

Indiana's Racial Wealth Gap



What contributes to wealth?

- Not just wages/income
 - Home/Property ownership
 - Mobility + Stability + Well-Being
 - Multigenerational access
- 

What's driving the racial wealth gap in Indiana today?



“Economic equity?”

Prioritizing the most vulnerable

(Dr. Kim Crayton)

Who is going to miss out on or be denied social and economic mobility because of who they are?



“Economic equity?”

Acknowledging systemic racism

This helps us get detailed, differentiated, and actionable.



“Economic equity?”

Saying what we mean

Name and notice people and populations as you design programs,
as specifically as you are able.

“If you mean you’re focusing on Black people, say ‘Black people.’”



And if you aren't considering your non-white neighbors, you aren't considering your community's future.



Racial and Ethnic Diversity Accelerating

Even prior to the 2020 Census the U.S. was projected to shift to a majority non-white by 2050.

“In 2019, for the first time, more than half of the nation’s population under age 16 identified as a racial or ethnic minority. Among this group, Latino or Hispanic and Black residents together comprise nearly 40% of the population.” (Census / Brookings)



But the nation's move to a non-white majority by 2050 doesn't just apply to urban areas.



Racial and Ethnic Diversity Accelerating... Yes, Even in Rural America

“There are more than 2,000 rural and small-town census tracts where racial and ethnic minorities make up the majority of the population.” (Housing Assistance Council)

This is not yet the case in Indiana, but is the case in several states outpacing our growth.

Still we are growing more diverse: in 2010, white people made up 84.3% of the population in Indiana. In 2020 the Black population had increased by 13%; Hispanic or Latino had grown by 8%. (Census)



Why Immigration Matters...to All

The Great Lakes region *has* only been able to grow or remain stable in thanks to our foreign-born neighbors.

Immigrants accounted for half of the regional population growth from 2000-15.

51% of the region's American-born population were working age in 2015 vs. 70% of foreign-born residents.

We know that economies that are welcoming to immigrants are doing better economically. Healthcare, entrepreneurial ventures, manufacturing...all have been boosted by immigrants.

Why Immigration Matters...to All

In Indiana in 2018, immigrants made up **5% of the population**.

7% of business owners in Indiana are immigrants vs. 6% in Indianapolis.

Immigrant-led Indiana households paid **\$1.9 billion** in federal taxes and **\$1 billion** in state and local taxes (2018). Hoosiers without immigration documentation paid an estimated **\$151.7 million** in federal taxes and **\$111 million** in state and local taxes in 2018. The collective spending power? **\$7.9 billion** after taxes.

