SOS! Milwaukee Needs Help

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Some translate "Milwaukee" from the original Potawatomi as "gathering place of the waters," others as "sinkhole or sewer."

These days it's looking more like the second, with industry fleeing, the central city rotting, and a cavernous inequality opening between Milwaukee and its suburbs. The destruction of Wisconsin's greatest city is a tragedy for the state, and doubly scandalous is how little constructive attention it gets in state political debate.

Typical is Gov. Scott McCallum's latest bit of budget mayhem - the proposed phaseout of all shared revenue funding for cities, upon which they rely for the provision of essential services and the state relies for ensuring some equity across regions. Places like Beloit and Green Bay may be getting the headlines now, but it's Milwaukee that stands to lose the biggest under the proposed plan - because it is the biggest, with the largest share of poorer citizens.

But the broader point - now reflected in virtually all areas of state policy - is that we are letting Milwaukee die, and have already let it descend to the point of being a national poster child for bad urban policy. Do I overstate? No.

Let's start with maybe the hardest issue: race. With black Wisconsinites heavily clustered in Milwaukee's central city, that city's neglect and abuse amount to the neglect and abuse of them, which is almost certainly part of the reason it has been allowed to continue as long as it has in this super-white-majority state.

Remember the Kerner Commission of the late 1960s? What it said then of America is even truer of Wisconsin today. "We are becoming two (states), separate and unequal," divided along the color line.

At the last census count, white kids in Wisconsin had one of the lowest poverty rates in America - a remarkable achievement for a state that has only average family incomes. But black kids, by contrast, had the second highest poverty rate, second only to Louisiana. No other state showed such a racial disparity in child poverty.

White kids in Wisconsin also have one of the highest high school graduation rates in the nation, another great achievement. Black kids, by contrast, have the lowest graduation rate in the nation, again with no other state showing such difference across the races.

Or consider crime and punishment. Racial disparities in sentencing in Wisconsin are again second highest in the nation. On average in our nation's criminal justice system, blacks are about seven times more likely than whites to spend time behind bars. In Wisconsin, the ratio is 21 to 1. In a state with a tiny black population, blacks comprise fully half of those in prison. If you grow up black in Milwaukee, your likelihood of having some serious problem with the police in your lifetime is close enough to certainty. This is a wholly different life from that enjoyed in Milwaukee's white suburbs, which are now more residentially segregated than those in any major city in America except Detroit.

Which is not to say Wisconsinites are more racist than other Americans. There's no evidence they are, and much evidence that they're not. While race always figures in the equation, what's lethal is its combust with issues of class.

Consider the growth and especially the concentration of poverty in Milwaukee's central city. In his book "Poverty and Place," Paul Jargowsky defines "ghetto" as a predominately black neighborhood in which 40 percent or more of residents live below the poverty line (*barrio* being the equivalent term for equally poor Hispanic neighborhoods, "slum" for equivalently poor white ones). By this definition, in 1970 Milwaukee had a relatively small ghetto, comprising about a dozen census tracts (about 4,000 people per tract), which claimed 1 percent of the metro population, 8 percent of its black population and 16 percent of the black poor. By 1990, this ghetto had exploded to 60 tracts, comprising 10 percent of metro residents, 50 percent of all blacks and nearly two-thirds of all poor blacks.

We don't yet have the data from the 2000 U.S. Census, but more current related data on poverty in central city Milwaukee show a continuation of this trend even during the boom years of the 1990s. (Watch this week for reports on Milwaukee and other area cities to be released by Wisconsin's Alliance of Cities and other concerned groups, including COWS, at a conference Friday at Marquette.)

As of 1998, in a U.S. Department of Labor analysis of 37 metro areas, the Milwaukee metropolitan area (along with two other areas) boasted the lowest white unemployment rate in the country, but the fifth highest black one - again making Wisconsin the national leader in race disparity.

A fine report just released by UW-Milwaukee's Center for Economic Development gives us some sense of underlying income trends for the entire decade. Based on an analysis of state tax filings released by the Department of Revenue, the title of the report - "Metropolitan Polarization in an Era of Affluence" - more or less says it all. Essentially, income in Milwaukee as a whole grew much less rapidly than in the surrounding region - one-fifth the rate, for example, of Waukesha - with the result that average city incomes fell further and further behind those of the suburbs, to just over half their level. And in central city Milwaukee, incomes actually fell.


This last point relates to where we began last week, with Harvard Professor Michael Porter promoting the competitive advantages of the central city allegedly neglected by the market. But while competitive advantages exist there, and more can be created, unmet demand for more retail sales is simply not among them. Incomes are too depressed, and flat or declining, especially as compared to their explosive growth in neighboring suburbs.

There is a "fix" for problems in Milwaukee, but it will not be easy. It requires shifting state economic development incentives from outward sprawl to denser development, developing accessible transportation throughout the region, reclaiming lost brownfields in the central city, dispersing poverty by enforcing anti-discrimination laws and spreading low-income housing opportunity to the white suburbs. And it will require, perhaps in a post-revenue-sharing age, to install some sort of tax-base-sharing scheme, perhaps most sensibly on a regional basis, with greater powers of regional authority in the allocation of services and new infrastructure, and not just cash, to squabbling subjurisdictions.

* All this can be done. Other states have done it. But first Wisconsin needs to decide that it is worth the effort. This is an economic question, concerning the unlikelihood of our continuing competitiveness as a state with a rotting urban core. It is a political one, concerning the quality of our leadership in a largely white state, and in Milwaukee itself.

But it is also a moral one for all of us as citizens of this state. Are we really willing to accept the present state of things, and the likely future that will come of it, in which the lives of tens of thousands of children, trapped in central city Milwaukee, are literally being destroyed?

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