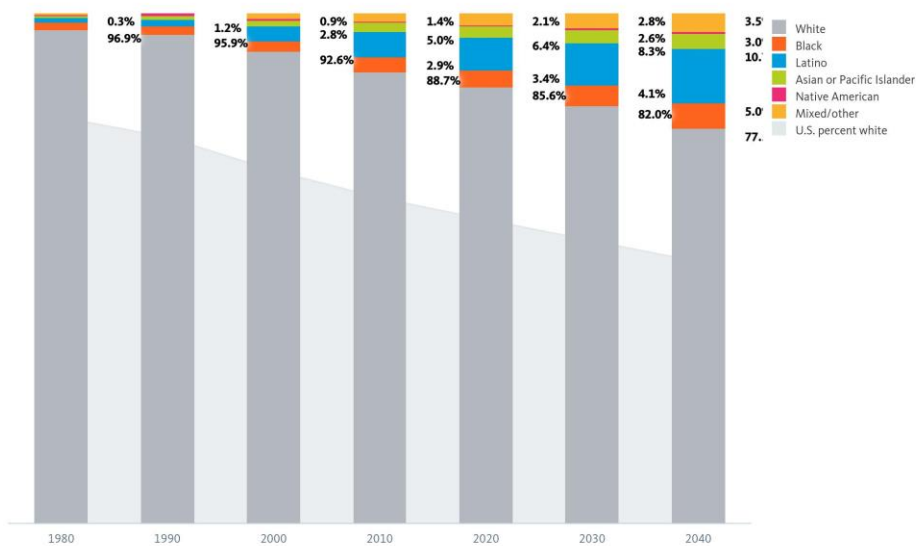


# Learning More About Inequities in Iowa

Racial/ethnic composition: Iowa, 1980-2040



U.S. Census Bureau; NHGIS; Woods & Poole Economics, Inc.  
PolicyLink/PERE National Equity Atlas, www.nationalequityatlas.org

## The Face of Iowa is Changing

### Who lives in Iowa and how is this changing?

From 1980-2010, people of color went from 3.1 percent to 11.3 percent of the population in Iowa. By 2040 it is projected to be close to 25%.

### Why it matters

The United States is undergoing a dramatic transformation in which people of color will become the majority by 2044. As people of color continue to grow as a share of the workforce and population, their social and economic well-being will determine the country's success and prosperity.

## Inequity Threatens Economic Prosperity

The country's growing, diverse population is a tremendous economic asset in the global economy. But rising income inequality and persistent racial gaps in health, wealth, income, employment, education, and opportunity prevent low-income people and people of color from realizing their full economic potential. **In Iowa in 2012, the economy would have been \$5.11 billion larger if there had been no racial gaps in income.** And as the nation becomes more diverse, the costs of inequity will grow if nothing is done. Here are some of the key challenges:

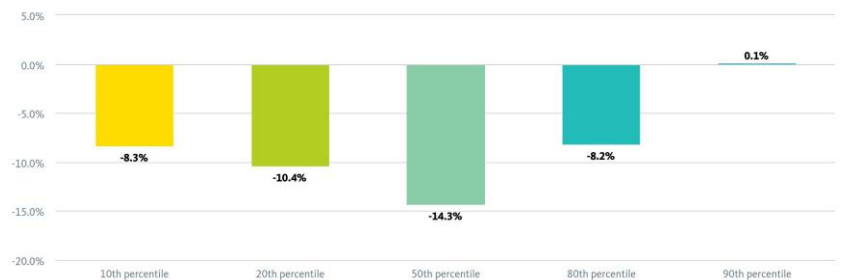
### Income inequality is on the rise

In Iowa since 1979, income for full-time workers at the 10th percentile changed -8.27 percent while income for those at the 90th percentile changed 0.1 percent.

### Why it matters

If growth was inclusive, all workers would see rising wages with the largest gains among lower-wage workers. Nationwide, the trend has been the opposite: the wages of low- and middle-wage workers have stagnated or declined while only top earners have seen rising wages. Inequitable income growth contributes to rising inequality, which acts as a drag on economic growth.

Earned income growth for full-time wage and salary workers: Iowa, 1980-2012



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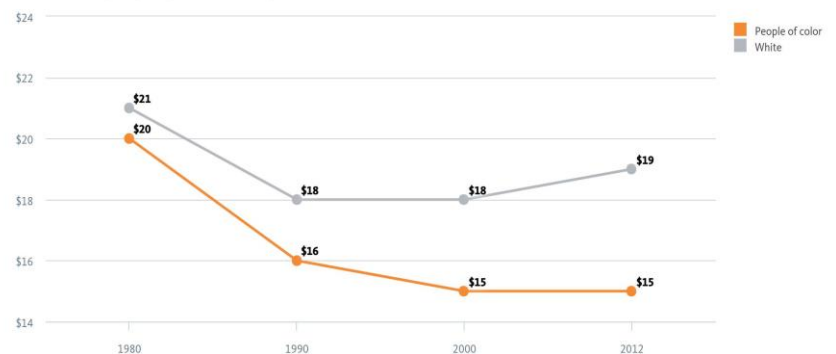
### Racial economic gaps are wide and persistent

In Iowa in 2012, the median wage for workers of color was \$4 less than the median wage for white workers.

### Why it matters

In an equitable region, wages would reflect differences in education, training, experience, and pay scales in particular occupations and industries, but would not vary systematically by race or gender. Racial gaps in wages between those with similar levels of education suggests discrimination and bias among employers. Policy and systems changes that ensure equal pay for equal work, fair hiring, and rising wages for low-wage workers will boost incomes, resulting in more of the consumer spending that drives economic growth and job creation.

