

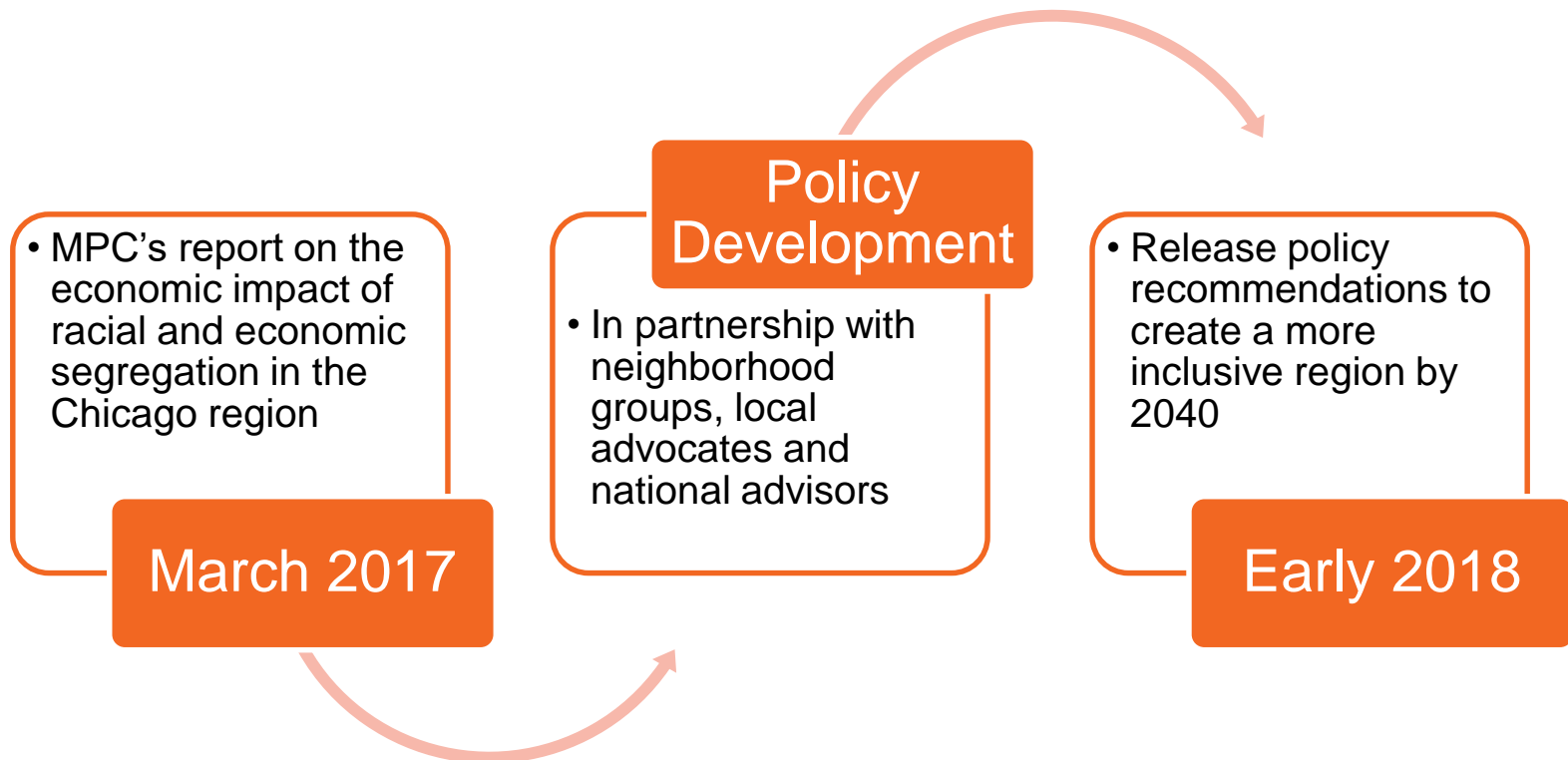
A photograph of the Chicago skyline seen from an elevated train. The train tracks and metal railings are in the foreground, leading towards the city. The skyline includes several skyscrapers, with the Willis Tower being the most prominent. The sky is overcast and grey.

The Cost of Segregation

Lost income. Lost lives. Lost potential.

The steep costs all of us in the Chicago region pay by living so separately from each other

Our Process



Driving Research Questions

- What does it cost all of us in metropolitan Chicago to live so separately from each other by race and income?
- What can we do to change these patterns of segregation, so that everyone living in our region can participate in and create a stronger future?

