

# Pathways to Inclusive Prosperity

AMY LIU

Brookings Metropolitan Policy Program

 @amy\_liuw

PHILADELPHIA

May 17, 2016

**1**

Components of metropolitan prosperity

**2**

Adapting to macro forces

**3**

Emerging innovations in cities

1

# Components of metropolitan prosperity

2

Adapting to macro forces

3

Emerging innovations in cities

# Components of economic success

GROWTH



PROSPERITY



INCLUSION



# The US economy is growing, but growth is not deep or broadly shared

## GROWTH



**+10.1%**

Economic output,  
2009-2014

## PROSPERITY



**+5.9%**

Output per capita,  
2009-2014

## INCLUSION



**-5.0%**

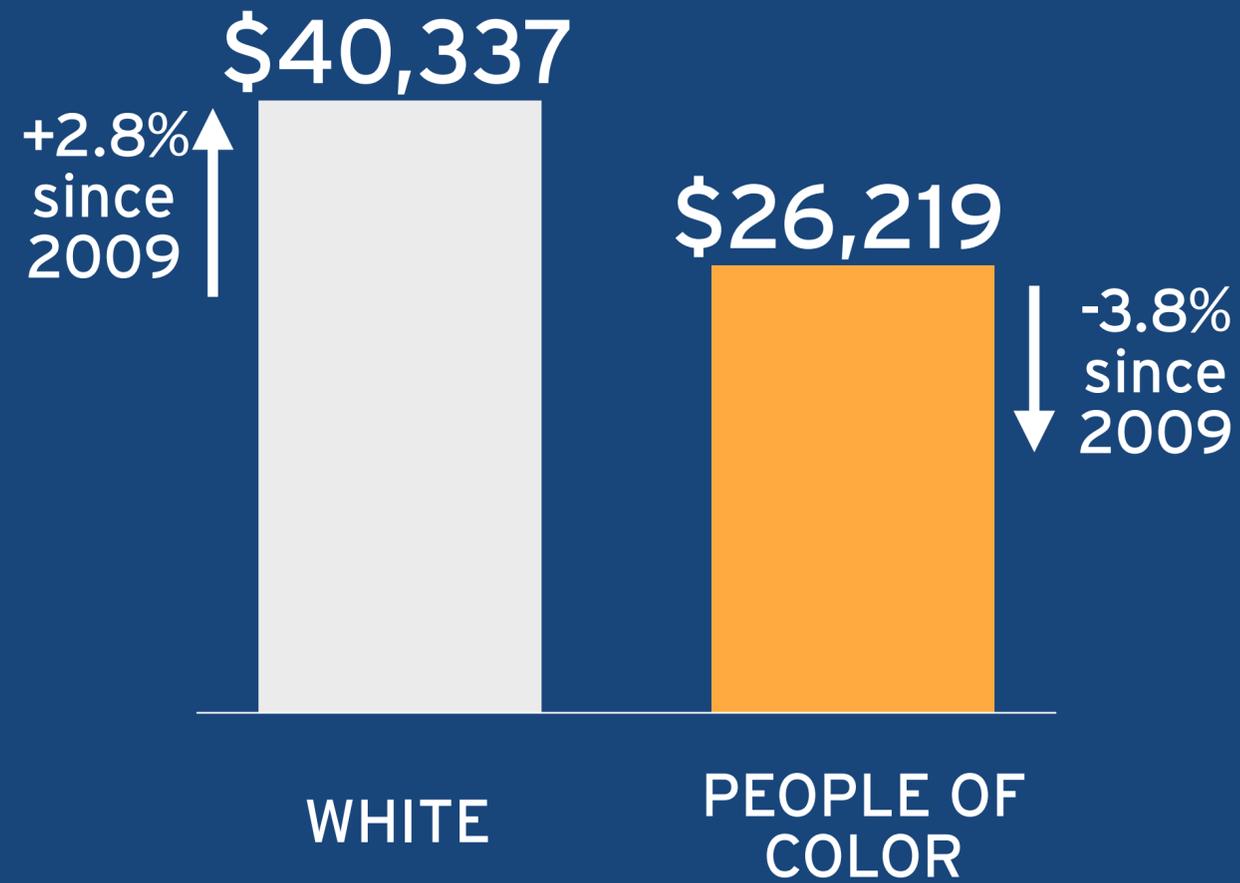
Median wage,  
2009-2014

# ...and large racial disparities exist

## INCLUSION BY RACE



Median Wage by Race  
2014



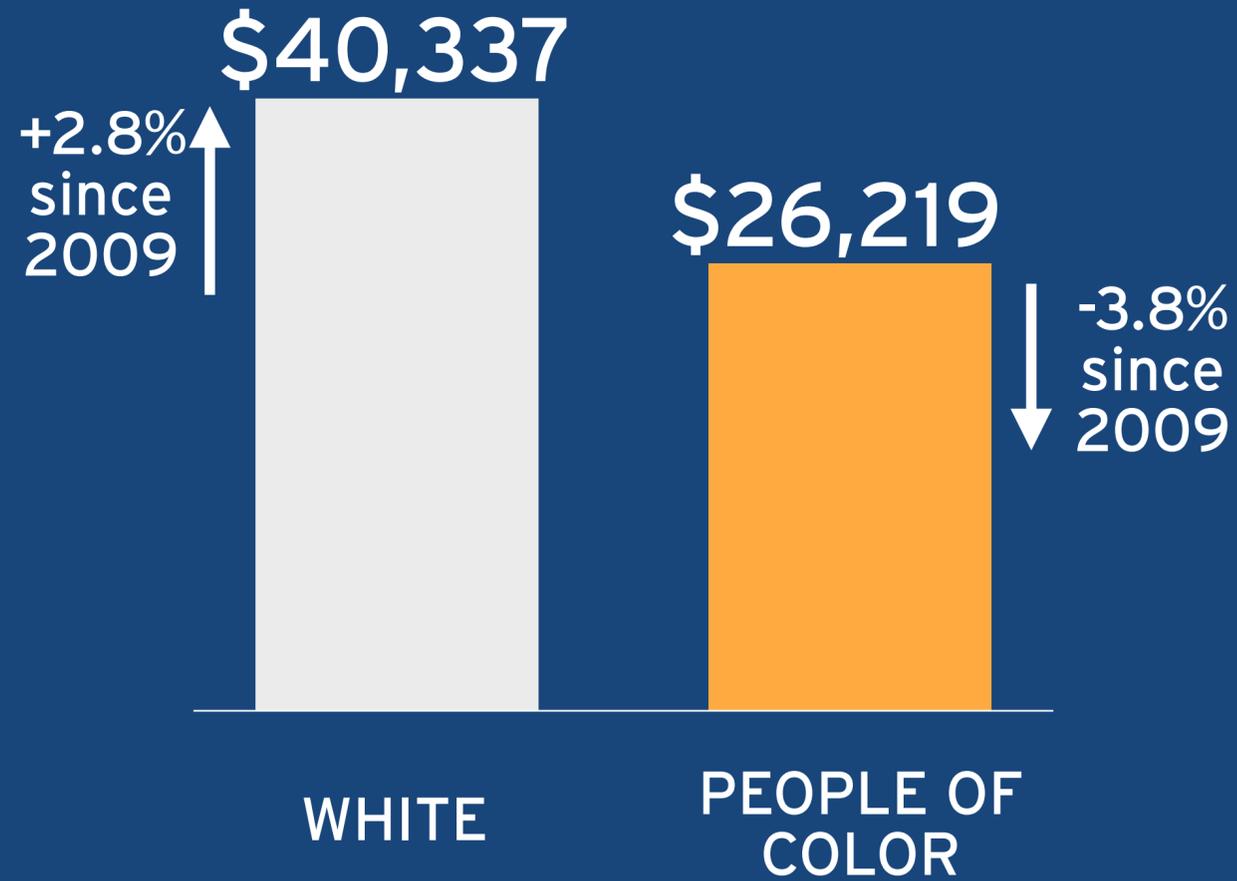
TOP 100 U.S. METROS

# ...and large racial disparities exist

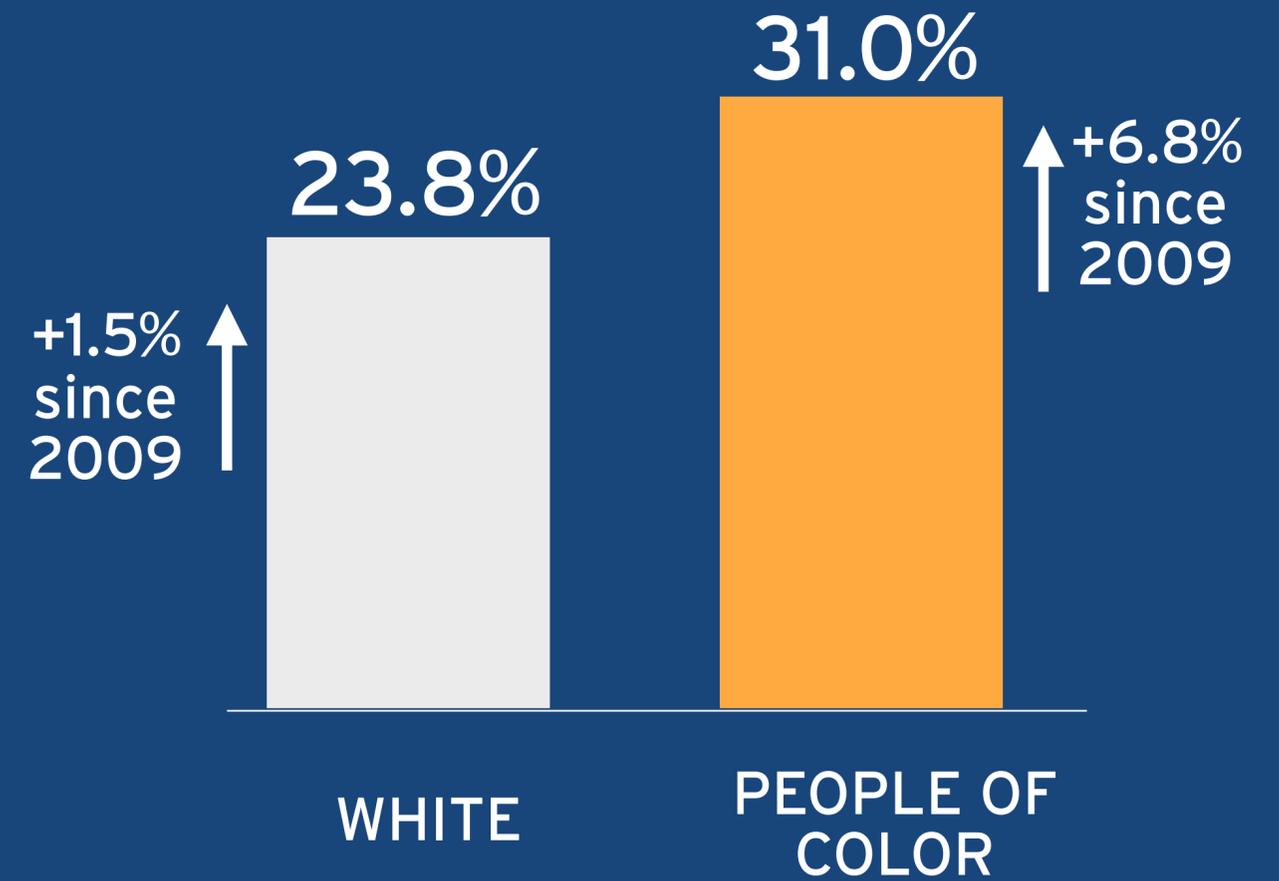
## INCLUSION BY RACE



Median Wage by Race  
2014



Low-Income Workers by Race  
*Share of workers earning less than half the median wage, 2014*



