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The Economic State of Milwaukee, 1990-2008

Joel Rast

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***The Economic State of Milwaukee,
1990-2008***

Prepared by:

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December 2010

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ABOUT THIS REPORT

This report is the result of a two-year study by the University of Wisconsin-Milwaukee Center for Economic Development (CED) examining a wide range of economic indicators for Milwaukee and 18 other cities and metro areas in the Northeast and the Midwest for the period 1990 to 2008. It updates a previous study examining the economic well-being of Milwaukee published by the Center in 1998.

The report was written by Joel Rast, associate professor of political science and urban studies and director of CED. All maps were created by Peter Armstrong. All tables were created by Peter Armstrong, Lisa Heuler Williams, and Catherine Madison. Additional research assistance was provided by Qiang Zhou, Mary Hoehne, and Crystal Brzezinski.

CED is a unit of the College of Letters and Science at the University of Wisconsin-Milwaukee. The College established CED in 1990 to provide university research and technical assistance to community organizations and units of government working to improve the Greater Milwaukee economy. The analysis and conclusions presented in this report are solely those of CED and do not necessarily reflect the views and opinions of UW-Milwaukee, or any of the organizations providing financial support to the Center.

CED strongly believes that informed public debate is vital to the development of good public policy. The Center publishes briefing papers, detailed analyses of economic trends and policies, and “technical assistance” reports on issues of applied economic development. In these ways, as well as in conferences and public lectures sponsored by the Center, we hope to contribute to public discussion on economic development policy in Southeastern Wisconsin.

Further information about the Center and its reports and activities is available at our web site: [**www.ced.uwm.edu**](http://www.ced.uwm.edu)

Table of Contents

About This Report	i
Table of Contents	ii
List of Tables.....	iii
List of Maps.....	v
Executive Summary.....	vi
Introduction	1
Chapter 1: Population	4
Metropolitan Areas.....	7
Chapter 2: Employment and Income	10
Unemployment and Joblessness	21
Income	25
Black Middle Class.....	32
Chapter 3: Business and Economic Development	37
Downtown Revitalization.....	44
City-Suburban Economic Performance.....	46
Chapter 4: Poverty	48
Chapter 5: Transportation	53
Chapter 6: Education	57
Conclusion	60

List of Tables

Table 1.1: Total Population and Population Change	4
Table 1.2: Percent White	5
Table 1.3: Percent Latino	6
Table 1.4: Percent African-American	6
Table 1.5: Milwaukee Latino Population by Origin	6
Table 1.6: Total Population and Population Change	7
Table 1.7: Percent of Metro Area Residents Living in Central City	8
Table 1.8: Percent of Metro African-American Population Living in Central City	9
Table 2.1: Milwaukee Employment by Sector	10
Table 2.2: Manufacturing: Jobs	11
Table 2.3: Manufacturing: Payroll per Employee	12
Table 2.4: Health Care and Social Assistance: Jobs	13
Table 2.5: Health Care and Social Assistance: Payroll per Employee	13
Table 2.6: Accommodation and Food Services: Jobs	14
Table 2.7: Accommodation and Food Services: Payroll per Employee	15
Table 2.8: Arts, Entertainment, and Recreation: Jobs	16
Table 2.9: Arts, Entertainment, and Recreation: Payroll per Employee	16
Table 2.10: Retail: Jobs	17
Table 2.11: Retail: Payroll per Employee	18
Table 2.12: Information: Jobs	19
Table 2.13: Information: Payroll per Employee	19
Table 2.14: Real Estate: Jobs	20
Table 2.15: Real Estate: Payroll per Employee	21
Table 2.16: Unemployment Rate	22
Table 2.17: Male Jobless Rate	23
Table 2.18: White Non-Hispanic Male Jobless Rate	24
Table 2.19: African-American Male Jobless Rate	25
Table 2.20: Per Capita Income	26
Table 2.21: Real Per Capita Income	27
Table 2.22: City Percent of Suburban Per Capita Income	28
Table 2.23: Median Household Income	29
Table 2.24: Real Median Household Income	30
Table 2.25: White Non-Hispanic Median Household Income	31

Table 2.26: African-American Median Household Income	31
Table 2.27: African American Median Household Income as a Percent of White Median Household Income	32
Table 2.28: Percent of Black Households Earning \$50,000 or More	33
Table 2.29: Percent of Blacks with a 4-Year College Degree	34
Table 2.30: Percent of Blacks Employed in Professional, Management, and Related Occupations	35
Table 2.31: Black-owned Businesses	36
Table 3.1: Gross Metro Product	37
Table 3.2: Gross Metro Product Per Capita	38
Table 3.3: Manufacturing: Sales	39
Table 3.4: Accommodation and Food Services: Sales	40
Table 3.5: Arts, Entertainment, and Recreation: Sales	41
Table 3.6: Health Care and Social Assistance: Sales	42
Table 3.7: Retail: Sales	43
Table 3.8: Downtown Population	45
Table 3.9: Downtown Residential Units	45
Table 3.10: City Share of Metropolitan Retail Sales (1997-2007)	46
Table 3.11: City Share of Metropolitan Manufacturing Employment (1997-2007)	47
Table 4.1: Percent of Population Living in Poverty	48
Table 4.2: Percent of Children Living in Poverty	49
Table 4.3: Percent of African-American Population Living in Poverty	50
Table 4.4: Percent of White Non-Hispanic Population Living in Poverty	51
Table 4.5: Disparity in Black-White Poverty Rates	52
Table 5.1: Travel Time Index	53
Table 5.2: Annual Delay per Peak Period Traveler	54
Table 5.3: Percent Commuting Over 30 Minutes to Work (any mode)	55
Table 5.4: Percent Taking Alternative Transportation to Work	56
Table 6.1: Percent College Educated	57
Table 6.2: Black-White Education Gap	58
Table 6.3: Percent High School Educated	59

List of Maps

Map 1: City of Milwaukee Population Change Between 1990 and 2000 (by Census Tract)

Map 2: % African-American by Census Tract (2000)

Map 3: Per Capita Income (2000)

Map 4: Median Household Income (2000)

Map 5: African-American Households Earning \$50,000 and Over (2000)

Map 6: Downtown Milwaukee

Map 7: % of Population Living Below the Poverty Level (2000)

Map 8: Percent of Population Age 25 and Over with a College Education (2000)

EXECUTIVE SUMMARY

In 1998, the UWM Center for Economic Development published a comprehensive study of the Milwaukee region's economic performance. The study, titled *The Economic State of Milwaukee: The City and the Region*, compiled data on a broad set of indicators of economic well-being for Milwaukee and 13 other "Frostbelt" metropolitan areas.¹ The analysis was both historical and comparative, including data as far back as the 1950s for the 14 cities and metropolitan areas examined. A key contribution of the study was to document the impacts of deindustrialization, white flight from the city to the suburbs, and segregation on Milwaukee during this period. The result of these economic and demographic changes was a dramatic deterioration, both absolutely and in comparison to other cities, in the city of Milwaukee's economic well-being as measured by numerous indicators in the study. Suburban Milwaukee fared considerably better on many of our indicators, resulting in a sizeable gap between city and suburban economic performance.

In this report, we examine once again the economic state of Milwaukee, focusing this time on the period from 1990 to 2008. Our intent with this report, in part, is to see how well Milwaukee has weathered the disruptive changes of previous decades. Has Milwaukee successfully come to grips with deindustrialization and other urban problems that caused the city's decline during the 1970s and 1980s? Or is our performance still among the weakest of Frostbelt cities on many indicators of economic well-being? Are we closing the gap between city and suburban economic performance, or do significant disparities remain? Is there noticeable improvement in the economic welfare of the city's black population, or do we continue to see large disparities between racial groups?

This report is similar in scope to our previous study but includes a slightly larger sample of cities and metropolitan areas. Several regions that were not part of our previous study—including Kansas City, Newark, Omaha, Toledo, and Wichita—appear similar enough to Milwaukee to be useful comparative cases for the present study. We ultimately selected the 19 most populated metro areas in the Northeast and Midwest, with the exception of New York City and Washington, DC, which were omitted due to their unusual economic characteristics. In addition to those regions just named, our sample consists of Baltimore, Boston, Buffalo, Chicago, Cincinnati, Cleveland, Columbus, Detroit, Indianapolis, Milwaukee, Minneapolis, Philadelphia, Pittsburgh, and St. Louis.

Key findings of the report are as follows:

Population

- The city of Milwaukee's population fell from 628,088 in 1990 to 604,477 in 2008, a decline of nearly 4 percent. The Milwaukee metropolitan area gained population from 1990-2008. However, the Milwaukee region's increase of 8 percent is the smallest increase of all the metro areas in our sample except Toledo and Detroit.

¹ The 14 cities were Baltimore, Boston, Buffalo, Chicago, Cincinnati, Cleveland, Columbus, Detroit, Indianapolis, Milwaukee, Minneapolis, Philadelphia, Pittsburgh, and St. Louis.

- Milwaukee became a majority-minority city during the 1990s. The city's white population fell from 61 percent of the city's total population in 1990 to 40 percent in 2008. No other city in our sample experienced this great a percentage decline in its white population during this time period.
- The Milwaukee region remains one of the most segregated metropolitan areas in the country, with more than 90 percent of African Americans living in the city of Milwaukee. Of our 19 sample cities, only Toledo and Wichita had lower percentages of African Americans living in the suburbs in 2008.

Employment and Income

- Sectors with the largest number of jobs for both the city of Milwaukee and the Milwaukee region are health care and social assistance and manufacturing, with combined employment of nearly 250,000 in 2007. However, manufacturing jobs declined sharply from 1997 to 2007 in both the city and the metro area, while jobs in health care and social assistance have grown modestly. Several other sectors added jobs in both the city and the region, including professional, scientific, and technical services; educational services; arts, entertainment, and recreation; and accommodation and food services. This reflects Milwaukee's ongoing transition from a manufacturing to a services-based economy, a trend that is especially pronounced in the city of Milwaukee.
- Payroll figures for the Milwaukee area provide a mixed picture. Payroll per employee in manufacturing rose by 8 percent from 1997 to 2007 in both the city and the metro area, a pace that outranks the vast majority of other cities and metro areas in our sample. The city's manufacturing payroll per employee figure of \$49,327 in 2007 places Milwaukee in the top third of our sample cities. On the other hand, manufacturing is a declining sector, and payroll figures for growing sectors such as health care and social services and accommodation and food services are not as strong, either absolutely or in comparison to other cities and metropolitan areas. In accommodation and food services, for example, the city of Milwaukee's payroll per employee of \$12,998 ranked 14 of 19 cities.
- Male jobless rates in Milwaukee rose from 1990 to 2008 in both the city and the region. Jobless rates for white males are lower than they are in most of the other cities and regions in our sample. However, the situation is reversed for black males. In 2008, black male joblessness in the Milwaukee metro area was higher than any other region in our sample except Toledo, Detroit, and Buffalo.
- In our previous State of the City report, we found that real per capita income grew by just 3.7 percent in the city of Milwaukee from 1970 to 1990, a slower pace than all but two of the cities in our 14-city sample, Detroit and Cleveland. The most recent data show little improvement on this indicator. From 1990-2008, Milwaukee's real per capita income grew by just 4.4 percent, slower than all of our 19 sample cities except Detroit and Toledo.
- The Milwaukee metropolitan area ranked second to last on real per capita income growth among the 14 metropolitan areas in our previous study. Recent data show a significant turnaround, comparatively speaking. From 1990-2008, real per capita income growth for the

Milwaukee metro area was 17 percent, placing the Milwaukee region in the top third of our sample.

- Median household income for African Americans in the Milwaukee region is comparatively low. One factor contributing to this is the region's comparatively small black middle class. We use four measures to develop a composite picture of the black middle class in the cities and metro areas in our sample: black households earning at least \$50,000; the percentage of blacks with a 4-year college degree; the percentage of blacks employed in professional, management, and related occupations; and black-owned businesses. On each of these measures, Milwaukee consistently falls in the bottom half of our sample.

Business and Economic Development

- The Milwaukee region's gross metropolitan product increased by 29 percent from 2001-2008, placing Milwaukee in the bottom third of metro areas in our sample. The region's 8 percent increase in gross metro product *per capita* during this time places Milwaukee squarely in the middle of our sample cities.
- Recent sales figures for tourism-related sectors such as food and accommodation and arts, entertainment, and recreation have been strong for both the city of Milwaukee and the Milwaukee region. From 1997-2007, sales in food and accommodation in the city of Milwaukee grew by nearly 20 percent.
- In terms of overall sales volume, Milwaukee's largest sector is manufacturing, accounting for \$9 billion in sales in the city and over \$40 billion in sales in the metropolitan area in 2007. Like most other cities in our sample, the city of Milwaukee experienced a drop in manufacturing sales from 1997 to 2007. Milwaukee's decline of 16 percent places the city roughly in the middle of our sample on this indicator.
- In contrast to the central cities in our sample, most metropolitan areas we examine experienced increases in manufacturing sales from 1997 to 2007. In several regions, including Wichita, Columbus, and Philadelphia, gains were 40 percent or higher even after adjusting for inflation. The Milwaukee region's increase of just under 3 percent is one of the smallest gains among the 12 regions in our sample that experienced growth in manufacturing sales during this time.
- The city of Milwaukee's 21 percent share of metro-area retail sales is down from 24 percent in 1997. Comparatively speaking, Milwaukee's performance is reasonably strong, placing Milwaukee near the top third of our sample cities. The city's share of the region's manufacturing employment has declined as well. However, its 22 percent share is still greater than that of most of the other cities in our sample.

Poverty

- As our previous State of the City report showed, the city of Milwaukee's poverty rate increased by 61 percent during the 1980s, the highest increase of the 14 cities in our sample population. Data from 1990, 2000, and 2008 show that poverty has become entrenched in

Milwaukee. Stabilization in the city's poverty rate during the 1990s has given way to further increases since 2000. Milwaukee's 2008 poverty rate of 24 percent is exceeded by only five cities in our sample: Newark, Cincinnati, Buffalo, Cleveland, and Detroit.

- Poverty in the Milwaukee region is largely confined to the central city. In 2000, only 11 of the 182 census tracts in which 10 percent or more of residents were living below the poverty threshold were located outside the city of Milwaukee.
- Milwaukee's child poverty rate in 2008 was a staggering 35 percent. Only Cincinnati, Buffalo, Cleveland, and Detroit had higher child poverty rates than Milwaukee that year. The Milwaukee metro area did not fare any better, comparatively speaking. The region's child poverty rate of 18 percent was higher than all the metro areas in our sample except Buffalo, Detroit, Toledo, and Cleveland.
- When we break down poverty by race, we find once again that trends dating back to the 1980s documented in our previous State of the City report have not been reversed. Our previous report documented a dramatic rise in the city of Milwaukee's African-American poverty rate during the 1980s, from 29.5 percent in 1980 to 41.2 percent in 1990. Like nearly all cities in our sample, Milwaukee's black poverty rate declined during the 1990s. However, by 2008, Milwaukee still had a black poverty rate exceeded by only four cities: Buffalo, Cincinnati, Toledo, and Minneapolis.

Transportation

- The Milwaukee region experiences fewer traffic delays than many other metropolitan areas. In 2007, Milwaukee-area commuters were delayed an average of 18 hours during peak travel periods. Milwaukee is among the top 6 or 7 performers on this indicator of congestion for the years 1990, 2000, and 2007.
- Milwaukee-area commutes are, on average, shorter than they are in many other metropolitan areas. In 2008, only 29 percent of Milwaukee-area commuters spent more than 30 minutes traveling to work. Only four other metropolitan areas in our sample had shorter average commute times.
- Only 7 percent of commuters in the Milwaukee region cycle, walk, or use public transportation to get to work. By contrast, 17 percent of Boston and Chicago commuters use alternatives to driving.

Education

- The percentage of college educated residents in the city of Milwaukee rose from 1990 to 2008 but is still far below cities like Minneapolis and Boston, where more than 40 percent of residents were college educated in 2008. Only four cities—Toledo, Cleveland, Newark, and Detroit—had lower percentages of college educated residents than Milwaukee in 2008. The Milwaukee metro area fares somewhat better on this indicator, both absolutely and comparatively speaking, but is still well below the top performers.

- For the years 1990, 2000, and 2008, the Milwaukee region had the lowest percentage of college educated blacks of all 19 metro areas in our sample. The city of Milwaukee's performance was nearly as poor.
- The disparity between college-educated blacks and college-educated whites in the Milwaukee region is especially pronounced. For the years 1990, 2000, and 2008, the Milwaukee metro area had the highest disparity between black and white residents of all 19 metro areas in our sample. The city of Milwaukee does somewhat better, comparatively speaking, but still falls in the bottom half of our sample for each year examined.

Introduction

In 1998, the UWM Center for Economic Development published a comprehensive study of the Milwaukee region's economic performance. The study, titled *The Economic State of Milwaukee: The City and the Region*, compiled data on a broad set of indicators of economic well-being for Milwaukee and 13 other "Frostbelt" metropolitan areas.¹ The analysis was both historical and comparative, including data as far back as the 1950s for the 14 cities and metropolitan areas examined. A key contribution of the study was to document the impacts of deindustrialization, white flight from the city to the suburbs, and segregation on Milwaukee during this period. The result of these economic and demographic changes was a dramatic deterioration, both absolutely and in comparison to other cities, in the city of Milwaukee's economic well-being as measured by numerous indicators in the study. Suburban Milwaukee fared considerably better on many of our indicators, resulting in a sizeable gap between city and suburban economic performance.

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In certain respects, the approach taken by this study is similar to that of our previous State of the City report. Like the earlier study, the analysis here is both historical and comparative. For most of the indicators of economic performance we examine, data are presented for three separate years—1990, 2000, and 2008—allowing us to observe trends. We also provide data for a broad sample of Northeast and Midwest cities to see how Milwaukee's performance compares with that of similar cities. Finally, like our previous study, we present data wherever possible for both cities and metropolitan areas.

In other respects, there are differences between this report and our previous study. First, our previous study was more comprehensive, providing data on more than 350 indicators of city and metropolitan area economic performance. Resources were insufficient to duplicate that effort this time around. As such, the present study focuses on a smaller set of carefully chosen measures that represent valid indicators of the phenomena we set out to observe but are fewer in number than before. Second, our previous study encompassed a longer time span than the current study does. Our focus here on the relatively short period from 1990-2008 makes it difficult to identify trends with the same degree of confidence we could in our previous study.

Finally, this report differs from our previous study because it includes a larger sample of cities and metropolitan areas. Several regions that were not part of our previous study—including Kansas City, Newark, Omaha, Toledo, and Wichita—appear similar enough to Milwaukee to be useful comparative cases for the present study. We ultimately selected the 19 most populated

¹ The 14 cities were Baltimore, Boston, Buffalo, Chicago, Cincinnati, Cleveland, Columbus, Detroit, Indianapolis, Milwaukee, Minneapolis, Philadelphia, Pittsburgh, and St. Louis.

metro areas in the Northeast and Midwest, with the exception of New York City and Washington, DC, which were omitted due to their unusual economic characteristics. In addition to those regions just named, our sample consists of Baltimore, Boston, Buffalo, Chicago, Cincinnati, Cleveland, Columbus, Detroit, Indianapolis, Milwaukee, Minneapolis, Philadelphia, Pittsburgh, and St. Louis.

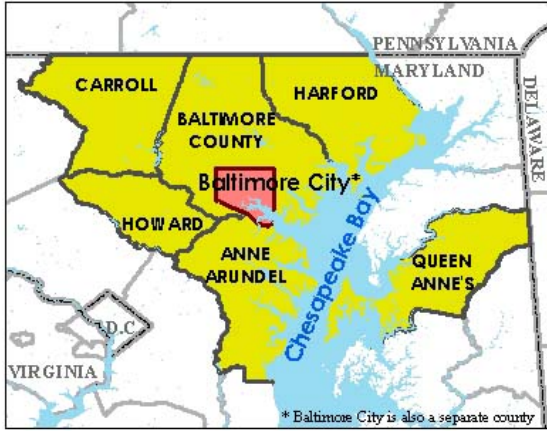


Data for this report come largely from the U.S. Census Bureau's 1990 and 2000 decennial censuses and the 2006-2008 three-year American Community Survey (ACS). The ACS was created as a replacement for the decennial census "long form." Because it uses a significantly smaller sample size than the long form, ACS data may in some cases be less reliable than decennial census data. However, this is a greater problem for small geographic areas than the large cities and metropolitan areas that are the focus of this report. The Census Bureau endorses comparisons between decennial census data and 3-year ACS estimates.

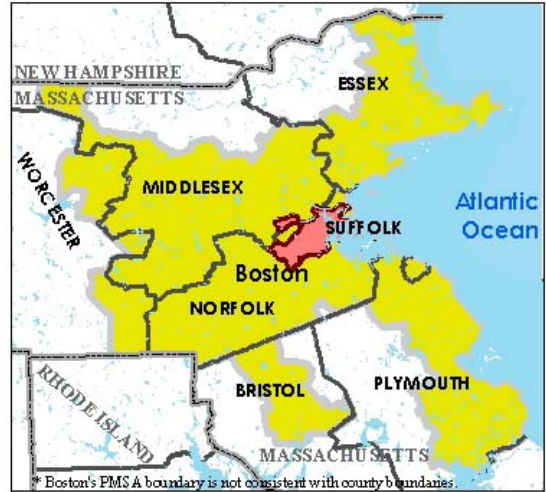
Another Census Bureau change that is relevant to this report has to do with the way in which metropolitan area boundaries are determined. Since 2000, the Census Bureau has replaced Primary Metropolitan Statistical Areas (PMSAs) with Metro Divisions, the boundaries of which do not always correspond precisely with PMSAs. To determine the boundaries of the 19 metropolitan areas in this report, we use PMSAs or Metropolitan Statistical Areas (MSAs) for the years 1990 and 2000. For 2008, we use either Metro Divisions or MSAs—whichever area best approximates the PMSA or MSA from 2000. The boundaries of most metro areas in this study experienced at least minor changes during the period we examine from 1990-2008. However, the Milwaukee metro area has remained constant, consisting of Milwaukee, Waukesha, Ozaukee, and Washington counties for the entire period examined. Maps of the 19 cities and metro areas included in the study appear on the following 3 pages.

Data for each indicator of economic performance we examine are generally presented in the form of a table which, in most cases, includes all 19 cities and metropolitan areas in our sample. Where appropriate, we rank cities and metro areas on individual indicators, with the best performer ranked number 1 and the worst performer ranked 19. For example, the city with the highest rate of income growth during a particular year would be ranked first, while the city with

Baltimore Metro Area



Boston Metro Area



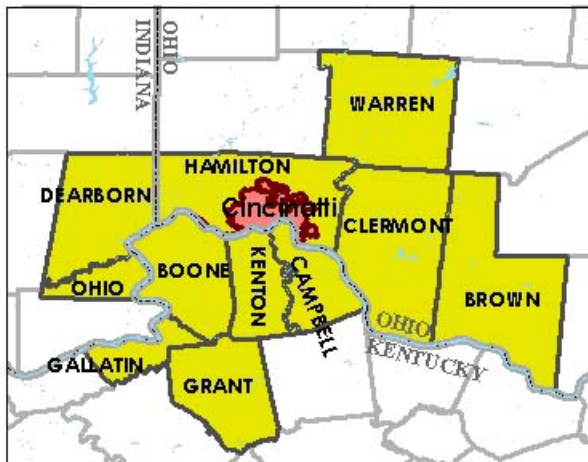
Buffalo Metro Area



Chicago Metro Area



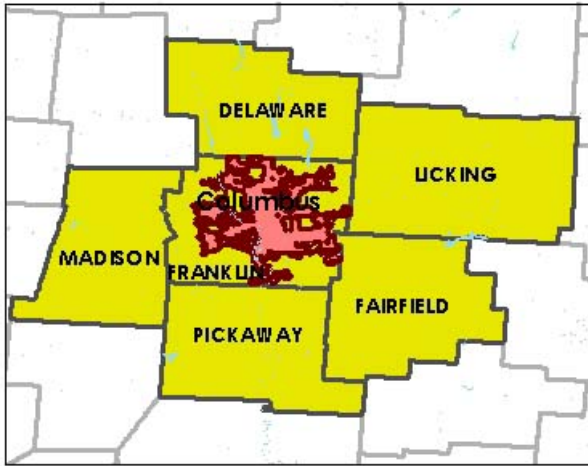
Cincinnati Metro Area



Cleveland Metro Area



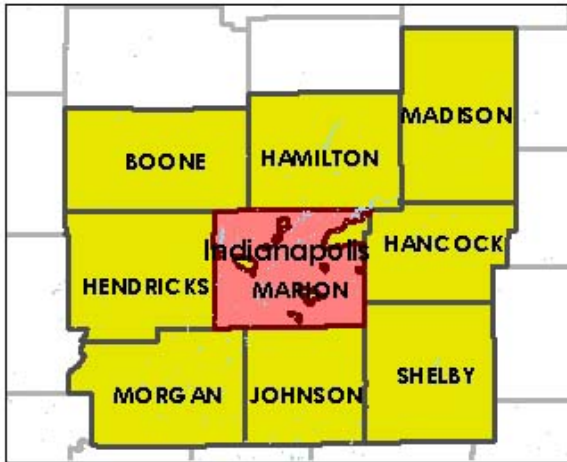
Columbus Metro Area



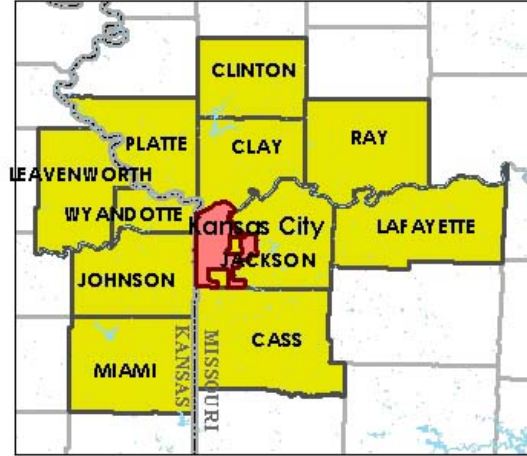
Detroit Metro Area



Indianapolis Metro Area



Kansas City Metro Area



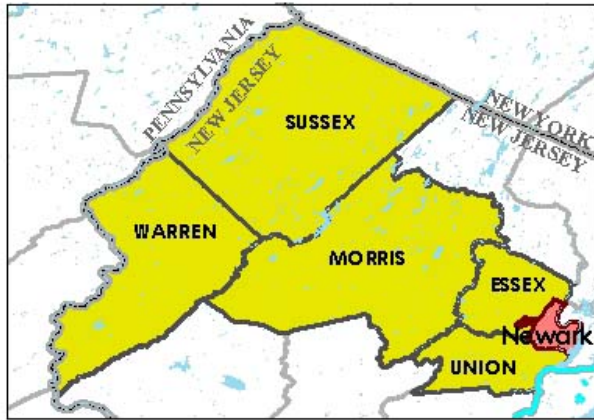
Milwaukee Metro Area



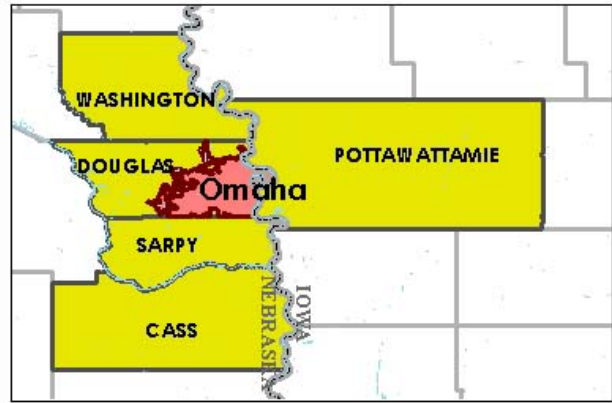
Minneapolis Metro Area



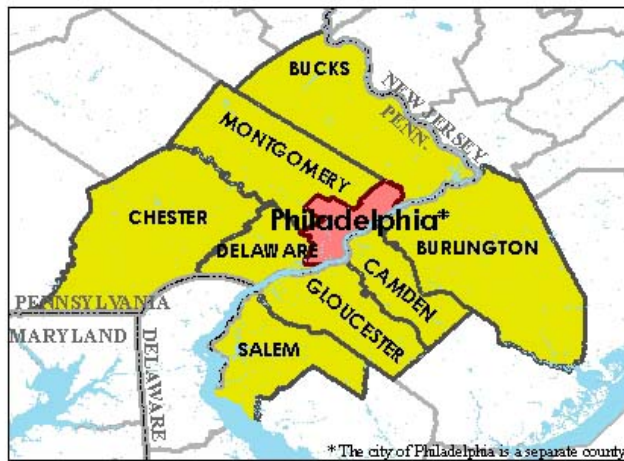
Newark Metro Area



Omaha Metro Area



Philadelphia Metro Area



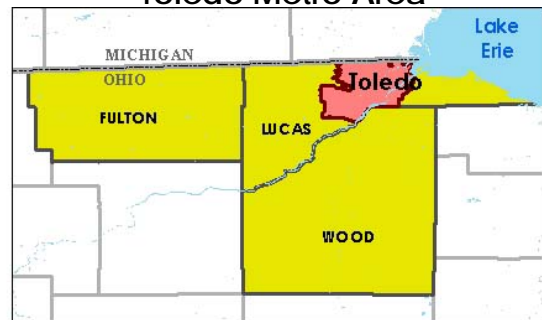
Pittsburgh Metro Area



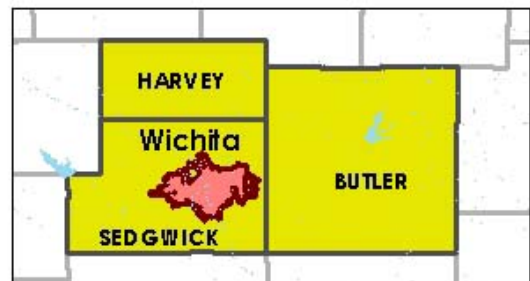
St. Louis Metro Area



Toledo Metro Area



Wichita Metro Area



the highest unemployment or jobless rate would be ranked last. For some indicators, such as race and ethnicity, there are no “best” or “worst” performers, and the order in which cities appear does not imply a value judgment.

