LOOKING FORWARD:
DEMOGRAPHY, ECONOMY, &
WORKFORCE FOR THE FUTURE

MANUEL PASTOR

@Prof_MPastor
U.S. Change in Youth (<18) Population by Race/Ethnicity, 2000-2010

- White: -4,310,525
- Black: -248,081
- Latino: 4,788,632
- API: 781,946
- Other: 875,683
Changing Demographics
United States, 1980-2040

- Other
- Native American
- Asian/Pacific Islander
- Latino
- Black
- White


- White: 80%, 76%, 69%, 64%, 59%, 54%, 50%
- Latino: 6%, 9%, 4%, 5%, 6%, 6%, 7%
- Native American: 3%, 3%, 2%, 2%, 3%, 3%, 27%
- Asian/Pacific Islander: 2%, 2%, 2%, 6%, 6%, 6%, 12%
- Black: 12%, 12%, 12%, 12%, 12%, 12%, 12%
- Other: 12%, 12%, 12%, 12%, 12%, 12%, 12%
Changing Demographics, California, 1980-2040

- Other
- Native American
- Asian/Pacific Islander
- Latino
- Black
- White

1980: 67%
1990: 57%
2000: 47%
2010: 40%
2020: 37%
2030: 34%
2040: 30%
Immigrant Share of the Population
United States, California, and Los Angeles, 1860-2013

Note that last data points are for three year change.
A MORE SETTLED IMMIGRANT POPULATION

Percent of Immigrant Population in U.S. Since 1999

North Dakota
South Dakota
Wyoming
Kentucky
Alabama
Nebraska
Indiana
Mississippi
Tennessee
Iowa
Missouri
Louisiana
Oklahoma
Minnesota
District of Columbia
Delaware
Arkansas
South Carolina
North Carolina
Ohio
West Virginia
Virginia
Georgia
North Carolina
Wisconsin
Colorado
Utah
Pennsylvania
Massachusetts
Montana
Washington
Alaska
Idaho
Oregon
Texas
Michigan
Connecticut
New Jersey
New Hampshire
Florida
New Mexico
Illinois
New York
Nevada
Hawaii
Rhode Island
Arizona
Maine
Vermont
California

Percent of Immigrant Population in U.S. Since 1999

0%
10%
20%
30%
40%
50%
60%
70%
80%

2020 Percent People of Color by County

- Less than 40% People of Color
- "Tipping Point" Counties: 40% to 50% People of Color
- Greater than 50% People of Color

Sources: Woods & Poole Economics projections data (adjusted using the 2010 Census), Census TIGER/Line, NHGIS, and ESRI.

PolicyLink
USC Program for Environmental & Regional Equity

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SHIFTING DISTRIBUTION WITHIN METROS

Distribution of the White Population, Largest 50 Metro Areas

- Outer Suburbs
- Inner-ring Suburbs
- Central Cities

<table>
<thead>
<tr>
<th>Year</th>
<th>Outer Suburbs</th>
<th>Inner-ring Suburbs</th>
<th>Central Cities</th>
</tr>
</thead>
<tbody>
<tr>
<td>1980</td>
<td>44%</td>
<td>28%</td>
<td>28%</td>
</tr>
<tr>
<td>1990</td>
<td>50%</td>
<td>25%</td>
<td>25%</td>
</tr>
<tr>
<td>2000</td>
<td>56%</td>
<td>22%</td>
<td>23%</td>
</tr>
<tr>
<td>2009-2013</td>
<td>59%</td>
<td>19%</td>
<td>22%</td>
</tr>
</tbody>
</table>
SHIFTING DISTRIBUTION WITHIN METROS

Distribution of People of Color, Largest 50 Metro Areas

- Outer Suburbs
- Inner-ring Suburbs
- Central Cities

<table>
<thead>
<tr>
<th>Year</th>
<th>Outer Suburbs</th>
<th>Inner-ring Suburbs</th>
<th>Central Cities</th>
</tr>
</thead>
<tbody>
<tr>
<td>1980</td>
<td>62%</td>
<td>21%</td>
<td>17%</td>
</tr>
<tr>
<td>1990</td>
<td>55%</td>
<td>22%</td>
<td>23%</td>
</tr>
<tr>
<td>2000</td>
<td>49%</td>
<td>21%</td>
<td>30%</td>
</tr>
<tr>
<td>2009-2013</td>
<td>42%</td>
<td>20%</td>
<td>38%</td>
</tr>
</tbody>
</table>
PART OF THE STORY: CENTRAL CITY “PUSH-OUT”

