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# Index of AFRICAN AMERICAN WELL-BEING

in the Nation's Largest Metropolitan Areas

Examination of Milwaukee's rankings across 30 indicators based on community well-being areas for African Americans, compared to the nation's largest 50 Metropolitan areas

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July 2020



#### **Center for Economic Development**



## The AALAM/UWMCED Index of African American Well-Being in the Nation's Largest Metropolitan Areas

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July 2020

#### **Abstract**

This report, prepared for the African American Leadership Alliance MKE (AALAM), presents an index of African American community well-being in Milwaukee and the nation's 50 largest metropolitan areas. The index is based on Black community status for each metro area on 30 indicators of community well-being, in areas such as employment; income, poverty, and social conditions; community health; and conditions for youth and children. Ranks on all of the component indicators were then synthesized into a composite index, ranking each of the nation's largest metropolitan areas on the well-being of their respective African American communities. This study finds, on almost all indicators examined, that Black Milwaukee consistently ranks at or near the bottom compared to African American communities in large metropolitan areas across the country. On the composite index of African American well-being, Milwaukee ranks worst, by a fairly wide margin. The AALAM aims "to redefine Milwaukee as a top-ranking city for African Americans by 2025." This study reveals the magnitude of that challenge.

#### Introduction

For many years, Milwaukee has earned the dubious reputation –in academic research and in popular analysis—as one of America's "worst" metropolitan areas for African Americans. As a recent, well-publicized journalistic report noted: "Milwaukee is one of the many Rust Belt cities where a history of redlining, exclusionary zoning, and discriminatory lending practices has contributed to segregation...and to some of the largest racial disparities in income, health, and other socioeconomic measures in the country." In multiple studies over the past twenty years, researchers at the University of Wisconsin-Milwaukee Center for Economic Development (UWMCED) have documented the extent to which, when compared to other large metropolitan areas in the United States on indicators of African American community well-being, Milwaukee has consistently ranked at or near the bottom. In study after study, we have found that Milwaukee has posted since the 1980s the lowest rates of African American male employment, the highest rates of Black poverty, the largest percentage of African Americans living in concentrated poverty neighborhoods, lowest rates of Black business ownership, and so forth.<sup>2</sup>

This report, produced at the request of the African American Leadership Alliance MKE (AALAM), draws on the latest data available to present a systematic compilation of where Black Milwaukee stands compared to the nation's 50 largest metropolitan on 30 indicators of community well-being. We then synthesized the results on each of the indicators into a composite index that ranks each of the nation's 50 largest metropolitan areas on the well-being of their respective African American communities. In this way, we have benchmarked how conditions in Black Milwaukee compare to conditions for African Americans in other large metros across the country. The report aims to pinpoint those metros where, on balance, African

<sup>&</sup>lt;sup>1</sup> Evan Comen, "For Black Americans moving to a new city, these are some of the worst places to settle," *USA Today*, 8 November 2019. Access at: <a href="https://www.usatoday.com/story/money/2019/11/08/moving-the-worst-us-cities-for-black-americans/40553101/">https://www.usatoday.com/story/money/2019/11/08/moving-the-worst-us-cities-for-black-americans/40553101/</a>

<sup>&</sup>lt;sup>2</sup> See, for example, Marc V. Levine, *Race and Male Employment in the Wake of the Great Recession in the Nation's Largest Metro Areas: 2010,* (Milwaukee: UWM Center for Economic Development, 2012). Access at: https://dc.uwm.edu/cgi/viewcontent.cgi?article=1019&context=ced\_pubs; Marc V. Levine, *Perspectives on the Current State of the Milwaukee Economy* (Milwaukee: UWMCED, 2013). Access at: https://dc.uwm.edu/cgi/viewcontent.cgi?article=1013&context=ced\_pubs; Marc V. Levine, *The State of Black-Owned Businesses in Milwaukee* (Milwaukee: UWMCED, 2013). Access at: https://dc.uwm.edu/cgi/viewcontent.cgi?article=1012&context=ced\_pubs; Marc V. Levine, *Milwaukee 53206: The Anatomy of Concentrated Disadvantage in an Inner City Neighborhood* (Milwaukee: UWMCED, 2019): Access at: https://dc.uwm.edu/ced\_pubs/48/; Marc V. Levine, *Diversity in the Creative Occupations of Greater Milwaukee: A Labor Market Analysis* (Milwaukee: UWMCED, 2019). Access at: https://dc.uwm.edu/ced\_pubs/52/; and Joel Rast, *The Economic* 

State of Milwaukee, 1990-2008 (Milwaukee: UWMCED, 2010). Access at: https://dc.uwm.edu/cgi/viewcontent.cgi?article=1021&context=ced\_pubs

Americans are doing better or worse than in Milwaukee, with the ultimate goal of understanding why this is the case, and what Milwaukee can learn from pacesetting metro areas –and from laggards—to improve the quality of life for African Americans in the city and metropolitan area.<sup>3</sup>

The chief finding of this report is sobering: Milwaukee ranks, by a clear margin, at the bottom of all metro areas examined on the composite index of African American well-being. Most disturbingly, this poor performance is consistent on almost all the indicators for which we collected data to construct the index. Across the board, Milwaukee ranks dead last or near the bottom of the largest metropolitan areas in the country. The data are unambiguous: racial inequality remains deeply entrenched and pervasive in Milwaukee, and substantial improvement on numerous indicators will be necessary before Black Milwaukee reaches even the "middle-of-the-pack" on the index of African American well-being. A central goal of the AALAM is "to redefine Milwaukee as a top-ranking city for African Americans by 2025." This report reveals, in stark relief, how staggering a challenge it will be to meet that essential goal.

This report consists of four main elements:

- Creation of a composite index of African American well-being for each of the
  nation's 50 largest metropolitan areas. This index is composed of 30 indicators of
  community well-being, including employment, income, poverty, social mobility,
  homeownership, health outcomes, and conditions for youth and children.
- A ranking of the metropolitan areas by the composite index and identification of the "best metros" for African American well-being. In addition, we present "subsector" indexes in several areas: an index of African American well-being in Employment; an index ranking metros on African American Income, Poverty, and Social Conditions; a third index that ranks metros on Black Health Care outcomes; and a final index ranking metros on the well-being of African American youth and children.
- An analysis on specific indicators of how much Milwaukee trails better performing metro areas on the composite index of African American well-being. This will give

<sup>3</sup> This report is modeled on a similar index, created by the author for the Hispanic Collaborative of Milwaukee, on the "best places for Latino well-being" among the nation's 50 largest metropolitan areas. See Marc V. Levine, *The "Best Metros" for Latino Well-Being: An Index* (Milwaukee: UWMCED, 2017); and Marc V. Levine, *The Hispanic Collaborative/UWMCED Index of Hispanic Well-Being in the Nation's Largest Metro Areas: 2020 Update* (Milwaukee: UWMCED, 2020). Although the Hispanic Well-Being Index is methodologically comparable to the African American Well-Being Index presented here, there are some differences; these are discussed in Appendix A to this report.

- readers a sense of how much Milwaukee needs to improve outcomes for Black residents in areas such as employment, income, and poverty to move up on the index from its current dismal rank.
- An exploratory analysis correlating a set of independent variables –potential explanatory factors such as Black business ownership; the presence of African Americans in management positions; Black educational attainment; or the level of segregation in the community—with outcomes on the composite index of well-being. All told, we analyzed 11 potential correlates with how well a metro area ranks on the composite index. Although this analysis does not determine cause and effect, it does give us preliminary and suggestive evidence on which factors, if any, appear associated with African American well-being in the nation's metropolitan areas, and point us in the direction of future research and action.

#### How the Composite Index Was Put Together and What it Reveals

There are numerous ways that researchers can synthesize multiple indicators into a composite index – an index that, with a single number, conveys the overall status of the phenomenon under investigation. Typically, when researchers assemble "best places to live" or "community wellbeing" indexes, they gather data on a number of variables bearing on quality of life in a city or region, and then choose a technique to standardize those variables into a single index. There are always methodological issues involved: Should variables be weighted? Should statistical techniques be used to account for different "intervals" and "ratios" among the variables? In the last analysis, though, the key issue for a useful index is whether it contains the right component indicators and a sufficient number of them to yield a meaningful final "index number."

What we have done in this report is construct an index of African American well-being, for the nation's 50 largest metropolitan areas, consisting of 30 indicators (see below). Although the list of indicators we've assembled is hardly exhaustive –there are dozens more that could have been chosen—it is extensive and we believe these are the right indicators to convey a solid sense of African American community well-being in the metro areas we have analyzed. We have opted for a simple index that takes the ranks among the 50 metro areas, for each indicator, and then aggregates and averages them to produce a final "index number" for each metro. On each

indicator, the better the "performance" (e.g. high income, low poverty, or high employment), the higher the rank. To give a highly stylized example, if a metro area had the best performance on every single one of the indicators, the ultimate index number for that metro would be "1;" conversely, a uniformly worst performance for a metro would yield an index number of "50." Obviously, no metros fall into those extremes, but as Chart 1 below shows, there are clear gradations among the metro areas in their final, aggregate index numbers. In the end, we believe this simple indexing approach yields meaningful findings regarding a hierarchy of metropolitan areas on African American community well-being.

#### The Components of the Composite Index

Here are the components of the index: the indicators we used to calculate the composite index (and the sources from which the data were compiled). Except where noted, all data are reported at the metropolitan area level.

