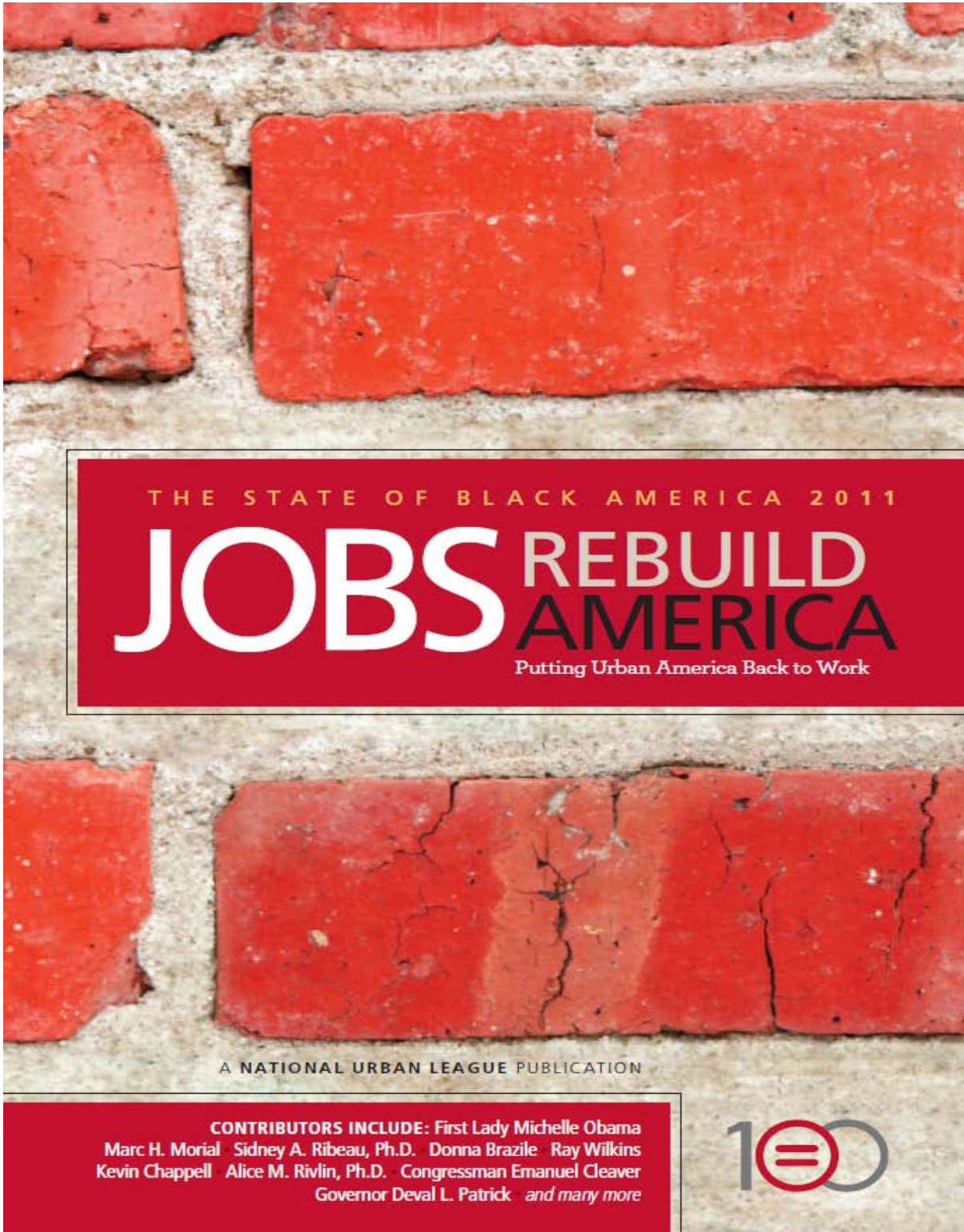


EXECUTIVE SUMMARY



THE STATE OF BLACK AMERICA 2011

JOBS REBUILD AMERICA

Putting Urban America Back to Work

A NATIONAL URBAN LEAGUE PUBLICATION

CONTRIBUTORS INCLUDE: First Lady Michelle Obama
Marc H. Morial Sidney A. Ribeau, Ph.D. Donna Brazile Ray Wilkins
Kevin Chappell Alice M. Rivlin, Ph.D. Congressman Emanuel Cleaver
Governor Deval L. Patrick *and many more*