COMEBACK

CITY
THE NEW GENERATION GAP

Median Age by Race/Ethnicity,
United States, 2008-2012

<table>
<thead>
<tr>
<th>Race/Ethnicity</th>
<th>Median Age</th>
</tr>
</thead>
<tbody>
<tr>
<td>White</td>
<td>43</td>
</tr>
<tr>
<td>API</td>
<td>36</td>
</tr>
<tr>
<td>Black</td>
<td>33</td>
</tr>
<tr>
<td>American Indian and Alaska Native</td>
<td>32</td>
</tr>
<tr>
<td>Latino</td>
<td>28</td>
</tr>
<tr>
<td>Other or mixed race</td>
<td>20</td>
</tr>
<tr>
<td>All</td>
<td>37</td>
</tr>
</tbody>
</table>
THE GAP MATTERS

Local Revenue Per Child, 2008
- Less than $2,208
- $2,208 to $3,169
- $3,169 to $4,217
- $4,217 to $5,739
- Greater than $5,739
THE GAP MATTERS

Racial Generation Gap, 2006-2010 Average

- Less than 5
- 5 to 10
- 10 to 17
- 17 to 25
- Greater than 25
INEQUALITY ON THE RISE

Income Distribution in the U.S., 1917-2012

Source: Emmanuel Saez, Striking It Richer: The Evolution of Top Incomes in the United States (Update: September 15, 2013.)
CHALLENGE OF INEQUALITY

U.S. and California, 1980-2010*

-19% -19%
-4%
12%
25%
-11% -10% -8%
4%
15%
10th Percentile 20th Percentile 50th Percentile 80th Percentile 90th Percentile

California United States

Source: IPUMS
BUT WE MOVE UP OVER TIME?

The Great Gatsby Curve: Inequality and Intergenerational Mobility

Intergenerational earnings elasticity

Income Inequality

Class “Stickiness”

Source: Corak (2011) and OECD.
RACIAL PROGRESS STALLED

Ratio of U.S. Resident Median Family Income 1947-2013
(Blacks and Latinos Relative to Whites)
FAMILIES BELOW 150% FEDERAL POVERTY LINE
(broken by race/ethnicity)

U.S. as a whole

<table>
<thead>
<tr>
<th>Race/Ethnicity</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>White</td>
<td>21%</td>
</tr>
<tr>
<td>Black</td>
<td>40%</td>
</tr>
<tr>
<td>Latino</td>
<td>41%</td>
</tr>
<tr>
<td>API</td>
<td>25%</td>
</tr>
<tr>
<td>All</td>
<td>27%</td>
</tr>
</tbody>
</table>
WORKERS MAKING AT LEAST $15 AN HOUR
(broken by race/ethnicity)

U.S. as a whole

- All: 63%
- White: 69%
- Black: 53%
- Latino: 44%
- Asian: 68%
- Native American: 51%
- Mixed/other: 62%
- People of color: 52%

IPUMS
<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jobs in 2020</td>
<td>34%</td>
</tr>
<tr>
<td>White, U.S.-born</td>
<td>34%</td>
</tr>
<tr>
<td>White, immigrant</td>
<td>31%</td>
</tr>
<tr>
<td>Black, U.S.-born</td>
<td>47%</td>
</tr>
<tr>
<td>Black, immigrant</td>
<td>40%</td>
</tr>
<tr>
<td>Latino, U.S.-born</td>
<td>47%</td>
</tr>
<tr>
<td>Latino, immigrant</td>
<td>74%</td>
</tr>
<tr>
<td>Asian, U.S.-born</td>
<td>18%</td>
</tr>
<tr>
<td>Asian, immigrant</td>
<td>29%</td>
</tr>
<tr>
<td>Native American</td>
<td>49%</td>
</tr>
<tr>
<td>Mixed/other</td>
<td>34%</td>
</tr>
</tbody>
</table>

U.S. as a whole

IPUMS; Georgetown University Center on Education and the Workforce
JOBS REQUIRING A B.A. OR BETTER
(compared to population with same educational level)