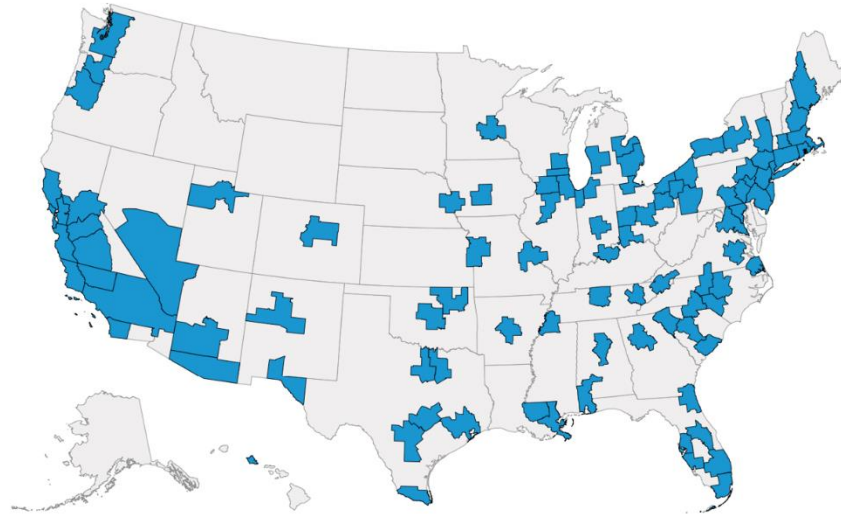
Methods

- We examined three types of segregation: economic, African American-white and Latino-white
- We measured costs by examining these variables, 1990-2010:
 - Household median income
 - Per capita income
 - Proportion of residents ages 25 or older with 4-year college degrees
 - Life expectancy of residents
 - Homicide rate

Methods

- Examined impacts if the Chicago region reduced its level of segregation to the median of the nation's 100 biggest metros

100 largest U.S. metro areas



Source: Acs, Gregory, Rolf Pendall, Mark Treskon, and Amy Khare. 2017. *The Cost of Segregation: National Trends and the Case of Chicago: 1990-2010*. Washington, D.C.: Urban Institute.

What Does Segregation Cost Us?

Lost income

\$4.4 billion in annual regional income

Lost lives

30 percent more homicides

Lost potential

83,000 Bachelor's degrees

Lost Income

If we reduced the levels of economic and African American-white segregation to the national median...



Incomes for African Americans in the Chicago region would rise an average of **\$2,982 per person per year**.



The region as a whole would earn an additional **\$4.4 billion** in income, resulting in an **\$8 billion** boost to the region's GDP.

Lost Lives

The Chicago region's homicide rate would drop by **30 percent**—the equivalent of **saving 229 lives** in the city of Chicago in 2016—if we reduced the level of segregation between African Americans and whites to the national median.

If the region's homicide rate had been 30 percent lower in 2010...



167 more people would have lived that year, earning some **\$170 million** over the course of their lifetimes.



The region would have saved some **\$65 million** in policing costs and an estimated **\$218 million** in corrections costs.



Residential real estate values would have increased by at least **\$6 billion**.

Lost Potential



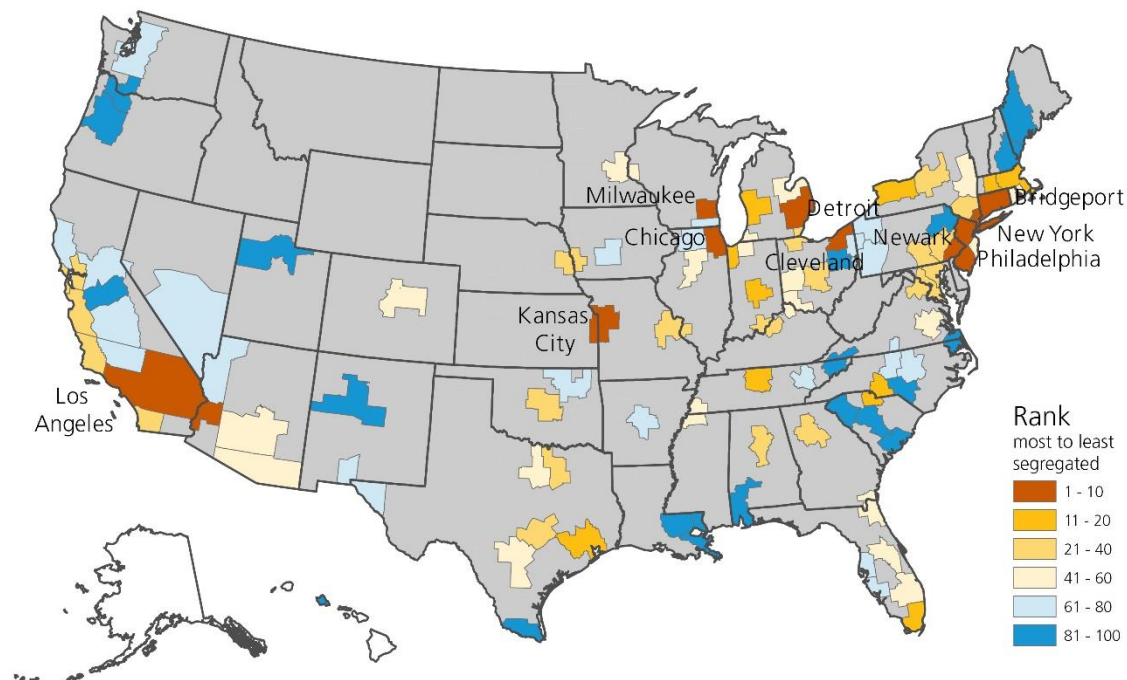
83,000 more people in the Chicago region would have bachelor's degrees if we reduced the level of African American-white segregation to the national median.



