

RACIAL EQUITY HIGHLIGHTS

June 2020



INTRODUCTION

New Detroit's (NDI's) mission to achieve racial understanding and racial equity in Metropolitan Detroit is as significant in 2020 as it was when the organization was established more than 50 years ago. The racial equity highlights presented here serve as an "interim update" to our 2014 Metropolitan Detroit Race Equity Report ("the Scorecard") and is the first of many reports that will be released by NDI and its partners throughout the year. The purpose of these reports is to provide timely analysis of racial equity across the region using data drawn from a variety of sources including other recent reports on race.

It is well established that in recent years, Detroit has experienced a period of significant growth and change in a number of areas. The number of new restaurants and retail establishments, for example, has increased exponentially, although this growth has largely been limited to the seven square mile area that makes up the downtown core. To date, the chief beneficiaries of this transformation have, to a great extent, been limited to relatively affluent, White residents. Efforts have been made to address issues of equity and inclusion, but given longstanding barriers to racial equity in Detroit, there remains much to be done.

These highlights lift up a range of issues concerning racial equity, beginning with a section summarizing the emerging racial equity implications of the COVID-19 virus. A summary of racial equity indicators follows the section on COVID-19, and is organized by the categories listed below:

- Education
- Employment and Entrepreneurship
- Housing
- Health
- Income and Wealth
- School Discipline and Incarceration

COVID-19 EMERGING IMPACT & IMPLICATIONS FOR RACIAL EQUITY

While this research was underway, Detroit, and the world, found itself in the grip of the global Coronavirus pandemic. It is, therefore, important that we include data and insights that will help to shed light on the racial equity implications of this crisis. Research on the impact of COVID-19, particularly concerning racial disparities, is very recent, and thus somewhat limited at this point in time. It is expected that additional data gathered in the days ahead will provide greater clarity around COVID-19's impact from a racial equity standpoint. What is known, however, is that the virus is having a disproportionately adverse impact on African Americans in Michigan.

As illustrated in the chart below, the percentage of COVID-related deaths in the African American community (41%) far exceeds the overall percentage of African Americans in the state (14%). On the other hand, while Whites comprise approximately 75% of the population in Michigan, less than a third of COVID-19 cases were White, and approximately 44% of COVID-related deaths were White.

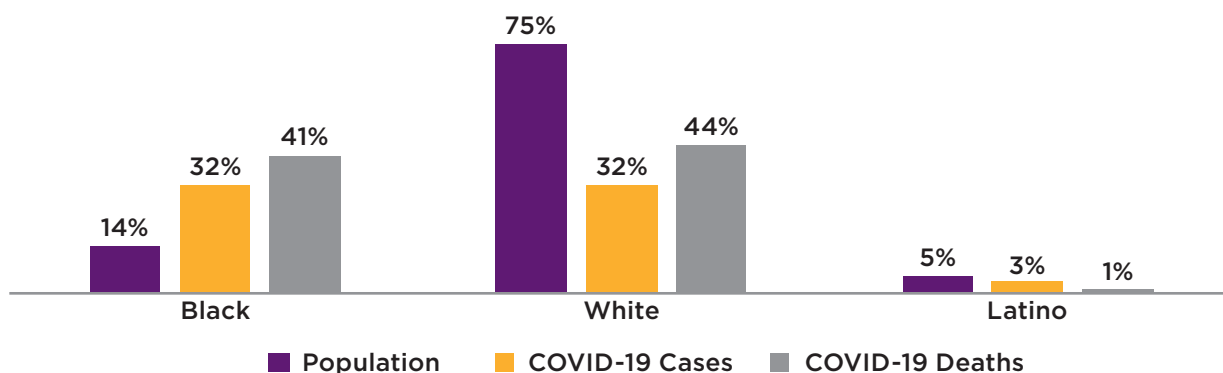
Much research remains to be done concerning the reasons for these stark disparities. However, some factors that help to explain the heavy toll this virus has taken on the Black community have already been identified. Living conditions, work circumstances, underlying health conditions, and lower access to health care are four key issues that have been identified as factors contributing to racial disparities in COVID-19 infection and death rates. Many African Americans, for example, face adverse living conditions, such as living in densely populated areas, residential segregation, long distances from grocery stores, over-representation in jails and detention centers, etc.

In terms of work, African Americans are overrepresented in jobs that are considered essential—frequently service jobs that involve sustained contact with the general public, thereby increasing their exposure and placing them at higher risk for contracting the virus. Additionally, a disproportionate number of African Americans are also employed in lower-wage jobs without paid sick leave, leaving many no option but to continue to work, even when sick. Underlying health conditions, including obesity, high blood pressure, diabetes and respiratory illness, are also factors that increase African Americans’ vulnerability to the disease. And further compounding the problem is a lack of health insurance for many African Americans, coupled with an historical distrust of the health care system.