The State of Black America® 2011

Jobs Rebuild America: Putting Urban America Back to Work

With the 2011 Equality Index™

OVERVIEW

As America enters the second full decade of the new millennium, and the National Urban League enters its second century of championing the plight of the economically disadvantaged, the nation finds itself slowly recovering from the Great Recession as we also wrestle with tough budget decisions at all levels of government.

In this, the 35th edition of *The State of Black America*, the National Urban League addresses a variety of topics related to economic recovery and the future of jobs in America. *The State of Black America 2011, Jobs Rebuild America: Putting Urban America Back to Work* includes a Foreword from Dr. Sidney Ribeau, President of Howard University, and opens with one dozen dynamic and imaginative measures proposed by the National Urban League to rescue those most profoundly affected by the economic downturn.

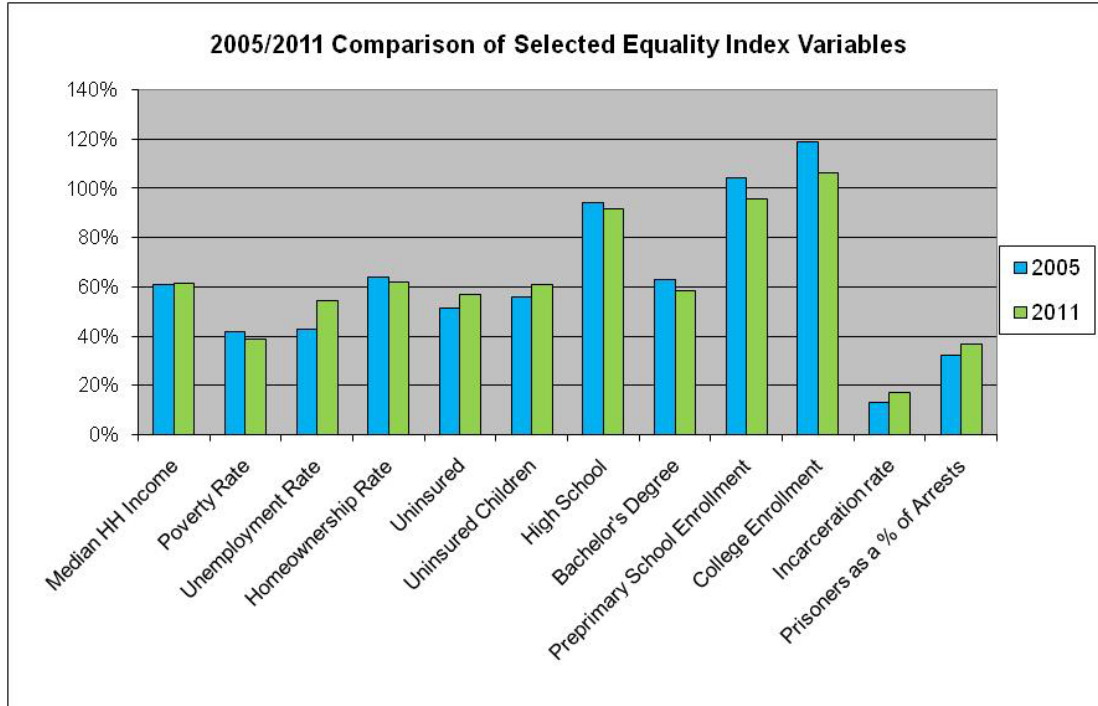
This year's publication also features a stellar group of authors, including notable economists, public figures, scholars, policy experts, and journalists who offer their insights on topics ranging from opportunities for growth in a jobless recovery, making tough choices about debt and deficit reduction and important principles for housing policy reform to the implications of the 2011 Census counts on redistricting and innovative ideas for educating and training America's future workforce. Recognizing that the most powerful lessons often arise from practical experience, *The State of Black America 2011* also features case studies from Governor Deval Patrick, and U.S. Representative and Congressional Black Caucus Chair, Emanuel Cleaver, as well as highlights from Urban League affiliate programs and First Lady Michelle Obama's *Let's Move* Initiative that illustrate successful unions between policy and practice.

