Evaluating Shared Prosperity in Southeast Michigan, 2018–2022 Metropolitan Affairs Coalition Board Meeting Novi, Michigan

May 14, 2024



Jacob Burton
Gabriel Ehrlich
Donald Grimes
Michael McWilliams
Yinuo Zhang

Research Seminar in Quantitative Economics

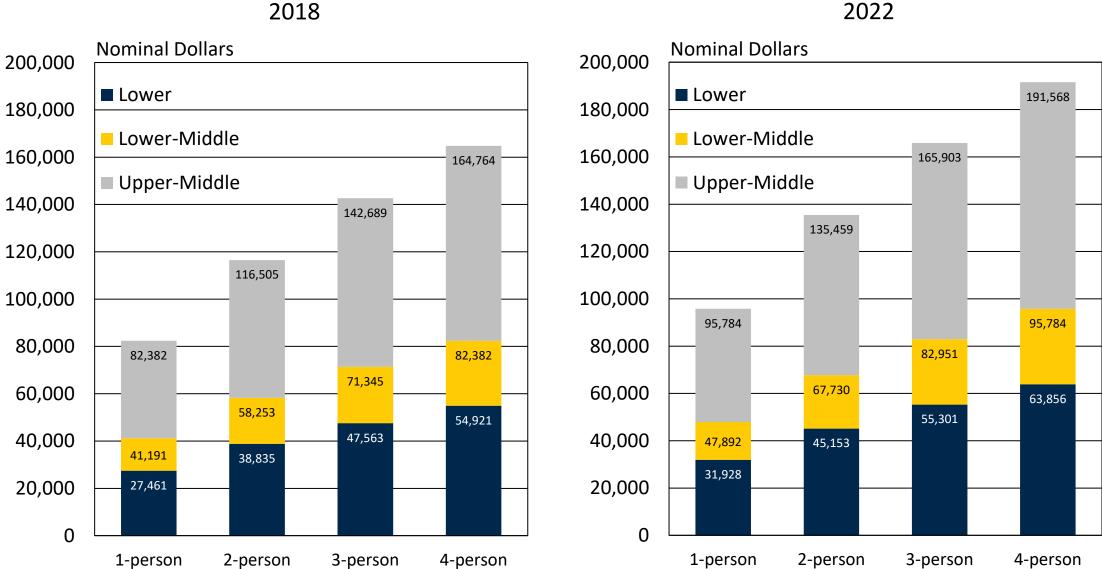
About This Study

- This study is an update to our report Evaluating Shared Prosperity in Southeast Michigan, 2012–2018
- >We examine how prosperity in the region has changed since before the pandemic
- We classify households into four income groups using a standardized measure of income (three-person equivalent income adjusting for local cost of living)
- >We consider the distribution of prosperity by geography, racial and ethnic groups, educational attainment, and age
- New this year, we also examine prosperity by disability status and housing tenure



RESEARCH SEMINAR IN QUANTITATIVE ECONOMICS

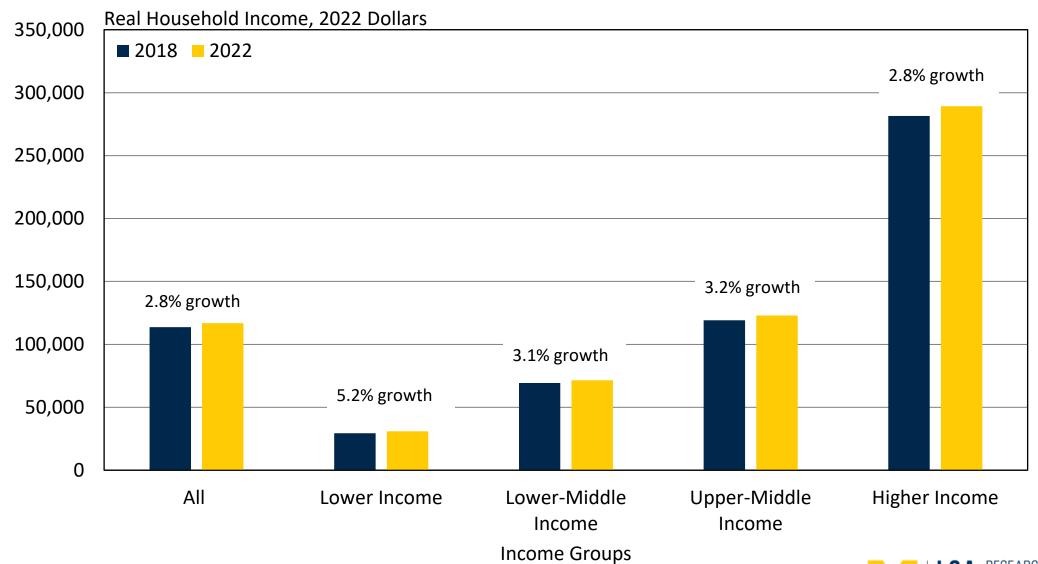
Household Income Thresholds in Detroit-Warren-Dearborn, 2018 and 2022