TOP 100 U.S. METROS

# Metropolitan economic growth is not inclusive

## GROWTH



**95**<sub>/100</sub>

Metros saw  
growth



## PROSPERITY



## INCLUSION



# Metropolitan economic growth is not inclusive

## GROWTH



**95** /100

Metros saw growth



## PROSPERITY



**63** /100

Metros improved prosperity



## INCLUSION



# Metropolitan economic growth is not inclusive

## GROWTH



**95** /100

Metros saw growth



## PROSPERITY



**63** /100

Metros improved prosperity



## INCLUSION



**8** /100

Metros improved inclusion



# Philadelphia fares worse than national averages

## GROWTH



Economic Output  
2009-2014

+10.1%



+4.5%



UNITED STATES

PHILADELPHIA MSA

## PROSPERITY



Output per Capita  
2009-2014

+5.6%



+2.6%



UNITED STATES

PHILADELPHIA MSA

## INCLUSION

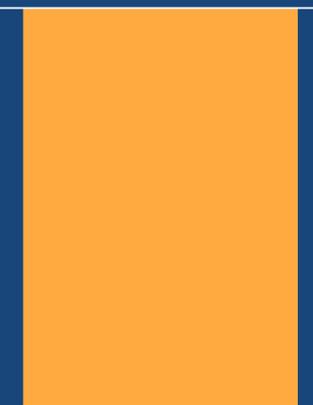


Median Wage  
2009-2014

-5.0%



-6.5%



UNITED STATES

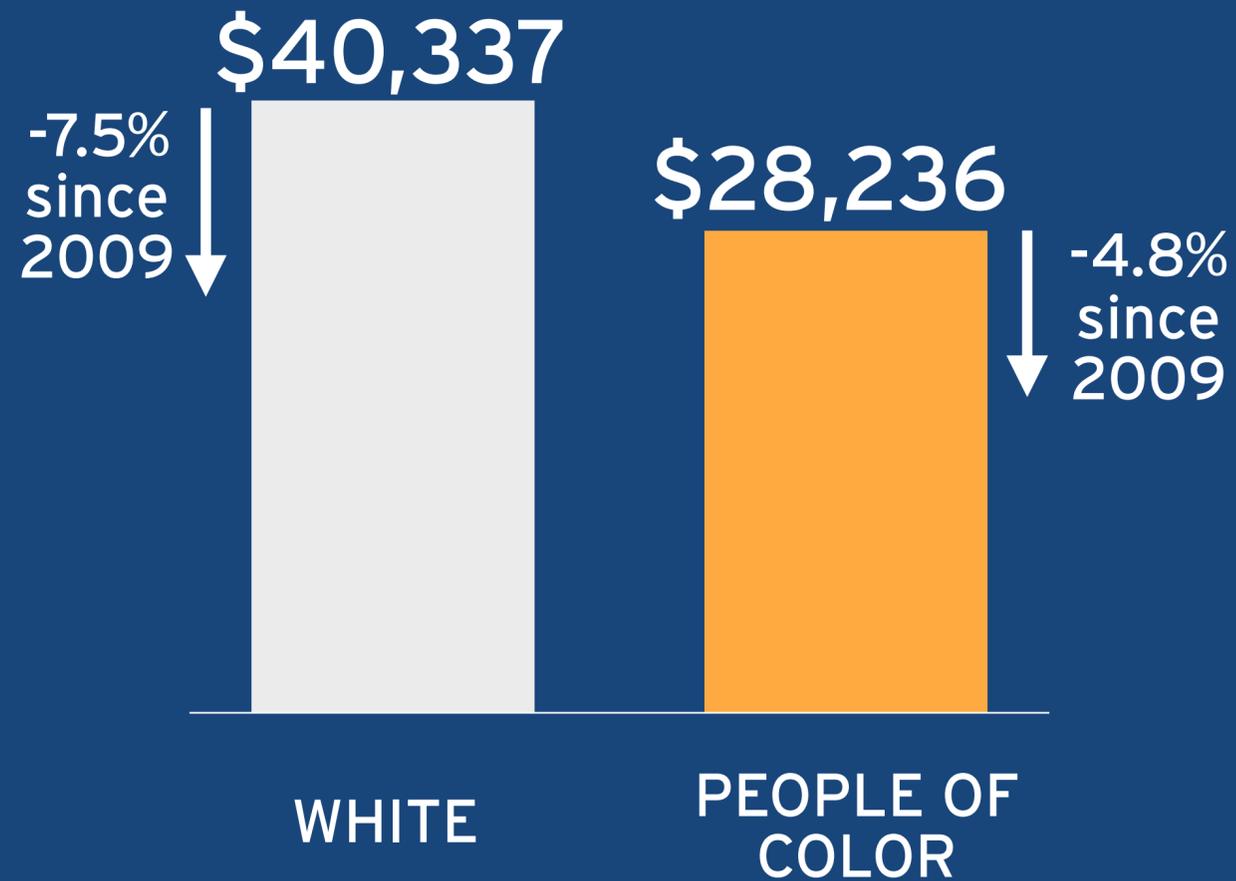
PHILADELPHIA MSA

# Philadelphia fares worse than national averages

## INCLUSION BY RACE



Median Income by Race  
2014



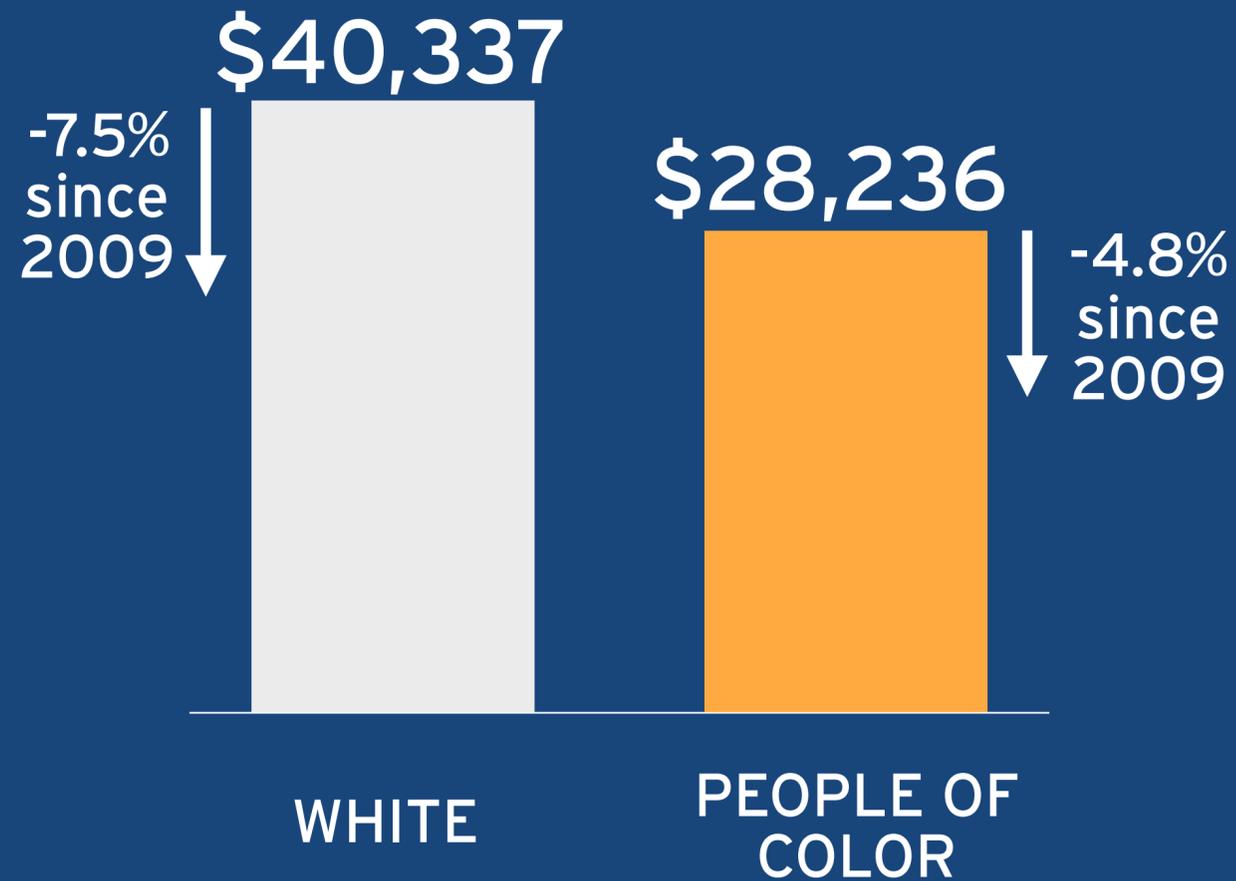
PHILADELPHIA MSA

# Philadelphia fares worse than national averages

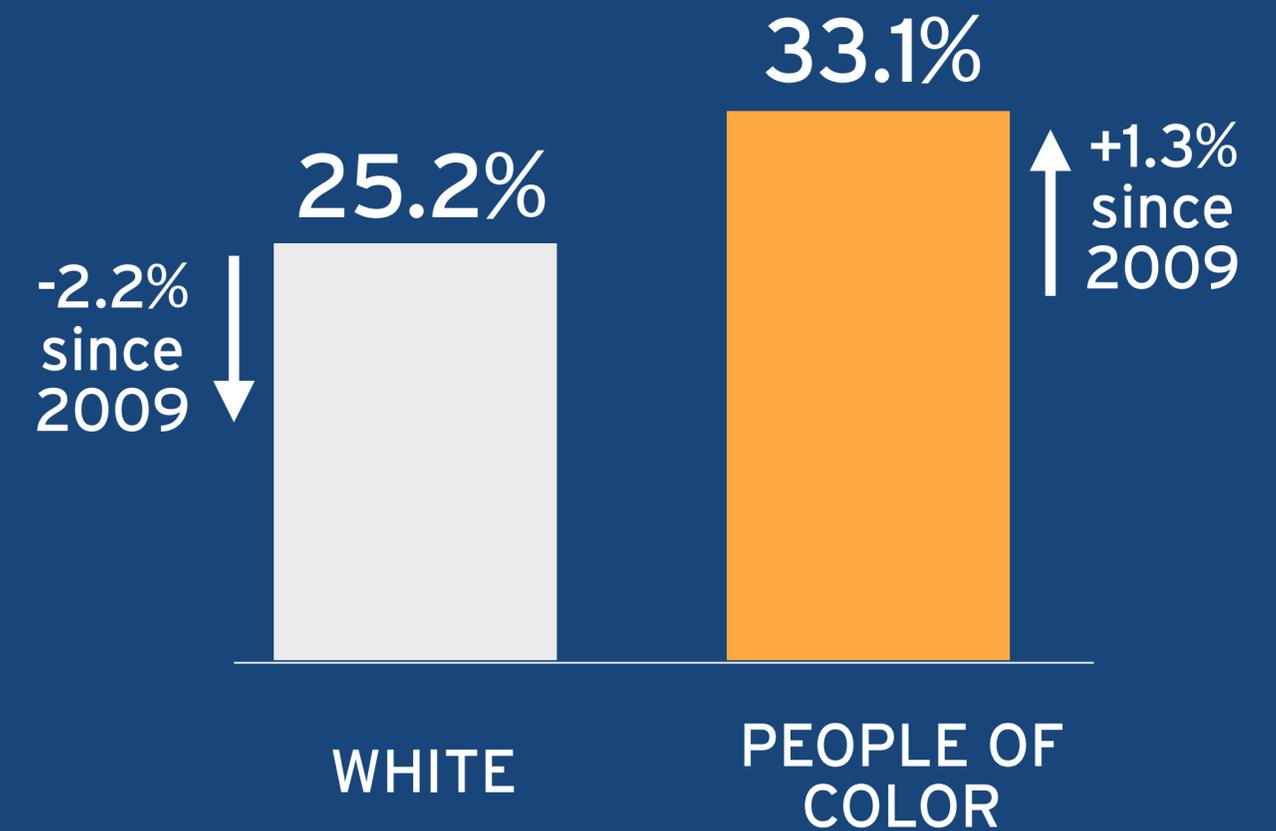
## INCLUSION BY RACE



Median Income by Race  
2014



Low-Income Workers by Race  
*Share of workers earning less than  
half the median wage, 2014*