Finally, a note on terminology. We make references from time to time in this report to the “central city,” a term that is often confused with the inner city. In this report, the central city does *not* mean the inner city. Instead, the central city refers to the major city in a given metropolitan area. In the Milwaukee metro area, the city of Milwaukee is the central city.

I. Population

Like other Northeast and Midwest cities, Milwaukee experienced a population decline between the years 1960 and 1990 driven in large part by the movement of many white city residents to suburban areas. For some cities, however, the 1990s represented a turning point. As Table 1.1 indicates, cities such as Chicago, Boston, and Minneapolis gained population during the 1990s and subsequent years. To a large extent, these population gains have been the result of downtown revitalization efforts and the gentrification of certain city neighborhoods, making central city locations attractive once again to residents who might have otherwise chosen suburban areas.

Table 1.1: Total Population and Population Change

		Cities			
	City	1990	2000	2008	% Change (1990-2008)
1	Omaha	335,795	390,007	438,646	30.6
2	Wichita	304,011	344,284	366,046	20.4
3	Columbus	632,910	711,470	754,885	19.3
4	Indianapolis	731,327	781,870	798,382	9.2
5	Boston	574,283	589,141	609,023	6.0
6	Minneapolis	368,383	382,618	382,605	3.9
7	Kansas City	435,146	441,545	451,572	3.8
8	Chicago	2,783,726	2,896,016	2,853,114	2.5
9	Newark	275,221	273,546	278,980	1.4
10	Milwaukee	628,088	596,974	604,477	-3.8
11	Cincinnati	364,040	331,285	333,336	-8.4
12	Philadelphia	1,585,577	1,517,550	1,447,395	-8.7
13	St. Louis	396,685	348,189	354,361	-10.7
14	Detroit	1,027,974	951,270	912,062	-11.3
15	Toledo	332,943	313,619	293,201	-11.9
16	Baltimore	736,014	651,154	636,919	-13.5
17	Cleveland	505,616	478,403	433,748	-14.2
18	Pittsburgh	369,879	334,563	310,037	-16.2
19	Buffalo	328,123	292,648	270,919	-17.4
	Milwaukee Rank	7	7	7	10

Data Source: U.S. Census 1990 & 2000, U.S. Census 2008 Population Estimates

As Table 1.1 shows, Milwaukee's population declined during the 1990s, but U.S. Census estimates for 2008 show a slight increase in population from 2000 to 2008. It should be emphasized that the 2008 figure is an estimate, and that more conclusive data will have to await the 2010 census. However, the most recent census figures for Milwaukee are cause for optimism that Milwaukee may be joining other Midwest and Northeast cities in reversing decades of population loss.

Overall, Milwaukee's population decline of 3.8 percent from 1990-2007 puts Milwaukee roughly in the middle of our sample of 19 cities. Of the 10 cities that lost population during this time, Milwaukee's loss was the smallest in percentage terms.

Several developments are noteworthy in examining changes in Milwaukee's population during this period. Map 1 shows population changes by census tract from 1990 to 2000, the only two years for which census tract-level data are available. The greatest population gains are in the downtown area, the far Northwest Side, and the near Southwest Side. The largest losses are along the I-43 corridor on the North Side where Milwaukee's high poverty neighborhoods have historically been concentrated. This pattern is consistent with previous research by the UWM Center for Economic Development showing a migration of low-income residents from the I-43 corridor to the far Northwest Side, where both poverty rates and population increased significantly during the 1990s.² Population increases in the downtown area, by contrast, are largely the result of gentrification.

Also noteworthy is the fact that Milwaukee became a majority-minority city during the 1990s, and the percentage of white city residents experienced further declines from 2000-2008. As Table 1.2 indicates, Milwaukee's white population fell from 60.8 percent of the city's total population in 1990 to 40.4 percent in 2008. No other city in our sample experienced this great a percentage decline in its white population during this time period.

Table 1.2: Percent White

(non-Hispanic)

Cities				
City	1990	2000	2008	
1 Omaha	82.3	75.4	71.1	
2 Wichita	80.3	71.7	68.6	
3 Pittsburgh	71.6	66.9	65.9	
4 Toledo	75.1	67.8	65.0	
5 Minneapolis	77.5	62.5	64.2	
6 Indianapolis	75.2	67.5	63.3	
7 Columbus	73.8	66.9	62.7	
8 Kansas City	65.0	57.6	57.6	
9 Boston	59.0	49.5	50.6	
10 Cincinnati	60.2	52.5	50.0	
11 Buffalo	63.1	51.8	48.6	
12 St. Louis	50.2	42.9	44.4	
13 Milwaukee	60.8	45.4	40.4	
14 Philadelphia	52.1	42.5	39.0	
15 Cleveland	47.8	38.8	35.5	
16 Chicago	37.9	31.3	31.5	
17 Baltimore	38.6	31.0	30.6	
18 Newark	16.5	14.2	12.8	
19 Detroit	20.7	10.5	8.3	
Milwaukee Rank	10	12	13	

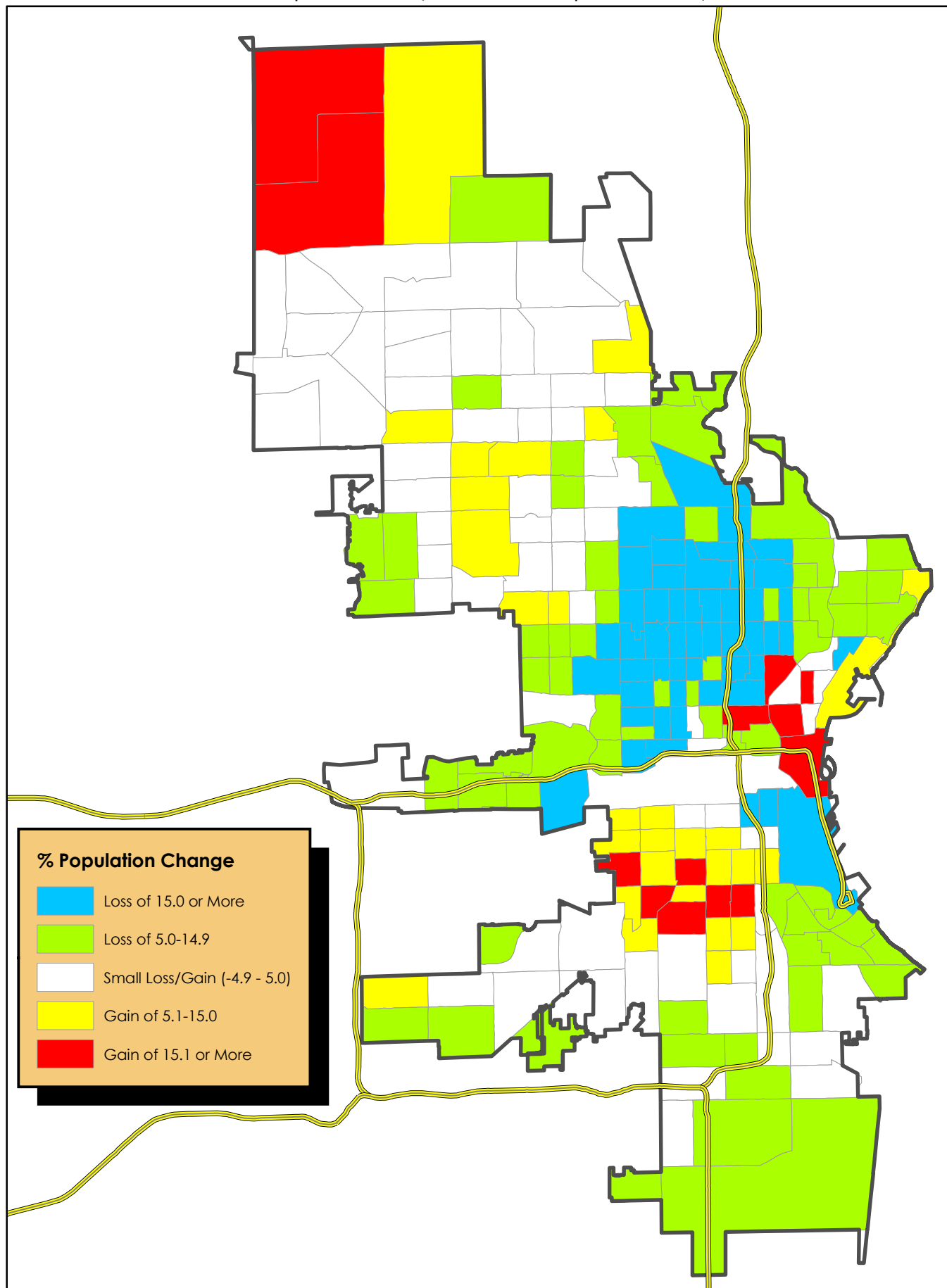
Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

To a large extent, the decline in the percentage of white city residents was the result of increases in the city's African American and Latino populations. The increase in the Latino

² See Marc V. Levine, *The Economic State of Milwaukee's Inner City: 1970-2000* (UWM Center for Economic Development, 2002).

Map 1: City of Milwaukee Population Change Between 1990 and 2000 (by Census Tract)

1990 Population=628,088 2000 Population=596,974



population was especially pronounced during this period. As Table 1.3 indicates, the percentage of Latino residents rose from 6.3 to 15.7 from 1990-2008, placing Milwaukee in the top third of our sample with respect to percentage of Latino residents. The city's Latino population more than doubled during this time, increasing from 39,409 in 1990 to an estimated 91,257 in 2008 (see Table 1.5). Milwaukee's black population also grew during this period, rising from 30.2 percent of city residents in 1990 to 38 percent in 2008, as Table 1.4 shows.

Table 1.3: Percent Latino

Cities		1990	2000	2008
City				
1	Newark	26.1	29.5	31.9
2	Chicago	19.6	26.0	27.8
3	Boston	10.8	14.4	16.1
4	Milwaukee	6.3	12.0	15.7
5	Wichita	5.0	9.6	12.2
6	Omaha	3.1	7.5	11.4
7	Philadelphia	5.6	8.5	11.0
8	Minneapolis	2.1	7.6	9.2
9	Kansas City	3.9	6.9	9.2
10	Cleveland	4.6	7.3	9.0
11	Buffalo	4.9	7.5	8.7
12	Indianapolis	1.1	3.9	7.0
13	Detroit	2.8	5.0	6.4
14	Toledo	4.0	5.5	6.4
15	Columbus	1.1	2.5	4.5
16	St. Louis	1.3	2.0	2.8
17	Baltimore	1.0	1.7	2.6
18	Cincinnati	0.7	1.3	1.9
19	Pittsburgh	0.9	1.3	1.8
Milwaukee Rank		4	4	4

Table 1.4: Percent African-American

Cities		1990	2000	2008
City				
1	Detroit	75.3	81.2	82.7
2	Baltimore	58.9	64.0	63.1
3	Cleveland	46.3	50.5	52.2
4	Newark	55.8	51.9	51.3
5	St. Louis	47.3	51.0	48.4
6	Cincinnati	37.8	42.7	44.2
7	Philadelphia	39.3	42.6	42.7
8	Buffalo	30.2	36.6	38.5
9	Milwaukee	30.2	36.9	38.0
10	Chicago	38.6	36.4	34.3
11	Kansas City	29.4	31.0	28.5
12	Pittsburgh	25.6	27.0	26.4
13	Columbus	22.4	24.3	26.2
14	Indianapolis	22.5	25.4	25.8
15	Toledo	19.5	23.3	25.3
16	Boston	23.8	23.8	21.7
17	Minneapolis	12.8	17.8	17.3
18	Omaha	13.0	13.2	12.7
19	Wichita	11.1	11.3	10.7
Milwaukee Rank		10	8	9

Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

Table 1.5: Milwaukee Latino Population by Origin

City of Milwaukee						
Origin	1990/#	1990/%	2000/#	2000/%	2008/#	2008/%
Total Latino Population	39,409	100.0	71,646	100.0	91,257	100.0
Mexico	20,988	53.3	43,300	60.4	61,728	67.6
Puerto Rico	14,028	35.6	19,613	27.4	21,747	23.8
All Other	4,393	11.1	8,733	12.2	8,183	8.6

Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

Metropolitan Areas

In addition to collecting population data for the 19 cities in our sample, we also gathered data for each metropolitan area. Several trends are noteworthy in examining data at the metropolitan area level. First, while central cities located in the Northeast and Midwest generally lost population during the post-World War II era and subsequent years, most metropolitan areas gained residents during this time as a result of suburbanization. This trend has continued in recent years. As Table 1.6 shows, all metropolitan areas in our sample gained population from

Table 1.6: Total Population and Population Change

Metropolitan Areas				
Metro Area	1990	2000	2008	% Change (1990-2008)
1 Boston	2,870,669	3,406,829	4,494,144	56.6
2 Cincinnati	1,452,645	1,646,395	2,138,528	47.2
3 Indianapolis	1,249,822	1,607,486	1,692,148	35.4
4 Omaha	618,262	716,998	828,221	34.0
5 Chicago	6,069,974	8,272,768	7,934,580	30.7
6 Minneapolis	2,464,124	2,968,806	3,197,225	29.8
7 Columbus	1,377,419	1,540,157	1,752,870	27.3
8 Kansas City	1,566,280	1,776,062	1,980,619	26.5
9 Wichita	485,270	545,220	595,686	22.8
10 Philadelphia	4,856,881	5,100,931	5,822,368	19.9
11 Buffalo	968,532	1,170,111	1,127,604	16.4
12 Newark	1,824,321	2,032,989	2,120,058	16.2
13 St. Louis	2,444,099	2,603,607	2,803,854	14.7
14 Pittsburgh	2,056,705	2,358,695	2,355,367	14.5
15 Cleveland	1,831,122	2,250,871	2,095,675	14.4
16 Baltimore	2,382,172	2,552,994	2,662,980	11.8
17 Milwaukee	1,432,149	1,500,741	1,543,802	7.8
18 Toledo	614,128	618,203	650,540	5.9
19 Detroit	4,382,299	4,441,551	4,456,416	1.7
Milwaukee Rank	13	15	15	17

Data Source: U.S. Census 1990 & 2000, ACS 2008

1990-2008, including the Milwaukee metro area. However, Milwaukee's increase of 7.8 percent places our region near the bottom of our sample in population gain. Only two metropolitan areas—Toledo and Detroit—had population increases smaller than Milwaukee's during this time period. This continues a trend dating back to the 1960s in which the Milwaukee region has ranked in the bottom half of Frostbelt metropolitan areas in the rate of population growth.³

On a more positive note, the Milwaukee metro area continues to have a greater percentage of residents located in the central city than many other large metropolitan areas in the Northeast and Midwest. With 41 percent of metro area residents located in the central city in 2008, Milwaukee ranks in the top third of our sample on this indicator, a useful measure of sprawl and fragmentation (see Table 1.7).

³ See Center for Economic Development, *The Economic State of Milwaukee: The City and the Region, 1998*, p. 8.

Table 1.7: Percent of Metro Area Residents Living in Central City

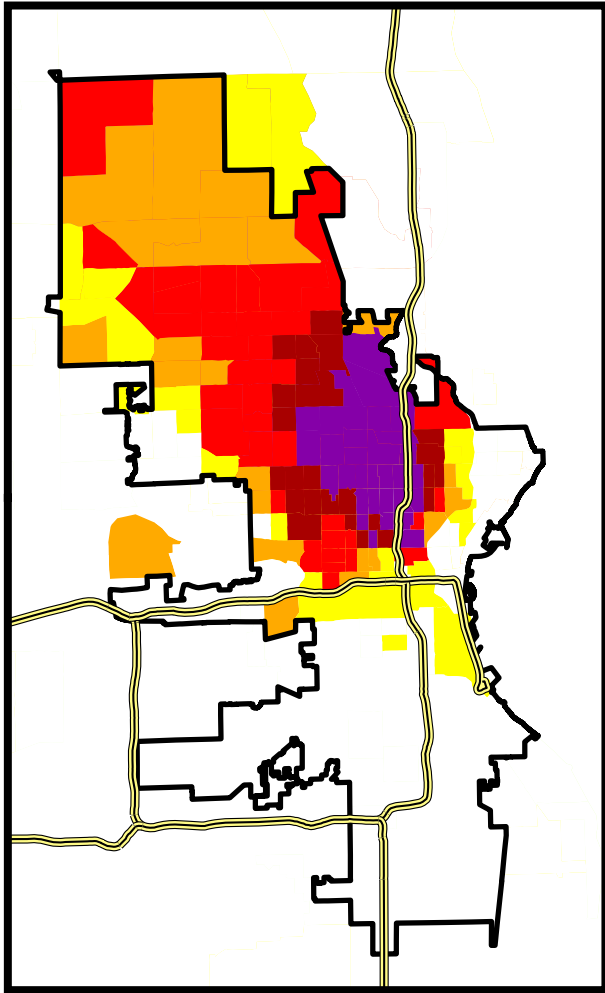
	City	City/Metro Ratio-1990	City/Metro Ratio-2000	City/Metro Ratio-2008
1	Toledo	54.2	50.7	51.2
2	Wichita	62.6	63.1	51.0
3	Indianapolis	58.5	48.6	43.2
4	Milwaukee	43.9	39.8	40.7
5	Omaha	54.3	54.4	40.5
6	Columbus	45.9	46.2	36.1
7	Chicago	45.9	35.0	35.1
8	Buffalo	33.9	25.0	29.1
9	Baltimore	30.9	25.5	27.6
10	Philadelphia	32.6	29.8	27.2
11	Cleveland	27.6	21.3	24.1
12	Detroit	23.5	21.4	23.1
13	Kansas City	27.8	24.9	22.0
14	Cincinnati	25.1	20.1	17.0
15	Pittsburgh	18.0	14.2	15.7
16	St. Louis	16.2	13.4	14.1
17	Newark	15.1	13.5	13.0
18	Boston	20.0	17.3	12.8
19	Minneapolis	14.9	12.9	11.5
Milwaukee Rank		7	6	4

Data Source: U.S. Census 1990 & 2000, ACS 2008, U.S. Census 2008 Population Estimates

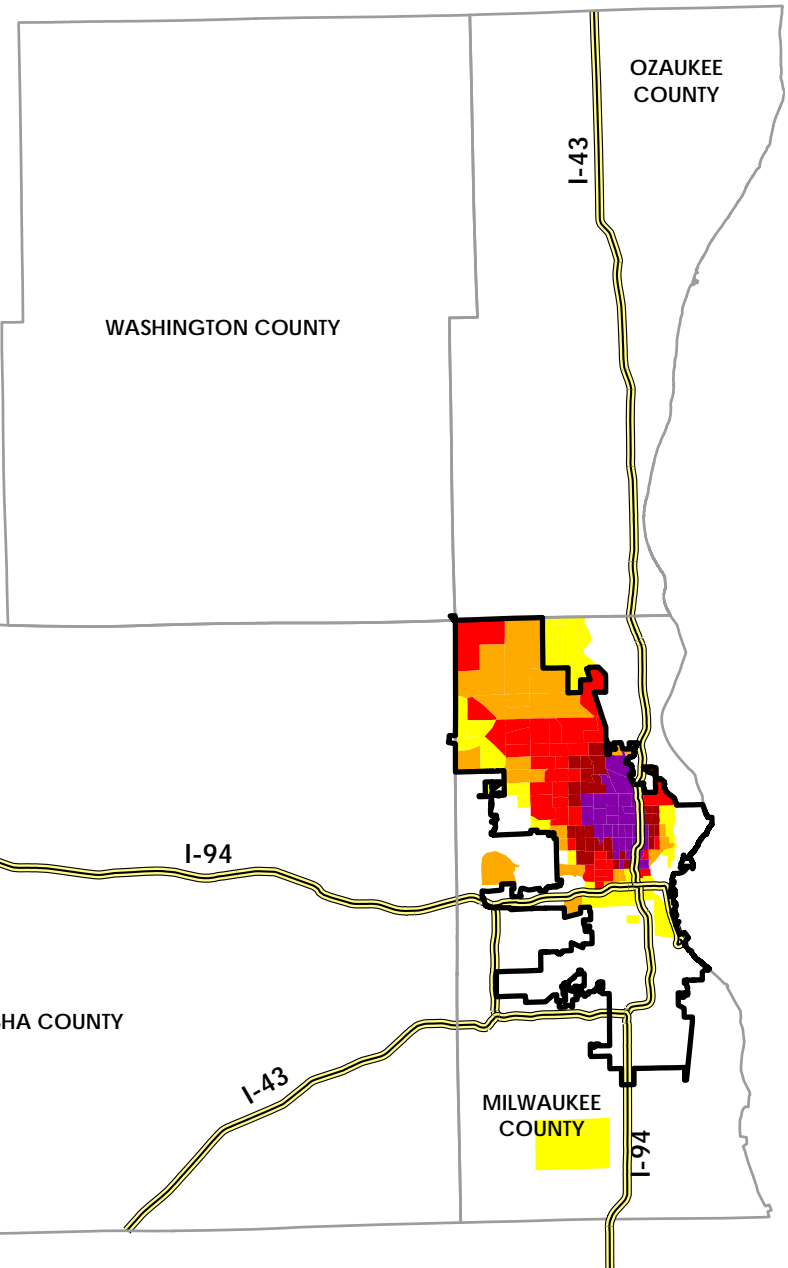
A look at regional demographics offers a more troublesome picture. The Milwaukee region remains one of the most segregated metropolitan areas in the country, with 95 percent of the region's African Americans living in the central city in the year 2000 (see Table 1.8). Map 2 shows the location of the region's black population by census tract for the year 2000. Of the 415 census tracts in the 4-county Milwaukee metro area, only four located outside the city of Milwaukee had black populations of 10 percent or greater. None of the 19 metropolitan areas in our sample had a lower percentage of blacks living in suburban areas that year. While 2008 population figures show some improvement on this indicator, it should again be emphasized that the 2008 figure is an estimate which may change when more definitive numbers are released as part of the 2010 decennial census.

**MAP 2: % AFRICAN-AMERICAN
BY CENSUS TRACT (2000)**

**MILWAUKEE 4-COUNTY
METROPOLITAN AREA**



CITY OF MILWAUKEE



LEGEND
(% African-American)

	0.0 - 9.9
	10.0 - 24.9
	25.0 - 49.9
	50.0 - 74.9
	75.0 - 89.9
	90.0 - 100.0
	Interstates
	City boundary

Table 1.8: Percent of Metro African-American Population Living in the Central City

	City	1990	2000	2008
1	Newark	37.7	32.2	30.6
2	Minneapolis	53.6	43.7	30.7
3	St. Louis	44.5	37.4	34.3
4	Pittsburgh	56.6	47.7	41.9
5	Boston	70.1	63.0	47.3
6	Cleveland	66.2	58.5	51.5
7	Cincinnati	72.6	66.6	52.8
8	Philadelphia	68.3	64.1	53.6
9	Baltimore	70.9	60.0	53.7
10	Kansas City	64.4	61.0	54.2
11	Chicago	81.6	68.4	63.3
12	Detroit	82.5	76.3	66.5
13	Buffalo	91.7	79.5	75.2
14	Columbus	86.8	84.5	79.7
15	Omaha	85.7	87.4	82.0
16	Indianapolis	96.1	89.1	86.1
17	Milwaukee	97.0	94.9	90.8
18	Toledo	94.2	93.7	91.0
19	Wichita	92.8	92.1	92.9
	Milwaukee Rank	19	19	17

Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

II. Employment and Income

This section of the report examines trends in employment and income for cities and metropolitan areas. We begin with an overview of employment trends for the city of Milwaukee and the Milwaukee region. Table 2.1 shows employment by sector for the city of Milwaukee and the Milwaukee metro area for the years 1997, 2002, and 2007.⁴ Several developments are noteworthy. First, the sectors with the largest number of jobs for both the city and the region are health care and social assistance and manufacturing, with combined employment of nearly 250,000 in 2007. However, manufacturing jobs declined sharply from 1997 to 2007 in both the city and the metro area, while jobs in health care and social assistance grew modestly during the years for which data are available (2002 and 2007). Several other sectors added jobs in both the city and the region, including professional, scientific, and technical services; educational services; arts, entertainment, and recreation; and accommodation and food services. These data reflect Milwaukee's ongoing transition from a manufacturing to a services-based economy, a trend that is especially pronounced in the city of Milwaukee.

Table 2.1: Milwaukee Employment by Sector

Sector	City of Milwaukee			Milwaukee Metro Area		
	1997	2002	2007	1997	2002	2007
Manufacturing	46,467	34,957	28,510	165,143	138,997	130,675
Wholesale trade	14,029	13,869	9,788	43,101	43,581	46,102
Retail trade	22,655	19,506	18,937	86,453	83,547	86,028
Information	NA	12,050	9,618	NA	24,711	21,142
Professional, scientific, and technical services	14,871	15,946	17,658	32,645	NA	40,949
Administrative and Support and Waste Management and Remediation Services	22,029	17,500	22,156	61,619	46,945	58,759
Educational services	NA	951	1,083	NA	2,512	3,333
Health care and social assistance	NA	49,030	49,423	NA	112,207	118,780
Arts, entertainment, and recreation	NA	5,389	6,945	NA	11,482	15,065
Accommodation and food services	17,852	19,233	20,453	49,984	52,862	59,644
Other services (except public administration)	5,080	7,563	6,923	17,291	24,406	21,389

Data Source: U.S. Economic Census, 1997-2007

Note: 1997 data are not included for the sectors: Educational services; Health care and social assistance; Arts, entertainment, and recreation, because data for non-taxable establishments are not reported.

How does Milwaukee's employment picture compare with other cities? To answer this question, we examine employment trends in a number of key sectors for our 19 sample cities and metro areas, beginning with manufacturing. Table 2.2 shows manufacturing jobs for the years 1997, 2002, and 2007. As this table indicates, Milwaukee's problems in stemming the loss of manufacturing jobs are not unique. All cities in our sample experienced a sizeable drop in manufacturing employment from 1997-2007. Milwaukee's decline of 39 percent is about average

⁴ We rely on data from the U.S. Economic Census for this section of the report, which provides data for 1997, 2002, and 2007. Data for 2008 are not currently available from the Economic Census.

for the cities in our sample. On the other hand, Milwaukee's total of nearly 29,000 manufacturing jobs in 2007 ranks fourth highest among our sample cities. Despite the large drop in manufacturing employment since 1997, the city of Milwaukee still employs more workers in manufacturing than many other cities. The same holds for the Milwaukee metro area. However, the region's 21 percent drop in manufacturing employment from 1997-2007 was greater than many of the other metropolitan areas in our sample. While the Milwaukee region employs more industrial workers than many other regions, sharp declines in manufacturing employment in recent years raise significant questions about how long this trend is likely to continue.

Table 2.2: Manufacturing: Jobs

Cities					Metro Areas				
City	1997	2002	2007	% Chg 97-07	Metro Area	1997	2002	2007	% Chg 97-07
1 Omaha	24,767	21,187	20,354	-17.8%	1 Cincinnati	119,533	125,193	125,573	5.1%
2 Columbus	32,243	32,468	24,027	-25.5%	2 Omaha	34,735	33,934	33,757	-2.8%
3 Kansas City	27,888	21,567	19,070	-31.6%	3 Boston	207,661	232,033	195,861	-5.7%
4 Philadelphia	47,928	42,922	32,672	-31.8%	4 Wichita	66,234	63,292	60,130	-9.2%
5 Cincinnati	28,917	20,014	18,795	-35.0%	5 Columbus	77,263	81,187	69,841	-9.6%
6 Newark	14,960	11,796	9,590	-35.9%	6 Toledo	55,581	56,974	49,565	-10.8%
7 Wichita	52,170	34,999	33,140	-36.5%	7 Philadelphia	251,908	252,316	224,483	-10.9%
8 St. Louis	33,836	25,531	21,432	-36.7%	8 Kansas City	95,231	86,631	82,421	-13.5%
9 Buffalo	20,307	17,158	12,848	-36.7%	9 Minneapolis	234,192	209,774	200,650	-14.3%
10 Toledo	25,446	22,933	15,647	-38.5%	10 Pittsburgh	120,793	107,837	101,747	-15.8%
11 Milwaukee	46,467	34,957	28,510	-38.6%	11 Indianapolis	106,283	92,678	88,795	-16.5%
12 Minneapolis	25,906	19,629	15,783	-39.1%	12 Newark	110,238	98,010	87,290	-20.8%
13 Cleveland	44,400	29,898	26,961	-39.3%	13 Milwaukee	165,143	138,997	130,675	-20.9%
14 Pittsburgh	13,924	13,416	8,408	-39.6%	14 St. Louis	170,766	149,877	132,161	-22.6%
15 Chicago	130,372	97,603	73,447	-43.7%	15 Buffalo	81,398	70,972	58,267	-28.4%
16 Baltimore	30,216	21,042	16,253	-46.2%	16 Cleveland	199,862	163,624	141,166	-29.4%
17 Boston	18,944	15,955	9,922	-47.6%	17 Detroit	347,293	307,667	234,520	-32.5%
18 Detroit	47,487	38,019	22,962	-51.6%	18 Chicago	594,764	443,505	386,223	-35.1%
19 Indianapolis	59,135	54,226	NA	NA	19 Baltimore	NA	82,438	70,099	NA
Milwaukee Rank	6	6	4	11	Milwaukee Rank	8	8	8	13

Data Source: U.S. Economic Census, 1997-2007

In addition to jobs in manufacturing, we also provide data on employee earnings in the manufacturing sector. Table 2.3 shows payroll per employee in manufacturing for our sample cities and metro areas. Payroll per employee is calculated by dividing the total payroll in the manufacturing sector by the number of workers in this sector. It represents the average earnings for workers in manufacturing. Here the picture is somewhat brighter. Manufacturing payroll per employee rose by 8 percent from 1997 to 2007 in both the city and the metro area, a pace that outranks the vast majority of other cities and metro areas in our sample. In the city of Milwaukee, payroll per employee was higher in 2007 than only four other cities in our sample. Thus, while Milwaukee is losing manufacturing jobs at a rapid pace, the jobs that remain here pay better, on average, than manufacturing jobs in many other cities.

