

# Hope for Urban America

As America ushers in its first African-American president, this unprecedented change comes amid unprecedented challenges. The meltdown of financial markets, the foreclosure crisis and a volatile automobile industry are but a few of the enormous problems that the new president, his administration and policy makers throughout the nation must urgently address to stimulate economic recovery. As these issues are vetted and stimulus options are considered, policy makers must not overlook the opportunity for real transformation of a population long overlooked and disadvantaged – the nation’s urban core. No area is more vulnerable to further decline and more in need of immediate assistance than our aging major cities, yet these areas are best poised for achieving significant gains through targeted, comprehensive policies and interventions designed to prepare them for the competitive climate of the 21<sup>st</sup> century.

The challenges facing the nation’s urban core are daunting and many: crushing poverty, high unemployment, failing schools, crumbling infrastructure, rising crime and poor health care. These problems have been exacerbated by urban sprawl, which continues to strip urban communities of human and financial resources, and the transition to a global economy, which has resulted in tens of thousands of manufacturing jobs evaporating in recent years. It is little wonder that Cleveland and Detroit, both old industrial cities, have led the nation in poverty for the last five years. The urgent need to address these problems rises beyond simple urban policy. This is a national crisis. Without bold and aggressive government intervention, the decay of America’s cities will undoubtedly spread and worsen – in quick fashion.

On the campaign trail, Barack Obama shared a vision of hope for America’s cities and underscored their importance as “key drivers of prosperity in a global economy.” That inspiring vision must now be converted into action through public policies that “stop the bleeding” in urban America. Targeted investment and a cohesive set of policies can begin the turnaround that cities desperately need and can serve as the catalyst for overall national economic recovery.

The following recommendations highlight nine key policy areas that are most deserving of attention and investment to improve the plight of urban communities:

## 1. Education

The opportunities afforded to every American to live productive and prosperous lives are built on a foundation of education. All children, particularly in urban communities, need to take full advantage of educational opportunities that prepare them for 21<sup>st</sup> century careers. However, public education in far too many urban areas has generated abysmal results, especially among African-American and Latino

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boys. Given the high stakes but generally low results, federal and state policies concerning urban education must incorporate radical changes. These should include support for charter schools, voucher programs, flexible public school models (with direct linkages to business and industry), aggressive recruitment of male teachers and enhanced social services for youth living in distressed communities.

The Department of Education should quickly review and reauthorize the No Child Left Behind Act and incorporate pre-kindergarten into all public education curriculums. The DOE should also consider expanding the Pell Grant program to non-traditional students of all ages to encourage advanced educational attainment and lifelong learning. Without significant changes to public education, no goal of transformed and rejuvenated urban communities is achievable.

## **2. Workforce Development**

Improvements in public education will lay the foundation for a workforce better equipped to compete in a knowledge economy. However, workforce training, particularly for chronically unemployed adults who are 25 years of age or older, is essential for getting urban America back on track. Many workers will need to be trained for the “green jobs” that the Department of Labor is rightfully anticipating. However, DOL’s Workforce Investment Act should also make training dollars available that assist employers who are developing or enhancing alternative energy technologies. These employers will need new workers to take their innovations to scale. To address the intolerable reality that 30% to 50% of minorities in many urban communities are jobless, investments in “on-the-job” training, stackable certificate programs through community colleges, and tax incentives and workforce subsidies for employers are vital for helping lower-skilled minorities find jobs that support their families. Community colleges should be funded at increased levels to provide for a wider range of occupational choices, including skilled trades.

Funding for major infrastructure improvements through the economic stimulus package should include employment mandates for disadvantaged minority workers in the nation’s urban core. Such investment directives would help renew the economic base of cities but would also encourage growth and development in surrounding regions.