Beyond the specific factors noted above, it appears that there may be yet another equity-based reason that COVID-19 is having such a devastating impact on the Black community, and that would be a condition referred to as “weathering”. Coined by public health researcher Arline Geronimus, weathering describes the impact of stress resulting from gender and racial inequality, and material hardship. Weathering results from the cumulative experience of racism and sexism over the course of a person’s life. Over time, this chronic, toxic stress accelerates aging and can leave individuals susceptible to health conditions that, in turn, can lead to otherwise preventable deaths.

Lastly, the extent to which health equity, as in lack of access to quality care, may be playing a role in the virus’ impact on African Americans remains to be seen. There is, generally, consensus in the research on implicit bias in health care indicating that—even when controlling for insurance status, income, age and severity of conditions—racial and ethnic minorities receive lower-quality health care than Whites. Regarding COVID-19, there are currently a number of anecdotal examples of African Americans who went to emergency rooms and urgent cares presenting with high fevers and other symptoms that would suggest COVID-19, and yet they were turned away, sometimes more than once. There are other examples where individuals have been admitted to the hospital, but appear to have been released prematurely. While the “evidence” at this juncture is purely anecdotal, future research may point to inferior treatment in the healthcare system as a factor as well. Additional research is needed to determine the extent to which, if any, inferior treatment of African Americans in the healthcare system contributed to the adverse impact of COVID-19 on African Americans.

MICHIGAN COVID-19 CASES & DEATHS BY RACE/ETHNICITY

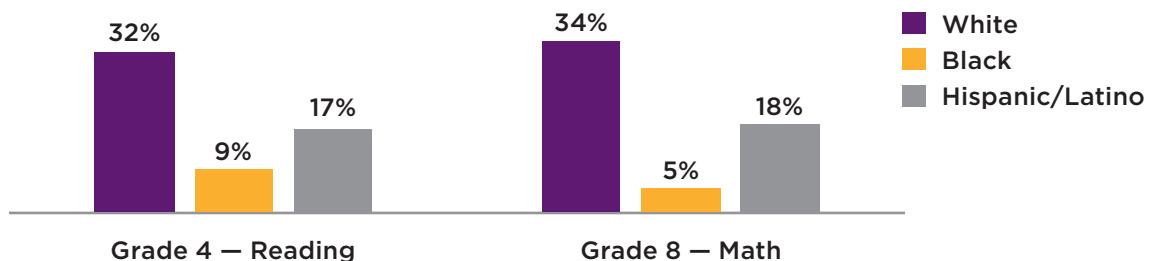


EDUCATION

Racial disparities show up in education in reading proficiency, SAT benchmarks and college readiness, graduation rates, and educational attainment.

- In 2015, about 32% of White students in grade 4 were proficient in reading, compared to 9% of Black and 17% of Hispanic/Latino students in Michigan. In grade 8, approximately 34% of White students were proficient in math, compared to 5% of Black and 18% of Hispanic/Latino students.
- Despite evidence that having at least one teacher of the same race increases the likelihood of school success for children of color, Michigan teachers do not reflect the demographics of their students. In the 2015-2016 school year, 67% of Michigan students and 91% of the state’s teachers were White -- making Michigan’s teaching workforce less diverse than the national average.
- Only 10% of African-American students and 19% of Latino students met or exceeded the SAT benchmark for college readiness in 2015-2016. As a result, African American and Latino youths are less likely to pursue postsecondary education within six months of graduating and are much more likely to require remedial coursework once in college.
- Approximately 35% of African Americans and 25% of Latinos have an associate’s degree or higher, compared with 49% of Whites.
- COVID-19: For many African American and lower-income children, the shift to online learning as a result of COVID-19 places them at greater risk of falling behind. Even for schools that provide students with laptops and tablets, many students still do not have high speed internet. Approximately 21% of students live in households that receive food stamps, and were 16% less likely to have access to high-speed internet. African American children and youth were 8% less likely to have access to high speed internet.