The 2011 Equality Index™

The 2011 Equality Index of Black America stands at 71.5% compared to a revised 2010 index of 72.1%. The 0.6 percentage point decline in this year's overall index is driven by a one percentage point decline in the economics index and a nearly 2 percentage points decline in the health index. The decline in the economics index is the result, primarily, of changes in its housing and wealth components. Within the health index, children's health was a major driver of the decline.

In a ranking of areas of inequality between black and white Americans, economics (from 57.9% to 56.9%) and social justice (from 57.8% to 58.0%) continue to top the list followed by health (from 76.7% to 75.0%), education (from 78.3% to 78.9%) and civic engagement (from 102.2% to 101.8%).

Over the lifetime of the Equality Index of Black America, there has been modest, but growing equality between blacks and whites in the unemployment rate, the percentage of uninsured, the incarceration rate, and prisoners as a percent of arrests. On the other hand, we have seen growing inequality in the poverty rate, the homeownership rate, educational attainment (both high school and bachelor's degrees), and school enrollment rates (both preprimary and college). The black-white index of median household income has remained stubbornly unchanged since the Equality Index was introduced in 2005.



Last year, the National Urban League initiated the Equality Index of Hispanic America as a way to expand the discussion of inequality in America to reflect the shifting demographics of this country and many of the communities served by Urban League

affiliates. The 2011 Equality Index of Hispanic America stands at 76.8% compared to a revised 2010 index of 76.6%. Improvements in the health and social justice indices – increases of 1.6 and 1.4 percentage points, respectively -- were offset by declines in the other three areas, the largest being in economics and education.

Like Black America, economics (from 61.5% to 60.8%) and social justice (from 62.1% to 63.5%) are the areas of greatest inequality between Hispanic and (non-Hispanic) white Americans, followed by civic engagement (from 71.9% to 71.7%), education (from 75.7% to 75.2%), and health (from 103.3% to 104.9%).

With the 2011 Equality Index of Black America, we have the opportunity to evaluate the impact the recession has had on inequality in America, examining both absolute and relative changes that have taken place between calendar years 2007 and 2010. Analysis of the years 2007-2009 reveal important shifts that have taken place over the course of the recession. For example, while the indices of labor force participation and income reveal stagnation, employment-population ratios and homeownership rates reflect lost ground. The only variables showing increased equality – unemployment and uninsured – do so at the cost of worsened conditions for all. Since the publication of the 2010 Index, we have observed growing gaps in the relative status of blacks and whites in the areas of loan access, wealth, and children's health. For Hispanics relative to whites, there have been growing gaps in the areas of loan access and college enrollment.

ESSAY 1

A Dozen Dynamic Ideas for Putting Urban America Back to Work *The National Urban League's 12-point Urban Jobs Rebuild America Plan*

The National Urban League's Jobs Rebuild America Plan offers a dozen dynamic and imaginative measures to both rescue those most profoundly affected by the ongoing economic emergency, while also remedying many of the underlying causes behind the recession's inordinate and seemingly amplified impact on the communities we serve. The plan recommends the following:

