

Data Summary: Cleveland, Ohio

Regions and states are equitable when all residents—regardless of their race/ethnicity, nativity, neighborhood of residence, or other characteristics—are fully able to participate in the community’s economic vitality, contribute to its readiness for the future, and connect to its assets and resources.

America’s demography is changing—and the nation’s economic fate will hinge on how we respond to these changes. As the population grows more diverse and people of color become the majority, equity—fair and just inclusion—has become an urgent economic imperative. While rising diversity and widening inequality are nationwide trends, they vary widely across America’s metropolitan regions and states. The National Equity Atlas provides data for the nation’s largest 150 regions, 50 states, and the District of Columbia.

This summary describes how Cleveland is doing on several key indicators in comparison to the national trends. Find more data and policy ideas at: nationalequityatlas.org

The Face of America Is Changing

The United States is undergoing a profound demographic transformation in which people of color are quickly becoming the majority. Already more than half of all children under age five are of color, and by 2044, people of color will be the majority overall. This shift is happening not only in cities, the traditional bastions of diversity, but also in suburban and rural communities across the country.

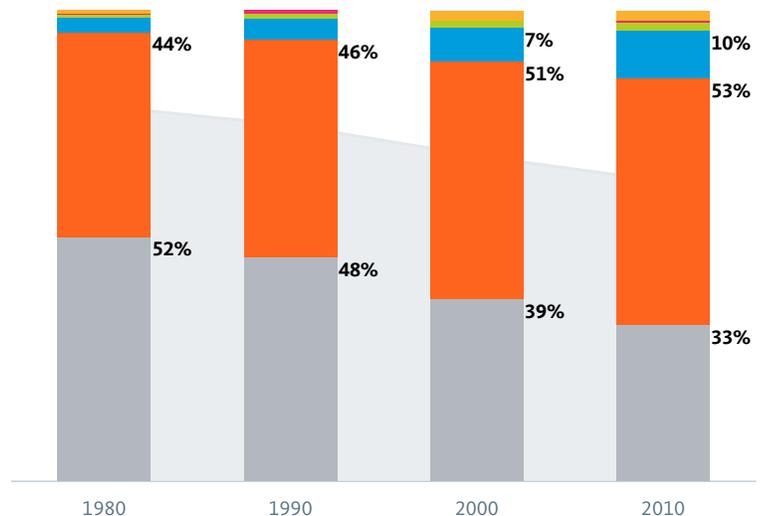
Diversity is increasing

America is becoming a true world nation that is increasingly multiracial and multicultural. In 1980, 80 percent of the population was White. By 2044, a majority of Americans will be people of color.

Between 1980 and 2010, the people-of-color population in Cleveland grew from 48 percent to 67 percent.

Racial/ethnic composition: Cleveland, OH

- White
- Black
- Latino
- Asian
- Native American
- Mixed/other
- U.S. percent white

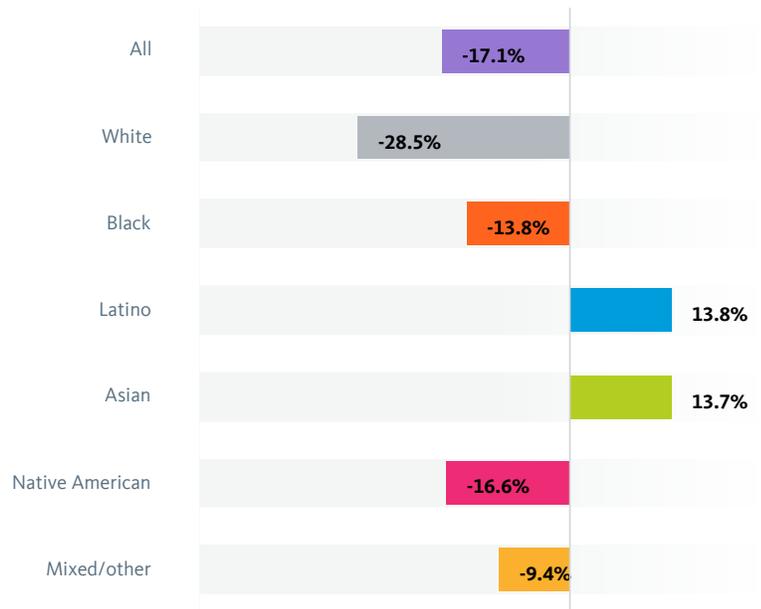


Communities of color are driving growth

In the past decade, almost all net population growth in the United States (92 percent) came from people of color, and in many places, growing communities of color prevented population decline. Latinos had the highest growth rate (43 percent), followed by Asians, people with mixed racial backgrounds, African Americans, and Native Americans. The White population grew just one percent nationally, and declined in many communities.