PROFICIENCY BY RACE

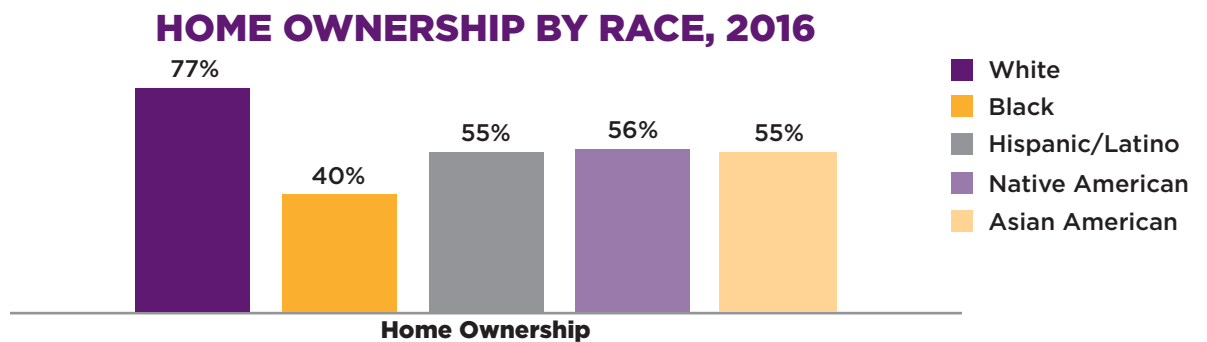




HOUSING

Detroit remains one of the most segregated cities in the country. Additionally, significant racial disparities remain in owning homes, residing in owner-occupied homes, and furthermore with living in middle class neighborhoods.

- Detroit is the most segregated city in the country, with more than half the Black population living in neighborhoods that are 80% Black.
- As of 2016, 77% of White families in Michigan owned their own homes, compared to 40% of Black families, 55% of Hispanic/Latino families, 56% of Native American families, and 55% of Asian American families.
- Only 47 percent of Black households, 58 percent of Other/mixed race households, 60 percent of Latino households, and 64 percent of Asian households are owner-occupied compared to 80 percent of White households.
- COVID-19: Research suggests that racial residential segregation is a fundamental cause of health disparities. For example, racial residential segregation is linked with a variety of adverse health outcomes and underlying health conditions. These underlying conditions can also increase the likelihood of severe illness from COVID-19.



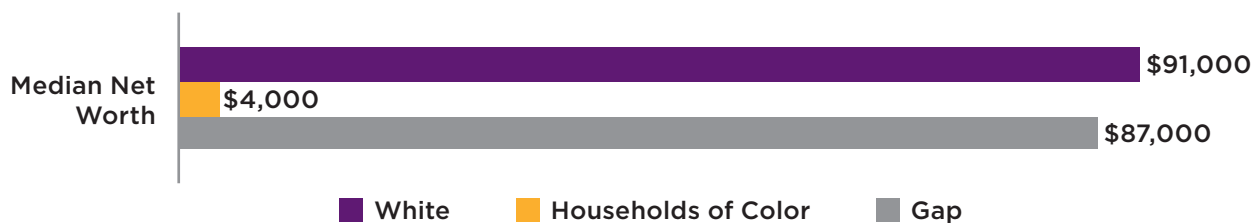


INCOME & WEALTH

Income and wealth shows some of the most significant racial and ethnic disparities in Detroit, with gaps showing in income, rates of working poverty, and net worth. A disproportionate amount of income disparities are attributed to employment gaps, compared to the national average.

- Detroit has the highest percentage of lower-income residents (with incomes under \$25,000) and the lowest percentage of high-income residents (income greater than \$150,000).
- Latinos have the highest rate of working poverty, at 9.9 percent, and Arab Americans and Blacks also have working poverty rates that are well above average (8.6 percent and 6.4 percent, respectively). Whites have the lowest rate of working poverty at about 2 percent.
- The median net worth of White households in Michigan was \$91,000, compared to only \$4,000 for households of color, a gap of \$87,000.
- COVID-19: The median net worth of African American families is \$17,600, compared with \$171,000 for White families, and a White family is likely to have \$10 for every \$1 an African American family has. Approximately 73% of African Americans and 70% of Hispanics/Latinos, compared with 47% of Whites, report that they do not have emergency funds to cover three months of expenses, leaving them especially vulnerable to economic downturns, such as the current COVID-19 crisis.

MEDIAN NET WORTH OF HOUSEHOLDS IN MICHIGAN



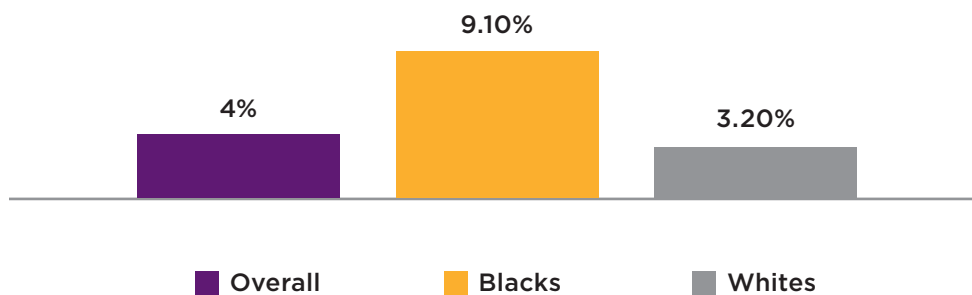


EMPLOYMENT & ENTREPRENEURSHIP

Differences in employment are seen in wages, income gaps, and unemployment rates. Entrepreneurship rates are believed to be similar, though the success of businesses owned by people of color differ significantly on size, profitability, and early survival rates.