**Table 2.3: Manufacturing: Payroll per Employee
(adjusted to 2007 \$)**

Cities					Metro Areas				
City	1997	2002	2007	% Chg 97-07	Metro Area	1997	2002	2007	% Chg 97-07
1 Boston	45,789	51,763	58,527	27.8%	1 Newark	50,868	48,980	57,863	13.8%
2 Milwaukee	45,691	45,499	49,327	8.0%	2 Philadelphia	48,631	50,432	53,539	10.1%
3 Minneapolis	47,427	46,961	49,295	3.9%	3 Kansas City	45,151	49,021	49,644	10.0%
4 Baltimore	43,021	47,090	44,701	3.9%	4 Milwaukee	46,611	47,219	50,434	8.2%
5 Toledo	55,895	63,100	58,074	3.9%	5 Minneapolis	48,326	50,083	51,931	7.5%
6 Detroit	62,903	62,268	64,729	2.9%	6 Boston	54,280	54,401	57,220	5.4%
7 Chicago	41,404	41,353	42,385	2.4%	7 St. Louis	49,857	53,774	52,332	5.0%
8 Cincinnati	45,649	45,865	46,687	2.3%	8 Columbus	45,862	47,537	47,915	4.5%
9 Kansas City	46,252	48,160	47,074	1.8%	9 Pittsburgh	46,579	45,771	47,272	1.5%
10 Newark	42,480	43,736	43,084	1.4%	10 Toledo	50,995	52,781	51,608	1.2%
11 Buffalo	47,610	47,865	47,819	0.4%	11 Wichita	52,981	52,552	53,426	0.8%
12 Philadelphia	42,652	43,484	42,749	0.2%	12 Cincinnati	49,050	49,048	49,132	0.2%
13 Pittsburgh	43,751	46,474	43,145	-1.4%	13 Cleveland	48,760	47,354	48,713	-0.1%
14 St. Louis	47,481	47,485	46,576	-1.9%	14 Omaha	40,902	40,572	40,810	-0.2%
15 Omaha	41,059	40,305	40,162	-2.2%	15 Chicago	47,248	45,968	46,734	-1.1%
16 Columbus	47,008	45,972	45,885	-2.4%	16 Buffalo	51,716	50,090	50,998	-1.4%
17 Cleveland	48,364	45,924	47,147	-2.5%	17 Detroit	58,015	56,138	56,176	-3.2%
18 Wichita	53,453	48,599	49,950	-6.6%	18 Indianapolis	52,337	52,469	49,636	-5.2%
19 Indianapolis	55,172	56,505	NA	NA	19 Baltimore	NA	51,618	53,325	NA
Milwaukee Rank	12	15	5	2	Milwaukee Rank	15	16	11	4

Data Source: U.S. Economic Census, 1997-2007

We next examine the employment picture for health care and social assistance. As indicated above, this is by far Milwaukee's largest employment sector, with nearly 50,000 jobs in 2007. Table 2.4 shows jobs in health care and social assistance for our 19 sample cities and metro areas for the years 2002 and 2007. This sector has experienced some job growth in almost all of the cities and regions in our sample. In many cases, growth has been sizeable even during the short time frame of 2002 to 2007. Job growth in Milwaukee has been somewhat more modest than it has been in many of the other cities and metro areas we examine.

How well do these jobs pay in the Milwaukee area in comparison to other regions? Table 2.5 provides figures on payroll per employee in the health care and social assistance sector for our sample cities and metro areas. Unlike manufacturing, the city of Milwaukee does not fare as well as many other cities on this indicator. For both 2002 and 2007, Milwaukee ranks in the bottom third of our sample, with payroll per employee figures below \$40,000, well below top performers like Minneapolis and Boston. The region as a whole fares slightly better, comparatively speaking.

Table 2.4: Health Care and Social Assistance: Jobs

Cities				Metro Areas					
City	2002	2007	% Chg 02-07	Metro Area	2002	2007	% Chg 02-07		
1	Cleveland	52,283	63,632	21.7%	1	Columbus	93,656	107,649	14.9%
2	Omaha	33,997	39,203	15.3%	2	Baltimore	151,284	173,557	14.7%
3	Buffalo	32,030	36,528	14.0%	3	Minneapolis	198,609	227,776	14.7%
4	Newark	17,470	19,141	9.6%	4	Omaha	47,084	53,429	13.5%
5	Columbus	56,739	62,035	9.3%	5	Buffalo	74,597	83,751	12.3%
6	Baltimore	59,451	64,978	9.3%	6	Philadelphia	371,117	415,348	11.9%
7	Philadelphia	122,509	131,738	7.5%	7	Kansas City	105,025	116,844	11.3%
8	Boston	105,765	113,597	7.4%	8	Cleveland	143,721	159,804	11.2%
9	Wichita	28,261	30,023	6.2%	9	Pittsburgh	168,885	184,576	9.3%
10	Pittsburgh	60,260	63,402	5.2%	10	Chicago	401,790	438,790	9.2%
11	Minneapolis	46,606	48,202	3.4%	11	Wichita	36,365	39,696	9.2%
12	Milwaukee	49,030	49,423	0.8%	12	Boston	334,577	363,736	8.7%
13	Chicago	158,868	159,828	0.6%	13	Newark	121,527	131,899	8.5%
14	Kansas City	36,818	37,015	0.5%	14	Milwaukee	112,207	118,780	5.9%
15	Toledo	26,341	25,701	-2.4%	15	St. Louis	161,179	170,320	5.7%
16	Cincinnati	50,865	49,388	-2.9%	16	Indianapolis	101,432	106,787	5.3%
17	St. Louis	38,819	34,294	-11.7%	17	Cincinnati	123,165	129,504	5.1%
18	Detroit	46,274	NA	NA	18	Toledo	48,192	48,747	1.2%
19	Indianapolis	70,387	NA	NA	19	Detroit	224,856	NA	NA
Milwaukee Rank		10	8	12	Milwaukee Rank		12	11	14

Table 2.5: Health Care and Social Assistance: Payroll per Employee (adj. to 2007 \$)

Cities				Metro Areas					
City	2002	2007	% Change 2002-2007	Metro Area	2002	2007	% Change 2002-2007		
1	Minneapolis	42,987	52,033	21.0%	1	Minneapolis	38,428	42,405	10.3%
2	Boston	50,556	56,064	10.9%	2	Boston	42,177	45,277	7.4%
3	Baltimore	41,202	45,467	10.3%	3	Toledo	35,147	37,557	6.9%
4	Philadelphia	40,885	44,700	9.3%	4	Philadelphia	39,643	42,087	6.2%
5	Toledo	37,207	40,597	9.1%	5	Baltimore	38,991	41,318	6.0%
6	Cincinnati	42,568	46,161	8.4%	6	Cleveland	38,680	40,423	4.5%
7	Cleveland	45,852	49,485	7.9%	7	Indianapolis	38,951	40,354	3.6%
8	Columbus	41,173	43,492	5.6%	8	Cincinnati	38,361	39,714	3.5%
9	Omaha	40,963	43,160	5.4%	9	Columbus	38,506	39,648	3.0%
10	Milwaukee	37,992	39,834	4.8%	10	Kansas City	39,358	40,517	2.9%
11	Newark	49,250	51,046	3.6%	11	Milwaukee	38,527	39,658	2.9%
12	Pittsburgh	43,315	44,810	3.4%	12	Wichita	35,646	36,592	2.7%
13	Wichita	37,654	38,644	2.6%	13	Omaha	38,937	39,924	2.5%
14	Buffalo	37,175	38,042	2.3%	14	Newark	43,583	44,488	2.1%
15	Kansas City	42,987	43,908	2.1%	15	Pittsburgh	36,910	37,490	1.6%
16	St. Louis	34,805	35,195	1.1%	16	St. Louis	35,789	36,174	1.1%
17	Chicago	41,169	41,596	1.0%	17	Chicago	41,774	42,063	0.7%
18	Detroit	42,493	NA	NA	18	Buffalo	33,698	33,614	-0.2%
19	Indianapolis	40,435	NA	NA	19	Detroit	40,457	NA	NA
Milwaukee Rank		15	14	10	Milwaukee Rank		11	12	11

Data Source: U.S. Economic Census, 2002-2007

Other sectors in which employment in Milwaukee has grown in recent years include accommodation and food services and arts, entertainment, and recreation. Both sectors are associated with the tourist industry. Like other cities, Milwaukee has sought to market itself as a tourist destination as part of an effort to respond to the decline of manufacturing in the city and the region. Employment trends in tourist-related sectors provide some indication of the impacts of this strategy on the local workforce. Table 2.6 provides employment figures for accommodation and food services for our 19 sample cities and metropolitan areas. As the data indicate, this sector is growing in nearly all the cities and regions in our sample. The city of Milwaukee's 15 percent increase in employment in this sector from 1997 to 2007 places Milwaukee in the middle third of our sample.

Table 2.6: Accommodation and Food Services: Jobs

Cities					Metro Areas				
City	1997	2002	2007	% Chg 97-07	Metro Area	1997	2002	2007	% Chg 97-07
1 Newark	5,346	6,530	6,939	29.8%	1 Boston	132,048	172,305	185,188	40.2%
2 Omaha	18,796	20,781	23,858	26.9%	2 Omaha	26,895	32,638	37,671	40.1%
3 Philadelphia	38,521	39,973	48,552	26.0%	3 Philadelphia	133,515	162,363	185,109	38.6%
4 Columbus	32,807	37,523	41,282	25.8%	4 Cincinnati	67,983	84,519	92,094	35.5%
5 Buffalo	8,280	10,130	9,962	20.3%	5 Columbus	62,081	71,670	78,561	26.5%
6 Wichita	15,891	16,308	18,895	18.9%	6 Minneapolis	111,217	125,153	138,810	24.8%
7 Minneapolis	20,653	21,401	24,428	18.3%	7 Baltimore	80,323	87,863	97,405	21.3%
8 Boston	39,844	43,097	46,895	17.7%	8 St. Louis	100,455	110,070	121,229	20.7%
9 Milwaukee	17,852	19,233	20,453	14.6%	9 Wichita	20,170	20,773	24,281	20.4%
10 Chicago	92,348	96,874	105,396	14.1%	10 Newark	48,837	52,940	58,397	19.6%
11 St. Louis	18,843	22,718	20,372	8.1%	11 Kansas City	70,663	74,199	84,322	19.3%
12 Pittsburgh	19,012	19,722	20,474	7.7%	12 Milwaukee	49,984	52,862	59,644	19.3%
13 Detroit	15,426	15,918	16,550	7.3%	13 Buffalo	38,793	41,692	45,852	18.2%
14 Baltimore	20,021	19,254	21,456	7.2%	14 Toledo	24,590	27,844	28,162	14.5%
15 Kansas City	26,879	24,772	26,835	-0.2%	15 Indianapolis	65,908	66,403	75,084	13.9%
16 Cleveland	17,757	15,875	16,038	-9.7%	16 Pittsburgh	83,749	88,798	93,669	11.8%
17 Toledo	13,187	13,149	11,505	-12.8%	17 Chicago	264,904	261,629	294,630	11.2%
18 Cincinnati	16,006	14,903	13,938	-12.9%	18 Detroit	140,827	144,761	146,138	3.8%
19 Indianapolis	41,447	41,183	NA	NA	19 Cleveland	81,235	76,420	79,741	-1.8%
Milwaukee Rank	12	12	10	9	Milwaukee Rank	14	15	14	12

Data Source: U.S. Economic Census, 1997-2007

In addition to jobs, we also examine payroll in the accommodation and food services sector. Table 2.7 shows payroll per employee for this sector for our sample cities and metro areas. As one would expect, the data indicate that jobs in accommodation and food services pay, on average, substantially lower wages than jobs in manufacturing. For example, the city of Milwaukee's payroll figure of \$12,998 per employee for accommodation and food services in 2007 compares with a figure of \$49,327 for manufacturing that year. This general pattern holds for all cities. However, Milwaukee's performance in this sector is weak in comparison to other cities and regions in two key respects. First, Milwaukee's payroll per employee figures are lower than most other cities, placing both the city and the region in the bottom third of our sample cities and metro areas for each year examined. Second, Milwaukee's payroll per employee is

rising at a slower pace than in most other cities and metro areas. Put another way, employee earnings in accommodation and food services are, on average, comparatively low in Milwaukee, and they are rising more slowly than they are in many other cities. This is a troublesome sign for a city which is banking on the tourist industry to help cushion the blow of years of industrial decline.

**Table 2.7: Accommodation and Food Services: Payroll per Employee
(adjusted to 2007 \$)**

Cities					Metro Areas				
City	1997	2002	2007	% Chg 97-07	Metro Area	1997	2002	2007	% Chg 97-07
1 Detroit	12,599	13,104	20,138	59.8%	1 Buffalo	10,986	11,426	12,765	16.2%
2 Boston	18,684	20,078	22,551	20.7%	2 Baltimore	12,999	14,087	14,887	14.5%
3 Pittsburgh	12,785	14,698	15,179	18.7%	3 Chicago	14,478	16,025	16,465	13.7%
4 Cincinnati	12,757	13,044	14,859	16.5%	4 Boston	15,598	17,103	17,620	13.0%
5 Chicago	16,704	18,276	19,449	16.4%	5 Detroit	12,074	12,819	13,521	12.0%
6 Baltimore	14,968	16,796	17,341	15.9%	6 Minneapolis	12,909	14,201	14,268	10.5%
7 Cleveland	12,866	14,131	14,662	14.0%	7 Cleveland	10,978	12,128	12,088	10.1%
8 St. Louis	13,421	15,514	15,285	13.9%	8 Indianapolis	12,160	13,493	13,373	10.0%
9 Minneapolis	15,436	16,257	17,255	11.8%	9 Philadelphia	13,499	14,649	14,733	9.1%
10 Philadelphia	15,465	16,462	17,258	11.6%	10 St. Louis	12,130	13,478	13,090	7.9%
11 Buffalo	11,000	12,115	12,148	10.4%	11 Pittsburgh	11,234	12,287	12,114	7.8%
12 Kansas City	15,010	15,888	15,898	5.9%	12 Cincinnati	12,462	12,921	13,154	5.6%
13 Milwaukee	12,490	13,223	12,998	4.1%	13 Kansas City	13,367	13,769	14,048	5.1%
14 Omaha	12,103	12,413	12,492	3.2%	14 Milwaukee	11,238	12,239	11,760	4.6%
15 Columbus	13,181	13,827	13,405	1.7%	15 Newark	16,099	16,647	16,822	4.5%
16 Wichita	12,280	12,123	11,753	-4.3%	16 Columbus	12,352	13,088	12,645	2.4%
17 Toledo	11,000	11,658	10,489	-4.6%	17 Omaha	12,438	12,857	12,727	2.3%
18 Newark	21,389	18,954	19,573	-8.5%	18 Toledo	10,815	11,437	10,843	0.3%
19 Indianapolis	12,823	14,311	NA	NA	19 Wichita	11,834	11,714	11,328	-4.3%
Milwaukee Rank	19	15	14	13	Milwaukee Rank	15	15	17	14

Data Source: U.S. Economic Census, 1997-2007

The other tourist-related sector we examine is arts, entertainment, and recreation. Table 2.8 provides employment figures for this sector for the 19 cities and metropolitan areas in our sample. As the data indicate, jobs in arts, entertainment, and recreation account for a small but growing share of employment in the Milwaukee area. Table 2.9 provides payroll per employee figures for this sector. The payroll data indicate that, on average, these jobs pay considerably better than jobs in accommodation and food services. Still, Milwaukee's performance on this indicator is weak, comparatively speaking, placing both the city and the region near the bottom third of our sample cities and metro areas. When adjusted for inflation, payroll per employee for both the city and the metro area fell by roughly 10 percent from 2002 to 2007.

Table 2.8: Arts, Entertainment, and Recreation: Jobs

		Cities		
	City	2002	2007	% Chg 02-07
1	Wichita	1,761	3,159	79.4%
2	Toledo	2,507	3,525	40.6%
3	Milwaukee	5,389	6,945	28.9%
4	Philadelphia	9,660	12,031	24.5%
5	Newark	1,326	1,641	23.8%
6	Cincinnati	3,423	3,903	14.0%
7	Pittsburgh	4,988	5,512	10.5%
8	Minneapolis	5,317	5,803	9.1%
9	Omaha	3,749	4,085	9.0%
10	Boston	9,331	9,678	3.7%
11	St. Louis	4,744	4,749	0.1%
12	Baltimore	5,579	5,459	-2.2%
13	Columbus	4,805	4,660	-3.0%
14	Cleveland	6,002	5,390	-10.2%
15	Kansas City	5,042	4,377	-13.2%
16	Detroit	13,671	9,862	-27.9%
17	Buffalo	2,391	1,608	-32.7%
18	Chicago	17,730	NA	NA
19	Indianapolis	NA	7,874	NA
Milwaukee Rank		7	5	3

		Metro Areas		
	Metro Area	2002	2007	% Chg 02-07
1	Wichita	2,503	3,957	58.1%
2	Milwaukee	11,482	15,065	31.2%
3	St. Louis	18,776	23,814	26.8%
4	Newark	12,376	15,126	22.2%
5	Toledo	4,481	5,442	21.4%
6	Baltimore	16,994	20,293	19.4%
7	Philadelphia	36,591	43,205	18.1%
8	Chicago	47,438	54,545	15.0%
9	Columbus	9,679	10,979	13.4%
10	Minneapolis	28,109	31,809	13.2%
11	Indianapolis	11,247	12,441	10.6%
12	Boston	35,504	38,181	7.5%
13	Buffalo	6,364	6,663	4.7%
14	Pittsburgh	15,843	16,099	1.6%
15	Kansas City	13,436	13,052	-2.9%
16	Cleveland	14,457	13,649	-5.6%
17	Detroit	33,471	28,732	-14.2%
18	Cincinnati	NA	NA	NA
19	Omaha	6,733	NA	NA
Milwaukee Rank		12	10	2

Table 2.9: Arts, Entertainment, & Recreation: Payroll per Employee (2007 \$)

		Cities		
	City	2002	2007	% Chg 02-07
1	Newark	27,263	70,280	157.8%
2	Buffalo	35,058	52,518	49.8%
3	Kansas City	58,301	75,082	28.8%
4	Cleveland	57,159	68,980	20.7%
5	Minneapolis	47,636	55,172	15.8%
6	Boston	53,968	61,667	14.3%
7	Detroit	40,361	45,635	13.1%
8	Cincinnati	76,476	84,939	11.1%
9	Pittsburgh	58,723	63,984	9.0%
10	Philadelphia	56,528	61,352	8.5%
11	Omaha	17,510	17,076	-2.5%
12	Milwaukee	50,199	45,590	-9.2%
13	Wichita	15,290	12,978	-15.1%
14	Columbus	36,080	29,056	-19.5%
15	Baltimore	57,311	44,060	-23.1%
16	Toledo	19,595	14,498	-26.0%
17	St. Louis	89,092	60,565	-32.0%
18	Chicago	43,552	NA	NA
19	Indianapolis	NA	58,581	NA
Milwaukee Rank		9	13	12

		Metro Areas		
	Metro Area	2002	2007	% Chg 02-07
1	Buffalo	37,998	44,623	17.4%
2	Newark	21,824	25,363	16.2%
3	Indianapolis	41,495	45,757	10.3%
4	Pittsburgh	32,865	35,336	7.5%
5	Kansas City	32,977	35,180	6.7%
6	Boston	32,626	34,764	6.6%
7	Cleveland	44,094	46,804	6.1%
8	Detroit	33,849	35,635	5.3%
9	Philadelphia	29,888	31,047	3.9%
10	Minneapolis	28,290	29,097	2.9%
11	Baltimore	31,096	31,389	0.9%
12	Chicago	30,377	30,485	0.4%
13	Milwaukee	31,666	28,322	-10.6%
14	Wichita	15,578	13,435	-13.8%
15	St. Louis	38,105	31,836	-16.5%
16	Columbus	29,020	24,016	-17.2%
17	Toledo	19,646	15,099	-23.1%
18	Cincinnati	NA	NA	NA
19	Omaha	17,156	NA	NA
Milwaukee Rank		9	13	13

Data Source: U.S. Economic Census, 2002-2007

Finally, we examine employment trends in three additional sectors which have become increasingly important in light of the manufacturing-services shift experienced by cities in recent decades: retail trade, information, and real estate. Table 2.10 shows retail jobs for the 19 cities and metro areas in our sample for the years 1997, 2002, and 2007. Retail employment in the city of Milwaukee fell by 16 percent during this period. Most cities in our sample experienced a drop in retail employment during this period, and Milwaukee's performance places the city roughly in the middle of our sample on this indicator. Retail employment was more stable for the metropolitan area as a whole, but still far behind high-performing regions like Boston and Philadelphia.

Table 2.10: Retail: Jobs

Cities					Metro Areas				
City	1997	2002	2007	% Chg 97-07	Metro Area	1997	2002	2007	% Chg 97-07
1 Newark	5,920	5,501	6,467	9.2%	1 Boston	187,603	255,184	252,997	34.9%
2 Wichita	22,657	22,508	23,854	5.3%	2 Philadelphia	259,802	306,842	316,013	21.6%
3 Boston	26,624	28,183	27,909	4.8%	3 Kansas City	98,293	105,736	110,941	12.9%
4 Chicago	86,703	83,748	89,349	3.1%	4 Cincinnati	97,593	111,562	110,110	12.8%
5 Omaha	33,724	32,163	34,372	1.9%	5 Newark	90,246	96,857	101,421	12.4%
6 Philadelphia	51,398	50,082	50,225	-2.3%	6 Omaha	46,740	50,067	51,994	11.2%
7 Columbus	51,028	47,943	48,684	-4.6%	7 Minneapolis	173,238	189,192	188,242	8.7%
8 Minneapolis	15,860	17,648	14,740	-7.1%	8 Wichita	28,706	29,928	30,972	7.9%
9 Kansas City	27,774	25,833	25,485	-8.2%	9 Baltimore	132,311	134,961	141,052	6.6%
10 Indianapolis	56,279	53,931	48,941	-13.0%	10 Columbus	95,130	100,175	101,313	6.5%
11 Milwaukee	22,655	19,506	18,937	-16.4%	11 St. Louis	141,603	147,393	148,889	5.1%
12 Pittsburgh	19,790	19,576	16,455	-16.9%	12 Pittsburgh	132,247	132,572	132,058	-0.1%
13 Buffalo	10,187	10,672	8,315	-18.4%	13 Milwaukee	86,453	83,547	86,028	-0.5%
14 Toledo	18,732	16,922	14,799	-21.0%	14 Indianapolis	95,437	95,598	94,406	-1.1%
15 St. Louis	14,511	14,524	11,368	-21.7%	15 Chicago	398,282	351,599	387,591	-2.7%
16 Detroit	17,886	14,760	12,933	-27.7%	16 Toledo	37,164	37,700	35,261	-5.1%
17 Cincinnati	18,093	15,866	13,048	-27.9%	17 Buffalo	66,786	64,046	63,093	-5.5%
18 Baltimore	23,159	17,814	16,682	-28.0%	18 Detroit	233,423	226,616	204,938	-12.2%
19 Cleveland	15,454	12,875	10,259	-33.6%	19 Cleveland	123,799	111,220	106,023	-14.4%
Milwaukee Rank	10	10	9	11	Milwaukee Rank	15	15	15	13

Data Source: U.S. Economic Census, 1997-2007

Payroll figures for the Milwaukee-area retail sector exhibit patterns similar to what we found in other service industries, namely, earnings that are, on average, below those of workers in most of the other cities and metro areas in our sample. Table 2.11 provides data on payroll per employee for our sample cities and regions. For the years 1997 and 2007, Milwaukee's performance at both the city and regional levels falls in the bottom third of our sample. Performance for 2002 is slightly better, comparatively speaking.

**Table 2.11: Retail: Payroll per Employee
(adjusted to 2007 \$)**

Cities					Metro Areas				
City	1997	2002	2007	% Chg 97-07	Metro Area	1997	2002	2007	% Chg 97-07
1 Boston	22,903	25,382	25,987	13.5%	1 Buffalo	18,515	19,929	20,424	10.3%
2 Minneapolis	23,435	23,225	26,242	12.0%	2 St. Louis	22,800	23,807	24,593	7.9%
3 Cincinnati	22,041	26,040	24,553	11.4%	3 Cincinnati	20,207	22,168	21,753	7.7%
4 Pittsburgh	20,319	21,846	22,338	9.9%	4 Boston	23,430	25,553	25,182	7.5%
5 Indianapolis	22,557	24,222	24,249	7.5%	5 Baltimore	22,851	25,066	24,546	7.4%
6 Milwaukee	20,562	23,073	21,677	5.4%	6 Pittsburgh	19,518	20,954	20,862	6.9%
7 Baltimore	23,133	24,105	24,067	4.0%	7 Indianapolis	21,711	22,957	23,122	6.5%
8 Philadelphia	22,298	22,210	23,058	3.4%	8 Minneapolis	22,162	24,315	23,345	5.3%
9 Newark	22,158	23,275	22,853	3.1%	9 Toledo	20,279	21,920	21,297	5.0%
10 Columbus	22,726	22,539	23,257	2.3%	10 Omaha	21,161	22,890	22,182	4.8%
11 Chicago	23,142	24,805	23,669	2.3%	11 Columbus	22,514	22,681	23,504	4.4%
12 Toledo	19,335	20,852	19,775	2.3%	12 Milwaukee	20,815	22,799	21,542	3.5%
13 Omaha	21,923	23,215	22,096	0.8%	13 Philadelphia	23,876	24,627	24,653	3.3%
14 Wichita	21,777	22,985	21,789	0.1%	14 Cleveland	21,172	22,130	21,735	2.7%
15 Detroit	20,883	22,728	20,510	-1.8%	15 Newark	25,711	27,509	26,362	2.5%
16 Cleveland	23,128	21,715	22,664	-2.0%	16 Wichita	21,220	22,426	21,642	2.0%
17 Buffalo	19,573	17,891	19,174	-2.0%	17 Kansas City	22,652	24,304	22,730	0.3%
18 Kansas City	23,766	25,620	23,256	-2.1%	18 Chicago	23,790	25,036	23,693	-0.4%
19 St. Louis	25,143	26,161	23,180	-7.8%	19 Detroit	23,475	24,880	22,400	-4.6%
Milwaukee Rank	16	11	16	6	Milwaukee Rank	15	12	16	12

Data Source: U.S. Economic Census, 1997-2007

We next consider the information sector. With fewer than 10,000 employees in the city of Milwaukee and just over 21,000 in the metro area in 2007, the information sector is a relatively small part of Milwaukee's economy. Table 2.12 shows employment in information for our sample cities and metropolitan areas for the years 2002 and 2007. Job losses in this sector occurred in most of the cities and metro areas in our sample during this time period. However, Milwaukee fared worse than most other cities and regions. Table 2.13 shows payroll per employee figures for this sector. Here again, the Milwaukee area's performance in comparison to other cities and regions is relatively weak. On average, Milwaukee information workers earn less than workers in many of the other cities and regions in our sample. In addition, their earnings are, on average, increasing at a slower pace than they are in most of the other cities and metro areas included in our sample.

Table 2.12: Information: Jobs

Cities				Metro Areas			
City	2002	2007	% Chg 02-07	Metro Area	2002	2007	% Chg 02-07
1 Newark	6,439	14,315	122.3%	1 Philadelphia	76,264	79,832	4.7%
2 Detroit	7,735	9,603	24.1%	2 Kansas City	52,648	52,890	0.5%
3 Philadelphia	17,713	20,081	13.4%	3 Wichita	7,139	7,035	-1.5%
4 Chicago	46,139	47,771	3.5%	4 Minneapolis	55,476	54,627	-1.5%
5 Columbus	12,750	12,858	0.8%	5 Omaha	13,614	13,297	-2.3%
6 Wichita	6,566	6,537	-0.4%	6 Indianapolis	19,698	18,768	-4.7%
7 Omaha	11,684	11,252	-3.7%	7 St. Louis	38,274	35,755	-6.6%
8 Indianapolis	15,112	13,541	-10.4%	8 Chicago	112,502	103,044	-8.4%
9 Toledo	3,251	2,800	-13.9%	9 Columbus	23,043	20,590	-10.6%
10 Minneapolis	14,085	11,772	-16.4%	10 Boston	107,251	94,182	-12.2%
11 Boston	24,169	20,045	-17.1%	11 Baltimore	31,328	27,169	-13.3%
12 St. Louis	12,107	9,809	-19.0%	12 Milwaukee	24,711	21,142	-14.4%
13 Kansas City	20,053	16,054	-19.9%	13 Cleveland	25,027	20,372	-18.6%
14 Milwaukee	12,050	9,618	-20.2%	14 Buffalo	11,277	9,074	-19.5%
15 Baltimore	9,279	6,907	-25.6%	15 Pittsburgh	31,604	25,320	-19.9%
16 Buffalo	5,438	4,019	-26.1%	16 Toledo	5,188	4,062	-21.7%
17 Cleveland	9,687	6,455	-33.4%	17 Cincinnati	23,363	18,072	-22.6%
18 Pittsburgh	16,563	10,895	-34.2%	18 Detroit	56,118	41,199	-26.6%
19 Cincinnati	12,199	5,677	-53.5%	19 Newark	NA	NA	NA
Milwaukee Rank	11	12	14	Milwaukee Rank	11	10	12

Table 2.13: Information: Payroll per Employee (adj. to 2007 \$)

Cities				Metro Areas			
City	2002	2007	% Chg 02-07	Metro Area	2002	2007	% Chg 02-07
1 Buffalo	39,743	51,181	28.8%	1 Buffalo	39,389	46,537	18.1%
2 Pittsburgh	51,593	61,495	19.2%	2 Boston	70,757	82,393	16.4%
3 Detroit	56,790	66,202	16.6%	3 Pittsburgh	46,586	54,075	16.1%
4 Minneapolis	59,268	67,566	14.0%	4 Omaha	49,157	55,227	12.3%
5 Omaha	50,498	56,497	11.9%	5 Minneapolis	59,382	66,590	12.1%
6 Kansas City	58,503	64,154	9.7%	6 Baltimore	53,910	59,738	10.8%
7 Cleveland	58,169	62,299	7.1%	7 Chicago	64,610	70,235	8.7%
8 Baltimore	56,786	60,811	7.1%	8 Philadelphia	62,222	67,512	8.5%
9 Chicago	73,722	78,358	6.3%	9 Cleveland	54,073	58,328	7.9%
10 Cincinnati	60,023	62,816	4.7%	10 Cincinnati	54,311	58,461	7.6%
11 Indianapolis	56,091	57,503	2.5%	11 Kansas City	62,858	66,933	6.5%
12 Philadelphia	52,801	53,729	1.8%	12 Detroit	62,336	64,145	2.9%
13 Toledo	48,199	48,164	-0.1%	13 Milwaukee	54,772	55,379	1.1%
14 Milwaukee	53,231	53,011	-0.4%	14 Toledo	44,552	44,757	0.5%
15 Columbus	60,473	58,361	-3.5%	15 St. Louis	60,451	60,056	-0.7%
16 Wichita	40,846	37,762	-7.5%	16 Indianapolis	56,016	54,807	-2.2%
17 Boston	70,911	65,051	-8.3%	17 Columbus	59,157	57,569	-2.7%
18 St. Louis	70,738	62,846	-11.2%	18 Wichita	40,066	37,413	-6.6%
19 Newark	69,994	48,325	-31.0%	19 Newark	NA	NA	NA
Milwaukee Rank	13	15	14	Milwaukee Rank	10	12	13

Data Source: U.S. Economic Census, 2002-2007

Lastly, we examine employment in the real estate sector. Real estate is one of Milwaukee's smallest sectors, employing just over 3,000 workers in the city and just under 10,000 workers in the metropolitan area in 2007. While this sector experienced job growth in the majority of the cities and regions in our sample, real estate employment in the Milwaukee area experienced modest decline from 1997 to 2007, as Table 2.14 indicates. Real estate earnings, on the other hand, increased significantly during this period, particularly in the city of Milwaukee. Table 2.15 provides payroll per employee figures for our 19 sample cities and metropolitan areas. From 1997 to 2007, the city of Milwaukee experienced a 43 percent increase in payroll per employee, changing Milwaukee from one of the weaker to one of the stronger performers on this indicator. The metro area did not fare as well during this period but still experienced a 19 percent increase.