In Cleveland, between 2000 and 2010, the Latino population had the highest growth rate at 14 percent and the White population had the lowest at -29 percent.

Percent change in population: Cleveland, OH



Inequity Threatens Economic Prosperity

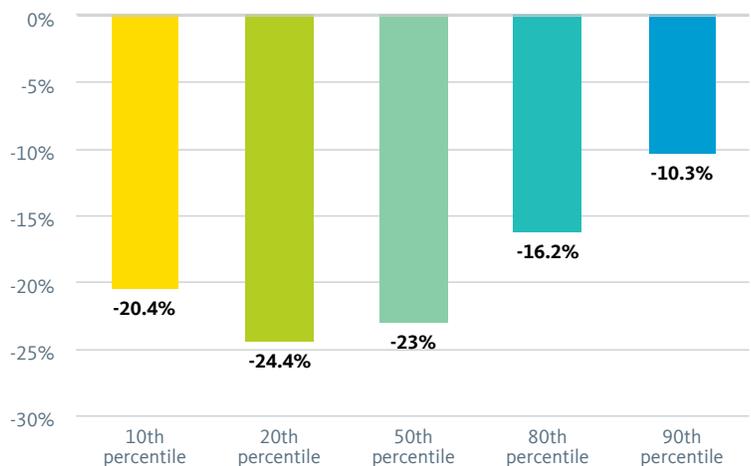
The country's growing, diverse population is a tremendous economic asset in the global economy. But rising income inequality and persistent racial gaps in health, wealth, income, employment, education, and opportunity prevent low-income people and people of color from realizing their full economic potential. And as the nation becomes more diverse, the costs of inequity will grow. Here are some of the key challenges:

Income inequality is on the rise

Over the past three decades gains in income and wages have gone largely to the very top earners, while wages and incomes of working- and middle-class workers have declined or stagnated. Nationally, since 1979, incomes of workers at the bottom fell by 11.4 percent while those at the top increased 14.8 percent.

Since 1979, income for full-time workers in Cleveland at the bottom 10th percentile decreased 20 percent while income for those at the 90th percentile only decreased 10 percent.

Earned income growth for full-time wage and salary workers: Cleveland, OH

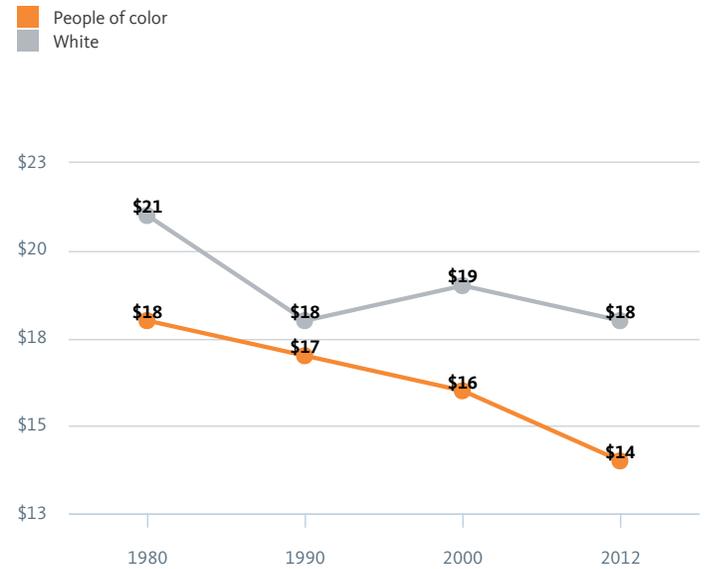


Racial economic gaps are wide and persistent

Rising inequality disproportionately affects workers of color, who are concentrated in low-wage jobs that provide few opportunities for economic security or upward mobility. Workers of color consistently earn lower wages and are more likely to be jobless compared to their White counterparts, and racial gaps remain even among workers with similar education levels. Nationwide, full-time workers of color currently earn 23 percent less than their White counterparts—the gap is slightly more than in 1979, and is growing rather than shrinking.