- 1. Male Employment Rates, Prime Working-Age (percentage of African American males, ages 25-54, who are employed). This is sometimes called the "Employment-Population" ratio, and is generally considered by economists to be a superior indicator of overall labor market conditions than the traditional and highly flawed official unemployment rate. All employment data in this report are from 2016-18, pooled three-year samples from the U.S. Census Bureau's American Community Survey. (The three-year pooling creates a larger sample that lowers the margin of error in the survey).
- **2. Male Employment Rates, Young Adults** (percentage of African American males, ages 20-24, who are employed).
- **3. Female Employment Rates, Prime Working-Age** (percentage of African American females, ages 25-54, who are employed).
- **4. Female Employment Rates, Young Adults** (percentage of African American females, ages 20-24, who are employed).
- **5. Disconnected Youth Rates** (percentage of African Americans between the ages of 16-24, not employed and not in school). This measure was calculated from the IPUMS database of the American Community Survey (ACS), the 2012-16 five-year pooled sample.

- 6. Black Median Household Income (adjusted for cost-of-living differences among metropolitan areas. For example: the cost of living in San Francisco is over 30 percent higher than in Milwaukee, so we adjusted income levels to reflect that). The income data were drawn from 2014-18, American Community Survey five-year pooled sample. The cost-of-living adjustments were calculated using the U.S. Department of Commerce, Bureau of Economic Analysis' regional price parities (RPP).
- 7. Change in Real, RPP-adjusted Income, 2010-2018 (percentage change in Black household income between 2010-2018, adjusted for inflation and regional cost-of-living differences). 2006-10 and 2014-18 ACS five-year data; BEA RPP data; and Bureau of Labor Statistics inflation data.
- **8. Racial Income Inequality** (African American household income as a percentage of white non-Hispanic household income). 2014-18 ACS data.
- **9. Poverty Rates** (percentage of African Americans with income below the official poverty level). 2014-18 ACS data.
- **10.** Extreme Poverty Rates (percentage of African Americans with household income below 50 percent of the official poverty rate). ACS 2014-18 data.
- **11. Children Poverty Rate** (percentage of African Americans under 18 years old living in households with income below the official poverty line). ACS 2014-18 data.
- **12. Blacks Living in Concentrated Poverty Neighborhoods** (percentage of metro area African Americans living in neighborhoods in which 40% or more of all residents are poor). Calculated from 2013-17, five-year pooled ACS data.
- **13. Racial Disparities in Poverty** (ratio of Black poverty rate to white non-Hispanic poverty rate). ACS 2014-18 data.
- **14. Size of Affluent Black Community** (percentage of all African American households in metro area with annual household income above \$100,000).
- **15. Intergenerational Mobility of Blacks Born into Poor Households.** (Income in 2014-15 of African Americans born between 1978-83 into households in the 25<sup>th</sup> percentile of the national income distribution). Data available from the Opportunity Atlas, assembled by the Harvard University Opportunity Insights Project.

- **16.** Intergenerational Mobility of Blacks Born into Middle-Class Households. (Income in 2014-15 of African Americans born between 1978-83 into households in the 50<sup>th</sup> percentile of the national income distribution).
- **17. Racial Gaps in Intergenerational Mobility for Poor Children.** (Gap between Black and white non-Hispanic adult income (in 2014-15) for children born between 1978-83 into low-income (25<sup>th</sup> percentile) households).
- **18. Racial Gaps in Intergenerational Mobility for Middle-Class Children.** (Gap between Black and white non-Hispanic adult income (in 2014-15) for children born between 1978-83 into middle-income (50<sup>th</sup> percentile) households).
- **19. Incarceration of Poor Blacks.** (Incarceration rate in 2010 of persons born between 1978-83 into low-income (25<sup>th</sup> percentile) households). Data available from the Opportunity Atlas, assembled by the Harvard University Opportunity Insights Project.
- **20. Incarceration of Middle-Class Blacks.** (Incarceration rate in 2010 of persons born between 1978-83 into middle-income (50<sup>th</sup> percentile) households).
- **21. Food Stamps/SNAP recipients** (percentage of African American households receiving Supplemental Nutrition Assistance Program support). ACS 2014-18 data.
- **22. Homeownership Rate** (percentage of African American households living in owner-occupied housing). ACS 2014-18 data.
- **23. Infant mortality rate for African Americans.** (Death rate per 1,000). Calculated from the CDC WONDER data-base of the Centers for Disease Control and Prevention. 2012-17 pooled data. Data is for central counties of metropolitan areas.
- **24. Teen pregnancy rate** (percentage of African American births to mothers under 19 years). 2016-18 pooled data. CDC WONDER data-base. Data is for central counties of metropolitan areas.
- **25.** Low birth-weight babies (percentage of African American births to babies weighing less than 2,500 grams). 2016-18 pooled data. CDC WONDER data-base. Data is for central counties of metropolitan areas.
- **26.** Black mortality rate from Coronary Disease (rate per 100,000). 2013-18 pooled data. CDC WONDER data-base. Data is for central counties of metropolitan areas.
- **27. Death by Homicide** (rate of African American deaths per 100,000). 2013-18 pooled data. CDC WONDER data-base. Data is for central counties of metropolitan areas.

- **28.** "Deaths of Despair." Rate of African American deaths per 100,000, by drug or alcohol abuse or overdoses, or by suicide. 2010-18 pooled data. CDC WONDER data-base. Data is for central counties of metropolitan areas.<sup>4</sup>
- **29. Children's Health Insurance Coverage** (percentage of children 18 and under without health insurance coverage). ACS 2014-18 data.
- **30. Adult Health Insurance Coverage** (percentage of adults, ages 19-64, without health insurance coverage). ACS 2014-18 data.

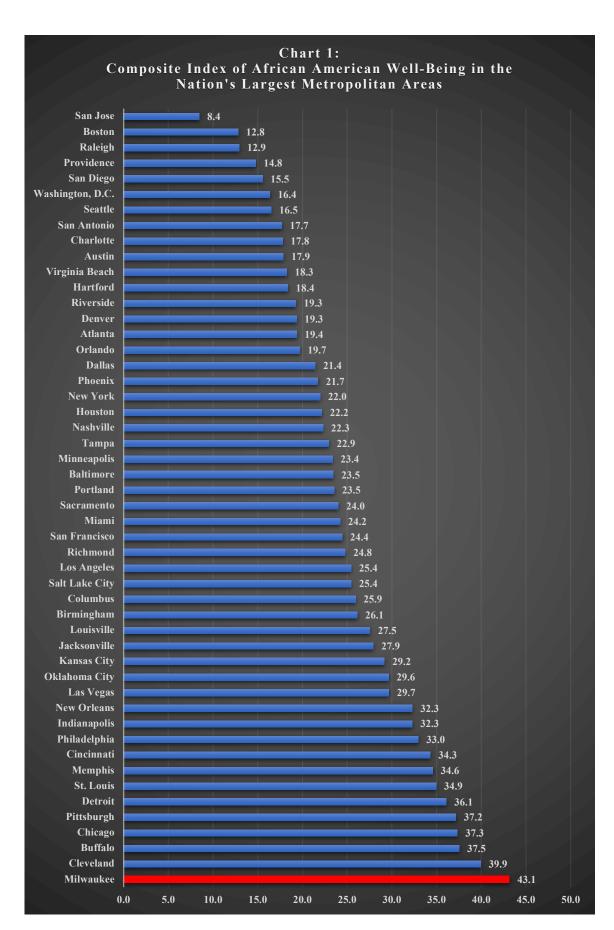
#### **Key Findings**

Synthesizing all of these indicators, Chart 1 below displays the ranking of the nation's largest 50 metropolitan areas on the composite Index of African American Well-Being. Table 1 arrays Black Milwaukee's results and rank on each of the individual component indicators. Milwaukee ranks dead last on the composite index, with an index value of 43.1 (which represents, as noted earlier, the metro area's average rank on the individual indicators comprised by the index. The higher the metro area index value, the worse the "average rank" on the component indicators). Given the academic literature on segregation, race, and urban problems in the wake of deindustrialization in Midwest cities, it is no surprise that the bottom ranked metropolises on the composite index are Milwaukee, Cleveland, Buffalo, Chicago, Pittsburgh, and Detroit.<sup>5</sup> (Pittsburgh's low rank is somewhat surprising, given all the popular media attention to it as a "renaissance city," but it appears that this revitalization is not trickling down to the metro area's African American community).

However, it is striking how far Milwaukee lags behind even the other lower-ranked metros on the composite index as well as how consistently Black Milwaukee ranks at or near the bottom on *each* of the index's component indicators. Milwaukee trails several points behind the second-

<sup>&</sup>lt;sup>4</sup> The concept of "deaths of despair" and its importance in contemporary political economy has been developed in the seminal work of Anne Case and Angus Deaton, *Deaths of Despair and the Future of Capitalism* (Princeton: Princeton University Press, 2020).

<sup>&</sup>lt;sup>5</sup> There is now, of course, a massive literature on deindustrialization, segregation, and urban inequality, and I won't summarize it here. But the starting point for any analysis of these issues remains William Julius Wilson, *The Truly Disadvantaged: The Inner City, the Underclass, and Public Policy* (Chicago: University of Chicago Press, 1987); and Wilson, *When Work Disappears: The World of the New Urban Poor* (New York: Random House, 1996).



lowest metro (Cleveland) on the composite index, and Milwaukee's index value (43.1) is almost twice that of "middle-of-the-pack" metros. (As Chart 1 illustrates, Baltimore and Portland, with index values of 23.5, are at the median (25<sup>th</sup>) of the list of 50 metros examined in this study). Table 1 puts the Black Milwaukee lag in stark relief: on the 30 indicators of the composite index, Milwaukee ranked last or next to last on 11 of them; it ranked in the bottom five on 19 of them; and ranked in the bottom ten among the 50 metro areas on all but four of the indicators. No metro area approaches the consistently poor performance of Milwaukee on these measures of African American well-being.

