Opportunity for All
Inequity, Linked Fate and Social Justice in Detroit and Michigan

Project Funded by
Andrus Family Fund

Prepared for
Michigan Roundtable for Diversity and Inclusion

JULY 2008

KIRWAN INSTITUTE
FOR THE STUDY OF RACE AND ETHNICITY
THE OHIO STATE UNIVERSITY
Inequity, Linked Fates and Social Justice in Detroit and Michigan

Prepared by:

Jason Reece, AICP, Senior Researcher
Christy Rogers, Research Associate

The Kirwan Institute for the Study of Race & Ethnicity

Prepared for:
Michigan Roundtable for Diversity and Inclusion

1. Introduction: Detroit and Michigan at a Crossroads

Like many of its Rust Belt peers, the Detroit region and the State of Michigan are at a crossroads. Both the region and the State are suffering from declining economic standing and growing inequality, at a time when human capital is critical to invigorating stale Rust Belt economies. This critical crossroad represents an opportunity to address the longstanding inequities plaguing and degrading the vitality of the Detroit region and the State of Michigan.

Battered by challenging economic conditions, a national housing crisis and the continued decline of the once-robust manufacturing sector, the region and State must find innovative ways to capitalize on its assets and redirect its course to be competitive in the 21st century. A significant impediment to reinvigorating the State is the widespread and systemic inequity plaguing marginalized populations and communities. For Michigan’s communities of color in urban areas, this marginalization is extremely pronounced, with many of the State’s African American communities isolated from the essential opportunity structures needed to succeed and thrive in the 21st century global society.

The following paper presents a framework to address both Michigan’s economic challenges and systemic inequity. All Michigan residents share a linked fate and common future. This paper looks at the connection between inequity and declining economic vitality, a connection which should raise alarms across the entire State. A significant source of Michigan’s inequity is rooted in housing disparity and racial segregation into distressed (or “low opportunity”) communities. In response, we advocate for a “Communities of Opportunity” model of social justice.
2. Michigan and Detroit’s Coupled Crisis – Growing Inequality and Economic Distress

The Detroit region and Michigan have received significant national attention for their growing economic challenges. Between 1999 and 2007, the State of Michigan lost more than 323,000 jobs, a decline of 7% of the State’s total non-farm employment.\textsuperscript{i} Michigan’s once strong manufacturing sector shed over 283,000 jobs, a loss of more than 30% of its manufacturing employment from 1999 to 2007.\textsuperscript{ii} The Detroit region mirrored these trends, losing 229,000 jobs from 1999 to 2007. As jobs disappeared, unemployment in the region increased dramatically: the number of unemployed workers in the Detroit region increased by 74,000, an increase of 81%. As a result, the Detroit region’s unemployment rate has nearly doubled since 1999, increasing from 3.9% to 7.7%.\textsuperscript{iii}

The Detroit region and Michigan’s economic troubles have deep impacts, resulting in growing poverty and contributing to the housing crisis facing the region and the State. Poverty rates in the Detroit region (from 10.7% to 12.9%) and the State (10.5% to 13.5%) grew between 2000 and 2006. Child poverty grew at an even faster pace, increasing from 9.1% to 18.3% in the Detroit region and from 9.3% to 18.3% for the State of Michigan.\textsuperscript{iv} A surge in foreclosure has crippled the Detroit region, saddling it with one of the highest delinquency and foreclosure rates in the nation. The Detroit-Livonia-Dearborn metropolitan area had the 7th highest 30-day mortgage delinquency rate at 6.98% in the fourth quarter of 2007, a rate that was almost double the national average of 3.86%. Median home prices in the fourth quarter of 2007 for the Detroit region were 18% lower than the median price in the fourth quarter of 2005.\textsuperscript{v} Rising foreclosures are fueling growth in the already high concentration of housing vacancies throughout the Detroit region. The number of vacant homes in the Detroit region increased by nearly 25,000 units (an increase of 25%) between 2000 and 2006.\textsuperscript{vi}

Both the Detroit region and Michigan also stand out as having some of the most pronounced geographic, racial and social disparities in the nation. These growing inequalities present a great threat to any attempts to reposition the State to succeed in our more economically competitive economy and an increasingly diverse nation.