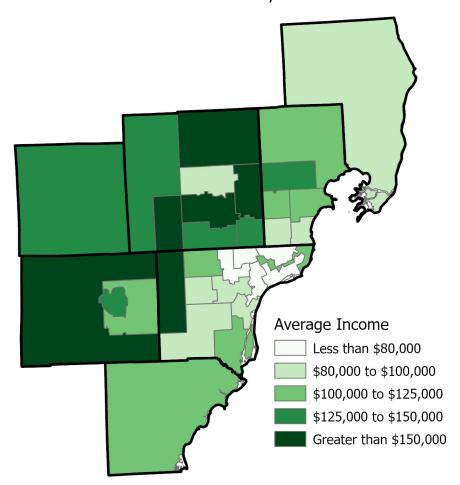
Mean 3-person Household Equivalent Income by Income Group in Southeast Michigan, 2018 and 2022



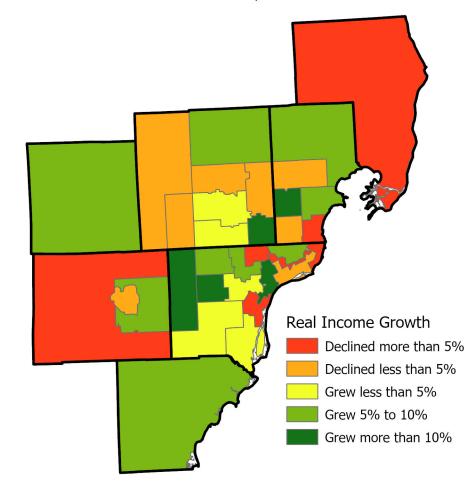


Geographic Distribution of Prosperity in Southeast Michigan

Average Three-Person Equivalent Household Income, 2022



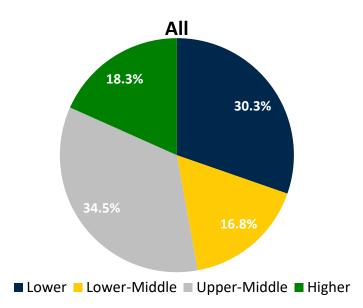
Real Growth of Average Three-Person Equivalent Household Income, 2018–2022

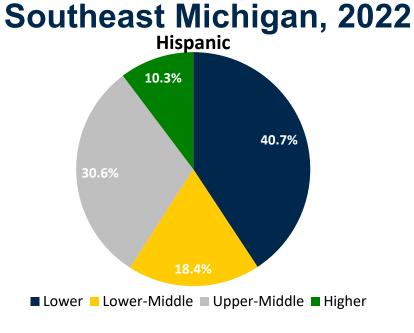


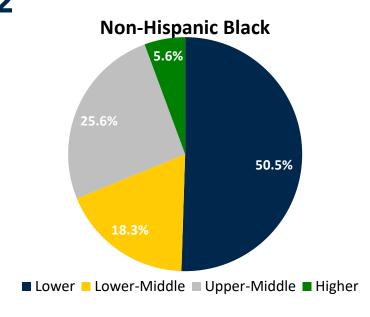


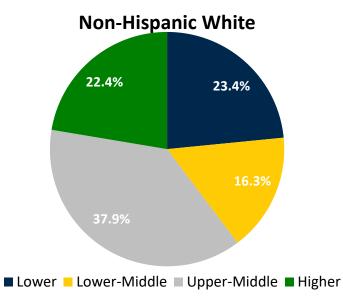
RESEARCH SEMI

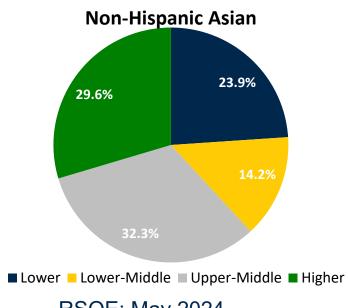
Distribution of Population by Household Income and Race/Ethnicity