PHILADELPHIA MSA

# Greater Baltimore is faring at or better than the nation

## GROWTH



Economic Output  
2009-2014

+10.1%



UNITED STATES

+8.6%



BALTIMORE MSA

## PROSPERITY



Output per Capita  
2009-2014

+5.6%



UNITED STATES

+5.1%



BALTIMORE MSA

## INCLUSION



Median Wage  
2009-2014

-5.0%



UNITED STATES

-2.7%



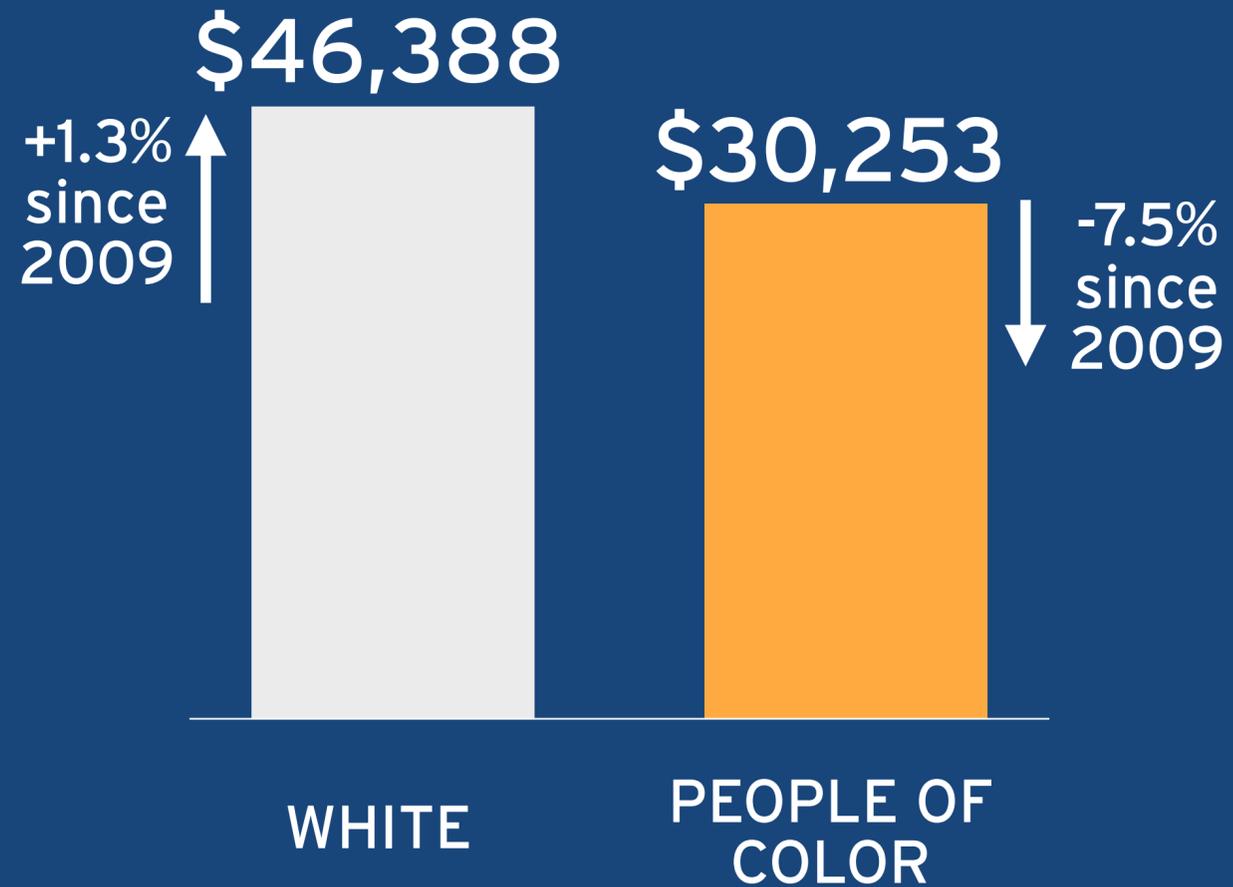
BALTIMORE MSA

...but gains are not shared equally

## INCLUSION BY RACE



Median Income by Race  
2014



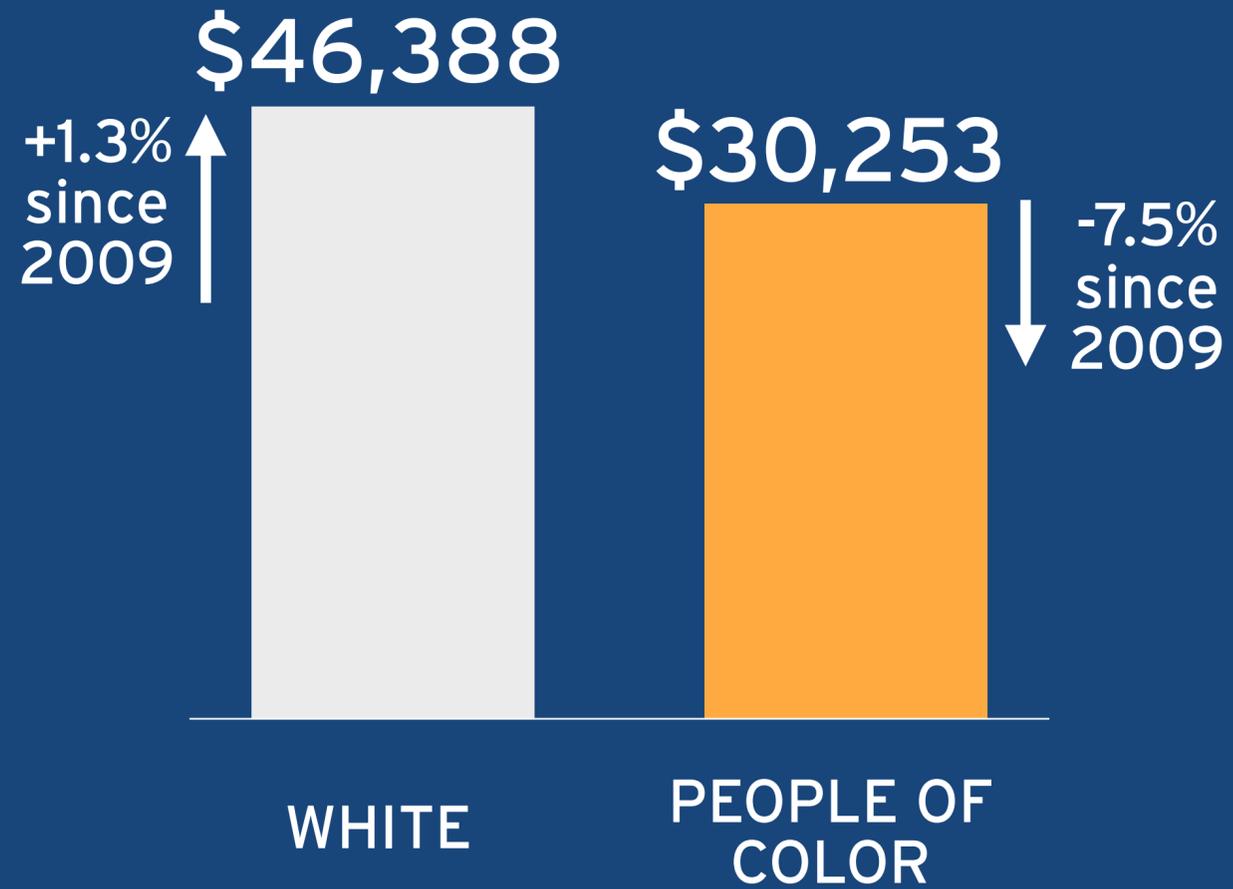
BALTIMORE MSA

...but gains are not shared equally

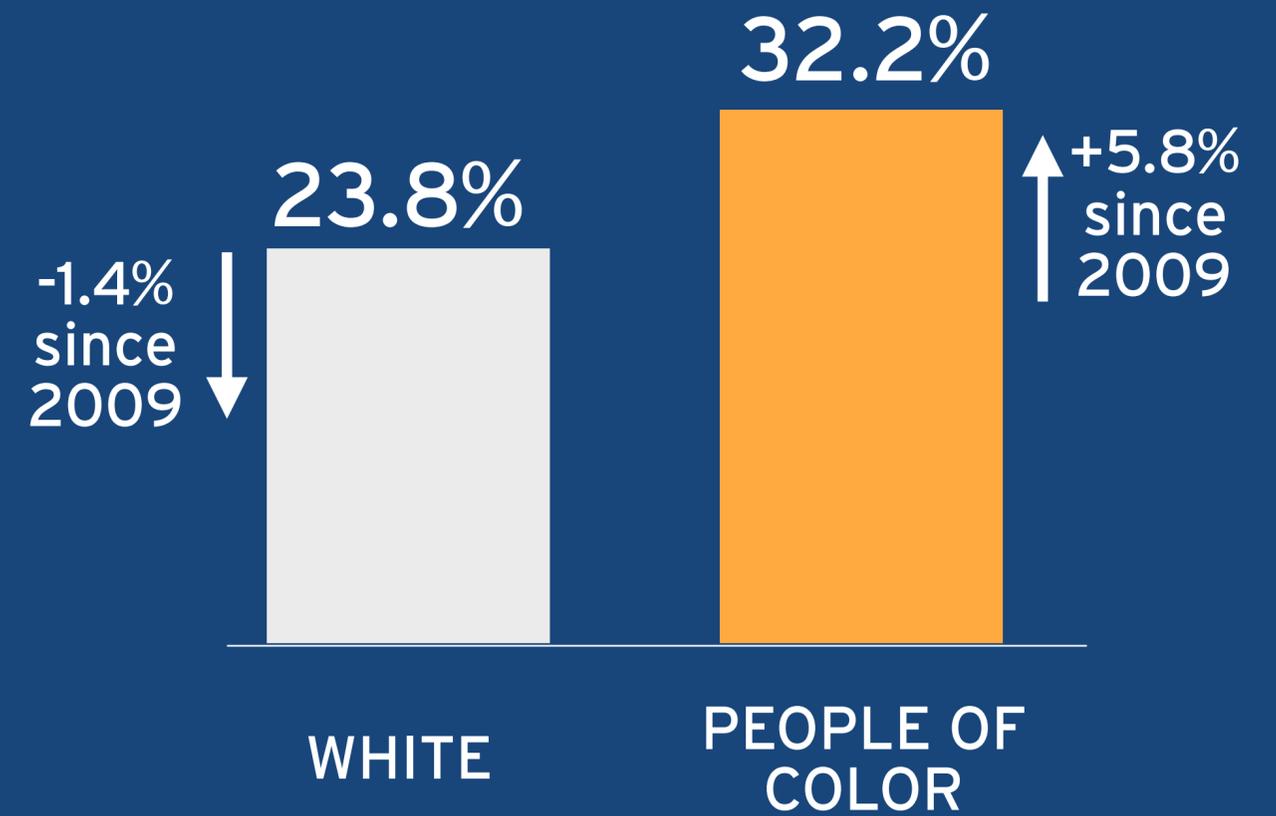
## INCLUSION BY RACE



Median Income by Race  
2014



Low-Income Workers by Race  
*Share of workers earning less than  
half the median wage, 2014*



BALTIMORE MSA

# Many young adults are disconnected from the labor force...

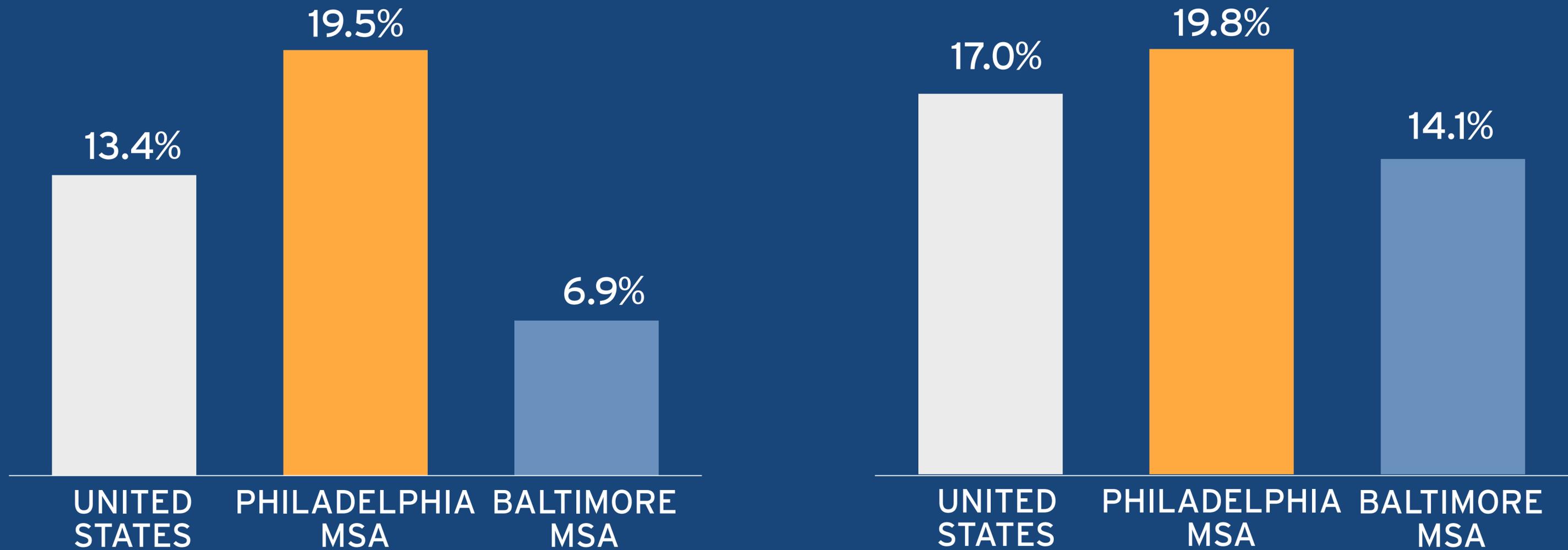
<b>Metro area</b>	<b>Total number of disconnected youth (ages 16-24)</b>	<b>Share of 16-19 year-olds who are disconnected</b>	<b>Share of all 20-24 year-olds who are disconnected</b>
New York, NY	150,985	3.8%	8.2%
Philadelphia, PA	53,744	4.0%	9.5%
Washington, DC	29,344	2.8%	5.5%
Baltimore, MD	18,960	3.7%	7.2%
United States Totals	2,243,041	4.6%	9.9%

