

# The State of Opportunity in America

# Latinos and Opportunity

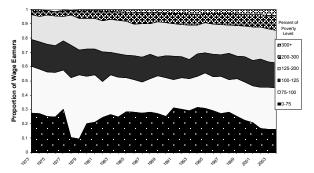
Over the last three decades Latinos have faced and continue to face multiple barriers to opportunity, as documented in the State of Opportunity in America report. This growing and diverse community includes a large part of the new immigrants coming to America in search of opportunity. Although the successes in fully accessing opportunity are many, obstacles such as language barriers and ethnic discrimination have yet to be eradicated in order for Latinos to achieve their full potential in America.

#### **Mobility**

Everyone who works hard should be able to advance and participate fully in the economic, political, and cultural life of the nation—that is, any child in America should be able to fulfill his or her full potential, and economic status at birth (or gender, race, ethnicity, and nationality) should not pre-determine ultimate achievements.

High School Dropout Rates. Hispanic youth are four times more likely to drop out than are white youth.<sup>1</sup> Similarly, the percentage of Hispanics holding college degrees hasn't improved since 1985, when 11% of the Hispanic adult population held a college degree.<sup>2</sup>

Figure 1 Hispanic Female Wage Earners by Poverty Level, 1973 to 2004 Source: Economic Policy Institute, 2005



 Wage Inequality. Since 1973 the share of Hispanic males earning poverty-level or near-poverty-level wages has increased, while the proportion of this group earning moderate wages has declined. In 1973 60% of Hispanic female workers earned poverty-level wages; this percentage declined to 45% in 2004. Despite these gains, Hispanic women remain disproportionately represented among low and very-low wage earners. As with Hispanic men, immigration plays a significant role in trends in wage distribution among this group.<sup>3</sup>

# **Equality**

True opportunity requires that we all have equal access to the benefits, burdens, and responsibilities of our society regardless of race, gender, class, religion, sexual orientation, or other aspects of what we look like or where we come from. Ensuring equal opportunity means not only ending overt and intentional discrimination, but also rooting out subconscious bias and reforming systems that unintentionally perpetuate exclusion. It requires proactive efforts to remake our institutions in ways that ensure fairness and inclusion.

- Housing Discrimination. In rental markets, whites were favored over similarly-qualified Hispanics 26% of the time. In housing sales, whites received favorable treatment over Hispanics in nearly 20% of tests.<sup>4</sup> These discriminatory practices are serious, limit home options for minorities, and increase the costs incurred by discriminated parties in finding housing.
- Employment Discrimination Complaints. Since 1992 the number of discrimination complaints filed by Hispanic women increased by 183%. Similarly among men, charges filed by Hispanics increased by 181%. These dramatic changes reflect a range of influences, including changes in awareness of

#### www.opportunityagenda.org

Building the National Will to Expand Opportunity in America.

568 Broadway Suite 302 New York, NY 10012 Tel: 212.334.4202 Fax: 212.334.2656 Washington, DC 2000 Florida Avenue NW Suite 210

Washington, DC 20009 Tel: 202.387.2829 ext. 101 Fax: 301.576.5780



discrimination law, increasing diversity of the workforce, and the relatively smaller numbers of complaints filed by groups other than African Americans.<sup>5</sup>

#### Voice

Americans embrace democracy as a system that depends on the ability of all of us to participate in the public dialogue. This democratic system provides the right to vote and freedom from censorship, as well as affirmative opportunities to participate in the decisions that affect us and to be part of the nation's social and cultural life.

- Electoral Participation. Fewer than three in ten Hispanics voted in 2004, a rate half that of white non-Hispanics.<sup>6</sup>
- Representation in Elective Office. The number of racial and ethnic minorities elected to the U.S. Congress has remained relatively stagnant since 1993.<sup>7</sup> And the U.S. Senate has only recently regained an African-American senator, and for the first time includes two Hispanic senators in the same congressional session.

#### Redemption

Over the last two decades, the scope of the criminal justice system has been expanded as a means of social control. But this expansion has had a dampening effect on opportunity. Opportunity is threatened by high rates of incarceration and the disproportionate impact of the criminal justice system on low-income communities of color.

Incarceration Rates. In 2003 more than 5.6 million U.S. adults had ever been incarcerated, about 1 in every 37 U.S. adult residents.<sup>8</sup> Based on current trends, 1 in 6 Hispanic males born in 2001 will spend time in prison at some point in their lifetimes.<sup>9</sup>

#### Community

Americans have long adhered to a strong belief in individualism and self-reliance. But this ethic is accompanied by a conviction that we share responsibility for each other and our communities, just

### www.opportunityagenda.org

Building the National Will to Expand Opportunity in America.

as we are responsible for ourselves. We recognize that the strength of our people and our nation depends on the vibrancy and cohesiveness of our diverse communities. But in some measures of community, many Americans remain segregated and divided from the mainstream.

• Racial and Ethnic Residential Segregation. Encouragingly, levels of racial, ethnic, and income segregation declined in many U.S. communities in the 1990s. <sup>10</sup> These trends are not consistent across all demographic groups, however. Hispanics and Asian Americans and Pacific Islanders still face high levels of residential segregation. On some measures of segregation, such as the degree of isolation from other groups, Hispanics and Asians and Pacific Islanders experienced *increases* in segregation from whites over the last two decades. <sup>11</sup>

## Security

Americans believe that we are all entitled to a basic level of education, economic well-being, health care, and other protections necessary to human dignity. Without this security, it is impossible to access society's other rights and responsibilities or to enjoy full opportunity. Moreover, international human rights commitments—many of which were initiated by the United States—obligate our nation to ensure basic levels of healthcare, housing, and income security.