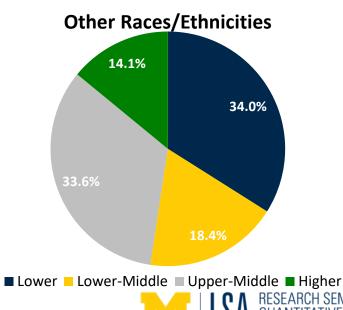






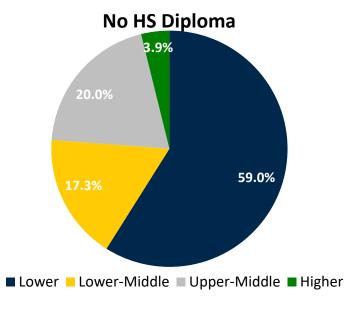


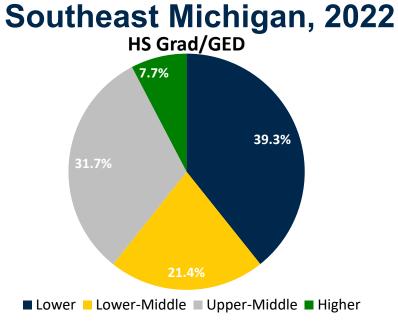


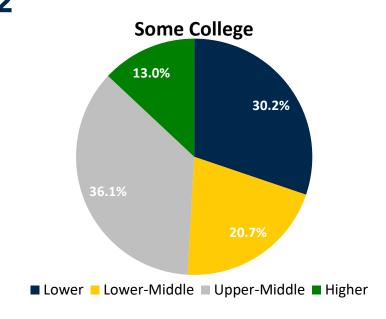


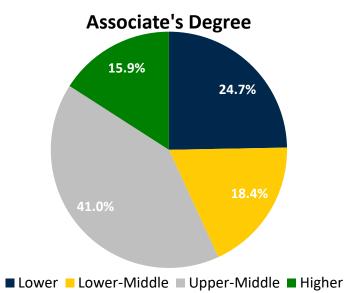


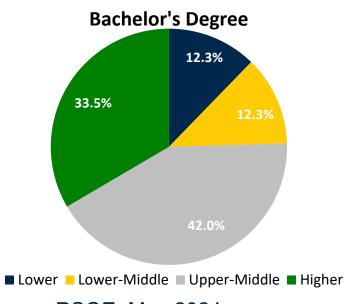
Distribution of Population 25+ by Household Income and Education