Table 1:
The State of Black Milwaukee I: A Snapshot
Components of the Index of Well-Being

| Indicator   | Milwaukee<br>Value | Milwaukee<br>Rank |
|---|--------------------|-------------------|
| Employment Rate, Young Adult Males (ages 20-24)                               | 55.9%              | 41                |
| Employment Rate, Young Adult Females (ages 20-24)                             | 66.4%              | 25                |
| Employment Rate, Prime Working Age Males (ages 25-54)                         | 66.3%              | 47                |
| Employment Rate, Prime Working Age Females (ages 25-54)                       | 70.8%              | 42                |
| Disconnected Youth (% 16-24 not in school/not employed)                       | 25.6%              | 49                |
| Median Household Income (cost of living adjusted)                             | \$31,052           | 50                |
| % Change in Household Income (cost of living and inflation adjusted): 2010-18 | -7.1%              | 46                |
| Black Household Income as Percentage of White (Non-Hispanic) Income           | 42.0%              | 50                |
| \$100,000 Annual Income HHs as Fraction of All Black Households               | 7.7%               | 49                |
| Poverty Rate  | 33.4%              | 50                |
| Ratio of Black Poverty Rate to White (Non-Hispanic)                           | 4.7 to 1           | 49                |
| Children's Poverty Rate   | 44.6%              | 48                |
| Percentage Living in Extreme Poverty  | 14.4%              | 47                |
| Percentage Living in Concentrated Poverty Neighborhoods                       | 26.0%              | 47                |
| Social Mobility of Poor Black Children: Average HH Income as Young Adults     | \$21,000           | 44                |
| Social Mobility of Middle-Class Children: Average HH Income as Young Adults   | \$27,000           | 42                |
| Black/White Young Adult Income Disparity for Children Born Poor               | \$17,000           | 45                |
| Black/White Young Adult Income Disparity for Children Born Middle-Class       | \$20,000           | 47                |
| Incarceration Rate as Young Adults for Black Males Born Poor                  | 17.0%              | 50                |
| Incarceration Rate as Young Adults for Black Males Born Middle-Class          | 11.0%              | 50                |
| Homeownership Rate  | 27.4%              | 49                |
| Percentage Receiving SNAP benefits  | 40.9%              | 50                |
| Children (under 18) with no Health Insurance coverage                         | 1.4%               | 6                 |
| Adults (19-64) with no Health Insurance coverage                              | 12.6%              | 26                |
| Rate of Births to Teenage Mothers   | 9.5%               | 47                |
| Rate of Low Birth-Weight Babies   | 16.8%              | 49                |
| Infant Mortality Rate   | 14.5 per 1,000     | 47                |
| Mortality Rate from Heart Disease   | 156.9 per 100k     | 21                |
| Rate of Deaths by Homicide  | 38.6 per 100k      | 41                |
| Rate of "Deaths of Despair" (Alcohol, Drugs, Suicide)                         | 39.6 per 100k      | 40                |

Table 1 adds granular detail to this portrait of African American distress in Milwaukee, showing not only the metro area's rank on each component indicator of the composite index of well-being, but also the actual measure on each (e.g. Black poverty rate of 33.4%; Black homeownership rate 27.4%; prime-age Black male employment rate of 66.3%; and so forth). The scale of African American distress in Milwaukee is staggering. Consider just a few of the low-lights:

- Milwaukee's Black poverty rate of 33.4% is the lowest in the U.S. among the 50 largest metropolitan areas;
- The percentage of "disconnected" Black youth in Milwaukee –those between the ages of 16-24 not in school or not working—is 25.6%, the second worst in the country;
- 17.0% of Blacks born in Milwaukee into poor households in the late 1970s and early 1980s were incarcerated by 2010, the worst incarceration rate in the country. The incarceration rate for Blacks born into middle-class households during that same period was 11.0%, also the worst in the country among large metro areas.
- Black median household income, adjusted for regional cost-of-living differences, is only \$31,052, worst in the country; and Black household income in Milwaukee is only 42.0% of white non-Hispanic household income, the lowest percentage among large metro areas (and therefore the largest racial disparity in the country);
- Only 7.7% of all Black households in Milwaukee report annual income above \$100,000; this is the second lowest rate of "affluent Black households" among the nation's largest metros (only Cleveland reports a lower fraction of affluent Black households 7.6%).
- Milwaukee's Black homeownership rate of 27.4% is the second lowest in country; only Minneapolis posted a lower rate (25.2%). The homeownership rate, as numerous researchers have noted, is an important proxy measure of community wealth.

Table 2 illustrates, with even more context, Black Milwaukee's place in the hierarchy of metro areas on the composite index. This table shows, for each component indicator, Milwaukee's status and rank compared to the "best-performing" metro, the "10<sup>th</sup> best" metro, the median metro (25<sup>th</sup> ranked), and the worst ranked metro. The table gives a sense of the gap between Black Milwaukee's outcomes on these variables and those of "top-performing" and

Table 2: Black Milwaukee Ranks and Performance Compared to Metros at Selected Ranking Thresholds on the Composite Index of Well-Being

| Indicator   | Value                | Rank     |
|---|----------------------|----------|
| <b>Employment Rate, Young Adult Males (ages 20-24)</b>  |                      |          |
| Milwaukee   | 55.9%                | 41       |
|   |                      |          |
| Denver  | 78.9%                | 1        |
| Kansas City   | 66.3%                | 10       |
| Austin  | 61.6%                | 25       |
| New Orleans   | 48.7%                | 49*      |
|   |                      |          |
| Employment Rate, Prime Age Males (ages 25-54)           |                      |          |
| Milwaukee   | 66.3%                | 47       |
|   |                      |          |
| Washington, D.C.  | 83.8%                | 1        |
| Nashville   | 80.2%                | 10       |
| Providence  | 75.1%                | 25       |
| Buffalo   | 62.1%                | 49*      |
|   |                      |          |
| <b>Employment Rate, Young Adult Females (ages 20-24</b> |                      |          |
| Milwaukee   | 66.4%                | 25       |
| D.  | 77.0%                | 1        |
| Denver<br>Raleigh                                       | 77.0%                | 1<br>10  |
| Milwaukee   | 66.4%                | 25       |
| New York  | 55.8%                | 49*      |
| New York  | 53.6%                | 49"      |
| <b>Employment Rate, Prime Age Females (ages 25-54)</b>  |                      |          |
| Milwaukee   | 70.8%                | 42       |
| Willwaukee  | 70.070               | 72       |
| Nashville   | 82.5%                | 1        |
| Virginia Beach  | 71.0%                | 10       |
| St. Louis   | 67.8%                | 25       |
| Sacramento  | 67.7%                | 49*      |
|   | 011170               |          |
| Disconnected Youth (% not in school/not working)        |                      |          |
| Milwaukee   | 25.6%                | 36       |
|   |                      |          |
| Austin  | 7.6%                 | 1        |
| San Antonio   | 14.6%                | 10       |
| Kansas City   | 19.5%                | 25       |
| Detroit   | 25.7%                | 50       |
|   |                      |          |
| Household Income (cost of living adjusted)              |                      |          |
| Milwaukee   | \$31,052             | 50       |
| W 1: A D.C  | 0.00.004             | 4        |
| Washington, D.C.  | \$62,224<br>\$48,125 | 1        |
|   | \$4x 175             | 10       |
| Richmond  |                      |          |
|   | \$41,895<br>\$31,052 | 25<br>50 |

#### Table 2 (continued):

| Tudianton   | Value    | Dank        |
|---|----------|-------------|
| Indicator % Change in Household Income (cost of living and inflation-adjusted): 2010-2018 | value    | Rank        |
| Milwaukee   | -7.1%    | 46          |
| Milwauree   | -7.1 /0  | <del></del> |
| Austin  | +13.3%   | 1           |
| Portland  | +5.3%    | 10          |
| San Francisco   | +0.6%    | 25          |
| Las Vegas   | -15.7%   | 50          |
|   |          |             |
| Black Household Income as Percentage of White (Non-Hispanic)                              |          |             |
| Milwaukee   | 42.0%    | 50          |
|   |          |             |
| Riverside   | 77.0%    | 1           |
| Las Vegas   | 61.9%    | 10          |
| Denver  | 58.0%    | 25          |
| Milwaukee   | 42.0%    | 50          |
|   |          |             |
| Affluent (\$100k+) Income HHs as Fraction of All Black Households                         | 7.70/    | 40          |
| Milwaukee   | 7.7%     | 49          |
| San Jose  | 37.1%    | 1           |
| San Jose<br>Seattle   | 21.0%    | 1 10        |
| Virginia Beach  | 16.6%    | 25          |
| Cleveland   | 7.6%     | 50          |
| Cieveland   | 7.0 /0   | 30          |
| Poverty Rate  |          |             |
| Milwaukee   | 33.4%    | 50          |
| THI WARE  | 001170   | 20          |
| Washington, D.C.  | 12.5%    | 1           |
| Houston   | 18.5%    | 10          |
| Miami   | 22.3%    | 25          |
| Milwaukee   | 33.4%    | 50          |
|   |          |             |
| Ratio of Black Poverty Rate to White (Non-Hispanic)                                       |          |             |
| Milwaukee   | 4.7 to 1 | 49          |
|   |          |             |
| Riverside   | 2.0 to 1 | 1           |
| Sacramento  | 2.3 to 1 | 10          |
| Dallas  | 2.7 to 1 | 25          |
| Milwaukee   | 4.7 to 1 | 50          |
| Children's December Date  |          |             |
| Children's Poverty Rate Milwaukee   | 44.6%    | 48          |
| IVIII WAUKCC  | 44.0%    | 40          |
| Seattle   | 13.5%    | 1           |
| Houston   | 26.2%    | 10          |
| Sacramento  | 32.8%    | 25          |
| Cleveland   | 47.0%    | 50          |
|   | 17.070   |             |
| Percentage Living in Extreme Poverty  |          |             |
| Milwaukee   | 14.4%    | 47          |
|   |          |             |
| San Jose  | 5.2%     | 1           |
| Boston  | 8.7%     | 10          |
| Richmond  | 10.3%    | 25          |
| Richmond  | 1000     |             |

