Shaping Economic Futures: The Role of Communities

Why and how racial/ethnic equity matters

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The Neighborhood Opportunity Racial Divide

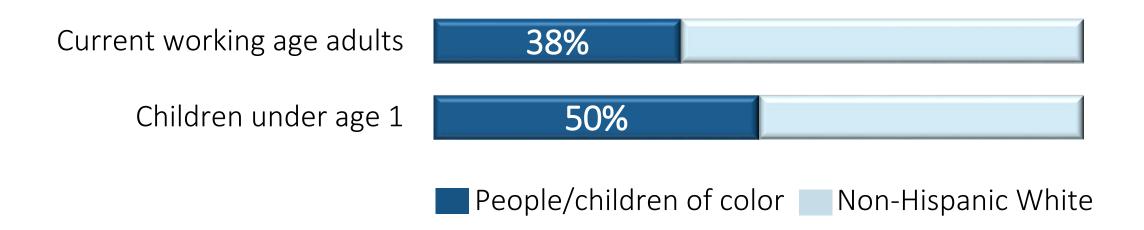
Question: Do poor children live in poor neighborhoods?



→ Answer: Much more likely to be "yes" if you are Hispanic or Black

How does this divide shape our future?

- 1) Research is now solid: Where a child grows up has a direct effect on later earnings and mobility
- 2) Children of color represent a large and growing share of our future workforce

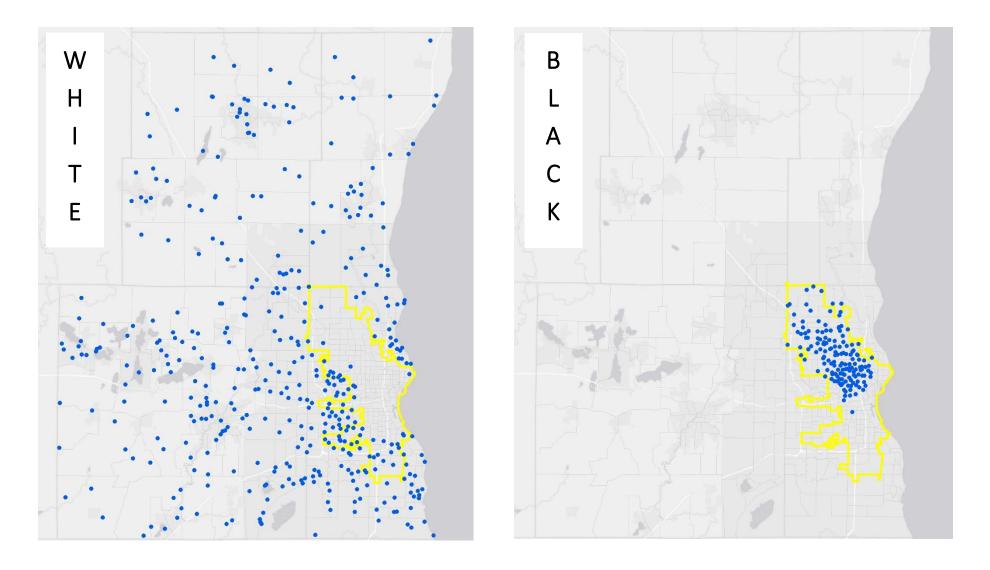


How does this divide shape our future?



- ✓ Strong evidence that community is pivotal for low-income children's later success
- ✓ We know we need as many children as possible in communities that help them thrive
- But the fastest growing segments of our future workforce are the least likely to live in these communities

What is driving the opportunity divide?



→ Children of different racial/ethnic groups often live apart

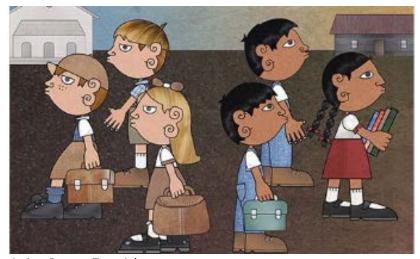
Milwaukee

Metro Area

1 dot=

500 children

What is driving the divide?