Detroit has long been identified as a city with one of the worst city-suburb divisions in the nation. The City of Detroit, with 834,000 residents in 2006, has lost nearly half of its peak population of 1.67 million residents from 1960. Although much of this decline occurred in the last half of the 20th century, economic and housing challenges in recent years have renewed the flight of residents from the City. Between 2003 and 2006, the U.S. Census Bureau estimates more than 77,000 residents have left the city.\textsuperscript{vii}

The loss of residents, business and investment from the City of Detroit has fueled some of the worst geographic (city-suburb) disparities in the nation. Research by the Lewis Mumford Center at the University of New York at Albany found Detroit to have the 24th worst city-suburban disparity (out of 330 regions) on indicators of economic and social well being (like income, poverty, housing and educational attainment).\textsuperscript{viii} In 2000, poverty rates in the City of Detroit were more than 4 times the rates found in suburban communities (24.7% compared to 5.9%). The City of Detroit’s college educational attainment rates were half of what was found in suburban jurisdictions, and home vacancy rates were two times the rate in suburban jurisdictions.\textsuperscript{ix}

Extreme racial disparities and racial segregation are also prominent in the Detroit region. Detroit regularly ranks as one of the most racially segregated metropolitan areas in the nation. The
Detroit region has the highest rate of racial segregation in schools and housing in the nation (ranking first in both measures out of 329 metropolitan areas). The combination of geographic disparity and racial disparity combine to further isolate racial populations in the Detroit region. On average, African Americans in the Detroit region live in neighborhoods with poverty rates nearly quadruple the rates experienced by Whites. Similarly, for the average African American in the Detroit region, both neighborhood vacancy rates and unemployment rates were nearly double the rates experienced by Whites. (Please see Figure 1 for these figures.)

The Detroit region also has the largest degree of “job sprawl” and spatial mismatch for African Americans in the nation. The Brookings Institute found that more than 90% of employment in the Detroit region had moved outside of the core business district in the region, while nearly 75% of African Americans in the region were physically segregated from jobs. (Nationally, only about 1/3 of Whites and more than ½ of African Americans were found to be spatially segregated from employment). Segregation also means more students of color in the Detroit region are trapped in the region’s worst performing schools. More than 4 out of 5 African American students in Macomb, Wayne and Oakland counties attend three districts. The City of Detroit district contains the largest number of African American students in the region; a 2008 study by the EPE Research Center found the Detroit City public school district to have the lowest high school graduation rate (24.9%) among the 50 largest school districts in the nation.

Geography, race and poverty are intertwined in the Detroit region: poverty and place work together in a systematic way, fueling racial disparities and isolating communities of color from opportunity. Geographic, social and racial disparities are more than just indicators of isolation for marginalized populations. These disparities (and inequality) play a significant role in undermining the future for all residents of the Detroit region and the State of Michigan. Inequality represents lost human, social and economic capital for the Detroit region and the State of Michigan. Addressing these inequities is a critical step to assure a functioning democratic society and prepare the region for its future.

3. Linked Fates: Inequity and Regional Vitality

If we are to address the economic challenges facing the State of Michigan, we must understand one critical concept – our growing interconnection and linked futures. Our world is growing more and more interconnected. This becomes more apparent every day as we discover the global nature of our environmental challenges and as the global economy continues to intricately tie societies and nations together. Everyone’s fate and future is intertwined in our 21st century society. Flooding and weather calamities imperiling communities are tied to global warming, a result of the world’s greenhouse gas production. Michigan’s manufacturing decline is linked to technological changes and the growth of lower cost manufacturing abroad.

The current credit, housing and foreclosure crisis gripping our nation illustrates this interconnectedness as well. The securitization of mortgages, a surge in global investment capital, and a deregulated market created tremendous incentives to offer unsustainable credit to marginalized communities and borrowers. As a result, the rapid growth of subprime and predatory lending and housing speculation devastated marginalized communities, which spread like wildfire to much of the housing market and threatens to destabilize the entire U.S. economy. In short, changes on Wall Street created incentives for exploitation in urban places like Detroit, which in turn conflated to the point that they dragged the entire housing economy downward and limited access to credit throughout the U.S. economy.
The widespread effects of global warming, deindustrialization and the foreclosure crisis tell us something about the interconnected nature of all of Michigan’s residents. Everyone in southeast Michigan -- and moreover, all Michiganders -- share a common future and impact one another, just as all communities in Southeast Michigan and the State share a common future. Michigan and Southeast Michigan’s racial, geographic and social inequities harm more people than just marginalized groups and communities: Michigan’s inequities imperil the State’s economic future, thus impacting everyone.

Inequities and disparities are more than just a representation of one group or community doing worse than others; they are a symptom of a greater challenge: the isolation or marginalization of a large number of Michigan’s residents. Disparities indicate that entire groups or communities are isolated from the critical opportunities and tools needed to succeed, thrive and survive in our society. These residents face so many obstacles to success that many are never able to meet their full potential, representing not only an individual tragedy but a societal tragedy. The high school dropout who falls prey to the challenges in the community could have been the community’s next business leader, educator, entrepreneur, community organizer or political leader. This individual story is tragic, but an entire community of youth lost this way is a societal challenge that will prove disastrous to Michigan’s economic future.

