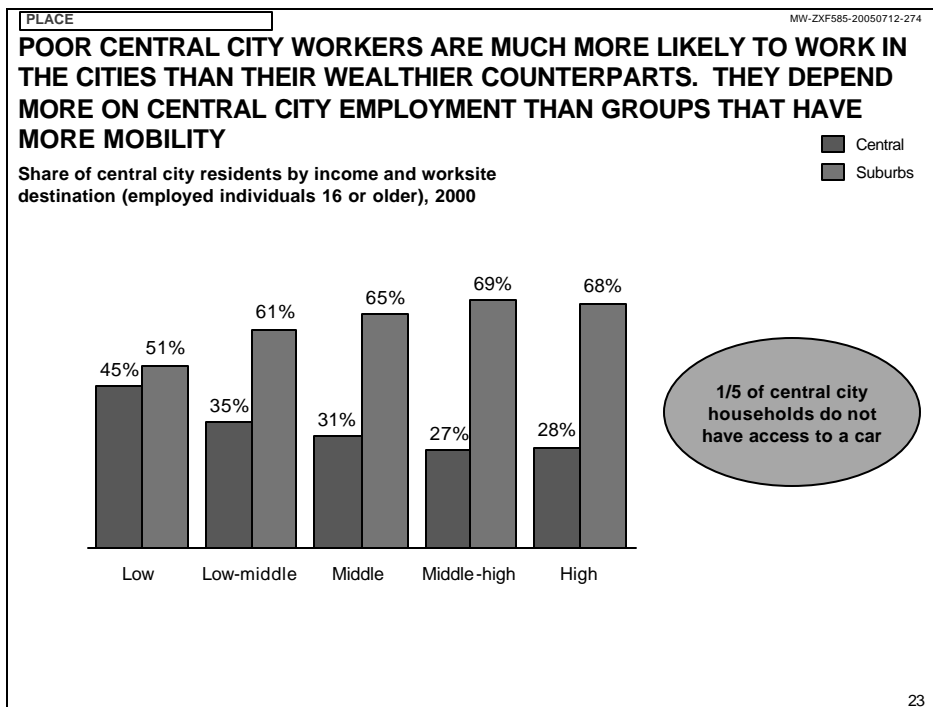
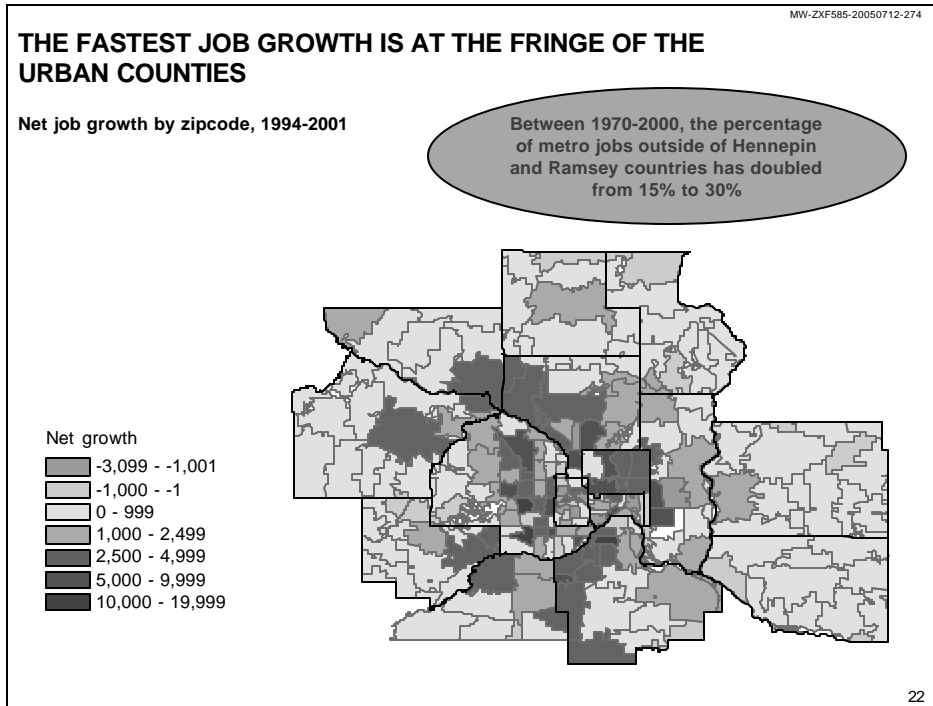


