Opportunity, Race, Housing and Jobs in the Region

• Opportunity mapping: creating an index of indicators of neighborhood health, economic health, educational resources and social conditions
• Gives us a more nuanced view of how opportunity is distributed in the region
Opportunity, Race, Housing and Jobs in the Region

• Assessing conditions and trends in affordable housing, racial segregation and economic conditions raises concerns for Prince George’s, Calvert and Charles Counties:
  – Opportunity is segregated away from these counties, in comparison to other suburban DC counties
  – African Americans are segregated in these counties in lower opportunity areas (and suburbanizing African Americans are moving to lower opportunity areas)
  – Affordable housing is more concentrated in these suburban counties than in suburban Virginia
  – Lower concentrations of jobs and slower economic growth are found in these areas
Neighborhood Opportunity Analysis and the Job Growth 2000 to 2004
Washington DC - Baltimore Region

Legend
- Water Features
- County Areas

Neighborhood Opportunity Ranking
- Very Low Opportunity
- Low Opportunity
- Moderate Opportunity
- High Opportunity
- Very High Opportunity

Job Growth 00-04
- 1 Dot = 25
- DC Zip Code.NETEMP

Prepared by: The Kirwan Institute for the Study of Race & Ethnicity, March 1, 2007
Source: U.S. Census Bureau and Opportunity Analysis by Kirwan Institute
Market segregation: Where’s the Money

• “Favored” quarter
  – Captures largest share of public investment
  – Enjoys strongest tax base and job growth
  – Uses local powers to exclude the non-affluent

• “Disfavored” quarter
  – Concentration of racial minorities leads to decline in access to and influence of institutional actors who shape markets
  – This undervalues and limits African-American buying power and the economic health of communities
    • See: Sheryll Cashin, The Failures of Integration
Business Redlining

• Empirical studies show that commercial disinvestment in majority-black communities, even affluent ones, is commonplace
  • See: Sheryll Cashin, The Failures of Integration

• Original research in Philadelphia found that black tracts received fewer small business loans after controlling for other factors (i.e. firm size, neighborhood income)
  – Federal bank regulators should include race in their small business lending data (they currently do not; in fact, voluntary collection of such data by banks is prohibited)
  – More research is needed to confirm business loan discrimination in other regions
Divergent industry / sector development

• Government outsourcing has enriched Northern Virginia (Loudoun, Fairfax Co.)
  – Loudon Co. is nation’s most affluent (highest median income of $98,483)
  – Fairfax Co. unemployment rate at 1.9%
  – Northern Virginia is strongest regional economy of last 5 years in the U.S.


• How to get into this pipeline?
Comparing federal investment spending in five counties

- In a preliminary analyses, Kirwan researchers separated out key measures of “safety net” spending (geared to short term, individual sustenance) such as Medicaid, income security, housing assistance

- versus key measures of “investment” spending (geared to long term, sustainable economic development) such as Defense Department procurement and health research grants …
  - Calculations from data retrieved from www.dataplace.org
Comparing federal investment spending in five counties

• Then calculated a rough ratio of investment spending to safety net spending for five counties
  – Prince George, Calvert and Charles Counties are not receiving anywhere near the federal investment spending that Fairfax and Loudon Counties are.

*Ratio (Investment Spending: Safety Net Spending)*

– Prince George’s Co: 10: 1
– Calvert Co: 1: 1
– Charles Co: 2: 1
– Loudoun Co: 55: 1
– Fairfax Co: 74: 1
"Safety Net" Spending: (short term to individuals)

"Investment" Spending (long-term to firms)
Loudoun, Charles, and Calvert Counties are much smaller in population, but similar in size. Fairfax and Prince George’s County are similar-size counties.
Why We Need to Talk about Race

• Consequences of not talking about race
  – To not talk about race is to talk about race
  – Implicit/Explicit
  – Decreases support for equitable interventions
  – Creates a social and political climate where diversity is not understood or valued
  – Diverts policies to focus on other proxies such as class
  – Ignores symptoms that arrangements are functioning poorly for all- linked fate
How to talk about race?:

- Talk about race by talking about race: inoculate
- Story of We
- Don’t just focus on disparities
- What is impact and meaning of group based durable cumulative disparities?
Housing

- Housing is **Critical** in Determining Access to Opportunity
Achieving Economic Integration

- District magnet/charter schools
  - Create high-quality magnet schools with academic, economic thresholds
- Wake County Raleigh, NC
  - No more than 40% low income
  - No more than 25% performing below grade level on state reading test
  - Results
    - Black students: 40% to 80% grade level on standardized tests
    - Hispanic students: 79% to 91%.
BRAC: Base Realignment and Closure

• Will close down 25 major installations and radically realign 24 others, with “a very healthy focus on growth”
  – Realign from Cold War stance to 21st Century threats
  – Global reshuffling
  – Have to respond quickly to change; share underutilized facilities

• FY 2006 Budget Estimates
  – Military Construction approx $1.2 billion (lion’s share of total budget of 1.4 billion)*
  • * See Appendix slide for BRAC sources
Vision for future

• Preparing everyone for public and private sector employment in growth sectors
  – Education and training
  – Housing policy is school policy

• Lobbying for future fair regional distribution of federal defense outsourcing and investment
  – Federal investment often results in private spin-offs
  – Investments are for long-term growth