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jobs in 2020</td>
<td>33%</td>
</tr>
<tr>
<td>White, U.S.-born</td>
<td>34%</td>
</tr>
<tr>
<td>White, immigrant</td>
<td>45%</td>
</tr>
<tr>
<td>Black, U.S.-born</td>
<td>18%</td>
</tr>
<tr>
<td>Black, immigrant</td>
<td>29%</td>
</tr>
<tr>
<td>Latino, U.S.-born</td>
<td>18%</td>
</tr>
<tr>
<td>Latino, immigrant</td>
<td>10%</td>
</tr>
<tr>
<td>Asian, U.S.-born</td>
<td>54%</td>
</tr>
<tr>
<td>Asian, immigrant</td>
<td>52%</td>
</tr>
<tr>
<td>Native American</td>
<td>14%</td>
</tr>
<tr>
<td>Mixed/other</td>
<td>30%</td>
</tr>
</tbody>
</table>

IPUMS; Georgetown University Center on Education and the Workforce
AND WHY SO IMPORTANT NOW?

NEXT AMERICA

Percent of U.S. Population by Age Group, 1950-2060

Baby Boomers

MALE

FEMALE

1950

85+

75-79

50-54

25-29

0

4% 2% 0% 2% 4%

PEW RESEARCH CENTER

http://d3j5vwomefv46c.cloudfront.net/photos/large/847889448.gif?1397145494&maxX=740&maxY=704
ARE WE PREPARING THE NEXT GENERATION?

Kids of color concentrated in high-poverty schools (U.S. as a whole)

- **Low (<25% of students eligible for free- or reduced-price lunch - FRPL)**
  - All: 20%
  - White: 30%
  - Black: 7%
  - Latino: 8%
  - Asian: 35%
  - Native American: 8%
  - Mixed/other: 23%
  - People of color: 11%

- **Mid-low (25-50% FRPL)**
  - All: 27%
  - White: 36%
  - Black: 16%
  - Latino: 17%
  - Asian: 25%
  - Native American: 22%
  - Mixed/other: 31%
  - People of color: 18%

- **Mid-high (50-75% FRPL)**
  - All: 27%
  - White: 26%
  - Black: 29%
  - Latino: 28%
  - Asian: 22%
  - Native American: 34%
  - Mixed/other: 29%
  - People of color: 43%

- **High (>75% FRPL)**
  - All: 25%
  - White: 8%
  - Black: 48%
  - Latino: 48%
  - Asian: 18%
  - Native American: 36%
  - Mixed/other: 17%
  - People of color: 17%

National Center for Education Statistics
Underinvestment in each other makes us less competitive as regions and 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.

ONE RESPONSE: GENERATIONAL WARFARE

"COME ON, KIDS, GIVE ME A CLUE... ARE YOU GOING TO VOTE IN 2016 OR WAS IT JUST AN OBAMA THING?"

"I SAID, JUST HOLD ON UNTIL 2016, GRAMPS! I NEED YOU TO VOTE!"
There is an inability to cooperate, collaborate and compromise because we don’t even agree on what is real, what is needed, and what we may have in common.
Figure 1: Proportion of Families Living in High-, Middle-, and Low-Income Neighborhoods
Metropolitan Areas with Population > 500,000, 1970-2009
In 1992, only about a quarter of voters lived in a county where a presidential candidate won by a landslide. By 2012 it was a half.
Average Party Unity Scores, House and Senate, 1970-2012

(DOT) WORKING TOGETHER
(NOT) KNOWING TOGETHER

Newspaper Readership by Age Group, 1980-2012

From “broadcast” news to narrow-cast cable & social media

Source: Newspaper Association of America, from data by Scarborough Research
FAITH IN INSTITUTIONS IS SHAKEN

Congress is less popular than lice, colonoscopies, and Nickelback.

- Congress: 19%
- Lice: 67%
- Colonoscopy: 58%
- Root canal: 56%
- Nickelback: 39%
- Used car salesmen: 57%
Conventional wisdom in economics says there is a trade-off between equity and efficiency.

But, new evidence shows that regions that work toward equity have stronger and more resilient economic growth—for everyone.
Even the Federal Reserve Bank of Cleveland found that racial inclusion and income equality matter for growth.
Inequality and Unsustainable Growth: Two Sides of the Same Coin?

