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Marc V. Levine

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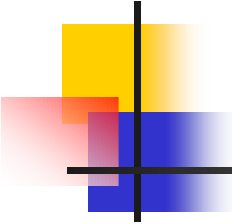


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The Two Milwaukees: Separate and Unequal

**Presented by
Dr. Marc V. Levine
Professor and Director**

**University of Wisconsin-Milwaukee
Center for Economic Development**

To

**The Milwaukee County Task Force on Segregation and Race Relations
April 30, 2003**



Segregation and Suburbanization in Metropolitan Milwaukee



The Segregated Central City

Racial Transition in Selected Milwaukee Neighborhoods % Black Population

	1970	1980	1990	2000
Near Northwest Side	2.3	33.2	59.5	81.7
Lincoln Park	4.8	50.7	68.2	78.2
Sherman Park	0.4	25.9	52.5	75.2
Harambee	71.8	81.6	83.7	83.0
Riverwest	12.5	23.5	31.0	35.5
WAICO/YMCA	94.6	96.8	97.9	94.4
Midtown	65.1	91.0	95.0	95.1
Grandview/Walnut Hill	2.6	41.3	75.1	84.8
West Side	6.2	23.6	39.1	45.1
Metcalfe Park	21.0	69.9	88.9	90.9

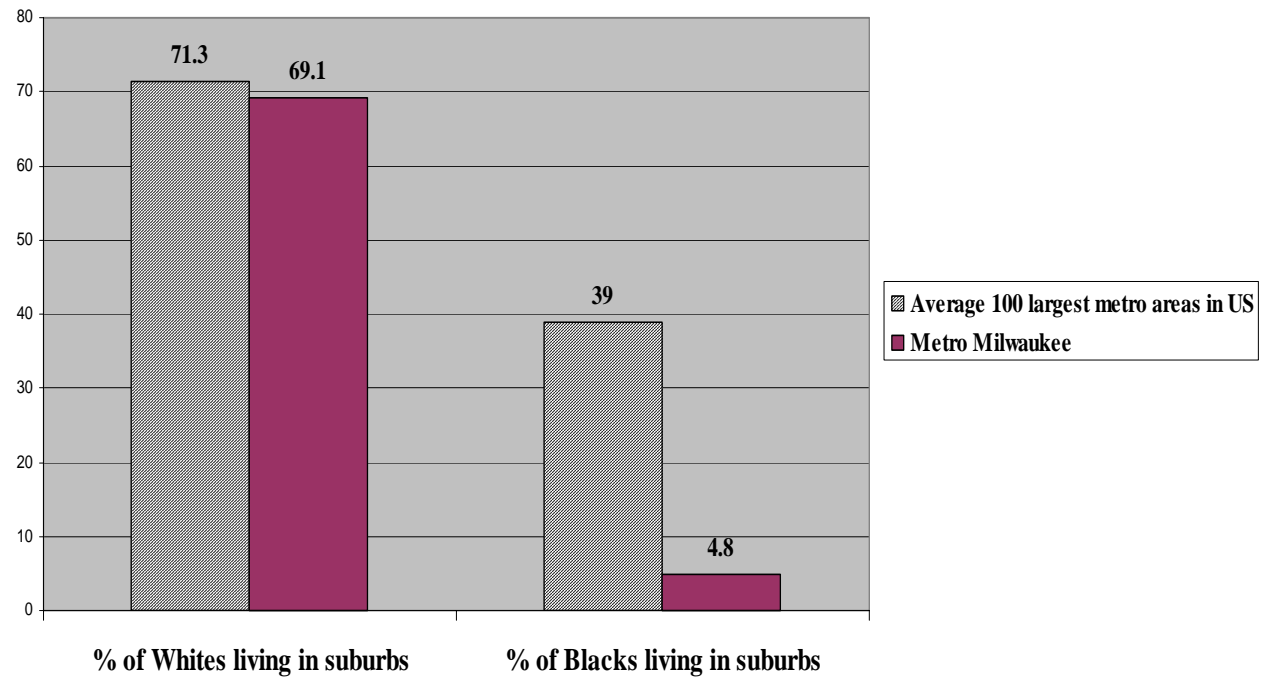


Two Milwaukeees: Differences in the rates of black and white suburbanization in Metro Milwaukee

