



**Great Cities
Institute**

**Abandoned in their
Neighborhoods:
Youth Joblessness
amidst the
Flight of Industry
and Opportunity**

Produced for: Alternative Schools Network

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**Great Cities Institute
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Table of Contents

Executive Summary

- i** Introduction
- v** Summary of Data
- xxiv** Conclusion

Full Report

- 1** **Introduction**
- 5** Employment to population ratios by age in Chicago, Illinois, and U.S., 1960-2015
- 8** Employment to population ratios for 16 to 19 and 20 to 24 year olds by race/ethnicity in Chicago, Illinois, and U.S., 1960-2015
- 12** Employment to population ratios for 16 to 19 and 20 to 24 year olds by race/ethnicity and gender in Chicago, Illinois, and U.S., 1960-2015
- 17** Out of Work Rates for 16 to 19 and 20 to 24 Year Olds by Race/Ethnicity in the U.S., Illinois, Chicago, New York, and Los Angeles, 2015
- 18** Out of Work Rates for 16 to 19 and 20 to 24 Year Olds by Race/Ethnicity and Gender in the U.S., Illinois, Chicago, New York, and Los Angeles, 2015
- 19** Out of Work and Out of School Rates for 16 to 19 and 20 to 24 Year Olds by Race/Ethnicity in the U.S., Illinois, Chicago, New York, and Los Angeles, 2015
- 21** Out of Work and Out of School Rates for 16 to 19 and 20 to 24 Year Olds by Race/Ethnicity and Gender in the U.S., Illinois, Chicago, New York, and Los Angeles, 2015
- 23** Out of school and out of work rates for 16 to 19 and 20 to 24 year olds by race/ethnicity in Chicago, 1960-2015
- 25** Out of school and out of work rates for 16 to 19 and 20 to 24 year olds by race/ethnicity and gender in Chicago, 1960-2015
- 27** Industry Change in Manufacturing, Retail Trade, and Professional and Related Services for 16 to 19 and 20 to 24 Year Olds by Race/Ethnicity from 1960-2015
- 35** Annual Wages by Industry for Manufacturing in 1960 and Retail Trade and Professional and Related Services in 2015 for 16 to 19 and 20 to 24 Year Olds.
- 38** Map 1: Chicago Community Area and Zip Code Map
- 39** Map 2: Dot Density Map of Race/Ethnicity in Chicago, 2011-2015
- 40** Maps of Industry Change in Manufacturing, Retail Trade, and Total Private Sector Jobs by Zip code, 1957, 1970, 2015
- 51** Jobless Rates for 16 to 19 and 20 to 24 Year Olds, 2011 – 2015
- 55** **Conclusion**
- I** Appendix A: Definitions, Data Sources and Methodology
- II** Appendix B: n Values
- IV** Appendix C: Out of Work and Out of School by Race/Ethnicity in the U.S., Illinois, Chicago, New York City, and Los Angeles, 2014 and 2015
- VI** Appendix D: Percent of the out of work and out of school population without a high school diploma for 16 to 19 and 20 to 24 year olds by race/ethnicity in the U.S., Illinois, Chicago, New York, and Los Angeles, 2015
- VIII** Appendix E: Employment to population ratio by family income, 2015



Executive Summary

Introduction

“More Jobs, Less Violence: Connecting Youth to a Brighter Future,” is the title of the 2017 Youth Employment Hearing sponsored by Alternative Schools Network and held at the Chicago Urban League on January 30, 2017. Other co-sponsors of the hearing include Chicago Area Project, Youth Connection Charter School, Westside Health Authority, Black United Fund of IL, National Youth Advocate Program, La Casa Norte, Lawrence Hall, Mount Sinai Medical Center, Heartland Alliance and Metropolitan Family Services. Each of these groups work directly with young people, providing mentorship and employment related opportunities. Elected officials from federal, state and local government attended to hear the data presented and the voices of young people who testified on their experiences related to employment. This report, produced by UIC’s Great Cities Institute, provides a supplement to the voices of the young people and those that work with them.

The message from the young people who have testified at previous annual hearings sponsored by the above groups is loud and clear, “We want to work.” As they share stories, we learn that many of them provide income to a household that is often multi-generational and includes grandmothers, younger siblings and sometimes children of their own. What is also notable is that the young people, based on their knowledge and experience, explicitly make the connection between violence and jobs, and speak about the importance of employment as an alternative to the streets, asserting, “more jobs, less violence.” In the words of the young people:

Jobs solve violence. If you are busy working, you don’t have time for violence.

There are so many people who don’t have a job, and they get into the wrong things.

Bring youth employment... everyone wants drugs and violence to stop, well then...get us off these streets and get us in some work clothes and you will see the change.

We need these jobs out here; it’s real bad out here.

If you want to save lives, you want to see a difference, give these teens jobs.

Young people tell us, based on their experiences and knowledge, that they believe there is a connection between joblessness and crime in their neighborhoods. While not everyone who is without a job engages in violence, these quotes suggest that of those who do, economic reasons are often a motivating factor. Further, they suggest that providing jobs deters them from seeking economic solutions that may involve them in illegal activities. While rampant joblessness may not completely explain violence, we learn from young people that it is no doubt a contributing factor and conversely, providing a job can mitigate the conditions that lead to criminal activities.

In the 2016 hearing, a continuous stream of young people testified to the difference that a job, including summer jobs, has made in creating pathways for life changing opportunities,

I am a product of how good a job can be.

I was headed on a path of tremendous destruction... At the time, was very negative, very destructive. I came from one of the biggest street gangs on the west side of Chicago and I really didn’t know where my life was headed. Selling drugs was the option that I thought to provide for my child at the time. [Because of the summer employment program], my life has changed dramatically over the last six years...I have changed in so many ways...knowing what it is to have a job.

A good job can change a person's life – if you want to make a positive change in these communities, help give teens a job.

So many of the young people who testified, speak about the particular programs and the importance of both mentorship and interacting with people that believe in them.

I want to share the importance of the summer youth employment program and how it helped me. It benefitted me. It gave me an experience that showed me the greater things in life. It gave me the feeling that I could become more, that I could become somebody that matters...without it I don't know where I would be. I'd probably be where people think a kid like me would end up being just because of where I live.

Jobs are very critical to the lives of our young people. Young people can't be, what they can't see. If you cannot see positivity, you cannot be positive. If you see negativity, you will be negative.

Thanks to the program, I was able to get nice legal money...I don't want to be a statistic. I was given an opportunity and I was so blessed and thankful.

[Mentors] took me under their wings and showed me the highways and byways and the right way to go out of the pathways of destruction.

These organizations and these jobs they are very critical to the lives of our young people. And you all can make that happen.

I had people to be inspired by. I just wanted to become more. The money that I earned gave me power and a sense of responsibility.

Every young person that testified provided stories and insights on the difference that employment opportunities make in “connecting youth to a brighter future.” They explicitly spoke about the skills and work ethic that they gain through having a job, that they prefer income that a job provides over public assistance or the economy of the streets, and that when they feel they don't have an alternative to the streets, it produces anxiety and fear.

This report is intended to supplement the voices of young people whose message is loud and clear: they want to work, jobs are a deterrent to engaging in illegal activities, and opportunities to work through youth employment programs make a difference. We can therefore conclude that if opportunities for employment are provided, young people will take advantage of them; that violence prevention must involve job creation for young people; and that programs that provide mentorship and pathways for employment opportunities must have their budgets increased, not slashed.