Table 2.14: Real Estate: Jobs

Cities					Metro Areas				
City	1997	2002	2007	% Chg 97-07	Metro Area	1997	2002	2007	% Chg 97-07
1 Cleveland	3,159	3,076	5,548	75.6%	1 Newark	12,882	18,799	18,407	42.9%
2 Wichita	2,483	2,832	3,170	27.7%	2 Philadelphia	32,530	39,227	43,149	32.6%
3 Kansas City	4,660	5,961	5,816	24.8%	3 Omaha	5,107	6,112	6,713	31.4%
4 Omaha	4,278	4,973	5,226	22.2%	4 Wichita	2,815	3,221	3,670	30.4%
5 Toledo	1,729	1,625	2,022	16.9%	5 Minneapolis	24,708	29,698	31,686	28.2%
6 Buffalo	1,635	1,975	1,884	15.2%	6 Boston	30,605	35,600	38,734	26.6%
7 Chicago	25,827	32,822	28,882	11.8%	7 Indianapolis	12,032	14,159	14,833	23.3%
8 Columbus	7,701	7,845	8,129	5.6%	8 Cincinnati	10,984	14,470	13,389	21.9%
9 Minneapolis	4,246	4,019	4,429	4.3%	9 Kansas City	13,008	15,698	15,815	21.6%
10 Philadelphia	9,550	9,557	9,813	2.8%	10 Baltimore	18,521	21,908	22,029	18.9%
11 Baltimore	4,807	5,266	4,677	-2.7%	11 St. Louis	17,872	20,713	20,731	16.0%
12 Pittsburgh	3,974	4,386	3,813	-4.1%	12 Toledo	3,298	3,327	3,780	14.6%
13 Boston	12,736	11,327	11,955	-6.1%	13 Buffalo	5,834	6,640	6,639	13.8%
14 Milwaukee	3,899	3,568	3,183	-18.4%	14 Pittsburgh	12,344	14,154	13,928	12.8%
15 St. Louis	3,520	4,306	2,633	-25.2%	15 Chicago	59,915	68,441	67,343	12.4%
16 Newark	3,108	3,965	2,181	-29.8%	16 Columbus	11,553	12,256	12,876	11.5%
17 Cincinnati	3,571	3,571	2,423	-32.1%	17 Detroit	27,532	30,299	29,503	7.2%
18 Detroit	2,279	2,486	NA	NA	18 Milwaukee	9,775	10,396	9,657	-1.2%
19 Indianapolis	8,813	10,697	NA	NA	19 Cleveland	18,706	14,414	18,202	-2.7%
Milwaukee Rank	11	14	11	14	Milwaukee Rank	15	15	15	18

Data Source: U.S. Economic Census, 1997-2007

**Table 2.15: Real Estate: Payroll per Employee
(adjusted to 2007 \$)**

Cities					Metro Areas				
City	1997	2002	2007	% Chg 97-07	Metro Area	1997	2002	2007	% Chg 97-07
1 Cleveland	31,071	40,835	51,762	66.6%	1 Cleveland	27,156	34,383	42,970	58.2%
2 Boston	43,265	58,306	70,837	63.7%	2 Newark	37,522	43,096	51,007	35.9%
3 Milwaukee	30,034	37,119	42,806	42.5%	3 Indianapolis	28,746	35,078	37,549	30.6%
4 Baltimore	33,558	35,319	45,945	36.9%	4 Baltimore	33,213	37,160	43,182	30.0%
5 Toledo	28,093	31,617	37,753	34.4%	5 Philadelphia	35,253	39,433	44,310	25.7%
6 Columbus	30,059	36,987	39,977	33.0%	6 Columbus	29,014	34,397	36,386	25.4%
7 Chicago	44,972	47,407	59,096	31.4%	7 Boston	41,211	48,181	50,998	23.7%
8 Philadelphia	34,289	38,614	44,221	29.0%	8 Chicago	40,250	42,868	49,802	23.7%
9 Pittsburgh	34,811	41,591	44,823	28.8%	9 Toledo	28,315	29,745	34,646	22.4%
10 St. Louis	28,149	31,496	35,963	27.8%	10 Pittsburgh	30,594	34,270	36,486	19.3%
11 Cincinnati	35,815	38,289	42,206	17.8%	11 Milwaukee	29,413	32,301	34,973	18.9%
12 Newark	31,366	33,313	34,915	11.3%	12 Minneapolis	32,141	37,601	36,244	12.8%
13 Wichita	26,223	30,425	27,482	4.8%	13 St. Louis	30,906	34,849	34,763	12.5%
14 Kansas City	35,059	32,881	36,673	4.6%	14 Cincinnati	32,106	35,232	35,121	9.4%
15 Omaha	31,152	33,184	32,211	3.4%	15 Kansas City	30,906	32,947	33,583	8.7%
16 Minneapolis	36,922	38,788	36,019	-2.4%	16 Omaha	29,535	31,856	32,039	8.5%
17 Buffalo	38,028	33,416	25,701	-32.4%	17 Detroit	32,617	36,184	34,330	5.3%
18 Detroit	26,755	33,090	NA	NA	18 Wichita	25,858	29,675	26,844	3.8%
19 Indianapolis	30,370	36,566	NA	NA	19 Buffalo	29,714	31,474	28,174	-5.2%
Milwaukee Rank	15	8	7	3	Milwaukee Rank	14	15	12	11

Data Source: U.S. Economic Census, 1997-2007

Unemployment and Joblessness

Table 2.16 provides unemployment rates for the years 1990, 2000, and 2010 for the 19 cities and metropolitan areas in our sample. The city of Milwaukee's unemployment rate during this period places Milwaukee in the middle third of our sample cities for all three years examined. However, the city's position worsened each year, falling from 9th in 1990 to 13th in 2010. This continues a downward trend dating back to 1960, when Milwaukee had the second lowest unemployment rate of the 14 Frostbelt cities examined in our previous State of the City report.⁵ In examining unemployment rates for metropolitan areas, the Milwaukee region also falls in the middle third of our sample cities with a performance slightly stronger than that of the city, comparatively speaking.

⁵ See Center for Economic Development, *The Economic State of Milwaukee*, 1998, p. 79.

Table 2.16: Unemployment Rate
(ages 16+)

Cities				Metropolitan Areas			
City	1990	2000	2010	Metro Area	1990	2000	2010
1 Omaha	4.7	4.3	5.2	1 Omaha	4.2	3.7	5.3
2 Minneapolis	6.7	5.8	7.0	2 Minneapolis	4.6	3.5	6.9
3 Columbus	5.9	4.9	9.0	3 Buffalo	7.0	7.0	8.0
4 Pittsburgh	9.1	10.1	9.1	4 Baltimore	4.9	5.0	8.1
5 Wichita	5.9	5.3	9.2	5 Boston	6.2	4.3	8.4
6 Boston	8.3	7.2	9.3	6 Wichita	5.1	4.6	8.5
7 Indianapolis	5.6	5.5	10.2	7 Pittsburgh	7.0	5.8	8.6
8 Buffalo	11.6	12.5	10.2	8 Milwaukee	5.4	5.2	8.6
9 Cincinnati	7.9	7.3	10.7	9 Kansas City	5.5	4.3	8.8
10 Kansas City	7.3	6.3	10.7	10 Columbus	5.1	4.0	9.0
11 Baltimore	9.2	10.7	11.3	11 Indianapolis	4.7	4.4	9.2
12 Chicago	11.3	10.1	11.3	12 Cleveland	6.8	5.3	9.3
13 Milwaukee	8.9	9.4	11.6	13 Philadelphia	5.8	6.2	9.7
14 Cleveland	14.0	11.2	11.7	14 Cincinnati	5.1	4.3	9.9
15 Philadelphia	9.7	10.9	12.1	15 Newark	6.4	6.2	10.0
16 St. Louis	11.0	11.3	12.9	16 St. Louis	6.4	5.5	10.1
17 Toledo	9.9	7.7	12.9	17 Chicago	7.2	6.2	10.5
18 Newark	14.7	16.1	15.8	18 Toledo	7.8	6.1	11.5
19 Detroit	19.7	13.8	25.5	19 Detroit	8.8	5.9	15.2
Milwaukee Rank	9	10	13	Milwaukee Rank	8	10	8

Data Source: U.S. Census 1990 & 2000, BLS Local Area Unemployment Statistics, 7/2010

Some analysts prefer the jobless rate to the unemployment rate since the unemployment rate does not capture discouraged workers no longer actively seeking employment. Since many adults are by choice not part of the workforce, however, the overall jobless rate can be a misleading figure. We use the jobless rate for males only (age 16-64), also an imperfect measure but one that we believe comes closer to capturing the problem of joblessness and chronic unemployment than other commonly used measures. Table 2.17 provides male jobless rates for the years 1990, 2000, and 2008 for the 19 cities and metropolitan areas in our sample. Like the other cities and metro areas in our sample, both the city of Milwaukee and the Milwaukee region experienced an increase in male joblessness during this period. However, Milwaukee's increases were higher than those of certain other cities and metro areas, causing both the city and the region to lose ground, comparatively speaking.

Table 2.17: Male Jobless Rate
(Age 16-64)

Cities				Metro Areas			
City	1990	2000	2008	Metro Area	1990	2000	2008
1 Wichita	17.1	20.5	21.4	1 Omaha	17.0	18.3	18.7
2 Omaha	19.2	21.1	21.8	2 Minneapolis	15.4	16.5	18.9
3 Minneapolis	22.3	23.1	24.9	3 Wichita	16.4	19.3	19.8
4 Kansas City	22.8	25.6	25.0	4 Kansas City	19.2	20.1	20.6
5 Indianapolis	19.1	22.4	25.1	5 Indianapolis	17.3	19.8	22.1
6 Columbus	22.8	21.9	26.0	6 Boston	21.1	21.8	22.8
7 Boston	29.0	32.0	28.7	7 Milwaukee	19.0	21.6	23.1
8 Chicago	29.5	34.5	29.6	8 Newark	20.2	25.3	23.5
9 Milwaukee	27.2	32.0	32.8	9 Columbus	21.7	21.3	23.5
10 Toledo	28.6	28.1	34.3	10 Chicago	21.1	24.6	23.9
11 Pittsburgh	34.7	35.3	35.0	11 Baltimore	19.4	23.5	24.3
12 St. Louis	31.5	35.3	35.2	12 Cincinnati	20.3	21.3	24.3
13 Cincinnati	29.3	30.6	37.5	13 St. Louis	20.5	22.0	24.4
14 Baltimore	31.9	41.1	37.9	14 Pittsburgh	25.3	24.1	25.4
15 Philadelphia	32.3	39.2	38.0	15 Cleveland	22.5	23.1	25.6
16 Newark	37.4	49.2	39.3	16 Philadelphia	21.8	25.7	25.9
17 Buffalo	34.3	38.8	40.2	17 Toledo	24.3	23.5	27.1
18 Cleveland	37.3	38.2	40.4	18 Buffalo	24.3	26.7	28.2
19 Detroit	44.4	44.8	53.7	19 Detroit	24.2	24.4	30.3
Milwaukee Rank	7	9	9	Milwaukee Rank	5	8	7

Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

When male jobless figures are broken down by race, several trends are noteworthy. Table 2.18 provides data on joblessness for white males. For each year examined, the city of Milwaukee falls in the middle third of cities in our sample. However, when our unit of analysis is metropolitan areas rather than central cities, Milwaukee fares somewhat better, comparatively speaking. For the year 2000, the Milwaukee metro area's white male jobless rate was lower than only two other metro areas: Minneapolis and Omaha.

Table 2.18: White Non-Hispanic Male Jobless Rate
(Age 16-64)

Cities					Metro Areas				
	City	1990	2000	2008		Metro Area	1990	2000	2008
1	Wichita	14.5	16.1	18.6	1	Minneapolis	13.9	14.1	17.0
2	Kansas City	17.6	18.1	19.0	2	Omaha	14.3	15.5	17.1
3	Chicago	19.5	20.3	19.1	3	Wichita	14.3	15.9	17.6
4	Omaha	16.1	16.6	19.5	4	Kansas City	16.2	16.5	18.0
5	Minneapolis	17.9	17.2	20.4	5	Milwaukee	14.9	15.9	18.1
6	Indianapolis	15.8	17.8	21.8	6	Baltimore	13.8	16.8	18.7
7	Columbus	19.8	18.4	22.8	7	Chicago	14.6	16.6	19.2
8	Milwaukee	20.1	21.3	24.1	8	Indianapolis	15.0	16.8	19.8
9	Boston	24.9	24.6	24.3	9	Newark	15.1	17.6	19.8
10	St. Louis	20.7	24.1	25.0	10	St. Louis	16.5	17.8	20.7
11	Baltimore	22.3	28.4	26.6	11	Boston	19.1	18.4	21.1
12	Newark	26.8	42.1	28.2	12	Philadelphia	16.5	19.3	21.1
13	Cincinnati	22.1	22.5	28.8	13	Columbus	19.1	18.5	21.3
14	Toledo	23.7	22.8	28.9	14	Cleveland	17.8	18.6	21.7
15	Philadelphia	23.8	29.5	30.0	15	Cincinnati	17.5	18.6	22.0
16	Pittsburgh	28.6	29.6	30.2	16	Pittsburgh	23.3	22.1	23.5
17	Buffalo	27.2	30.4	33.2	17	Toledo	21.3	20.2	23.7
18	Cleveland	27.0	27.8	33.3	18	Buffalo	20.3	22.3	24.3
19	Detroit	32.8	37.9	48.4	19	Detroit	18.6	18.7	24.9
Milwaukee Rank		8	8	8	Milwaukee Rank		6	3	5

Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

The picture is very different when it comes to black joblessness. Table 2.19 provides jobless rates for African-American males for the cities and metropolitan areas in our sample. Here again, the city of Milwaukee ranks in the middle third of our sample cities, although towards the bottom of the middle tier. More revealing are the data for the metropolitan area. Where the Milwaukee metro area fared comparatively well with respect to white male joblessness, the situation is reversed for African Americans. For all three years examined, the Milwaukee region's black male jobless rate places the region in the bottom third of our sample of metropolitan areas. In 2000, only the Buffalo metro area had a higher jobless rate among black males than Milwaukee.

Table 2.19: African-American Male Jobless Rate
(Age 16-64)

Cities					Metro Areas				
	City	1990	2000	2008		Metro Area	1990	2000	2008
1	Indianapolis	31.8	36.5	36.6	1	Boston	34.0	38.9	33.9
2	Columbus	33.7	32.8	37.4	2	Newark	34.2	42.1	36.9
3	Boston	36.3	42.1	39.4	3	Indianapolis	32.7	38.1	36.9
4	Wichita	31.6	37.2	39.8	4	Minneapolis	36.6	35.3	37.2
5	Omaha	38.2	43.0	41.5	5	Omaha	34.7	39.7	37.6
6	Kansas City	36.2	40.6	41.6	6	Baltimore	34.6	41.1	38.1
7	Minneapolis	39.1	38.6	42.6	7	Columbus	39.9	37.8	38.6
8	Baltimore	38.6	48.6	44.8	8	Kansas City	37.6	39.7	39.5
9	Philadelphia	42.3	47.4	46.4	9	Wichita	30.9	38.4	40.2
10	Pittsburgh	52.6	49.8	46.6	10	Cleveland	43.0	42.1	40.7
11	Cleveland	50.1	48.1	47.1	11	Philadelphia	40.0	44.3	41.9
12	St. Louis	45.3	48.1	48.2	12	St. Louis	40.3	42.1	42.4
13	Cincinnati	43.2	44.2	48.9	13	Cincinnati	40.8	41.1	42.5
14	Chicago	45.9	50.5	49.0	14	Chicago	42.5	45.1	44.4
15	Milwaukee	43.1	47.1	49.2	15	Pittsburgh	47.7	44.8	45.3
16	Buffalo	47.8	50.4	49.8	16	Milwaukee	43.7	47.5	48.8
17	Toledo	47.7	44.5	50.5	17	Toledo	47.1	43.9	49.1
18	Newark	44.2	56.2	50.6	18	Detroit	46.3	44.0	50.1
19	Detroit	48.1	46.7	56.0	19	Buffalo	49.0	51.8	50.9
	Milwaukee Rank	10	11	15		Milwaukee Rank	15	18	16

Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

What accounts for the Milwaukee metro area's comparatively high black male jobless rate? Segregation appears to play a significant role. For most of the other cities in our sample, black male jobless rates for metro areas are several percentage points below those of their central cities. Black suburban dwellers help bring the black jobless rate down for metropolitan areas because blacks living in the suburbs are more likely to be employed than blacks living in the central city. As we saw in the previous section, however, the proportion of black Milwaukee-area residents living in the suburbs is extremely small. As such, black male jobless rates for the city of Milwaukee and the Milwaukee metro area are virtually identical for all three years examined, as Table 2.19 indicates.

Income

Income represents a basic measure of a community's economic well-being. We measure income in two ways: per capita income and household income. Table 2.20 shows per capita income for the 19 cities and metropolitan areas in our sample for the years 1990, 2000, and 2008. As Table 2.20 indicates, the city of Milwaukee ranks comparatively low on this key benchmark, falling in the bottom third of sample cities for each year examined. For the year 2008, only three cities—Newark, Cleveland, and Detroit—had per capita incomes lower than that of Milwaukee. The Milwaukee metro area performs somewhat better in comparison to other cities and shows improvement over time, moving from 12th to 10th to 9th in the rankings during the three years examined.

Table 2.20: Per Capita Income

Cities				Metro Areas			
City	1990	2000	2008	Metro Area	1990	2000	2008
1 Boston	15,581	23,353	31,974	1 Newark	19,966	28,435	36,962
2 Minneapolis	14,830	22,685	30,668	2 Boston	19,288	29,227	36,454
3 Chicago	12,899	20,175	26,814	3 Minneapolis	16,842	26,219	33,634
4 Kansas City	13,799	20,753	26,061	4 Baltimore	16,596	24,398	32,889
5 Omaha	13,957	21,756	25,728	5 Philadelphia	16,386	23,874	31,257
6 Indianapolis	14,478	21,640	25,360	6 Chicago	16,447	25,011	30,479
7 Wichita	14,516	20,647	25,288	7 Kansas City	15,067	23,326	28,808
8 Pittsburgh	12,580	18,816	24,390	8 Indianapolis	15,159	23,198	28,527
9 Cincinnati	12,547	19,962	23,894	9 Milwaukee	14,785	23,158	28,506
10 Columbus	13,151	20,450	23,423	10 Columbus	14,516	23,020	28,178
11 Baltimore	11,994	16,978	22,656	11 St. Louis	14,917	22,698	28,130
12 Philadelphia	12,091	16,509	20,876	12 Detroit	15,694	24,354	28,016
13 St. Louis	10,798	16,108	20,622	13 Cincinnati	14,610	23,124	27,770
14 Toledo	11,894	17,388	19,331	14 Omaha	13,989	22,145	27,515
15 Buffalo	10,445	14,991	19,246	15 Cleveland	15,092	22,321	27,201
16 Milwaukee	11,106	16,181	19,092	16 Pittsburgh	14,052	20,935	27,171
17 Newark	9,424	13,009	17,364	17 Buffalo	13,560	20,143	25,944
18 Cleveland	9,258	14,291	16,723	18 Wichita	14,303	20,692	25,808
19 Detroit	9,443	14,717	15,255	19 Toledo	13,710	20,565	25,295
Milwaukee Rank	14	14	16	Milwaukee Rank	12	10	9

Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

We also examine real per capita income, which represents per capita income adjusted for the inflation rates of individual cities and metro areas over time. Data on real per capita income reveal striking contrasts between the city of Milwaukee and the Milwaukee metro area. As Table 2.21 shows, the city of Milwaukee's real per capita income grew by just 4.4 percent from 1990-2008, an anemic pace that places Milwaukee ahead of just two cities in our sample: Detroit and Toledo. By contrast, real per capita income growth for the Milwaukee metro area was a respectable 17 percent during this time, high enough to place Milwaukee in the top third of our sample metropolitan areas.

Table 2.21: Real Per Capita Income
(income and percent change 1990-2008, in 2008 dollars)

Cities							
	City	Income			% Change		
		1990	2000	2008	1990-2000	2000-2008	1990-2008
1	Chicago	21,249	25,225	26,814	18.7	6.3	26.2
2	Minneapolis	24,430	28,363	30,668	16.1	8.1	25.5
3	Boston	25,667	29,198	31,974	13.8	9.5	24.6
4	Pittsburgh	20,723	23,526	24,390	13.5	3.7	17.7
5	St. Louis	17,788	20,140	20,622	13.2	2.4	15.9
6	Cincinnati	20,669	24,959	23,894	20.8	-4.3	15.6
7	Baltimore	19,758	21,228	22,656	7.4	6.7	14.7
8	Kansas City	22,731	25,948	26,061	14.1	0.4	14.6
9	Omaha	22,991	27,202	25,728	18.3	-5.4	11.9
10	Buffalo	17,206	18,743	19,246	8.9	2.7	11.9
11	Newark	15,524	16,265	17,364	4.8	6.8	11.9
12	Cleveland	15,251	17,868	16,723	17.2	-6.4	9.7
13	Columbus	21,664	25,569	23,423	18.0	-8.4	8.1
14	Indianapolis	23,850	27,057	25,360	13.4	-6.3	6.3
15	Wichita	23,912	25,815	25,288	8.0	-2.0	5.8
16	Philadelphia	19,918	20,641	20,876	3.6	1.1	4.8
17	Milwaukee	18,295	20,231	19,092	10.6	-5.6	4.4
18	Toledo	19,593	21,740	19,331	11.0	-11.1	-1.3
19	Detroit	15,556	18,401	15,255	18.3	-17.1	-1.9
	Milwaukee Rank	14	14	16	14	14	17

Metro Areas							
	Metro Area	Income			% Change		
		1990	2000	2008	1990-2000	2000-2008	1990-2008
1	Minneapolis	27,744	32,782	33,634	18.2	2.6	21.2
2	Baltimore	27,339	30,505	32,889	11.6	7.8	20.3
3	Omaha	23,044	27,688	27,515	20.2	-0.6	19.4
4	Columbus	23,912	28,782	28,178	20.4	-2.1	17.8
5	Pittsburgh	23,148	26,175	27,171	13.1	3.8	17.4
6	Milwaukee	24,355	28,955	28,506	18.9	-1.5	17.0
7	Buffalo	22,337	25,185	25,944	12.7	3.0	16.1
8	Kansas City	24,820	29,165	28,808	17.5	-1.2	16.1
9	Philadelphia	26,993	29,850	31,257	10.6	4.7	15.8
10	Cincinnati	24,067	28,912	27,770	20.1	-4.0	15.4
11	Boston	31,773	36,543	36,454	15.0	-0.2	14.7
12	St. Louis	24,573	28,379	28,130	15.5	-0.9	14.5
13	Indianapolis	24,972	29,005	28,527	16.2	-1.6	14.2
14	Chicago	27,093	31,271	30,479	15.4	-2.5	12.5
15	Newark	32,890	35,553	36,962	8.1	4.0	12.4
16	Toledo	22,585	25,713	25,295	13.9	-1.6	12.0
17	Wichita	23,561	25,871	25,808	9.8	-0.2	9.5
18	Cleveland	24,861	27,908	27,201	12.3	-2.5	9.4
19	Detroit	25,853	30,450	28,016	17.8	-8.0	8.4
	Milwaukee Rank	12	9	7	4	12	6

Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

Table 2.22 provides additional data on city-suburban disparities in per capita income. As this table shows, the city of Milwaukee's share of suburban per capita income places Milwaukee in the bottom third of cities in our sample. For the year 2008, only the cities of Philadelphia, Cleveland, Detroit, and Newark had lower percentages of suburban per capita income. Figures for the top performers were 88 percent or better, while Milwaukee's share was below 70 percent in both 2000 and 2008.

2.22: City Percent of Suburban Per Capita Income

	City	1990	2000	2008
1	Wichita	101.5	99.8	98.0
2	Omaha	99.8	98.2	93.5
3	Minneapolis	88.1	86.5	91.2
4	Kansas City	91.6	89.0	90.5
5	Pittsburgh	89.5	89.9	89.8
6	Indianapolis	95.5	93.3	88.9
7	Chicago	78.4	80.7	88.0
8	Boston	80.8	79.9	87.7
9	Cincinnati	85.9	86.3	86.0
10	Columbus	90.6	88.8	83.1
11	Toledo	86.8	84.6	76.4
12	Buffalo	77.0	74.4	74.2
13	St. Louis	72.4	71.0	73.3
14	Baltimore	72.3	69.6	68.9
15	Milwaukee	75.1	69.9	67.0
16	Philadelphia	73.8	69.2	66.8
17	Cleveland	61.3	64.0	61.5
18	Detroit	60.2	60.4	54.5
19	Newark	47.2	45.7	47.0
	Milwaukee Rank	13	14	15

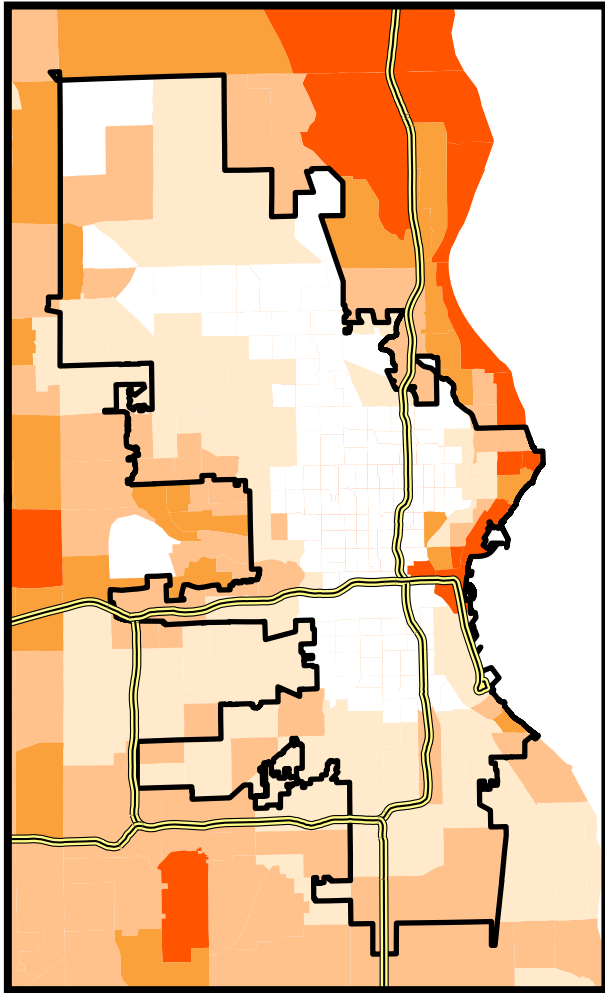
Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

Finally, Map 3 shows per capita income by census tract for the 4-county Milwaukee region for the year 2000. Of the 120 census tracts with per capita incomes below \$15,000, only one is located outside the city of Milwaukee. By contrast, only five of 18 census tracts with per capita incomes above \$40,000 are located within the city of Milwaukee.

In addition to per capita income, we gathered data on median household income for the 19 cities and metro areas in our sample. On this indicator, there is less divergence in the performance of the city of Milwaukee and the Milwaukee region, comparatively speaking. Table 2.23 indicates that both the city of Milwaukee and the Milwaukee metro area fall in the middle third of our sample cities with respect to median household income. In comparison to other cities, the city of Milwaukee's performance improves slightly from 1990 to 2008, while the metro area's performance declines.