Ample research and experience support the finding that regional inequities and disparities spell disaster to the economic future of the entire metropolitan region and the entire State. In the absence of equitable regional coordination, local actions can undermine efforts to remedy racial disparity and limit access to opportunity. Political fragmentation – the division of metropolitan areas into numerous local governmental entities – plays a significant role in the racial segregation and segregation from opportunity in our metropolitan areas. Political fragmentation allows municipalities to enact parochial policies, such as exclusionary zoning, that ensure continuing residential segregation. These exclusionary policies, combined with the fragmentation of local government and school districts in metropolitan areas, work to uphold persistent economic and racial segregation throughout the region. Research by David Rusk has found that our nation’s most fragmented regions have the greatest degree of regional and racial inequity, and often contain the most unhealthy central cities. In contrast, cities that have actively grown through annexation have the ability to reduce barriers to opportunity, benefit from suburban growth and have more stable tax bases and public services.

As we move further into our 21st century economy and learn how our economy is changing, the push to collaborate, innovate, and educate all of our children grows in importance. The economic future for regions like Detroit or Rust Belt states like Michigan will not look like the economy of the 20th century, a model of mass production built around unskilled labor. The future will be based on innovation and a work force that is skilled with technical prowess and more advanced decision-making capability. Innovation is the road to business, regional and societal wealth in the 21st century. But, an innovation-based economy will struggle to succeed without an educated and skilled labor force.

How can the Detroit region or the State of Michigan be prepared for the 21st century economy with such widespread, persistent and systemic inequities? Inequities represent waste in our society -- wasted human capacity and human potential. As the economist Richard Florida states in *The Flight of the Creative Class*: ...
“Rising inequality is a deadweight drag on our economic competitiveness…The basic formula is simple: Those companies, regions and countries that reduce waste and effectively harness their productive assets have a huge advantage in the Darwinian competition that powers creative capitalism.”

If Detroit region and the State of Michigan are to succeed in the future, the old model of economic development and decision making must also be retired. Inclusive regional economic development, planning and decision making are the road to a more sustainable and economically vibrant future for Detroit and the State of Michigan. Interregional competition between neighboring communities wastes resources and diverts attention away from growing opportunity for everyone in the State of Michigan. Metropolitan regions are the new economic building blocks for the future.

A central tenet to promote effective regional policy making and address the region’s wide ranging disparities is Regional Equity. Regional equity, in practice, means connecting more people to better opportunities in housing, education, workforce training, and economic development. To produce greater regional equity, initiatives must work to reduce the disparity in resources between communities, proactively connect people to opportunity structures, and manage the inefficient and fragmented suburban growth which is causing disinvestment and neglect in existing communities. John Powell sums up a broad approach to creating regional equity in *Urban Sprawl as a Civil Rights Issue*:

> Those concerned with civil rights in this nation, and stakeholders in metropolitan regional vitality more generally, must push for metropolitan policies that place racial justice issues at the fore: policies that open housing throughout the metropolitan region, and tie that housing to jobs, educational opportunities, and transportation; policies that bring greater equality to tax bases among municipalities within regions; policies that direct investment to economically isolated areas but protect against the displacement of residents living in those areas; and policies that reverse trends of residential segregation and concentration of poverty.

4. **Understanding Inequity: The Role of Housing and Spatial Discrimination in Denying Access to Opportunity**

Housing provides more than just shelter. Housing is the primary conduit to accessing opportunity and building wealth and economic stability in the U.S. Housing location is the critical leverage point to determining access to education, employment, childcare and health care or in determining the likelihood of developing assets/wealth through home equity. Housing can be either an impediment or conduit to opportunity depending on its location. Exclusionary housing policies and practices actively work to disconnect marginalized populations from opportunity by concentrating affordable housing options into extremely distressed and segregated neighborhoods.

Fifty years of social science research has demonstrated that racially isolated and economically poor neighborhoods restrict employment options for young people, contribute to poor health, expose children to extremely high rates of crime and violence, and house some of the least-performing schools. A vast body of research literature documents the ways in which social opportunities, and the advantages they confer, cluster and accumulate spatially. Neighborhoods powerfully shape residents’ access to social, political, and economic opportunities and resources.
Half a century ago, when federal subsidies for suburban housing and transportation made it economical for middle-class families to leave the city, Whites left in numbers. Because early housing policy often prohibited integrated neighborhoods through lending restrictions and racially restrictive covenants, it was mostly Whites who left and built equity in new neighborhoods. As central cities lost significant population, jobs followed. The loss of tax revenue resulted in increased tax rates for municipal services for those who were least able to shoulder them. Funds for maintenance and repair of existing infrastructure waned as money went to subsidizing further suburban and exurban development.

Today, suburban land use policies continue to prevent fair housing opportunities by promoting single-family, large-lot development. This has been shown to depress the growth of suburban rental housing and limit in-migration by African American and Latino families. The location of federally- and state-subsidized rental housing contributes to continuing segregation as well, by clustering affordable housing in economically disadvantaged communities of color. In addition, continued discrimination in the housing market, racial steering by realtors, and predatory or discriminatory mortgage lending all limit housing opportunities for people of color.

Opportunity-based housing affirmatively and deliberately connects affordable housing to communities of opportunity. Ideally, housing policy should deliberately connect affordable or assisted housing to regional opportunities, such as high performing schools, meaningful employment, viable transportation, quality childcare, responsive health care, and other institutions that facilitate civic and political activity.

