



# Inclusion<sup>in the</sup> Workforce

Positioning the Pittsburgh  
Region to Prosper and Compete

## Introduction

The stark racial disparities that characterize Greater Pittsburgh's labor market weaken the regional economy and levy—much like an onerous tax—high costs on the entire community. Building an urban economy in which everyone participates and prospers is not merely a matter of altruism or social justice, but rather a crucial step towards transforming an aged industrial center into a dynamic, 21st century city.

This strategic report explains why, in this global information economy, racial equity and inclusion are the cornerstones of sustained development and successful, healthy regional economies. This report analyzes racial disparities in employment in the Pittsburgh metropolitan area, reviews the critical role that a diverse workforce plays in improving economic competitiveness, and recommends policies for enabling the region to reach its full potential.

# Why Does Racial Equity Matter for Pittsburgh?

## *Economic Inclusion and Economic Competitiveness Are Linked*

Why is the racial disparity in employment opportunities, and not just the total number of unemployed and underemployed, a problem for the city and its suburbs? Inequity imposes high economic costs on virtually every actor in the regional economy: investors, government agencies, business managers, homeowners, renters, the rich and the poor, the idle, and workers alike. Sharp regional disparities stifle growth, slow momentum and eat away at the sense of community that historically binds neighbors--and communities--together. This, in turn, often leads to "white flight" and shrinking public investments in human capital such as when families flee public school systems and grow increasingly reluctant to contribute their tax dollars to support the school system and community. Political squabbles, often pitting suburbs against central cities over subsidies, parks, and other public resources, frequently become commonplace. The resulting infrastructure decline, social conflict, and stagnant economic opportunities increase the general desire, particularly among younger workers who are so important to future economic prosperity, to jump ship in favor of less problematic areas.

In a global economy that relies more on knowledge, education, technological skills, urban areas are not economically competitive when a large segment of the population don't have the skills or training to contribute to the region's economic output. Cities, suburbs, and businesses all gain a competitive edge by investing in educated, creative, and healthy workers who can add value to products and deliver services across the region.

This is more than a gesture of kindness. The hard numbers show that equity and inclusion are directly tied to a region's economic health. Studies indicate that rising incomes

and falling levels of poverty improve metropolitan economic performance.<sup>1</sup> And what's more, across the United States, income gains in central cities between 1970 and 1990 had a positive impact on suburban incomes, population growth, and home values.<sup>2</sup> One late 1990s study of 74 urban areas found a positive relationship between the reduction of poverty in core cities and overall metropolitan growth.<sup>3</sup>

Essentially, the less segregated and divided the region, the stronger the economy. In a recent analysis of 118 metropolitan areas, researchers concluded that racial inclusion and income equality are associated with strong regional economic growth.<sup>4</sup> In that study, researchers condensed a wide range of variables into a list of just nine indicators, each encompassing several key variables. Of the nine, "Racial Inclusion and Income Equality" is the only indicator that had a high correlation with all four of the researchers' measures for economic growth (per capita income, employment, gross metropolitan output, and productivity).<sup>5</sup> In fact, this indicator had the strongest or 2nd strongest correlation with three of the four economic growth measures used: employment growth, productivity, and change in real output.<sup>6</sup>

Recent research by Manual Pastor and Chris Benner confirm these findings that inequity causes urban economies to "drag." Perhaps more importantly, they found that the effect of concentrated poverty, income inequality, and racial segregation was actually significantly stronger in regions like Pittsburgh with a "weak-market" center city than in rapidly growing regions. "The overall pattern suggests that paying attention to equity is entirely consistent with promoting growth," they wrote, "and may in fact be even more important in areas that have experienced economic decline."<sup>7</sup>



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## Inequity in the Workforce

This overall trend linking regional economic health with regional equity logically extends to diversity and equity in the workforce. A racially diverse workforce—including in senior skilled positions, management, and executive levels—strengthens both a company's and the region's attractiveness to young professionals with many choices of where to work and live. A diverse workforce strengthens companies' own innovative capacities by introducing into the company a wider range of problem-solvers, and improves recruitment and retention for entry-level employees by allowing management to tap a new set of social networks.

Richard Florida, in his paper for Sustainable Pittsburgh, *Quality of Place*, wrote "Knowledge workers seek cities and regions with diverse populations, progressive thinking, and inclusive attitudes toward a broad range of individual characteristics including race, nationality, lifestyle, and sexual preference. Knowledge workers look for diversity as a general feature of an area as well as a company, and as an indicator that they will be accepted, welcome, and find people with whom they have shared interests."<sup>8</sup> While Pittsburgh's

success relies at least as much on tapping the creativity and talents of its own population, including its young professionals, attracting new ones is also an important tactic. In both cases, when a workforce is racially segregated and black residents are underrepresented in the workforce, it becomes much more challenging to project the kind of diversity that appeals to young, educated workers. It is no surprise then, that many of Pittsburgh's leading businesses have formally instituted diversity programs and hired diversity officers.