	1990	2000
% of metro area black households living in the city	97.8	95.6
% of metro area white households living in city	36.8	27.6
% of metro area “middle-class” black households living in city (\$40K & over	94.5	90.5
% of metro area “middle-class” white households living in city (\$40K & over)	28.2	20.8

A Segregated Metropolis

Among the 100 largest metropolitan areas in the United States, Milwaukee has the lowest rate of black suburbanization





Race and the Labor Market

Racial Disparities in Unemployment

Milwaukee racial disparities in unemployment far outstrip the national average

Unemployment Rates by Race, 2000

Metro Milwaukee			United States	
	White	Black	White	Black
All Workers	3.3	16.0	4.3	11.6
Males	3.5	17.9	4.4	12.3

Racial Gap in Unemployment: Ratio of Black to White Unemployment

Metro Milwaukee		United States
All Workers	4.85	2.70
Males	5.11	2.80

Racial Disparities in Unemployment



Work is Disappearing in Milwaukee's Inner-city...

**Percentage of Working-Age Black Males Unemployed or Out of the Labor Force,
Metro Milwaukee**

Metro Milwaukee	
1980	41.0
1990	46.6
2000	50.5



While virtually all of metro Milwaukee's net job growth since 1991 has been in the Suburbs

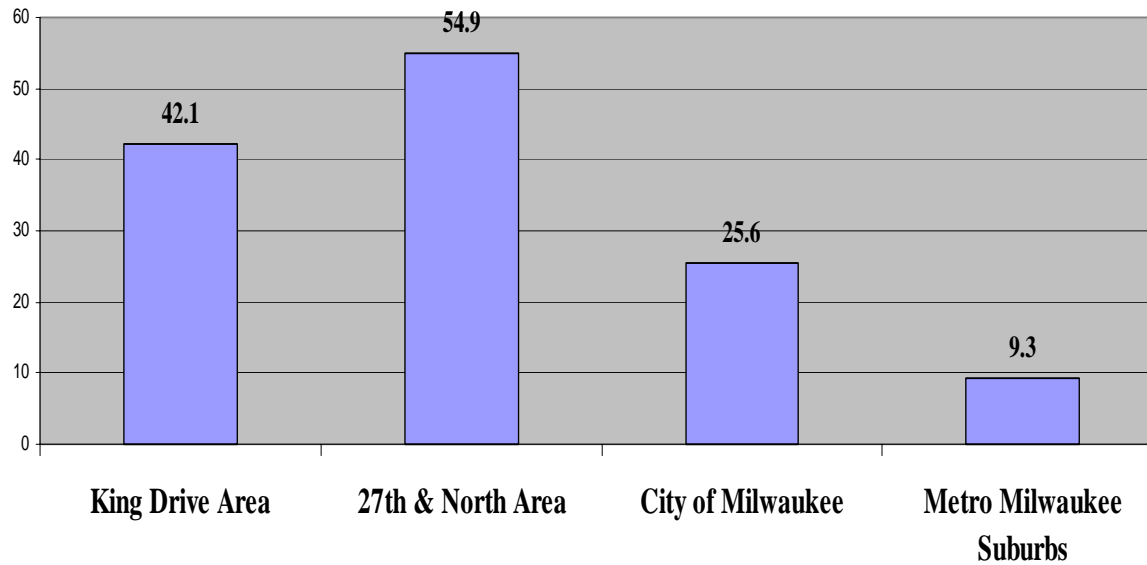
Job Growth in Metro Milwaukee, 1991-2000

City of Milwaukee	+1,098
Suburbs	+107,339

The Result:

