

Nygaard Notes

Independent Periodic News and Analysis

Number 458

July 9, 2010

“A Great State to Live in—For Whites”

That was actually the headline of an article in the St. Paul Pioneer Press of February 1 2009. The sub-head went on to say, “Minnesota's Minorities Among Those Struggling Most, Survey Says”

Reporter Richard Chin wrote up this tremendously important story based on U.S. Census Bureau survey data from 2005-07 called the American Community Survey. He led off his story with a succinct summary of the problem:

“Economically, Minnesotans are blessed with a Lake Wobegon, above-average life. As long as they're white. Whites in this state are better off compared with whites in the rest of the nation in measures such as income, unemployment and poverty levels. But if you're a black Minnesotan, odds are you are lagging blacks in the rest of the nation.”

Chin notes that “An economic gulf between whites and people of color that is larger in Minnesota than in the

rest of the country is not a new phenomenon.” In fact, says Chin, “the gap between whites and blacks in Minnesota in income and poverty rates ... seems to be growing.”

He notes, as an example, that “1990 and 2000 census data showed median household income for blacks was about 60 percent of median white household income. In the 2005-07 survey data, the black median household income fell to 50 percent of the white median household income.”

Chin quoted Myron Orfield, executive director of the University of Minnesota's Institute on Race and Poverty, who pointed out that “gaps between minorities and whites in the state aren't limited to income and poverty rates. They also include factors like incarceration rates and mortgage lending.” Orfield might have added that race-based disparities in Minnesota also extend to health, unemployment, infant mortality, and pretty much any other indicators one bothers to look at. The rest of this series will look at some of those indicators. ♦

Unemployment: “Not All Areas Have Suffered Equally”

A study was released on June 8th by the Economic Policy Institute that looked at “the variation in unemployment across the 50 largest metropolitan areas” in the U.S. Entitled “Uneven Pain: Unemployment by Metropolitan Area and Race,” the report is the most recent study that calls into question the myth of “Minnesota Nice.”

The report noted that “While every metropolitan area has experienced some negative economic consequences from the Great Recession, not all areas have suffered equally.” The inequality of which they speak is highly correlated with race. Witness the following findings:

“No metropolitan area had a black unemployment rate

below 7.3%, and only two areas had Hispanic unemployment rates below 7.3%. Nearly half of the areas—24—had white unemployment rates below that level.”

“In all but two metropolitan areas, the white unemployment rate was lower than the overall rate. For the 50 largest metropolitan areas, the average white unemployment rate is 0.8 times the overall rate.”

What caught my eye, living in Minneapolis as I do, was the fact that, when it comes to the disparity in unemployment between white people and black people, the Twin Cities of Minneapolis and St. Paul is the worst

continued on Page 2

Greetings,

Martin Luther King, Jr., in his famous speech “Beyond Vietnam” on April 4, 1967, said that we cannot conquer “the giant triplets of racism, extreme materialism, and militarism” until we “shift from a thing-oriented society to a person-oriented society.”

In recent months Nygaard Notes has been wandering far afield, from Afghanistan to Rwanda, from NATO to Diego Garcia in the Indian Ocean, and the focus has been on the Third Triplet, militarism. But in this issue I come back very close to home, with a look at the First of the Triplets, which is the racism that aids and abets the extreme materialism of some in imposing extreme deprivation on others. In these times of economic malaise, when so many are suffering, it is painfully true (as the title of one of this week’s essays says) that “not all areas have suffered equally.”

In today’s thing-oriented world, most of the conflicts that we see come down to a question of who gets what. And some of the same forces that are behind the occupation of Afghanistan are behind the unnecessary deprivation and suffering documented in this issue of Nygaard Notes. If we want to make an honest attempt to live King’s dream of conquering the Giant Triplets, we need to have the courage to see things as they are, whether in Afghanistan, in the Gulf of Mexico, or in my own Twin Cities of Minneapolis/St. Paul, Minnesota, USA.