A report such as this one accomplishes several things: it supplements the voices of young people with data on the expansiveness of the problem; it provides analysis and context for understanding what has given rise to both the conditions and their consequences, including violence; and it concludes with affirming a set of multi-pronged strategies to tackle this deeply entrenched issue.

This 2017 report demonstrates that youth joblessness continues to be disproportionately felt by young people of color, especially black males; that it is *chronic and concentrated*; that the recession made conditions worse and that for some, recovery is either slow or nonexistent; that it is tied to long term trends in the overall loss of manufacturing jobs; and most notably, that joblessness among young people is tied to the emptying out of jobs from neighborhoods, which is in contrast to jobs that are being centralized in Chicago's downtown areas where whites are employed in professional level services.

In last year's report, the Great Cities Institute provided data from 2005 to 2014 on employment/population ratios by race/ethnicity for male and female 16 to 19 and 20 to 24 year olds, as well as the inverse figures on joblessness. In addition, we calculated out of school and out of work rates. What we learned was that during that time period, conditions of joblessness in Chicago were exceedingly high, in comparison to Illinois, the U.S. and the cities of New York and Los Angeles. Particularly shocking was that among 20 to 24 year olds black men, nearly half were neither working nor in school. We learned that these numbers revealed that joblessness persisted over the time period viewed and that "low rates of employment are spatially concentrated in neighborhoods that are racially segregated."

In this 2017 report, we sought to learn more about the *chronic* quality of joblessness. To that end, we compiled and calculated various employment data from 1960 to 2015 for 16 to 24 year old males and females by race/ethnicity comparing geographies within Chicago and Chicago with Illinois, the U.S., Los Angeles and New York City. This long view revealed long term trends and confirmed the persistent and chronic nature of the conditions of joblessness among young people in Chicago, most especially for Latinos, and even more dramatically, for Blacks. What we also learn from this longitudinal view is that the 2008 recession had a dramatic effect on joblessness among young people in Chicago and that for Blacks and Latinos, the recovery is either non-existent or slow. Latino men have been slowest to recover.

It continues to be true for 2017 that high rates of joblessness among young people are concentrated in those neighborhoods that are most racially segregated.

In the 2016 report, we stated that joblessness among young people in Chicago was directly "tied to conditions in their neighborhoods and cannot be seen as distinct from what is happening in neighborhoods themselves." In this year's report, we test this further and provide data by community area on location of total jobs as well as jobs by industry: manufacturing, retail and professional and related services. Using Geographic Information System (GIS), we generated maps that demonstrate the dramatic change in the location of jobs within the city of Chicago. Jobs are gone from where they used to exist.

Sifting through the extensive amount of data contained in this report, there are a number of key findings:

Joblessness persists, particularly for young Black men and women

- In 2015, employment conditions in Chicago were worse than in Illinois and the U.S. for 16 to 19 and 20 to 24 year olds (see Figures 1, 2, and 3).
- The percent of jobless Black (non-Hispanic or Latino) 20 to 24 year olds in Chicago increased from 58.7 percent in 2014 to 60.2 percent in 2015 (see Appendix C Figure C2).
- Black (non-Hispanic or Latino) 20 to 24 year old women in Chicago had a higher jobless rate (60.4 percent) than New York City (44.7), Los Angeles (44.7), Illinois (50.4), and the U.S. (38.3) in 2015 (see Table 2).
- In 2015, Black (non-Hispanic or Latino) 20 to 24 year old men in Chicago had a higher jobless rate (60 percent) than New York City (50.3), Los Angeles (48.4), Illinois (51.6), and the U.S. (45.2) (see Figure 16).

Joblessness reflects a long-term trend, made worse by the recession

- From 1960 to 2015, employment to population ratios for 16 to 19 year olds declined over time in Chicago, most severely after the Great Recession, after which they showed only a slight rebound (see Figures 1, 2, and 3).
- 20 to 24 year olds were worse off in Chicago in 2015 than in 1960. (In Illinois and the U.S., this trend is reversed, where they were better off in 2015 than 1960) (see Figures 1 and 2).
- The Great Recession severely impacted every racial/ethnic group of 16 to 19 year olds in Chicago, Illinois and the U.S. but had the largest impacts in Chicago. Even after a period of recovery from 2010 to 2015, no group of 16 to 19 year olds in Chicago, Illinois and the U.S. had employment to population ratios at pre-recession levels (see Figures 4, 5, and 6).
- Latinos in Chicago were the only racial/ethnic group of 16 to 19 year olds that did not show any recovery after the recession but continued to decline after 2010 (see Figure 4).
- While the recession did impact 20 to 24 year olds, it did not impact them as severely as it did 16 to 19 year olds. Hispanic or Latino 20 to 24 year olds in Chicago, Illinois and the U.S. saw growth from 2000 to 2010 while White (non-Hispanic or Latino) and Black (non-Hispanic or Latino) declined (see Figures 7, 8 and 9).
- Black 20 to 24 year olds in Chicago, and Illinois were worse off in 2015 than in 1960 with the most severe decline in Chicago (see Figures 7, and 8).

Joblessness is systemic and is tied to the flight of industry from neighborhoods

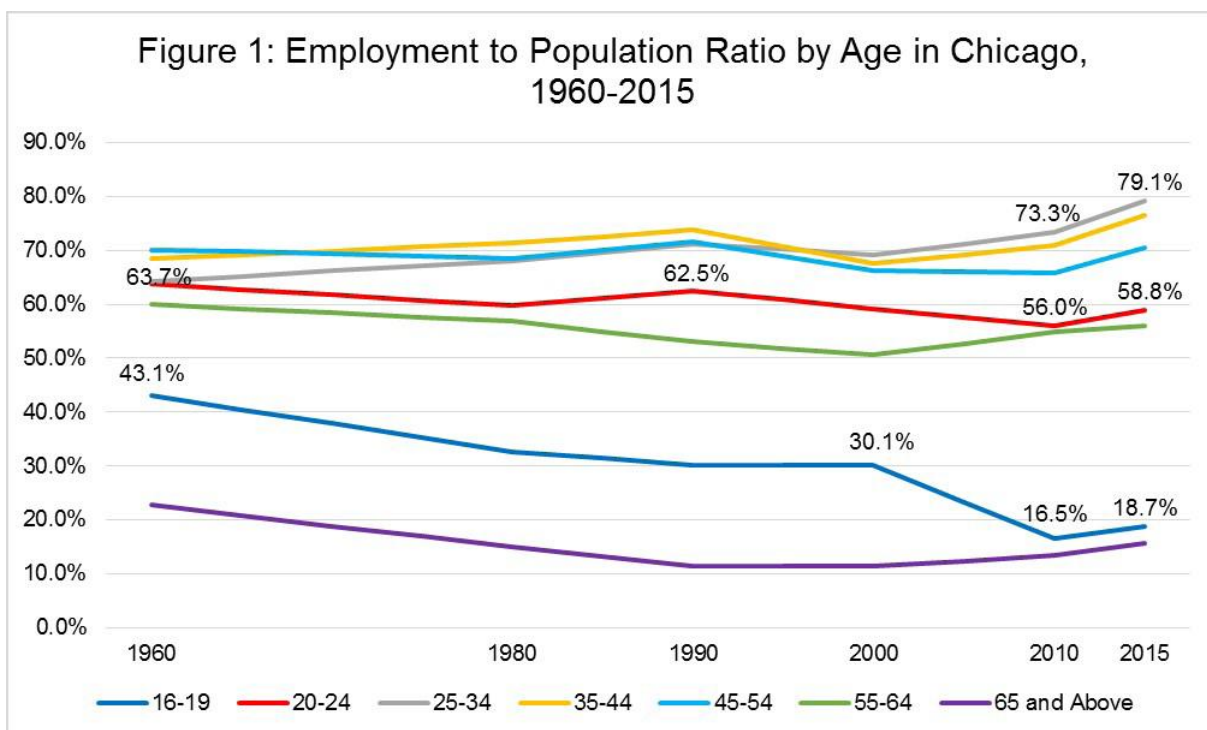
- Manufacturing was a significant part of Chicago's economy in 1960, employing 57.8 of working Hispanic or Latino 20 to 24 year olds, 35 percent of Whites (non-Hispanic or Latino) and 29.6 percent of Blacks (non-Hispanic or Latino).
- A continuous downward trend from 1960 to 2015 left just 10.2 percent of working 20 to 24 year old Hispanic or Latinos in manufacturing and just 2.9 percent of both Black and White 20 to 24 year olds. The subsequent decline indicates that Chicago's large manufacturing sector was hit harder by the decline in manufacturing than the U.S. as a whole (See Figure 24).
- In Chicago, the decline in manufacturing resulted in an economy with large retail trade and professional and related services sectors – both of which, in 2015 paid lower wages to 20 -24 year olds than manufacturing did in 1960 (See Figure 28).
- With the loss of manufacturing in Chicago came the flight of jobs from neighborhoods and the concentration in the central core, where whites (36.8 percent) are employed in professional and related jobs and Blacks (45.7 percent) and Latino (39.7 percent) are in retail (See Figures 25 and 26).
- In 1957, large numbers of jobs were located throughout Chicago's zip codes with an expansive area making up Chicago's central area (from Lake Michigan to the East, Chicago's western boundary to the West, Irving Park and North Center to the North, and New City to the South) having large numbers of jobs. By 2015, jobs become centralized towards the Loop and the South, and West Sides of Chicago in particular have fewer jobs (See Maps 7, 8 and 9).

