

# America's Tomorrow: Equity Is the Superior Growth Model



October 10, 2013

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## Features

### An All-In Agenda for the Big Apple



Imagine transforming the nation's largest city – a place with the highest level of income inequality in America – into a model of equity and shared prosperity. That's the idea behind a bold initiative in New York that has created a vision of a stronger city that works for all, and a governing agenda to make it a reality.

Invest in infrastructure and wage subsidies to stimulate hiring people who need jobs most, including unemployed and low-wage workers. Build a robust career-pathways system that aligns high school education with the demands of colleges and the needs of employers. Eliminate property tax breaks for huge developments, and use \$4 billion in economic development resources to grow the economy and create good jobs. These are among the far-reaching proposals of [Toward a 21st Century City for All](#), an initiative of the Center for Urban Research at the CUNY Graduate Center.

The recommendations may be New York City-specific, but the underlying narrative has resonance far beyond. It is rewriting the story of urban America in an era of austerity politics.

## In Brief

### King County Report Tracks Equity Results

King County, Washington, has doubled its spending with minority- and women-owned businesses on construction, according to its [latest report](#) on the impacts of a [three-year-old equity initiative](#).

The county, which includes Seattle, has also improved recruiting, training, and hiring of people of color in order to improve services and create economic opportunities.

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### California's New Poverty Measure

A [new poverty measure](#) for California shows the state's poverty rate is 22 percent, but would be eight points higher without important safety net programs like CalFresh.

The measure, developed by the Public Policy Institute of California and the Stanford Center on Poverty and Inequality, takes into account the cost of living in different parts of the state and the

"An all-in city is deeply committed to sharing the benefits of prosperity with all residents through high-quality schools, through policies to reduce income inequality, through policies to improve the quality of life in all neighborhoods and by making sure that all people are included in the opportunities that the city is recreating," said New York City Council Member Brad Lander, the initiative's co-director. "The narrative about cities has been the opposite – that we need to be pragmatic, we can't afford to be concerned about equity."

The initiative has brought together community and labor leaders, policy experts, and progressive city officials in strategy sessions as three-term Mayor Michael Bloomberg prepares to leave office and the city faces a mayoral race with no incumbent for the first time since 2001 – and only the second time since the late 1970s. "It's an important moment to project a bigger vision," Lander said.

Growing inequality, a driving issue for the initiative, has also emerged as a key issue for the electorate. Fifteen percent of New York City metropolitan residents live below the poverty line, while median annual income is \$64,000 – the widest gulf between rich and poor of any metro region in the nation, according to a [recent Census Bureau survey](#). More than 21 percent of New York City residents live in poverty, according to the survey.

Progressive Democrat Bill de Blasio won a crowded primary on a platform of fairer, more inclusive policies. He holds a [big lead](#) over Republican Joe Lhota in early mayoral polls.

In some ways, the 21st Century initiative dovetails with the work of the city council's four-year-old Progressive Caucus, which has had several big wins recently, including a law guaranteeing paid sick leave to one million workers without it, a living-wage bill, and a ban on racial profiling by police. The 21st Century initiative looks beyond focused campaigns to figure out: How do you move city government toward building an all-in city?

Co-directed by John Mollenkopf, a professor and director of the Center for Urban Research at the City University of New York, the initiative commissioned papers on the major areas of city government and urban life – economic development, neighborhoods, education, sustainability, work and family, management and budget, social services, and more. These have been published in a book, which Lander hopes will

benefits of public programs for families in need.

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### **Podcast: Advancing an Equity-Driven Growth Model**

How can economic development strategies help create job opportunities for low-income communities and communities of color?

In four ways, says Sarah Treuhaff on the latest Economic Development podcast by the Federal Reserve Bank of Atlanta: Grow high-opportunity industries, leverage the economic power of anchor institutions, start and expand minority-owned businesses, and maximize our public investments. Listen to the podcast [here](#) and read the original paper [here](#).

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### **Join Us: Communicating About Race, Equity, and the Economy**

To build an all-in nation, advocates and policymakers must talk squarely about how and why racial inequities hinder economic growth and development for everyone. Learn how to effectively communicate these issues in our latest *All-In Nation* webinar on Tuesday, October 15. Register and learn more [here](#).

inspire equity-focused action and policy nationwide.

"We stole a lot of ideas from other cities. We hope other cities will steal ideas from us," he said.

Read the book's proposals at the website: [www.21cforall.org](http://www.21cforall.org).

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## Government Shutdown: Bad for Equity, Bad for the Economy

As we approach the end of the second week of the partial federal government shutdown, two things have become clear: the shutdown is bad for equity, and it's bad for the economy.

Perhaps not surprisingly, low-income people and people of color have been hurt first and worst by the shutdown. Nearly two million federal workers will not receive a paycheck this week, and people of color are [significantly represented](#) among these workers – 35 percent compared to 30 percent in the broader workforce. These jobs are [particularly important](#) for African Americans, who make up nearly 18 percent of the federal workforce, helped by anti-discrimination laws and strong unions that have made public sector jobs more widely available than many in the private sector.

Already, many programs that support low-income working families [have been closed](#) or reduced significantly. Head Start's early childhood education programs have been forced to close or stop new enrollment, affecting up to 19,000 kids. Food aid and financial support for low-income working families have also been cut in several states, or are being funded out of state coffers.

Rather than being a potential driver of equitable economic growth, the federal government may become a drag on the economy due to the shutdown – Moody's Analytics estimates that if the shutdown lasts for another two weeks, it could reduce gross domestic product (GDP) growth by up to [1.4 percent](#). With GDP growth at 2.5 percent last quarter, this means the shutdown may actually cause us to fall back into a recession by the end of this year, with communities of color and low-income communities hurt the most.

During this time of anemic economic recovery, the federal government needs to be making new investments in our

economy that prioritize the communities of color who are driving our population growth and upon whom our future prosperity depends. As we look ahead to 2014, let's not forget who created this false crisis, and continue to organize to pass policies and elect leaders who have the best interest of our communities and our country at heart.

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*America's Tomorrow* highlights campaigns, leaders, policies, reports, and local models that are advancing equity as an economic imperative. It is produced by Chris Schildt, Sarah Treuhart, Fran Smith, and Ana Louie. To learn more, visit the *America's Tomorrow* [webpage](#).

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