Diversity in the workforce is not, however, merely a matter of projecting a certain image or public relations. Scott Page, a researcher at the University of Michigan, demonstrated in his book *The Difference: How the Power of Diversity Creates Better Groups, Firms, Schools, and Societies* that diversity—as measured by various cognitive traits such as perspective and interpretation—"trumps" homogeneity and (in large enough groups) even straight-up ability, when it comes to both the problem-solving and predictive capacity of teams of people.<sup>9</sup> This is because diverse teams all come at challenges from different angles and don't "get

stuck" at the same places the way they would if they were all smart people but examining a problem from an almost identical perspective. While Page didn't study race per se, the different cultural, geographical, and social contexts of most blacks and whites means that they bring different experiences, perspectives, and skills to the table.

They also bring access to different social networks, which can significantly lower a firm's hiring costs. By some estimates it costs an average of 25 percent of the position's annual salary and benefits to recruit, hire, and train a new entry-level employee.<sup>10</sup> Hiring often occurs through social networks, and businesses without connections in the African American community are missing access to—and good information about—a large pool of potential workers.

Business also suffers when reduced employment prospects cause many African American adults to drop out of the workforce, while others remain disconnected from all but dead-end, low-wage jobs or are ruled out due to a prison record. All of this constrains the workforce available to businesses in the region.



## Fiscal Costs of Black Unemployment

High rates of unemployment among any group of residents have negative economic effects that are far ranging. The finances of municipalities and counties in the region, especially those in which the unemployment is concentrated, is one clear effect.

Unemployment slows the economy by reducing the spending power of residents and the taxes they pay. The 14,000 jobless, underemployed, and working poor in the Pittsburgh region, for example, would have had \$372 million (2008 dollars) in additional annual earnings in 2008 if African American men and women were employed in full-time and part-time jobs at the same rates and at the same wages as white men and women. "This would have translated into hundreds of millions of dollars added to the regional economy, since these workers would spend nearly all of the earnings in the region and this spending would have a multiplier effect," note Ralph Bangs and Robyn Markowitz.<sup>11</sup>

There are also more direct costs borne by the entire community for the marginalization of African American workers. Every one percentage point increase in joblessness among black men results in a 1.5 percent increase in black male imprisonment.<sup>12</sup> This costs Pennsylvania taxpayers about \$40,000 annually for a state prisoner and \$18,000 annually for a county prisoner. For elderly prisoners in failing health the

costs increase to \$100,000.<sup>13</sup> Loss of a parent to incarceration also increases the risk that their children will commit crimes, drop out of high school, and get pregnant early, adding even more to the taxpayers' tab. Finally, higher rates of incarceration—triggered at least in part by high unemployment—leads to a vicious cycle, since a prison record greatly reduces employment opportunities, especially among black men.

Concentrated unemployment also increases state and local government's share of social services payments, from income support to health care. As one example, many studies have shown a correlation between unemployment and mental health problems. Compared to both whites in the region and blacks nationally, African Americans in the Pittsburgh MSA have a higher rate of serious mental illness (such as depression). African Americans are also over represented in the utilization of mental health and drug abuse services in both the city of Pittsburgh and Allegheny County. In the city, blacks represent at least half of the clients but only 27 percent of the population. In the county they make up 22 to 30 percent of the clients, depending on service type, but only 12.4 percent of the population.<sup>14</sup>

High and inequitable joblessness stretches city finances, as revenues decline and demand for services

increases. Researchers at the University of Pittsburgh have found that more than half of the municipalities in the 10-county Southwestern Pennsylvania region face structural deficits.<sup>15</sup> While there may be many reasons for such imbalances, many communities borrow heavily to plug the gap in their budget. The Pittsburgh region has the highest levels of interest debt expenditure per capita compared to 14 other benchmark cities identified by the University of Pittsburgh and Carnegie Mellon-linked Pittsburgh Regional Indicators Project, spending more than \$350 annually for every man, woman, and child living in the region simply to pay the interest on municipal debt. African-Americans' suffer disproportionately from these high levels of indebtedness for at least two reasons. African-Americans are concentrated in jurisdictions with high levels of indebtedness. For example, the counties with the highest per-capita levels of debt in the region are Allegheny (\$473) and Beaver (\$494), the same counties with the highest concentrations of African Americans.<sup>16</sup> African-Americans also suffer disproportionately since they often have a higher need for public services, due to disproportionately high levels of poverty. High debt levels constrain counties' and cities' abilities to provide needed services. This underscores the urgency and special interest among the region's local governments who have much to gain in reducing unemployment and growing a diverse workforce.