What we learn from this report is that many neighborhoods in Chicago are economically abandoned sectors with a dramatic loss of industry and opportunity for employment. These neighborhoods have been abandoned, along with the people that live there. It is our hope that this report, *Abandoned in their Neighborhoods: Youth Joblessness Amidst the Flight of Industry and Opportunity*, along with the voices of young people, can result in firm and concerted efforts to reverse the long-term trends that created the conditions and in doing so, restore hope and opportunity for the many young people whose lives do indeed matter. This report concludes with suggestions to initiate a substantive conversation on how to address the issues raised by this report.

Summary of Data

Employment to population ratios by age in Chicago, Illinois, and U.S., 1960-2015 (See Figures 1, 2, and 3.)

- Employment to population ratios for 16 to 19 year olds declined over time in Chicago, most severely after the Great Recession, after which they showed only a small rebound.
- 16 to 19 year olds in Illinois and the U.S. had similar declines but started out with higher ratios before the recession.
- 20 to 24 year olds were worse off in Chicago in 2015 than in 1960.
- In Illinois and the U.S., this trend is reversed, where they were better off in 2015 than 1960.
- In 2015, employment conditions in Chicago were worse than in Illinois and the U.S. for 16 to 19 and 20 to 24 year olds.

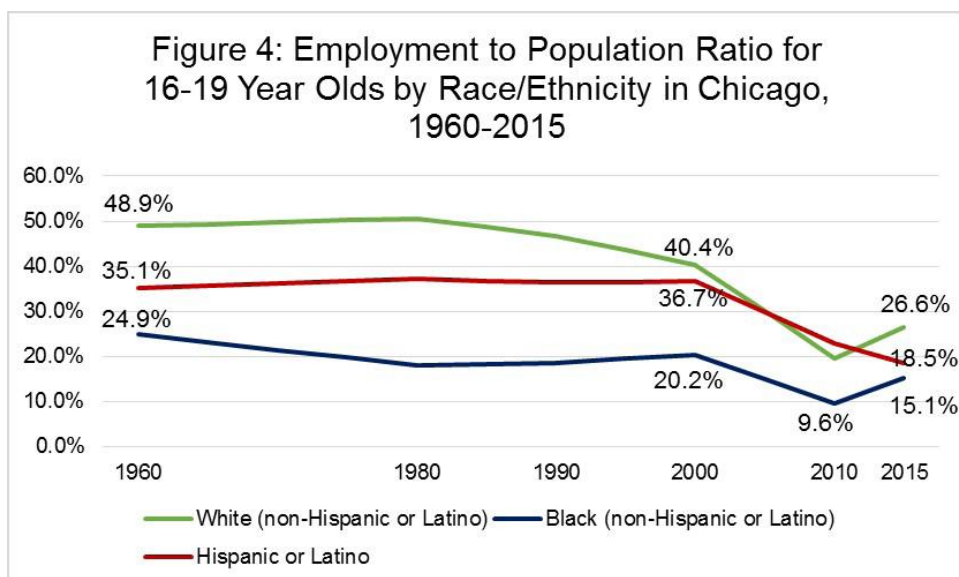


Data Source: 1960, 1980, 1990 and 2000 Decennial Censuses and 2010 and 2015 American Community Survey, public use files.
Tabulations by Great Cities Institute, University of Illinois at Chicago.

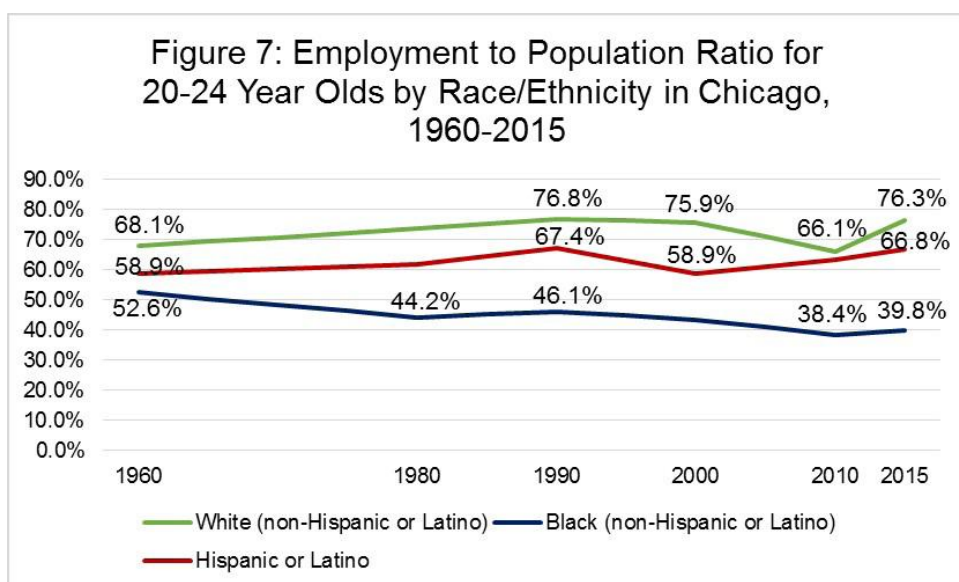
Employment to population ratios for 16 to 19 and 20 to 24 year olds by race/ethnicity in Chicago, Illinois, and U.S., 1960-2015 (See Figures 4, 5, 6, 7, 8, and 9.)