An Employment Crisis for Prime Working-age Males in Milwaukee's Inner-city

% of Male Residents, (age 25-54) either Unemployed or out of the Labor Force

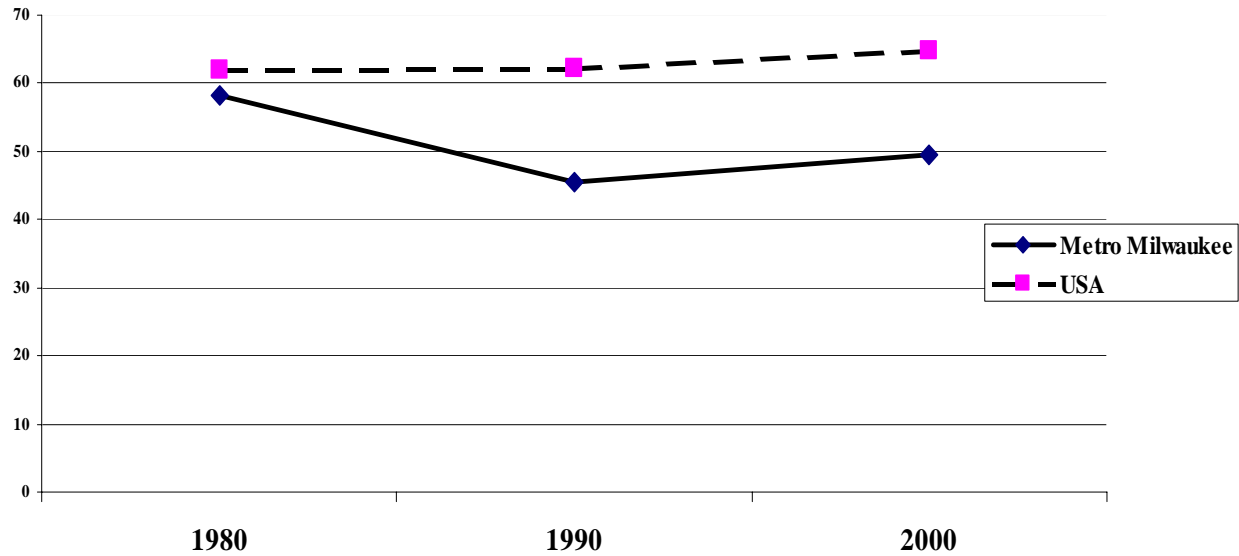




Racial Gaps in Income and Poverty

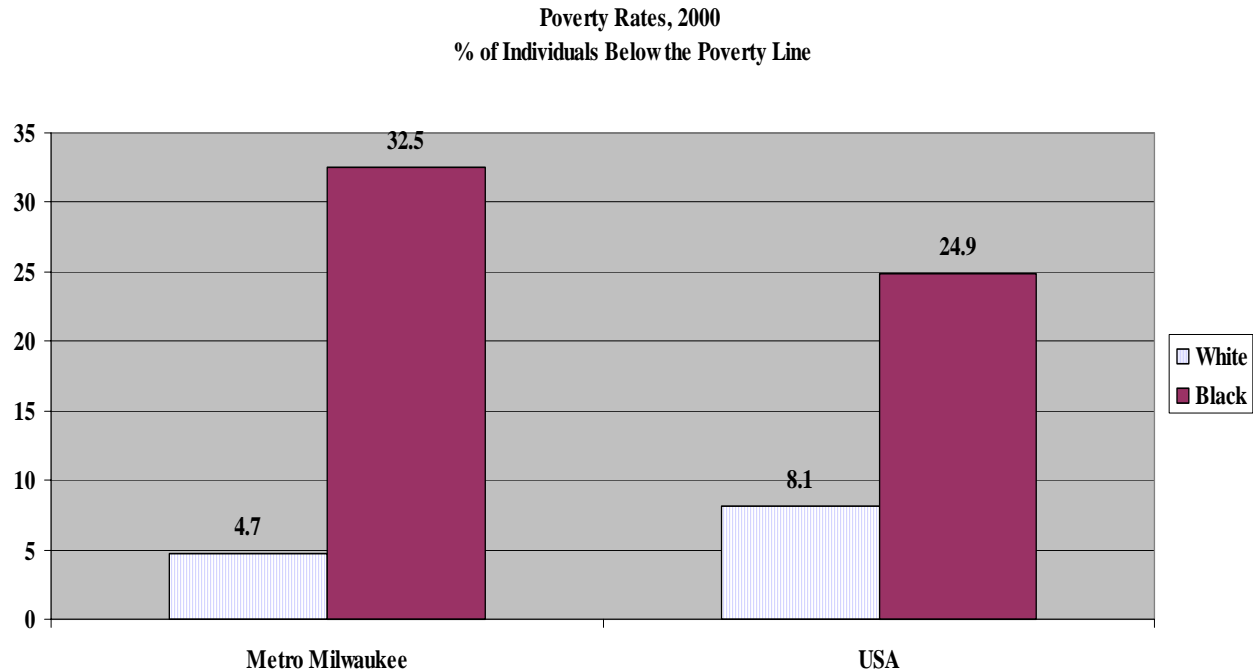
Milwaukee's racial gap in income, while closing slightly in the 1990s, remains far above the national average. Milwaukee ranks 49th among the nation's 50 largest metro areas in racial disparities in income.