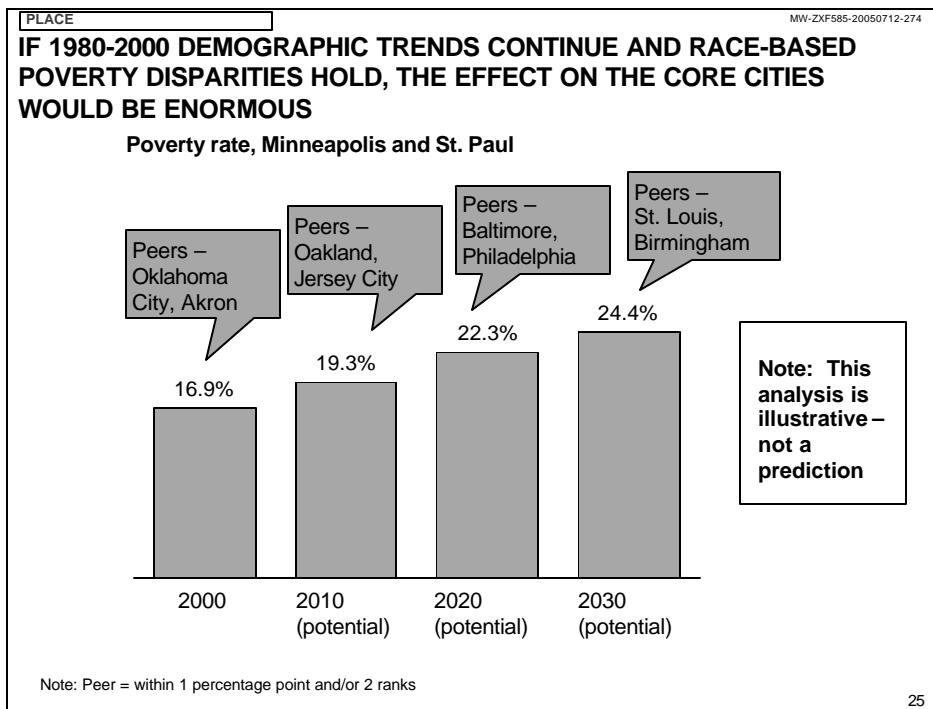
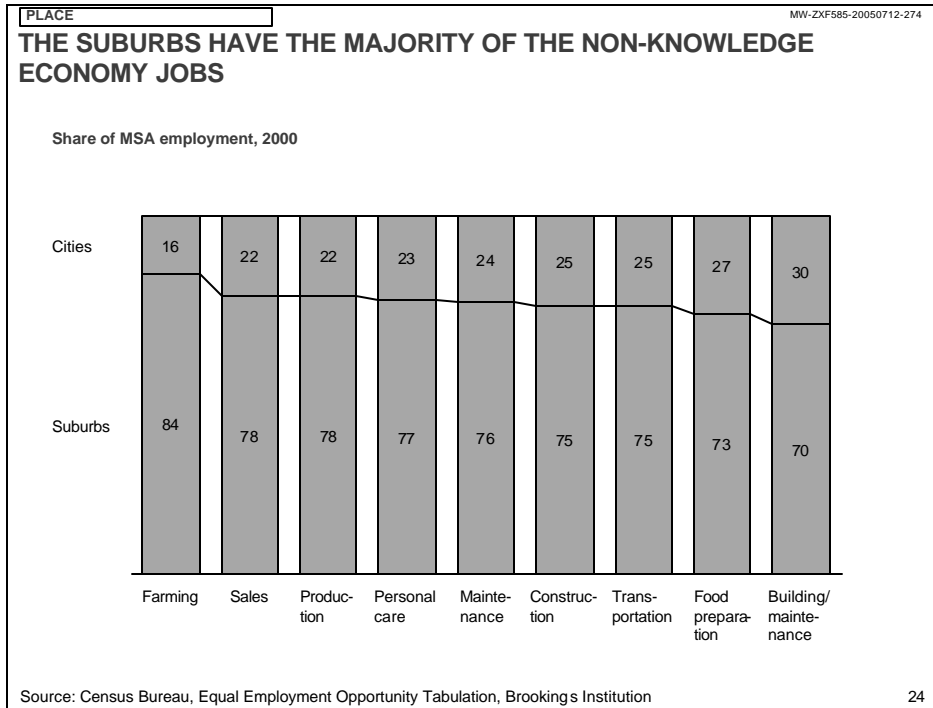