MAP 3: PER CAPITA INCOME (2000)

(in 1999 dollars)



CITY OF MILWAUKEE

MILWAUKEE 4-COUNTY METROPOLITAN AREA

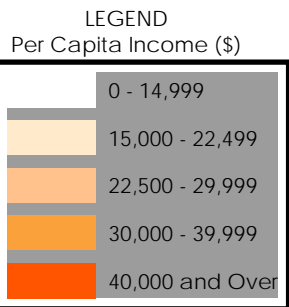
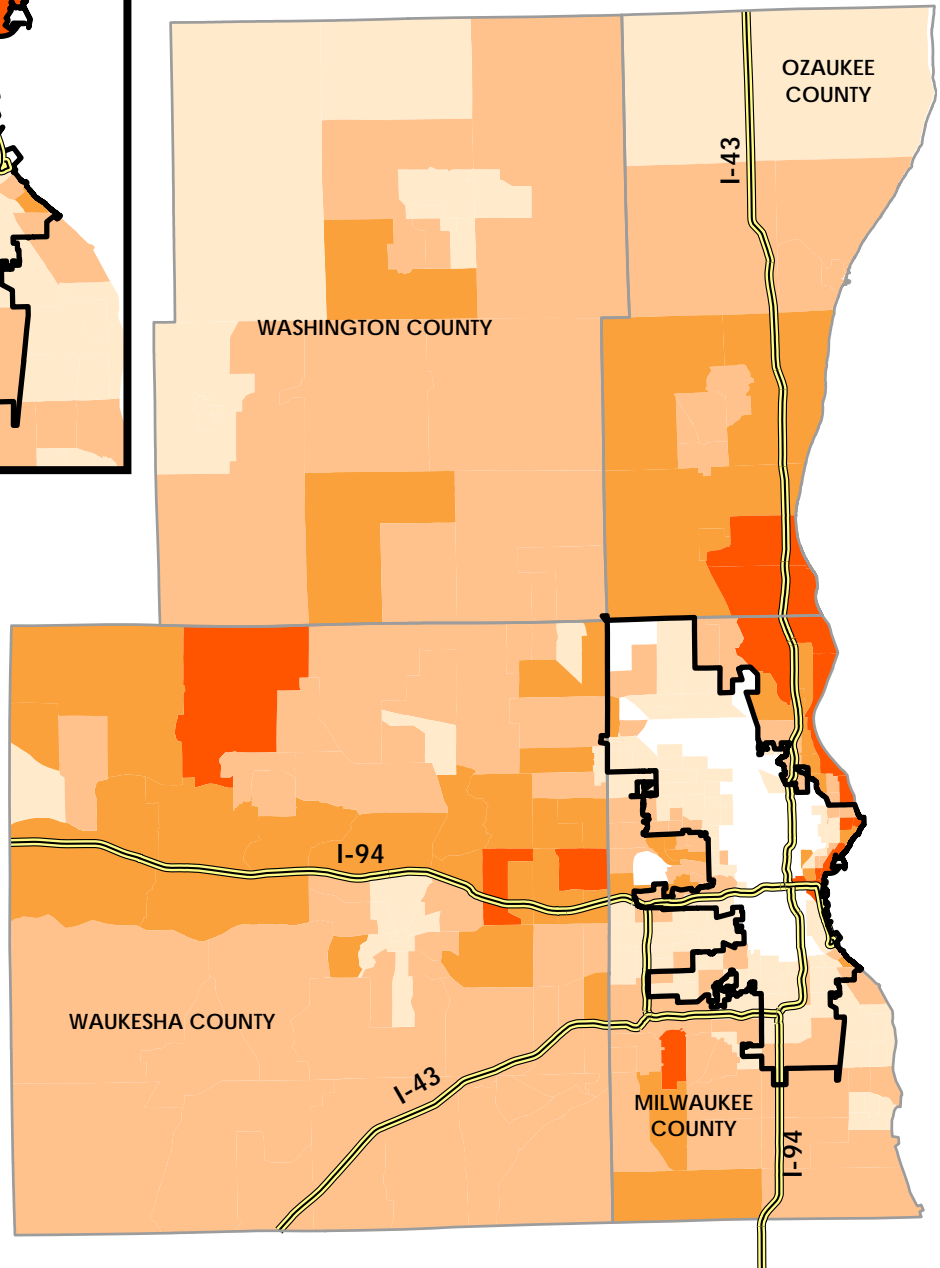


Table 2.23: Median Household Income

Cities					Metro Areas				
	City	1990	2000	2008		Metro Area	1990	2000	2008
1	Boston	29,180	39,629	51,849	1	Newark	42,328	56,957	71,041
2	Minneapolis	25,324	37,974	47,097	2	Boston	40,491	55,183	70,344
3	Chicago	26,301	38,625	46,767	3	Minneapolis	36,565	54,304	66,281
4	Omaha	26,927	40,006	45,979	4	Baltimore	36,550	49,938	65,424
5	Indianapolis	29,006	40,051	44,830	5	Chicago	35,265	51,680	60,988
6	Kansas City	26,713	37,198	44,566	6	Philadelphia	35,437	47,536	60,331
7	Wichita	28,024	39,939	43,935	7	Kansas City	31,613	46,193	55,858
8	Columbus	26,651	37,897	43,600	8	Omaha	30,323	44,981	55,138
9	Baltimore	24,045	30,078	39,083	9	Detroit	34,612	49,175	54,359
10	Milwaukee	23,627	32,216	37,022	10	Indianapolis	31,655	45,548	54,266
11	Philadelphia	24,603	30,746	36,222	11	Milwaukee	32,316	45,901	54,127
12	Newark	21,650	26,913	35,601	12	Cincinnati	30,691	44,248	53,933
13	Toledo	24,819	32,546	35,345	13	Columbus	30,668	44,782	53,890
14	Pittsburgh	20,747	28,588	34,834	14	St. Louis	31,774	44,437	53,434
15	St. Louis	19,458	27,156	34,074	15	Cleveland	30,560	42,089	49,608
16	Cincinnati	21,006	29,493	33,524	16	Wichita	30,152	42,651	49,092
17	Buffalo	18,482	24,536	29,845	17	Pittsburgh	26,700	37,467	47,199
18	Detroit	18,742	29,526	29,423	18	Toledo	29,121	39,902	46,684
19	Cleveland	17,822	25,928	27,956	19	Buffalo	28,005	38,488	46,676
	Milwaukee Rank	12	10	10		Milwaukee Rank	8	9	11

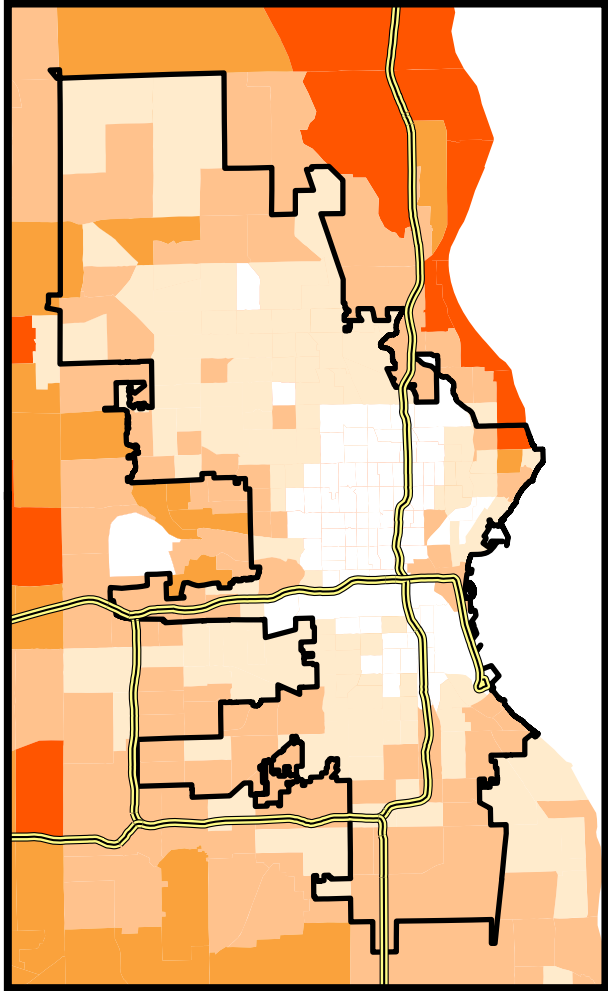
Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

Not surprisingly, city-suburban disparities in median household income largely mirror those of per capita income. Map 4 shows median household income by census tract for the 4-county Milwaukee region for the year 2000. Of the 78 census tracts with median household incomes below \$25,000, none is located outside the city of Milwaukee. By contrast, only one of 21 census tracts with median household incomes of \$80,000 or higher is located within the city of Milwaukee.

The data on real median household income (i.e., median household income adjusted to account for inflation rates of individual cities and metro areas) reveal a somewhat bleaker picture for both the city of Milwaukee and the Milwaukee region, comparatively speaking, than the data for median household income. As Table 2.24 indicates, both the city of Milwaukee and the Milwaukee metro area fall in the bottom third of our sample with respect to real median household income growth from 1990-2008.

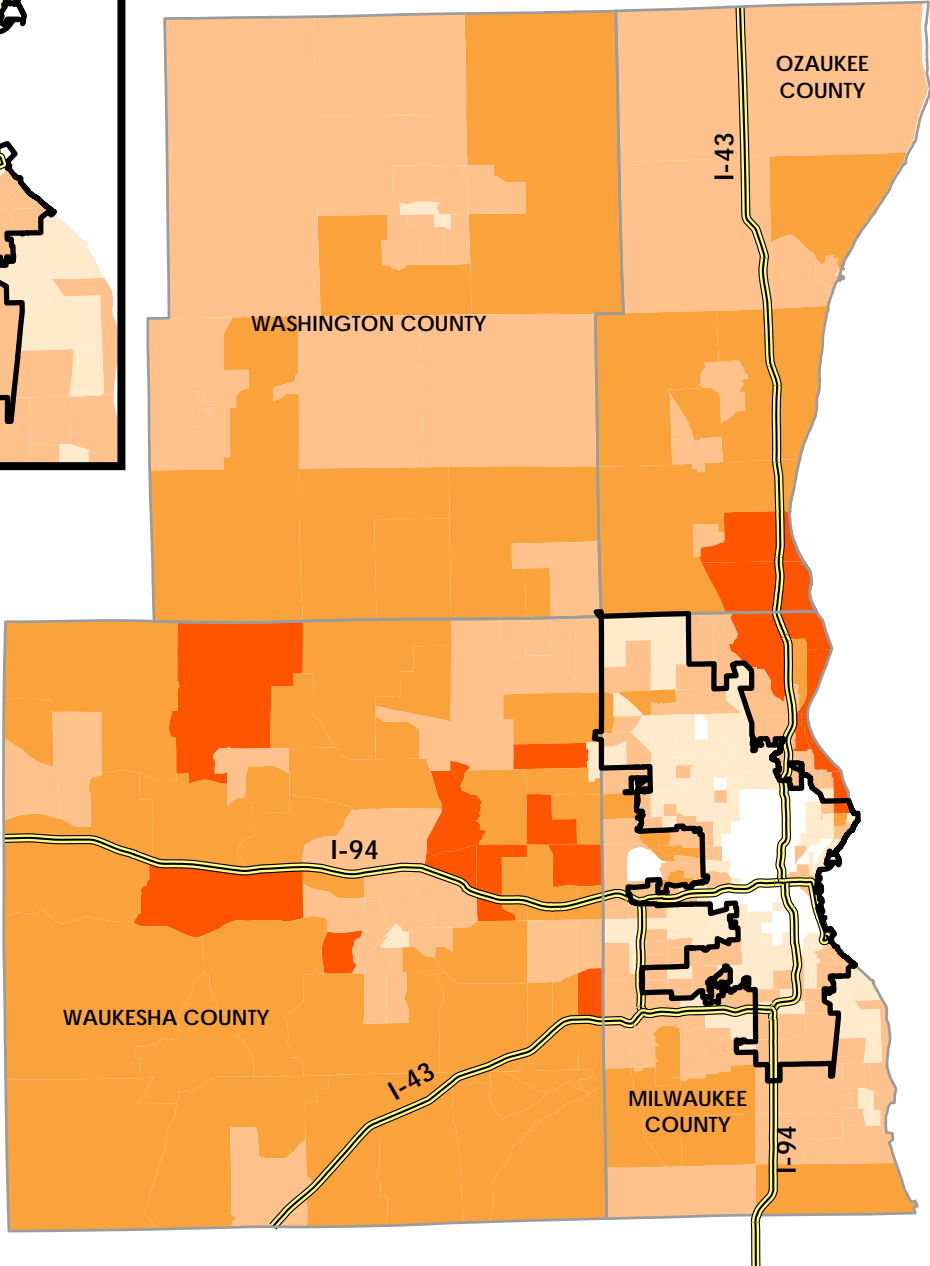
MAP 4: MEDIAN HOUSEHOLD INCOME (2000)

(in 1999 dollars)



CITY OF MILWAUKEE

MILWAUKEE 4-COUNTY METROPOLITAN AREA



LEGEND
Median Household Income (\$)

0 - 24,999
25,000 - 39,999
40,000 - 59,999
60,000 - 79,999
80,000 and Over

Table 2.24: Real Median Household Income

(Percent Change in 2008 Dollars)

Cities				Metro Areas			
City	1990-2000	2000-2008	1990-2008	Metro Area	1990-2000	2000-2008	1990-2008
1 Minneapolis	13.8	-0.8	12.9	1 Omaha	12.6	-2.0	10.4
2 Chicago	11.5	-3.2	7.9	2 Minneapolis	12.7	-2.4	10.0
3 Boston	3.1	4.6	7.9	3 Baltimore	3.7	4.8	8.7
4 St. Louis	5.9	0.4	6.3	4 Pittsburgh	6.5	0.8	7.3
5 Omaha	12.8	-8.1	3.7	5 Kansas City	10.9	-3.3	7.3
6 Pittsburgh	4.6	-2.5	1.9	6 Cincinnati	9.4	-2.5	6.7
7 Kansas City	5.7	-4.2	1.3	7 Columbus	10.8	-3.8	6.7
8 Newark	-5.6	5.8	-0.2	8 Boston	3.4	2.0	5.5
9 Columbus	7.9	-8.0	-0.7	9 Chicago	11.2	-5.6	5.0
10 Baltimore	-5.1	3.9	-1.3	10 Indianapolis	9.2	-4.7	4.1
11 Buffalo	0.8	-2.7	-2.0	11 Philadelphia	1.8	1.5	3.3
12 Cincinnati	6.6	-9.1	-3.1	12 St. Louis	6.1	-3.8	2.1
13 Detroit	19.6	-20.3	-4.7	13 Newark	2.1	-0.2	1.9
14 Cleveland	10.4	-13.8	-4.8	14 Milwaukee	7.8	-5.7	1.7
15 Wichita	8.2	-12.0	-4.8	15 Buffalo	4.3	-3.0	1.2
16 Milwaukee	3.5	-8.1	-4.9	16 Wichita	7.4	-7.9	-1.2
17 Indianapolis	4.8	-10.5	-6.2	17 Cleveland	4.5	-5.7	-1.5
18 Philadelphia	-5.1	-5.8	-10.6	18 Toledo	4.0	-6.4	-2.7
19 Toledo	-0.5	-13.1	-13.5	19 Detroit	7.8	-11.6	-4.7
Milwaukee Rank	13	13	16	Milwaukee Rank	9	15	14

Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

Finally, while Milwaukee's performance on household income at both the city and metro level is unremarkable in comparison to the other cities and regions in our sample, a somewhat different picture emerges when we break down median household income by race. Tables 2.25 and 2.26 show median household income for whites and African Americans for our sample cities for the years 1990, 2000, and 2008. For both the city and the metropolitan area, Milwaukee's white median income places Milwaukee near the middle of our sample, with the metro area performing slightly better than the city. Comparatively speaking, however, Milwaukee's African American population does not do as well. As Table 2.26 indicates, the Milwaukee metropolitan area ranks in the bottom third of our sample cities for each year examined. The disparity between white and African-American median household income in 2008 was greater in the Milwaukee region than in any other metropolitan area in our sample except Minneapolis (see Table 2.27).

Table 2.25: White Non-Hispanic Median Household Income

Cities					Metro Areas				
	City	1990	2000	2008		Metro Area	1990	2000	2008
1	Boston	32,261	47,668	67,087	1	Newark	49,347	67,997	88,044
2	Chicago	31,732	49,222	65,400	2	Baltimore	40,554	56,615	75,947
3	Minneapolis	27,239	42,231	55,636	3	Boston	42,290	59,323	75,619
4	Baltimore	28,129	37,113	54,362	4	Chicago	40,166	59,903	72,732
5	Kansas City	30,399	43,204	53,881	5	Philadelphia	38,903	54,256	70,876
6	Omaha	28,986	43,171	52,689	6	Minneapolis	37,430	56,642	70,360
7	Indianapolis	31,358	43,577	52,318	7	Milwaukee	35,115	50,752	62,272
8	Columbus	28,583	41,585	48,992	8	Detroit	38,238	54,074	61,730
9	Wichita	29,815	42,503	48,679	9	Kansas City	33,472	49,785	61,355
10	Philadelphia	28,548	37,073	48,123	10	Indianapolis	33,390	48,515	59,668
11	Milwaukee	26,848	37,697	47,434	11	Omaha	31,495	47,467	59,611
12	Cincinnati	25,580	36,467	47,011	12	St. Louis	34,274	48,762	58,912
13	Newark	25,149	34,147	45,037	13	Columbus	31,919	47,776	58,263
14	St. Louis	23,142	33,590	44,944	14	Cincinnati	32,720	47,505	57,797
15	Pittsburgh	23,671	32,692	41,577	15	Cleveland	33,285	46,651	56,055
16	Toledo	26,860	36,095	40,969	16	Wichita	31,259	45,303	53,204
17	Buffalo	21,279	28,741	37,538	17	Buffalo	30,288	41,744	51,645
18	Cleveland	21,272	31,491	36,264	18	Toledo	30,714	42,461	51,395
19	Detroit	27,122	28,984	30,776	19	Pittsburgh	27,687	39,025	49,566
Milwaukee Rank		12	9	11	Milwaukee Rank		8	8	7

Table 2.26: African-American Median Household Income

Cities					Metro Areas				
	City	1990	2000	2008		Metro Area	1990	2000	2008
1	Boston	19,504	30,447	33,420	1	Baltimore	24,474	33,242	44,772
2	Newark	20,299	24,845	33,100	2	Newark	27,995	36,215	44,292
3	Baltimore	20,662	26,202	32,969	3	Boston	25,971	34,613	42,934
4	Indianapolis	19,815	30,109	31,672	4	Chicago	21,719	33,518	37,082
5	Columbus	19,750	29,214	31,231	5	Philadelphia	22,713	30,517	36,618
6	Chicago	19,498	29,086	31,143	6	Columbus	20,396	30,229	33,676
7	Philadelphia	20,128	26,217	29,827	7	Detroit	19,463	32,151	33,652
8	Detroit	21,283	29,647	29,243	8	Indianapolis	20,053	30,637	33,159
9	Kansas City	17,912	26,935	27,779	9	Kansas City	19,167	29,378	32,134
10	Milwaukee	15,642	24,403	26,948	10	St. Louis	18,679	27,310	31,320
11	Wichita	24,815	27,105	25,838	11	Minneapolis	18,929	29,417	30,829
12	Omaha	15,341	23,883	25,201	12	Cleveland	18,047	26,479	29,271
13	St. Louis	13,803	20,785	23,932	13	Cincinnati	15,939	25,357	28,163
14	Buffalo	13,042	19,795	23,834	14	Milwaukee	15,971	25,181	28,010
15	Toledo	14,857	22,687	23,160	15	Omaha	17,006	25,896	27,831
16	Cleveland	13,412	21,135	22,819	16	Wichita	17,993	27,413	26,542
17	Cincinnati	12,932	20,984	21,991	17	Pittsburgh	14,601	22,271	25,581
18	Minneapolis	15,781	25,338	21,747	18	Buffalo	13,630	20,676	25,376
19	Pittsburgh	12,209	20,075	21,628	19	Toledo	15,070	23,199	24,407
Milwaukee Rank		12	12	10	Milwaukee Rank		15	16	14

Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

**Table 2.27: African American Median Household Income
as a Percent of White Median Household Income**

City	1990	2000	2008	Metro Area	1990	2000	2008
1 Detroit	78.5	102.3	95.0	1 Baltimore	60.3	58.7	59.0
2 Newark	80.7	72.8	73.5	2 Columbus	63.9	63.3	57.8
3 Columbus	69.1	70.3	63.7	3 Boston	61.4	58.3	56.8
4 Buffalo	61.3	68.9	63.5	4 Indianapolis	60.1	63.1	55.6
5 Cleveland	63.1	67.1	62.9	5 Detroit	50.9	59.5	54.5
6 Philadelphia	70.5	70.7	62.0	6 St. Louis	54.5	56.0	53.2
7 Baltimore	73.5	70.6	60.6	7 Kansas City	57.3	59.0	52.4
8 Indianapolis	63.2	69.1	60.5	8 Cleveland	54.2	56.8	52.2
9 Milwaukee	58.3	64.7	56.8	9 Philadelphia	58.4	56.2	51.7
10 Toledo	55.3	62.9	56.5	10 Pittsburgh	52.7	57.1	51.6
11 St. Louis	59.6	61.9	53.2	11 Chicago	54.1	56.0	51.0
12 Wichita	83.2	63.8	53.1	12 Newark	56.7	53.3	50.3
13 Pittsburgh	51.6	61.4	52.0	13 Wichita	57.6	60.5	49.9
14 Kansas City	58.9	62.3	51.6	14 Buffalo	45.0	49.5	49.1
15 Boston	60.5	63.9	49.8	15 Cincinnati	48.7	53.4	48.7
16 Omaha	52.9	55.3	47.8	16 Toledo	49.1	54.6	47.5
17 Chicago	61.4	59.1	47.6	17 Omaha	54.0	54.6	46.7
18 Cincinnati	50.6	57.5	46.8	18 Milwaukee	45.5	49.6	45.0
19 Minneapolis	57.9	60.0	39.1	19 Minneapolis	50.6	51.9	43.8
Milwaukee Rank	14	9	9	Milwaukee Rank	18	17	18

Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

What explains the relatively low household incomes of African Americans in the Milwaukee region in comparison to other Northeast and Midwest metropolitan areas? As with joblessness, the low numbers of African Americans living in suburban areas appears to be a factor. In many of our sample regions, black median household incomes are higher for metropolitan areas than for central cities due to the relatively higher earnings of suburban blacks. Higher incomes of suburban black residents offset the lower incomes of many blacks living in the central city. In the Milwaukee region, however, where the vast majority of African Americans live in the central city, there are few black suburban residents to drive up black median household income for the region. As such, the figures for the city and for the metro area are very close for each year examined.

Black Middle Class

Another factor contributing to the relatively low household incomes of the Milwaukee region's black population is the region's comparatively small black middle class. We used three measures to develop a composite picture of the black middle class in the cities and metro areas in our sample: black households earning at least \$50,000; the percentage of blacks with a 4-year

college degree; and the percentage of blacks employed in professional, management, and related occupations. The results are displayed in Tables 2.28, 2.29, and 2.30.

Table 2.28: Percent of Black Households Earning \$50,000 or More

(Adjusted to 2008 CPI)

Cities					Metro Areas				
City	1990	2000	2008		Metro Area	1990	2000	2008	
1 Boston	40.5	38.6	36.3		1 Newark	47.4	45.9	45.1	
2 Chicago	33.7	36.9	32.4		2 Baltimore	41.1	41.7	45.0	
3 Newark	35.4	31.8	32.2		3 Boston	43.8	43.9	44.2	
4 Baltimore	34.5	31.6	31.8		4 Chicago	37.5	42.7	38.0	
5 Indianapolis	33.0	36.7	29.4		5 Philadelphia	38.6	38.0	36.8	
6 Columbus	32.0	35.0	28.8		6 Detroit	35.7	41.7	33.4	
7 Philadelphia	33.7	31.8	28.2		7 Columbus	33.2	36.8	33.0	
8 Detroit	33.0	37.8	27.7		8 Indianapolis	33.5	37.7	31.9	
9 Kansas City	29.2	32.1	25.8		9 Minneapolis	32.3	37.2	31.8	
10 Wichita	29.2	33.2	23.5		10 Kansas City	31.5	36.0	31.1	
11 Milwaukee	26.2	28.5	22.2		11 St. Louis	31.9	33.8	30.4	
12 Buffalo	22.4	23.2	21.4		12 Cincinnati	27.4	31.4	28.3	
13 St. Louis	22.0	24.2	21.0		13 Cleveland	31.1	32.5	27.7	
14 Minneapolis	25.9	30.2	20.1		14 Omaha	27.2	31.6	25.6	
15 Cincinnati	21.8	24.1	20.0		15 Wichita	30.0	33.7	25.4	
16 Omaha	23.4	28.1	19.5		16 Milwaukee	27.1	30.0	24.3	
17 Toledo	27.8	29.2	19.0		17 Pittsburgh	25.5	27.2	24.0	
18 Cleveland	23.2	24.3	18.7		18 Buffalo	24.1	25.7	23.8	
19 Pittsburgh	20.8	23.1	18.4		19 Toledo	28.7	30.1	20.6	
Milwaukee Rank		12	13	11	Milwaukee Rank		17	17	16

Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

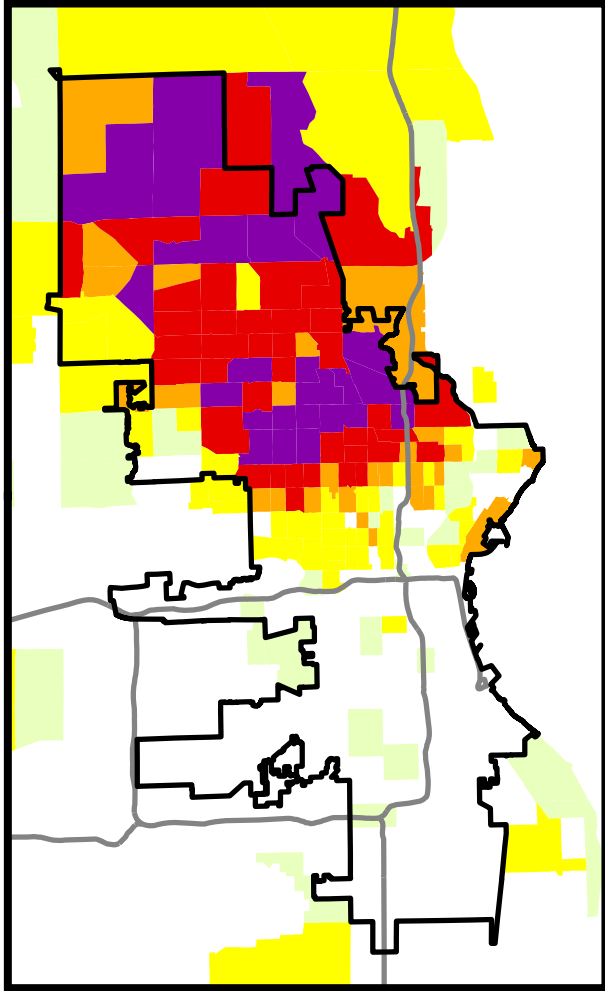
**Table 2.29: Percent of Blacks with a 4-Year College Degree
(population ages 25+)**

Cities				Metropolitan Areas			
City	1990	2000	2008	Metro Area	1990	2000	2008
1 Boston	14.0	15.6	17.2	1 Boston	17.9	20.8	22.5
2 Chicago	10.5	13.5	16.9	2 Minneapolis	17.3	19.1	20.5
3 Columbus	11.1	14.3	16.0	3 Baltimore	12.0	16.1	19.5
4 Indianapolis	9.6	13.3	15.4	4 Chicago	11.8	15.6	19.3
5 Pittsburgh	8.8	12.2	15.1	5 Newark	13.2	15.5	19.2
6 Minneapolis	13.8	14.0	13.9	6 Columbus	11.4	15.4	18.0
7 Wichita	10.6	12.6	13.9	7 Indianapolis	9.9	13.8	17.1
8 Omaha	9.4	11.4	13.6	8 Omaha	12.0	13.5	16.7
9 Kansas City	10.0	11.9	13.1	9 Philadelphia	10.9	12.8	16.4
10 Baltimore	8.6	10.0	12.8	10 Pittsburgh	10.1	12.8	15.9
11 Cincinnati	7.9	10.0	12.2	11 St. Louis	11.4	13.0	15.7
12 St. Louis	8.0	8.8	12.2	12 Kansas City	11.7	14.6	15.7
13 Philadelphia	9.1	10.3	12.2	13 Cincinnati	9.8	12.6	15.7
14 Newark	8.3	8.9	11.9	14 Wichita	10.9	13.0	14.9
15 Toledo	7.4	9.6	11.8	15 Detroit	9.9	12.8	14.3
16 Milwaukee	6.9	9.1	10.9	16 Toledo	8.1	10.5	12.9
17 Buffalo	10.1	10.2	10.8	17 Cleveland	8.5	10.8	12.8
18 Detroit	8.4	10.1	10.5	18 Buffalo	10.9	11.1	12.6
19 Cleveland	5.0	6.5	7.9	19 Milwaukee	7.6	10.3	12.4
Milwaukee Rank	18	16	16	Milwaukee Rank	19	19	19

Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

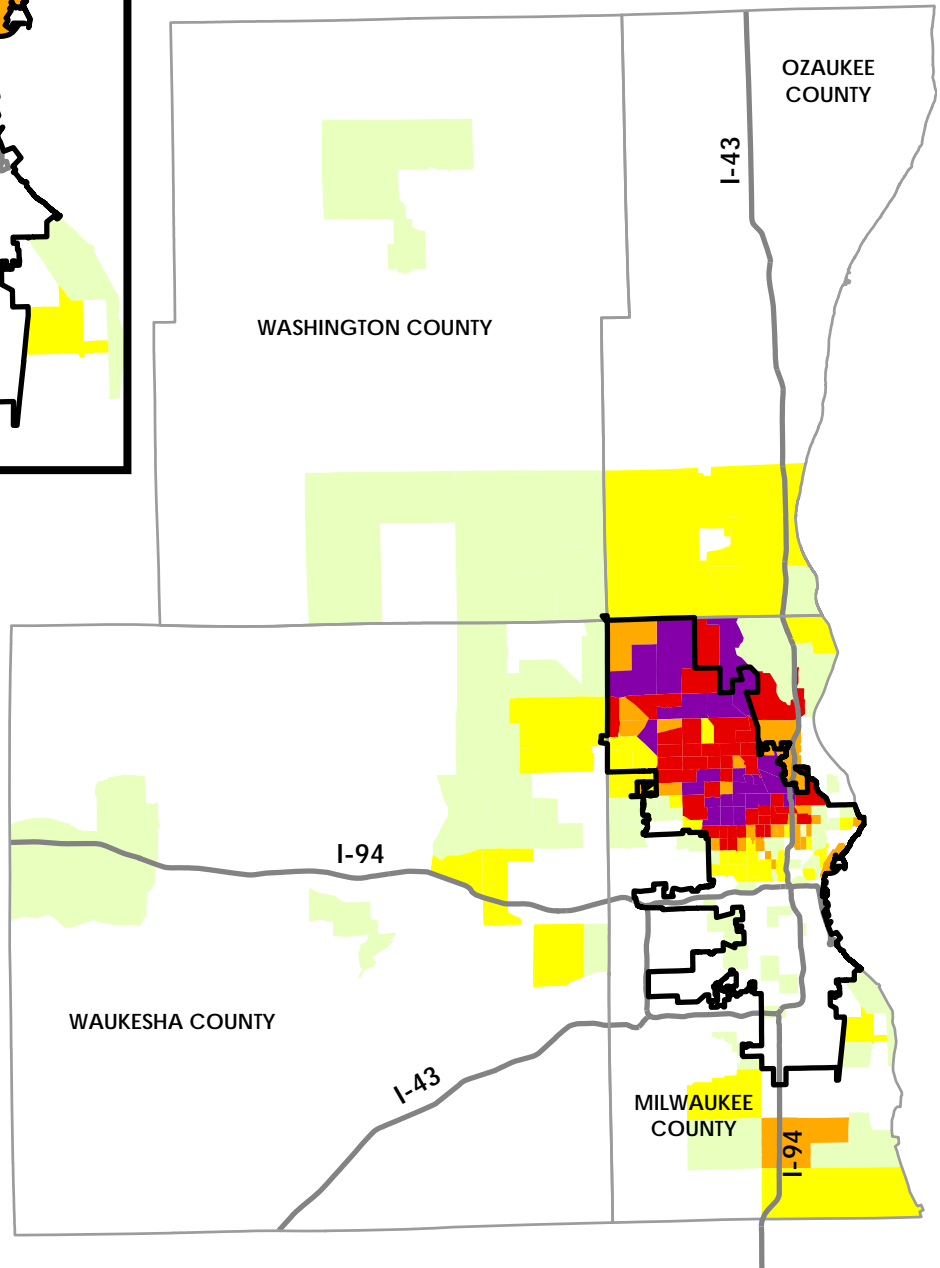
The data on black middle class for our sample cities reveal a number of significant trends. First, on two of our measures—black households earning at least \$50,000 and the percentage of blacks employed in professional, management, and related occupations—the city of Milwaukee generally performs better, comparatively speaking, than the Milwaukee metro area (although neither the city nor the metro area fare particularly well). The culprit, once again, is the region’s comparatively small suburban black population. Blacks living in the suburbs are more likely to be middle class than blacks living in the central city. With few suburban black residents to offset the city’s relatively small black middle class, the Milwaukee region generally fares worse than other metropolitan areas with higher percentages of blacks living in the suburbs. Of the 415 census tracts in the 4-county Milwaukee region, only five located outside the city of Milwaukee contain 50 or more black households earning at least \$50,000 (see Map 5). For all three of our measures of black middle class, the Milwaukee region ranks in the bottom third of our sample cities for the years 1990 and 2000, the years for which data are most conclusive.