- The Great Recession severely impacted every group of 16 to 19 year olds in Chicago, Illinois and the U.S. but had the largest impacts in Chicago.
- Even after a period of recovery from 2010 to 2015, no group of 16 to 19 year olds in Chicago, Illinois and the U.S. had employment to population ratios at pre-recession levels.
- The racial/ethnic group of 16 to 19 year olds that did not show any recovery after the recession was Hispanic or Latinos in Chicago, which continued to decline after 2010.
- While the recession did impact 20 to 24 year olds, it did not impact them as severely as it did 16 to 19 year olds.
- Hispanic or Latino 20 to 24 year olds in Chicago, Illinois and the U.S. saw growth from 2000 to 2010 while Whites (non-Hispanic or Latino) and Blacks (non-Hispanic or Latino) declined.

- Black 20 to 24 year olds in Chicago and Illinois were worse off in 2015 than in 1960 with the most severe decline in Chicago.



Data Source: 1960, 1980, 1990 and 2000 Decennial Censuses and 2010 and 2015 American Community Survey, public use files.
Tabulations by Great Cities Institute, University of Illinois at Chicago.

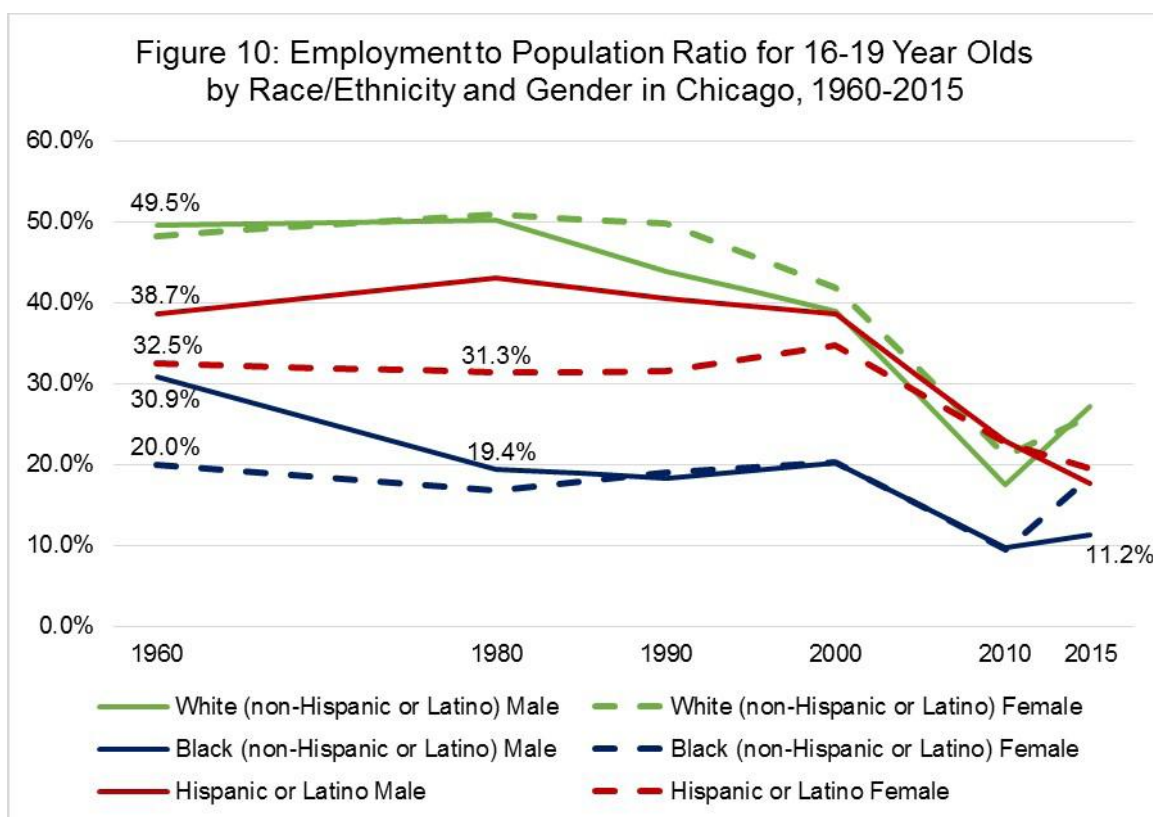


Data Source: 1960, 1980, 1990 and 2000 Decennial Censuses and 2010 and 2015 American Community Survey, public use files.
Tabulations by Great Cities Institute, University of Illinois at Chicago.

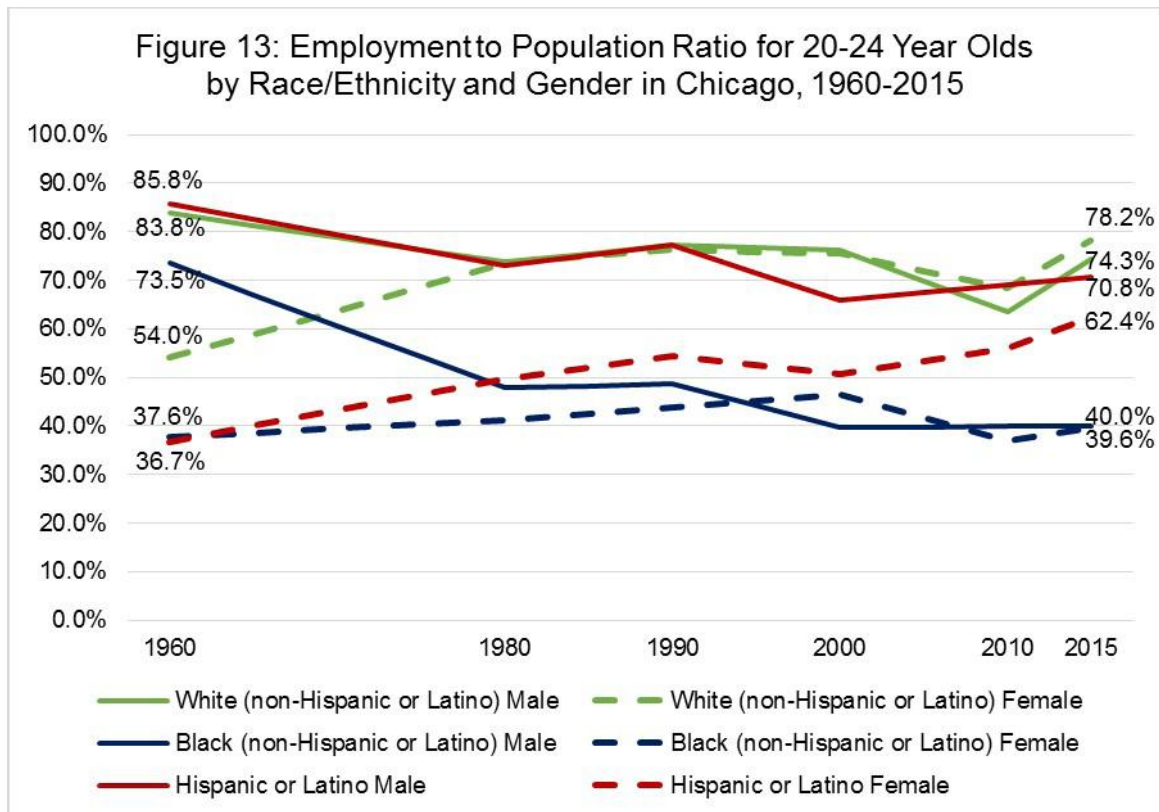
Employment to population ratios for 16 to 19 and 20 to 24 year olds by race/ethnicity and gender in Chicago, Illinois, and U.S., 1960-2015 (See Figures 10, 11, 12, 13, 14 and 15.)