# Racial Disparities and Growth in the Pittsburgh Region

## Slow Regional Employment Growth



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One of the core challenges confronting Pittsburgh is the strikingly different levels of unemployment and underemployment--and all the attendant social costs--between blacks and whites. With black unemployment in the region soaring over the past two years, Pittsburgh and its suburbs have both a crisis and a very real opportunity to finally fix a problem that has for years troubled the entire community, like a pothole that has grown so wide and deep that no one can drive around it anymore.

It is worth noting that there is nothing different about the economic role of equity for African Americans and equity for other demographic groups. The dynamics described above apply to disparities faced by Latinos, Asians, Native Americans, and others. In Pittsburgh, however, inequity is particularly glaring along the black-white divide, primarily because the region has an extremely small population of other races. While this is changing--particularly with the increasing migration of Latinos into the area-- addressing the disparities facing African Americans is the area's most pressing concern.

In the Pittsburgh region<sup>17</sup> during 2001–2005, the employment rate for blacks aged 16–64 was 56 percent, meaning that a staggering 44 percent of working age blacks were unemployed or out of the labor market.<sup>18</sup> This is 1.6 times larger than the 28 percent of whites that were unemployed or out of the labor market.<sup>19</sup> The relative black-white employment gap is somewhat smaller in the city of Pittsburgh than in the rest of the region, but this is due to higher white unemployment,

not lower black unemployment. In 2000, black male unemployment rates were about twice that of white males in the city of Pittsburgh, but three times as large as those in Allegheny County and the region as a whole. Similarly, black female unemployment was nearly twice the rate of white female unemployment in the city of Pittsburgh and nearly three times as high in the Pittsburgh region.<sup>20</sup>

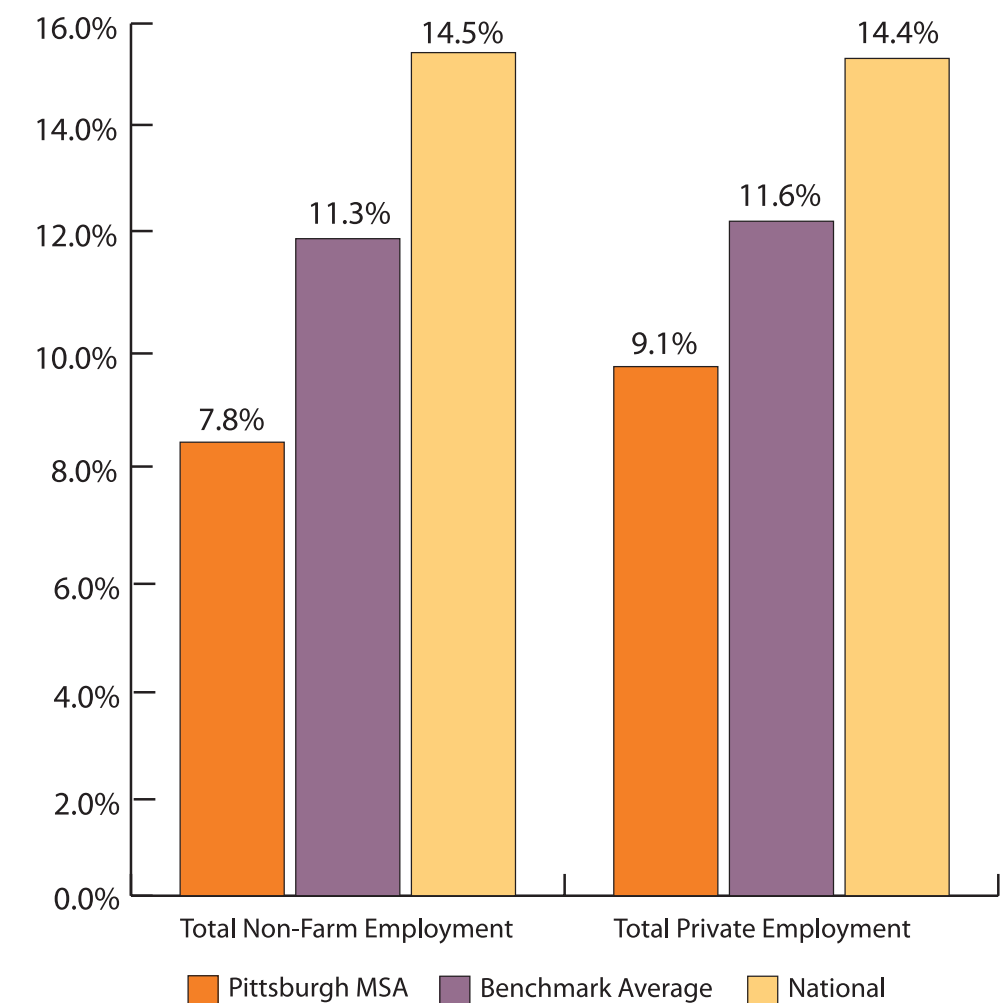
If the black employment rate were equal to the white rate, 7,400 more blacks would be employed in the region. Based on national data that indicates the number of part-time workers wanting full-time jobs is usually two-thirds the number of unemployed, there are another 5,300 underemployed black workers in the Pittsburgh MSA. Based on 2000 census data, there are also about 1,400 blacks who are working full-time but continue to live in poverty.<sup>21</sup>