...particularly youth of color

## Share of Disconnected Youth by race, ages 20-24

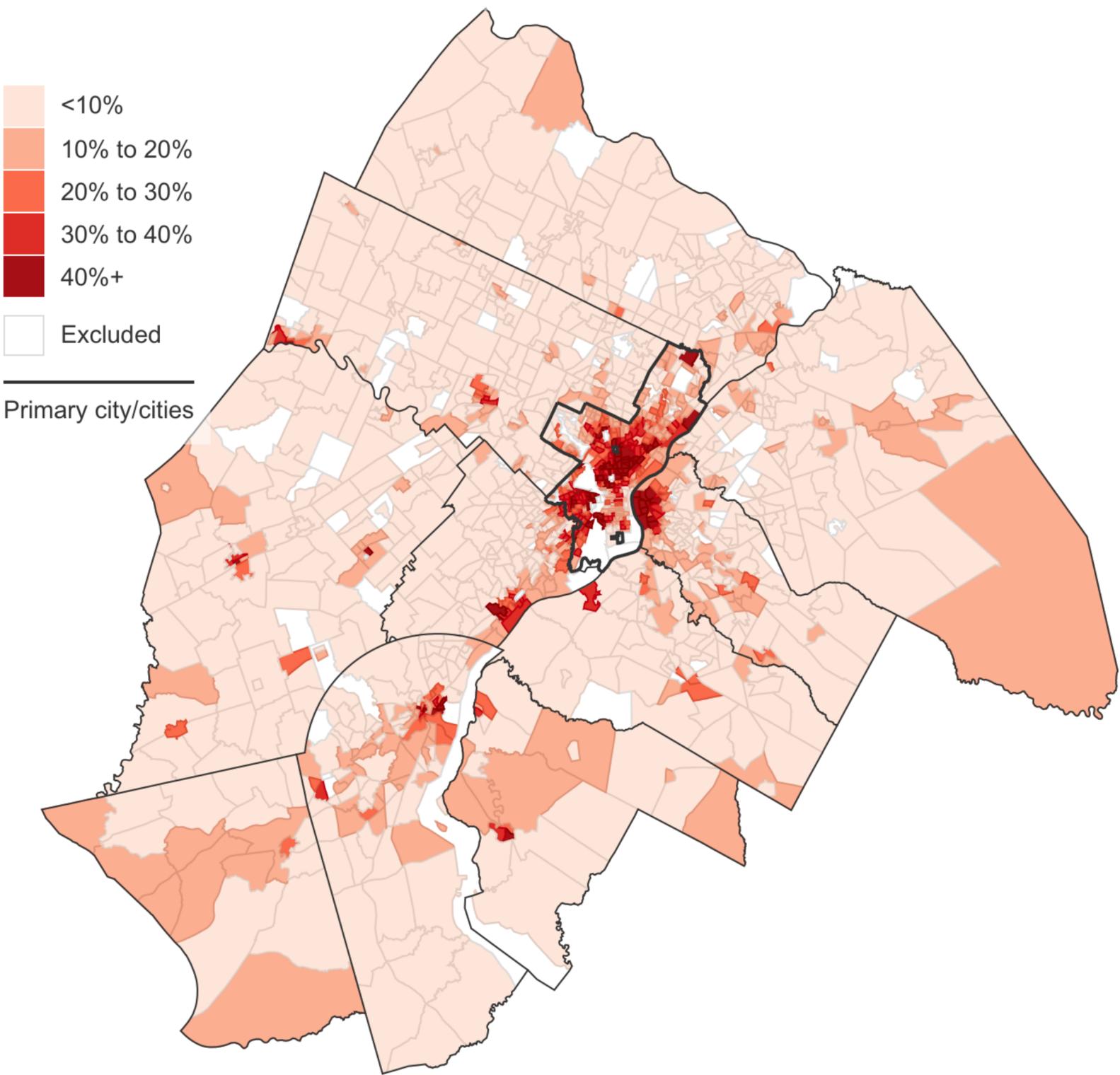
Hispanic

Black

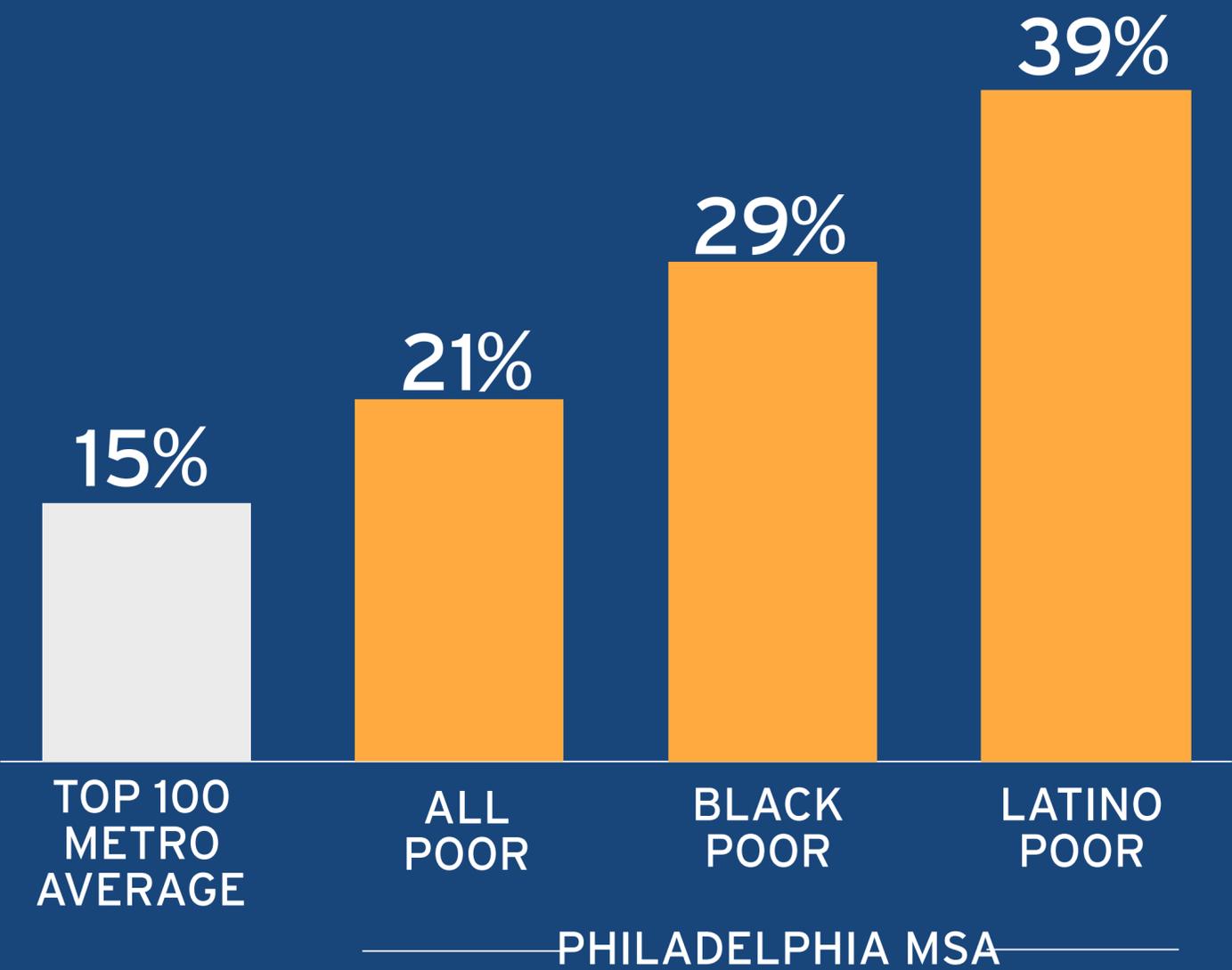


# In Greater Philadelphia, disparities by place and race are stark

Neighborhood poverty rates in the Philadelphia-Camden-Wilmington, PA-NJ-DE-MD metro



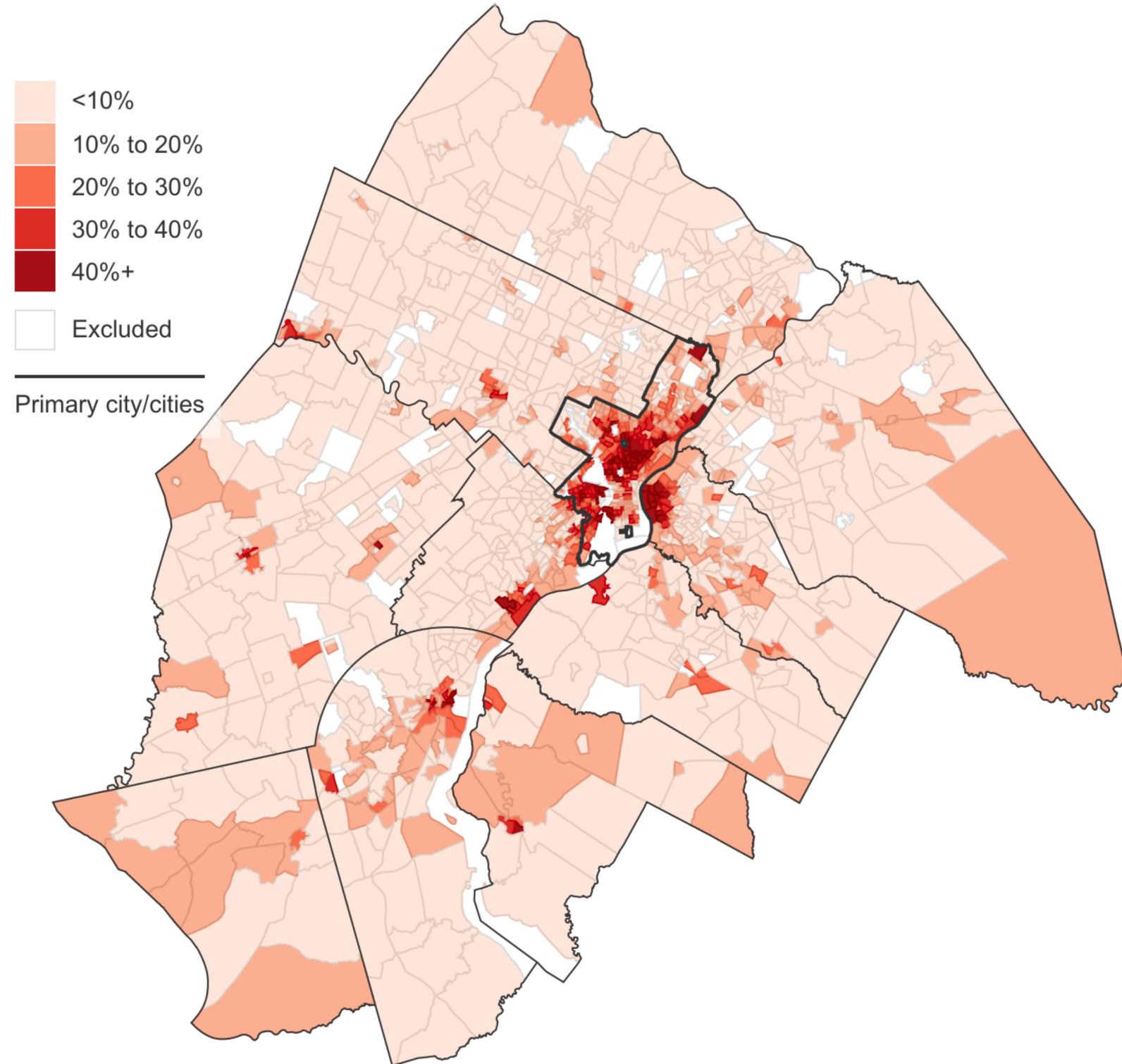
Share of poor population living in neighborhoods of at least 40% poverty



Source: Brookings, US Concentrated Poverty in the Wake of the Great Recession (2016)

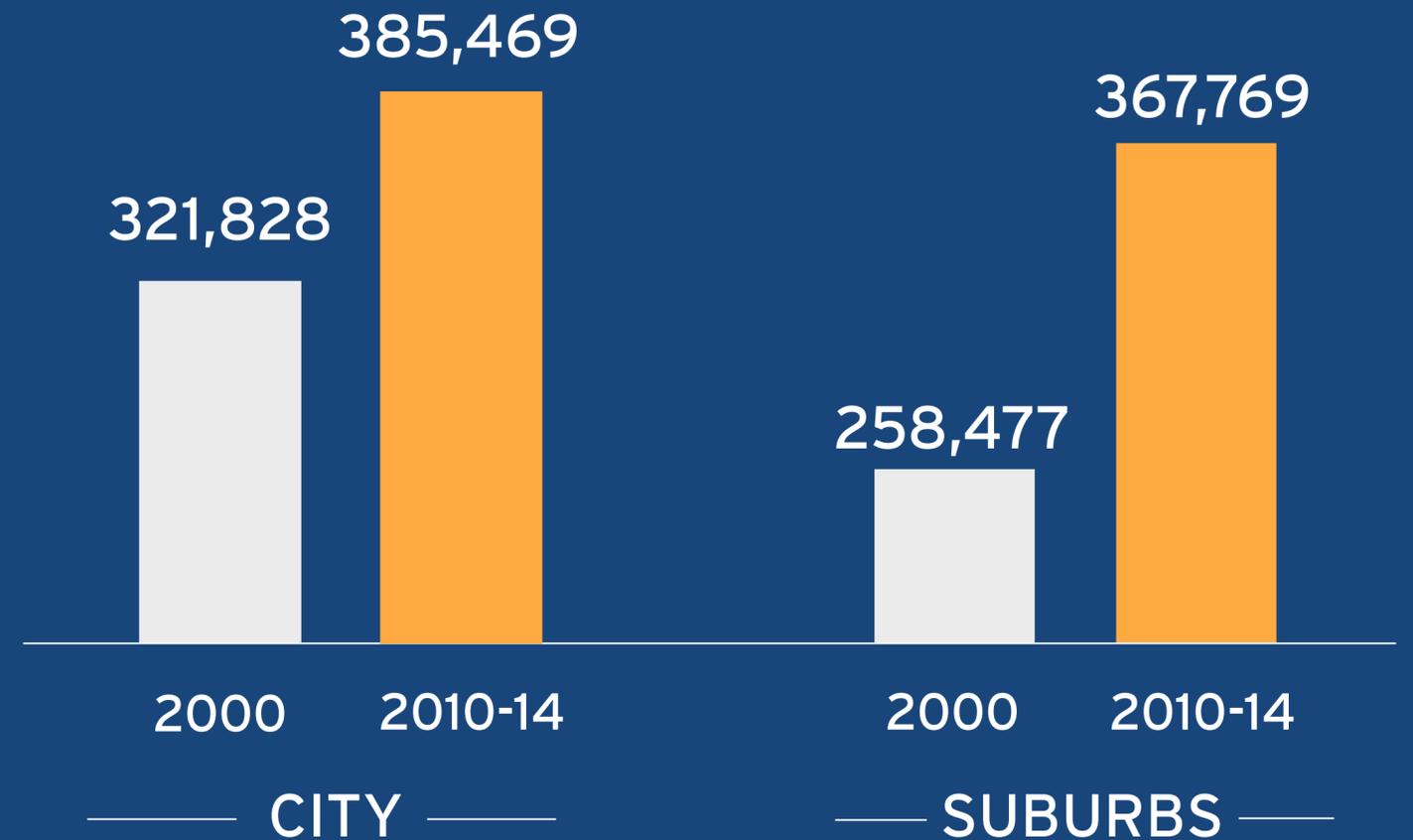
# Poverty is increasingly a metropolitan concern

Neighborhood poverty rates in the Philadelphia-Camden-Wilmington, PA-NJ-DE-MD metro