1. Restore the Summer Youth Jobs Program as a stand-alone program employing 5 million teens in Summer 2011.
2. Create 100 Urban Jobs Academies to implement an expansion of the Urban Youth Empowerment Program (UYEP).
3. Develop a dynamic national public-private jobs initiative to create jobs, train urban residents and stimulate economic growth in the fields of technology and broadband; health care; manufacturing; urban transportation, water and community facilities infrastructure; and clean energy.
4. Boost minority participation in Information and Communication Technology (ICT) industries.
5. Reform, revise, and reauthorize the Workforce Investment Act.
6. Create Green Empowerment Zones to attract manufacturers of clean energy products to areas of high unemployment.
7. Expand small business lending.
8. Initiate tax reform.
9. Establish and promote multilateral international trade policies that will expand the market for American goods and services to growing and emerging economies around the world.
10. Enact the Urban Jobs Act (H.R. 5708).
11. Create an Urban Homesteading Program.
12. Fund direct job creation.

ESSAY 2**The New Normal? Opportunities for Prosperity in a “Jobless Recovery”**

*By the National Urban League Council of Economic Advisors --
Bernard E. Anderson, Ph.D., William M. Rodgers, III, Ph.D., Lucy J.
Reuben, Ph.D. and Valerie R. Wilson, Ph.D.*

The current economic recovery is the third “jobless” recovery the United States has experienced in the last 20 years. Despite the rebound of the private industry in 2010 -- corporations reported record profits and cash reserves while the stock market performed solidly over the year -- hiring remains well below the level needed to significantly reduce the unemployment rate.

There are several explanations for the missing link in America’s quest for a robust economic recovery that includes renewed hiring and a return to the days of full employment. Some economists say the motivation employers need to begin hiring again is a sustained increase in consumer demand while others suggest that increased hiring has been constrained by a structural shift toward less demand for labor due to increased productivity. Still others argue that there is a mismatch between the skills required for available jobs and the skills American workers currently possess.

This report from the National Urban League’s Council of Economic Advisors (NUL CEA) compares the performance of the December 2007 – June 2009 recession with the three previous post-war recessions, explains why the unemployment rate remains so high at this point in the business cycle, identifies what must be done to accelerate private job creation and speed the return to full employment, and offers insight into opportunities for urban America to prosper in the next few years.

SPECIAL REPORT***Where Do We Go From Here? Projected Job Growth
Industries and Occupations***

National Urban League Policy Institute

In January 2011, the Bureau of Labor Statistics (BLS) reported that total payroll employment increased by 1.1 million jobs over the past year while private payroll employment (excluding government payroll losses) grew by 1.3 million. As the nation seeks to build momentum in the area of job growth and economic recovery, this report takes a look at the industries and occupations that are projected to generate the most job growth through 2018. It also examines how well-positioned African Americans and Hispanics are to enter these growing fields.

There are at least two fairly certain conclusions to be drawn from this report. One, there will continue to be a growing demand for more educated and more highly skilled

workers over the next several years; and, two, much of the new job growth will be related to the health care field. Nearly half of all new jobs created between 2008 and 2018 will require some type of postsecondary education while projections indicate that 4 million new jobs will be added in the health care and social assistance industry alone. Based on analysis of educational attainment and enrollment patterns, there is a need for greater human capital investments, particularly among minority communities that will comprise a growing share of the labor force over the next decade.

ESSAY 3

Leveraging the Greening of America to Strengthen the Workforce Development System

By Chanelle Hardy and Marland Buckner

America's ability to meet urgent national challenges and to drive sustainable growth will rise or fall on our willingness to take the necessary steps to prepare our workforce. Yet, while employers struggle to maintain a competitive position in the face of rapidly changing business conditions, millions of Americans - especially those of color - struggle to obtain the skills necessary to compete in this challenging labor market.

Amidst talk of a deficit crisis and the need to produce dramatically more with significantly less, we should measure success with one simple question: "Does our workforce development system function in a manner that maximizes the return on our investments in human capital?"

This essay explores ways in which leveraging the global transition to a low-carbon economy to strengthen our workforce development system creates a double bottom-line for America. By taking immediate steps to align our education and training policy with the skills needed for the jobs of today and tomorrow, we can ensure that American workers and businesses have the resources they need to compete and win.