Compared with black workers in the other 50 largest regions in the country, black men in Pittsburgh had the ninth lowest median wage for full-time jobs and the second lowest wage for part-time jobs. Black women in the region had the eighth lowest median wage for full-time jobs and the second lowest wage for part-time jobs.<sup>22</sup> The median income for African Americans in the region is only 57 percent of the median income for whites and<sup>23</sup> in the city of Pittsburgh, blacks account for 27 percent of the population, but receive only 18 percent of the income.<sup>24</sup>

This data places Pittsburgh squarely among the most inequitable regions in the country.

High racial disparities in employment in the region are compounded by, and contribute to, slow job growth in general. Not only has employment growth in Pittsburgh consistently underperformed when compared with the United States as a whole, it has also underperformed when compared with similar regions in the northeast and midwest. As shown in the nearby chart, between 1996 and 2008, total non-farm job growth in the Pittsburgh MSA was 7.8 percent—somewhat slower than jobs in the private sector, which grew 9.1 percent over the same period. Across the United States, however, the total number of jobs increased at a rate of nearly double Pittsburgh's rate, or 14.5 percent, while jobs in the private sector grew by 14.4 percent. Even when compared with a group of 14 other cities identified as comparable benchmarks by the Pittsburgh Regional Indicators Project, Pittsburgh has performed poorly.<sup>25</sup> In these 14 cities, private sector jobs grew, on average, by 11.6 percent and the total number of jobs grew by 11.3 percent between 1996 and 2008. Only three regions performed worse than Pittsburgh in overall job growth over that span: Detroit, Cleveland, and Milwaukee.<sup>26</sup>

Percentage Increase in Employment 1996 - 2008



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## Causes for the Disparity

There are, of course, a range of factors that have contributed to growing inequality over the past 30 years. The decline of unions and unionized jobs, the erosion of the minimum wage, de-industrialization, technological change, globalization, low-road corporate strategies—have eroded the middle class across the country as well as in Pittsburgh. But there are a number of other factors that have been particularly important in contributing to the high levels of racial disparities in Pittsburgh’s employment patterns.

First, jobs have spread outward, making it more difficult for African Americans, who are concentrated in the urban core, to access opportunity. In the 1990s, the city of Pittsburgh added only 16,000 jobs while the region’s suburbs added 81,000. Since 2001, Allegheny County has lost over 24,000 jobs, while suburban Butler County gained 1,800.<sup>27</sup>

Blacks are heavily concentrated in the urban center with most of them located in the City of Pittsburgh itself. Blacks make up 8.1 percent of the regional population, 12.4 percent of Allegheny County, and 27.1 percent in Pittsburgh. And within the city itself, blacks are heavily concentrated in only six neighborhoods. In Allegheny County, the largest concentration of blacks outside of Pittsburgh is in inner-ring suburbs bordering one of those city neighborhoods.<sup>28</sup>

The effects of this spatial mismatch are compounded by the higher reliance of African Americans on public transit and lower rates of car ownership. In the Pittsburgh MSA, 39 percent of blacks do not own a car compared to 11 percent of whites; in the city the figures are 49 percent and 23 percent. In the region, blacks are more than 5 times more likely than whites to commute using public transportation; in the city they are more than twice as likely to.<sup>29</sup>

Sprawling development patterns have also led to educational inequity for those remaining in the urban core: as middle class families flee the city, the tax base leaves, property values fall, poverty becomes concentrated, and public schools take on more challenged

students, who cost more money to teach. Tax rates often rise to cover the additional costs, but the quality of education still suffers. Many researchers have shown that levels of poverty in a school have a direct effect on all students’ academic success. The average African American student in the Pittsburgh region attends a school that has a poverty rate of 65 percent; the average white student’s school has a poverty rate of 28 percent.<sup>30</sup> Single female headed households are much more vulnerable to poverty, which in turn limits opportunity and impacts educational attainment. In the Pittsburgh region, two-thirds (62 percent) of African American families with children are single female-headed households.<sup>31</sup>