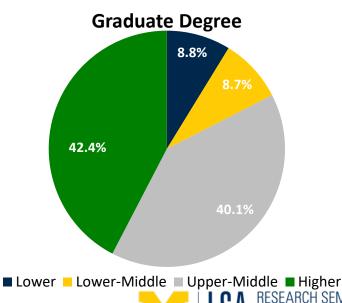








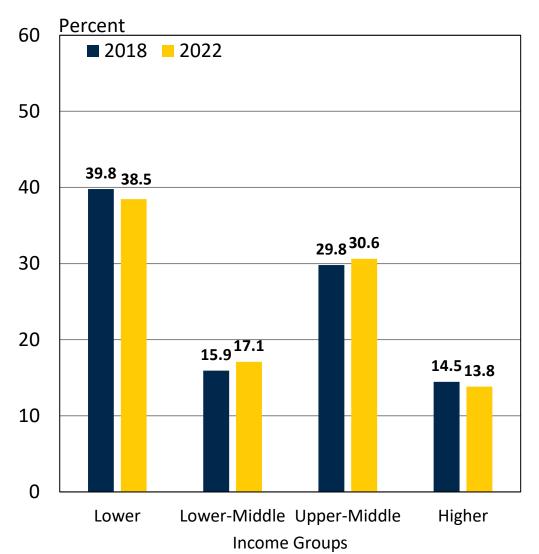


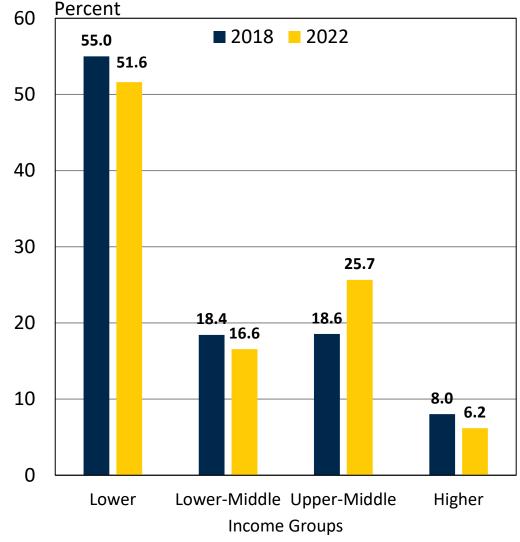




Distribution of Children 17 and Under by Household Income Southeast Michigan, 2018 & 2022

All Races/Ethnicities Hispanic





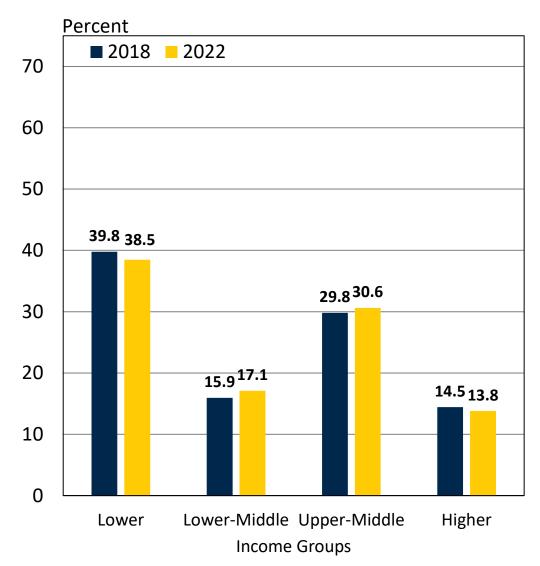


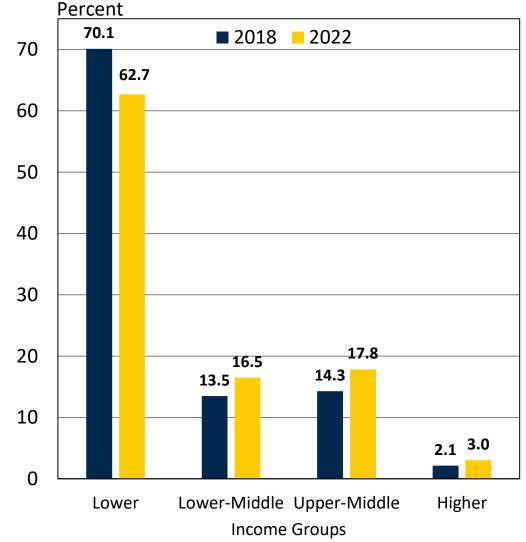


Distribution of Children 17 and Under by Household Income Southeast Michigan, 2018 & 2022