The specific principles to guide an opportunity-based housing model include the following:

- Preserve the supply of existing affordable housing and expand the supply of decent housing for low- to moderate-income families in opportunity rich neighborhoods across the metropolitan area.
- Ensure that all residents can buy or rent homes in the neighborhoods of their choice that are racially and economically integrated, and that feature a rich set of social, economic, and educational opportunities.
- Provide subsidies to make housing more affordable to low- and moderate-income families in mixed income, racially integrated neighborhoods.
- Increase wealth opportunities through homeownership for all families in neighborhoods where homes’ values are rising rather than falling.
- Plan for the development of affordable housing on a regional scale that intentionally connects housing to quality schools, plentiful employment opportunities, and an accessible transportation infrastructure.
- Promote a more balanced type of metropolitan growth that promotes the health of the region as a whole and connects all communities to opportunity.

5. Housing Opportunity and Access to Opportunity in Southeast Michigan

Housing is still the most important vehicle for accessing opportunity in our nation. The Detroit region has seen some improvement in housing opportunity for people of color, but the region still remains highly segregated, with limited access to housing opportunity (and neighborhoods of opportunity) for many Detroit residents. In 2000, nearly 29% of the total population of Wayne County reported housing “problems” as defined by HUD, generally from substandard housing,
dilapidated units or due to cost. Housing cost was the primary source of housing problems in Wayne County. Almost 1 out of 4 Wayne County households was paying too much for housing (more than 30% of their income) and nearly 12% of Wayne County households were paying more than half of their income for housing. For people of color, housing challenges were even more pronounced. While 22% of White Wayne County residents suffered from housing problems in 2000, 37% of African Americans and 35% of Latinos and Asians dealt with housing problems.

Homeownership is another measure of housing opportunity in our society. For most Americans it offers the opportunity for wealth and asset building, provides significant tax benefits and historically has provided a more stable and sustainable form of housing. The wealth generated by homeownership is a transformative asset that can expand the resources, power and opportunities available to future generations. In 2002, home equity represented over 80% of the median family’s net worth in the United States. Much of the 900% disparity in net worth between White and African American households can be explained by the homeownership gap. For African Americans in the Detroit region, this critical indicator of housing opportunity should cause alarm. In both Wayne County and the Detroit metro region, African Americans’ homeownership rates have declined since 1970. Homeownership rates were 56% for African Americans in 1970 but dropped to 48% in 1990 before increasing slightly to 53% in 2006 (please see Figure 9). The racial “footprint” of the current subprime lending and foreclosure crisis suggests that these rates will be on the decline again, as racial disparities in subprime lending have lead to a disproportionate number of foreclosures for African American homeowners.

Detroit suffers some of the worst racial segregation in its housing and schools in the nation. Analysis of trends in segregation during recent decades indicates that these trends have improved slightly, but generally the region has remained extremely segregated by race in its neighborhoods and its classrooms. As seen in the maps in Figures 3 to 8, the segregation of the African American population in the Detroit region has continued over five decades. Although some African American families have moved outside of the core of the city of Detroit, African Americans still remain highly clustered in the City of Detroit and a few remote suburbs.

A review of the dissimilarity index shows that the region is racially segregated for all racial groups, but that African Americans are the most segregated. The dissimilarity index measures the proportion of a racial population that is physically segregated from another racial group. The index number represents the proportion of the population that would need to relocate into integrated areas to fully integrate the region’s neighborhoods or schools. African American-White dissimilarity in the Detroit region was 0.847 in 2000, meaning that nearly 85% of the White or African American population would have to relocate to integrate the region’s neighborhoods. This figure has barely moved in the past twenty years -- the African American-White dissimilarity rate in 1980 was 0.875 and was 0.875 again in 1990. The dissimilarity rate for Latinos and Whites in the region was 0.459 and Asian-White dissimilarity was 0.459 in 2000. Dissimilarity rates also suggest growing residential segregation for Latinos and Asians (segregation from Whites) in the region between 1980 and 2000.

Racial segregation in Detroit’s classrooms is also severe and growing. Since the Supreme Court’s 1974 *Milliken* decision barred school desegregation between districts, racial segregation in the City of Detroit’s schools has continued unabated. The dissimilarity rate for African American school children (in relation to White children) was 0.881 in 2000, meaning nearly 9 out of 10 African American or White students would have to relocate to integrate the region’s
schools. Segregation in the schools for African American children has increased from 0.863 in 1970. Racial segregation in the Detroit region’s schools also corresponds to economic segregation for students of color. The average African American student in the Detroit region attended school with a student poverty rate of 76% in 2000. In contrast, White students on average attend schools with poverty rates of 20%. Latino students are also more likely to be found in high poverty schools, with the average Latino student attending a school with a poverty rate of 54%. (See Table 1 for dissimilarity rates for all races for residential and school segregation in the Detroit region.)