This week and next, Nygaard Notes takes a look at some of the ways that racism plays out in my home state of Minnesota. At the end of the series I’ll give some resources for people to look at for a more complete picture of the consequences of the racism that we harbor in Minnesota. I’ll also include some resources so the many non-Minnesotan readers of the Notes can check out what’s happening in your area when it comes to the living legacy of racism and its concrete effects.

Nygaard

Unemployment *from page 1*

metropolitan area in the United States. By far. In the metro areas with large enough black populations to analyze, the average disparity in unemployment rates between blacks and whites was 7 percent. The gap in the Twin Cities was almost twice as large, at 13.8 percent. Only Memphis, at 10.5 percent, was even close to my town.

This major story—a front-page story if I ever saw one—was barely covered in Minnesota, and never appeared on the front pages. The Star Tribune, the local newspaper of record, chose to put this story in the Business section. Minnesota Public Radio made it the subject of one of their talk shows. Good for them. It’s quite difficult to track local media in any comprehensive way, but I don’t believe this story was covered at all by other media in the state. In any case, it has never

become a “talker,” which is the term for an important story that pops up everywhere: front-pages, talk shows, elected officials’ press conferences, public forums, and other sites of civic activity.

This racial disparity in employment is not confined to the urban areas of Minnesota. Minnesota, as a state, displays the same dynamic. Earlier this spring the federal Bureau of Labor Statistics released a report with a state-by-state breakdown of 2009 unemployment statistics by race, sex, age, etc. Black unemployment was an absolutely shocking 22.5 percent. White unemployment was 7.1 percent, for a gap of 15.4 percentage points. States like Mississippi and Alabama—states that many Northerners still consider to be symbols of Jim Crow racism—were better than Minnesota in terms of this racial disparity. In fact, every state except Wisconsin was better than Minnesota. Yet somehow this disparity does not appear to be newsworthy in this state. ♦

Incarceration Rates “We Must Find Ways to Break the Cycle”

Numerous studies have been done over the years looking at the various ways that justice in Minnesota is meted out differently for White people and everyone else.

One of the most recent ones was published in November

of 2009, and was entitled “What Explains Persistent Racial Disproportionality in Minnesota’s Prison and Jail Populations?” In it, professor Richard Frase of the University of Minnesota Law School stated that “Studies of state prison populations in the 1980s ↗↗↗

→→ and early 1990s found that Minnesota's black per capita incarceration rates were about 20 times higher than white rates—the highest ratio reported for any state. Minnesota has done better in more recent studies," says Frase, but the fact is that "Minnesota [still] has one of the highest black/white incarceration ratios" of any state in the nation.

The following quotations are some of this professor's educated guesses as to why this is so.

"Highly disparate arrest rates appear to reflect unusually high rates of socioeconomic disparity between black and white residents."

"The analysis in this essays supports [the view that] "the high degree of racial disproportionality in Minnesota's prison and jail populations appears to reflect racial differences in criminal behavior, the disparate impact of seemingly race-neutral sentencing policies, and, possibly, racial stereotyping or disparate impact in policing decisions and in decisions to revoke probation or postprison release."

"Racial differences in offending... represent both individual and societal failures. These differences appear to be much greater in Minnesota than in the nation as a whole, reflecting above-average differences

in socioeconomic status of the state's black and white citizens and the particularly high concentration of its black residents in high-crime urban areas. These status and residential differences, and the crimes they foster, are the legacy of historic, deliberate racial bias, combined with a willful blindness that allows the modern products of that bias to continue and in some ways grow worse. In particular, city, county, and metro-level policies regarding schools, housing, transportation, and other public services and subsidies have often worsened, and rarely tried to ameliorate, criminogenic concentrations of race and poverty."

"These are not just failings of society at large. The criminal justice system's response to crime in poor, nonwhite areas magnifies and perpetuates racial differences in socioeconomic status and criminal behavior."