- Pension and Retirement Security. Hispanic workers have lower levels of participation in pension plans than do whites, a gap that appears to be growing. From 1987 to 2001, pension plan participation among white wage and salary workers increased from 48% to 54%, while participation rates among Hispanics during the same period declined from 32% to 29%. 12
- *Health Insurance*. While Hispanic children constitute less than one-fifth of children in the United States, they represent over one-third of uninsured children. And among children in fair or poor health who lack insurance (nearly 570,000 children in 2002), over two-thirds are Hispanic.
- Access to Health Care. Over 42% of Hispanic poor and 37% of Hispanic non-poor people lacked a regular source of health care in 2001 and 2002, an increase of more than 30% and 18%,

**New York** 

568 Broadway Suite 302 New York, NY 10012 Tel: 212.334.4202 Fax: 212.334.2656 Washington, DC 2000 Florida Avenue NW Suite 210 Washington, DC 20009 Tel: 202.387.2829 ext. 101 Fax: 301.576.5780



respectively, since 1995 and 1996. The percentage of Hispanics from all income groups who lacked a regular source of health care increased between

1993 and 2002, despite a 15% decline over the same period in the ranks of white poor individuals.<sup>15</sup>

# **Conclusions and Recommendations**

Without a renewed national commitment and concrete policy changes to reverse these negative trends, the promise of opportunity for all is at great risk for this and future generations. Fulfilling the promise of opportunity for all will be one of the great challenges of the twenty-first century. It will require bold leadership from our government, civic, and business leaders, creative and effective solutions, and the sustained political will of the American people. Fortunately, however, a significant body of pragmatic policies has proven effective in expanding opportunity in concrete and measurable ways. The State of Opportunity report recommends six types of policy approaches:

- Regularly assess the impact of public policies on opportunity;
- Modernize safety net programs that help people meet their basic needs, starting with equitable and affordable healthcare for all Americans;
- Build Americans' skills to adapt to a globalizing economy, evolving technology, and an increasingly diverse population;
- Renew a commitment to human rights in the United States;
- Prioritize crime prevention and rehabilitation over increased incarceration; and
- Protect voting rights and promote political participation.

Fax: 212.334.2656

<sup>&</sup>lt;sup>1</sup> U.S. Bureau of the Census, Current Population Survey, Table A-4, "Annual High School Dropout Rates by Sex, Race, Grade, and Hispanic Origin: October 1967 to 2002," www.census.gov/population (3 August 2005).

<sup>&</sup>lt;sup>2</sup> U.S. Department of Education, National Center for Education Statistics, The Condition of Education 2004, (Washington, D.C.: U.S. Department of Education, 2004).

<sup>&</sup>lt;sup>3</sup> Economic Policy Institute analysis of Current Population Survey data, 2005.

<sup>&</sup>lt;sup>4</sup> M. Turner et al., *Discrimination in Metropolitan Housing Markets: National Results from Phase 1 of HDS 2000* (Washington, D.C.: U.S. Department of Housing and Urban Development, 2002).

National Partnership for Women and Families, *Women at Work: Looking Behind the Numbers, 40 Years After the Civil Rights Act of 1964*, July 2004, www.nationalpartnership.org (22 October 2005).

<sup>&</sup>lt;sup>6</sup> U.S. Bureau of the Census, "Reported Voting and Registration, by Race, Hispanic Origin, Sex, and Age, for the United States" (Washington, D.C.: U.S. Bureau of the Census, November 2004).

<sup>&</sup>lt;sup>7</sup> Congressional Research Service, *Membership of the 109<sup>th</sup> Congress: A Profile*, May 2005,

http://fpc.state.gov/documents/organization/49078.pdf (15 August 2005); Arab-American Institute, *Roster of Arab-Americans in Public Service and Political Life 2004*, August 2005, http://www.aaiusa.org/PDF/2005%20Roster.pdf (2 September 2005).

<sup>&</sup>lt;sup>8</sup> T.P. Bonczar, "Prevalence of Imprisonment in the U.S. Population, 1974-2001," Bureau of Justice Statistics (Washington, D.C.: U.S. Department of Justice, August 2003).

<sup>9</sup> Ibid.



<sup>&</sup>lt;sup>10</sup> P.A. Jargowsky, *Stunning Progress, Hidden Problems: The Dramatic Decline of Concentrated Poverty in the 1990s*, May 2003, www.brookings.edu (14 October 2004).

<sup>&</sup>lt;sup>11</sup> U.S. Bureau of the Census, *Racial and Ethnic Residential Segregation in the United States: 1980-2000* (Washington, DC: U.S. Department of Commerce, August 2002).

<sup>&</sup>lt;sup>12</sup> C. Copeland, "Employment-Based Retirement and Pension Plan Participation: Geographic Differences and Trends," Issue Brief no. 256 (Washington, D.C.:Employee Benefit Research Institute, April 2003).

<sup>&</sup>lt;sup>13</sup> Robert Wood Johnson Foundation, Going Without: America's Uninsured Children, www.rwjf.org (August 2005).

<sup>&</sup>lt;sup>14</sup> The Urban Institute, "Fast Facts on Welfare Policy," www.urban.org 19 July 2005.

<sup>&</sup>lt;sup>15</sup> Henry J. Kaiser Family Foundation, *Key Facts: Race, Ethnicity, and Health Care* (Menlo Park, CA: Henry J. Kaiser Family Foundation, June 2003).