The convergence of school and residential segregation speaks to a greater challenge in the Detroit region -- the isolation and segregation from communities of opportunity for marginalized residents. To evaluate this concern, we analyzed the characteristics of communities across the region by conducting an “opportunity mapping” analysis. This opportunity mapping analysis looked at a number of indicators of opportunity and community conditions for neighborhoods throughout the Detroit region. By comprehensively measuring educational opportunities, economic opportunities and other neighborhood and housing challenges (like concentrated neighborhood poverty, vacant property or crime), we can provide a comprehensive evaluation of the region’s best and most challenged neighborhoods. Map 1 presents this “opportunity map” for the Detroit region. As seen in the map, most of the lowest opportunity neighborhoods are located in Wayne County and in the City of Detroit.

As seen in Map 2, the African American community is highly concentrated in these low opportunity areas. While only 36% of the total population lived in the region’s low opportunity neighborhoods (which represent two-fifths of the neighborhoods in the region), 90% of the African American population (or nine of ten African Americans) were found in low opportunity neighborhoods. In contrast, only 19% of Whites lived in low opportunity communities. While more than 43% of the region’s total population lived in high opportunity neighborhoods, less than 4% of the African American population lived in these communities. In absolute numbers, these percentages mean that more than 930,000 African Americans (and 580,000 Whites) live in opportunity poor neighborhoods, which lack access to the critical opportunity structures needed to succeed in the 21st century (a safe environment, a good educational system and economic opportunity). This racial isolation into low opportunity neighborhoods is not just confined to the African American population; more than half of the Latino population is concentrated in low opportunity communities. (Please review Table 2 and Figures 10 and 11 for the full results of this race and neighborhood opportunity analysis.)

Housing access plays a critical role in understanding this opportunity isolation. As seen in the previous data, Detroit’s communities of color suffer more housing cost challenges than White residents. Lack of affordable housing in high opportunity areas (and other forms of housing discrimination) work to lock these residents into opportunity deprived areas of the region. The supply of site-based HUD subsidized housing supports this conclusion. Map 3 displays the location of federal subsidized housing in the region in 2000. The map clearly illustrates that few of the subsidized units are found in high opportunity neighborhoods, while most units are clustered in the region’s low opportunity areas.

Inequities in housing access also speak to larger structural and systemic problems. Housing inequities can be “red flags,” presaging housing challenges that will impact the entire housing market. As Lani Guinier and Gerald Torres write in The Miner’s Canary, challenges facing marginalized groups are warnings that our society must heed. The recent foreclosure crisis
facing the nation demonstrates this; as predatory lending practices and affordability challenges spread beyond marginalized populations, they impacted the entire housing market, which destabilized the economy and caused major financial shakeouts, such as the collapse of Bear Sterns. Had these structural problems with the housing market been addressed earlier, their impact on the broader housing market and society could have been diminished.

These findings are troubling given the central role equitable housing plays in expanding opportunity for all residents. For greater equity, sustainability and economic vitality in the State of Michigan and the Detroit region, we must confront housing challenges (and work to promote access to opportunity) as a strategic intervention point to expand opportunity for all in the State. All Detroit residents, Southeast Michigan residents and Michigan residents must pay attention to these troubling indicators of inequality and opportunity isolation which plague the city, region and State. Only by addressing these challenges directly can the State and the Detroit region build a society that is sustainable, equitable and allows all residents access to the levers of opportunity critical to succeeding in our 21st century society.

6. The Response

Extreme inequality limits the development of opportunity, resources, full selfhood, and community. We call for transformative strategies which are grounded in political inclusion. Our work has shown how societal inclusion is adversely affected by racial and spatial segregation.

Because a discussion of “race” not properly understood or framed can be a means of dividing people, we must talk about race and our racial histories and meanings in a different way. Research has shown that a litany of racial disparities, instead of uniting people and moving them to action, often can disrupt efforts to move a community forward because a listing of disparities activates certain mental “frames” in many people. They tend to minimize the disparities, or blame individuals (or their “cultures”), or point to exceptions. This is because they often view racism only through an individualist frame. This frame defines racism as intentional, malicious acts by individuals towards other individuals. In contrast, an understanding of “structural racialization” shows that racialized outcomes can occur even in the absence of personally racist actors.

Structural racialization refers to the ways in which the joint operation of institutions -- such as housing markets, tax policy, and public schools -- produce racialized outcomes across space. Historically, marginalized people of color have been spatially isolated from economic, political, educational and technological power over the course of history via reservations, Jim Crow, ghettos, barrios, and the culture of incarceration.

Spatial isolation compounds the difficulties faced by poor families of color. Professor Rebecca Blank coined “cumulative causation” in her book It Takes A Nation: A New Agenda for Fighting Poverty. Her research showed that in the U.S., while Whites are poor in greater numbers, people of color are more likely to be in prolonged poverty and to suffer the cumulative effects: poor health, lack of labor market experience, inadequate education, etc. Exclusion or marginalization across multiple domains over time is a more sophisticated understanding of causation. Rather than a causing b, “cumulative causation” means that the sum of the parts is more than, and different from, the parts themselves.