#### Table 2 (continued):

| Indicator   | Value                | Rank     |
|---|----------------------|----------|
| Percentage Living in Concentrated Poverty Neighborhoods                     | v aruc               | Rank     |
| Milwaukee   | 26.0%                | 47       |
|   |                      |          |
| Salt Lake City  | 0.6%                 | 1        |
| San Diego   | 4.2%                 | 10       |
| Nashville   | 7.7%                 | 25       |
| Buffalo   | 30.5%                | 50       |
| Social Mobility of Poor Black Children: Average HH Income as Young Adults   |                      |          |
| Milwaukee   | \$21,000             | 44       |
| Willwaukee  | \$21,000             | 44       |
| Boston  | \$30,000             | 1        |
| Seattle   | \$25,000             | 10       |
| Pittsburgh  | \$23,000             | 25       |
| Memphis   | \$20,000             | 50       |
| T. Williams   | \$20,000             |          |
| Social Mobility of Middle-Class Children: Average HH Income as Young Adults |                      |          |
| Milwaukee   | \$27,000             | 42       |
|   |                      |          |
| Boston  | \$36,000             | 1        |
| Houston   | \$31,000             | 10       |
| San Francisco   | \$30,000             | 25       |
| Nashville   | \$26,000             | 50       |
|   |                      |          |
| Black/White Young Adult Income Disparity for Children Born Poor             |                      |          |
| Milwaukee   | \$17,000             | 45       |
| D '1  | CO 000               | 1        |
| Providence  | \$9,000              | 1        |
| Tampa<br>San Jose   | \$11,000<br>\$13,000 | 10<br>25 |
| New York  | \$20,000             | 50       |
| NCW TOIR  | \$20,000             | 30       |
| Black/White Young Adult Income Disparity for Children Born Middle-Class     |                      |          |
| Milwaukee   | \$20,000             | 45       |
|   |                      |          |
| Virginia Beach  | \$12,000             | 1        |
| Portland  | \$13,000             | 10       |
| San Diego   | \$15,000             | 25       |
| Chicago   | \$23,000             | 50       |
| Incorporation Data as Voung Adults for Block Males Dans Dans                |                      |          |
| Incarceration Rate as Young Adults for Black Males Born Poor Milwaukee      | 17.0%                | 50       |
| IVIIIWAUKCC   | 17.070               | 30       |
| Providence  | 4.7%                 | 1        |
| New Orleans   | 8.9%                 | 10       |
| Baltimore   | 12.0%                | 25       |
| Milwaukee   | 17.0%                | 50       |
|   |                      |          |
| Incarceration Rate as Young Adults for Black Males Born Middle-Class        |                      |          |
| Milwaukee   | 11.0%                | 50       |
|   |                      |          |
| Providence  | 3.6%                 | 1        |
| New Orleans   | 5.4%                 | 10       |
| St. Louis   | 10.3%                | 25       |
| Milwaukee   | 11.0%                | 50       |

#### Table 2 (continued):

| Indicator   | Value         | Rank      |
|---|---------------|-----------|
| Homeownership Rate  | Value         | Kank      |
| Milwaukee   | 27.4%         | 49        |
|   |               |           |
| Washington, D.C.  | 50.8%         | 1         |
| Miami   | 44.5%         | 10        |
| Denver  | 38.1%         | 25        |
| Minneapolis   | 25.2%         | 50        |
|   |               |           |
| Percentage Receiving SNAP benefits                              |               |           |
| Milwaukee   | 40.9%         | 50        |
|   |               |           |
| San Jose  | 8.8%          | 1         |
| Raleigh   | 19.2%         | 10        |
| Orlando   | 24.8%         | 25        |
| Milwaukee   | 40.9%         | 50        |
| Cl. 1.1 ( 1 10 \  |               |           |
| Children (under 18) with no Health Insurance coverage Milwaukee | 1.40/         | -         |
| MIIWaukee   | 1.4%          | 6         |
| Hartford  | 0.1%          | 1         |
| Cincinnati  | 1.9%          | 10        |
| St. Louis   | 3.6%          | 25        |
| Salt Lake City  | 20.1%         | 50        |
| Sait Lake City  | 20.1 /0       | 30        |
| Adults (19-64) with no Health Insurance coverage                |               |           |
| Milwaukee   | 12.6%         | 26        |
| THIWAGE   | 12.070        | 20        |
| San Jose  | 5.4%          | 1         |
| Pittsburgh  | 8.8%          | 10        |
| Seattle   | 12.4%         | 25        |
| Miami   | 25.5%         | 50        |
|   |               |           |
| Rate of Births to Teenage Mothers                               |               |           |
| Milwaukee   | 9.5%          | 47        |
|   |               |           |
| San Diego   | 2.3%          | 1         |
| Riverside   | 5.0%          | 10        |
| Washington, D.C.  | 6.8%          | 25        |
| Memphis   | 10.1%         | 49*       |
|   |               |           |
| Rate of Low Birth-Weight Babies                                 |               |           |
| Milwaukee   | 16.8%         | 49        |
|   |               | <u> </u>  |
| Seattle   | 8.3%          | 1         |
| Boston  | 11.8%         | 10        |
| San Antonio   | 13.8%         | 25        |
| St. Louis   | 17.5%         | 50        |
| Infant Mortality Rate   |               |           |
| Milwaukee   | 14.5 per 100k | 47        |
| IVIII WAUGEC  | 14.5 per 100k | <b></b> / |
| San Jose  | 5.9           | 1         |
| New Orleans   | 8.7           | 10        |
| Nashville   | 11.1          | 25        |
| Birmingham  | 15.7          | 50        |

Table 2 (continued):

| Indicator   | Value          | Rank |
|---|----------------|------|
| Rate of Deaths by Homicide                            |                |      |
| Milwaukee   | 38.6 per 100k  | 41   |
|   |                |      |
| New York  | 5.9            | 1    |
| Tampa   | 14.7           | 10   |
| Atlanta   | 23.7           | 25   |
| St. Louis   | 76.7           | 49*  |
|   |                |      |
| Rate of "Deaths of Despair" (Alcohol, Drugs, Suicide) |                |      |
| Milwaukee   | 39.6 per 100k  | 40   |
|   |                |      |
| Orlando   | 13.9           | 1    |
| Memphis   | 22.5           | 10   |
| San Diego   | 32.9           | 25   |
| San Francisco   | 110.1          | 50   |
|   |                |      |
| Mortality Rate from Heart Disease                     |                |      |
| Milwaukee   | 156.9 per 100k | 21   |
|   |                |      |
| Salt Lake City  | 48.8           | 1    |
| Orlando   | 105.3          | 10   |
| Atlanta   | 164.7          | 25   |
| Detroit   | 329.8          | 50   |

<sup>\*</sup>Data for this variable were available for 49 of the 50 largest metropolitan areas

poor-outcome metropolitan areas for African Americans. As the table starkly reveals, the distance between Milwaukee and a "top-performing" metro area for African Americans is considerable. Some examples:

- Milwaukee's Black poverty rate is 33.4%; that is over 10 percentage points higher than the median metro (Miami) and 15 percentage points worse than the 10<sup>th</sup> ranked metro (Houston).
- 26% of African Americans in Milwaukee live in neighborhoods of concentrated poverty (where 40% of more of all residents are poor). That is slightly better than "worst-performing Buffalo (30.5%), but much worse than the median metro on this indicator (Nashville, 7.7%); or the 10<sup>th</sup> ranked metro (San Diego, 4.2%), or the top-ranked metro (Salt Lake City, 0.6%).
- African American household income in Milwaukee is just 42% that of a white non-Hispanic household; this is over 16 percentage points worse than the median metro (Denver), 20 percentage points lower than the 10<sup>th</sup> ranked metro (Las Vegas); and a whopping 35 percentage points less than the top-ranked metro (Riverside).

• Only 7.7% of Milwaukee's African American households report annual household income greater than \$100,000; by contrast, in the 25<sup>th</sup> ranked metro (Virginia Beach), that percentage is 16.6%; in the 10<sup>th</sup> ranked metro (Seattle), affluent households make up 21.0% of all Black households; and in San Jose, in the heart of Silicon Valley, 37.7% of all Black households report annual income above \$100,000.