Black Household Income as a % of White Household Income: Milwaukee in a National Context



Race and Poverty in Milwaukee: A Huge Gap

The racial gap in poverty rates in metro Milwaukee is the largest of any metropolitan area in the country and *twice* the national gap



**The black poverty rate is 6.9x the white rate in metro Milwaukee.
Nationally, the black poverty rate is 3.1x the white rate**

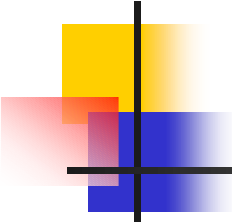


A Small, Segregated, and Precarious Black Middle-Class

A Small Black Middle-Class

Compared to other metropolitan areas, Milwaukee's black middle class is small. Among the 50 largest metro areas in the U.S., Milwaukee ranks 47th in the percentage of black households with annual incomes over \$40K

Metro Area	% of Black Households with Annual Income over \$40K
San Jose	67.8
Washington DC	56.5
Atlanta	49.0
Oakland	47.6
Riverside	46.7
Newark	46.0
Hartford	43.5
Chicago	42.6
Baltimore	41.8
Charlotte	40.8
Minneapolis	37.2
Columbus	36.8
Kansas	36.0
Cleveland	32.5
Milwaukee	30.0
Buffalo	25.7



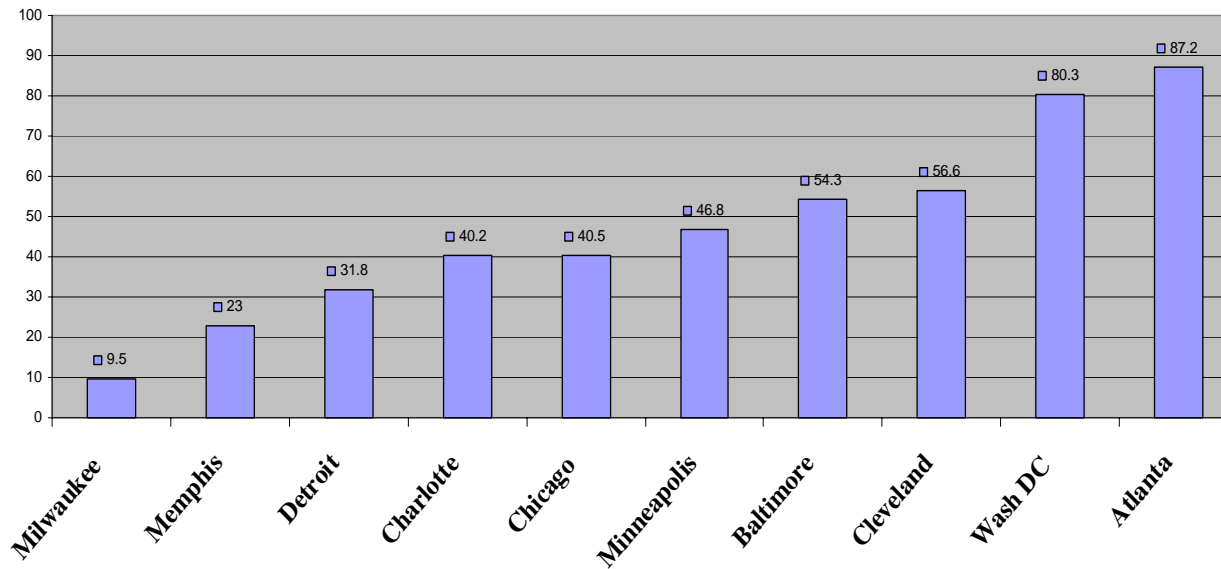
- In metro Milwaukee’s black community, the proportion of middle-class and affluent households lags far behind the national average.
- Conversely, among Milwaukee whites, there are more middle-class and affluent households than the national average.
- Consequently, in Milwaukee, the middle-class percentage of total households among blacks is less than half the white percentage; and the affluent percentage of total households among blacks is less than 30% of the white percentage.