- Artist: Duncan Tonatiuh
- Children are living separately, so we asked: "Is separate equal"?
- Knowing the "geography of children" is patterned by race/ethnicity, we compare with the "geography of opportunity"
- We created The Child Opportunity Index to look for answers

The Child Opportunity Index

- Measures the neighborhood as a "whole"
- Multi-item index | 19 individual indicators
- Institutions <u>and</u> conditions
- Race-neutral
- Relative measure



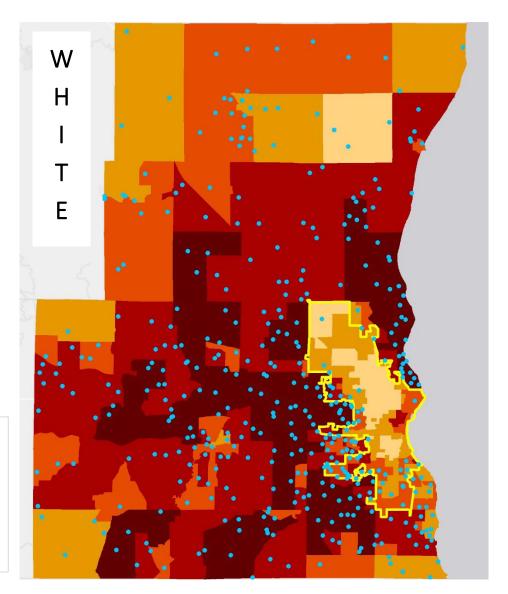


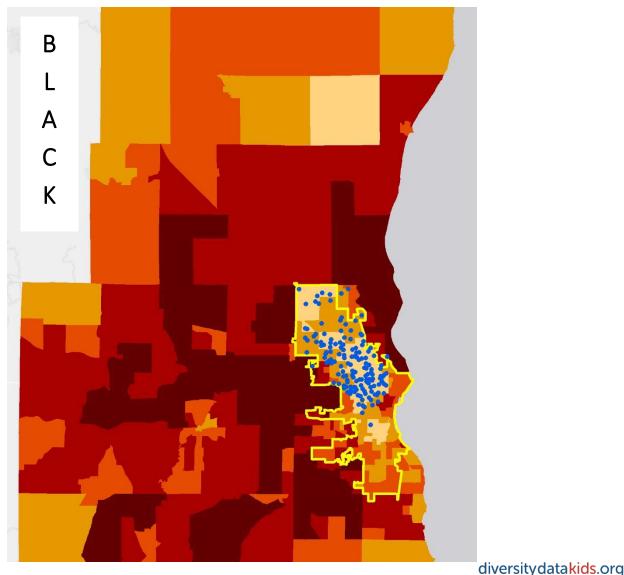






The Opportunity Divide: Separate is not equal





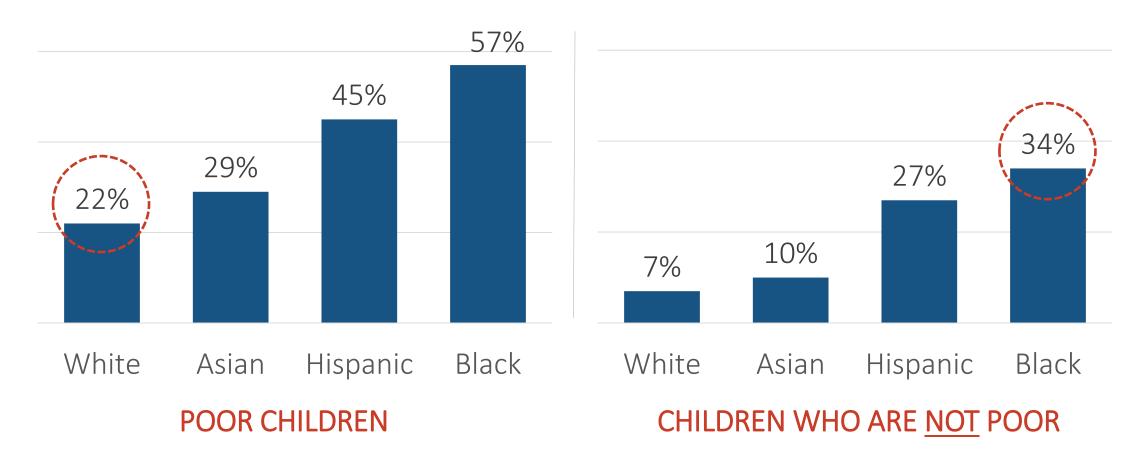
Milwaukee Metro Area

1 dot= 500 children

As colors get darker, opportunity levels get higher | Data for your area at diversitydatakids.org