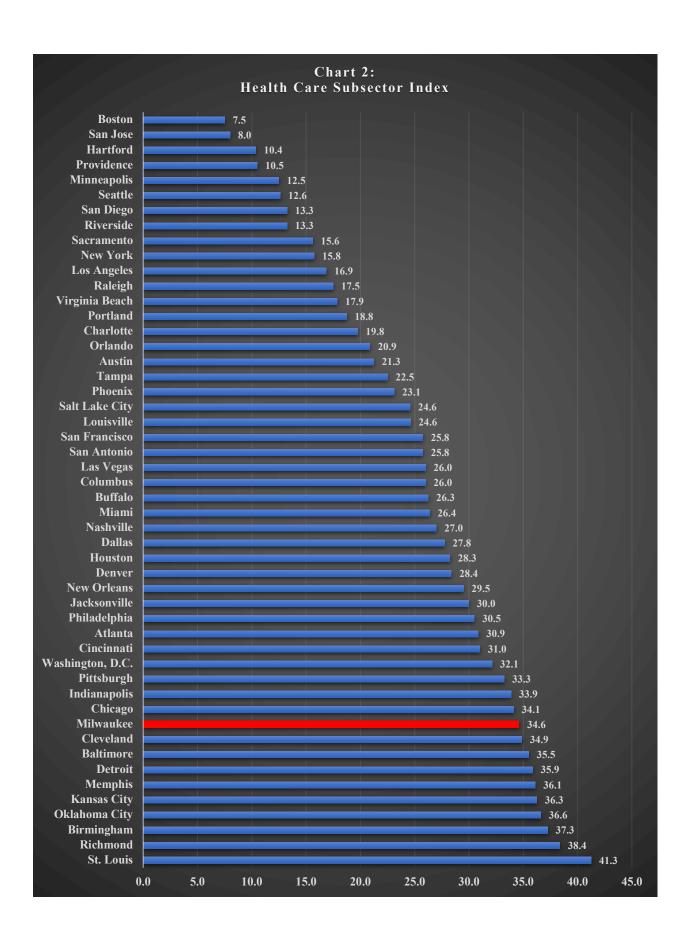
In short, the data in Table 2 and Chart 1 offer sobering benchmarks on the daunting challenges ahead. For Milwaukee to achieve a central goal of the AALAM, to "redefine Milwaukee as a top-ranking city for African Americans by 2025," monumental improvements on virtually every indicator on the composite index of African American well-being will be required.

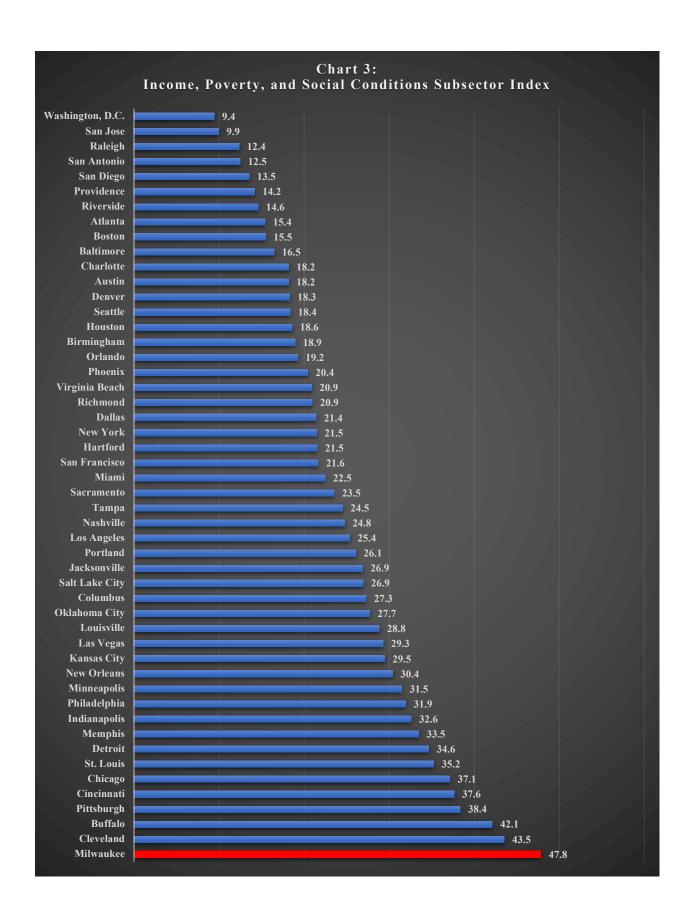
Finally, to drill down even further in benchmarking African American well-being in Milwaukee compared to metros across the country, we have created "subsector indexes" – that is, we've grouped together various indicators into narrowed, "subject" indexes. Thus, Chart 2 shows the average rank for metros on measures of African American health care; Chart 3 displays an index composed of gauges of income, poverty, and social conditions; Chart 4 reveals the status of metros on African American employment indicators; and Chart 5 arrays metro areas on an index of the well-being of African American youth and children.<sup>6</sup>

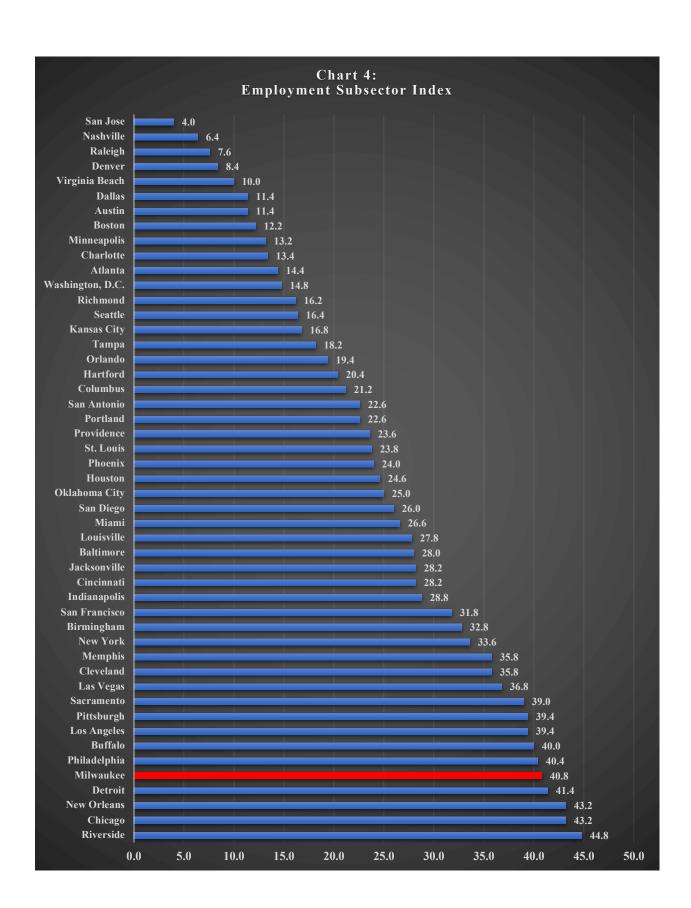
These charts confirm what we have already observed in the composite index of African American well-being: on the subsector indexes as well, Milwaukee badly trails other large metropolitan areas. Only on the health care subsector index (Chart 2) does Milwaukee escape the bottom five ranks – and this is mainly because the region does relatively well in health insurance coverage. Black Milwaukee's outcomes in areas such as teen pregnancy, infant mortality, deaths of despair, and low birth-weight babies are very poor (see Table 2). On both the income, poverty, and social conditions index as well as the youth and children index, Milwaukee ranked last; and on the employment index, Black Milwaukee ranks 46<sup>th</sup> among the nation's 50 largest metros. These findings are not surprising: as Table 3 shows, there is a close correlation between a metro area's rank on the composite index of African American well-being and performance on all

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<sup>&</sup>lt;sup>6</sup> The specific indicators included in each subsector index are included in Appendix B.







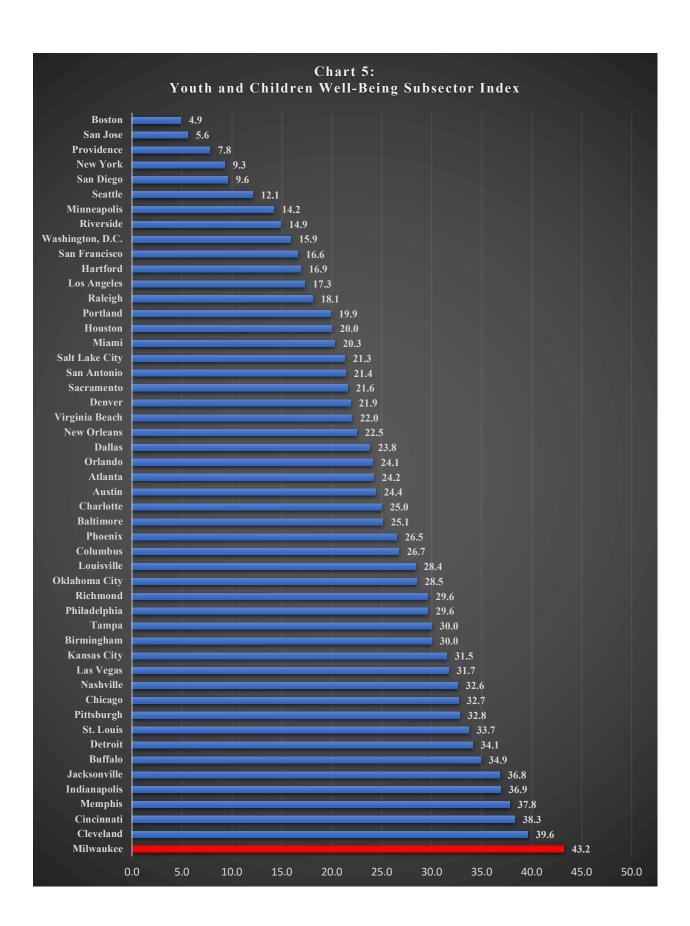


Table 3: Bivariate Correlations between Subsector Indexes and the Composite Index of African American Well-Being in the Largest Metro Areas

| Index   | Coefficient |
|---|-------------|
| Correlation of Composite Index of African American Well-Being With: |             |
| Subsector Index Health care outcomes and conditions                 | +.710       |
| Subsector Index of Income, poverty, and social conditions           | +.943       |
| Subsector Index of Employment indicators                            | +.705       |
| Subsector index of well-being Youth and Children                    | +.826       |

Note: A perfect correlation between two variables is 1.0 (+ or -)

of the subsector indexes. Although there are some outliers and variations among metro areas, these intercorrelations tell us that, in general, if a metropolitan area is "low-outcome" for African American well-being on one indicator, it is likely to be "low-outcome" on many other measures. Paradoxically, though, there is also some optimism in that finding: if strategies can improve community well-being on key indicators, the likelihood is that these gains will ripple through many other correlated indicators as well.