Therefore, to frame a productive conversation around “race,” inclusive of structural racialization and cumulative causation, we suggest the following.
DON’T:

- Don’t present disparities only and then leave them there. (Contextualize them. Explain how they occurred and why they are harmful to everyone in the community.)
- Don’t frame action as robbing Peter to pay Paul. (Grow the entire pie, don’t fight over tiny pieces.)
- Don’t separate out people in need from “everybody else.” (Everyone, at some point in time, needs help from other people.)
- Don’t glide over real fears, shared suffering, or the fact that people are often internally conflicted.
- Don’t dismiss the importance of individual efforts.

DO:

- In the story you tell, make sure everyone can see themselves in the story (it’s about “all of us,” not just “those people”).
- Underscore shared, deep values (opportunity, connectedness, good health, and a sustainable and productive future).
- Acknowledge that individualism is important, but that the healthiest individual is nurtured by a community invested in everyone’s success.
- Propose policies that are universal and targeted. By this we mean, posit a universal goal -- i.e. “everyone graduates from high school” -- but recognize that individuals and schools will need different types of resources to achieve this.

Second, we advocate for transformative solutions, rather than transactional solutions. By transformative we mean (1) we must rethink societal structures and their relationships (2) we need to acknowledge that people are “differently situated” and that their access to various opportunity structures (advanced education, health care, technology) varies as a result of this difference and (3) a single-issue (or “universal”) solution to disparity and inequality is not enough.

In contrast, a transactional solution is one that helps individuals negotiate existing structures. The analysis is that the individual is not adequately handling a properly functioning structure, whereas the structure may be insensitive at best (and hostile at worst) to the varying circumstances of peoples’ lives. Rather, we need to re-think structures themselves. Consider the subprime foreclosure fiasco. Bringing underserved borrowers into a short-term, profit-driven and largely unregulated market is an example of a transactional (and failed) solution. A thoughtful re-examination of the various pathways to homeownership and other means of equity building -- given changing economic realities, family structures and income streams -- would be an alternative transformational approach.

Consider schooling as another example. A transactional approach would focus on helping the individual family find the right school for the child and prepare the child for the school setting. A transformational approach, in contrast, would question the structure of the school system itself. If there are a limited number of “good” schools, this cannot be addressed by simply focusing on
the student. There may be competition for the limited number of slots in a good school. The transactional approach may help get a particular child one of those slots, but it does nothing to increase the total number of slots. When problems require a transformative intervention, a focus on only the transactional will not address this need; in fact, it can make it worse. The following are examples of transformational approaches, goals, and strategies.

**Strategies for transformational success:**

- Define success before intervening. A shared vision of a successful neighborhood or community is needed to convene and effectively engage various stakeholders.
- Make equity, “fairness” and inclusion explicit goals. Without explicitly planning for and maintaining a focus on inclusion, policy changes may be less effective.
- Adopt a long-term approach. Economic distress did not occur quickly in marginalized communities, but represents decades of disinvestment, segregation and decline. Therefore, successful interventions require a long-term approach and strategy. Interventions must give initiatives time to mature. (Grant cycles and planning should recognize this need.)
- Adopt a multi-faceted approach. A number of impediments and challenges converge to systematically disadvantage urban neighborhoods or neglected rural communities. For example, targeted revitalization may require intervention and simultaneous support for education, housing and economic development initiatives.
- Engage critical stakeholders. Universities, urban hospitals and major employers have tremendous resources, influence and linkages to nearby communities. The investment of these partners (and the ability to leverage their considerable assets) can significantly increase the likelihood of successful revitalization.
- Focus on “turning point” neighborhoods or communities. Many communities have resources and attributes which give them great potential, where strategically placed investments can effectively spur revitalization. Initiatives to promote revitalization must first target communities who are “on the brink” of revitalizing.
- Bring small success to scale. Many small-scale interventions have proven locally effective, but are not producing significant results because of their limited scale or scope.
- Address specific macro-level issues. Supporting initiatives to address systemic problems in marginalized communities can also aid both targeted “turning point” communities and communities who are least likely to redevelop. For example, addressing macro-level issues, such as discriminatory public investment policies, will produce benefits for many communities.
- Make catalytic investments. It is necessary to align actions with public policy, public agencies, non-profits investment and private capital. Seek out projects and investments that have the potential to attract private investment, be coordinated with large-scale public investments and policy or encourage nearby private investment.
Example: Transformative Educational Opportunities

- Create new educational opportunities in distressed areas. New outlets for educational opportunity are needed in distressed communities. One strategy to achieve this goal is to support more magnet schools in inner-city areas. Another opportunity to expand educational opportunity in distressed areas is to target the highest quality teachers into schools with the highest need students (for example, schools with the highest poverty rates).