The Chicago region is losing out on some **\$90 billion in total lifetime earnings** as a result of our education gap.

National Findings

Comparing the nation:
Ranking of combined racial and economic segregation in 100
largest U.S. metro areas, 2010



Source: Acs, Gregory, Rolf Pendall, Mark Treskon, and Amy Khare. 2017. *The Cost of Segregation: National Trends and the Case of Chicago: 1990-2010*. Washington, D.C.: Urban Institute.

How the Chicago Region Compares

- In 2010, the Chicago region had the...

5th

highest
combined
racial and
economic
segregation

9th

highest Latino-
white
segregation

10th

highest African
American-white
segregation

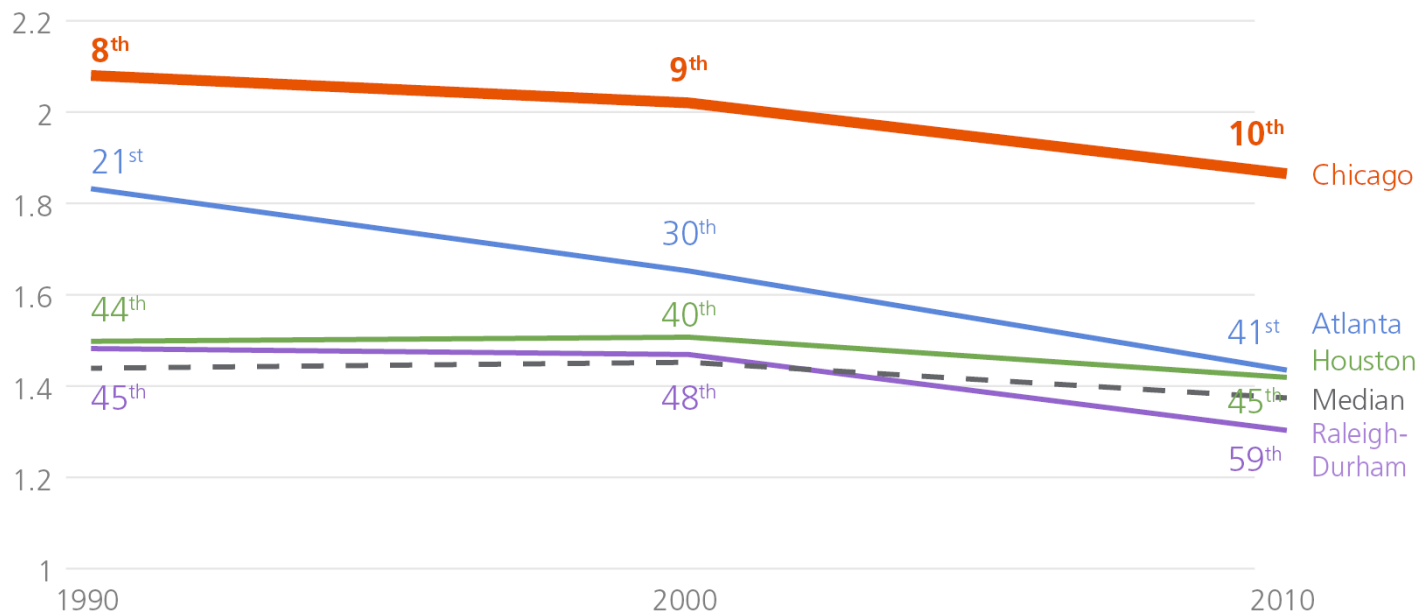
20th

highest
economic
segregation

How the Chicago Region Compares

How Chicago compares to three moderately segregated regions

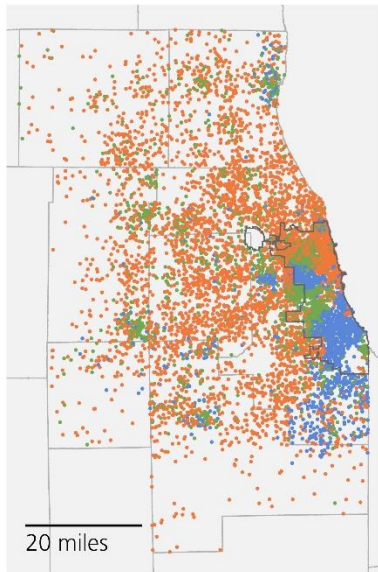
African American-white segregation as measured by Spatial Proximity Index



Source: Urban Institute, based on 2011-2015 American Community Survey (ACS) five-year estimates.

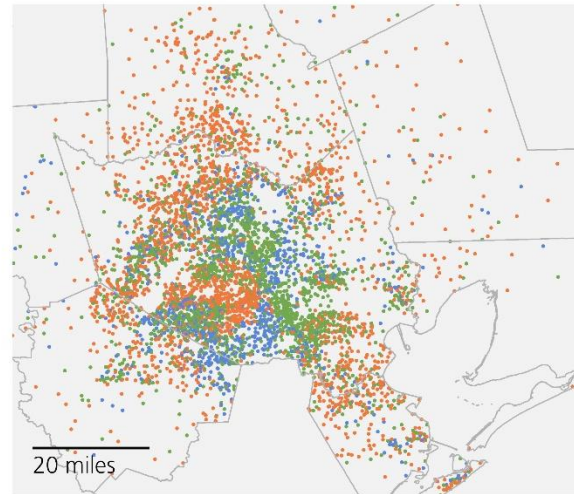
How the Chicago Region Compares

Chicago region: Concentrated racial segregation



1 dot = 1,000 people
Population: 8,505,977
● White (52.2%)
● African American (17.0%)
● Latino (22.4%)