#### What factors are associated with "top ranking" metros for African Americans?

Whatever lessons are to be learned from the composite index on ways to ameliorate conditions in Black Milwaukee, a crucial first step will be to discover factors ---what social scientists call "independent" or causal variables— that are correlated with the outcomes on the index. As a starting point for such an analysis, we have run some bivariate (two variable) correlations between a number of potential explanatory variables (or "drivers") and the index values of these metros on the composite index of African American well-being arrayed in Chart 1. We examine a simple question: What factors, if any, are associated with "good" or "poor" standing of a metro area on the index? As good researchers always point out, correlation is not causation; correlations merely point to variables that are associated with one another. But strong correlations—both positive and negative—provide a useful starting point for analysis of potential *causal* factors, and guidance for action strategies.

We have examined the correlations between the index outcomes and 11 potential explanatory factors. These variables, while hardly an exhaustive list of potential drivers of African American

well-being, are all plausible candidates as factors influencing the social and economic status of the African American community in various metropolitan areas. They include:

- 1. Rates of Metropolitan Area Gross Domestic Product (GDP) growth. How does the rate of economic growth in a metro area affect its rank on the index of African American well-being? Does a "rising tide lifts all boats?" We measure metro area GDP growth between 2010-18, adjusted for inflation, from data available from the U.S. Department of Commerce, Bureau of Economic Analysis.
- 2. Educational attainment: Percentage of Black adults (25 and older) holding bachelor's or advanced, post-college degrees. How closely is educational attainment in the African American community correlated with outcomes for the community on the composite index? Data from U.S. Bureau of the Census, American Community Survey (ACS), 2014-18, five-year pooled data.
- 3. **Educational attainment**: Percentage of Black adults (25 and older) with a high school degree/equivalent or higher degree (some college, associate degree, bachelor's, or advanced). Some logic, and same data source as above (2).
- 4. **Educational attainment**: Percentage of Black adults (25 and older) who do not hold a high school degree/equivalent. Some logic, and same data source as above (2).
- 5. **Racial Segregation**, as measured by Black-white "dissimilarity" indexes calculated for the nation's 50 largest metro areas. (The dissimilarity index measures the extent to which individual neighborhoods resemble the racial composition of the metro area as a whole. A high Black-white dissimilarity index –and, as Table 6 below shows, Milwaukee has the highest in the nation—indicates a high level of segregation). The hypothesis here is that high levels of segregation are associated with poor standing on the index of African American well-being. Dissimilarity indexes are drawn from William Frey's compilations at the Brookings Institution.<sup>7</sup>
- 6. **Black Suburbanization.** Related to the segregation indicator, the hypothesis here is that the higher the fraction of metro area Blacks living in the core city of a metropolis, the lower a metro is likely to rank on the composite index of African American well-being,

<sup>&</sup>lt;sup>7</sup> See William Frey, "Even as metropolitan areas diversify, white Americans still live in mostly white neighborhoods," Brookings Institution, 23 March 2020. Access at: https://www.brookings.edu/research/even-as-metropolitan-areas-diversify-white-americans-still-live-in-mostly-white-neighborhoods/

- as suburbs offer greater job growth, less concentrated poverty, and overall more economic opportunity. Data on Black residential patterns in metro areas from the ACS, 2014-18, five-year pooled data.
- 7. **Suburbanization of Black Affluent.** The hypothesis here is that the greater the share of metro area African Americans living in the region's core city, the lower a metro area is likely to rank on the composite index. Same reasons as (6) above, same logic.
- 8. **Rate of Black Business ownership.** Are higher rates of Black-owned business in a metro area associated with better outcomes on the composite index. The metric we use is the "Business Participation Rate (BPR)," which calculates racial group business ownership rates, controlling for the size of groups in the overall population. We express the BPR in terms of the number of business owners per 1,000 population of a given group. Data is drawn from the U.S. Bureau of the Census, Survey of Business Owners. The most recent available data is from 2012.8
- 9. Rate of African American representation in managerial positions in the private sector. Is a greater presence of African Americans in management occupations associated with better outcomes for the Black community as a whole on the index of well-being? We measure this variable by constructing an "index of participation," which measures the degree to which a group holds jobs in a particular occupation at a percentage greater than, or less than, their share of total employment. For any occupation, an index of 100 means that the group is employed roughly in proportion to their presence in the overall labor market (racial parity); an index below 100 means that the group is "underrepresented" in the occupation; and an index over 100 means that the group is concentrated, relative to its weight in the overall labor force, in a given occupation. The data to construct this index for African Americans holding managerial jobs in the nation's 50 largest metropolitan areas comes from the Equal Employment Opportunity Commission's data-base, "Job Patterns for Minorities and Women in Private Industry (EEO-1)." The most recent available data is from 2018.

<sup>&</sup>lt;sup>8</sup> The 2017 Survey of Business owners is expected to be released in early 2021.

<sup>&</sup>lt;sup>9</sup> For a more detailed illustration of how the occupational index of concentration or participation is calculated, see Marc V. Levine, *Diversity in the Creative Occupations* (Milwaukee: UWMCED, 2019). Access at: https://dc.uwm.edu/ced\_pubs/52/

- 10. Rate of African American representation in top executive positions in the private sector. Same logic, same hypothesis, same data source as (9) above. Does representation of Blacks as top executives in metro area companies correlate with better outcomes for the African American community as a whole?
- 11. **Size of the metro area African American community.** Is there any relationship between the African America share of a metro area's population and outcomes on the composite index of well-being? Data from the ACS, 2014-18, five-year pooled survey.

Table 4 shows the correlation coefficients between these variables and outcomes on the composite index of African American well-being in the nation's 50 largest metropolitan areas. Only a few of these potential driver variables exhibit moderately robust correlations with the index of African American well-being. Two factors manifest the strongest positive correlations with African American well-being: Leadership (measured by the presence of African Americans in managerial or top executive positions in private industry); and Education (especially the fraction of African Americans holding a high school degree or equivalent). Two factors appear most strongly associated with a negative performance on the index: Segregation (high levels of Black-white residential segregation; and Poor Education (a high share of African American high school dropouts). All of the other potential driver variables analyzed, especially Black business ownership and overall metro area growth rates, showed very low correlation levels – positive or negative—with outcomes on the composite index.

Table 4:
Correlations between Selected Variables and the Composite
Index of African American Well-Being in the Nation's Largest Metro Areas

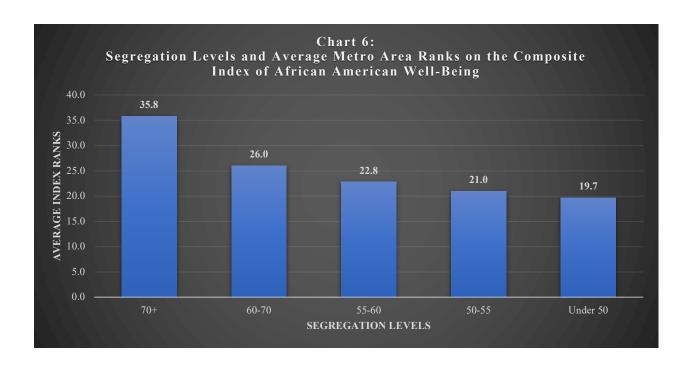
| Variable   | Coefficient |
|--|-------------|
| Positively associated with higher metro area rankings on index of well-being       |             |
| Higher levels of Black representation in managerial positions in private sector    | +.476       |
| Higher levels of Blacks holding high school degrees or equivalent                  | +.456       |
| Higher levels of Black representation in top executive positions in private sector | +.319       |
| Higher percentage of Blacks living in metro area suburbs                           | +.259       |
| Higher percentage of affluent Black households living in suburbs                   | +.204       |
| Higher percentage of Blacks holding bachelor's degrees or higher                   | +.200       |
| Higher rates of metropolitan area GDP growth                                       | +.053       |
| Higher rates of Black business ownership   | +.012       |
|  |             |

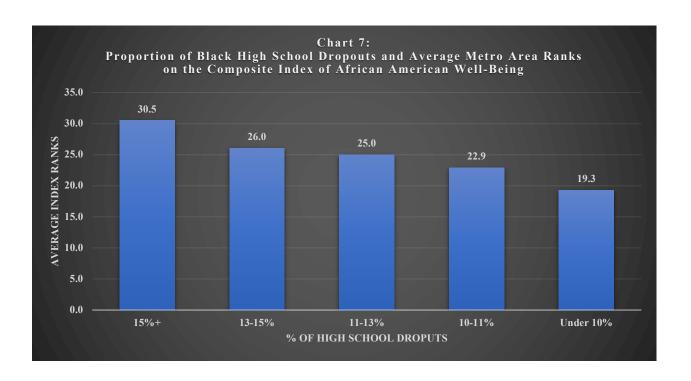
Table 4 (continued)

| Variable   | Coefficient |
|--|-------------|
| Negatively associated with higher metro area rankings on index of well-being     |             |
| Higher levels of Black-White (Non-Hispanic) residential segregation              | 602         |
| Higher levels of Black high school dropouts                                      | 456         |
| Larger Black share of metro area population                                      | 264         |
| Higher percentage of Blacks living in core city of metro area                    | 259         |
| Higher percentage of affluent Black households living in core city of metro area | 204         |
|  |             |

These findings –preliminary though they are—would suggest that reducing racial segregation; enhancing Black educational attainment; and increasing the numbers of Black managers and executives in Milwaukee companies would be the most potent drivers to improving overall community well-being.