## **3. Minority and Small Businesses**

Minority businesses within city cores are critical to any urban revitalization. Because the very survival of communities depends on thriving businesses that provide employment for residents and contribute taxes for government services, state and federal policies should support and complement efforts to connect minority businesses to investments designed to stimulate urban economies. The economic stimulus package must ensure that minority businesses have access to the billions of dollars distributed in order to build capacity and put Americans back to work. Dr. Thomas D. Boston of the Georgia Institute of Technology, who tracks the fastest-growing minority businesses in America through his “Gazelle Index,” found that access to government contracts was the common denominator among fast-growing minority businesses.

Beyond mandating minority businesses access to economic stimulus efforts, the federal government can do more to support small businesses. The Department of Commerce must ensure that professional organizations delivering technical assistance to small businesses have the capacity to provide the technological services small businesses need to compete in a global economy. The innovative alliance between the Commerce Department and the Information Technology Association of America (ITAA) is an example that should be expanded and promoted. The Obama Administration and Congress should give the Small Business Administration a wider range of authority to foster economic development by modifying parameters and requirements of existing programs. SBA should be able to provide direct lending in areas where the lack of business credit will worsen

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PolicyBridge is an African-American-led public policy think tank headquartered in Cleveland, Ohio. Its aims are to research, analyze and respond to public policy issues from a minority perspective. For more information on PolicyBridge, visit [www.policy-bridge.org](http://www.policy-bridge.org). PolicyBridge’s mission is: To create and sustain high-quality discourse addressing public policy issues, which enlighten and engage fellow citizens, prompting them to take action.

already dire economic development opportunities, and the Community Reinvestment Act should be modified to include business lending. The implosion in the financial industry and subsequent government bailout emphasizes that cities – and the individual taxpayers who will ultimately finance the bailout – deserve to have better access to information about the lending practices of their financial institutions.

#### **4. Housing and Neighborhoods**

Foreclosures have devastated city neighborhoods, devalued properties and broken the spirits of die-hard community leaders who organize block clubs, crime watches and other efforts. In many urban neighborhoods, 25% to 30% of houses are vacant. The inevitable question of “what next” weighs heavily on those responsible for maintaining these areas. Many of the vacant homes have become not merely eyesores, but havens for criminal activity. The Department of Housing and Urban Development and other federal programs must set aside significant funding for demolishing vacant structures, retrofitting vacant but viable buildings for business growth and attraction, and establishing master plans to redesign and rezone these devastated neighborhoods. HUD, the Commerce Department and the Federal Communications Commission should work together to create viable “info-structure” improvements by leveraging broadband technologies to enhance services to residents and foster business innovation. The importance of “neighborhood-building” cannot be overstated. Reinvigorating America’s urban economies requires careful attention to restoring city neighborhoods as attractive, safe places to live, work and raise a family.

#### **5. Crime and Safety**

During economic downturns, crime rates often rise, especially in urban communities that lack jobs, a traditional family unit and hope. Federal investments in programs such as Weed and Seed, which connects safety forces with residents of the community to take proactive steps to battle crime, will remain critically important. Residents cannot feel “trapped” in their homes because of crime or the perception of crime. Community Development Block Grants and other federal funding will be necessary to provide for more officers on the street (particularly community policing, gang units, etc.), support intervention programs, and enable better use of technology to fight crime.

#### **6. Transportation and Infrastructure**

President-Elect Obama has indicated major infrastructure improvement to be a cornerstone of his efforts to stimulate employment and economic growth. The nation’s aging cities, which have endured years of use and disinvestment, should be given special priority for funding to repair and improve roads, sidewalks, bridges and related infrastructure. The migration of major employers out of central cities makes greater investment in public transportation essential for connecting urban residents with outlying employment opportunities. These investments will not only improve the infrastructure of communities, but they will provide thousands of jobs for laborers, contractors and other individuals who reside in the urban core. Getting city residents engaged in eliminating blight and improving infrastructure will be an economic, psychological and social “shot in the arm” for urban America.