- Recovery after the Great Recession has been slow or non-existent for many groups.
- 16 to 19 year old Hispanic or Latino males and females have seen employment to population ratios continuously decline while recovery for Hispanic or Latino and Black (non-Hispanic or Latino) 20 to 24 year old males has been non-existent.

- In all, no group in 2015 was as well off as they were in 2000.
- In 1960, 16 to 19 year olds males had higher employment to population ratios than females for each respective race/ethnic group. Over time, males decreased while females increased and by 2015, there were many instances of females having higher employment to population ratios than their male counterparts.
- The conditions are slightly different for 20 to 24 year olds where large gaps that existed in 1960 between males and females of respective race/ethnic groups decreased over time and in some instances, females surpassed males.
- For 16 to 19 and 20 to 24 year olds, Black (non-Hispanic or Latino) males had the lowest employment to population ratios across all geographies except in Chicago in 2015, when Black (non-Hispanic or Latino) females had the lowest.



Data Source: 1960, 1980, 1990 and 2000 Decennial Censuses and 2010 and 2015 American Community Survey, public use files.
 Tabulations by Great Cities Institute, University of Illinois at Chicago.



Data Source: 1960, 1980, 1990 and 2000 Decennial Censuses and 2010 and 2015 American Community Survey, public use files. Tabulations by Great Cities Institute, University of Illinois at Chicago.

Out of Work Rates for 16 to 19 and 20 to 24 Year Olds by Race/Ethnicity in the U.S., Illinois, Chicago, New York, and Los Angeles, 2015 (See Table 1, Appendix C1 and C2.)

- New York City and Chicago had the two highest out of work rates for all 16 to 19 and 20 to 24 year olds in 2014 and 2015.
- While racial differences were stark across Chicago, New York City, Los Angeles, Illinois and the U.S., Chicago had the largest gap in out of work rates between racial/ethnic groups occurring between White (non-Hispanic or Latino) and Black (non-Hispanic or Latino) 20 to 24 year olds in 2014 and 2015.
- While in most cases Whites (non-Hispanic or Latino) had the lowest out of work rates followed by Hispanic or Latinos and Blacks (non-Hispanic or Latino), this was not the case in Los Angeles for 16 to 19 and 20 to 24 year olds where Hispanic or Latinos had the lowest out of work rates in 2015.

Table 1: Percent of 16 to 19 and 20 to 24 Year Olds Who Were Out of Work by Race/Ethnicity in the U.S., Illinois, Chicago, New York City, and Los Angeles, 2015										
	16-19					20-24				
	U.S.	Illinois	Chicago	New York City	Los Angeles	U.S.	Illinois	Chicago	New York City	Los Angeles
White (non-Hispanic or Latino)	65.4%	65.0%	73.4%	84.1%	81.8%	30.3%	29.2%	23.7%	40.9%	41.9%
Black (non-Hispanic or Latino)	76.7%	81.2%	84.9%	89.1%	89.2%	41.8%	51.0%	60.2%	47.4%	46.6%
Hispanic or Latino	73.0%	71.5%	81.5%	85.4%	78.8%	33.6%	29.2%	33.2%	43.7%	35.3%
Total Population	69.7%	69.9%	81.3%	86.6%	81.0%	34.0%	34.4%	41.2%	44.9%	40.4%

See Appendix A for *n* values

Data Source: 2015 American Community Survey, public use files. Tabulations by Great Cities Institute, University of Illinois at Chicago.

Out of Work Rates for 16 to 19 and 20 to 24 Year Olds by Race/Ethnicity and Gender in the U.S., Illinois, Chicago, New York, and Los Angeles, 2015 (See Table 2.)

- Black (non-Hispanic or Latino) males in New York City and Chicago had the two highest out of work rates for 16 to 19 year olds in 2014 and 2015.
- The largest racial/ethnic gaps in out of work rates between Chicago, New York City, Los Angeles, Illinois and the U.S. occurred in Chicago between Black (non-Hispanic or Latino) and White (non-Hispanic or Latino) males and females.
- 20 to 24 year old Hispanic or Latino males in the U.S., and 16 to 19 year and 20 to 24 year old Hispanic or Latino males in Los Angeles had lower out of work rates than Whites (non-Hispanic or Latino) and Blacks (non-Hispanic or Latino).
- White (non-Hispanic or Latino) males and females had the lowest for each other geography of 16 to 19 and 20 to 24 year old.

Table 2: Percent of 16 to 19 and 20 to 24 Year Olds Who Were Out of Work by Race/Ethnicity and Gender in the U.S., Illinois, Chicago, New York City, and Los Angeles, 2015										
	16-19					20-24				
	U.S.	Illinois	Chicago	New York City	Los Angeles	U.S.	Illinois	Chicago	New York City	Los Angeles
Male										
White (non-Hispanic or Latino)	67.6%	67.3%	72.8%	87.4%	84.8%	30.5%	30.6%	25.7%	44.8%	43.6%
Black (non-Hispanic or Latino)	79.5%	84.1%	88.8%	94.3%	85.6%	45.2%	51.6%	60.0%	50.3%	48.4%
Hispanic or Latino	72.3%	70.8%	82.4%	84.4%	78.6%	30.4%	25.6%	29.2%	44.6%	30.9%
Total Population	71.3%	71.4%	83.2%	88.5%	81.9%	33.9%	34.5%	39.6%	46.9%	38.0%
Female										
White (non-Hispanic or Latino)	63.0%	62.6%	74.0%	80.9%	78.7%	30.2%	27.8%	21.8%	37.4%	40.1%
Black (non-Hispanic or Latino)	73.7%	78.6%	81.5%	83.7%	92.9%	38.3%	50.4%	60.4%	44.7%	44.7%
Hispanic or Latino	73.7%	72.1%	80.6%	86.5%	78.9%	37.0%	33.2%	37.6%	42.8%	39.6%
Total Population	67.9%	68.4%	79.6%	84.6%	80.1%	34.0%	34.4%	42.8%	43.1%	42.8%

See Appendix A for *n* values

Data Source: 2015 American Community Survey, public use files. Tabulations by Great Cities Institute, University of Illinois at Chicago.

Out of Work and Out of School Rates for 16 to 19 and 20 to 24 Year Olds by Race/Ethnicity in the U.S., Illinois, Chicago, New York, and Los Angeles, 2015 (See Table 3, Appendix C, Figures C3 and C4.)

- As was the case in 2014, in 2015, Chicago had the highest total percent, and highest percent of Black (non-Hispanic or Latino) 16 to 19 and 20 to 24 year olds who were out of work and out of school.
- The largest gap between racial and ethnic groups was in Chicago between Black (non-Hispanic or Latino) and White (non-Hispanic or Latino) 20 to 24 year olds.

Table 3: Percent of 16 to 19 and 20 to 24 Year Olds Who Were Out of Work and Out of School by Race/Ethnicity in the U.S., Illinois, Chicago, New York City, and Los Angeles, 2015										
	16-19					20-24				
	U.S.	Illinois	Chicago	New York City	Los Angeles	U.S.	Illinois	Chicago	New York City	Los Angeles
White (non-Hispanic or Latino)	5.7%	5.0%	6.3%	4.2%	4.4%	13.4%	11.9%	6.9%	11.5%	9.8%
Black (non-Hispanic or Latino)	10.5%	9.5%	12.9%	11.6%	12.9%	24.9%	32.6%	39.1%	24.3%	28.7%
Hispanic or Latino	8.6%	7.4%	8.2%	10.6%	8.5%	18.8%	16.5%	20.8%	22.1%	16.7%
Total Population	7.0%	6.0%	9.1%	8.3%	7.7%	16.3%	16.6%	21.9%	17.9%	15.0%

See Appendix A for *n* values

Data Source: 2015 American Community Survey, public use files. Tabulations by Great Cities Institute, University of Illinois at Chicago.