Houston region: Moderate racial segregation

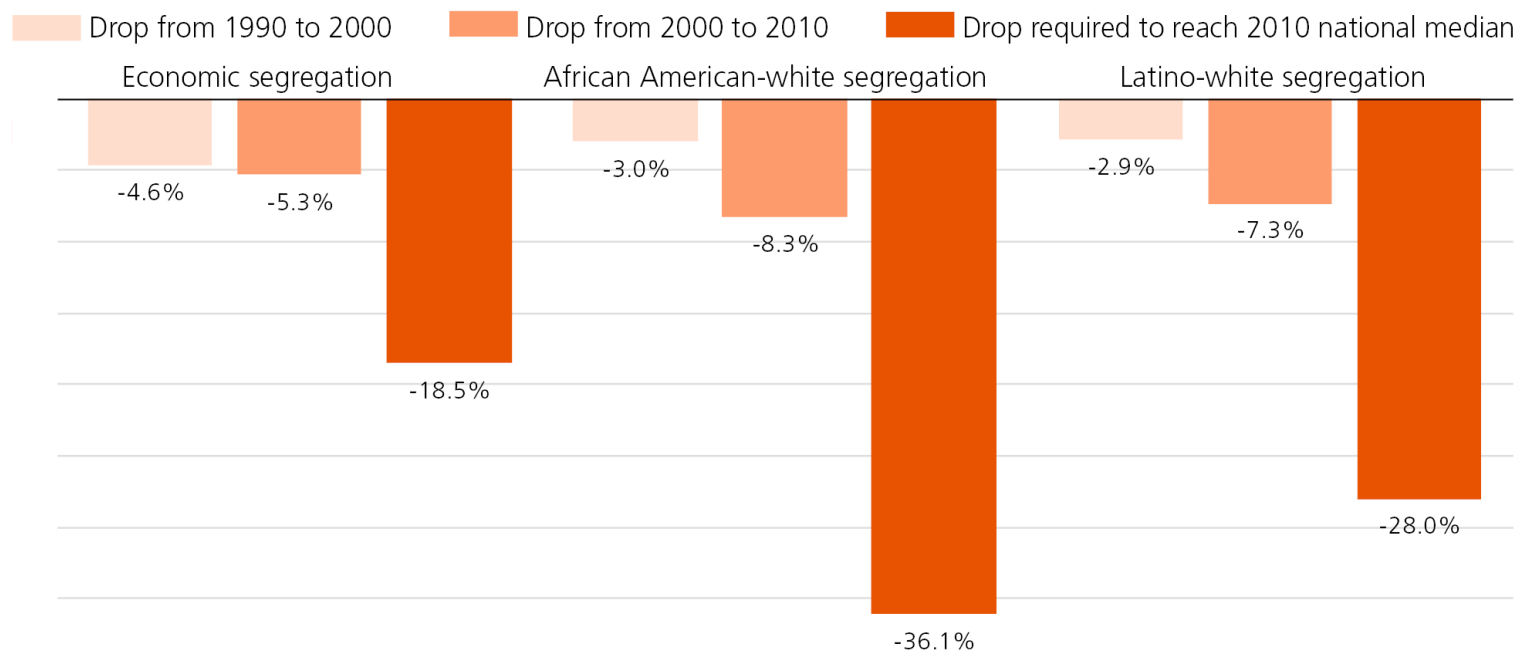


1 dot = 1,000 people
Population: 6,076,171
● White (37.8%)
● African American (17.0%)
● Latino (36.3%)

Source: Maps by MPC, based on Urban Institute map and analysis of 2011-2015 American Community Survey (ACS) five-year estimates

What Would It Take to Reduce Segregation in the Chicago Region?

Major drops needed in the Chicago region to reach national median level of segregation



Source: Acs, Gregory, Rolf Pendall, Mark Treskon, and Amy Khare. 2017. *The Cost of Segregation: National Trends and the Case of Chicago: 1990-2010*. Washington, D.C.: Urban Institute.

How Segregation Impacts Latinos



While Latinos make up 25 percent of the Chicago Housing Authority's eligible public housing population, they occupy just 9 percent of available units and only one in ten individuals on waiting lists is Latino.