MAP 5: AFRICAN-AMERICAN HOUSEHOLDS EARNING \$50,000 AND OVER (2000)



CITY OF MILWAUKEE

MILWAUKEE 4-COUNTY METROPOLITAN AREA



LEGEND
 (# of Black Households
 Earning \$50,000 or Over
 by Census Tract)

	0 - 9
	10 - 24
	25 - 49
	50 - 99
	100 - 199
	200+
	Interstates
	City boundary

Table 2.30: Percent of Blacks Employed in Professional, Management, and Related Occupations

Cities				Metropolitan Areas			
	City	2000	2008		Metro Area	2000	2008
1	Chicago	26.7	27.7	1	Baltimore	29.6	31.6
2	Boston	29.4	26.9	2	Boston	33.3	29.7
3	Pittsburgh	25.8	26.7	3	Buffalo	23.3	29.3
4	Philadelphia	24.8	26.2	4	Chicago	28.0	29.2
5	Columbus	24.7	25.9	5	Cincinnati	23.1	29.2
6	Baltimore	23.3	25.0	6	Cleveland	23.5	28.6
7	Newark	21.9	24.6	7	Columbus	26.1	27.9
8	Kansas City	23.9	23.9	8	Detroit	23.7	27.4
9	Buffalo	22.2	23.4	9	Indianapolis	23.3	24.9
10	Minneapolis	24.2	22.9	10	Kansas City	26.2	24.9
11	Milwaukee	21.5	22.9	11	Milwaukee	22.9	24.8
12	Indianapolis	22.8	22.4	12	Minneapolis	27.5	24.8
13	Wichita	21.2	22.4	13	Newark	27.1	24.7
14	Omaha	22.1	22.1	14	Omaha	23.5	24.4
15	Detroit	20.9	21.7	15	Philadelphia	26.9	24.3
16	Toledo	19.5	21.1	16	Pittsburgh	25.5	23.9
17	St. Louis	20.7	21.0	17	St. Louis	24.5	23.6
18	Cincinnati	21.3	20.2	18	Toledo	20.2	23.6
19	Cleveland	18.9	19.4	19	Wichita	21.7	22.1
	Milwaukee Rank	13	11		Milwaukee Rank	17	11

Data Source: U.S. Census 2000, ACS 2006-2008 3-year sample

On our third measure of black middle class—the percentage of blacks with a 4-year college degree—data for both the city and the metropolitan area place Milwaukee at or near the bottom of our 19 sample cities. For the years 1990, 2000, and 2008 no other metropolitan area in our sample has a lower percentage of blacks with a college degree. The figures for the city of Milwaukee are nearly as disturbing, although there has been some improvement over time. At the other end of the spectrum are such cities as Boston and Chicago, where African-American median household income is among the top cities and metropolitan areas in our sample. Not coincidentally, both Boston and Chicago also rank highly on all three of our measures of black middle class.

We provide one final measure to round out our picture of the black middle class: black-owned businesses. Although this is a more valid measure of black entrepreneurship than black middle class, black business ownership has traditionally been an important vehicle for low and moderate income blacks to improve their social and economic standing. As such, a city's rate of black-owned businesses may reveal something about the prospects for the African-American population. Table 2.31 provides data on black-owned businesses for the 19 cities and metro areas in our sample for the year 2002. We provide both absolute numbers and businesses per 10,000 African-American residents to control for the size of the city's black population. Here again, Milwaukee's performance is disappointing. When we control for size, both the city of Milwaukee and the Milwaukee metro area rank in the bottom third of our sample.

Table 2.31: Black-owned Businesses, 2002

Cities			Metropolitan Areas				
City	#	per 10,000 Black Residents	Metro Area	#	per 10,000 Black Residents		
1	Minneapolis	3,068	451.4	1	Minneapolis	7,419	477.3
2	Columbus	6,696	387.6	2	Boston	10,177	457.1
3	Chicago	39,419	374.1	3	Columbus	8,771	428.9
4	Wichita	1,378	355.8	4	Chicago	64,380	417.6
5	Indianapolis	5,549	279.9	5	Baltimore	24,536	352.8
6	Kansas City	3,777	275.9	6	Wichita	1,453	345.5
7	Cincinnati	3,757	265.4	7	Cincinnati	6,941	326.7
8	Omaha	1,329	258.4	8	Detroit	31,208	308.3
9	Detroit	19,530	253.0	9	Kansas City	6,797	302.7
10	Boston	3,544	252.6	10	Indianapolis	6,453	289.9
11	Newark	3,128	220.2	11	Omaha	1,618	275.1
12	Cleveland	5,161	213.7	12	Cleveland	10,505	254.5
13	St. Louis	3,584	206.1	13	St. Louis	12,067	254.3
14	Toledo	1,497	204.7	14	Philadelphia	24,486	242.9
15	Milwaukee	4,395	199.4	15	Pittsburgh	4,363	230.6
16	Pittsburgh	1,733	192.2	16	Milwaukee	5,069	218.3
17	Baltimore	7,834	187.9	17	Toledo	1,627	208.4
18	Philadelphia	10,576	163.7	18	Buffalo	2,392	177.7
19	Buffalo	1,750	163.5	19	Newark	NA	NA
Milwaukee Rank		8	15	Milwaukee Rank		13	16

Data Source: U.S. Census Bureau, Economic Census 2002

III. Business and Economic Development

In addition to employment and income, we also provide data for several basic indicators of business and economy. The first is gross metropolitan product, a rough metropolitan equivalent of national gross domestic product. Table 3.1 shows gross metropolitan product for the 19 metropolitan areas in our sample, while Table 3.2 lists the per capita figures. Milwaukee experienced a 29 percent increase in gross metropolitan product from 2001-2008, placing Milwaukee in the bottom third of metro areas in our sample for which data are available. When we examine gross metro product per capita, Milwaukee does slightly better, comparatively speaking. The Milwaukee region's 8 percent increase in per capita gross metro product from 2001-2008 places Milwaukee in the middle third of our sample.

Table 3.1: Gross Metro Product

(in millions of current dollars)

Metropolitan Areas			
Metro Area	2001	2008	% Change 2001-2008
1 Omaha	30,798	44,861	45.7
2 Wichita	20,283	28,541	40.7
3 Baltimore	95,869	133,012	38.7
4 Philadelphia	241,831	331,897	37.2
5 Minneapolis	142,733	193,947	35.9
6 Indianapolis	71,062	96,382	35.6
7 Buffalo	32,930	44,030	33.7
8 Pittsburgh	86,131	114,707	33.2
9 Kansas City	76,457	101,001	32.1
10 St. Louis	97,659	128,467	31.5
11 Chicago	396,279	520,672	31.4
12 Cincinnati	75,968	98,750	30.0
13 Boston	230,658	299,590	29.9
14 Milwaukee	63,986	82,694	29.2
15 Columbus	69,975	89,829	28.4
16 Cleveland	83,939	104,425	24.4
17 Toledo	21,671	26,106	20.5
18 Detroit	183,222	200,856	9.6
19 Newark	NA	NA	NA
Milwaukee Rank	14	14	14

Data Source: Bureau of Economic Analysis, 2008

Table 3.2: Gross Metro Product per Capita

(in chained 2001 dollars)

Metropolitan Areas

	Metro Area	2001	2008	% Change 2001-2008
1	Buffalo	28,301	32,777	15.8
2	Boston	51,930	58,286	12.2
3	Omaha	39,726	44,494	12.0
4	Philadelphia	42,368	47,387	11.8
5	Baltimore	37,196	41,432	11.4
6	Pittsburgh	35,617	39,422	10.7
7	Wichita	35,306	38,514	9.1
8	Minneapolis	47,204	51,315	8.7
9	Milwaukee	42,352	45,753	8.0
10	Chicago	43,095	45,786	6.2
11	Kansas City	41,024	43,578	6.2
12	Cleveland	39,151	41,347	5.6
13	St. Louis	35,919	37,917	5.6
14	Toledo	32,864	33,952	3.3
15	Indianapolis	45,679	47,090	3.1
16	Cincinnati	37,323	38,265	2.5
17	Columbus	42,619	43,386	1.8
18	Detroit	40,918	39,805	-2.7
19	Newark	NA	NA	NA
	Milwaukee Rank	7	6	9

Data Source: Bureau of Economic Analysis, 2008

Next we provide data on sales for five key sectors in the 19 cities and metropolitan areas in our sample. Tables 3.3 through 3.7 provide sales data for manufacturing; retail; accommodation and food services; arts, entertainment, and recreation; and health care and social assistance for the years 2002 and 2007. Where available, data for 1997 are also reported. Several noteworthy trends are evident from the data contained in the tables below. First, there are three sectors in which sales both in the city of Milwaukee and the Milwaukee metro area have experienced growth during this period: accommodation and food services; arts, entertainment, and recreation; and health care and social assistance. As indicated earlier in this report, the former two sectors are associated with the tourist industry. These are also the sectors which have experienced the strongest growth in sales. This may be welcome news for Milwaukee's tourist industry. However, these figures should be considered alongside the payroll data we provided earlier for these sectors. Food and accommodation jobs in particular represent a significant and rapidly growing share of Milwaukee's economy. Yet such jobs frequently pay low wages, and earnings in this sector are rising slower in Milwaukee than they are in many other cities, as we reported in the previous section of this report.

In two other sectors we examine—manufacturing and retail—sales in the city of Milwaukee declined from 1997 to 2007, while sales in the metropolitan area experienced modest growth when adjusted for inflation. In terms of overall sales volume, Milwaukee's largest sector is manufacturing, accounting for \$9 billion in sales in the city and over \$40 billion in sales in the metropolitan area in 2007. Like most other cities in our sample, the city of Milwaukee

Table 3.3: Manufacturing: Sales
(in \$1,000s, adjusted to 2007 \$)

Cities					Metro Areas						
City	1997	2002	2007	% Change 1997-2007	Metro Area	1997	2002	2007	% Change 1997-2007		
1	Wichita	11,083,518	10,084,314	14,213,156	28.2%	1	Wichita	15,783,842	21,398,575	25,390,856	60.9%
2	Philadelphia	14,337,075	13,415,507	18,069,415	26.0%	2	Columbus	23,451,061	37,246,750	34,330,434	46.4%
3	Omaha	8,433,341	7,574,148	8,853,876	5.0%	3	Philadelphia	86,047,133	119,145,803	122,509,805	42.4%
4	Columbus	10,863,574	12,523,426	11,317,893	4.2%	4	Cincinnati	37,039,092	45,122,502	50,675,746	36.8%
5	St. Louis	11,116,975	9,680,231	10,920,629	-1.8%	5	Toledo	21,117,449	25,792,258	28,585,107	35.4%
6	Toledo	11,991,364	10,417,641	10,634,796	-11.3%	6	Omaha	11,380,334	13,101,689	14,272,184	25.4%
7	Kansas City	9,243,853	8,386,272	7,789,319	-15.7%	7	Pittsburgh	31,228,255	31,889,621	38,078,152	21.9%
8	Milwaukee	10,841,683	8,560,860	9,058,917	-16.4%	8	Boston	50,873,064	71,777,269	61,691,318	21.3%
9	Pittsburgh	3,094,008	3,982,417	2,535,019	-18.1%	9	Minneapolis	57,616,146	59,642,422	63,158,157	9.6%
10	Minneapolis	5,107,368	3,845,943	4,107,488	-19.6%	10	Indianapolis	34,587,004	37,571,218	35,647,647	3.1%
11	Detroit	25,550,809	26,274,264	20,216,107	-20.9%	11	Milwaukee	40,168,189	37,887,850	41,284,158	2.8%
12	Buffalo	5,848,482	5,042,391	4,499,775	-23.1%	12	St. Louis	66,514,974	65,704,334	67,121,113	0.9%
13	Cincinnati	8,448,945	4,736,220	6,446,611	-23.7%	13	Kansas City	40,066,640	41,842,724	38,875,992	-3.0%
14	Newark	4,331,660	3,403,549	3,209,162	-25.9%	14	Newark	41,512,672	39,705,450	38,292,253	-7.8%
15	Cleveland	11,207,791	6,434,555	7,497,028	-33.1%	15	Buffalo	23,844,888	21,464,057	19,306,856	-19.0%
16	Chicago	34,551,678	25,035,577	22,115,580	-36.0%	16	Chicago	158,504,878	132,586,720	127,798,381	-19.4%
17	Boston	5,091,858	4,078,781	3,193,339	-37.3%	17	Detroit	144,171,230	143,468,843	112,084,489	-22.3%
18	Baltimore	12,688,798	7,191,163	5,730,887	-54.8%	18	Cleveland	57,084,396	45,031,264	42,181,134	-26.1%
19	Indianapolis	23,148,442	23,095,614	NA	NA	19	Baltimore	NA	26,677,656	24,306,480	NA
Milwaukee Rank	11	9	8	9	Milwaukee Rank	10	11	9	11		

Data Source: U.S. Economic Census, 1997-2007

**Table 3.4: Accommodation and Food Services: Sales
(in \$1,000s, adjusted to 2007 \$)**

Cities					Metro Areas						
City	1997	2002	2007	% Change 1997-2007	Metro Area	1997	2002	2007	% Change 1997-2007		
1	Detroit	744,056	764,950	1,253,917	68.5%	1	Omaha	1,161,837	1,540,602	1,782,353	53.4%
2	Philadelphia	2,185,249	2,461,800	3,051,401	39.6%	2	Boston	7,451,434	10,020,441	11,243,699	50.9%
3	Boston	2,647,699	2,975,185	3,661,700	38.3%	3	Philadelphia	6,632,978	8,711,275	9,991,300	50.6%
4	Omaha	763,273	877,332	1,041,517	36.5%	4	Buffalo	1,476,855	1,642,499	2,125,179	43.9%
5	Chicago	5,789,967	6,370,137	7,663,319	32.4%	5	Cincinnati	3,077,835	4,086,913	4,413,665	43.4%
6	Baltimore	1,097,884	1,227,334	1,434,689	30.7%	6	Baltimore	3,776,265	4,500,755	5,371,278	42.2%
7	Columbus	1,498,606	1,765,756	1,944,791	29.8%	7	Minneapolis	4,853,860	5,698,500	6,590,507	35.8%
8	Newark	432,798	443,285	552,638	27.7%	8	Kansas City	3,298,076	3,690,244	4,368,510	32.5%
9	Buffalo	325,881	426,965	414,738	27.3%	9	St. Louis	4,239,309	5,206,506	5,558,712	31.1%
10	Minneapolis	1,070,792	1,109,708	1,333,466	24.5%	10	Columbus	2,650,424	3,172,125	3,448,074	30.1%
11	Kansas City	1,346,814	1,462,039	1,668,701	23.9%	11	Chicago	14,223,149	15,295,231	18,056,362	27.0%
12	St. Louis	887,000	1,190,867	1,059,295	19.4%	12	Newark	2,867,422	3,162,335	3,637,606	26.9%
13	Milwaukee	794,996	901,248	949,053	19.4%	13	Milwaukee	2,009,780	2,249,279	2,465,048	22.7%
14	Pittsburgh	874,983	1,055,273	1,042,893	19.2%	14	Indianapolis	2,813,724	3,058,807	3,413,513	21.3%
15	Wichita	682,164	691,337	758,642	11.2%	15	Pittsburgh	3,342,799	3,798,915	3,940,673	17.9%
16	Cleveland	871,276	844,756	868,096	-0.4%	16	Wichita	837,964	850,485	950,474	13.4%
17	Cincinnati	728,759	678,953	712,799	-2.2%	17	Detroit	6,170,568	6,536,214	6,949,875	12.6%
18	Toledo	547,795	531,542	428,710	-21.7%	18	Toledo	987,272	1,132,105	1,055,750	6.9%
19	Indianapolis	1,871,198	2,009,766	NA	NA	19	Cleveland	3,332,295	3,348,373	3,496,667	4.9%
Milwaukee Rank		12	11	12	13	Milwaukee Rank		15	15	15	13

Data Source: U.S. Economic Census, 1997-2007

**Table 3.5: Arts, Entertainment, and Recreation: Sales
(in \$1,000s, adjusted to 2007 \$)**

Cities				Metro Areas			
City	2002	2007	% Change 2002-2007	Metro Area	2002	2007	% Change 2002-2007
1 Newark	126,804	208,816	64.7%	1 Philadelphia	2,827,270	3,578,770	26.6%
2 Wichita	87,753	137,525	56.7%	2 Boston	2,958,806	3,679,996	24.4%
3 Boston	1,091,174	1,492,154	36.7%	3 Newark	801,388	994,680	24.1%
4 Philadelphia	1,153,291	1,529,877	32.7%	4 Milwaukee	1,030,892	1,250,405	21.3%
5 Pittsburgh	626,151	806,720	28.8%	5 Pittsburgh	1,348,079	1,606,987	19.2%
6 Omaha	189,887	241,640	27.3%	6 Baltimore	1,348,606	1,598,586	18.5%
7 Minneapolis	572,875	728,860	27.2%	7 Chicago	4,649,943	5,459,216	17.4%
8 Milwaukee	739,929	904,404	22.2%	8 St. Louis	1,875,989	2,170,025	15.7%
9 Kansas City	612,119	694,516	13.5%	9 Minneapolis	2,114,264	2,416,351	14.3%
10 Cincinnati	545,087	589,911	8.2%	10 Buffalo	557,245	610,325	9.5%
11 Cleveland	806,009	859,869	6.7%	11 Wichita	179,831	187,386	4.2%
12 Buffalo	172,929	179,745	3.9%	12 Cleveland	1,516,770	1,564,348	3.1%
13 Toledo	161,902	141,257	-12.8%	13 Kansas City	1,120,326	1,149,747	2.6%
14 St. Louis	741,105	609,913	-17.7%	14 Columbus	763,037	773,542	1.4%
15 Columbus	419,195	340,902	-18.7%	15 Detroit	3,653,953	3,199,254	-12.4%
16 Baltimore	660,326	503,118	-23.8%	16 Indianapolis	1,685,227	1,463,151	-13.2%
17 Detroit	2,080,472	1,565,098	-24.8%	17 Toledo	284,945	247,042	-13.3%
18 Chicago	1,979,502	NA	NA	18 Cincinnati	NA	NA	NA
19 Indianapolis	NA	1,064,261	NA	19 Omaha	459,932	NA	NA
Milwaukee Rank	7	5	8	Milwaukee Rank	12	11	4

Data Source: U.S. Economic Census, 2002-2007

**Table 3.6: Health Care and Social Assistance: Sales
(in \$1,000s, adjusted to 2007 \$)**

Cities				Metro Areas			
City	2002	2007	% Change 2002-2007	Metro Area	2002	2007	% Change 2002-2007
1 Cleveland	5,265,609	6,923,525	31.5%	1 Minneapolis	7,632,227	9,658,746	26.6%
2 Buffalo	2,699,405	3,489,645	29.3%	2 Baltimore	5,898,671	7,171,045	21.6%
3 Minneapolis	4,514,659	5,775,500	27.9%	3 Philadelphia	14,712,216	17,480,644	18.8%
4 Boston	12,285,100	15,331,781	24.8%	4 Columbus	3,606,352	4,268,115	18.3%
5 Baltimore	6,897,217	8,368,892	21.3%	5 Boston	14,111,287	16,468,759	16.7%
6 Omaha	3,513,965	4,201,690	19.6%	6 Omaha	1,833,289	2,133,084	16.4%
7 Pittsburgh	6,494,858	7,722,691	18.9%	7 Cleveland	5,559,156	6,459,700	16.2%
8 Philadelphia	12,238,420	14,539,824	18.8%	8 Kansas City	4,133,588	4,734,182	14.5%
9 Wichita	2,741,755	3,239,882	18.2%	9 Wichita	1,296,272	1,452,549	12.1%
10 Chicago	15,250,698	17,662,015	15.8%	10 Buffalo	2,513,741	2,815,200	12.0%
11 Columbus	5,929,105	6,489,958	9.5%	11 Pittsburgh	6,233,629	6,919,737	11.0%
12 Toledo	2,295,355	2,419,481	5.4%	12 Newark	5,296,483	5,867,861	10.8%
13 Newark	2,080,832	2,140,445	2.9%	13 Chicago	16,784,396	18,456,813	10.0%
14 Milwaukee	4,347,708	4,460,788	2.6%	14 Indianapolis	3,950,884	4,309,266	9.1%
15 Kansas City	3,885,920	3,941,692	1.4%	15 Milwaukee	4,322,976	4,710,530	9.0%
16 Cincinnati	4,936,147	4,969,416	0.7%	16 Cincinnati	4,724,785	5,143,136	8.9%
17 St. Louis	3,651,903	3,510,559	-3.9%	17 Toledo	1,693,801	1,830,783	8.1%
18 Detroit	5,016,256	NA	NA	18 St. Louis	5,768,454	6,161,174	6.8%
19 Indianapolis	7,239,255	NA	NA	19 Detroit	9,096,889	NA	NA
Milwaukee Rank	12	10	14	Milwaukee Rank	12	12	15

Data Source: U.S. Economic Census, 2002-2007

Table 3.7: Retail: Sales
(in \$1,000s, adjusted to 2007 \$)

Cities						Metro Areas					
City	1997	2002	2007	% Change 1997-2007		Metro Area	1997	2002	2007	% Change 1997-2007	
1 Newark	1,179,219	1,214,503	1,637,185	38.8%		1 Boston	43,455,949	61,191,225	62,993,339	45.0%	
2 Minneapolis	3,028,085	3,234,844	3,867,032	27.7%		2 Philadelphia	61,611,433	77,769,078	84,725,200	37.5%	
3 Boston	5,497,711	6,251,748	6,808,832	23.8%		3 Omaha	9,890,290	11,341,097	13,052,981	32.0%	
4 Wichita	4,953,583	5,013,579	5,765,648	16.4%		4 Baltimore	28,017,296	32,635,969	36,583,925	30.6%	
5 Chicago	17,933,653	19,942,823	19,842,717	10.6%		5 Cincinnati	20,612,974	24,811,574	25,842,318	25.4%	
6 Columbus	11,104,041	10,618,462	12,077,018	8.8%		6 Newark	22,791,996	26,879,918	28,129,140	23.4%	
7 Philadelphia	10,487,559	10,481,111	11,167,787	6.5%		7 Columbus	21,861,642	23,376,661	26,892,332	23.0%	
8 Omaha	7,078,400	6,889,112	7,495,144	5.9%		8 Wichita	6,202,810	6,676,072	7,547,818	21.7%	
9 Baltimore	4,441,878	3,772,374	4,348,797	-2.1%		9 Pittsburgh	27,726,093	28,973,091	32,663,498	17.8%	
10 Pittsburgh	3,532,025	4,104,249	3,412,987	-3.4%		10 Kansas City	23,397,978	25,199,291	27,215,753	16.3%	
11 Milwaukee	4,368,022	4,142,724	4,001,682	-8.4%		11 Minneapolis	40,324,584	44,603,019	46,284,689	14.8%	
12 Indianapolis	13,213,063	13,020,393	12,060,149	-8.7%		12 St. Louis	31,162,647	34,677,138	35,738,248	14.7%	
13 Buffalo	1,606,908	1,723,428	1,449,610	-9.8%		13 Buffalo	12,458,373	13,435,855	13,292,271	6.7%	
14 Kansas City	7,457,889	6,587,492	6,712,982	-10.0%		14 Indianapolis	21,885,266	22,050,697	22,908,206	4.7%	
15 Toledo	3,246,522	3,123,313	2,831,775	-12.8%		15 Toledo	7,859,114	8,350,335	8,219,594	4.6%	
16 Cincinnati	3,897,468	3,929,519	3,310,468	-15.1%		16 Chicago	95,175,081	90,376,312	97,414,058	2.4%	
17 St. Louis	3,050,997	3,252,425	2,496,672	-18.2%		17 Milwaukee	18,474,787	18,696,383	18,898,837	2.3%	
18 Detroit	4,119,364	3,766,937	3,271,837	-20.6%		18 Cleveland	26,477,974	27,332,224	24,195,297	-8.6%	
19 Cleveland	3,072,414	2,658,921	2,298,137	-25.2%		19 Detroit	57,492,078	59,660,758	49,928,321	-13.2%	
Milwaukee Rank	10	9	10	11		Milwaukee Rank	15	15	15	17	

Data Source: U.S. Economic Census, 1997-2007

experienced a drop in manufacturing sales from 1997 to 2007. Milwaukee's decline of 16 percent places the city roughly in the middle of our sample on this indicator.

In contrast to the central cities in our sample, most metropolitan areas we examine experienced increases in manufacturing sales from 1997 to 2007. In several regions, including Wichita, Columbus, and Philadelphia, gains were 40 percent or higher even after adjusting for inflation. The Milwaukee region's increase of just under 3 percent is one of the smallest gains among the 12 regions in our sample that experienced growth in manufacturing sales during this time.

Like manufacturing, retail also experienced decreasing sales in the city of Milwaukee from 1997 to 2007, while growing slightly in the region as a whole. Nearly all the metropolitan areas in our sample saw some growth in retail during this period, and the Milwaukee region's performance was comparatively weak. With only 2 percent growth in retail sales from 1997 to 2007, Milwaukee's performance was poor. Only Cleveland and Detroit performed worse on this indicator.