Out of Work and Out of School Rates for 16 to 19 and 20 to 24 Year Olds by Race/Ethnicity and Gender in the U.S., Illinois, Chicago, New York, and Los Angeles, 2015 (See Table 4 and Figure 16.)

- In 2014 and 2015, Chicago had the highest percent of Black (non-Hispanic or Latino) males both 16 to 19 and 20 to 24 that were out of work and out of school.
- For 20 to 24 year olds males, out of work and out of school rates in Chicago were worse than in Illinois and the U.S. for Black (non-Hispanic or Latino) and Hispanic or Latino 20 to 24 year olds and better for White (non-Hispanic or Latino) 20 to 24 year olds.
- For Hispanic or Latinos, New York City had the highest percentage of out of work and out of school 16 to 19 year old Hispanic or Latino males and females and 20 to 24 year old Hispanic or Latino males while Chicago had the highest percentage of out of work and out of school 20 to 24 year old Hispanic or Latino females.

Table 4: Percent of 16 to 19 and 20 to 24 Year Olds Who Were Out of Work and Out of School by Race/Ethnicity and Gender in the U.S., Illinois, Chicago, New York City, and Los Angeles, 2015										
	16-19					20-24				
	U.S.	Illinois	Chicago	New York City	Los Angeles	U.S.	Illinois	Chicago	New York City	Los Angeles
Male										
White (non-Hispanic or Latino)	6.1%	6.0%	6.9%	4.7%	6.1%	13.3%	13.1%	8.5%	12.3%	9.8%
Black (non-Hispanic or Latino)	12.0%	12.9%	16.3%	12.7%	14.1%	29.2%	36.7%	42.8%	28.8%	31.9%
Hispanic or Latino	8.7%	7.0%	7.8%	11.2%	9.7%	16.4%	13.6%	17.6%	21.7%	14.3%
Total Population	7.5%	7.0%	10.0%	9.2%	9.0%	16.3%	17.0%	22.0%	19.4%	14.2%
Female										
White (non-Hispanic or Latino)	5.2%	3.9%	5.7%	3.7%	2.7%	13.5%	10.7%	5.3%	10.8%	9.8%
Black (non-Hispanic or Latino)	8.9%	6.3%	10.0%	10.4%	11.7%	20.5%	28.5%	35.6%	20.2%	25.3%
Hispanic or Latino	8.5%	7.7%	8.6%	9.9%	7.2%	21.3%	19.7%	24.3%	22.4%	19.1%
Total Population	6.5%	5.1%	8.2%	7.4%	6.3%	16.2%	16.1%	21.9%	16.5%	15.9%

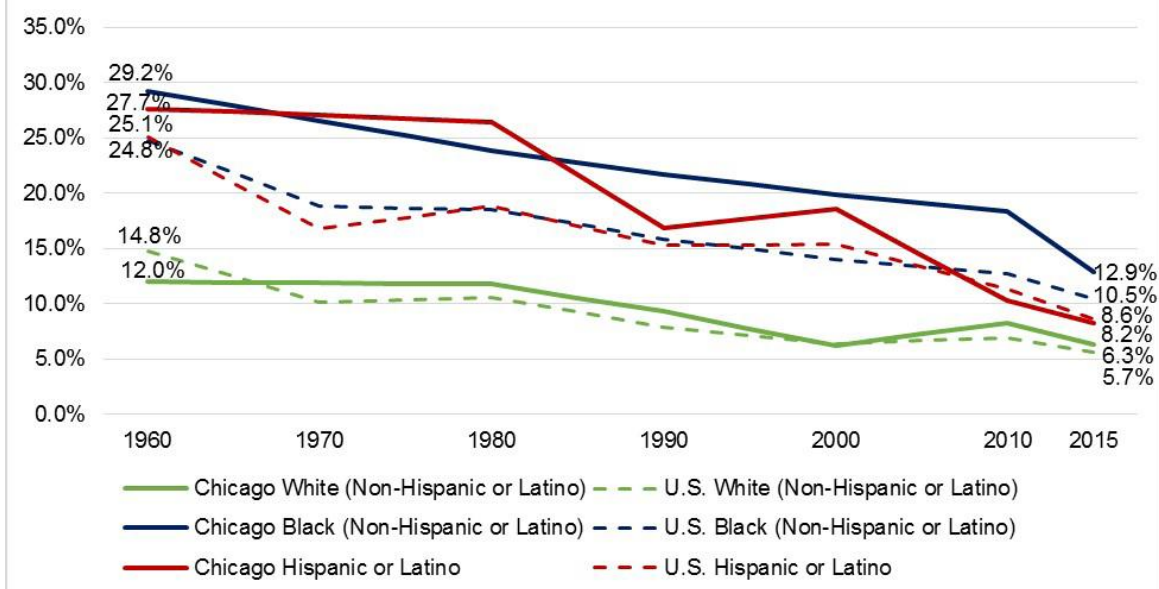
See Appendix A for *n* values

Data Source: 2015 American Community Survey, public use files. Tabulations by Great Cities Institute, University of Illinois at Chicago.

Out of school and out of work rates for 16 to 19 and 20 to 24 year olds by race/ethnicity in Chicago, 1960-2015 (See Figures 17 and 18.)

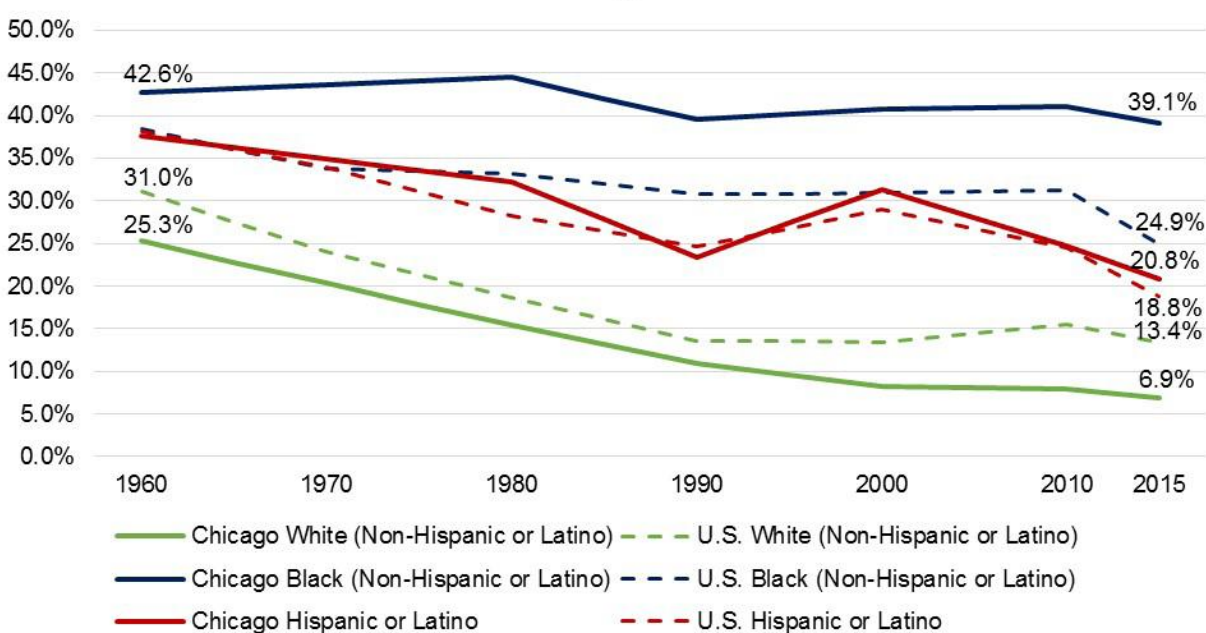
- Contrasting prior decades to 2015 shows that the percent of out of work and school 16 to 19 and 20 to 24 year olds has declined from 1960 to 2015. However, even though more 16 to 24 year olds are in work or school, this has not translated to improved employment conditions.
- In most cases for 16 to 19 year olds in Chicago and the U.S. out of work and out of school rates halved from 1960 to 2015.
- For 20 to 24 year olds, out of work and out of school rates declined much more for White (non-Hispanic or Latino) and Hispanic or Latinos than for Blacks (non-Hispanic or Latino).