Number of poor residents,  
2000 to 2010-14

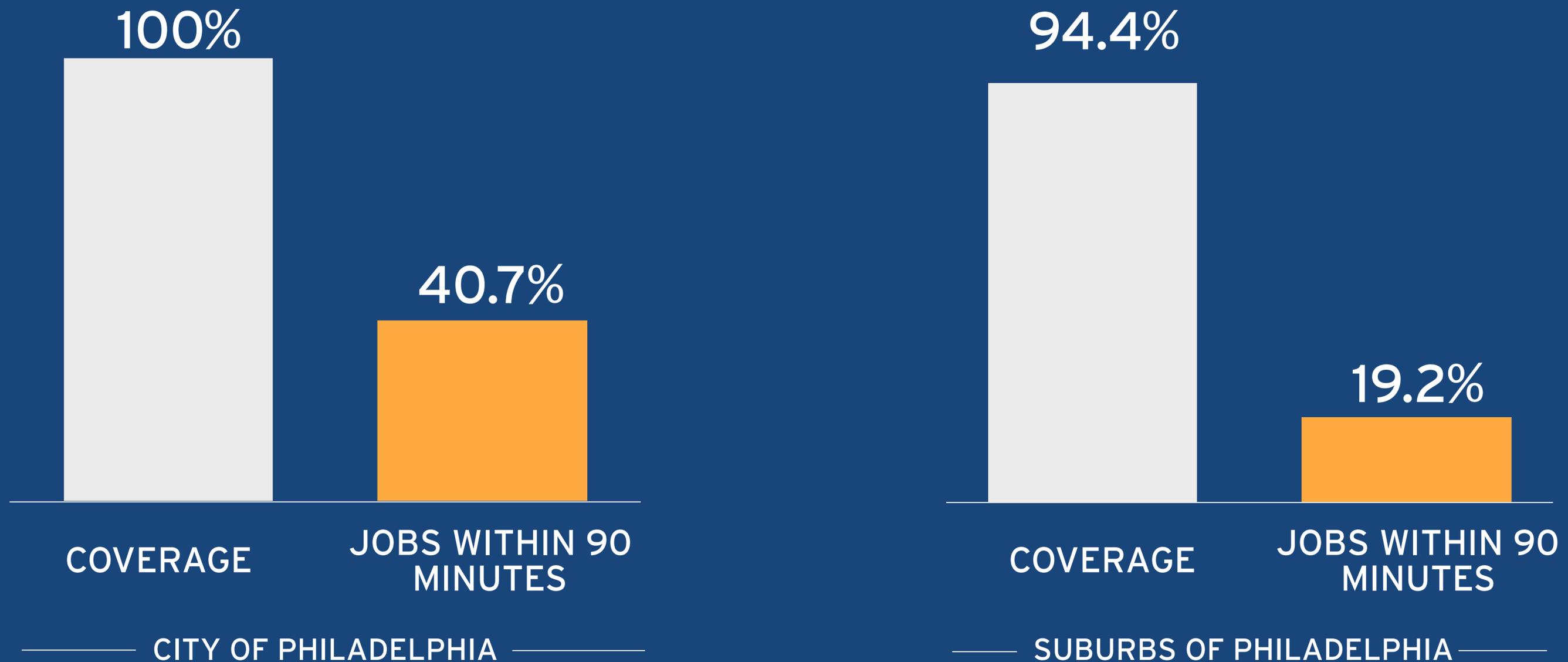
## PHILADELPHIA



Source: Brookings, *US Concentrated Poverty in the Wake of the Great Recession* (2016)

# ...and low-income Philadelphians face barriers to reaching jobs

Public transit accessibility  
for low-income residents



1

Components of metropolitan prosperity

2

Adapting to macro forces

3

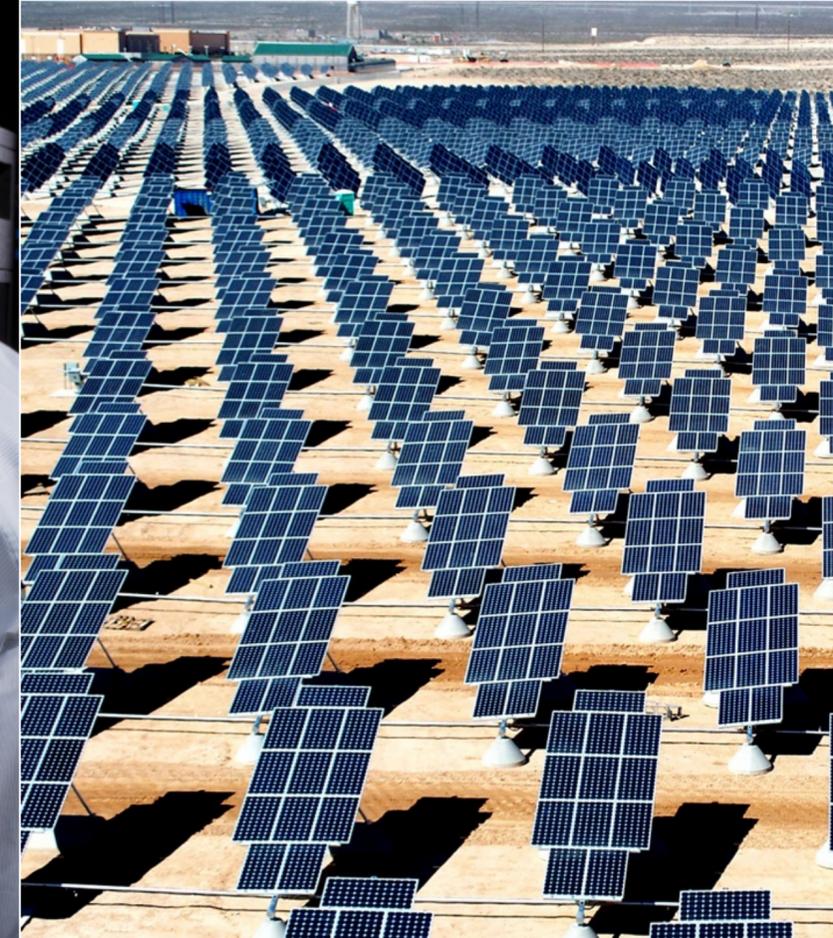
Emerging innovations in cities

New technologies are disrupting firms...

Estimated impact of 12 technology platforms on the global economy

**\$33 trillion**  
**/YEAR**

through 2025



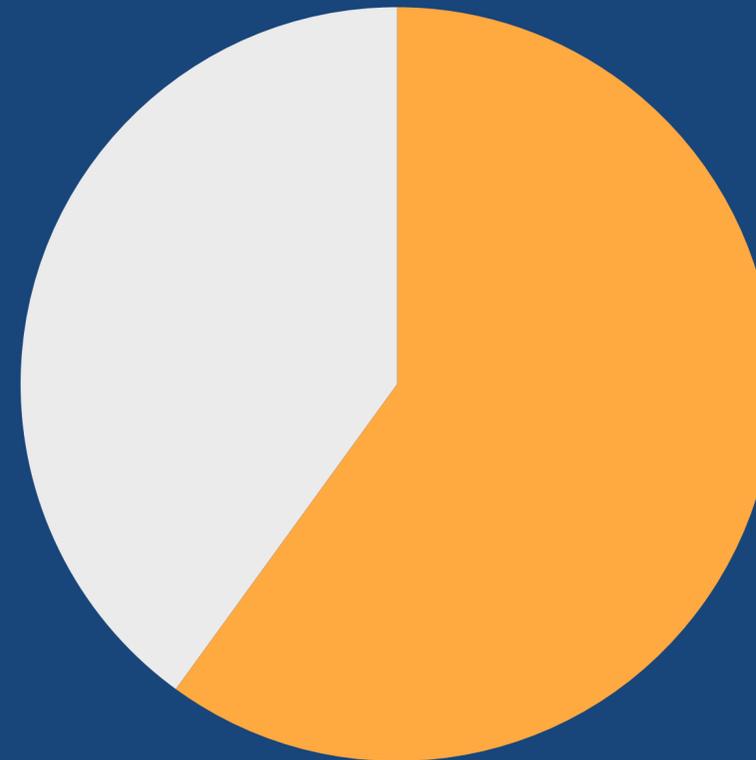
New technologies are disrupting firms...

...and labor markets

Estimated impact of 12 technology platforms on the global economy

**\$33 trillion**  
**/YEAR**

through 2025

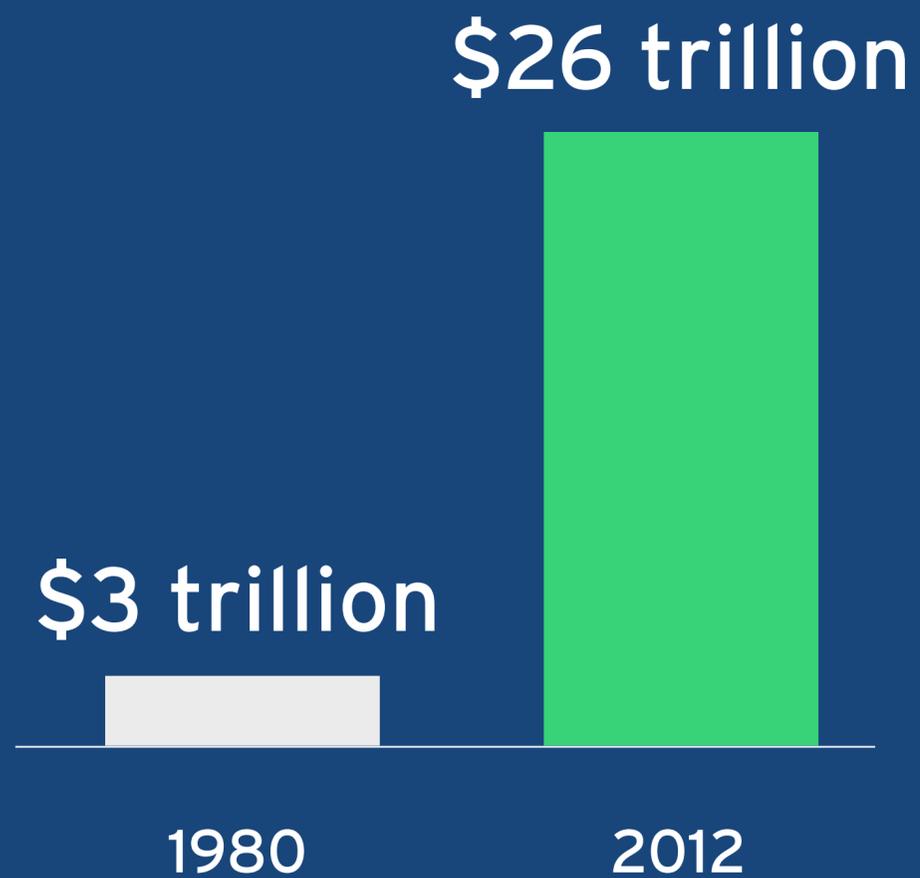


**60%**

of US occupations  
at risk of partial  
or complete  
automation

# International trade is exploding...

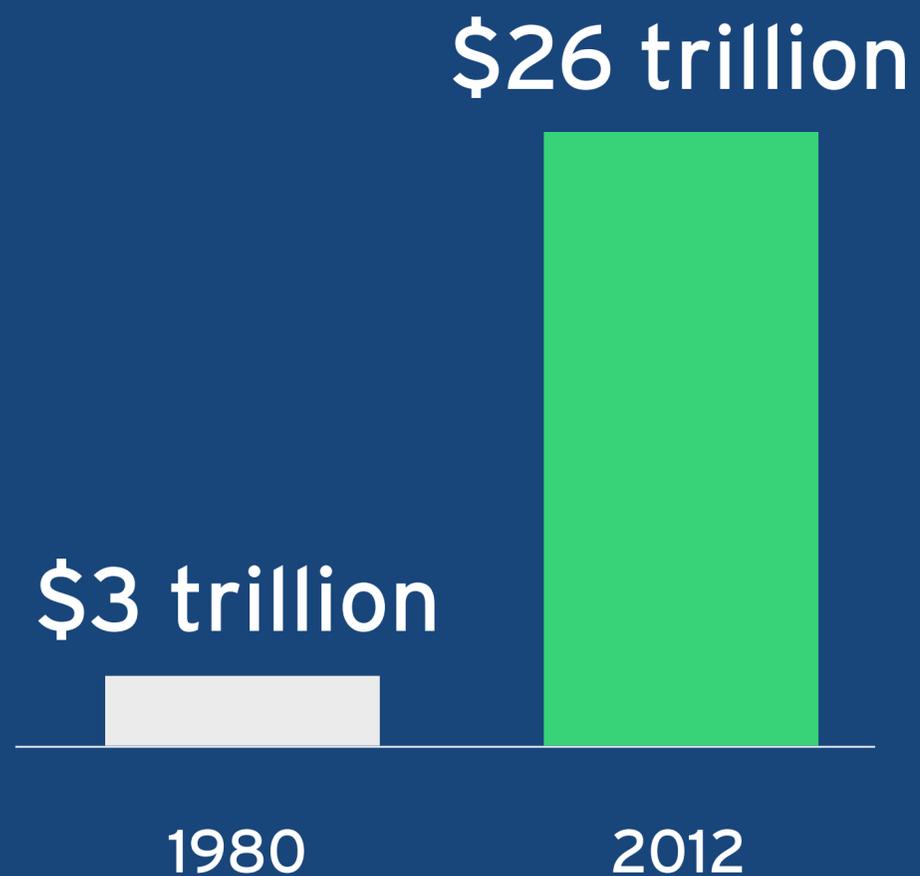
Cross-border flow of goods, services and capital



International trade is exploding...