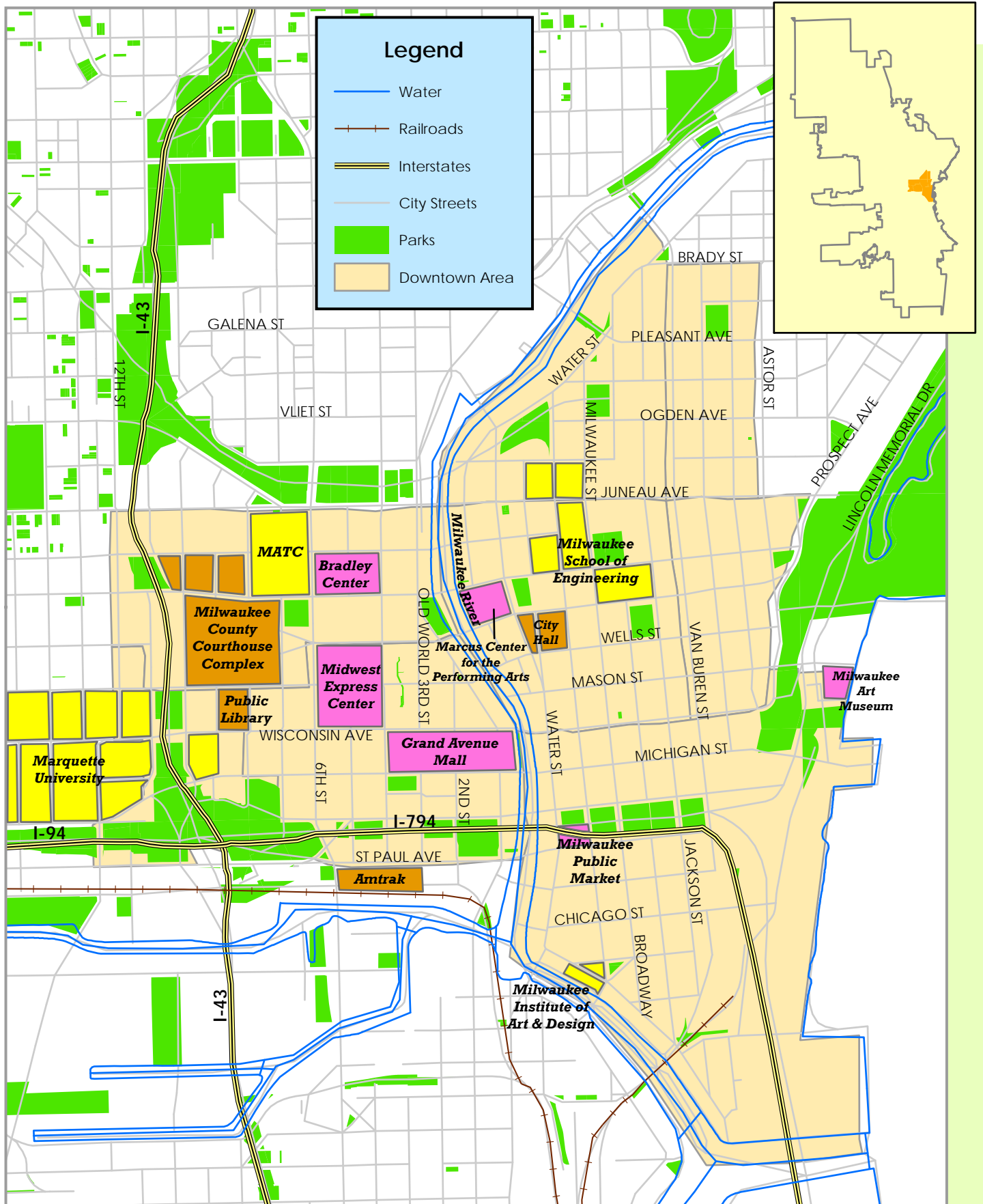
Downtown Revitalization

Many cities, including Milwaukee, have focused economic development efforts in part on downtown revitalization. This typically involves loft conversions and other efforts to gentrify the downtown area, the construction of new hotels, convention centers, and sports stadiums downtown, and efforts to expand the downtown corporate sector. Valid measures of downtown revitalization for which data are readily available are difficult to come by. One problem is defining the geographic boundaries of the downtown area. A frequently cited 2001 study of downtown revitalization published jointly by the Fannie Mae Foundation and the Brookings Institution provides downtown-area census tracts for 10 of our 19 sample cities, including Milwaukee.¹ Using these geographic boundaries, we compiled data on population and residential units in the downtown areas of each of these 10 cities, shown in Tables 3.4 and 3.5. These numbers provide an admittedly limited picture of downtown revitalization, but they do tell us something about how well cities are doing in their efforts to attract residents to the downtown area. Map 6 shows the boundaries of downtown Milwaukee, as defined in the Brookings Institution study noted above. As Table 3.8 shows, Milwaukee's downtown population in 2000 was just over 11,000 residents, representing around 2 percent of the city's population. This places Milwaukee near the middle of this 10 city sample. With respect to downtown residential units, Milwaukee also ranks near the middle of the sample, as Table 3.9 indicates.

¹ See Rebecca R. Sohmer and Robert E. Lang, *Downtown Rebound* (Fannie Mae Foundation and the Brookings Institution, 2001).

MAP 6: DOWNTOWN MILWAUKEE

Downtown census tracts were designated using downtown boundaries outlined in "Downtown Rebound", 2001, Sohmer and Lang, Fannie Mae and Brookings



**Table 3.8: Downtown Population,
2000**

	City	#	% of City Population
1	Boston	30,067	13.5
2	Minneapolis	79,251	6.3
3	Philadelphia	42,039	5.2
4	Baltimore	3,189	4.6
5	St. Louis	9,599	2.2
6	Milwaukee	11,989	2.0
7	Cleveland	6,141	2.0
8	Chicago	24,149	1.5
9	Cincinnati	78,349	1.0
10	Detroit	7,511	0.6
	Milwaukee Rank	6	7

Data Source: U.S. Census 2000

Downtown census tracts designated using downtown boundaries outlined in "Downtown Rebound", 2001, Sohmer and Lang, Fannie Mae and Brookings

**Table 3.9: Downtown Residential
Units, 2000**

	City	#	% of Units in City
1	Boston	46,264	18.4
2	Minneapolis	15,650	9.3
3	Philadelphia	51,486	7.8
4	Baltimore	18,255	6.1
5	St. Louis	5,826	3.3
6	Chicago	30,021	2.6
7	Milwaukee	6,124	2.5
8	Cleveland	5,223	2.4
9	Cincinnati	1,968	1.2
10	Detroit	3,844	1.0
	Milwaukee Rank	6	6

Data Source: U.S. Census 2000

Downtown census tracts designated using downtown boundaries outlined in "Downtown Rebound", 2001, Sohmer and Lang, Fannie Mae and Brookings

City-Suburban Economic Performance

Finally, we include two measures to examine the economic performance of cities in comparison to their suburbs. Table 3.10 shows the city share of metropolitan retail sales for our 19-city sample for the years 1997 and 2007. As our previous State of the City report found, the city of Milwaukee's share of metro-area retail sales dropped from well over 50 percent during the 1960s to 29 percent by 1992.² Table 3.10 indicates that this trend has not been reversed. Suburban shopping malls and other retail centers continue to capture a large proportion of metropolitan retail trade, in Milwaukee and elsewhere. Comparatively speaking, however, Milwaukee's performance is reasonably strong, placing Milwaukee near the top third of our sample cities. This reflects, in part, the comparatively high percentage of metro-area residents who live in the central city as opposed to the suburbs, as the population section of this report indicates.

Table 3.10: City Share of Metropolitan Retail Sales (1997-2007)

City/Metro Area	1997	2002	2007
1 Wichita	79.9%	75.1%	76.4%
2 Omaha	71.6%	60.7%	57.4%
3 Indianapolis	60.4%	59.0%	52.6%
4 Columbus	50.8%	45.4%	44.9%
5 Toledo	41.3%	37.4%	34.5%
6 Kansas City	31.9%	26.1%	24.7%
7 Milwaukee	23.6%	22.2%	21.2%
8 Chicago	18.8%	22.1%	20.4%
9 Philadelphia	17.0%	13.5%	13.2%
10 Cincinnati	18.9%	15.8%	12.8%
11 Baltimore	15.9%	11.6%	11.9%
12 Buffalo	12.9%	12.8%	10.9%
13 Boston	12.7%	10.2%	10.8%
14 Pittsburgh	12.7%	14.2%	10.4%
15 Cleveland	11.6%	9.7%	9.5%
16 Minneapolis	7.5%	7.3%	8.4%
17 St. Louis	9.8%	9.4%	7.0%
18 Detroit	7.2%	6.3%	6.6%
19 Newark	5.2%	4.5%	5.8%
Milwaukee Rank	7	7	7

Data Source: U.S. Economic Census, 1997-2007

Table 3.11 shows the city share of metropolitan manufacturing employment for our 19 city sample for the years 1997, 2002, and 2007. Here again, we see a continuation of a downward slide for the city of Milwaukee dating back to the 1960s, when the city's share of the region's manufacturing jobs was over 50 percent.³ By 2007, the figure had fallen to 22 percent. On the plus side, however, the city of Milwaukee is doing better than many of its Northeast and

² See Center for Economic Development, *The Economic State of Milwaukee*, 1998, p. 22.

³ See Center for Economic Development, *The Economic State of Milwaukee*, 1998, p. 76.

Midwest counterparts at holding onto its share of regional manufacturing employment, ranking in the top half of our sample cities on this indicator of economic well being.

Table 3.11: City Share of Metropolitan Manufacturing Employment (1997-2007)

	City/Metro Area	1997	2002	2007
1	Omaha	71.3%	62.4%	60.3%
2	Wichita	78.8%	55.3%	55.1%
3	Columbus	41.7%	40.0%	34.4%
4	Toledo	45.8%	40.3%	31.6%
5	Baltimore	NA	25.5%	23.2%
6	Kansas City	29.3%	24.9%	23.1%
7	Buffalo	24.9%	24.2%	22.1%
8	Milwaukee	28.1%	25.1%	21.8%
9	Cleveland	22.2%	18.3%	19.1%
10	Chicago	21.9%	22.0%	19.0%
11	St. Louis	19.8%	17.0%	16.2%
12	Cincinnati	24.2%	16.0%	15.0%
13	Philadelphia	19.0%	17.0%	14.6%
14	Newark	13.6%	12.0%	11.0%
15	Detroit	13.7%	12.4%	9.8%
16	Pittsburgh	11.5%	12.4%	8.3%
17	Minneapolis	11.1%	9.4%	7.9%
18	Boston	9.1%	6.9%	5.1%
19	Indianapolis	55.6%	58.5%	NA
	Milwaukee Rank	7	7	8

Data Source: U.S. Economic Census, 1997-2007

IV. Poverty

In our previous State of the City report, we documented the dramatic rise in the city of Milwaukee's poverty rate during the 1980s. Using several measures of urban poverty, we showed how Milwaukee transitioned from a city that performed comparatively well on various poverty measures prior to 1980 to a city that ranked at or near the bottom of our sample by 1990. Data from 1990, 2000, and 2008 show that poverty has become entrenched in Milwaukee. Despite some improvement on certain poverty indicators, the most recent data confirm that poverty remains one of the city's most pressing social and economic problems.

Table 4.1 shows poverty rates for the 19 cities and metropolitan areas in our sample for the years 1990, 2000, and 2008. As Table 4.1 indicates, the dramatic rise in the city of Milwaukee's poverty rate during the 1980s has not been reversed. Despite the economic boom of the 1990s, the city's poverty rate decreased by only 1 percent from 1990 to 2000, rising once again during subsequent years. Milwaukee's estimated 2008 poverty rate of 24 percent is lower than only five other cities in our sample: Newark, Cincinnati, Buffalo, Cleveland, and Detroit.

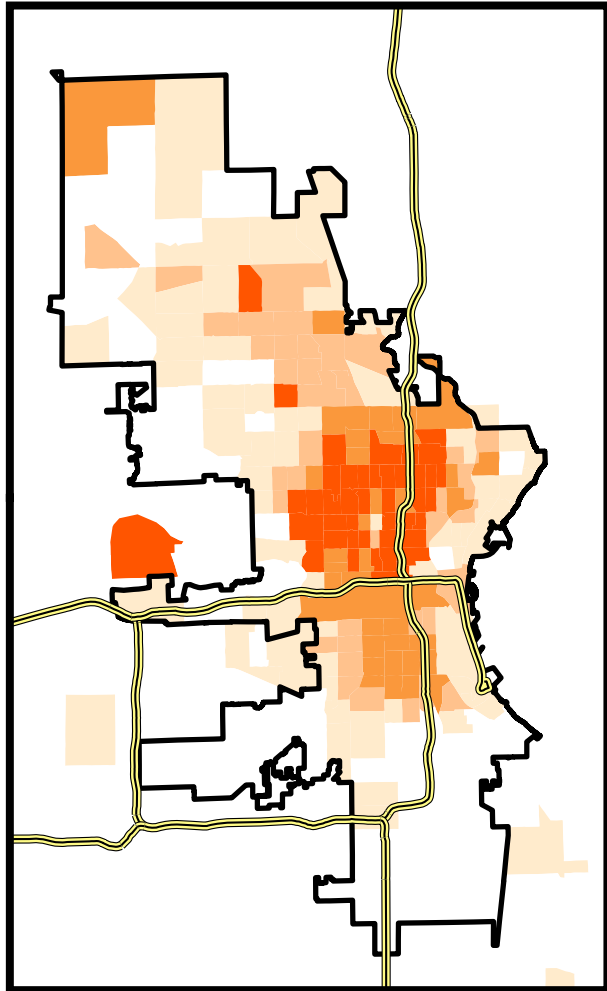
Table 4.1: Percent of Population Living in Poverty

Cities					Metro Areas				
City	1990	2000	2008		Metro Area	1990	2000	2008	
1 Omaha	12.6	11.3	14.7		1 Minneapolis	8.1	6.7	8.6	
2 Wichita	12.5	11.2	14.9		2 Newark	8.9	9.7	8.8	
3 Indianapolis	12.5	11.9	16.1		3 Boston	8.3	8.6	9.2	
4 Kansas City	15.3	14.3	17.6		4 Baltimore	10.1	9.8	9.2	
5 Boston	18.7	19.5	19.6		5 Kansas City	9.8	8.5	10.4	
6 Baltimore	21.9	22.9	19.6		6 Omaha	9.6	8.4	10.5	
7 Columbus	17.2	14.8	20.6		7 Indianapolis	9.6	8.6	11.1	
8 Chicago	21.6	19.6	20.7		8 St. Louis	10.8	9.9	11.3	
9 Minneapolis	18.5	16.9	21.4		9 Cincinnati	11.4	9.7	11.3	
10 Pittsburgh	21.4	20.4	21.6		10 Philadelphia	10.4	11.1	11.5	
11 Toledo	19.1	17.9	23.3		11 Pittsburgh	12.2	10.8	11.6	
12 St. Louis	24.6	24.6	23.8		12 Chicago	12.4	10.5	11.9	
13 Philadelphia	20.3	22.9	24.3		13 Wichita	10.5	9.1	12.2	
14 Milwaukee	22.2	21.3	24.4		14 Milwaukee	11.6	10.6	12.4	
15 Newark	26.3	28.4	24.7		15 Cleveland	11.8	10.8	12.8	
16 Cincinnati	24.3	21.9	25.7		16 Columbus	11.8	10.1	13.0	
17 Cleveland	28.7	26.3	28.9		17 Buffalo	12.2	11.9	13.5	
18 Buffalo	25.6	26.6	29.9		18 Detroit	12.9	10.7	13.6	
19 Detroit	32.4	26.1	33.1		19 Toledo	13.9	12.5	15.0	
Milwaukee Rank	13	11	14		Milwaukee Rank	12	13	14	

Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

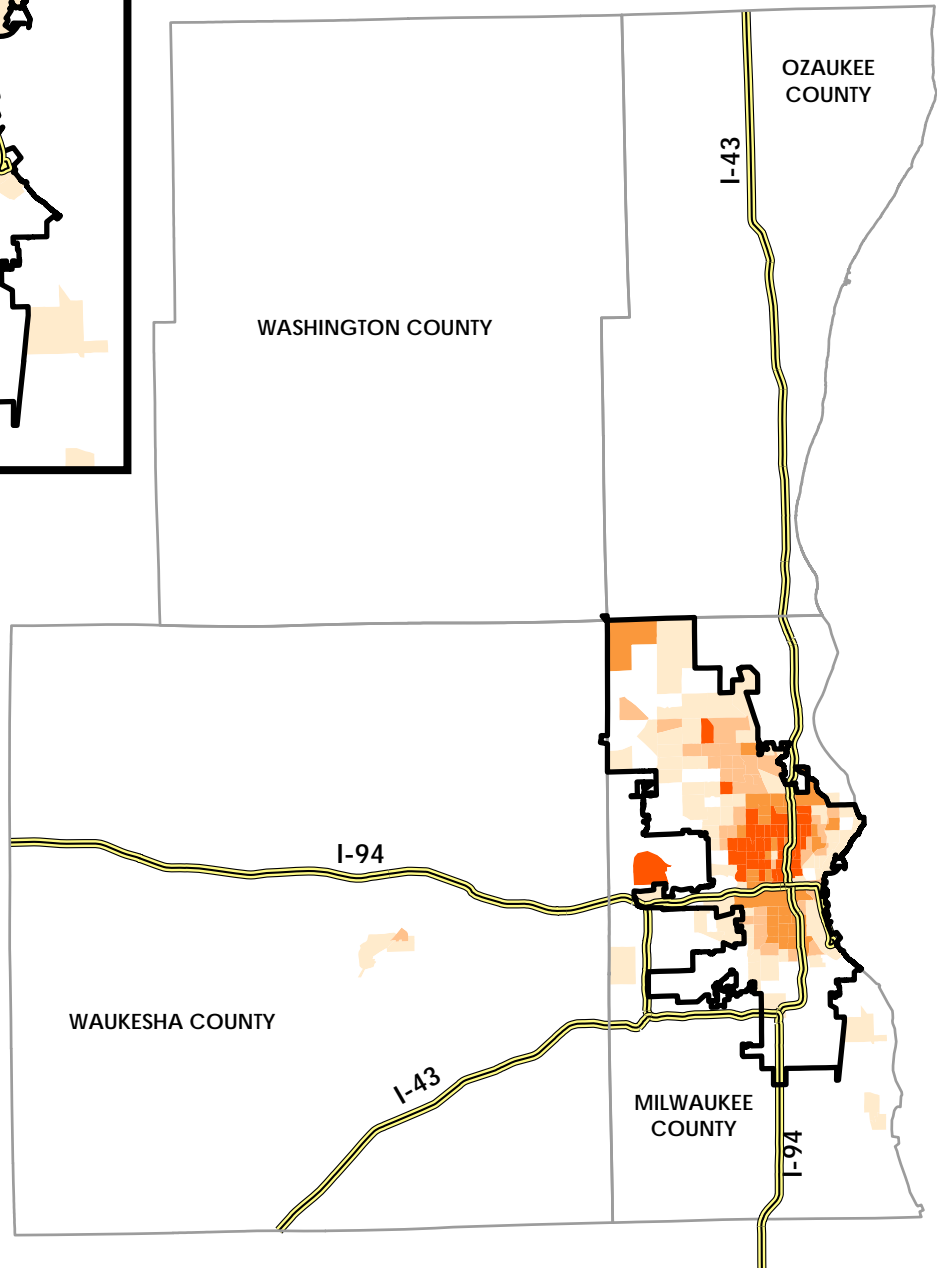
Poverty in the Milwaukee region is largely confined to the city of Milwaukee and Milwaukee County. Map 7 shows the geographic distribution of poverty in the 4-county Milwaukee region for the year 2000. All high poverty census tracts (i.e., census tracts in which 40 percent or more of residents are living below the poverty line) are located in the city of Milwaukee, with the exception of one area in Wauwatosa. Of the 182 census tracts in the 4-

MAP 7: % OF POPULATION LIVING BELOW THE POVERTY LEVEL (2000)



CITY OF MILWAUKEE

MILWAUKEE 4-COUNTY METROPOLITAN AREA



OZAUKEE COUNTY

I-43

WASHINGTON COUNTY

I-94

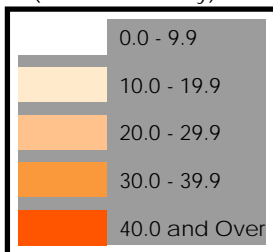
WAUKESHA COUNTY

I-43

MILWAUKEE COUNTY

I-94

LEGEND
(% Below Poverty)



county region in which 10 percent or more of residents are living below the poverty threshold, only 11 are located outside the city of Milwaukee. Only three of these census tracts are located outside Milwaukee County.

Other poverty indicators we examined reveal a similar picture. Table 4.2 shows child poverty rates for our 19 sample cities and metro areas for the years 1990, 2000, and 2008. Here again, poverty rates for Milwaukee declined during the boom years of the 1990s, creeping up once again after 2000. Both the city of Milwaukee and the Milwaukee metro area rank among the worst performers in our sample for each year examined. In 2008, only Cincinnati, Buffalo, Cleveland, and Detroit had higher child poverty rates than the city of Milwaukee. The Milwaukee metro area did not fare any better, comparatively speaking, with a 2008 child poverty rate higher than all sample metro areas except Buffalo, Detroit, Toledo, and Cleveland. This was an improvement over 1990, when the Milwaukee region's child poverty rate was exceeded only by the Detroit metro area.

Table 4.2: Percent of Children Living in Poverty

Cities					Metro Areas				
City	1990	2000	2008		Metro Area	1990	2000	2008	
1	Wichita	17.8	14.9	19.9	1	Boston	11.5	10.0	10.8
2	Omaha	18.8	16.0	20.0	2	Minneapolis	11.2	8.6	11.0
3	Indianapolis	18.9	16.7	23.7	3	Newark	13.7	12.5	11.6
4	Kansas City	22.8	20.6	27.1	4	Baltimore	14.4	12.6	12.0
5	Baltimore	32.5	31.0	27.2	5	Omaha	13.1	11.4	13.6
6	Boston	28.3	25.9	27.7	6	Kansas City	13.7	11.4	14.6
7	Columbus	24.4	19.0	28.1	7	Cincinnati	16.4	13.1	15.4
8	Pittsburgh	32.5	27.8	29.3	8	Indianapolis	13.7	11.2	15.5
9	Chicago	33.9	28.5	30.7	9	Philadelphia	15.0	14.7	15.6
10	Minneapolis	30.6	25.1	31.3	10	Pittsburgh	17.9	14.7	16.0
11	Toledo	27.6	26.1	32.5	11	St. Louis	15.9	14.1	16.3
12	Newark	37.6	36.9	33.5	12	Wichita	14.2	11.8	16.6
13	Philadelphia	30.3	31.6	33.9	13	Chicago	19.1	14.3	16.7
14	St. Louis	39.7	36.9	34.9	14	Columbus	15.9	12.6	17.0
15	Milwaukee	37.8	32.0	34.9	15	Milwaukee	19.4	16.0	18.1
16	Cincinnati	37.4	32.5	40.3	16	Cleveland	18.1	15.9	18.9
17	Cleveland	43.0	38.0	42.1	17	Toledo	18.3	16.8	19.5
18	Buffalo	38.8	38.7	42.4	18	Buffalo	18.2	17.2	19.5
19	Detroit	46.6	34.8	46.2	19	Detroit	19.6	15.1	19.6
Milwaukee Rank		15	13	15	Milwaukee Rank		18	15	15

Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

When we break down poverty by race, we find once again that trends dating back to the 1980s documented in our previous State of the City report have not been reversed. Our previous report documented a dramatic rise in the city of Milwaukee's African-American poverty rate during the 1980s, from 29.5 percent in 1980 to 41.2 percent in 1990.⁴ By 1990, no other city in our sample of 14 Frostbelt cities had a higher black poverty rate than Milwaukee. Table 4.3

⁴ See Center for Economic Development, *The Economic State of Milwaukee*, 1998, p. 54.

shows the black poverty rates for our current sample of 19 cities for the years 1990, 2000, and 2008. Milwaukee experienced some improvement, both absolutely and comparatively speaking, during this time. Like nearly all cities in our sample, Milwaukee's black poverty rate declined during the 1990s. However, by 2008, Milwaukee still had a black poverty rate exceeded by only four cities: Buffalo, Cincinnati, Toledo, and Minneapolis.

Table 4.3: Percent of African-American Population Living in Poverty

		Cities		
	City	1990	2000	2008
1	Baltimore	27.9	27.3	22.9
2	Indianapolis	26.4	20.7	24.3
3	Boston	24.2	22.6	25.2
4	Newark	29.0	31.6	27.9
5	Philadelphia	29.0	28.5	29.9
6	Kansas City	29.6	24.6	30.1
7	Wichita	34.4	25.7	30.3
8	Chicago	33.2	29.4	31.4
9	Columbus	30.1	23.4	31.8
10	Detroit	35.2	26.4	32.9
11	Pittsburgh	40.9	34.1	34.4
12	St. Louis	37.4	34.1	34.5
13	Omaha	34.6	30.0	35.1
14	Cleveland	39.1	33.8	35.8
15	Milwaukee	41.9	33.3	35.9
16	Buffalo	38.3	34.4	37.0
17	Cincinnati	39.4	33.4	37.5
18	Toledo	38.7	33.2	38.5
19	Minneapolis	40.5	31.7	43.9
Milwaukee Rank		19	14	15

Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

In contrast to black poverty, our previous report found that white poverty rates in Milwaukee dating back to the 1970s were comparatively low. In 1980, Milwaukee's white poverty rate of 8 percent was the lowest of the 14 Frostbelt cities in our sample.⁵ While Milwaukee's performance on this indicator has dropped slightly since then, recent data show that Milwaukee continues to outperform many other cities. Table 4.4 shows white poverty rates for the 19 cities in our current sample for the years 1990, 2000, and 2008. For each year examined, Milwaukee ranks within or very near the top half of our sample cities. At the same time, however, the city's white poverty rate of 13 percent in 2008 is significantly higher than the 8 percent figure of 1980.

⁵ See Center for Economic Development, *The Economic State of Milwaukee*, 1998, p. 53.

Table 4.4: Percent of White Non-Hispanic Population Living in Poverty

		Cities		
	City	1990	2000	2008
1	Omaha	8.8	6.7	9.3
2	Kansas City	9.0	7.8	9.4
3	Chicago	9.1	8.2	9.7
4	Wichita	8.7	7.0	10.3
5	Indianapolis	8.6	7.9	11.3
6	St. Louis	13.2	12.8	11.6
7	Minneapolis	12.5	9.0	12.5
8	Boston	13.3	13.1	12.5
9	Baltimore	12.8	13.3	13.1
10	Milwaukee	10.8	9.5	13.2
11	Philadelphia	10.9	12.7	13.3
12	Cincinnati	15.2	12.2	14.3
13	Newark	14.0	15.8	14.8
14	Columbus	13.1	10.8	15.5
15	Pittsburgh	14.3	14.3	16.0
16	Toledo	13.4	11.6	16.5
17	Cleveland	18.0	15.6	18.1
18	Buffalo	17.9	17.4	19.6
19	Detroit	23.3	22.2	30.4
Milwaukee Rank		6	7	10

Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

Given these findings, it is not surprising that one of the more noteworthy trends we documented in our previous report was the disparity in poverty rates between Milwaukee's black and white populations. For the years 1970, 1980, and 1990, no other city in our sample had a higher disparity between black and white poverty.⁶ More recent data show minor improvement on this indicator, both absolutely and comparatively speaking. An increase in the poverty rate for whites accompanied by lower poverty rates for African Americans since 1990 has led to a slight narrowing of the gap between the city's black and white populations. However, Milwaukee still ranks among the worst performers of major Northeast and Midwest cities on this indicator. Table 4.5 provides ratios of black poverty to white poverty for our 19 sample cities. Milwaukee ranks within or near the bottom third of sample cities for each year examined, although there has been some improvement over time.

⁶ See Center for Economic Development, *The Economic State of Milwaukee*, 1998, p. 56.

Table 4.5: Disparity in Black-White Poverty Rates
(the Ratio of Black Poverty to White Poverty)

		Cities		
	City	1990	2000	2008
1	Detroit	1.51	1.19	1.08
2	Baltimore	2.17	2.01	1.75
3	Newark	2.08	2.00	1.88
4	Buffalo	2.15	1.98	1.88
5	Cleveland	2.17	2.17	1.97
6	Boston	1.81	1.73	2.01
7	Columbus	2.30	2.17	2.05
8	Pittsburgh	2.86	2.39	2.14
9	Indianapolis	3.08	2.62	2.16
10	Philadelphia	2.66	2.25	2.25
11	Toledo	2.89	2.87	2.34
12	Cincinnati	2.59	2.74	2.62
13	Milwaukee	3.89	3.51	2.73
14	Wichita	3.95	3.69	2.95
15	St. Louis	2.83	2.66	2.97
16	Kansas City	3.27	3.17	3.22
17	Chicago	3.63	3.59	3.24
18	Minneapolis	3.25	3.51	3.52
19	Omaha	3.93	4.46	3.78
Milwaukee Rank		17	15	13

Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

V. Transportation

For many cities, transportation is a significant economic development issue. Cities with transportation infrastructure that facilitates the efficient movement of people and goods have an economic advantage over cities with snarled transportation systems causing chronic delays. In making decisions about where to locate corporate headquarters or new production facilities, businesses routinely include a region's transportation infrastructure among the factors to be evaluated.

We provide two measures of traffic congestion for the 19 metropolitan areas in our sample for the years 1990, 2000, and 2007. Table 5.1 shows the Texas Transportation Institute's travel time index for our sample cities. The travel time index represents the ratio of travel times during peak periods to travel times when traffic is moving freely. Like the other metropolitan areas in our sample, Milwaukee's peak period travel times have edged upwards since 1990. However, Milwaukee still performs comparatively well on this measure of congestion, ranking near the top third of our sample cities.

Table 5.1: Travel Time Index

Metropolitan Areas				
	Metro Area	1990	2000	2007
1	Wichita	NA	NA	1.02
2	Buffalo	1.04	1.07	1.07
3	Kansas City	1.04	1.09	1.07
4	Cleveland	1.06	1.12	1.08
5	Toledo	1.03	1.10	1.08
6	Pittsburgh	1.09	1.09	1.09
7	Milwaukee	1.10	1.15	1.13
8	St. Louis	1.09	1.20	1.13
9	Omaha	1.08	1.14	1.16
10	Cincinnati	1.11	1.19	1.18
11	Columbus	1.10	1.16	1.18
12	Indianapolis	1.14	1.22	1.21
13	Minneapolis	1.11	1.24	1.24
14	Boston	1.17	1.22	1.26
15	Philadelphia	1.16	1.23	1.28
16	Detroit	1.23	1.28	1.29
17	Baltimore	1.18	1.22	1.31
18	Newark*	1.22	1.29	1.37
19	Chicago	1.26	1.34	1.43
	Milwaukee Rank	8	7	7

*Newark is counted as part of the New York City metropolitan area.

Data Source: Urban Mobility Report from the Texas Transportation Institute, accessed in May of 2009 from <http://mobility.tamu.edu/ums>

Table 5.2 shows the average number of hours that commuters in our 19 sample metropolitan areas were delayed during peak travel periods for during the years 1990, 2000, and 2007. Milwaukee's annual delay of 18 hours in 2007 was an improvement over the 21 hours of delay in 2000 but slightly higher than the 16 hours of delay in 1990. Comparatively speaking, the

Milwaukee region experiences fewer traffic delays than many other Northeast and Midwest cities, ranking within or near the top third of our sample on this indicator of congestion for the years 1990, 2000, and 2007.

