This Could Be the Start of Something Big: Looking for the New America

La Conyuntura vs. the Long-run

- We tend to think about short-term politics and economics . . .
La Conyuntura vs. the Long-run

- We tend to think about short-term politics and economics . . .

. . . But we better look long-term as well.

- If we do, three trends – demographic change, economic transition, and shifting nature of leadership – stand out as key
Change is Gonna Come . . .

Figure 1.1: Changing American Demographics 1970-2050

Leading the U.S. in Demographic Change

California's Changing Demographics, 1980-2000
Immigrants are:

• One in three L.A. County residents
• 46 percent of the LA County workforce
• Children of immigrants are 64 percent of all LA County children
• Of the children of immigrant parents, nearly ninety percent are US citizens

Source: PERE analysis of 2006 ACS data
Foreign Born Population by Census Tract

Ancestry & Migration

Migrated Over 30 Years Ago

Source: PERE analysis of 2005 and 2006 ACS data
Ancestry & Migration

Migrated within the Last 10 Years
Los Angeles County

- Mexican, 36.3%
- Korean, 6.0%
- Guatemalan, 5.3%
- Salvadoran, 4.8%
- Other Latin American, 9.5%
- Other, 14.0%
- Other, 7.1%

Source: PERE analysis of 2005 and 2006 ACS data

Mexican, 36.3%
- Korean, 6.0%
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Source: PERE analysis of 2005 and 2006 ACS data
Ancestry & Migration

Migrated within the Last 10 Years
Los Angeles County

- Korean, 6.0%
- Guatemalan, 5.3%
- Salvadoran, 4.8%
- Armenian, 3.4%
- Other, 3.3%
- Western European, 2.7%
- Asian Indian, 2.5%
- Japanese, 2.1%
- Other Asian, 1.9%
- African, 1.6%
- Iranian, 1.4%
- Other Eastern European, 1.4%
- Other Middle Eastern, 1.3%
- Vietnamese, 1.2%
- Russian, 1.2%
- Taiwanese, 1.0%
- South Asian, 0.9%
- Other, 14.8%
- Mexican, 36.3%

Source: PERE analysis of 2005 and 2006 ACS data

South Central Area: Overview

- Los Angeles
- Glendale
- Montebello
- Inglewood
- Compton
- Long Beach
- Santa Ana

County Boundaries
Los Angeles City Boundaries
South Central Area Boundaries

Scale equals: 1 in = 450,000

Scale equals: 1 in = 450,000
South Central High School Demographics

1981-1982 School Year

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<td>Fremont</td>
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South Central High School Demographics

2004-2005 School Year

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<td>89%</td>
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The Future is Now . . .

Ethnic Composition by Age for California, 2008

The Future is Now . . .

Population by Age and Race/Ethnicity
California (2008)
As Is the Underinvestment . . .

Demographics and State Capital Spending Adjusted for Income

Demography and Economic Inclusion

- Dramatic crack in the economy, with significant policy attention to the Great Recession
  - With skyrocketing unemployment, foreclosures and budget issues, the short-term focus makes sense
  - But looking long-term, another set of worries emerges around the distribution of opportunity
The Challenge of Inequality . . .

Figure 3-1. U.S. Resident Median Family Income 1947-2007 (in 2007 Dollars)

- White
- Latino
- Black
- Non-Hispanic White
- Asian and Pacific Islander

Source: Emmanuel Saez, Striking It Richer: The Evolution of Top Incomes in the United States (Update: August 5, 2009).
Putting It Together

- Unequal
- Deregulated
- Disconnected

- So the new story emerging in our book: equity is key to growth

What’s the Evidence?

- Utilizing weighted regression approach to 341 metro areas in the U.S. 1990-2000

Per capita income as a function of:

(+)
regional education

(-)
manufacturing concentration

(+)
central city presence

(-)
previous income

(?)region of U.S.

(-)
measure of inequity, including ratio of
city to suburb poverty, concentration of
poverty, income distribution, black-white
segregation
And From the Federal Reserve

- Federal Reserve of Cleveland studies almost 120 mid-size regions, looking for factors that predict regional prosperity
  - Usual suspects: skilled workforce, quality of life, industrial decline
  - Unusual suspects: income inequality, racial exclusion, concentration of poverty – and they’re highly significant

It’s a Broader Story

- Underinvestment in each other makes us less competitive as a nation
  - Social tensions over who will gain and who will lose make us less likely to cohere on what we need to do to thrive
And a Broader Conversation

- We set out in the book to generate a catalog of best practices for combining equity & economic growth

- But when we talked to leaders, the conversation was not about zoning regs, tax-sharing, or policy *per se*

- Instead, it was about reframing a local and national conversation about social equity and who we are as a people, a region, a country

Starting at Home . . .

- Metros offer new scale for doing well and doing good, fusing competitiveness and inclusion

- Configuration of metropolitan space and opportunity has become center – from racial justice to spatial justice

- Metros offer new opportunities to bridge difference face-to-face, race-to-race, space-to-space
Leadership and Governance

- Need to rethink our cherished beliefs
  - Need to think about inside and outside skills and strategies
  - Need to innovate not just for efficiency but for effectiveness
  - Need to govern not manage & lead by example not position

How Do We Lead in These Times?

- Understanding the distinction between diversity – and justice
How Do We Lead in These Times?

- Understanding the distinction between diversity and justice
- Understanding the importance of policy, advocacy and organizing
- Understanding the need for unexpected alliances, and new collaborations
- Understanding that collaboration and conflict can go together
Can We Meet Our Challenges?

Can We Meet Our Challenges?