Criminal justice patterns also affect employment rates. Black adults in the Pittsburgh region are arrested for drug-related infractions, property crime, and violent crime at rates 2 to 2.7 times higher than their representation in the population. For juvenile arrests, the gap is 1.6 to 1.9.<sup>32</sup> While not all arrests lead to incarceration, Bangs and Markowitz estimate that the incarceration rate for blacks in the region is 24 percent higher than it would be otherwise due to racial disparities in unemployment.<sup>33</sup>

Moreover, minority overrepresentation in the justice system is not merely a matter of blacks committing more crimes. According to the national non-profit organization, The Sentencing Project, a recent review of 32 state-level studies concluded that, controlling for other relevant factors, African Americans and Latinos are more likely to be incarcerated than whites and, in some jurisdictions, receive longer sentences, even when their rates of crime are the same.<sup>34</sup> This is especially true of drug offenses. According to the U.S. Department of Health and Human Services, African Americans in 2006 represented 12 percent of the population in the U.S., and 14 percent of all drug users, but accounted for 35 percent of all drug-related offenses that year and 53 percent of all drug convictions. Another study found that minority youth are more likely than white youth to be detained, formally charged, transferred to criminal court and incarcerated, even when they

are charged with similar crimes and have similar criminal backgrounds. As the Sentencing Project report notes, “Having established a criminal record at an early age, both the likelihood of their future involvement in the system and the likelihood of receiving harsher punishments are increased. . . . If law enforcement resources are heavily focused in poor neighborhoods, if the public safety strategy consists mostly of arrest and prosecution, and if there are insufficient economic, educational, and social service resources, racial disparities in criminal justice outcomes are inevitable.”<sup>35</sup>

Incarceration not only interrupts the educational and career development process, but it generates a significant barrier to employment after release, because many employers have policies against hiring ex-offenders. One study showed that a drug arrest record reduced the chances of being hired for an entry level job more for black workers (11 percent) than it did for white workers (6 percent). The study found that a white ex-offender and black non-offender had the same chances of being hired.<sup>36</sup>

Finally, who you are and who you know still matters for getting your foot in the door. Racial bias in hiring still exists; some studies find it to be a factor in as many as half the cases of blacks applying for employment.<sup>37</sup> As NYU Sociology Professor Deirdre Royster found when she studied black and white graduates of the same trade school, equally qualified workers who lack access to the existing social networks and mentors in the field will have a much more difficult time getting hired.<sup>38</sup> Numerous studies have shown that minorities are particularly underrepresented in the skilled trades, which include the highest quality jobs for those without a college degree. This is true in Pittsburgh, where the region has a 6 percent black-white “employment gap”<sup>39</sup> in the construction field and Allegheny County has a 9 percent gap, when comparing the percentage of people employed in the industry compared to their percentage in the general population.<sup>40</sup>

## Recommendations

To move itself toward a strong, equitable, and resilient economy, Pittsburgh needs to reduce its racial employment disparity. To achieve this, we recommend action in three broad areas:

1. Promoting job growth in a diversity of living-wage sectors;
2. Helping African Americans overcome systemic barriers to employment; and
3. Generating demand for diverse employees.

### *Promote Job Growth in a Diversity of Living-Wage Sectors*

To address the black employment gap, it is critical to increase the total number of jobs in the Pittsburgh region, and to focus on sectors of the economy that are accessible to African Americans. Some areas where investment could foster economic growth while generating living wage employment opportunities include:

- *Infrastructure spending.* As in many older regions of the country, Pittsburgh’s physical, transportation, and communications infrastructure needs significant upgrading. Done right, such jobs can take advantage of likely federal investment in this area, provide good jobs, and improve the region’s attractiveness to other types of business and workers. Improving the public transportation infrastructure, over time, will also help address the spatial mismatch between where African Americans live and where employment is concentrated in the region.
- *Green jobs.* Related to infrastructure upgrading, green jobs refer to the work that needs to be done to make our economy more viable in

the long-term such as retrofitting buildings for energy efficiency and developing, building, selling, and installing greener forms of power, transportation, and fuel. With sufficient training and job ladders, green jobs are accessible to those with modest educational achievement, but can represent a step out of poverty into a growth sector that provides living wage jobs. Firms can cut their costs and expand this sector by reviewing the design of their own plants, buildings, and job sites while investments in residential weatherization can both generate jobs and lower utility bills (and therefore public payments for utility assistance) for low-income households.