...creating both opportunities and challenges

Cross-border flow of goods, services and capital

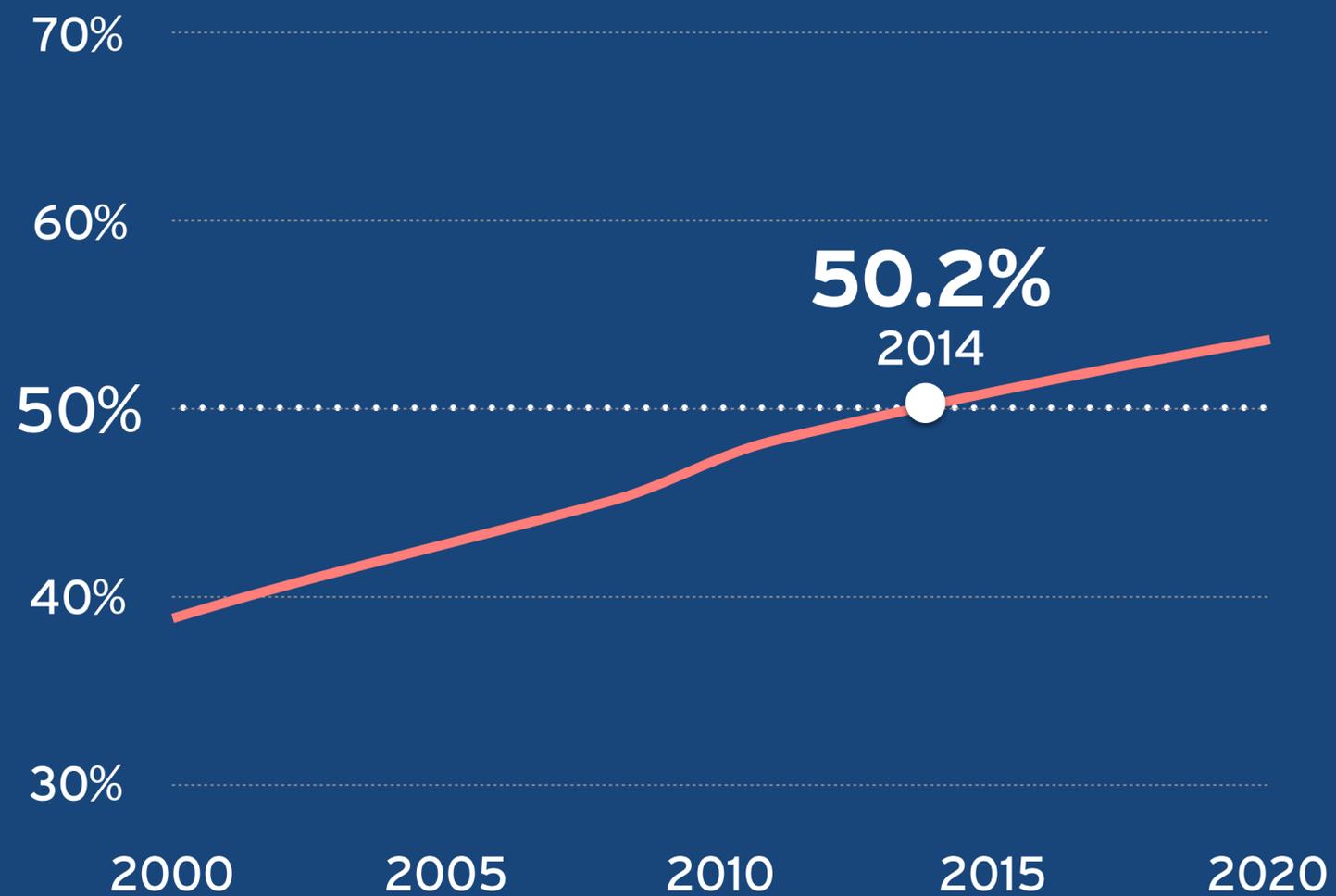


**2.4 million**

jobs lost in the U.S. due to import competition from China, 1999-2011

# The United States is rapidly diversifying...

## Non-white share of public elementary and secondary school students



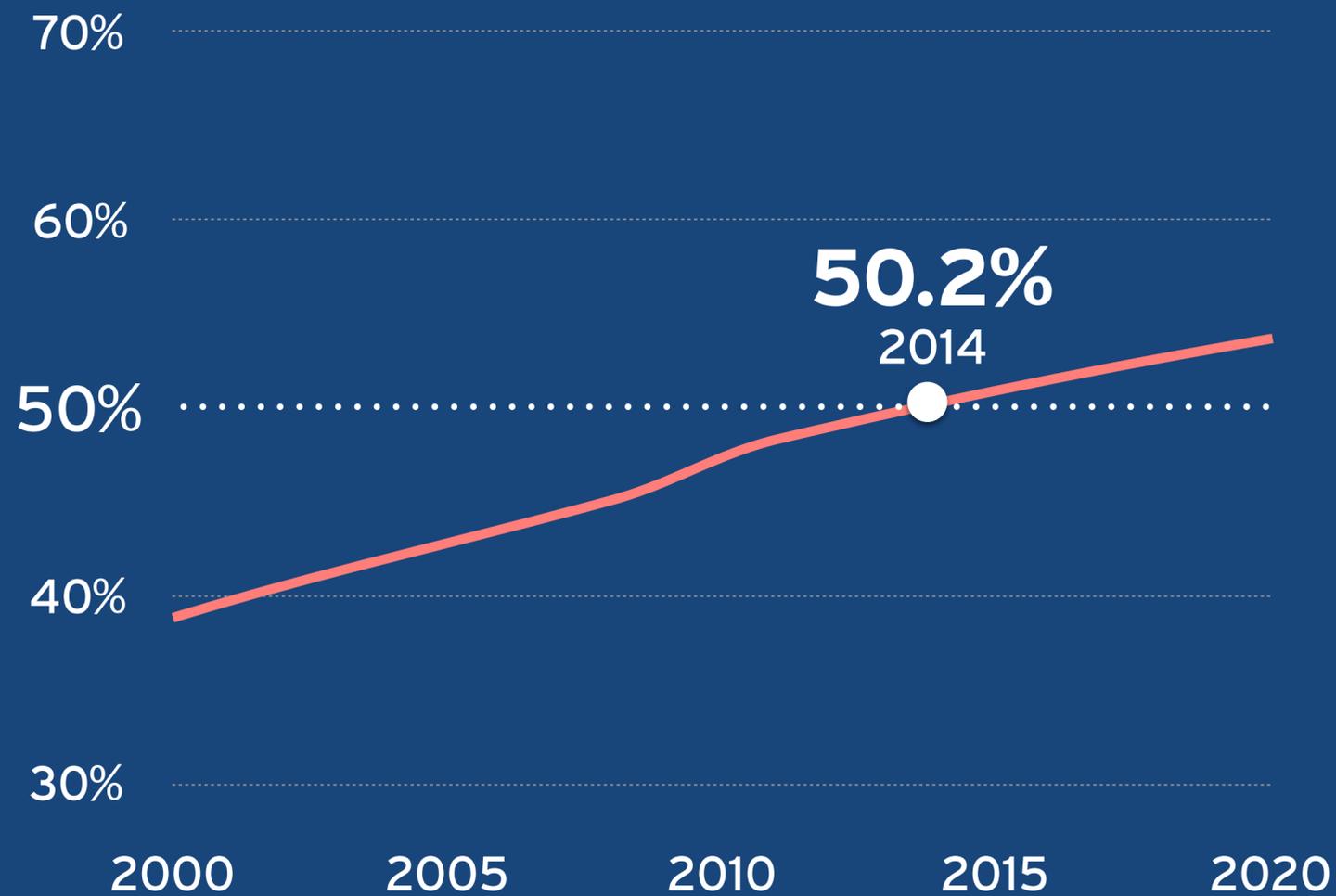
Source: US Department of Education, Digest of Education Statistics, 2013  
Data projected from 2012-2020



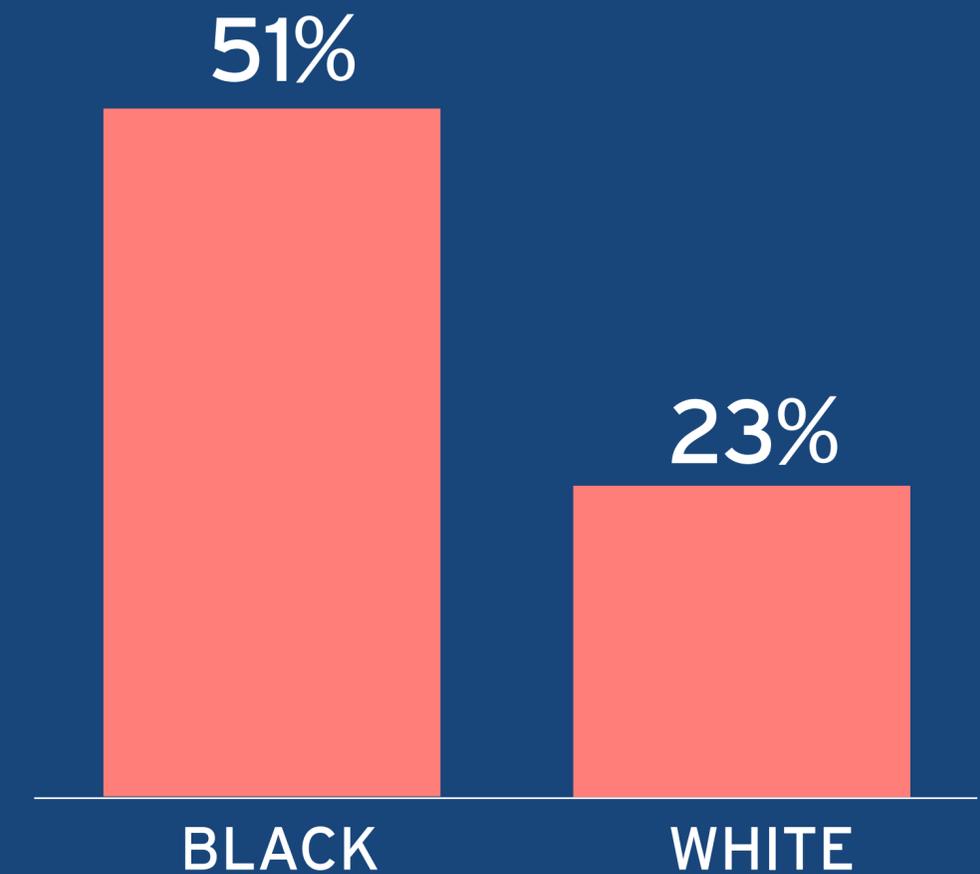
The United States is rapidly diversifying...

...yet blacks who are born poor are most likely to stay poor

Non-white share of public elementary and secondary school students



Share of individuals born poor who earn among the bottom 20% of households as adults



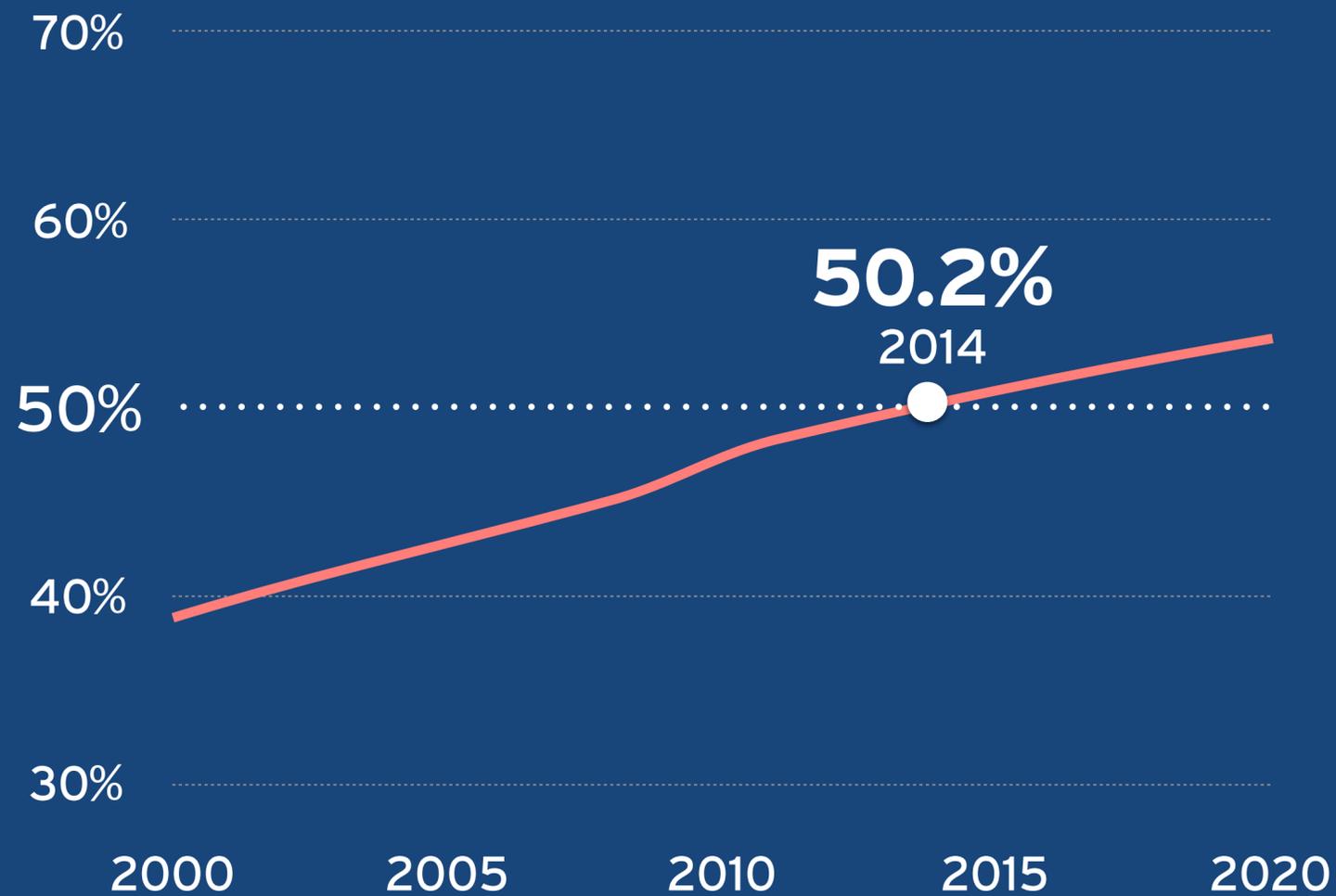
Source: US Department of Education, Digest of Education Statistics, 2013  
Data projected from 2012-2020

Source: Brookings, "Five Bleak Facts on Black Opportunity," 2015.