- Eliminate high poverty schools while promoting socio-economic and racial diversity in all educational settings. Promote mobility initiatives that eliminate barriers to accessing low poverty, high performing schools. Promote more regional educational mobility and policy.

- Address early education issues for children in poverty. Many of the educational obstacles facing children in poverty occur prior to primary school. Inadequate pre-school access and other challenges related to child poverty limit educational outcomes for students. Neighborhood revitalization initiatives should consider collaborating with child poverty and early education initiatives to identify opportunities for improving educational outcomes.

- Work on in-school reforms to promote positive educational outcomes. These reforms could include service learning; school-to-career programs; de-tracking students, curriculum reform, linking P-12 programs to University to ease students’ transition between secondary and post-secondary education.

Example: Leadership Development and Capacity Building

- Assist neighborhood organizations in their attempt to “scale up” to an efficient, well-resourced organization with trained and dedicated staff. (Example: Provide technical assistance to volunteer organizations.)

- Support an intentional, inclusive networking effort among existing organizations, so that they can share best practices and cut costs by minimizing the learning curve for new community groups.

- Sponsor convenings that bring various partners together to brainstorm, communicate with one another, and set a shared vision for success. Set an agenda to discuss particular issues that affect multiple communities. Fund initiatives that promote collaboration among partners and reduce competitive pressure between organizations.

- Provide data and analysis to support decision making by local organizations. Provide support to monitor the results of any intervention. Provide support for community organizations to engage the public through participatory research methods to gain input (and build community support) on strategies to promote community development. Many programs led by community organizations are begun without dedicated support to monitoring the efficacy of investments. When programs are monitored transparently, they can be appropriately guided, scaled-up, or corrected.
7. **Communities of Opportunity: A Social Justice Model**

As we have demonstrated, racism, poverty and social exclusion have a spatial dimension, one that increasingly can be modeled quantitatively and communicated to wide audiences. To apply this concept, we at the Kirwan Institute have pioneered the use of Geographic Information System (GIS) in service of social justice analysis, communication, and problem solving.\textsuperscript{xxxii} The GIS-produced maps often display the opportunity confinement of the majority of the Detroit region’s communities of color. This bold visual aid gives us a clear understanding of opportunity segregation – and where to begin to fix it. For example, a map might show that poor Latino families lack public transportation options to a regional hospital. Another analysis might pinpoint the lack of affordable, healthy grocery stores in economically depressed communities.\textsuperscript{xxxiii}

The Community of Opportunity model is an inclusive model, regional in scope, positing that every household should have equal access to opportunity. The model advocates that increased opportunity for all should be a measure of the health of the entire region. The model embraces geographic diversity, and moves beyond traditional dichotomous explanations (i.e. “city vs. suburb”) in examining regional disparities. Transformative changes occur when communities actively pursue increased access to opportunity for all citizens. Thus, the model relies upon engagement of a region’s officials, stakeholders, and citizens. Our model does not support a “zero-sum” solution, where one community is encouraged to “take” from another. Various communities in a region depend on one another for an economically strong, vibrant, sustainable economy. All of these communities must be able to lend their voice to a regional development strategy, and all must be encouraged to grow. An expanded sense of opportunity for all must guide our collective action. The pathways to opportunity in the model involve three areas of focus: people, places, and linkages. The degree of connection among these three areas determines the opportunity potential of a neighborhood.

*Supporting people* is achieved through investments in human capital whereby everyone has the opportunity to reach their creative potential. This can be generated through wealth creation, educational attainment, sustained employment, and political empowerment. Examples include affordable homeownership programs, leadership and job training, community organizing and assisted housing where needed.

*Supporting places* is achieved through support of community development initiatives and growth management practices that support and empower neighborhoods. This can be generated through neighborhood redevelopment, support of neighborhood anchors, including schools and museums, increasing employment opportunities to jobs providing living wages, and equal provision of local services, including high-performing schools. Examples include brownfield and vacant property development, minority and small business development, improved school conditions, and housing and infrastructure investments. Anti-gentrification strategies such as rent control are also necessary.

*Supporting linkages* is achieved through providing the connections between people and places. This concept revolves around the mobility and degree of access for people to high opportunity areas. Examples through which this can be achieved include fair share and inclusionary (or opportunity-based) housing, public transportation and school integration. Without these linkages, support of people and places is less effective.
8. Conclusion: Equity and Opportunity – The Ingredients for a Prosperous Future

At the heart of the challenge for Michiganders, Detroiters, and indeed everyone in our society, is a vision of an inclusive society -- physically, socially, economically and spiritually. Nobel-prize winning economist Amartya Sen writes, “It is not so much a matter of having exact rules about how precisely we ought to behave, as of recognizing the relevance of our shared humanity in making the choices we face.”