### *Help African Americans Overcome Systemic Barriers to Employment*

- *Strengthen coordination among workforce programs.* The Greater Pittsburgh region has dozens of workforce development programs, which remain somewhat fragmented, despite initiatives to coordinate efforts. Refocusing these various programs toward common and complementary goals, improving communication, specialization, and focus on living-wage sectors where job growth is occurring, can substantially improve the economic prospects of African Americans in the region. The Job Ready Pennsylvania initiative to promote industry partnerships and align local workforce spending with state funds provides a good starting point. Some important next steps in this area include: strengthening links between these efforts and regional educational institutions, including both K-14 and higher education institutions; link workforce development with



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other important supports, such as transportation assistance and childcare availability; emphasize and build real cross-firm career ladders; and help make the business case for investments in workforce training initiatives.

- *Link industry partnership programs between employers, unions, and other workforce representatives with targeted recruitment efforts in African American communities.* Working with agencies from multiple workforce sectors in targeted industries, and improving recruitment and support efforts for African American job seekers can help open new pathways to work for the unemployed, and help low-wage workers move to better paying opportunities in other industries. The Labor-Management Clearinghouse initiative, started by a network of unions, employers and training providers in the Pittsburgh area, and managed by World-Class Industrial Network, works as a liaison between the construction, building services, hospitality, and utilities industries, and provides one valuable example of how such systems can be built.
- *Consider prisoner and ex-offender education programs as part of workforce development.* Until the disparity in black-white arrest rates disappears,

part of addressing the black-white employment gap will require finding employment for ex-offenders. Literacy, skills training, and degree programs for inmates can lower recidivism and improve employment prospects. Employer participation in restorative justice (prison diversion) programs can also achieve these ends.

- *Invest in youth workforce and internship programs.* Real career education with an emphasis on practical applicability will help prepare young people for careers. Enforcing the Pennsylvania Department of Education’s Career and Employment Standards will provide schools with valuable resources to accomplish this. The K-12 education system needs to form strong links with employers so that students will know who the regional employers are and what training is needed to work for them. Mentorship programs, such as the Career Literacy for African American Youth (CLAAY) program developed by the Center for a Competitive Workforce at Duquesne University, are a good way for building such links.
- *Change child-support policies to remove disincentives to work.* Child support orders and rules create disincentives for non-custodial black parents,

especially fathers, to work. First, state child support orders are often so high that workers can’t afford to work because so much money is taken that there is little left to live on. Second, large child support debts often build up while a parent is imprisoned, which further discourages work since so much of the take-home pay would not go to the worker. Third, these workers see little reason to work and pay child support since almost none of the money goes directly to their children. Federal and state laws need to make child support orders fairer and more realistic, reduce arrearages, and distribute child support payments to families.<sup>41</sup>

### **Generating Demand for Diverse Employees**

- *Work with regional institutions to develop supplier diversity policies that increase spending with locally-owned, minority-owned businesses, which are more likely to hire African Americans and women.* Diverting spending to more local businesses will also directly improve the local economy through the local multiplier effect. Working to expand access to municipal contracting systems in the region is one important step in this area.

- *Link new developments near African American neighborhoods with specific funding and programs for local first-source hiring, workforce training, education youth services, and support services for disadvantaged job seekers.* The Hill District Community Benefit Agreement—signed in August 2008 in relation to the new Pittsburgh Penguins’ sports arena, anticipated arena hotel and adjacent redevelopment projects—provides one example of how such connections between new developments and benefits for neighboring African American communities can be built.<sup>42</sup>
- *Support entrepreneurship programs and capacity building programs for minority and women’s business enterprises (MBE/MBEs).* One promising initiative along these lines is the Metropolitan Loan Fund of Pittsburgh, a partnership led by a unit of the Pittsburgh History and Landmarks Foundation which has raised at least \$1.75 million to increase minority entrepreneurship in the region. The fund provides flexible financing and technical assistance to new and existing businesses in the region.
- *Identify model corporate and institutional policies that increase workforce diversity (especially at management levels), and the hiring of ex-offenders.* Modify drug testing policies and improve outreach efforts to black communities. In addition, employers can eliminate the question about the applicants’ criminal history on initial application forms to allow ex-offenders to advance further into the interview process. This improves ex-offenders chances to make a good impression on management and allows for the “personal contact” benefits that are so important for finding and retaining employment. Help regional companies adapt these policies to fit their own needs.