- African Americans consistently have higher unemployment and lower wages compared with their White counterparts. For African Americans without a high school diploma, their unemployment rate is 41 percent compared to 23 percent for Whites.
- Fall 2017 unemployment: Overall 4%, Whites - 3.2%, Blacks 9.1%
- Nationally, 34 percent of the racial income gap is due to differences in employment. In the Detroit region, the share of the gap attributable to employment is even higher, at 58 percent.
- Blacks and Hispanics/Latinos start businesses at rates similar to Whites – in fact, Blacks may be more likely to pursue entrepreneurship. However, businesses owned by people of color diverge from White-owned businesses in size, profitability, and early survival rate.
- COVID-19: 44% of African Americans and 61% of Hispanics/Latinos report that someone in their household has either lost a job or taken a pay cut due to COVID-19, compared with 38% of Whites.

FALL 2017 UNEMPLOYMENT

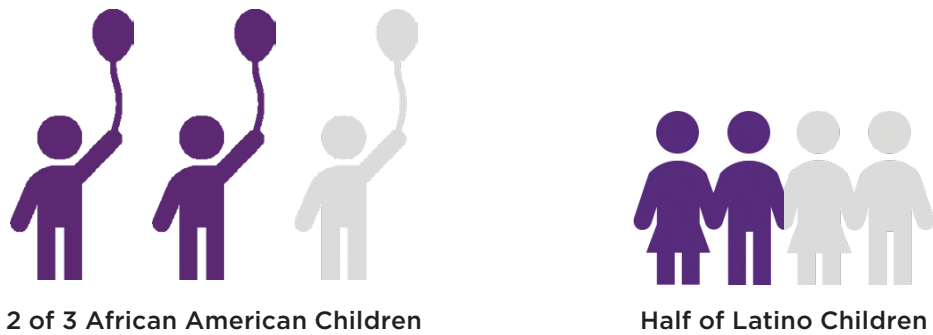




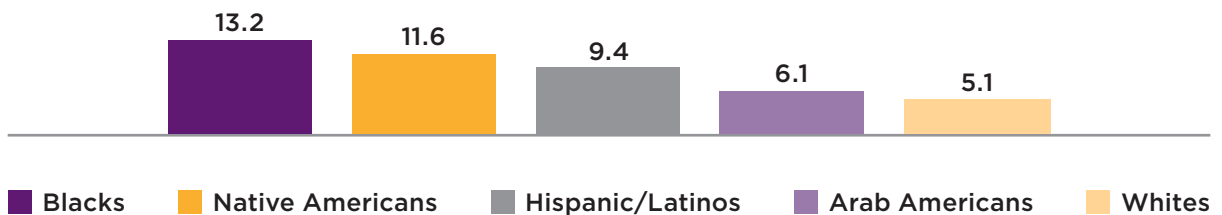
Health disparities are seen throughout the life span, starting with infant mortality and low birth weights, extending through health outcomes including obesity rates and care practices.

- Infant mortality rates: 13.2 per 1,000 for Blacks, 11.6 for Native Americans, 9.4 for Hispanics/Latinos, and 6.1 for Arab Americans, compared to 5.1 per 1,000 for Whites.
- Obesity rates: 31% overall, Blacks at 38% and Whites 30%. Diabetes rates in MI: 14% for Blacks compared to 9% for Whites.
- Two of every three African American children--and half of Latino children--in Michigan rely on public health insurance programs.
- People of color are less likely to receive the recommended standard of care for the same conditions.
- COVID-19: Approximately 27% of African Americans, compared with 13% each of Hispanics/Latinos and Whites personally knew someone who had been hospitalized or died due to COVID-19.