Figure 17: Percent of 16 to 19 Year Olds Who Were Out of School and Out of Work in Chicago and the U.S. by Race/Ethnicity, 1960-2015



Data Source: 1960, 1980, 1990 and 2000 Decennial Censuses and 2010 and 2015 American Community Survey, public use files.
Tabulations by Great Cities Institute, University of Illinois at Chicago.

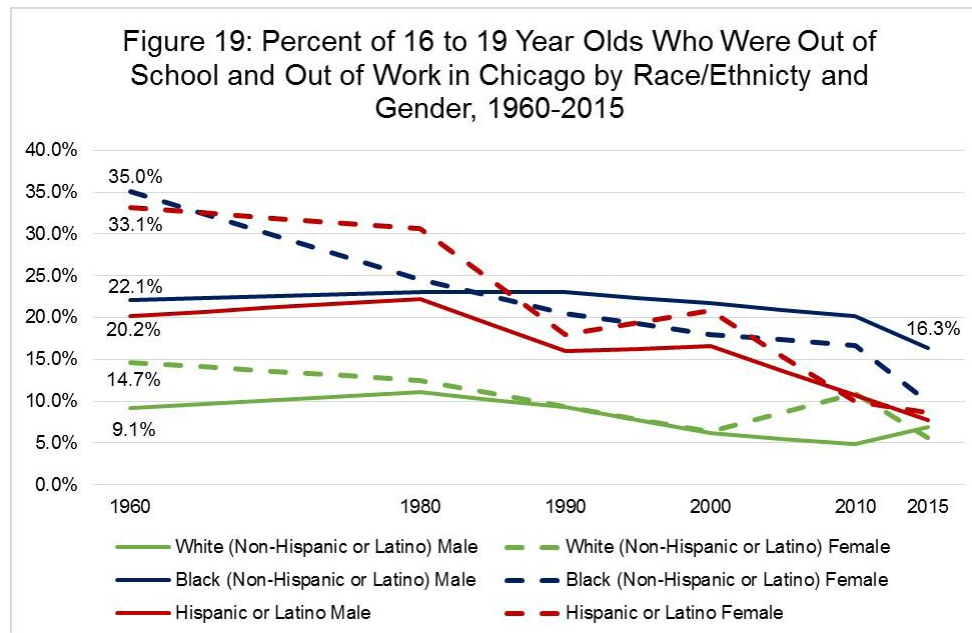
Figure 18: Percent of 20 to 24 Year Olds Who Were Out of School and Out of Work in Chicago and the U.S. by Race/Ethnicity, 1980-2015



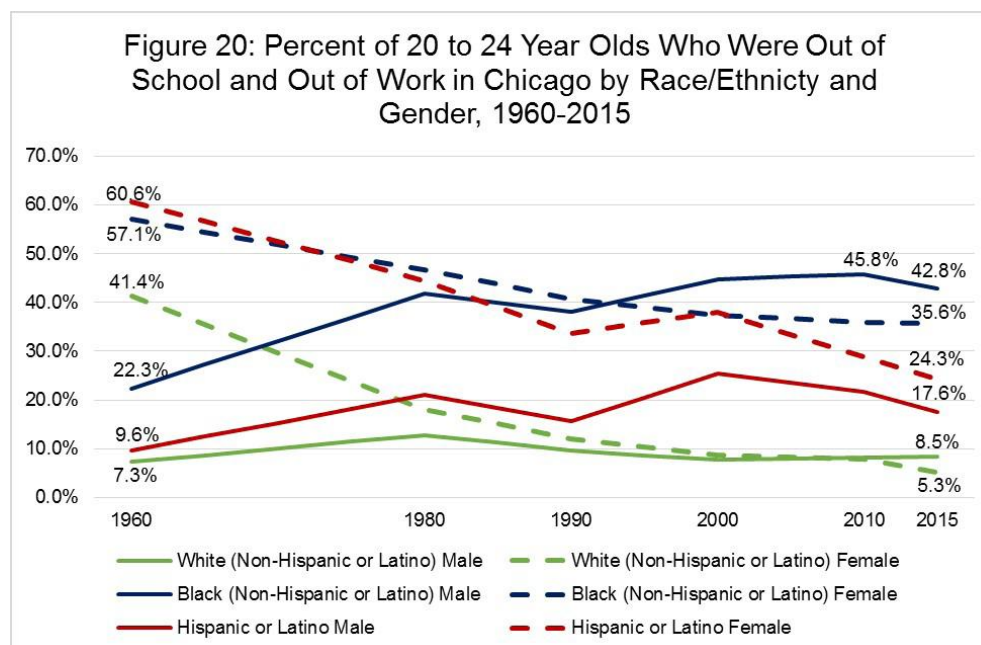
Data Source: 1960, 1980, 1990 and 2000 Decennial Censuses and 2010 and 2015 American Community Survey, public use files.
Tabulations by Great Cities Institute, University of Illinois at Chicago.

Out of school and out of work rates for 16 to 19 and 20 to 24 year olds by race/ethnicity and gender in Chicago, 1960-2015 (See Figures 19 and 20.)

- While we saw overall out of work and out of school rates fall for each race/ethnicity, isolating gender shows that rates for 16 to 19 and 20 to 24 year old women have decreased over time, while rates for 16 to 19 year olds males only slightly changed, and rates for 20 to 24 year old males increased.
- For 20 to 24 year old males, Black and Hispanic or Latino rates in 2015 were almost double their 1960 rates, while White (non-Hispanic or Latino) 20 to 24 year old males slightly increased their out of work and out of school rate.