Andrew G. Berg and Jonathan D. Ostry
We have developed these ideas further in...

- America’s Tomorrow: Equity is the Superior Growth Model
IMPLICATIONS FOR WORKFORCE

- Shifting workforce development paths & priorities
- Changing nature of concentrated poverty
- Disappearing high-quality employment opportunities
Workforce development has to go beyond just meeting market needs.

Workforce developers need to take up three tasks:
- Meeting
- Molding
- Making
SECTORS MATTER

- Identify and target sectors slated to grow in the 21st century
- Improve job quality and connections to workers in low-income areas

Example: Jobs to Move America Campaign
  - Leveraging public spending on the expansion of rail and mass transit
  - U.S. Employment Plan as a tool to incentivize local hiring and targeted hiring of disadvantaged workers
QUALITY MATTERS

- Upgrade the quality of available employment
- Create positions and pathways that involve clear trajectories upward

Example: Restaurant Opportunity Center (ROC)
- Workforce training program designed to train-up
- Intentional strategy of addressing racial and gender gap in the industry
- A high-road employers association to help firms who promote high quality jobs
- Worker cooperatively-owned restaurant
INSTITUTIONS MATTER

- Community colleges can promote job linkages, integrate services, and serve diverse student needs from basic ed to technical training.

- Spending by “anchor institutions” can be leveraged for local economic development and job creation.

Example: California Community Colleges: “Doing What Matters for Jobs and the Economy” Initiative

- Investing in 10 priority regional industry sectors
- Aligning funding sources and regional stakeholders
CONNECTIONS MATTER

- Beyond creating opportunities, we have to make sure communities with the most need know about them.
- Connecting low-income communities to these kinds of job opportunities has to also consider key challenges:
  - Barriers to reentry for recently incarcerated
  - Tending to issues of legal/immigration status
  - Incorporation of single-female heads of households
RELATIONSHIPS MATTER

- Develop relationships with employers and community institutions
- Work with partners to overcome structural barriers

Example: Project Quest
- Started by an institution with deep roots in poor neighborhood that partners with employers and community college district
- In 2014, Chamber of Commerce supported a sales tax increase to extend pre-K education to disadvantaged kids as an investment in workforce development.
RELATIONSHIPS MATTER
Actual Average Incomes and Estimated Incomes and GDP Gains With Racial Equity, 2012

<table>
<thead>
<tr>
<th>Population</th>
<th>Average Income</th>
<th>Average Income (no gaps)</th>
<th>% Gain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Black</td>
<td>$23,945</td>
<td>$38,605</td>
<td>+61%</td>
</tr>
<tr>
<td>Latino</td>
<td>$22,105</td>
<td>$38,481</td>
<td>+74%</td>
</tr>
<tr>
<td>Asian</td>
<td>$22,546</td>
<td>$38,486</td>
<td>+23%</td>
</tr>
<tr>
<td>Native American</td>
<td>$27,733</td>
<td>$38,622</td>
<td>+71%</td>
</tr>
<tr>
<td>Other</td>
<td>$31,306</td>
<td>$38,648</td>
<td>+39%</td>
</tr>
<tr>
<td>All</td>
<td>$34,032</td>
<td>$38,704</td>
<td>+14%</td>
</tr>
</tbody>
</table>

GDP rises by **14%**

$2.1 Trillion Equity Dividend

Source: PolicyLink/PERE analysis of Bureau of Economic Analysis (2012) and American Community Survey data (2008-2012), IPUMS.
Welcome to the National Equity Atlas, a comprehensive data resource to track, measure, and make the case for inclusive growth.

Data in Action: Data Drives Economic Opportunity in New Orleans
Data revealing that 52 percent of black men in New Orleans are jobless led Mayor Landrieu to launch an ambitious new jobs plan.

The Face of America is Changing
MOVING FORWARD: THE NEXT AMERICA

INCLUSIVE GROWTH

- Bridge generations & geographies in your approach

(Images of a diverse crowd and a sign saying "WE ARE AMERICA")

Generations:
- GenX
- Traditionalists
- GenY
- Millennials
- Boomers

(workplace generation)
FOR MORE . . .

EQUITY, GROWTH, and COMMUNITY
What the Nation Can Learn From America’s Metro Areas

CHRIS BENNER | MANUEL PASTOR

USC Dornsife
Program for Environmental and Regional Equity

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