"Stark racial disparities in custodial populations are a constant reminder of society's failure to deliver on its ideals of equality... Minnesotans must find ways to break the cycle. And so must other states with high racial disproportionality in their inmate populations."

I don't have much to add to these comments, other than the fact that this study appears to escaped the notice of the major media in Minnesota. ♦

The Racial Wealth Gap Quadruples

Earlier in this issue I commented on racial disparities in income and poverty rates between black and white Minnesotans. Racial disparities in *wealth*, as opposed to income, are also shockingly high. While income is how much money you bring home, wealth is what you own minus what you owe. Whether it's stocks, bonds, savings accounts, or whatever form of asset that you own, wealth is what allows you to start a business, buy a home, or send your kids to college. Wealth is what you have to fall back on when your income falters, whether through unemployment, illness, or retirement.

I don't have any data specifically on Minnesota in this area, but the Institute on Assets and Social Policy at Brandeis University released an analysis on May 17, 2010 called "The Racial Wealth Gap Increases Fourfold" that talks about the nation as a whole. It's kind of a boring title, but the facts in the paper are far from boring. Since this important study was almost completely ignored in the mass media in this country, I

thought I would pass on a few highlights from the analysis, which looked at data from a 23-year period, 1984-2007:

"New evidence¹ reveals that the wealth gap between **white and African American families has more than quadrupled over the course of a generation**. Using economic data collected from the same set of families over 23 years (1984-2007), we find that the real wealth gains and losses of families over that time period demonstrate the stampede toward an escalating racial wealth gap." [Emphasis in original.]

"The gap is opportunity denied and assures racial economic inequality for the next generation.

"The racial wealth gap results from historical and contemporary factors but the disturbing fourfold increase in such a short time reflects public policies, such as tax cuts on investment income and inheritances which benefit the wealthiest, and redistribute wealth and opportunities. →→→

→→ “Tax deductions for home mortgages, retirement accounts, and college savings all disproportionately benefit higher income families. At the same time, evidence from multiple sources demonstrates the powerful role of persistent discrimination in housing, credit, and labor markets.”

“For every year of the study at least **one in four African American families** had no assets at all.”

The analysis, almost entirely ignored by the U.S. media, concluded with these words, all in BOLD type:

“A U Turn is needed. Public policies have and continue to play a major role in creating and sustaining the racial wealth gap, and they must play a role in closing it.”

Next week: We'll have a look at health, education, and who-knows-what, I'll have an editorial comment or two, and then I'll offer some resources for those who want to look into some of these issues further. ♦

“Quote” of the Week: *The Primary Goal for 2010 vs The Buzz Saw*

The National Urban League advocates on behalf of, and draws a good part of its leadership from, the African American community. In contrast, there is a grand total of one African American Senator among the 100 Senators in the U.S. Congress in 2010. And that Senator was appointed to replace the previous one African American Senator, Barack Obama (who left to take another job). With these facts in mind, here's the first of two “Quotes” for this week:

“The response to the devastation caused by near-record high unemployment for African Americans that threatens to push an already struggling community deeper into poverty and despair must be urgent. Jobs with living wages and good benefits must be the primary goal for 2010 and ahead.”

That's from the National Urban League's report “The State of Black America 2010,” released on March 25. Here is the second “Quote,” closely related to the first, in the form of the headline and opening paragraph of an article in the Washington Post of June 16th:

“Senate Dismantling Aid Package for Jobless, States; Democrats' Effort to Reduce Effect on Deficit Still Evolving. President Obama's urgent plea for more spending on the economy ran into the political buzz saw of the Senate on Tuesday, where Democratic leaders began chopping apart an aid package for unemployed workers and state governments in an effort to lessen its impact on the deficit.”

Nygaard Notes

P.O. Box 14354

Minneapolis, MN 55414

E-mail: nygaard@nygaardnotes.org

Web: www.nygaardnotes.org

Subscriptions are \$25.00 for 40 issues, which just covers the cost of printing and mailing. Go to the website for details.