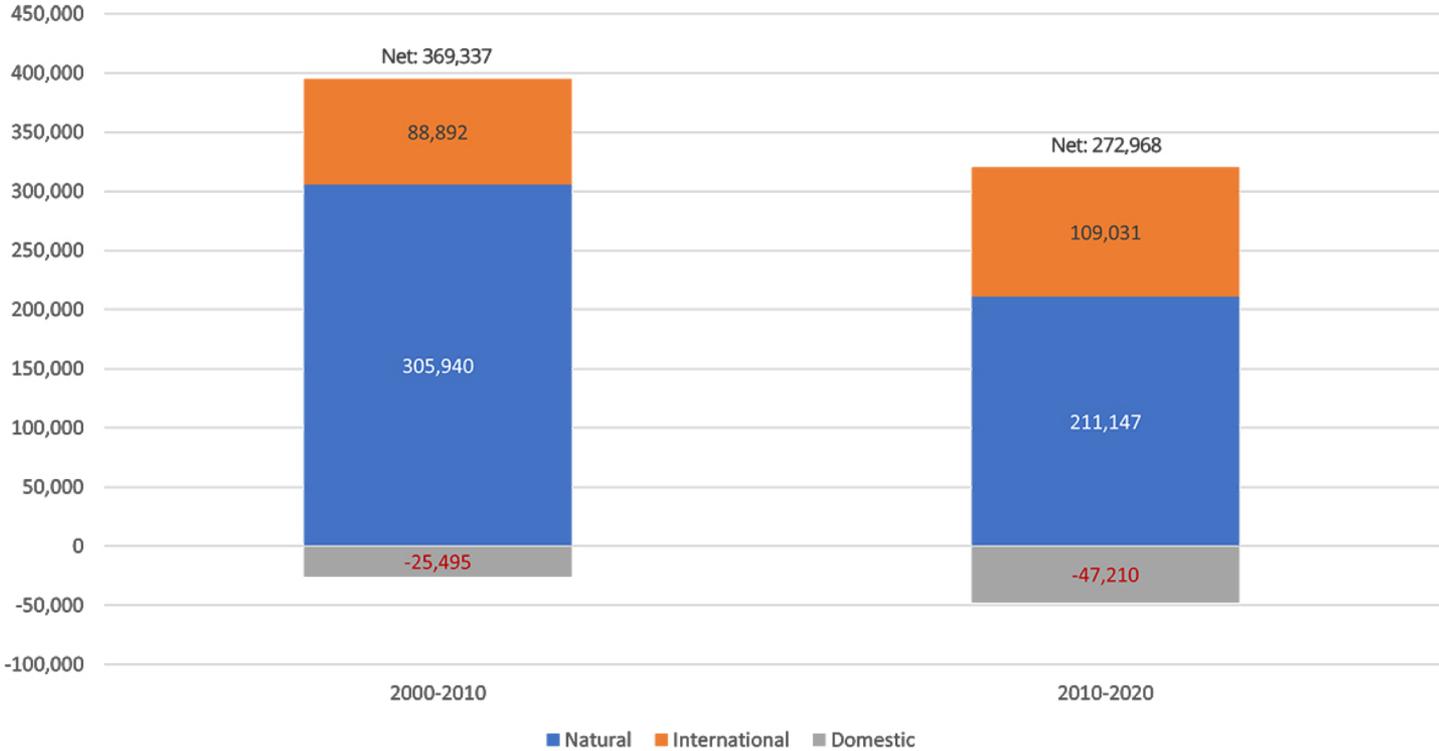
Why Immigration Matters...to All

In Fort Wayne and Northeast Indiana immigration accounted for almost 25% of all population growth from 2011-2016.

New American Economy Research Fund



Why Immigration Matters...to All

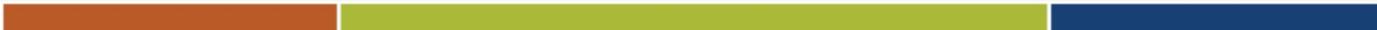


But what does that have to do with race?



You aren't designing “against” a group when you design with another group's experiences in mind.

If you prioritize the most vulnerable, you will end up solving for several levels of a problem...and more than one group.



Still, make no mistake. Being Black in America is still uniquely difficult.



In the Midwest

The Midwest once led the U.S. in earnings for Black men and women.

It now leads the U.S. in wage decline for Black men and women.

(Ballard, MSU)



In Indiana

27% Poverty rate for Black Hoosiers - the highest rate for any group
vs. 21% for Latinx and 11.9% for Whites (*ACS*)

227,000 Black and Latinx IN children live below 200% poverty (*ACS*)

34% of the Indiana prison population is Black
9% of Indiana's adult population is Black (*ACLU*)

70% disparity between Black and White median family income (*EPI*)
\$32,163 vs. \$54,951



In Indiana

30% higher education attainment rate for Black Hoosiers
vs. 40% for Whites (*Lumina Foundation/ACS*)

57% of Black students enroll in college after high school
vs. 66% of White students (*ICHE*)

23% of Black students met standards for “early college success” (no remediation, persistence to second year and completing all credits attempted)
vs. 50% of White students (*ICHE*)

These data reflect systemic barriers, not student capacity



In Indiana

In Indianapolis, South Bend, and Fort Wayne, Black women are more likely than any other group to work in a job at high likelihood of disruption or loss due to automation.

More Black women in these cities work in vulnerable hospitality, service, cashier or administrative roles.



In the U.S.

14.3% of the country's Black workers make “poverty wages”
vs. 8.6% of White workers (*EPI*)

140% disparity between Black and White/Asian mortgage approval
(*Pew*)

41.3% Black home ownership rates vs. 71.9% of White rates (*Pew*)

13% more White than Black households have Broadband (*Pew*)



In the U.S.

Black customers at community/regional banks are charged more.

- **\$190 more** in checking account fees than White customers
- **\$12 more** to open a checking account in majority Black neighborhoods than in majority White neighborhoods

(New America)

Why race, ethnic, & gender gaps matter

Whoever is left out today, will be left out tomorrow if we don't design systems to address inequities. In addition to the moral reasons for allowing everyone to participate in the economy, there are economic ones. The region is facing a talent shortfall and **leaving talent on the table won't fix that.**



Why wages matter

In the future, a worker's number one asset is going to be flexibility and adaptability.

Adaptability is a skill well-honed by people with modest means.

Flexibility is often a privilege of “haves.”



Why wages matter

Adaptability is a skill well-honed by people with modest means. Flexibility is often a privilege of “haves.” In America, “haves” are more often non-white.

“Take a class!”

“Go back to school!”

“Get certified!”

“Plenty of jobs in the next town over!”

“You can work from anywhere now.”



Change is expensive

TRANSIT/TRANSPORTATION/MAINTENANCE

\$\$\$\$

CHILDCARE

\$\$\$\$

INSURANCE

\$\$\$\$

INTERNET ACCESS/TECH

\$\$\$\$

DRESS CODES