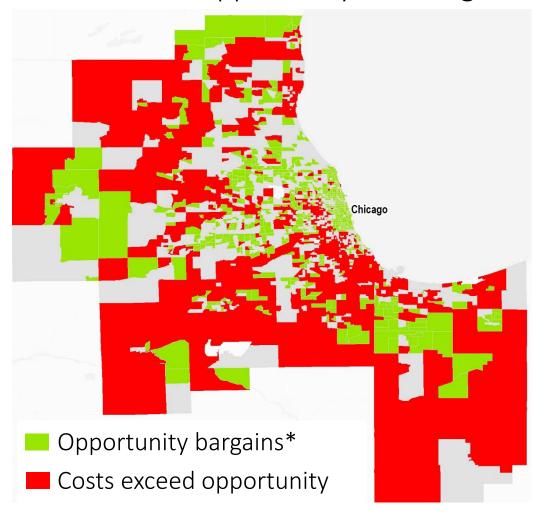
Racial/ethnic divide is not all about income

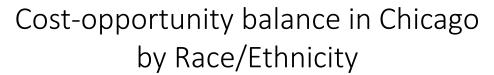
Share in very low opportunity neighborhoods
100 Largest US Metros

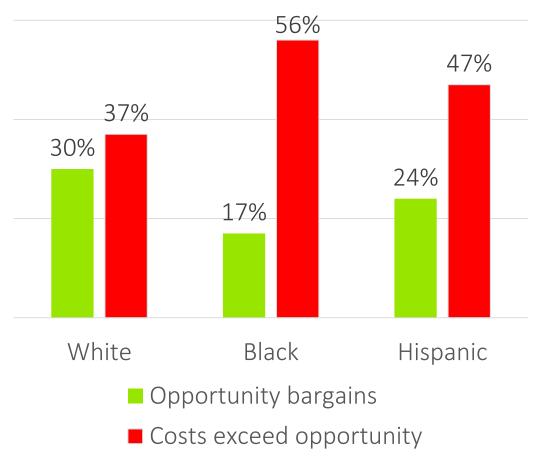


Affordability issues exacerbate equity issues

The cost of opportunity in Chicago



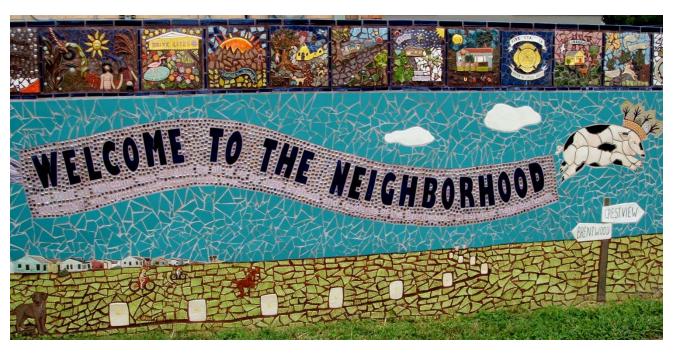




^{*}Term from Chetty et al. (2016)

What strategies hold the most potential?

- Strategies that improve opportunities for all low-income children <u>and</u> that are race/ethnicity-conscious
- Mobility strategies or place strategies or a mosaic?
 - → Research in a good place to back mobility approaches
 - → For place approaches: institutions? conditions?



Opportunities and Challenges

- Reduce family-level barriers to access: mobility programs, zoning
- Incentivize affordable housing in opportunity areas
- Use locational strategies in policy areas that influence distribution of community resources (e.g. early childhood education programs)
- Enforce fair housing laws: Affirmatively Furthering Fair Housing
- Attach research/evaluation to place-based approaches
- Leverage (and protect) vast data infrastructure in place that is critical to all of these opportunities

Acknowledgements

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- Please visit diversitydatakids.org to view data for your area
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