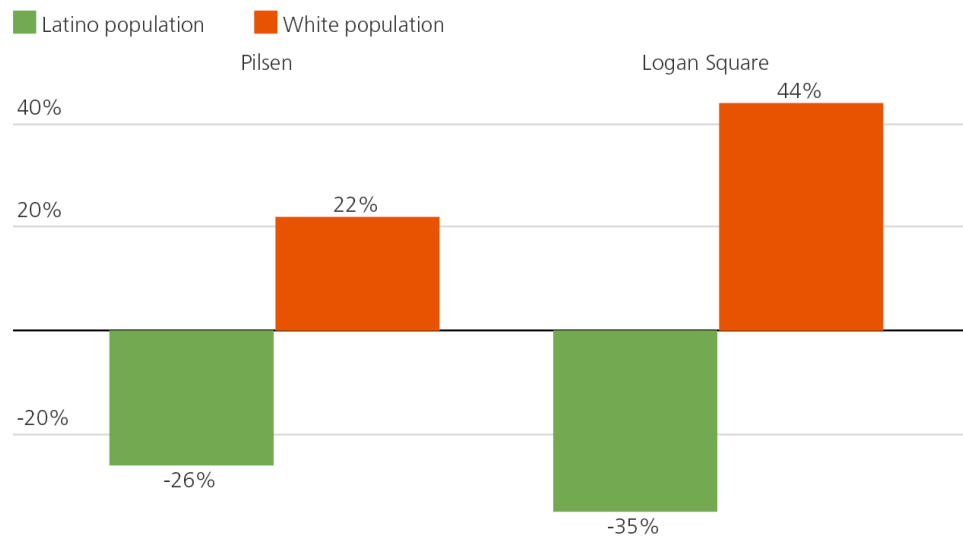
While the overall Latino population is increasing in the Chicago region, 92 percent of majority-Latino suburbs in the Chicago region lost population between 2014 and 2015.



61 percent of all Latino students in the Chicago region attend a majority-Latino school; 78 percent of the students attending these majority-Latino schools identify as low-income.

How Segregation Impacts Latinos

Dramatic change in Latino-white population balance in Chicago's Pilsen and Logan Square neighborhoods, 2000 to 2013



Source: Graph by MPC, based on analysis of 2006-2010 and 2011-2015 American Community Survey (ACS) five-year estimates

Where Do We Go From Here?

- Phase Two:
 - With Urban Institute, map population projections to 2030
 - Work with neighborhood groups, local advocates & national advisors on effective policies
 - Learn from other places
 - Recommend strategies for desegregation and equity