Table 5.2: Annual Delay per Peak Period Traveler*
(hours)

Metropolitan Areas			
Metro Area	1990	2000	2007
1 Wichita	NA	NA	6
2 Buffalo	6	10	11
3 Cleveland	8	16	12
4 Toledo	4	17	14
5 Kansas City	11	19	15
6 Pittsburgh	20	17	15
7 Milwaukee	16	21	18
8 Cincinnati	17	29	25
9 Omaha	14	23	26
10 St. Louis	17	39	26
11 Columbus	19	29	30
12 Philadelphia	25	30	38
13 Indianapolis	28	46	39
14 Minneapolis	21	41	39
15 Chicago	30	34	41
16 Boston	25	36	43
17 Baltimore	34	33	44
18 Newark**	27	34	44
19 Detroit	48	51	52
Milwaukee Rank	6	6	7

** Newark is counted as part of the New York City metropolitan area.

Data Source: *Urban Mobility Report* from the Texas Transportation Institute, accessed in May, 2009 from <http://mobility.tamu.edu/ums/>

*A peak period traveler is any resident beginning a trip, by any mode, between 6-10 a.m. or 3-7 p.m.

Another useful transportation measure is time spent traveling to and from work. As commute times increase due to sprawl and congestion, workers have less time to spend with their families, relax, and take care of personal business. Table 5.3 shows the percentage of workers who spend more than 30 minutes traveling to work for each of the 19 cities and metro areas in our sample. In 2008, 27 percent of workers living in the city of Milwaukee had commute times of more than 30 minutes. The city of Milwaukee ranks squarely in the middle of our sample on this indicator. When we examine metropolitan areas rather than central cities, Milwaukee does somewhat better, comparatively speaking. As Table 5.3 indicates, for the years 2000 and 2008 only Wichita, Omaha, Toledo, and Buffalo have lower percentages of workers with commute times of more than 30 minutes.

Table 5.3: Percent Commuting Over 30 Minutes to Work (any mode)

Cities					Metropolitan Areas				
	City	1990	2000	2008		Metro Area	1990	2000	2008
1	Wichita	12.6	12.9	12.2	1	Wichita	17.5	18.0	17.9
2	Omaha	13.4	13.7	14.1	2	Omaha	16.7	17.7	19.6
3	Toledo	14.8	17.7	17.2	3	Toledo	17.7	19.8	20.7
4	Buffalo	19.9	21.4	20.6	4	Buffalo	23.0	23.7	24.2
5	Columbus	22.4	24.7	22.3	5	Milwaukee	23.1	26.5	29.0
6	Cincinnati	24.6	27.6	26.0	6	Columbus	26.5	29.2	29.2
7	Kansas City	24.6	25.5	26.1	7	Kansas City	28.5	30.0	30.9
8	Minneapolis	20.4	24.0	26.3	8	Cincinnati	30.4	33.6	33.0
9	Indianapolis	23.3	26.6	26.8	9	Indianapolis	28.7	32.2	33.4
10	Milwaukee	21.9	26.0	26.9	10	Cleveland	32.1	33.2	33.7
11	Pittsburgh	27.3	29.5	28.6	11	Minneapolis	26.7	32.2	34.2
12	Cleveland	30.3	33.0	31.4	12	Pittsburgh	32.4	35.3	36.0
13	St. Louis	28.9	31.2	32.1	13	St. Louis	34.0	37.2	36.6
14	Detroit	35.4	39.6	37.5	14	Detroit	34.5	38.3	39.0
15	Baltimore	39.2	43.1	42.4	15	Philadelphia	38.3	43.0	42.6
16	Newark	42.1	48.7	46.9	16	Baltimore	40.4	44.5	44.4
17	Boston	41.2	47.7	47.6	17	Boston	38.7	45.4	45.2
18	Philadelphia	46.0	50.6	51.2	18	Newark	39.1	45.5	45.5
19	Chicago	55.5	59.9	59.4	19	Chicago	48.3	49.8	51.2

Milwaukee Rank	6	8	10	Milwaukee Rank	5	5	5
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Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

While the above measures do not indicate obvious trouble spots for the Milwaukee region's transportation infrastructure, there are warning signs on the horizon. The Milwaukee region has relied heavily on road building and improvements to address its transportation needs. There is no rail system—light or heavy—serving the city or the metro area exclusively. Milwaukee County commuters rely on an antiquated bus system that has either cut service, raised fares, or both every year for the past 10 years. Ridership has plunged in recent years. Table 5.4 shows the percentage of workers in our 19-city sample who use public transportation, bike, or walk to work. For the city of Milwaukee, the figure dropped from 17.2 percent in 1990 to just 14.3 percent in 2008, far below cities like Boston, where nearly half of all workers use alternative means of transportation to commute to work. For the metropolitan area as a whole, only 7 percent of Milwaukee area workers commuted to work using alternatives to driving in 2008, down from 9.5 percent in 1990.

Transportation experts are in agreement that cities need balanced transportation systems that include good public transit and other alternatives to driving. Milwaukee's failure to develop such alternatives may prove costly in the long run as roads become increasingly congested and few options exist to ease the pressure on the highway system.

**Table 5.4: Percent Taking Alternative Transportation to Work:
Public Transportation, Walking, or Biking**

Cities					Metropolitan Areas				
	City	1990	2000	2008		Metro Area	1990	2000	2008
1	Boston	46.0	46.3	47.5	1	Boston	20.9	19.7	17.3
2	Philadelphia	39.6	35.4	35.7	2	Chicago	21.2	16.0	16.5
3	Chicago	35.7	32.3	33.0	3	Newark	13.8	13.8	13.8
4	Pittsburgh	35.0	30.7	32.8	4	Philadelphia	17.3	14.1	13.1
5	Newark	32.8	34.6	32.4	5	Baltimore	11.6	9.3	9.7
6	Baltimore	29.1	26.9	26.9	6	Pittsburgh	13.7	9.9	9.7
7	Minneapolis	25.2	23.1	23.6	7	Minneapolis	8.8	7.3	7.4
8	Buffalo	21.9	18.0	20.2	8	Milwaukee	9.5	7.4	7.0
9	Cleveland	19.1	16.2	17.6	9	Buffalo	9.8	6.4	7.0
10	Cincinnati	17.0	15.8	16.6	10	Cleveland	9.2	6.5	6.4
11	St. Louis	16.7	15.0	14.8	11	Cincinnati	7.0	5.7	5.0
12	Milwaukee	17.2	15.3	14.3	12	Toledo	5.4	4.0	4.6
13	Detroit	13.8	11.7	11.5	13	St. Louis	5.1	4.1	4.4
14	Columbus	9.2	7.4	6.9	14	Columbus	6.2	4.9	4.2
15	Kansas City	8.5	6.2	6.1	15	Detroit	4.3	3.4	3.3
16	Toledo	5.8	5.0	5.8	16	Omaha	4.9	3.1	3.0
17	Omaha	6.5	4.4	4.2	17	Kansas City	4.0	2.7	2.9
18	Indianapolis	5.8	4.6	4.1	18	Indianapolis	4.3	3.2	2.9
19	Wichita	3.7	2.4	2.6	19	Wichita	3.3	2.3	2.4
	Milwaukee Rank	10	11	12		Milwaukee Rank	8	7	8

Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

VI. Education

In a global economy where capital is increasingly mobile, education plays an important role in regional economic competitiveness. Companies choose locations based in part on their assessment of the regional workforce. Regions with large pools of well educated residents have an economic advantage over regions where fewer residents have completed college or high school.

Table 6.1 shows the percentage of residents age 25 and older who are college educated for the 19 cities and metro areas in our sample. As Table 6.1 indicates, the percentage of college educated residents in the city of Milwaukee rose from 1990 to 2008 but is still far below cities like Minneapolis and Boston, where more than 40 percent of residents were college educated in 2008. Only four cities—Toledo, Cleveland, Newark, and Detroit—had lower percentages of college educated residents than Milwaukee in 2008. The Milwaukee metro area fares somewhat better on this indicator, both absolutely and comparatively speaking, but is still well below the top performers.

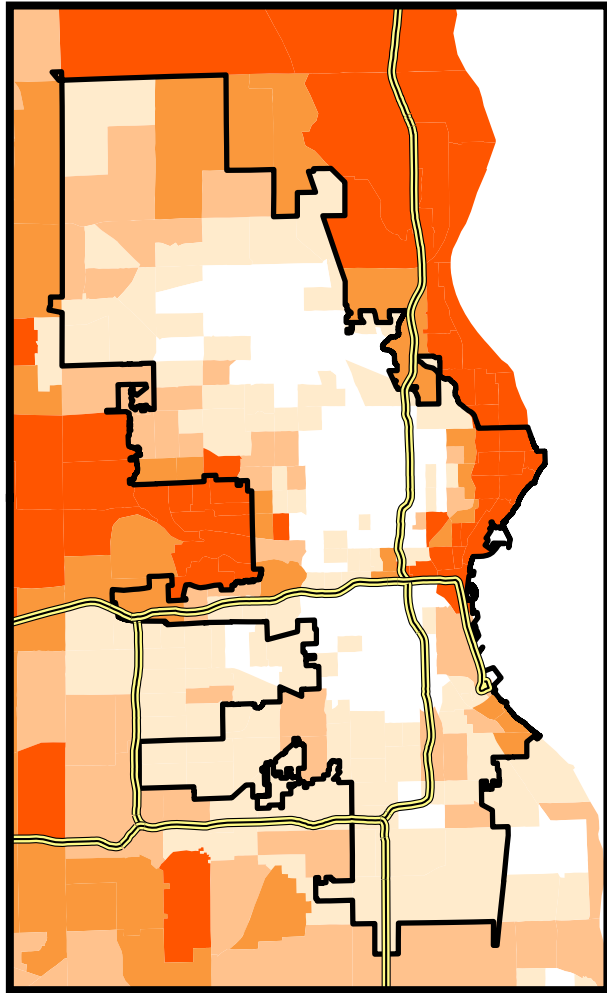
Table 6.1: Percent College Educated
(Population 25 and over)

Cities				Metropolitan Areas			
City	1990	2000	2008	Metro Area	1990	2000	2008
1 Minneapolis	30.3	37.4	42.5	1 Boston	33.1	39.5	41.5
2 Boston	30.0	35.6	41.3	2 Minneapolis	27.1	33.3	37.0
3 Pittsburgh	20.1	26.2	32.4	3 Newark	27.3	31.5	35.8
4 Omaha	23.1	28.7	31.6	4 Baltimore	23.1	29.2	33.7
5 Columbus	24.6	29.0	31.5	5 Chicago	24.4	30.1	33.0
6 Chicago	19.5	25.5	30.2	6 Columbus	23.0	29.1	32.3
7 Kansas City	22.0	25.7	29.4	7 Philadelphia	22.8	27.7	31.6
8 Cincinnati	22.2	26.6	28.9	8 Omaha	22.8	28.0	31.6
9 Indianapolis	21.7	25.4	27.4	9 Kansas City	23.4	28.5	31.5
10 Wichita	22.7	25.3	27.4	10 Indianapolis	21.1	25.8	30.5
11 St. Louis	15.3	19.1	24.8	11 Milwaukee	21.3	27.0	30.3
12 Baltimore	15.5	19.1	24.2	12 St. Louis	20.7	25.3	28.5
13 Philadelphia	15.2	17.9	21.1	13 Pittsburgh	19.5	23.8	28.0
14 Buffalo	16.0	18.3	20.9	14 Cincinnati	20.5	25.3	27.8
15 Milwaukee	14.8	18.3	20.3	15 Buffalo	20.0	23.2	26.7
16 Toledo	14.1	16.8	17.2	16 Cleveland	19.9	23.3	26.6
17 Cleveland	8.1	11.4	12.8	17 Wichita	21.5	24.7	26.6
18 Newark	8.5	9.0	11.8	18 Detroit	17.7	22.8	26.3
19 Detroit	9.6	11.0	11.3	19 Toledo	17.4	21.6	23.3
Milwaukee Rank	15	13	15	Milwaukee Rank	10	10	11

Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

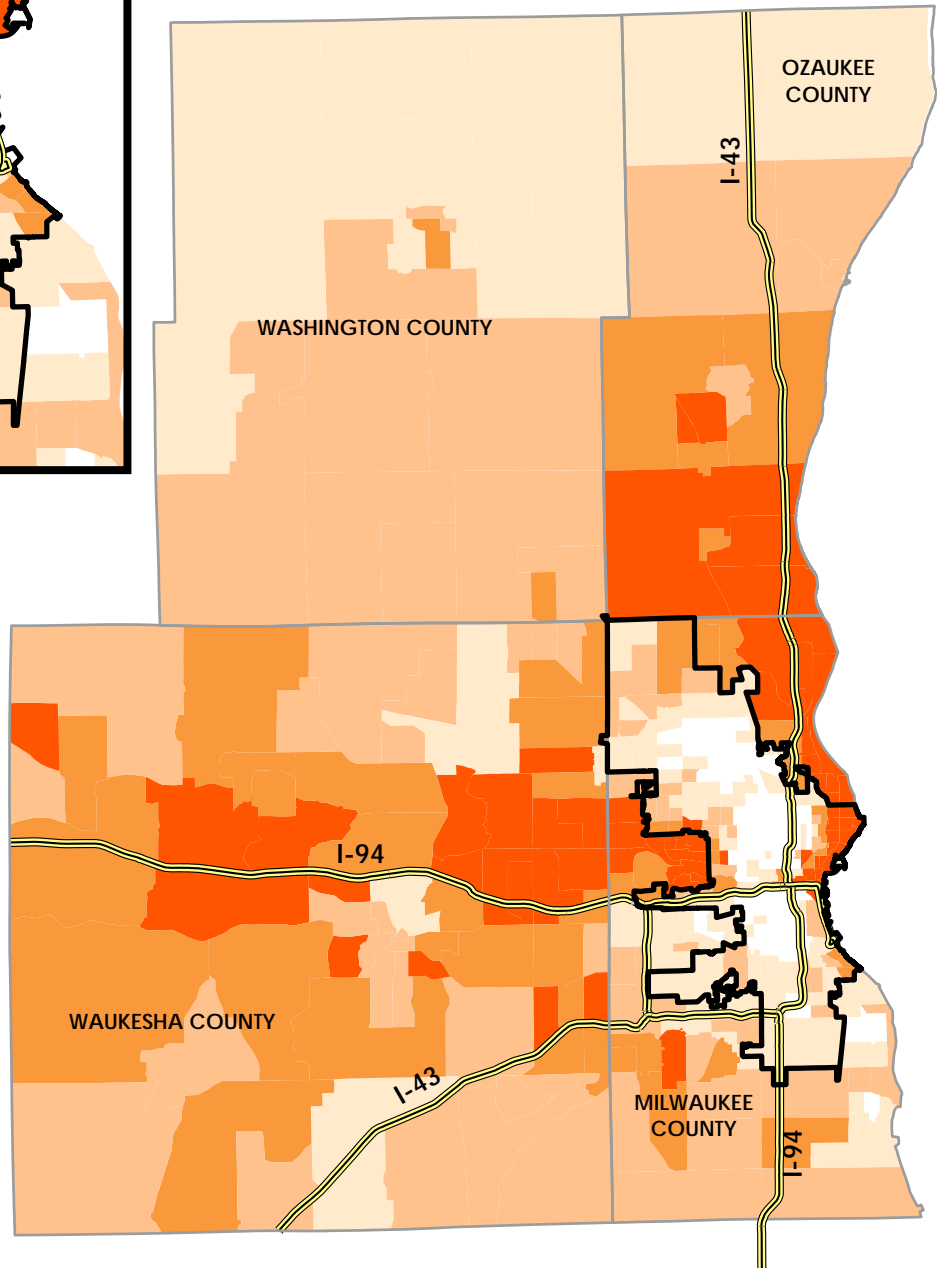
Map 8 shows the percentage of residents age 25 or older with a 4-year college degree by census tract for the 4-county Milwaukee region for the year 2000. Of the 92 census tracts in which fewer than 10 percent of residents have college degrees, only four are located outside the city of Milwaukee. By contrast, just 18 of the 68 census tracts in which 40 percent or more

MAP 8: PERCENT OF POPULATION AGE 25 AND OVER WITH A COLLEGE EDUCATION (2000)
 (minimum 4-year degree)



CITY OF MILWAUKEE

MILWAUKEE 4-COUNTY METROPOLITAN AREA



LEGEND
 (% College-Educated)

0.0 - 9.9
10.0 - 19.9
20.0 - 29.9
30.0 - 39.9
40.0 - 100.0

residents are college educated are located in the city of Milwaukee. All but two of those census tracts are concentrated on the city's affluent East Side.

The picture is even bleaker when examining the data for African Americans. In the section of this report focusing on the black middle class, we presented figures on college education for African Americans for our 19 sample cities and metropolitan areas. We found that the Milwaukee region had the lowest percentage of college educated blacks of all 19 metro areas in our sample for the years 1990, 2000, and 2008. The city of Milwaukee's performance was nearly as poor.

How do the figures for the black population compare with those for the white population? Table 6.2 shows the black-white education gap for our 19 sample cities and metro areas for the years 1990, 2000, and 2008. The figures represent the ratio of black college-educated residents to white college-educated residents. The higher the percentage, the lower the disparity between black and white residents. Once again, the numbers are disturbing. For all three years considered, the Milwaukee metro area has the highest disparity between black and white residents of all 19 metro areas in our sample. The city of Milwaukee does somewhat better, comparatively speaking, but still falls in the bottom half of our sample for each year examined.

Table 6.2: Black-White Education Gap

(black college-educated as a percentage of white, age 25 and over)

Cities				Metropolitan Areas			
City	1990	2000	2008	Metro Area	1990	2000	2008
1 Newark	77.1	76.5	93.1	1 Pittsburgh	50.9	53.2	56.4
2 Toledo	48.0	51.4	62.1	2 Cincinnati	45.4	47.4	54.5
3 Detroit	68.4	66.1	60.6	3 Columbus	47.4	50.5	53.4
4 Indianapolis	39.2	45.7	47.4	4 Minneapolis	62.7	55.2	52.7
5 Wichita	43.4	43.9	44.9	5 Toledo	44.0	45.6	52.5
6 Columbus	40.8	43.8	44.4	6 Indianapolis	44.0	50.4	52.2
7 Cleveland	49.2	40.8	43.6	7 Wichita	48.1	48.6	51.9
8 Pittsburgh	39.4	42.3	41.5	8 St. Louis	51.7	47.5	51.6
9 Philadelphia	47.9	42.6	41.1	9 Boston	52.1	50.2	51.3
10 Buffalo	55.3	44.6	38.5	10 Baltimore	46.0	48.6	51.1
11 Omaha	37.7	35.9	37.5	11 Detroit	51.3	52.0	50.1
12 Milwaukee	38.7	36.6	36.6	12 Omaha	50.6	45.5	49.6
13 St. Louis	39.3	31.2	34.6	13 Chicago	41.0	42.8	47.8
14 Kansas City	37.3	36.4	34.4	14 Philadelphia	43.2	40.8	46.1
15 Chicago	36.4	31.8	33.1	15 Kansas City	46.6	47.1	45.6
16 Boston	37.4	32.0	30.4	16 Buffalo	52.9	45.8	44.9
17 Cincinnati	27.4	27.5	30.0	17 Newark	40.8	40.7	44.0
18 Baltimore	36.5	30.4	29.6	18 Cleveland	38.6	42.0	43.6
19 Minneapolis	42.0	30.8	26.8	19 Milwaukee	33.1	34.4	35.9
Milwaukee Rank	13	11	12	Milwaukee Rank	19	19	19

Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

Finally, Table 6.3 shows the percentage of residents with high school degrees for the 19 cities and metro areas in our sample. For each year examined, the city of Milwaukee ranks in the bottom half of our sample cities. The Milwaukee metro area does comparatively better, with high school graduation rates close to 90 percent, not far below the top performers on this indicator.

Table 6.3: Percent High School Educated

(Population 25 and over)

Cities					Metropolitan Areas				
City	1990	2000	2008		Metro Area	1990	2000	2008	
1 Omaha	82.6	86.0	88.0		1 Minneapolis	87.2	90.6	92.6	
2 Minneapolis	82.6	85.0	87.5		2 Omaha	84.4	88.0	90.6	
3 Pittsburgh	72.4	81.3	87.0		3 Pittsburgh	77.4	85.1	90.1	
4 Columbus	78.7	83.8	86.6		4 Kansas City	82.3	86.7	90.0	
5 Kansas City	78.8	82.5	86.4		5 Boston	83.7	87.1	89.6	
6 Wichita	81.9	83.8	86.3		6 Columbus	79.7	85.8	89.0	
7 Indianapolis	76.4	81.3	84.0		7 Wichita	82.2	85.3	88.5	
8 Toledo	73.2	79.7	83.6		8 Milwaukee	79.7	84.5	88.2	
9 Boston	75.7	78.9	83.4		9 Buffalo	76.4	83.0	88.0	
10 Cincinnati	69.6	76.7	81.6		10 Toledo	77.6	84.1	88.0	
11 Buffalo	67.3	74.6	80.2		11 Indianapolis	78.6	84.0	87.8	
12 Milwaukee	71.5	74.8	79.7		12 St. Louis	76.0	83.4	87.4	
13 St. Louis	62.8	71.3	78.9		13 Cleveland	75.7	82.9	87.3	
14 Philadelphia	64.3	71.2	78.5		14 Philadelphia	75.9	82.2	87.1	
15 Chicago	66.0	71.8	78.1		15 Cincinnati	74.9	82.4	86.8	
16 Detroit	62.1	69.6	75.9		16 Detroit	75.7	82.1	86.8	
17 Baltimore	60.7	68.4	75.8		17 Baltimore	74.7	81.9	86.7	
18 Cleveland	58.8	69.0	74.7		18 Newark	76.5	81.6	86.4	
19 Newark	51.2	57.9	66.0		19 Chicago	75.7	81.0	84.7	
Milwaukee Rank	10	11	12		Milwaukee Rank	7	8	8	

Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

VII. Conclusion

The purpose of this study, in part, was to determine how successfully Milwaukee has responded to the economic disruptions of previous decades. Have we turned the corner on problems like deindustrialization and urban poverty that became so pronounced by the 1980s? Are we faring as well as other major Midwest and Northeast cities which have wrestled with the same kinds of problems? Or are there many areas where our performance continues to rank among the worst-off cities and metropolitan areas? What do the data tell us about how Milwaukee is doing?

It would be an oversimplification to provide some kind of overall ranking for Milwaukee vis-à-vis the other cities and metropolitan areas in our sample. We can, however, identify certain themes and patterns. On many of our indicators, both the city of Milwaukee and the Milwaukee metro area fall somewhere in the middle of our 19-city sample. Clearly, we are not one of the top performers. Boston, Minneapolis, and a few other cities are possible candidates for that designation. However, neither are we consistently at the bottom of our rankings. Certain other cities such as Detroit and Buffalo fare worse than Milwaukee in many of the areas we examine.

In our previous State of the City report, we reached similar conclusions about where Milwaukee stands vis-à-vis peer cities and regions. At the same time, we identified four key problem areas for the city and the region: poverty, lagging incomes, city-suburban disparities, and racial inequality. *Perhaps the most significant finding of this study is the lack of progress made in these four areas.* Twelve years after the publication of our previous report, these problems seem as pronounced and intractable as ever.

Poverty

As our previous State of the City report showed, the city of Milwaukee's poverty rate increased by 61 percent during the 1980s, the highest increase of the 14 cities in our sample population. Data from 1990, 2000, and 2008 show that poverty has become entrenched in Milwaukee. The stabilization in the city's poverty rate during the 1990s has given way to further increases since 2000. Milwaukee's 2008 poverty rate of 24 percent is exceeded by only five cities in our sample: Newark, Cincinnati, Buffalo, Cleveland, and Detroit. Poverty in the Milwaukee region is largely confined to the central city. In 2000, only 11 of the 182 census tracts in which 10 percent or more of residents were living below the poverty threshold were located outside the city of Milwaukee.

Child poverty rates are equally disturbing, both for the city of Milwaukee and the Milwaukee metro area. In 2008, Milwaukee's child poverty rate was a staggering 35 percent. Only Cincinnati, Buffalo, Cleveland, and Detroit had higher child poverty rates than Milwaukee that year. The Milwaukee metro area did not fare any better, comparatively speaking. The region's child poverty rate of 18 percent was higher than all the metro areas in our sample except Buffalo, Detroit, Toledo, and Cleveland.

Income

In our previous report, we found that real per capita income grew by just 3.7 percent in Milwaukee from 1970 to 1990, a slower pace than all but two of the cities in our 14-city sample, Detroit and Cleveland. The most recent data show little improvement on this indicator. From 1990-2008, the city of Milwaukee's real per capita income grew by just 4.4 percent, slower than all of our 19 sample cities except Detroit and Toledo.

The one bright spot is the Milwaukee metropolitan area, which ranked second to last on real per capita income growth among the 14 metropolitan areas in our previous study. Recent data show a significant turnaround, comparatively speaking. From 1990-2008, real per capita income growth for the Milwaukee metro area was 17 percent, placing the Milwaukee region in the top third of our sample.

Payroll figures for the Milwaukee area provide a mixed picture. Payroll per employee in manufacturing rose by 8 percent from 1997 to 2007 in both the city and the metro area, a pace that outranks the vast majority of other cities and metro areas in our sample. The city's manufacturing payroll per employee figure of \$49,327 in 2007 places Milwaukee in the top third of our sample cities. On the other hand, manufacturing is a declining sector, and payroll figures for growing sectors such as health care and social services and accommodation and food services are not as strong, either absolutely or in comparison to other cities and metropolitan areas. In accommodation and food services, for example, the city of Milwaukee's payroll per employee of \$12,998 ranked 14 of 19 cities.

City-Suburban Disparities

Like other large metropolitan areas in the Midwest and Northeast, Milwaukee has experienced a rising gap between the economic performance of the central city and that of the surrounding suburbs. Our previous State of the City report documented this trend and showed that it was particularly pronounced in the Milwaukee region. For example, regional data on per capita income showed that by 1990, city of Milwaukee residents earned less income in comparison to suburban residents than all but two other major Frostbelt cities: Cleveland and Detroit.⁷

Our present report confirms that disparities between city and suburban economic performance in the Milwaukee region remain substantial. On many of the indicators we examine here—including unemployment, joblessness, income, share of regional employment, education, and poverty—the suburbs continue to outperform the central city by significant margins. For example, as noted above, from 1990 to 2008 the city of Milwaukee's real per capita income growth of 4.4 percent was lower than all 19 cities in our sample except Detroit and Toledo. For the metropolitan area as a whole, however, per capita income growth was in the top third of our sample metro areas.

To take another example, the city of Milwaukee's 4-year college graduation rate of 20 percent in 2008 was lower than all but four cities in our sample. By contrast, the metro area ranked 11 of 19 cities with a graduation rate of 30 percent that year. In 2000, only four of the 92

⁷ See Center for Economic Development, *The Economic State of Milwaukee*, 1998, p. 112.

census tracts in which fewer than 10 percent of residents had college degrees were located outside the city of Milwaukee. By contrast, just 18 of the 68 census tracts in which 40 percent or more residents were college educated were located in the city of Milwaukee.

Racial Inequality

In our previous report, we found many indicators of economic well-being on which African-American residents of the Milwaukee region ranked among the lowest of our sample cities. In many cases, disparities between the performance of the black and white populations were among the highest in our sample. Recent data show little to no improvement on key measures of racial inequality. Key findings are summarized below:

- The Milwaukee region remains one of the most segregated metropolitan areas in the country, with 91 percent of the region's African-American population living in the central city in 2008. Of the 19 metropolitan areas in our sample, only Toledo and Wichita have a lower percentage of blacks living in the suburbs.
- Jobless figures for the years 1990, 2000, and 2008 show significant disparities between white males and black males. For all three years examined, the Milwaukee region's black male jobless rate places the region in the bottom third of metro areas in our sample. In 2000, only the Buffalo metro area had a higher black male jobless rate than that of Milwaukee. By contrast, the Milwaukee region's white male jobless rate in 2000 was lower than only two other metro areas in our sample: Minneapolis and Omaha.
- A similar if less pronounced pattern exists with respect to median household income. For the years 1990, 2000, and 2008, black median household income for the Milwaukee region ranks in the bottom third of our sample cities. White median household income for both the city and the region is comparatively higher, placing Milwaukee in the middle third of our sample for each year examined. In 2008, the disparity between median household incomes of whites and African Americans in the Milwaukee metro area was greater than any other region in our sample except Minneapolis.
- In 1990, the city of Milwaukee's black poverty rate of 41.9 percent was higher than any other city in our sample. The black poverty rate showed some improvement from 1990 to 2008, both absolutely and comparatively speaking. However, by 2008, only four cities in our sample—Buffalo, Cincinnati, Toledo, and Minneapolis—had black poverty rates higher than Milwaukee.
- For the years 1990, 2000, and 2008, no metropolitan area in our sample had a lower percentage of blacks with a 4-year college degree than the Milwaukee metro area. For all three years, the disparity between the region's white and black populations in college educated residents is greater than all other metropolitan areas in our sample.

A comprehensive analysis of the causes of racial disparities in the Milwaukee region lies outside the scope of this study. However, our findings suggest two possible areas for further investigation. First, the Milwaukee area's comparatively small black middle class is a troublesome sign. It suggests either that the earnings of most low and moderate-income blacks are not improving measurably over time, or that black residents whose incomes and status have

risen are leaving the area. Either way, the outcome is problematic. A stronger black middle class would help sever the connection between race and poverty, help rebuild and restore confidence in black neighborhoods (as is currently happening on Chicago's South Side, for example), and provide leadership for the black community.

In addition, as we have pointed out repeatedly in this study, the concentration of the Milwaukee region's black population in the central city exceeds that of nearly every metro area in our sample. Relatively few of the region's African American residents are currently taking advantage of the high performing school districts, job opportunities, healthy neighborhoods, and social networks that many suburban communities offer. Instead, many blacks live in high poverty, inner-city neighborhoods where barriers to economic advancement are substantial. Efforts to reduce segregation in the Milwaukee region by making the suburbs more accessible to blacks would, if successful, lead to improvements in the economic well-being of the region's African American community.