**TODAY'S DISCUSSION**

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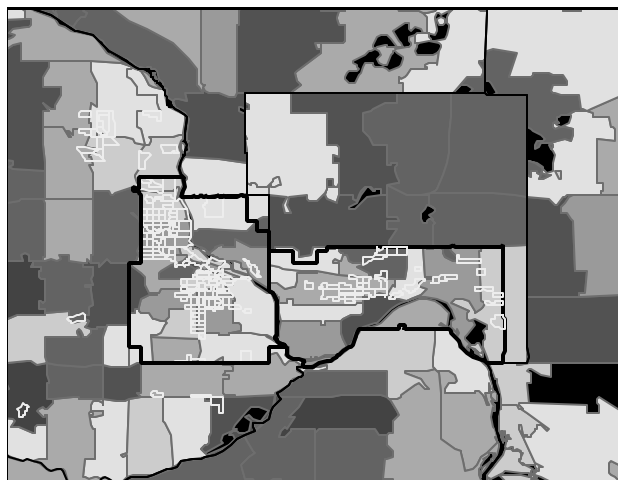
1. What are our socioeconomic disparities?
- ➡ **2. Why do we have them?**
3. Why does it matter?
4. What can we do?

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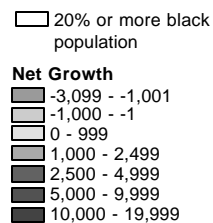
**1 A NUMBER OF TRENDS – E.G., DEMOGRAPHIC CHANGES, GROWTH PATTERNS, ECONOMIC SHIFTS – ARE CONTRIBUTING. THEY COMBINE TO CREATE COMPLICATED PROBLEMS SUCH AS EMPLOYMENT SPATIAL MISMATCH**