Charts 6-8 show graphically how performance on these "driver" variables affects where a metro area sits on the index of African American well-being. Chart 6 shows rather sharply that the more segregated a metropolitan area, the worse its index value of well-being. At the extremes, those metro areas with "hypersegregated" segregation indexes (dissimilarity indexes above 70) have an average well-being index value almost twice as bad as modestly segregated metros (with dissimilarity indexes under 50). The same basic pattern is displayed in Chart 7, which shows that metros with higher proportions (over 15%) of Black high school dropouts have much worse average ranks on the well-being index (30.5) than metros with lower fractions (under 10%) of Black dropouts (average index rank of 19.3). Chart 8 shows that "best ten" metro areas in terms of Black managerial participation rates have a much better average rank on the African American well-being index than metros with lower Black managerial participation rates.





Finally, as a further way of benchmarking the well-being of Milwaukee's African American community compared to other large metros, Tables 5 and 6 show the status of Black Milwaukee on each of the "driver" variables we examined for this study, as well as Milwaukee's rank among the 50 largest metro areas. Just as was the case with the indicators on the composite index, Black Milwaukee ranks at or near the bottom on virtually all of these measures: the worst segregation rate in America; the lowest percentage of Blacks holding a college degree; the lowest percentage of metro area Blacks living in the suburbs; and near the bottom on all the others. Of particular interest for the AALAM focus on African American leadership, Milwaukee ranks last among the 49 metro areas on the index of Black participation in management occupations for which data was available. African Americans are seriously underrepresented in management positions in Milwaukee: Black Milwaukee's value of 41.2 on this indicator means that African Americans hold management positions at well less than half their demographic weight in the overall Milwaukee labor market. (Recall – an index of 100 denotes racial parity). By contrast, although no metro area does especially well on this indicator, the Black management participation index value for top-ranked Riverside is 93.9 and even Richmond, the median (25th ranked) metro on this indicator, has a value 22 points higher than Milwaukee's. In short, even to achieve "middleof-the-pack status on this indicator, Milwaukee has a very long way to go. Table 6 shows, for every "driver" indicator used in this report, where Milwaukee stands compared to the top-ranked, 10th ranked, median (25th ranked), and bottom ranked metro; this table will again help readers discern how much Milwaukee needs to improve on various indicators to move up the ranks on African American well-being.

Table 5:
The State of Black Milwaukee II:
Milwaukee's Status on Potential Driver or Explanatory Factors

| Indicator  | Milwaukee<br>Value | Milwaukee<br>Rank |
|--|--------------------|-------------------|
| Segregation Rate   | 79.8               | 50                |
| Percentage of Blacks, 25 years or older, with Bachelor's degree or greater             | 14.1               | 50                |
| Percentage of Blacks, 25 years or older, without a High School degree/equivalent       | 17.2               | 47                |
| Percentage of Blacks, 25 years or older, with at least a High School degree/equivalent | 82.7               | 47                |
| Index of Black Participation in Management Occupations (private sector)                | 41.2               | 49                |
| Index of Black Participation in Top Executive Positions (private sector)               | 19.4               | 42                |
| Index of Black Business Ownership  | 56.0               | 37                |
| Share of Black Population Living in Suburbs  | 11.4               | 50                |
| Share of Black Affluent (over \$100,000 income) living in Suburbs                      | 24.4               | 49                |
| Rate of Metro Area Real GDP Growth (2010-2018)   | 9.3                | 44                |
| Relative Size of Black Community (% of metro area population)                          | 16.6               | 20                |

Table 6: Black Milwaukee Ranks and Performance Compared to Metros at Selected Ranking Thresholds on Potential "Driver" or Explanatory Variables

| Indicator   | Value | Rank |
|---|-------|------|
| Segregation Rate  |       |      |
| Milwaukee   | 79.8  | 50   |
|   |       |      |
| Salt Lake City  | 39.3  | 1    |
| Orlando   | 49.8  | 10   |
| Kansas City   | 59.5  | 25   |
| Milwaukee   | 79.8  | 50   |
|   |       |      |
| Percentage of Blacks, 25 years or older, with Bachelor's degree or greater        |       |      |
| Milwaukee   | 14.1% | 50   |
|   |       |      |
| San Jose  | 38.1% | 1    |
| Houston   | 27.0% | 10   |
| Chicago   | 22.3% | 25   |
| Milwaukee   | 14.1% | 50   |
|   |       |      |
| Percentage of Blacks, 25 years or older, without a High School degree/equivalent  | t     |      |
| Milwaukee   | 17.2% | 47   |
|   |       |      |
| San Jose  | 8.1%  | 1    |
| Atlanta   | 10.0% | 10   |
| Chicago   | 12.6% | 25   |
| Miami   | 19.2% | 50   |
|   |       |      |
| Percentage of Blacks, 25 years or older, with at least a High School degree/equiv | Value | Rank |
| Milwaukee   | 82.8% | 47   |
|   |       |      |
| San Jose  | 91.9% | 1    |
| Atlanta   | 90.0% | 10   |
| Chicago   | 87.6% | 25   |
| Miami   | 80.8% | 50   |
|   |       |      |
| Index of Black Participation in Management Occupations (private sector)           |       |      |
| Milwaukee   | 41.2  | 49   |
|   |       |      |
| Riverside   | 93.9  | 1    |
| San Francisco   | 70.5  | 10   |
| Richmond  | 63.2  | 25   |
| Milwaukee   | 41.2  | 49*  |
|   |       |      |

## Table 6 (continued): Black Milwaukee Ranks and Performance Compared to Metros at Selected Ranking Thresholds on Potential "Driver" or Explanatory Variables

| Index of Black Participation in Top Executive Positions (private sector) |        |     |
|--|--------|-----|
| Milwaukee  | 19.4   | 42  |
| D d 1  | 70.0   | 1   |
| Portland   | 78.9   | 1   |
| Virginia Beach   | 39.7   | 10  |
| Atlanta  | 25.2   | 25  |
| Richmond   | 8.6    | 49* |
| Index of Black Business Ownership  |        |     |
| Milwaukee  | 56.0   | 37  |
| Miami  | 104.9  | 1   |
| Riverside  | 79.9   | 10  |
| Raleigh  | 65.6   | 25  |
| Buffalo  | 33.6   | 50  |
| Share of Black Population Living in Suburbs (outside core city/cities)   |        |     |
| Milwaukee  | 11.4%  | 50  |
| Riverside  | 93.9%  | 1   |
| St. Louis  | 71.5%  | 10  |
| Cincinnati   | 51.6%  | 25  |
| Milwaukee  | 11.4%  | 50  |
| Share of Black Affluent (over \$100,000 income) living in Suburbs        |        |     |
| Milwaukee  | 24.4%  | 49  |
| 21   | 22.12/ |     |
| Riverside  | 92.1%  | 1   |
| Hartford   | 79.7%  | 10  |
| Philadelphia   | 65.5%  | 25  |

#### Conclusion

This report provides a welter of statistics and a comprehensive analysis of Milwaukee's place in the national hierarchy of large metropolitan areas on the well-being of African Americans. In light of Milwaukee's longstanding reputation as one of America's worst cities for African Americans, our results are not surprising, but they are nonetheless grim. On our composite index of African American well-being, Milwaukee ranks last among the 50 largest metros. The gap on the index between Milwaukee and "top-ten' metros or even "middle-of-the-pack" metros is vast, and Milwaukee trails significantly behind even other "bottom ten" metropolitan areas. Moreover, when we drill down on how Milwaukee stacks up on "subsector" components of the well-being index, the results are equally devastating. Across the board -- in employment, income, poverty, homeownership, incarceration, social mobility, and many community health indicators—Black Milwaukee ranks at or near the bottom of the 50 largest metro areas. Finally, when we analyze Milwaukee's performance on potential "driver" variables of African American well-being, such as educational attainment, segregation, or how well Blacks are represented in economic leadership positions, the findings are the same: the worst results of any large metro area in the country.

The AALAM aims "to redefine Milwaukee as a top-ranking city for African Americans by 2025." This is a laudable, indeed *essential* goal for this city; but as the results of this study underscore, it will be a formidable challenge. The sheer number of indicators on which Black Milwaukee lags behind other metros, and the yawning gaps separating Milwaukee from other metros on these measures, suggests that moving from the bottom of the composite index to status as a "top-ranking city" in five years is a task that will require extraordinary community mobilization and massive, strategic investments. By any reckoning, it will be a very heavy lift.

By way of conclusion, Table 7 provides a tabular overview of the magnitude of this challenge. As we discovered in calculating correlations between certain potential "drivers" and metro area performance on the composite index of well-being, there are a few variables that have a reasonably strong association with the index values: economic leadership (Blacks holding management and top executive posts associated with better outcomes); metropolitan area residential segregation (high segregation is associated with poor outcomes); and the educational

attainment of African Americans in the metro area (fewer high school dropouts and more college graduates associated with better outcomes).