MICHIGAN CHILDREN ON PUBLIC HEALTH INSURANCE PROGRAMS



INFANT MORTALITY RATES PER 1,000



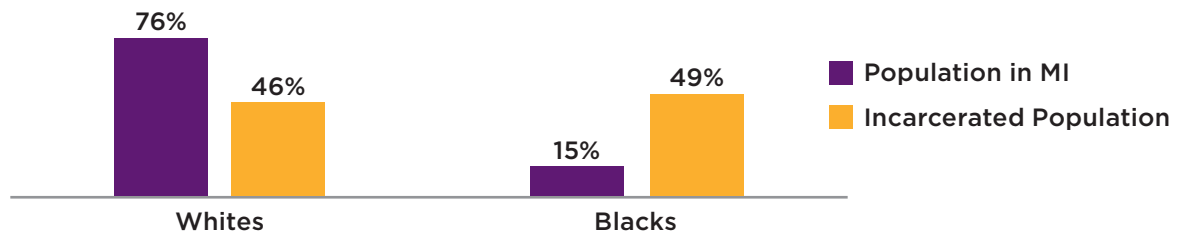


SCHOOL DISCIPLINE & INCARCERATION

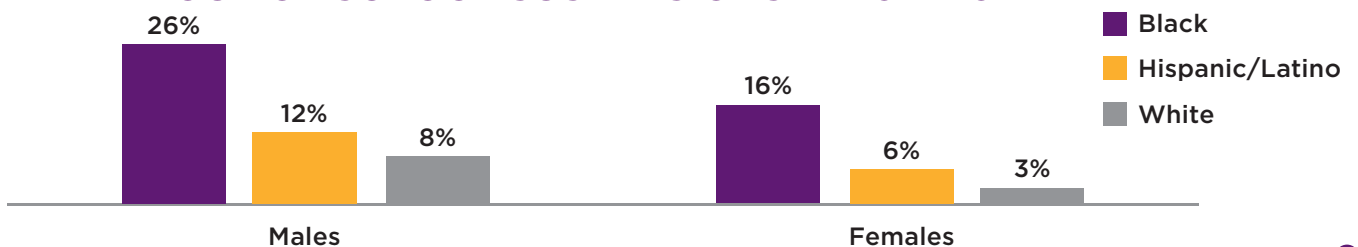
Prisons have a disproportionate Black population as compared to their White counterparts. Both Black males and females have higher out-of-school suspension rates than White males and females, despite evidence suggesting that they do not act out at different rates. Children of incarcerated parents have significant long term effects, which further hinders behavior, health, and educational outcomes.

- Whites make up 76% of the population in Michigan and in 2014 made up 46% of the incarcerated population, while Blacks represent 15% of the population and 49% of the incarcerated population.
- 26% of Black male students had out-of-school suspensions in 2011-2012, compared to 12% of Hispanic/Latino males and 8% of White males.
- 16% of Black female students had out-of-school suspensions in 2011-2012 compared to 6% of Hispanic/Latino females and 3% of White females.
- Children with incarcerated parents are more likely to experience homelessness, drop out of school, develop learning disabilities, experience anxiety, stress and depression, and suffer from physical health problems, all of which hinder educational and other outcomes.
- COVID-19: African Americans comprise 12% of the adult population in the U.S., but account for 33% of the prison population—nearly triple their share of the overall population. In jails and prisons nationally, the COVID-19 infection rate is about 2 ½ times higher than in the general population. In Michigan, at Lakeland Correctional Facility, so far the only prison in Michigan to have tested all of its inmates, approximately 55% of the prisoners tested positive.
- Police violence is a leading cause of death for young men in the United States. Black men face a 1 in 1,000 chance of being killed by police over their lifetime compared to about 1 in 2,000 for men in general and about 1 in 33,000 for women – about 20 times lower than men.

GENERAL VS. INCARCERATED POPULATION IN MICHIGAN



OUT OF SCHOOL SUSPENSIONS IN 2011-2012





NEXT STEPS

In the days ahead, New Detroit's racial equity research will continue. Interviews will be conducted with key stakeholders to help inform the update of the Racial Equity Scorecard, and additional indicators will be identified for inclusion in the Scorecard. In the meantime, for our partners and stakeholders in this racial equity work, we can give thought to the overarching questions that we should be asking to guide the research and our collective conversation as it moves forward. For example,

- *Are there opportunities for alignment across efforts that can increase awareness and build capacity to do this work effectively?*
- *What policy levers will have the greatest impact in addressing racial inequities?*
- *What are the key roles for stakeholders engaged in this effort—residents, philanthropy, community and business leaders—and what approaches, individually and collectively, show the most promise for addressing structural racism?*
- *What are the indicators of progress in systems and practices that should be measured and monitored?*

The highlights presented here are one of many approaches that New Detroit is undertaking in our commitment to redoubling our focus on racial equity. We look forward to building on this research, sharing what we learn with community and business leaders, and to engaging the broader community in discussions that will ultimately result in measurable change.

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