	Metro Milwaukee		United States	
	White	Black	White	Black
% of households over \$40K	62.1	30.0	56.1	36.9
% of households 100K	14.2	4.0	13.7	5.9



Compared to other metropolitan areas, few black middle-class households live in the Milwaukee suburbs—another sign of segregation.

Percentage of Metro Area Black Households with Annual Income Greater than \$40K Living in Suburbs, 2000





A Precarious Black Middle-Class

- **Compared to the white middle-class and affluent, metro Milwaukee’s black middle-class and affluent households are far more likely to live in neighborhoods with substantial poverty.**

- **Middle-class and affluent blacks in Milwaukee are far more likely to live in “substantial poverty” neighborhoods than blacks in other metro areas– a sign of segregation in the Milwaukee region.**



Percentage of Middle-class (above \$40K) Households Living in Neighborhoods in which the Poverty Rate Exceeds 20% in Selected Metro Areas, 2000

	Milwaukee	Baltimore	Minneapolis
White	3.5	2.7	2.3
Black	46.7	21.9	25.1



Percentage of Affluent (above 100K) Households Living in Neighborhoods in which the Poverty Rate Exceeds 20%, in Selected Metro Areas

	Milwaukee	Baltimore	Minneapolis
White	1.5	1.9	1.1
Black	42.0	14.4	16.7



Racial Disparities in Housing

Racial Disparities in Milwaukee's Housing Market

Whites are twice as likely as blacks to be homeowners in metro Milwaukee

Race and Home Ownership in Metro Milwaukee,
% Homeowners by race, 1980-2000

	White	Black	Blacks as % of Whites
1980	63.1	34.5	54.7
1990	64.2	29.9	46.6
2000	67.1	33.3	49.6

Racial Disparities in Milwaukee's Housing Market

Race and Homeownership: Metro Milwaukee In National Context, 1980-2000

% Black Homeownership			Black Homeownership as % of White	
	Metro Milwaukee	USA	Metro Milwaukee	USA
1980	34.5	44.4	54.7	65.5
1990	29.9	43.4	46.6	63.6
2000	33.3	46.3	49.9	64.9

