



MSS

metro social
services

"Minority Report"

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While the economic conditions for many have been quite good for some in Nashville, for many the condition has worsened and continues to worsen

Data from the Census Bureau, along with other recognized and respected national, state and local sources provide consistent evidence that not Nashville has experienced very significant disparities in its economic and social environment. From this data and research by Metropolitan Social Services, we find strong evidence of these continuing characteristics:

1. **A severe lack of economic mobility for residents of Davidson County**, among the lowest in the nation, particularly among minority population. **Davidson County ranks in the lowest 5% of economic mobility in the nation among over 2,700 counties in the U.S.**, demonstrated by recent Harvard study of this pattern across the country. This means that the likelihood of a young person born in a poverty environment has one of the lowest likelihoods of rising to moderate or high income of anywhere in the nation. **Source:** (Opportunityinsights.org)
2. **Poverty levels in Nashville are high and rising**, even apart from a rising cost-of-living, with thousands of persons experiencing an absolute decline in income. In the most recent year Nashville's population experienced a notable increase in the **Poverty rate, rising to 15.4%**, now 103,240 persons, the highest number in three years, according to the U.S. Census. The poverty rate for African American population of Nashville is now 24.7%, which is higher than the rate for African Americans in Fulton County (20.6%), or the central county of Austin (21.6%), Charlotte (14.8%), Houston (20.9%), St. Louis (23.8%), Chicago (23.9%), Miami (24.4%), Newark (20.1%), Birmingham (24.0%), Kansas City (21.2%), and many others. (**Source:** American Community Survey, U.S. Census, 2018)

3. **Chronic unemployment** in many neighborhoods continues at more than 10 or 15 times higher than the county as a whole. The 2.8% unemployment rate of the latest calendar year is misleading, with 6.3% unemployment among African Americans. (**Source:** American Community Survey, U.S. Census, 2017, 2013-2017)
4. There is strong evidence that **education and jobs alone are not sufficient** in reducing Nashville's deep, multi-generational, and neighborhood poverty. (Page, M., 2014, Are Jobs the Solution to Poverty, *Pathways*, Stanford University). Job growth occurring in high income, high skill occupations often benefits firms and workers that both are recruited into Nashville. The gap between high skill technology and management roles relies heavily on immigration, while ancillary jobs and those in health services, retail, and hospitality are those lower paying jobs which many existing Nashville residents hold. African American workers in Nashville are **twice as likely as White workers to work in healthcare service or manufacturing**; and half as likely to work in management, computer, or science jobs. (**Source:** American Community Survey, U.S. Census, 2017; U.S. Bureau of Labor Statistics May 2018 Metropolitan Area Occupational Employment and Wages)
5. **Many households still have not recovered from wealth losses** due to the Great Recession, coupled with a rising local cost environment for housing and other needs. (Pfeffer, F.T., Danziger, S., & Schoeni, 2013, Wealth Disparities before and after the Great Recession, *Annals of the American Academy of Political and Social Sciences*, 650(1) 98-123; Kochhar, R. & Cilluffo, A., How wealth inequality has changed in the U.S. since the Great Recession, by race, ethnicity and income, 2017, Pew Research Center). Further inequities exist for African Americans among older workers and losses in wealth along with younger workers, where **African Americans at age 30 are estimated to average only 25.3% of the net wealth of Whites at age 30**. Data also show that up to 39 percent of African Americans lack meaningful retirement savings

compared with 21 percent of white workers. 35 percent of African Americans are considered underbanked compared with 16 of the overall population. At all income levels, over half of African Americans (55%) are denied credit applications or approved for less than requested, compared with 31 percent for the overall population. (Board of Governors of the Federal Reserve System, *Report on the Economic Well-being of U.S. Households in 2018*)

6. **In education, Davidson County ranks 9th highest for most students living in poverty** among the nation's 50 largest school districts. 25.6% of students of school age in Nashville live below 100% of poverty, higher than Los Angeles, Chicago and double the rate of Baltimore County, Fulton County GA, or Wake County NC. (**Source:** U.S. Census, 2018, Poverty Estimates for School Districts, Small Area Income and Poverty Program).
7. **Half of Nashville workforce earning \$35,460 or less**, far insufficient for meeting basic household expenses according to the *Community Needs Evaluation* from Metropolitan Social Services. Half of Davidson County workers do not earn enough to afford a fair market rent. (**Source:** American Community Survey, U.S. Census, 2018; U.S. Department of Housing and Urban Development, Office of Policy Development and Research, Fair Market Rents, 2018-2020).
8. **Overall, disparities are widespread in economic wellbeing.** African American households experience a median household income that is only 61.3% of that for White households. African American households are **twice as likely to have an income under \$20,000** than White households. And African American households comprise **40.6% of households** with incomes under \$20,000 although Black households are only 26.2% of all households. (**Source:** American Community Survey, U.S. Census, 2017, 2018)
9. There is a negative net migration of **seven persons leaving Davidson County each day**, a pattern that has persisted for three years. While young singles and childless couples move to Nashville

for high-paying jobs, working class families are exiting Nashville and those in poverty find themselves trapped in an ever more costly and difficult environment. (**Source:** U.S. Census Population and Housing Units Estimates Program, Components of Change 2016-2018).

10. **Unemployment rates as high as 36% in some Census Tracts** despite county-wide unemployment rate of 2.8%. The unemployment rate for African Americans is 6.3%, with essentially no reduction in the four years since 2015. (**Source:** American Community Survey, U.S. Census, 2017, 2013-2017).

There is clear data that shows the deep and widespread disparities that characterize Nashville and Davidson County. These are not one-time events or anomalies in the data, but instead a set of characteristics that describe the true economic pattern that a large number of Nashvillians experience.