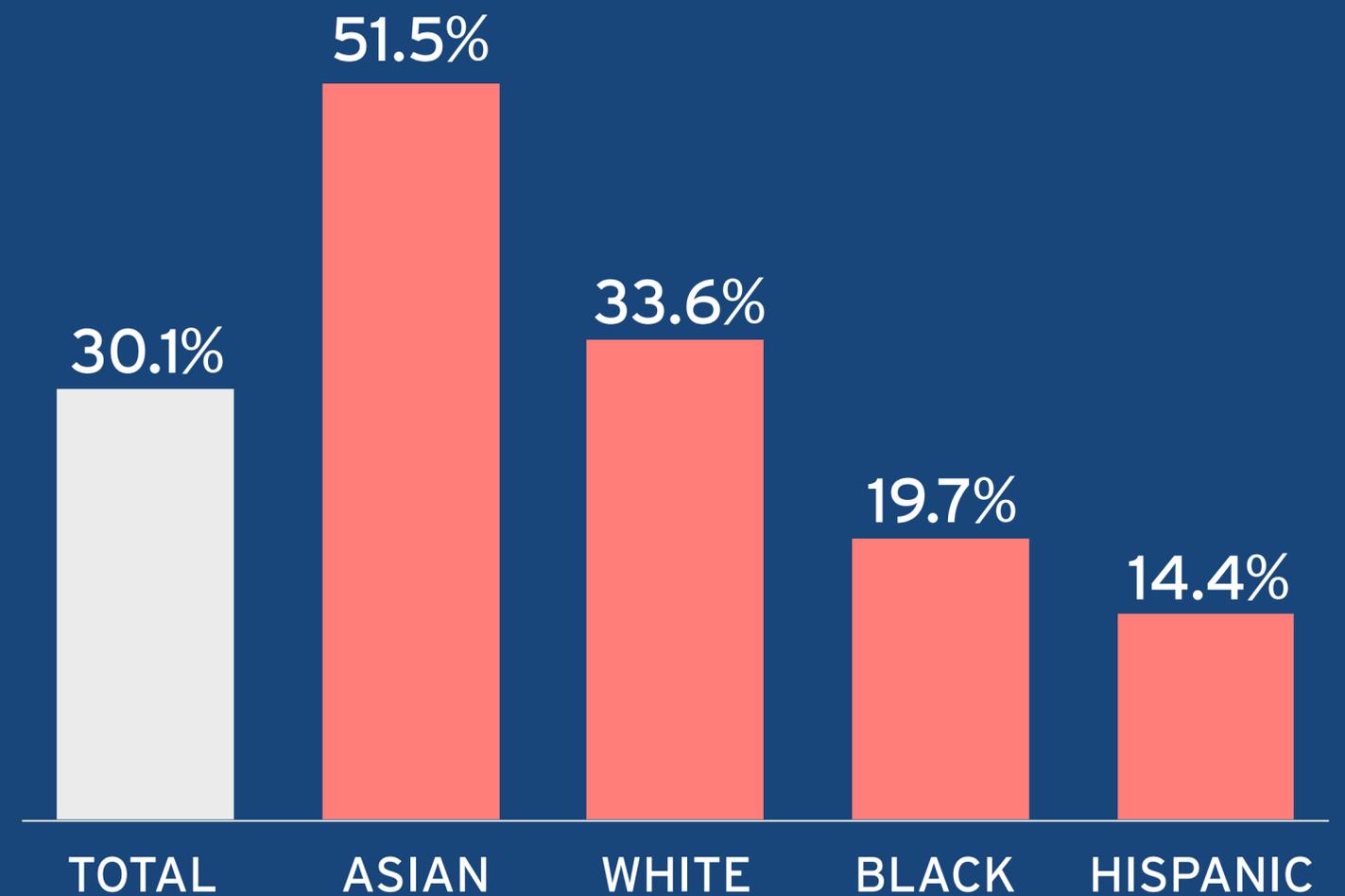
The United States is rapidly diversifying...

...and we are not preparing our future workforce

Non-white share of public elementary and secondary school students



Bachelor's degree attainment 2014



Source: US Department of Education, Digest of Education Statistics, 2013  
Data projected from 2012-2020

Source: US Census, American Community Survey, 2014

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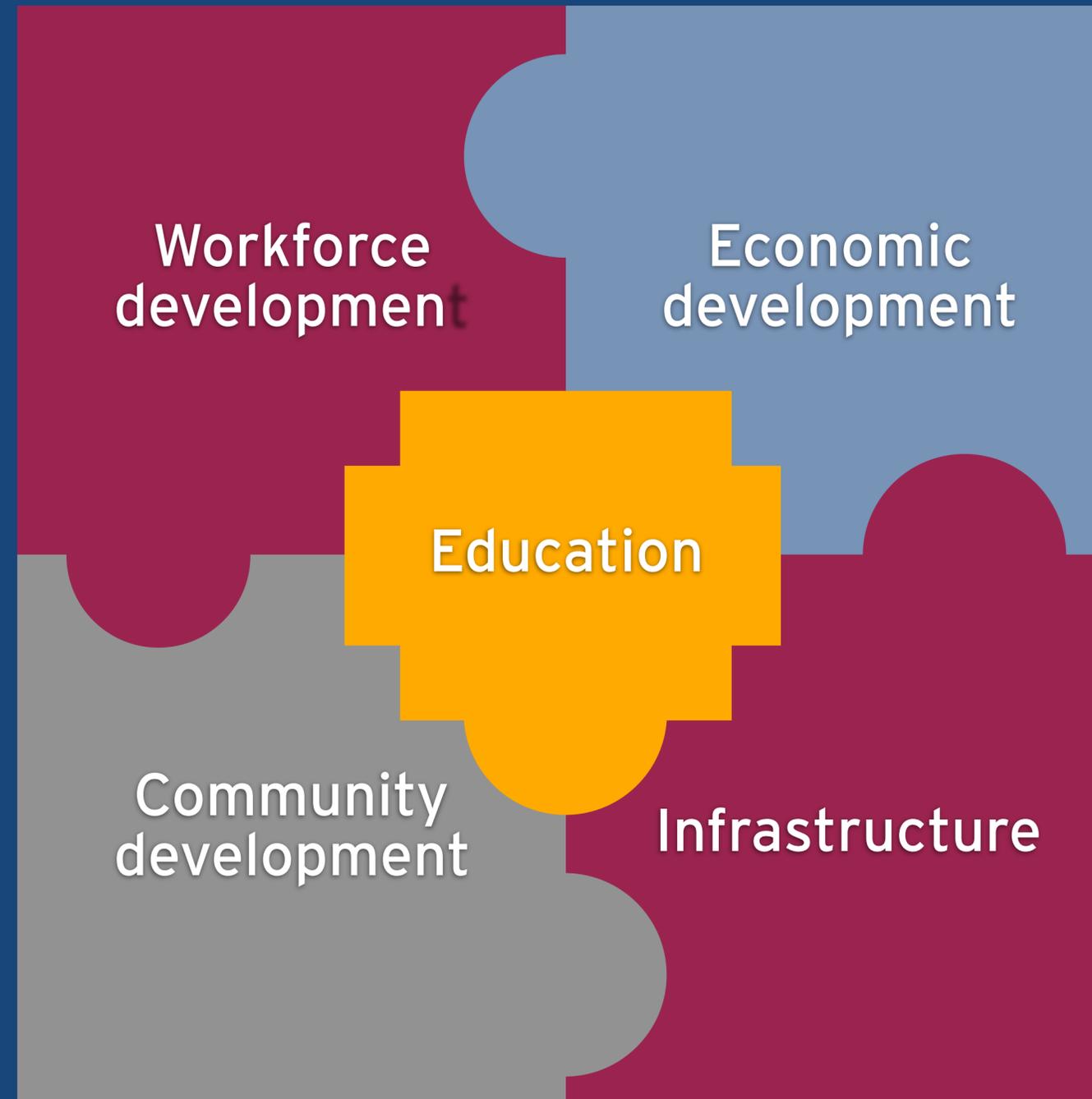
3

Emerging innovations in cities

# The goal:

“To put a regional economy on a trajectory of higher growth (*growth*) by increasing the productivity of firms and workers (*prosperity*) that raises standards of living for all (*inclusion*).”

