

Michigan Poverty & Well Being Map: Southeast Region

The Southeast region includes: Hillsdale, Jackson, Lenawee, Livingston, Monroe, and Washtenaw counties. Learn more about the map at <u>poverty.umich.edu</u>.

Racial Disparities Underlie Strong Economic Position of Southeast Michigan Residents

At first glance, Southeast Michigan appears to be doing well on every measure of poverty. Median income for the region is the highest in the state and most measures of economic insecurity for the region are slightly lower than state averages. The region's high median income is driven by high median incomes in Livingston and Washtenaw counties; Livingston County has the highest median income in the state, \$92,357, which is 46% higher than the state median of \$63,202, while Washtenaw's median income is the sixth highest in the state at \$77,359. The region's high median income also masks disparities across the region. Livingston's median income is 68% higher than Hillsdale County's median income and 58% higher than the median income in Jackson County.

Educational attainment likely drives the gaps in median incomes between the counties. The percentage of the population without a high school diploma is twice as high in Hillsdale, Jackson, Macomb, and Lenawee counties compared to Washtenaw and Livingston counties. just over 40% of the population have a high school diploma or less. On the other end of the education spectrum, more than twice as many people have a bachelor's degree or more in Livingston and Washtenaw counties compared to Hillsdale, Jackson, Macomb, and Lenawee counties. Ensuring students graduate from high school and transition into additional training and education will help spur economic mobility for residents outside of Livingston and Washtenaw counties.

Income disparities within the region are even larger when looking at median income by race; White households have median incomes that are



	State	Region
Population	10,062,512	1,025,514
Median Income	\$63,202	\$71,263
Below Poverty Level (<18)	17.6%	12.3%
Below Poverty Level	13.0%	10.4%
ALICE	25.9%	25.5%
ALICE + Poverty Rate	39.0%	35.9%
Receiving Food Stamps/SNAP	12.6%	8.3%
Housing Cost Burdened	31.3%	30.9%
Without Health Insurance	7.1%	6.0%
Single Parent Households	25.2%	20.9%

60% higher than Black households in the region overall.¹ In Washtenaw, Monroe, and Jackson counties - the only counties with enough Black households to calculate median income by race - median incomes for White households are more than 70% higher than median incomes for Black households, and these inequities are evident across all measures of economic well-being.

Black people are 7.4% of the population overall in the region but are nearly 20% of the population living below the poverty line. Poverty rates for Black households are twice as high as those for White households in the region overall. Additionally, racial disparities in the number of households that fall below the ALICE threshold – households that are Asset Limited, Income Constrained, Employed and above the poverty line but struggling to afford the basic cost of living- are similarly stark in Jackson, Washtenaw, and Livingston counties, with more than 1.5 times as many Black households designated as ALICE compared to White households.² Combined with the poverty rate, this means that 60% of Black households. Throughout the region, Jackson, Lenawee, and Monroe counties have seen modest decreases in median income for all households between 2009 and 2021. However, these declines have been much larger for Black households.³

Similar to differences in economic well-being between the counties, educational disparities contribute to racial inequality within the counties. Not only does a higher proportion of the Black population lack a high school diploma compared to the White population (11.4% vs. 5.7%), but a lower proportion holds a bachelor's or higher degree (24% versus 36%).⁴ These differences are highest in Livingston and Washtenaw counties. Additionally, these areas of low economic mobility are not the result of new trends, but rather long-standing economic conditions that disproportionately impact Black residents. The damaging effects of historical segregation persist today and continue to impact who has access to homes in neighborhoods with high property values, high quality schools, and well-paying jobs.

Improving economic mobility in the counties where incomes are falling and addressing racial disparities will take investments in education at both the secondary and post-secondary level. Over the past 20 years, counties in the region had seen decreases in the proportion of the population without a high school diploma and increases in the proportion who graduated from college, but the biggest improvements were among White residents, a reflection of educational disparities in secondary education.⁵ The pandemic widened these inequalities, which adds an additional challenge to closing these gaps. Additionally, while there have been decreases in the proportion of the population who have not completed high school in the region, ensuring students not only graduate from high school but transition into additional education and job training can help improve outcomes. The Southeast Michigan Council of Governments, which includes communities in Monroe, Washtenaw, and Livingston counties, highlights limited career awareness and readiness as one of the challenges for workforce development in the region.⁶ Strengthening Career Technical Education programs in the region could help improve economic mobility for all residents in the region and help close racial disparities in income and poverty. Investing in education and training while relying on tools such as the Opportunity Index and Opportunity Atlas can help policymakers target resources and efforts most effectively.

References

- 1 Social Explorer. "American Community Survey (ACS) 2017--2021 (5-Year Estimates)"
- 2 ALICE Reports. United For ALICE. https://www.unitedforalice.org/state-overview/Michigan
- 3 Social Explorer Tables: ACS 2009 (5-Year Estimates)(SE), ACS 2009 (5-Year Estimates), Social Explorer; U.S. Census Bureau.
- 4 Social Explorer. "American Community Survey (ACS) 2017--2021 (5-Year Estimates)"
- 5 Social Explorer. "ACS 2009 (5-Year Estimates)(SE) and ACS 2021 (5-Year Estimates)(SE), Social Explorer."
- 6 The Southeast Michigan Council of Governments. <u>https://www.semcog.org/talent#5639681-limited-career-awareness-and-readiness</u>