Median hourly wage by race/ethnicity: Iowa, 1980-2012



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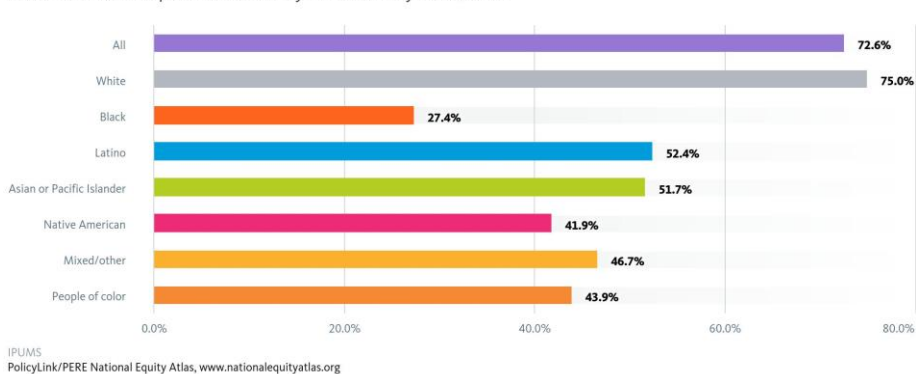
### Can all residents achieve homeownership?

Iowa: In 2012, Black households had the lowest homeownership rate at 27.35 percent and White households had the highest homeownership rate at 74.99 percent.

#### Why it matters

Homeownership can be a critical pathway to economic security and mobility, helping lower-income people build an asset that can be used to pay for education or other productive investments. But people of color have faced major barriers to accessing sustainable homeownership. Communities of color were disproportionately targeted by predatory lenders and negatively impacted by the foreclosure crisis, contributing to the rising racial wealth gap.

Percent owner-occupied households by race/ethnicity: Iowa, 2012



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### Inadequate access to reliable and efficient transportation--do all residents have access to a car?

Iowa: In 2012, only 5.31 percent of White households did not have access to a car, while 18.86 percent (more than triple the amount) of Black households did not have access to a car.



#### Why it matters

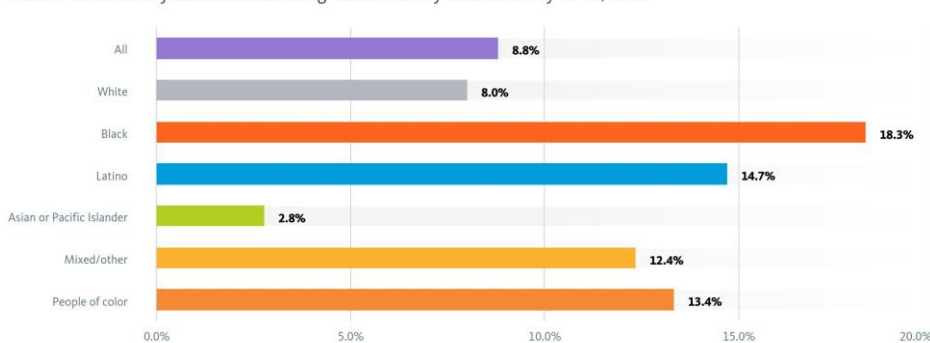
Reliable and affordable transportation is critical for meeting daily needs and accessing educational and employment opportunities located throughout the region. For households living in regions without robust transit systems, access to a car is critical, but lower-income people and people of color are more likely to be carless.

## Inequities youth face

For the first time in recent history, a majority (over 51 percent) of the schoolchildren attending the nation's public schools come from low-income families. In Iowa last year 42 percent of public K-12 students in Iowa were eligible for free and/or reduced lunch.

### Are youth ready to enter the workforce?

Percent of 16 to 24 year olds not working or in school by race/ethnicity: Iowa, 2012



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Iowa: In 2012, the Asian or Pacific Islander population had the lowest share not working or in school among 16-24 year olds at 2.79 percent and the Black population had the highest share at 18.3 percent.

#### Why it matters

Ensuring that youth are educated, healthy, and ready to thrive in the workforce is essential for economic prosperity, but too many youth—particularly youth of color—are disconnected from educational or employment opportunities. Not accessing education and job experience early in life can have long-lasting impacts including lower earnings, higher public expenditures, lower tax revenues, and lost human potential.

## Get involved in your community: Policies and solutions proven to help all youth succeed

- Preserve and expand affordable housing in neighborhoods with high-performing schools through proactive policies (such as inclusionary zoning), enforcing fair housing laws, and dismantling exclusionary land-use policies
- Ensure equitable school funding policies (as California has done) that provide schools serving higher-need students have adequate resources in addition to investing in universal pre-k, college scholarships, and job training to ensure all youth, including low-income children of color, can access the education and supports they need to succeed
- Support children who attend high-poverty schools through cradle-to-career strategies that equip them with the educational, health, and social supports they need to succeed and by prioritizing training, hiring, and retaining highly qualified teachers for hard-to-staff schools
- Improve the quality and nutrition of school food (while ensuring good jobs from farm to cafeteria)
- Create healthy built environments where residents can walk to schools, buy groceries, and get to health care and jobs
- Improve opportunities for physical activity in settings such as safe park environments and school, afterschool, and early care or through efforts like developing shared use or joint use agreements.

\*All data and information provided was obtained from the National Equity Atlas, PolicyLink, and the Iowa Department of Education

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