- *Actively recruit from minority communities outside Pittsburgh if there are no qualified applicants from the Pittsburgh area.* The shortage of talent in the Pittsburgh region is becoming critical for local employers. Groups like the Hispanic Center, The World Affairs Council of Pittsburgh, and the Pittsburgh Council for International Visitors have developed specific programs to recruit and support diverse immigrants and Latino migrants from other parts of the country. Such efforts could be broadened to other organizations and strengthened.
- *Improve outreach to black communities.* Research shows that young black male applicants who have personal contact with employers have much more positive outcomes, such as getting called back for a second interview or getting a job offer. Specifically, positive responses for young black male applicants with personal contact with employers have been shown to be 5 to 16 times higher than for those with no personal contact.<sup>43</sup>
- *Promote local hiring.* Because African Americans are very tightly clustered residentially, neighborhood institutions can petition firms doing business in the community to hire local workers when possible. Local hiring policies carry other advantages, as they reduce transportation challenges for employees, improve the economic conditions over time and make the neighborhood more appealing to businesses.



# Conclusion

**Addressing Pittsburgh's black unemployment crisis is a necessity, a prerequisite for building the kind of robust and vigorous region that Pittsburgh—with its natural, institutional, historical, and business assets—can and should become.**

## Footnotes

- <sup>1</sup> Mark Muro and others, *Investing in a Better Future: A Review of the Fiscal and Competitive Advantages of Smart Growth and Development Patterns* (Washington, D.C.: The Brookings Institution, 2004).
- <sup>2</sup> Richard Voith, "Do Suburbs Need Cities?" *Journal of Regional Science* Vol. 29, No. 3 (1998): 445–464.
- <sup>3</sup> Manuel Pastor, Jr., and others, *Regions that Work: How Cities and Suburbs Can Grow Together* (Minneapolis: University of Minnesota Press, 2000).
- <sup>4</sup> Randall Eberts, George Erickcek, and Jack Kleinhez, "Dashboard Indicators for the Northeast Ohio Economy," Working Paper 06-05 (Cleveland, Ohio: Federal Reserve Bank of Cleveland, 2006).
- <sup>5</sup> Austrian, Ziona, Afia Yamoah and Iryna Lendel (2008) "Regional Dashboard of Economic Indicators 2008: Comparative Performance of Midwest and Northeast Ohio Metropolitan Areas" (Cleveland Ohio: Center for Urban Economic Development, Cleveland State University)
- <sup>6</sup> Eberts, Erickcek, and Kleinhez, "Dashboard Indicators," 20.
- <sup>7</sup> Manuel Pastor and Chris Benner, "Been Down So Long: Weak-Market Cities and Regional Equity," *Retooling for Growth* (New York: American Assembly and Columbia University, 2008), 100.
- <sup>8</sup> Richard Florida, *Quality of Place & the New Economy: Positioning Pittsburgh to Compete* (Pittsburgh, Penn.: Carnegie Mellon University, 2000).
- <sup>9</sup> Scott Page, *The Difference: How the Power of Diversity Creates Better Groups, Firms, Schools, and Societies* (Princeton, N.J.: Princeton University Press: 2007), 10.
- <sup>10</sup> Sarah Treuhaft, *Connecting Working Families to Economic Opportunities in the Philadelphia Region: The Role of Employers* (Oakland, Calif. and Philadelphia: PolicyLink and Greater Philadelphia Urban Affairs Coalition, 2007), 4.
- <sup>11</sup> Bangs and Markowitz, "Black Employment Problems and Solutions," 3.
- <sup>12</sup> Center on Race and Social Problems, *Pittsburgh's Racial Demographics*, 42.
- <sup>13</sup> Justice and Mercy, Inc, "Goals and Facts," [www.justicemercy.org/goals-facts.html](http://www.justicemercy.org/goals-facts.html).
- <sup>14</sup> Center on Race and Social Problems, *Pittsburgh's Racial Demographics*, 42.
- <sup>15</sup> Dougherty Jr., George (2008) "Fiscal Health of Municipalities in the Pittsburgh Region" *Pittsburgh Economic Quarterly*, March 2008.
- <sup>16</sup> From US Census Bureau *Census of Local Governments 2002*, as reported at: <http://www.pittsburghtoday.org>
- <sup>17</sup> The Pittsburgh region is defined here as the Pittsburgh metropolitan statistical area (MSA), which includes Allegheny, Beaver, Butler, Fayette, Lawrence, Washington, and Westmoreland counties.
- <sup>18</sup> Unemployment numbers only count people who are actively seeking work. Those who are not employed but are not seeking employment, whether because of the demands of single parenthood, poor health, financial disincentives to work, or obstacles to employment such as a prison record, are considered out of the labor market.