Racial Disparities in Milwaukee's Housing Market

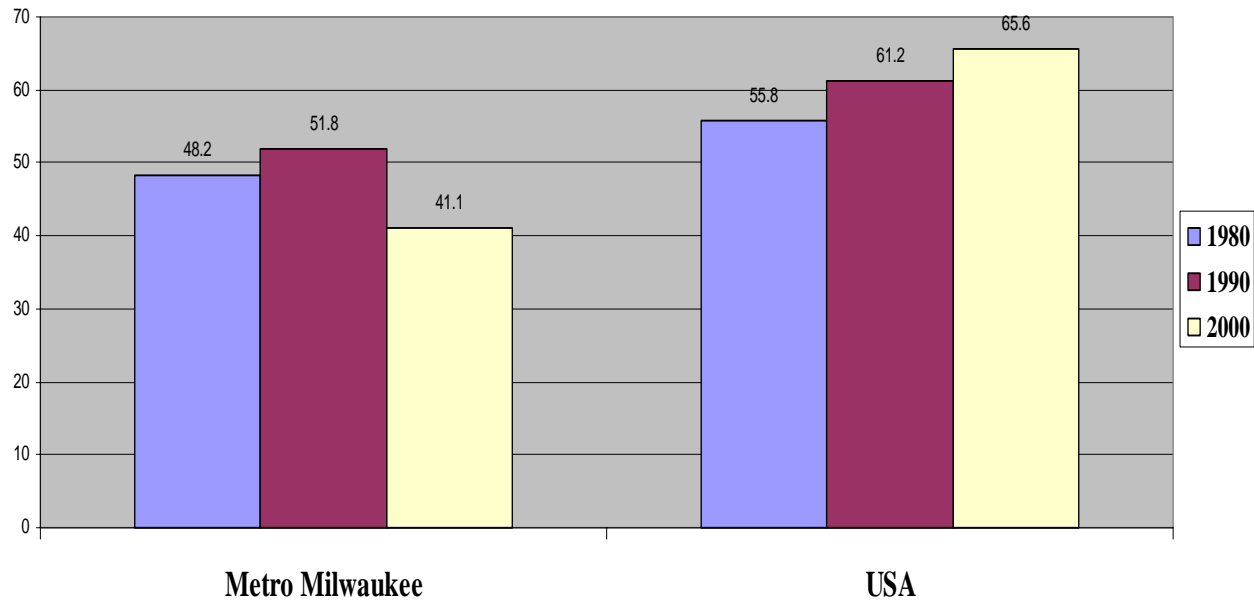
The median value of white-owned homes in 2000 in metro Milwaukee was almost 2.5 times greater than black-owned homes. This gap has increased significantly since 1990 and far exceeds the national average.

Race and Home Values in Metro Milwaukee,
Median Value of Home by race of owner, 1980-2000

	White	Black	Blacks as % of Whites
1980	\$61,400	\$29,600	48.2
1990	\$78,400	\$40,600	51.8
2000	\$140,000	\$57,600	41.1

Racial Disparities in Milwaukee's Housing Market

Race and Housing Values: Metro Milwaukee in National Context
Median Value of Black-owned homes as % of white-owned homes





Racial Disparities in Business



Racial Disparities in Milwaukee Businesses: Management, and Ownership

- **Despite some progress in the 1990s, metro Milwaukee ranks near the bottom of US metropolitan areas in the proportion of blacks holding management jobs in large private-sector enterprises (controlling for differences in the size of the minority labor force.**
- **In 1990, metro Milwaukee ranked last among the nation's 50 largest metropolitan areas in the black share of managerial jobs; by 1999, we had climbed to 48th.**
- **Of 36,579 private-sector managers at large Milwaukee firms in 1999, 1,608 were black (4.4%). Blacks represent 13.0% of metro Milwaukee's overall employment.**
- **Milwaukee continues to lag far behind other metro areas in rates of black business ownership. In 1992, Milwaukee ranked last among the 50 largest metropolitan areas in the number of black-owned firms per 1,000 black population. By 1997, we ranked 48th.**



Policy Implications



Policy Implications

Regional Policies

- Breaking down city-suburban barriers in housing and labor markets
- Enforcing fair housing; building affordable housing in suburbs
- Improving transportation links to conquer spatial mismatch
- Regional tax-base sharing

Inner-City Revitalization

- Encourage sectorally-targeted “in-fill” development, including light manufacturing in the Menomonee Valley
- Build affordable housing and upscale housing in central city
- Expand inner-city “job initiative” programs

Minority Business Enterprise and Affirmative Action Programs

supplier-linkage and mentoring programs

Education