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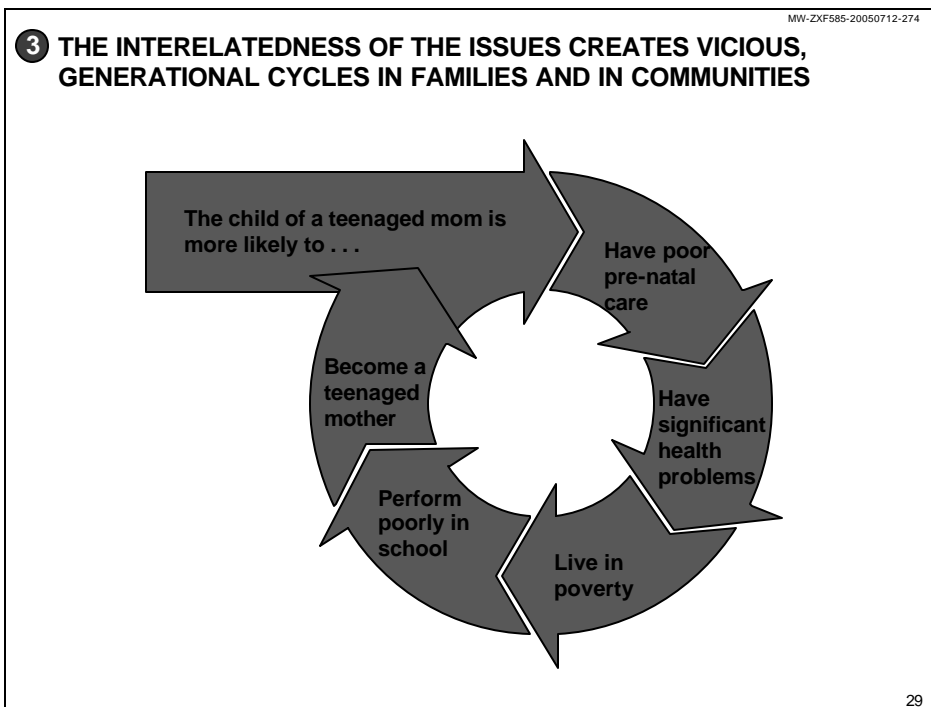
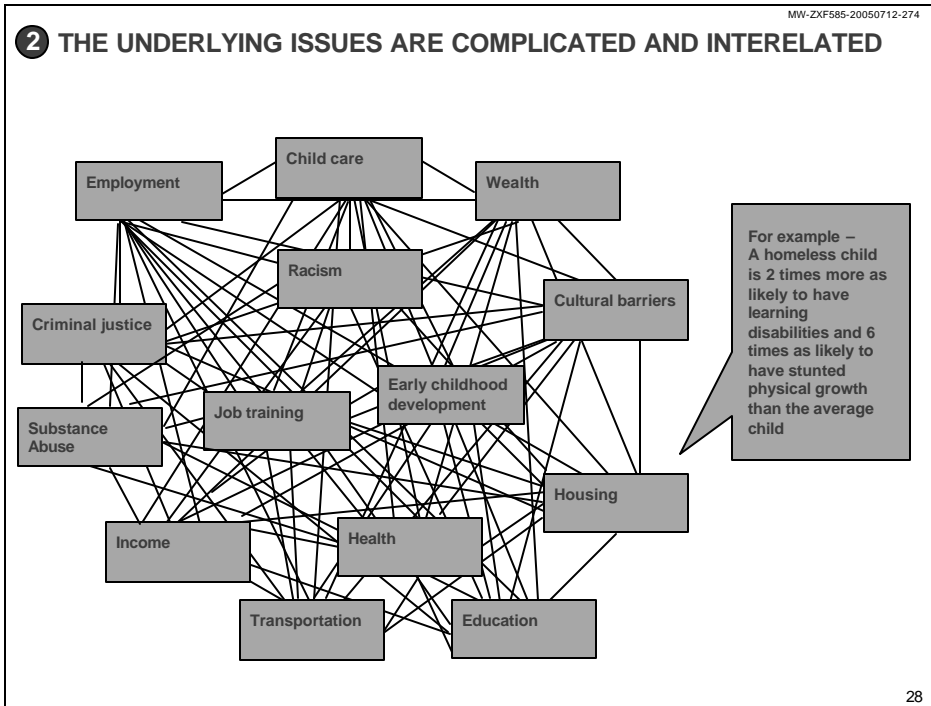
Block groups with 20% or more black population, 2000; net job growth, 1994-2001



In the Twin Cities, 55% of black residents would have to move in order to be spatially distributed evenly with jobs



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**TODAY'S DISCUSSION**

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**WHY DO THESE DISPARITIES MATTER?**

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1. Social justice
2. Economic competitiveness

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## HOW DO DISPARITIES AFFECT ECONOMIC COMPETITIVENESS?

Metropolitan areas with high levels of income inequality tend to have lower levels of overall income growth

### Addressing disparities will

- **Increase the size and quality of the workforce**  
Nonwhite populations are the primary source of labor growth in the Twin Cities – accounting for 37.4% of growth between 1990-2000
- **Increase the size and strength of the local market**  
Low-income and minority residents represent potential customers (there are half as many retail establishments per capita in the inner city vs. the suburbs)
- **Improve fiscal situation**  
Reduced disparities lead to increased tax base and decreased public expenditures on the direct and indirect costs of poverty

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## TODAY'S DISCUSSION

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WHAT WILL IT TAKE TO REDUCE THESE DISPARITIES?

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- ① Major systemic/policy changes
- ② Lots of minor changes in the behavior of organizations and individuals throughout the region (e.g., hiring practices, location decisions, etc.)

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