ESSAY 4

Jobs, the Internet, and Our Exciting Future

By Ray Wilkins

Despite all of today's economic difficulties, the promise of today's high-speed Internet still offers reason to hope. As companies are pouring tens of billions of dollars into revolutionary wired and wireless systems to deploy much faster broadband networks throughout the country, the benefits are everywhere. Small businesses with broadband connections can sell products nationwide. Those who are ill or disabled can avoid

expensive hospital visits by using Internet-based wireless healthcare monitoring. Meanwhile, home broadband lines make distance learning a reality for millions.

However, earlier this year, the nonpartisan Pew Hispanic Center released a survey of Americans' home broadband use. Depressingly, Pew reported a large gap in usage between Hispanic (45 percent) and white adults (65 percent). The rate among African Americans (52 percent) was somewhat better than the Hispanic rate but still far too low. This essay helps to explain how, for African Americans and Hispanics alike, our ability to deploy faster, more affordable Internet service is especially vital to closing other economic gaps.

ESSAY 5

What's in it for Us? Federal Business Inclusion Programs and Minority Entrepreneurs

By Natalie Madeira Cofield

Economics and politics have shared an intertwined history since the birth of our great nation. Minority entrepreneurs and their respective businesses are in a unique position to generate long-term employment and economic sustainability in their communities and for the country. The vitality and growth of these firms requires a renewed focus on and commitment to entrepreneurship, improved access to capital (both social and financial), and investment in business education by minority entrepreneurs.

Recently, national attention has focused on the role of small-to-mid-sized businesses (more than 20% of which are classified as minority-owned), as evidenced by the passage of the Small Business Jobs Act of 2010 and other legislation. This essay examines the role of and changes to minority business development programs, discusses impediments to growth and amendments to federal policy, and provides recommendations for increased minority entrepreneurship within the US.

ESSAY 6

Mend it, Don't End It: Sage Advice for Reforming America's Housing Finance System

By Cy Richardson, Ph.D. and Garrick Davis

The future of housing finance is directly related to and a key driver of overall housing policy. In the wake of the recent financial crisis, policymakers now have a unique opportunity to examine, re-structure, and re-invigorate the housing finance system for the long term. The formulation of housing policy should, therefore, not only take into account the present day economic climate but also anticipate the impact of this

policy throughout economic cycles, societal changes in housing preferences and needs, and changes in the capital markets environment.

This essay presents a balanced set of recommendations for the GSE's or their successors that begins with the fundamental principle of "Mend It, Don't End It." This principle is reflected by continued protection of government-sponsored status, and sustainable securitization of mortgage loans; compulsory homeownership counseling and education for all first-time homebuyers; meaningful assurances that consumers are protected from unfair, abusive, or deceptive practices; reform of the requirement to meet specific housing goals; and independent regulatory enforcement and oversight.

ESSAY 7

Economic Innovation: Finance and Lending Initiatives Bring Prosperity to Underserved Communities

By Keith Corbett

As our nation recovers from the "Great Recession", it is important that we extend recovery efforts to all. One approach for an inclusive recovery is to provide whole community restoration and development in low-to-moderate income neighborhoods.

Public subsidized financing and lending initiatives leveraged with private capital have emerged as newly favored approaches toward servicing low-to-moderate income communities. In order to build an inclusive recovery, this model of pairing private market-driven investing with the public interest is something that should be both fostered and expanded. This essay illustrates how ideas and programs like Community Benefits Agreements (CBAs), the HUD Neighborhood Stabilization Program (NSP) and New Markets Tax Credits (NMTCs), have been successfully implemented by both the National Urban League and the Center for Responsible Lending to make a difference in underserved communities.

ESSAY 8

High Quality Education = High Quality Jobs

By Marc H. Morial and Hal Smith, Ed.D.

In the United States, public education is the major common system we offer families, children, and youth for equalizing opportunity. Unfortunately, too often community and family income become predictors of the kinds of educational opportunity and outcomes both individuals and communities can expect.