All Races/Ethnicities

Non-Hispanic Black

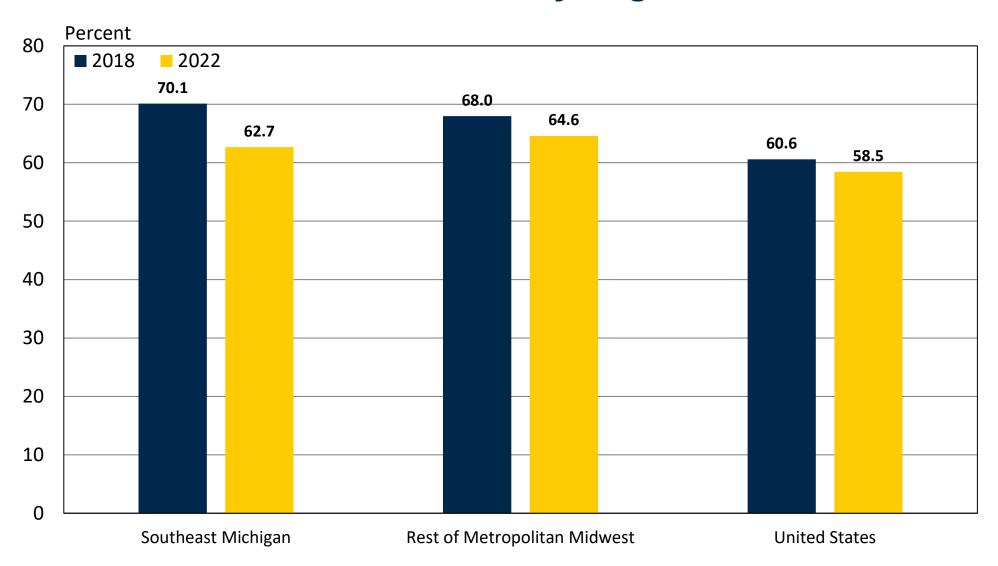








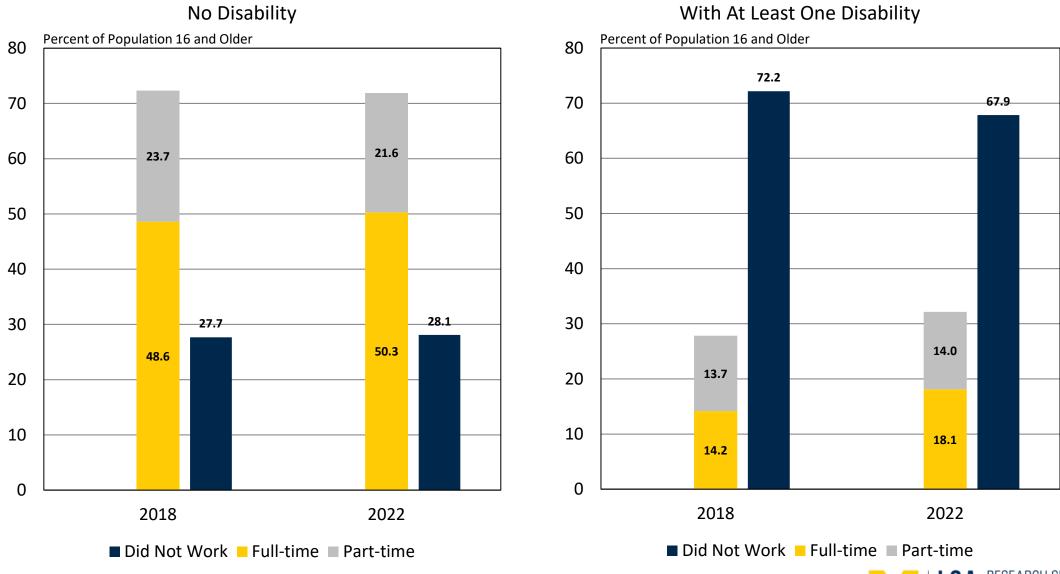
Share of Non-Hispanic Black Children 17 and Under in Lower-Income Households by Region, 2018 & 2022







Labor Market Engagement by Disability Status in Southeast Michigan







Concluding Thoughts

- Prosperity became more broadly shared in Southeast Michigan from 2018 to 2022
- ➤ Gains were noticeable for Hispanic and Non-Hispanic Black residents, especially children
- > Disabled residents experienced sharp gains in full-time employment
- Southeast Michigan still suffers from holes in the distribution of prosperity, with large gaps across racial and ethnic groups
- Education still matters. A bachelor's degree or higher formal education remains the most reliable way to attain an upper-middle or higher-income standard of living



RESEARCH SEMINAR IN QUANTITATIVE ECONOMICS UNIVERSITY OF MICHIGAN



The Leading Edge of Economic Forecasting since 1952

SAVE THE DATE!

The <u>72nd Annual Economic Outlook Conference</u> will take place on November 21–22, 2024 in Ann Arbor. The conference will feature RSQE's forecasts of the U.S. and Michigan economies plus a range of leading speakers from government, academia, and the private sector.

For more information: Isa.umich.edu/econ/rsqe

For Sponsorship information email: cedunn@umich.edu