Investment in regional and national rail and commuter transportation is vital for reducing the nation’s reliance on foreign oil and other fossil fuels. Reintroducing rail transportation would not only significantly reduce our carbon footprint, but it would also encourage more personal and business travel to small and medium-sized metropolitan areas, adding to economic growth. Rail hubs would help connect job seekers with employment opportunities in exurban areas and other cities, mitigating the ill effects of urban sprawl.

#### **7. Health Care**

Affordable health care for all is a clarion call that President-Elect Obama trumpeted throughout his campaign. Efforts to improve health-care access should begin in urban communities, where, because of poverty and lifestyle issues, individuals are dying at younger ages and in greater frequency from chronic illnesses such as HIV/AIDS, diabetes, heart disease and cancer. Funding for prevention efforts and intense



monitoring of these conditions should be a major policy agenda for the Department of Health & Human Services and the Centers for Disease Control and Prevention. Mental health is another pressing issue that is often ignored but warrants a higher level of intervention and investment. A recent *USA Today* poll indicated that the number of work days lost per year for mental illness and depression far exceeded all other illnesses, including cancer, respiratory disorders and migraines.

Investments must also be made in health information technology to encourage and support automation in delivering health-care services, following up with patients, and maintaining accurate records. Finally, raising awareness of health concerns and promoting lifestyle changes are proven strategies that HHS can invest in to reduce behaviors that exacerbate health disparities.

## 8. Ex-Offender Populations

Too many minorities, particularly African-American males, are unable to find gainful employment because of felony convictions. Although African-Americans make up less than 12% of the population in Ohio, they account for more than 50% of inmates. In Ohio, nearly 30 times more black males were sentenced to prison for drug offenses than white males. Such sentencing disparities are found in states throughout the country. In addition to investigating these discrepancies, the federal government should explore ways to help ex-offenders access work. The Department of Justice, working with HUD and the Department of Labor, should establish policies that assist ex-offenders in getting the training and support they need to build businesses and careers. Proper case management of this population is of critical importance, particularly among ex-offenders with major physical and mental health concerns.

Funds should be redirected from state and federal prison budgets to support Alternative to Prison (ATP) and other innovative initiatives so that the burden of supporting these citizens does not eventually fall back on taxpayers. Federal and state governments should also consider establishing departments or divisions that focus on the particular needs of the ex-offender population. Government agencies in Philadelphia and Ohio's Cuyahoga County have demonstrated success in addressing the myriad legal, housing, workforce and health-care issues concurrently, giving ex-offenders a solid start on a new way of life.

## 9. Youth Development

Youth are the key to America's future. They will be responsible for the new ideas to keep the nation globally competitive and environmentally sound. The nation's prosperity depends on whether its young people are equipped with the necessary skills and values. Ensuring that urban youth are able to engage in economic opportunities is an imperative, not only for individual cities but for the well-being of the nation as a whole. For this reason, HHS should do more to support networks that provide wrap-around social services in urban communities and offer greater aid for mentoring and tutoring programs. Among African-American youth, 70% are being raised in single-parent households. This population in particular needs greater support in avoiding the "life traps" of dropping out of school, having babies too early or getting involved in crime. Expanded investments in federal programs such as Head Start and in nationwide agencies such as Big Brothers/Big Sisters and Boys and Girls Clubs should be a priority. However, HHS must be rigorous in evaluating which programs are effective and worthy of continued investment.

## Conclusion

Public policy development and investment in these nine areas will greatly address the needs of the nation's beleaguered cities and the people, particularly minorities, who inhabit them. The work of reinvigorating urban America will require a comprehensive, collaborative effort among wide-ranging federal and state departments. These policy recommendations should be seriously considered as key components of any national urban policy agenda put forth by the new Obama Administration.

### References

USA Today; Human Rights Watch; PolicyBridge's "The Rap on Culture" and "The Job Prescription" research reports; Dr. Thomas Boston, Georgia Tech.