Over the last couple of years, our country has faced an employment crisis unlike any other since the Great Depression, but for decades this kind of crisis has been felt acutely

and disproportionately in communities of color. In an era where a growing proportion of the nation's economy requires skills, attitudes, and aptitudes held by an inadequate number of American youth and adults, Clearly, not only is education a jobs issue, but possibly *the* jobs issue.

Therefore, the National Urban League is calling for is a far more nuanced and comprehensive approach to employment and economics that places education at the strategic and functional heart of reform. This essay outlines this approach, demonstrating how closely education is linked to the effectiveness of the *National Urban League's 12-point Urban Jobs Rebuild America Plan*.

ESSAY 9

America's Future Demands a Diverse and Competitive STEM Workforce

By Rhonda V. Sharpe, Ph.D.

In his January 25, 2011 State of the Union address, President Obama issued a special challenge to America's scientists and engineers, to develop biomedical, information, and clean energy technology that will "strengthen our security, protect our planet, and create countless new jobs for our people."

To meet the President's challenge, the United States will need a scientific workforce that is reflective of the population. However, studies suggest that this may prove to be a daunting task as the number of minority students currently pursuing degrees in the science, technology, engineering, and mathematics (STEM) disciplines is not sufficient to meet the demands of employers.

The story told in this essay is that the underrepresentation of blacks in the scientific workforce is not a new dilemma, but one that has become more pressing due to the competitiveness of a global economy. The number of blacks completing degrees in the STEM disciplines has increased, but "cracks" in the pipeline have prevented the number of STEM degrees earned by blacks to increase to levels that would alter the diversity of the scientific workforce. In addition to identifying some of these "cracks", this essay offers several recommendations for helping African American students become better prepared for training and employment in STEM disciplines.

ESSAY 10***The Nation's Higher Education Agenda: The Continuing Role of HBCUs***

By Alvin Thornton, Ph.D.

President Barack Obama has set a goal for the nation to have the highest rate of college graduates in the world by 2020. He has also indicated that Historically Black Colleges and Universities (HBCUs) are essential to achieving his goal.

Historically Black Colleges and Universities were developed, in part, as a response to the separation of the races that was supported by state and federal governments. But, HBCUs have played an indispensable role in the general development of our nation and of the Black community, especially relating to the democratization of the public space, the expansion of civil rights, the development of enhanced concepts of humanity, and the furthering of diversity in higher education. This essay explores how the community of HBCUs provide unique cultural, intellectual, and psychological experiences that are essential to students' identities and subsequent success; positively impact the communities in which they are located; and move the nation closer to President Obama's college graduation rate goal.

ESSAY 11***In the Wake of National Health Reform: Will Health Inequities be Eliminated?***

By Brian D. Smedley, Ph.D.

The 2010 mid-term election has important implications for the nascent health reform law: the House Leadership has vowed to repeal and replace the Patient Protection and Affordable Care Act (ACA), which President Obama signed into law only seven months prior to the November 2010 election. What are the implications of this shift in political power in Washington for the health equity movement which seeks to ensure that all people in the United States—regardless of race, ethnicity, geography, or social class—enjoy equal opportunities for good health?

This essay assesses the potential of the ACA to address health inequities, particularly their root causes, which are largely outside of the healthcare arena. It also offers recommendations for improving the poorer health status of communities of color that go beyond ACA, like improving neighborhood food options, aggressively addressing environmental degradation, and de-concentrating poverty from inner-cities and rural areas through smart housing and transportation policy.

ESSAY 12***Fallout from the Mid-term Elections****By Donna Brazile*

The “browning” of the American electorate is the most remarkable political story of the last decade. Sparked by Barack Obama’s historic candidacy and victory, African American voters, as well as Hispanic voters, grew their voting numbers to extraordinary levels during the 2008 presidential election season. Despite the shellacking President Obama’s party took in the 2010 midterm season, these voters are still capable of using their political status--if they recognize the power of their mobilization, active participation, and electoral influence to help shape future elections in the United States.