Table 7 below shows how Milwaukee stacks up against the composite index's top-ranking metros (as well as the index's median metro, Baltimore) on these drivers. On each driver, the gaps between Milwaukee and the average of top-ranking metros is huge. Milwaukee's rate of Black participation in economic leadership is barely more than half the "top-ten" average. Similarly, Milwaukee's Black college graduate rate is just half the "top-ten" average, and the high school drop-out rate in Milwaukee is nearly double that of the top metro. And, by a wide margin, Milwaukee's segregation is much more pervasive than in top-performing metros. On average, the share of African Americans living in Milwaukee's suburbs is just *one-fifth* as high as the share in an average top-ranked metro.

In short, the climb towards making Milwaukee a top-city for African Americans will be a steep one, especially in a relatively short period of time. But our preliminary analysis suggests that with a strategic focus on reducing metro area segregation, increasing Black economic leadership, and improving the educational attainment of the region's African Americans, major gains could be made on the road to racial equity.

Table 7: Comparing Black Milwaukee and "Top Ranked" Metros On Selected "Driver" Variables

| Metropolitan Area       | Leadership Indicators |          | <b>Education Indicators</b> |          | Segregation Indicators |              |
|-------------------------|-----------------------|----------|-----------------------------|----------|------------------------|--------------|
|                         | Mgmt                  | Top Exec | HS Dropout                  | College+ | Seg Index              | % in suburbs |
| Milwaukee (50)          | 41.2                  | 19.4     | 17.2%                       | 14.1%    | 79.8                   | 11.4%        |
| Baltimore (25)          | 67.9                  | 29.9     | 12.1%                       | 25.4%    | 63.9                   | 52.8%        |
|                         |                       |          |                             |          |                        |              |
|                         |                       |          |                             |          |                        |              |
| San Jose (1)            | 80.0                  | 51.2     | 8.1%                        | 38.1%    | 40.1                   | 36.7%        |
| Boston (2)              | 62.2                  | 23.7     | 14.9%                       | 25.8%    | 65.0                   | 53.0%        |
| Raleigh (3)             | 60.3                  | 17.2     | 11.4%                       | 30.2%    | 52.1                   | 48.8%        |
| Providence (4)          | 72.3                  | 28.3     | 15.7%                       | 21.9%    | 58.1                   | 68.7%        |
| San Diego (5)           | 86.4                  | 35.5     | 8.8%                        | 25.2%    | 52.2                   | 45.1%        |
| Washington, D.C. (6)    | 76.7                  | 29.1     | 8.8%                        | 34.3%    | 63.3                   | 79.3%        |
| Seattle (7)             | 64.0                  | 37.9     | 10.9%                       | 24.9%    | 51.6                   | 67.4%        |
| San Antonio (8)         | 75.5                  | 45.6     | 8.5%                        | 27.9%    | 49.1                   | 37.2%        |
| Charlotte (9)           | 65.1                  | 34.1     | 11.9%                       | 25.7%    | 53.1                   | 46.7%        |
| Austin (10)             | 62.3                  | 56.6     | 9.4%                        | 29.4%    | 49.1                   | 51.3%        |
|                         |                       |          |                             |          |                        |              |
| Top Ten Metros Averages | 70.5                  | 35.9     | 10.8%                       | 28.3%    | 53.4                   | 53.4%        |

Notes: Each metro area is listed with its composite index of well-being rank in parentheses. The results for each of the top-ten metros are aggregated and presented as an unweighted "top ten metro average" for each indicator. The two leadership indicators are: the black management participation index and black top executive index, explained in the study. The two education indicators are: the percentage of blacks with bachelor's degree or higher, and the percentage of blacks who lack a high school diploma or equivalent. The two segregation measures are: the index of dissimilarity for each metro, and the percentage of the metro area's black population living in the suburbs (a proxy of sorts for how "ghettoized" African Americans are in the core city of the metro area).

#### Appendix A:

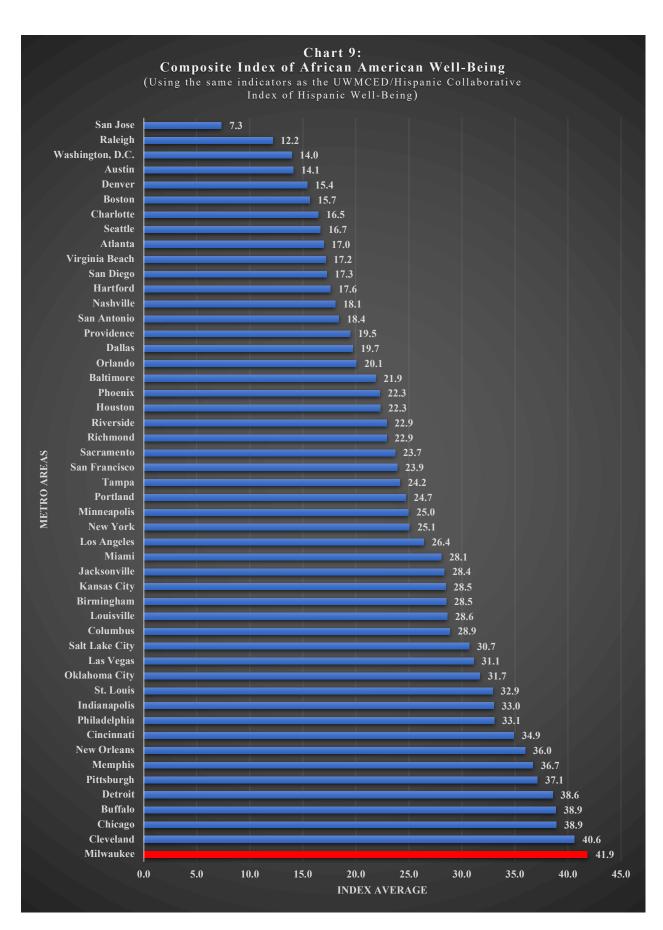
#### Relationship between the AALAM/UWMCED Index of African American Well-Being and The UWMCED/Hispanic Collaborative Index of Hispanic Well-Being

As noted in the body of this report, this Index of African American Well-Being is modeled after reports prepared in 2017 and 2020 by the author that created an Index of Hispanic Well-Being for Milwaukee and nation's 50 largest metropolitan areas. The methodology behind the two indexes is identical; the key difference is that the AALAM index contains more variables (30, compared to 20 in the Hispanic Collaborative index) and is, therefore, a more comprehensive compilation of outcomes and results on various indicators of community well-being. However, to permit an "apples-to-apples" comparison between African American and Hispanic composite indexes, we have calculated a second version of the African American well-being index, using the same 20 variables that were used to construct the original Hispanic well-being index. That chart is displayed in this appendix. In practice, this recalculated "20 variable" African American well-being index is almost perfectly correlated with the "30" variable" index (a +.968 correlation) —the two indexes display almost identical rankings of metro areas on African American well-being. Thus, the main utility expanding the number of indicators in the new index has been to provide a richer and fuller reading of the state of Black Milwaukee on more measures of community well-being. But the result of the composite index would have been the same whether we'd used 30 indicators or the original 20 that were used in the Hispanic wellbeing index.

The additional 10 indicators in the full AALAM index are the following:

- Size of Affluent Black Community
- Intergenerational Mobility of Blacks Born into Poor Households
- Intergenerational Mobility of Blacks Born into Middle-Class Households
- Racial Gaps in Intergenerational Mobility for Poor Children
- Racial Gaps in Intergenerational Mobility for Middle-Class Children
- Incarceration of Poor Blacks
- Incarceration of Middle-Class Blacks
- Low birth-weight babies
- Death by Homicide
- Deaths of Despair

Chart 9 below presents an Index of African American Well-Being for the nation's 50 largest metros, calculated with the same variables as the Hispanic Well-Being Index created for the Hispanic Collaborative of Milwaukee.



#### Appendix B

#### **Component Variables in the Subsector Indexes**

#### **Employment Subsector**

- Male Employment Rate, Prime Working-Age (ages 25-54)
- Male Employment Rate, Young Adults (ages 20-24)
- Female Employment Rate, Prime Working-Age (ages 25-54)
- Female Employment Rate, Young Adults (ages 20-24)
- Disconnected Youth Rate (% between ages 16-24, not employed and not in school)

#### **Health Care Subsector**

- Teen pregnancy rate
- Infant mortality rate
- Low birth-weight babies rate
- Mortality rate from coronary disease
- Death by Homicide
- Deaths of Despair
- Children's health insurance coverage
- Adult health insurance coverage

#### Income, Poverty, and Social Conditions Subsector

- Black median household income
- Change in real, cost-of-living adjusted household income
- Racial income inequality
- Poverty rates
- Extreme poverty rates
- Blacks living in concentrated poverty neighborhoods
- Racial disparities in poverty
- Size of affluent Black community
- Intergenerational mobility of Blacks born into poor households
- Intergenerational mobility of Blacks born into middle-class households
- Racial gaps in intergenerational mobility for poor children
- Racial gaps in intergenerational mobility for middle-class children
- Incarceration of poor Blacks
- Incarceration of middle-class Blacks
- Food stamps/SNAP recipients
- Homeownership rates

#### Youth and Children Subsector

- Infant mortality rates
- Teen pregnancy rates
- Low birth-weight babies rates
- Children's health insurance coverage
- Intergenerational mobility of Blacks born into poor households
- Intergenerational mobility of Blacks born into middle-class households
- Incarceration of poor Blacks
- Incarceration of middle-class Blacks
- Children's poverty rates
- Disconnected youth rates