# Solutions require civic collaboration





Strategies for  
growth



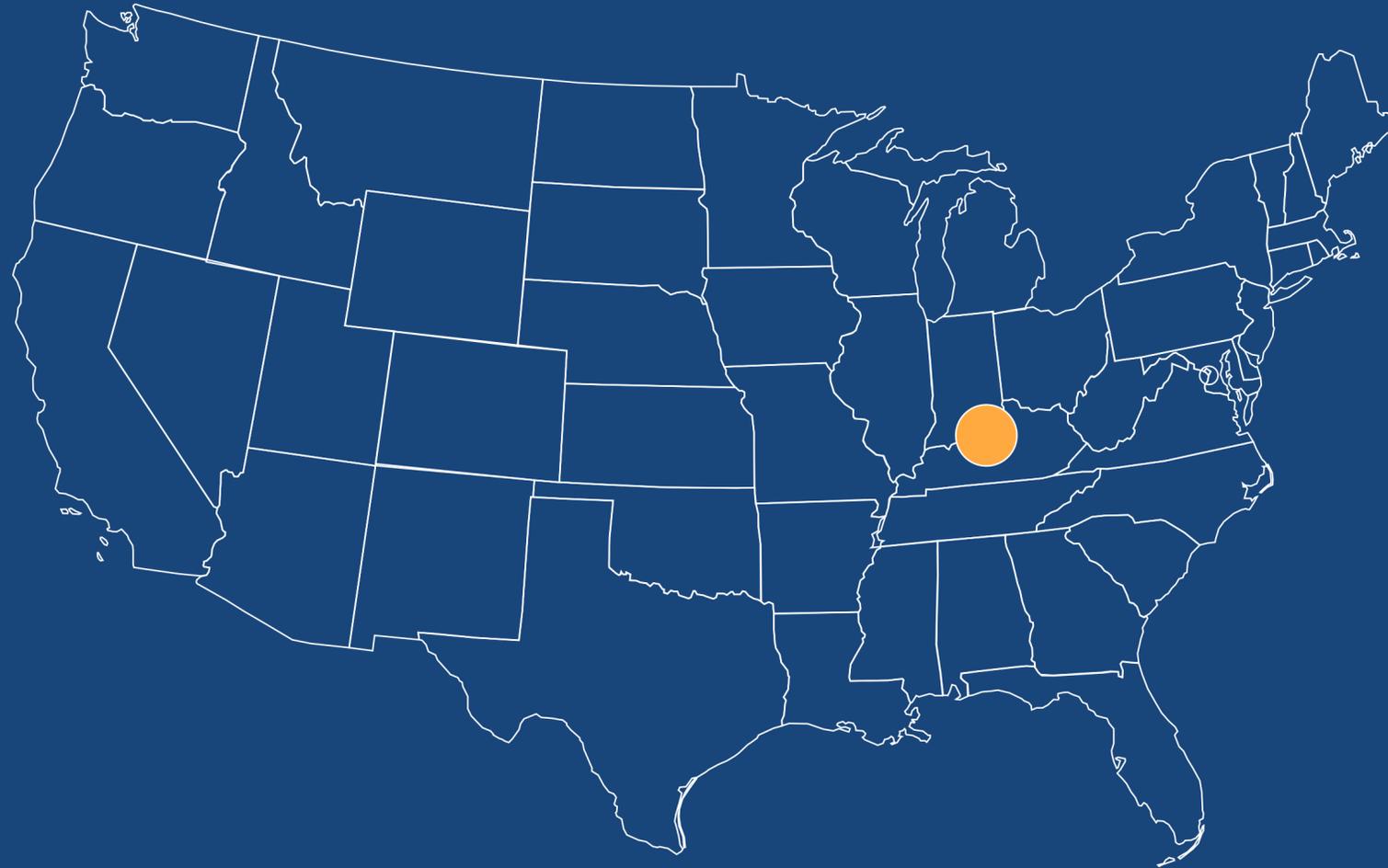
Strategies for  
prosperity



Strategies for  
inclusion



# Louisville-Lexington Kentucky FAME



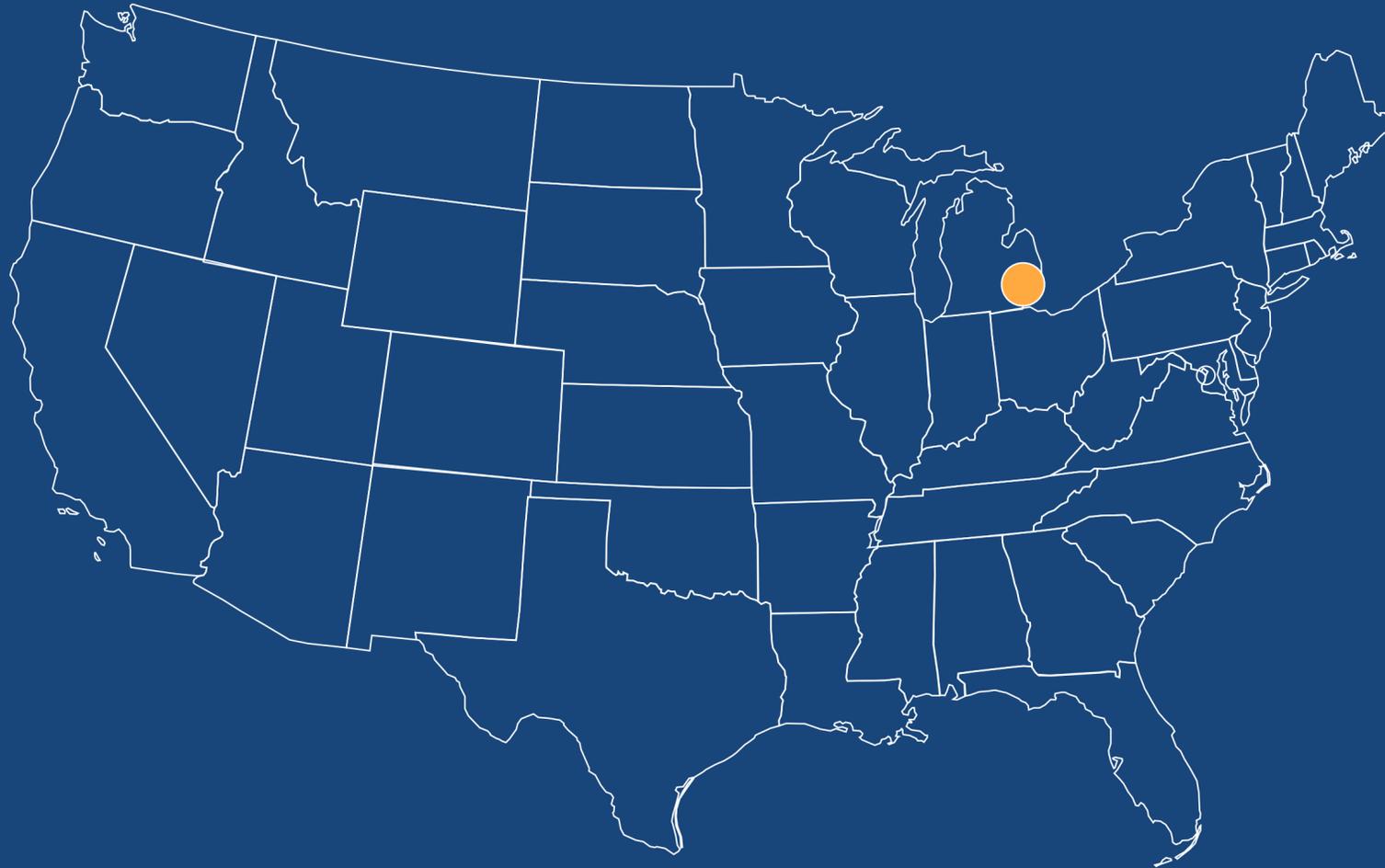
# KYFAM



UNIVERSITY OF  
**LOUISVILLE**



# Detroit Motor City Match



**70%**

of grants go to minority-owned businesses

**66%**

of grants go to Detroit residents



Strategies for  
growth



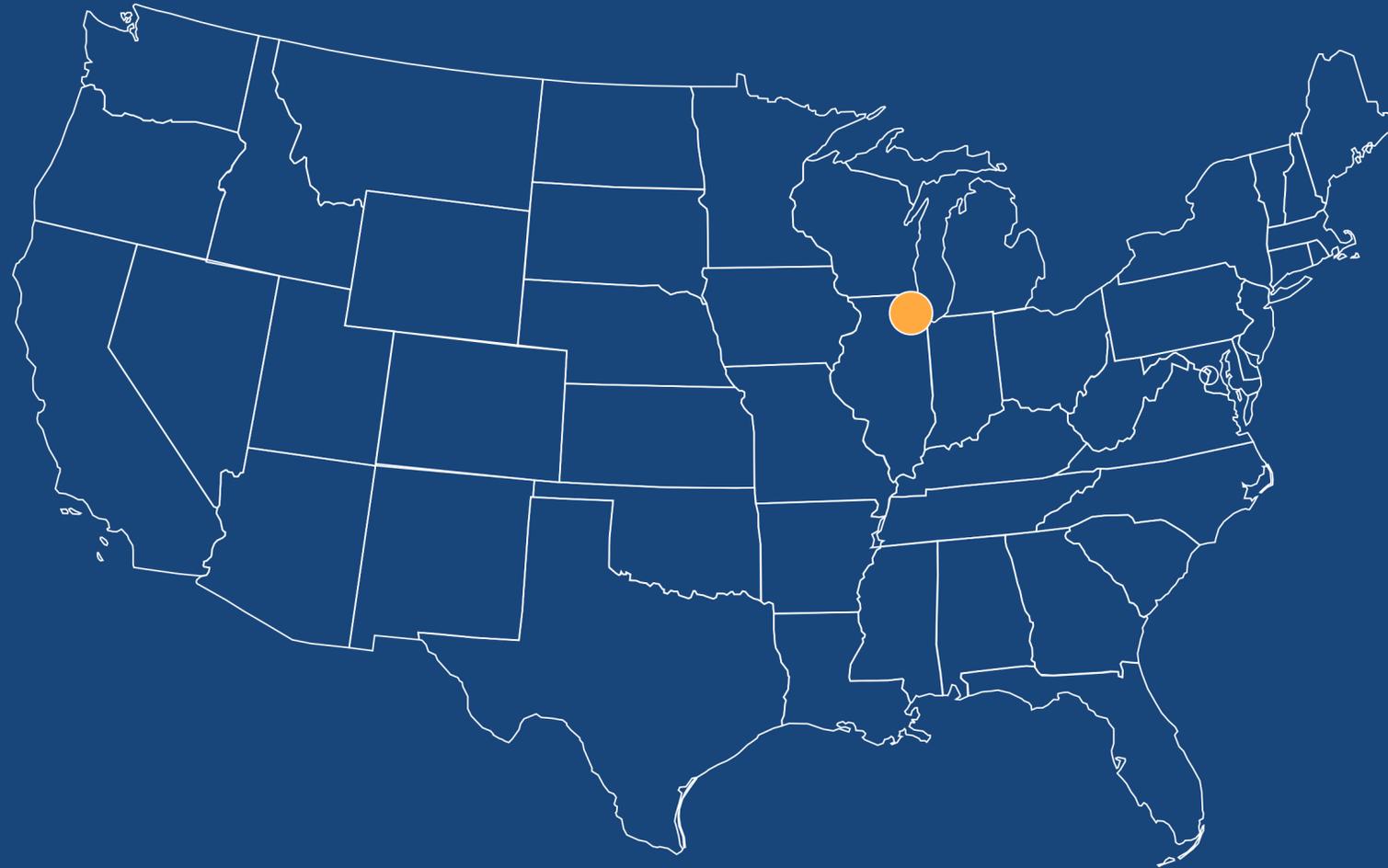
Strategies for  
prosperity



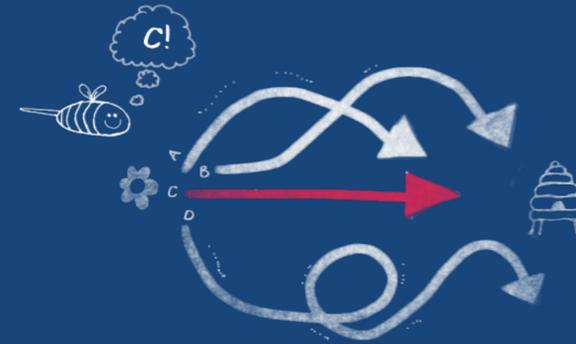
Strategies for  
inclusion



Chicago  
i.c.stars



i.c.stars | \*



we put  
talent  
to work





Strategies for  
growth



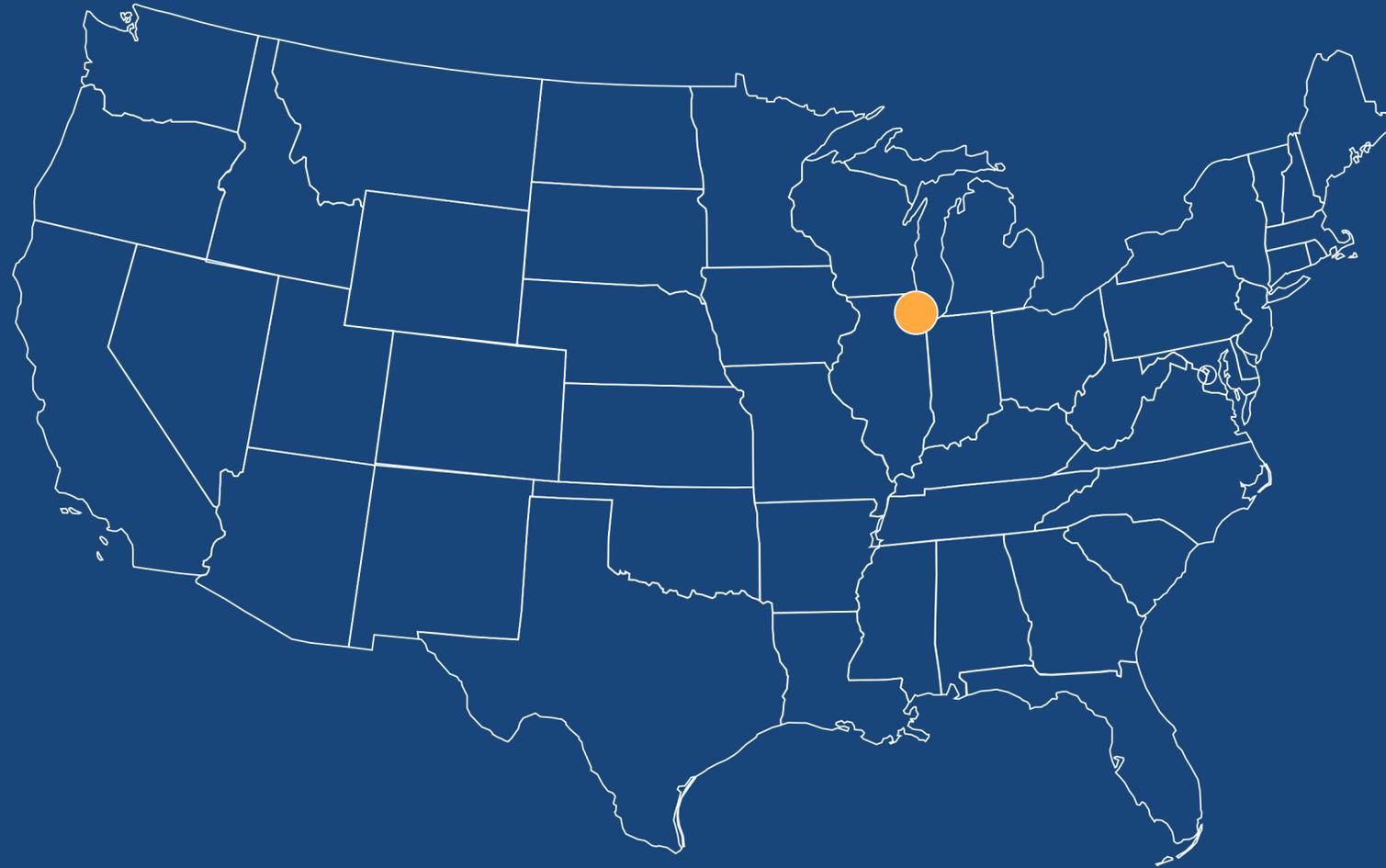
Strategies for  
prosperity



Strategies for  
inclusion

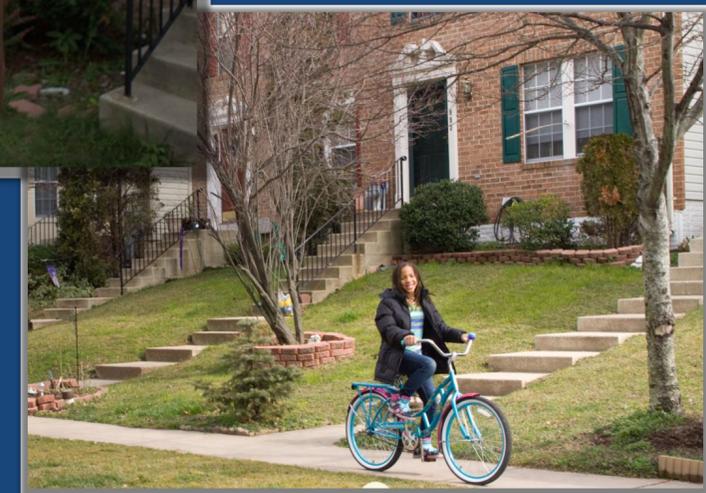


# Chicago Greater Chatham Initiative





# Baltimore Baltimore Regional Housing Partnership



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