This essay explores the political lessons to be learned from the Obama presidency and the 2010 mid-term elections, along with other probing questions like: What does a divided legislative branch mean for African Americans? How can Blacks with diluted political power take on the mammoth obstacles people of color face in the lingering impact of the worst economic downturn since the Great Depression? How can black lawmakers use their political power? And, where does our newly empowered electorate go from here?

OP EDS

Multiple “Realities” of Black America, by **Kevin Chappell**, answers lingering questions now being asked more and more by African Americans – In an America that has a black president, more black CEOs than ever, and a large black middle class, are civil rights organizations, like the National Urban League, still relevant and necessary for advancing “Black America”?

Government with the Consent of All: Redistricting Strategies for Civil Rights

Organizations, by **Madura Wijewardena and Kirk Clay**, provides insight into strategies the civil rights community must focus on to bring the nation closer to the ideal of equal representation: 1) more local level action to set up long-term pathways; 2) the strategic use of census data to push for change; and 3) the strategic use of census data to reject aggressively the regression of the original mandates of the *Voting Rights Act of 1965*.

Pay Now or Pay Later: Jobs, Fiscal Responsibility and the Future of Black America, by **Alice M. Rivlin, Ph.D.**, explains that in order to restore the vibrant American economy on which greater opportunities for Black America depend, policy makers must focus on two goals at once: accelerating job growth and avoiding a catastrophic debt crisis.

CASE STUDIES

New to this year’s publication is a pair of case studies that illustrate how two elected officials – **Representative Emanuel Cleaver and Governor Deval Patrick** – are using their influence to bring jobs and economic development to the regions they serve.

In ***The Green Impact Zone of Kansas City, Missouri***, Congressman Cleaver describes how with federal stimulus funds, he and a group of neighborhood organizations, civic leaders, and other business organizations, were able to convert a 150-square-block area in the urban core of Kansas City – once labeled the “Murder Factory” – into a national model of place-based investment, demonstrating how a distressed community can be transformed into a “community of opportunity” through intense, focused coordination of programs and resources.

In ***Education and Innovation: Keys to Economic Growth in Massachusetts***, Governor Patrick describes how his Administration’s choices to invest in education, the state’s innovation industries and infrastructure have yielded strong results for Massachusetts, including making them first in the nation in student achievement, a national leader in job creation and economic growth, and resulted in a balanced budget that has eliminated a years-long structural deficit.

HIGHLIGHTS

Also new this year are four program highlights -- two from Urban League affiliates, one from the National Urban League, and one from First Lady Michelle Obama's *Let's Move!* Initiative – that help to illustrate the successful pairing of policy and practice.

The highlights include:

Inspiring Success: The Urban League of Greater Dallas and North Central Texas E3 Program features the highly successful E3 (education, employment and empowerment) program, designed to provide meaningful exposure to work through community service and internships for individuals, ages 18 to 21, with limited work experience, while also providing positive results for the community.

Moving African American Men Towards Better Health: Lorain County Urban League Save Our Sons describes how the Lorain County Urban League is improving the lives of African American men by teaching them to recognize the signs of diabetes and offering a wide array of fitness activities, as well as regular access to a personal trainer, a dietician, and a naturopathic doctor to discuss exercise routines, diets, and how to implement changes in health behaviors.

2010 Atlanta Economic Empowerment Tour features the Atlanta stop of the National Urban League's Economic Empowerment Tour where participants could access free one-on-one foreclosure prevention assistance from certified housing counselors, banks, lenders, and legal advisors as well as a job/career resource fair with local, ready-to-hire employers, free one-on-one career coaching sessions, and access to local job training programs.

Healthier Schools, by First Lady Michelle Obama, describes how during the first year with *Let's Move!*, they've put an emphasis on working with schools to create healthy, active environments that will help to end the epidemic of childhood obesity in a generation.