- <sup>19</sup> Ralph Bangs and Robyn Markowitz, "Black Employment Problems and Solutions" Briefing Paper for Sustainable Pittsburgh (Pittsburgh, Penn.: Center on Race and Social Problems, School of Social Work, University of Pittsburgh, November 13, 2008), 1.
- <sup>20</sup> Center on Race and Social Problems, *Pittsburgh's Racial Demographics: Differences and Disparities* (Pittsburgh, Penn.: Center on Race and Social Problems, School of Social Work, University of Pittsburgh, June 2007), 41-42.
- <sup>21</sup> Ralph Bangs and Robyn Markowitz, "Black Employment Problems and Solutions" Briefing Paper for Sustainable Pittsburgh (Pittsburgh, Penn.: Center on Race and Social Problems, School of Social Work, University of Pittsburgh, November 13, 2008), 1.
- <sup>22</sup> *Ibid.*, 2.
- <sup>23</sup> Center on Race and Social Problems, *Pittsburgh's Racial Demographics*, 46.
- <sup>24</sup> Center on Race and Social Problems, *Pittsburgh's Racial Demographics*, 48.
- <sup>25</sup> The other cities, most of which are East of the Mississippi River and in the northeast or Midwest, are: Baltimore, Boston, Charlotte, Cincinnati, Cleveland, Denver, Detroit, Indianapolis, Kansas City, Milwaukee, Minneapolis-St. Paul, Philadelphia, Richmond (VA) and St. Louis. See <http://www.pittsburghtoday.org>
- <sup>26</sup> Based on Current Employment Statistics data from the Bureau of Labor Statistics, as downloaded from <http://www.pittsburghtoday.org/web/downloads/jobs.xls> (for Pittsburgh and Benchmark regions) and <http://www.bls.gov/ces/> (for national figures) on May 21, 2009.
- <sup>27</sup> powell, john a. "Equity and Regionalism: The Impact of Government Restructuring on Communities of Color in Pittsburgh," PowerPoint presentation accompanying keynote address to Sustainable Pittsburgh, 19 November 2004 (<http://tinyurl.com/powell-equity>), slide 13.
- <sup>28</sup> Center on Race and Social Problems, *Pittsburgh's Racial Demographics*, section 1. The Pittsburgh region has very small numbers of Asian and Latino residents (2.7 percent Asian and 1.3 percent Hispanic in the city and even less outside it).
- <sup>29</sup> Center on Race and Social Problems, *Pittsburgh's Racial Demographics*, 50–51.
- <sup>30</sup> powell, "Equity and Regionalism," slide 19.
- <sup>31</sup> Center on Race and Social Problems, *Pittsburgh's Racial Demographics: Differences and Disparities* (Pittsburgh, Penn.: Center on Race and Social Problems, School of Social Work, University of Pittsburgh, June 2007), 97.
- <sup>32</sup> Center on Race and Social Problems, *Pittsburgh's Racial Demographics*. Arrest rates from section 7, "Criminal Justice," 72–84. Tables on race and age distribution (pages 5 and 8) used to calculate that blacks make up 45 percent of the city of Pittsburgh's juvenile population and 26 percent of its adult population.
- <sup>33</sup> Bangs and Markowitz, "Black Employment Problems and Solutions," 3.
- <sup>34</sup> The Sentencing Project, *Reducing Racial Disparity in the Criminal Justice System: A Manual for Practitioners and Policymakers*, 2nd ed. (Washington, D.C.: The Sentencing Project, 2008), 6.
- <sup>35</sup> *Ibid.*
- <sup>36</sup> Devah Pager and Bruce Western, *Discrimination in Low-Wage Labor Markets: Evidence from an Experimental Audit Study in New York City* (Princeton, N.J.: Princeton University, 2005).
- <sup>37</sup> Bangs and Markowitz, "Black Employment Problems and Solutions," 5.
- <sup>38</sup> Deirdre A. Royster, *Race and the Invisible Hand: How White Networks Exclude Black Men from Blue-Collar Jobs* (Berkeley: University of California Press, 2003).
- <sup>39</sup> Todd Swanstrom, in *The Road to Good Jobs: Patterns of Employment in the Construction Industry* (St. Louis: Transportation Equity Network, Public Policy Research Center, University of Missouri, September 30, 2008), 5, identifies a 6 percent gap, which is above the median of just over 4 percent for the top 25 metro areas.
- <sup>40</sup> Non-Hispanic blacks were 3.4 percent of those employed in Allegheny County in "construction and extractive trades," compared to their being 12.4 percent of the population. "Table 1: Employment by EEO Occupation Group and Race," EEO Employment Data for Allegheny County and the Pittsburgh Region (Pittsburgh, Penn.: University Center for Social and Urban Research, University of Pittsburgh, February 2008).
- <sup>41</sup> Bangs and Markowitz, "Black Employment Problems and Solutions," 5.
- <sup>42</sup> See: <http://www.communitybenefits.org/article.php?id=1281>
- <sup>43</sup> Bangs and Markowitz, "Black Employment Problems and Solutions," 3.



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