By adopting an opportunity-oriented model of development and empowerment, we can recognize our shared humanity. We can address the systemic and structural barriers that cumulatively work to deny opportunity and advancement to marginalized people and communities. The model is not a welfare-oriented model of support, but empowers communities by reorienting the levers and pathways of opportunity – making them work for marginalized populations. By allowing a creative space for individuals and communities to achieve their potential, we can produce a healthier and more robust democratic society.

Our investments must be transformational, not transactional: they must interrupt a dynamic of disinvestment, isolation and structural violence to reconnect people to opportunity and to one another. For example, we must intentionally structure schools to avoid racial isolation and concentrated poverty, which depress democratic citizenship and reduce academic achievement. We need to prepare our students to be citizens and workers in an evolving, interconnected, pluralistic world where learning will be a life-long engagement. At the same time, we must intentionally structure housing to be affordable and accessible to good schools, jobs, public transportation, high quality childcare, preventative health care, and civic organizations. We must empower and connect local organizations that represent and advance the interests of residents. Only when we recognize our interconnection and build upon the strengths of everyone in our communities will we be creating a truly sustainable future for all.
Figure 1: Neighborhood poverty rate, home vacancy rate & unemployment rate for the average White, African American, Asian and Latino household in the Detroit Metro Area. Source: The Lewis Mumford Center, Neighborhood Inequality Database.
Figure 2: School Poverty Rate for the Average Student (by Race) in the Detroit Metro Region 2000.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>African American-White</td>
<td>0.875</td>
<td>0.875</td>
<td>0.847</td>
</tr>
<tr>
<td>Latino-White</td>
<td>0.414</td>
<td>0.398</td>
<td>0.457</td>
</tr>
<tr>
<td>Asian-White</td>
<td>0.405</td>
<td>0.429</td>
<td>0.459</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>African American-White</td>
<td>0.863</td>
<td>0.883</td>
<td>0.881</td>
</tr>
<tr>
<td>Latino-White</td>
<td>0.556</td>
<td>0.603</td>
<td>0.578</td>
</tr>
<tr>
<td>Asian-White</td>
<td>0.456</td>
<td>0.461</td>
<td>0.525</td>
</tr>
</tbody>
</table>

Table 1: Residential and School Dissimilarity Rates for Racial and Ethnic Groups in the Detroit Metro Region.
Figures 3 to 8: Distribution of the African American Population in Detroit 1950 to 2000; Map Prepared with the Social Explorer Web Site [www.socialexplorer.com](http://www.socialexplorer.com) and based on historical census data.
Figure 9: African American homeownership rates 1970 to 2006 for Wayne County and the Detroit Region. Source: U.S. Census Bureau.
Distribution of Racial Populations (% of Total Race Population) by Neighborhood Opportunity Type in the Detroit Metro Region

Figure 10: Results of Opportunity Analysis for the Detroit Region. Proportion of racial population (by race) by neighborhood type.

Number of Persons by Race in 2000 by Neighborhood Opportunity Type (Low, Moderate, High) in the Detroit Metro Region

Figure 11: Results of Opportunity Analysis for the Detroit Region. Number of persons (by race) by neighborhood type.
Map 3: Neighborhood Opportunity Map and 2000 Distribution of Federal Subsidized Housing

Legend
- Site Based Subsidized Housing Sites 2003
- County

Neighborhoods (Census Tracts)
Opportunity Index Rank
- Very Low Opportunity
- Low Opportunity
- Moderate Opportunity
- High Opportunity
- Very High Opportunity

Source: Neighborhood Opportunity Analysis by the Kirwan Institute and the U.S. Census Bureau
Author: The Kirwan Institute, The Ohio State University
Date: July 16th 2006
Note: Opportunity Analysis based on assessment of 15 neighborhood based indicators of opportunity. Please review report for full list of indicators.
References and Sources:

xi. Source: The Lewis Mumford Center, Neighborhood Inequality Database. Available on-line at: http://mumford.albany.edu/census/SepUneq/PublicSeparateUnequal.htm
xvi. Rolf Pendall, Local Land Use Regulations and the Chain of Exclusion, 66 (2) J. American Planning Association (Spring 2002)

Page 194

The equity from homeownership is also affected by the quality of neighborhoods into which African American homeowners are often segregated.


For more information about “opportunity mapping” and the methods used to conduct the Detroit opportunity mapping analysis, please refer to the appendix at the end of this report.

The data used for this analysis is from the 2000 Picture of Subsidized Housing available from the U.S. Department of Housing and Urban Development. Please note that non-site based housing vouchers are not included in this data set (but site based voucher areas are identified).


For more information on turning point strategic investments, please reference the “Neighborhoods in Bloom” policy example provided through the Local Initiatives Support Corporation online at: http://www.lisc.org/content/publications/detail/902

The GIS supports an analysis of basic unfairness in investment across a region: it can map home values, crime, neighborhood educational resources and the like to show which areas are well served and prosperous, versus those that lack basic infrastructure and development capacity. These maps are then overlaid with demographic maps, showing the residential patterns of, for example, African Americans and Whites.