In 2012, the median wage for workers of color in Cleveland was \$4 lower than the median wage for White workers.

Median hourly wage by race/ethnicity: Cleveland, OH

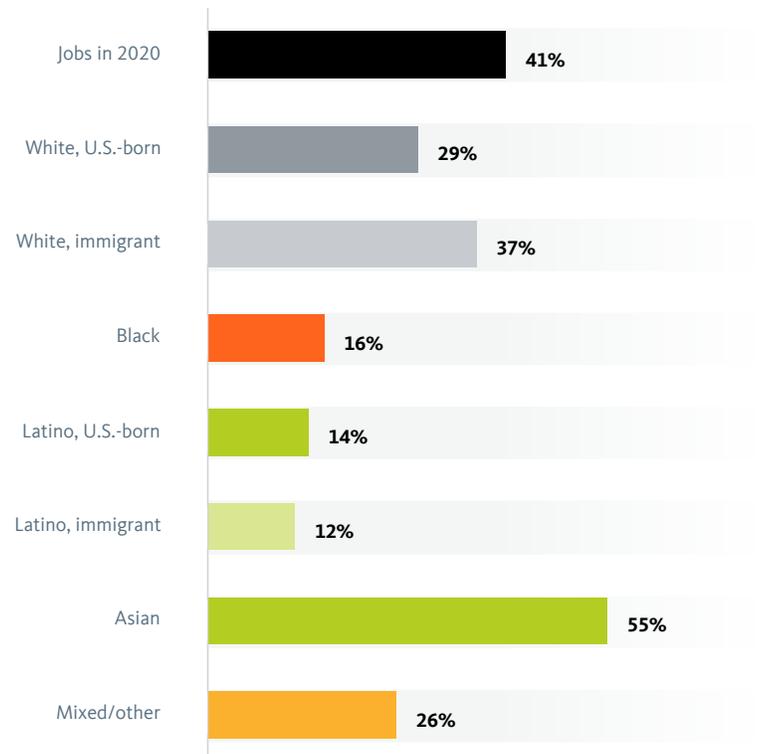


A workforce unprepared for the jobs of the future

America’s future jobs will require ever-higher levels of skills and education, but our education and job training systems are not adequately preparing the Latinos, African Americans, and other workers of color who are growing as a share of the workforce to succeed in the knowledge-driven economy. Nationally, by 2020, 43.1 percent of all jobs will require an associate’s degree or higher. Today, only 26.7 percent of U.S.-born Latinos, 25.9 percent of African Americans and 14.1 percent of Latino immigrants, have that level of education.

By 2020, 41 percent of jobs in Ohio will require at least an associate’s degree or higher, yet only 12 percent of Latino immigrants, 14 percent of U.S.-born Latinos, and 16 percent of Blacks have this level of education in Cleveland.

Share of population ages 25-64 with an associate’s degree or higher and share of jobs projected to require an associate’s degree or higher: Cleveland, OH



Equity Is the Superior Growth Model

Economists, business leaders, and elected officials increasingly recognize that inequality is hindering economic growth and racial and economic inclusion are the drivers of robust economic growth. To build a strong next economy, leaders in the private and public sector need to advance an equitable growth agenda: a strategy to create good jobs, increase human capabilities, and expand opportunities for everyone to participate and prosper. Equity will make America stronger.

The economic benefits of equity

Racial economic inclusion is good for families, good for communities, and good for the economy. Nationally, GDP would have been \$2.1 trillion higher in 2012 if people of color had earned the same as their White counterparts. We also know millions fewer would have lived in poverty, there would be billions more in tax revenue, and a smaller Social Security deficit overall.

If workers of color had income and employment parity with White workers in Cleveland, their incomes would have been higher, ranging from an 11 percent increase for Asians to a roughly 60 percent increase for Black, Latino, and multiracial workers.

Income gain with racial equity: Cleveland, OH