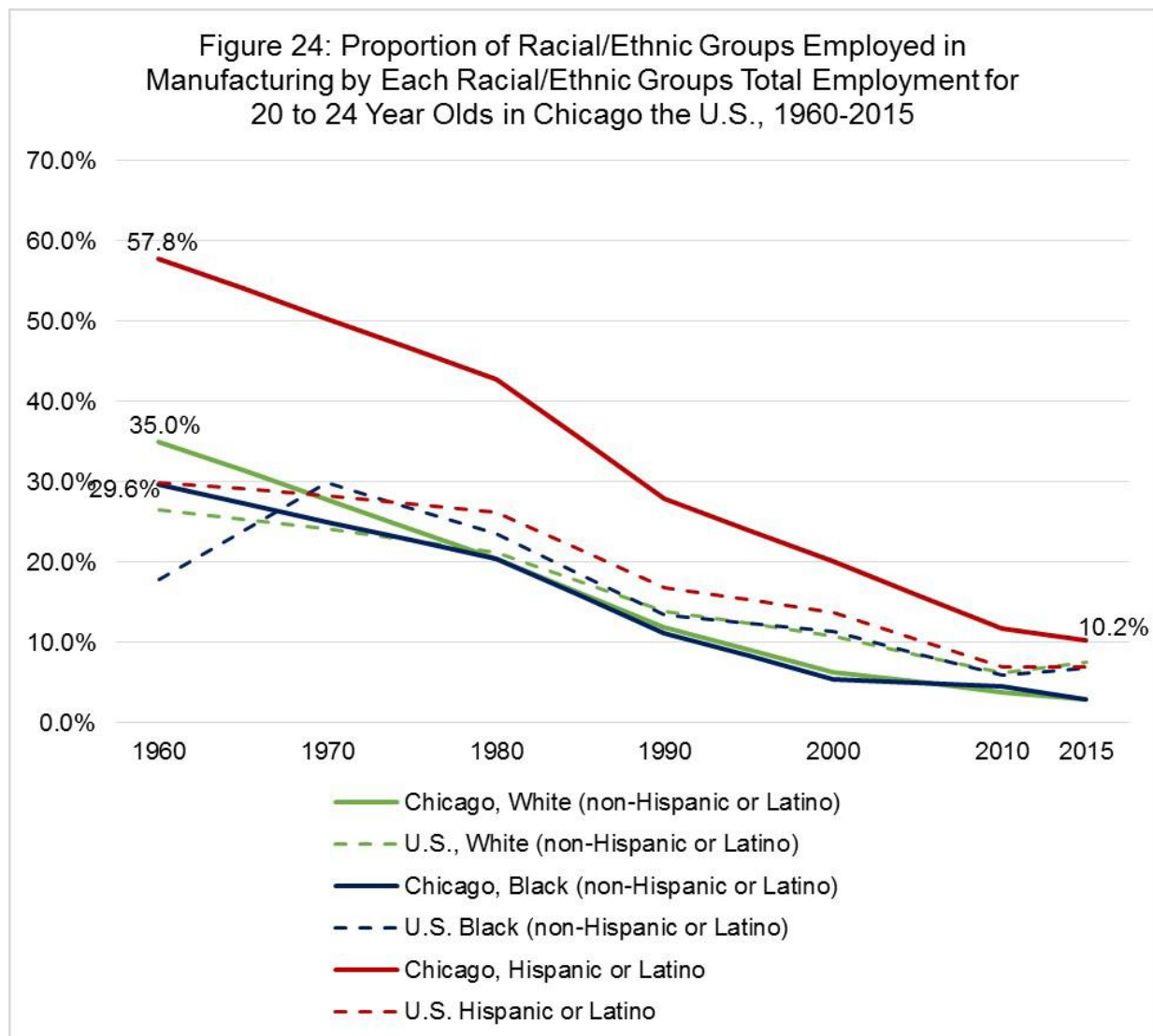
Data Source: 1960, 1980, 1990 and 2000 Decennial Censuses and 2010 and 2015 American Community Survey, public use files.
 Tabulations by Great Cities Institute, University of Illinois at Chicago.



Data Source: 1960, 1980, 1990 and 2000 Decennial Censuses and 2010 and 2015 American Community Survey, public use files.
 Tabulations by Great Cities Institute, University of Illinois at Chicago.

Industry Change in Manufacturing, Retail Trade, and Professional and Related Services for 16 to 19 and 20 to 24 Year Olds by Race/Ethnicity from 1960-2015 (See Figures 21, 22, 23, 24, 25, and 26.)

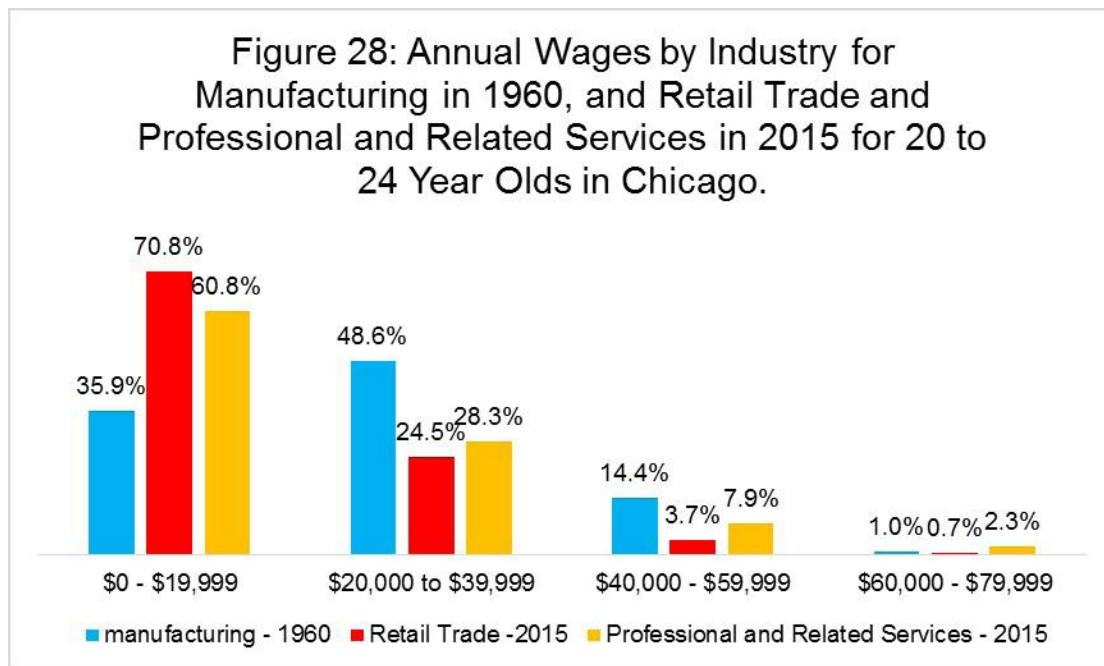
- In Chicago, compared to the U.S., larger concentrations of 16 to 19 and 20 to 24 year olds worked in manufacturing in 1960 and therefore saw larger declines over time, suggesting that Chicago was disproportionately impacted by the decline in manufacturing.
- Among 16 to 19 and 20 to 24 year olds, Hispanic or Latinos, who had the largest concentration in manufacturing employment, have also seen the largest decline over time.
- For Blacks and Hispanics or Latinos, their percentage decline in manufacturing is evident in their percentage increase in retail and services, while Whites increased employment in professional and related services.



Data Source: 1960, 1970, 1980, 1990 and 2000 Decennial Censuses and 2010 and 2015 American Community Survey, public use files.
Tabulations by Great Cities Institute, University of Illinois at Chicago.

Annual Wages by Industry for Manufacturing in 1960 and Retail Trade and Professional and Related Services in 2015 for 16 to 19 and 20 to 24 Year Olds (See Figures 27 and 28.)

- Manufacturing wages in 1960 put more 16 to 19 and 20 to 24 year olds in higher income groups compared to retail trade and professional and related services employment in 2015.
- Earnings by industry data combined with the data showing the decline in manufacturing and replacement with retail and service jobs shows that the earning of 16 to 24 year olds have greatly suffered as a result of economic restructuring.
- The decline in earnings from the most prominent services from 1960 to 2015 is exacerbated by a parallel decline in the lower paying employment opportunities.



Data Source: 1960, Decennial Census and 2015 American Community Survey, public use files.
 Tabulations by Great Cities Institute, University of Illinois at Chicago.

Maps of Industry Change in Manufacturing, Retail Trade, and Total Private Sector Jobs by Zip Code, 1957, 1970, 2015 (See Maps 3 to 9.)

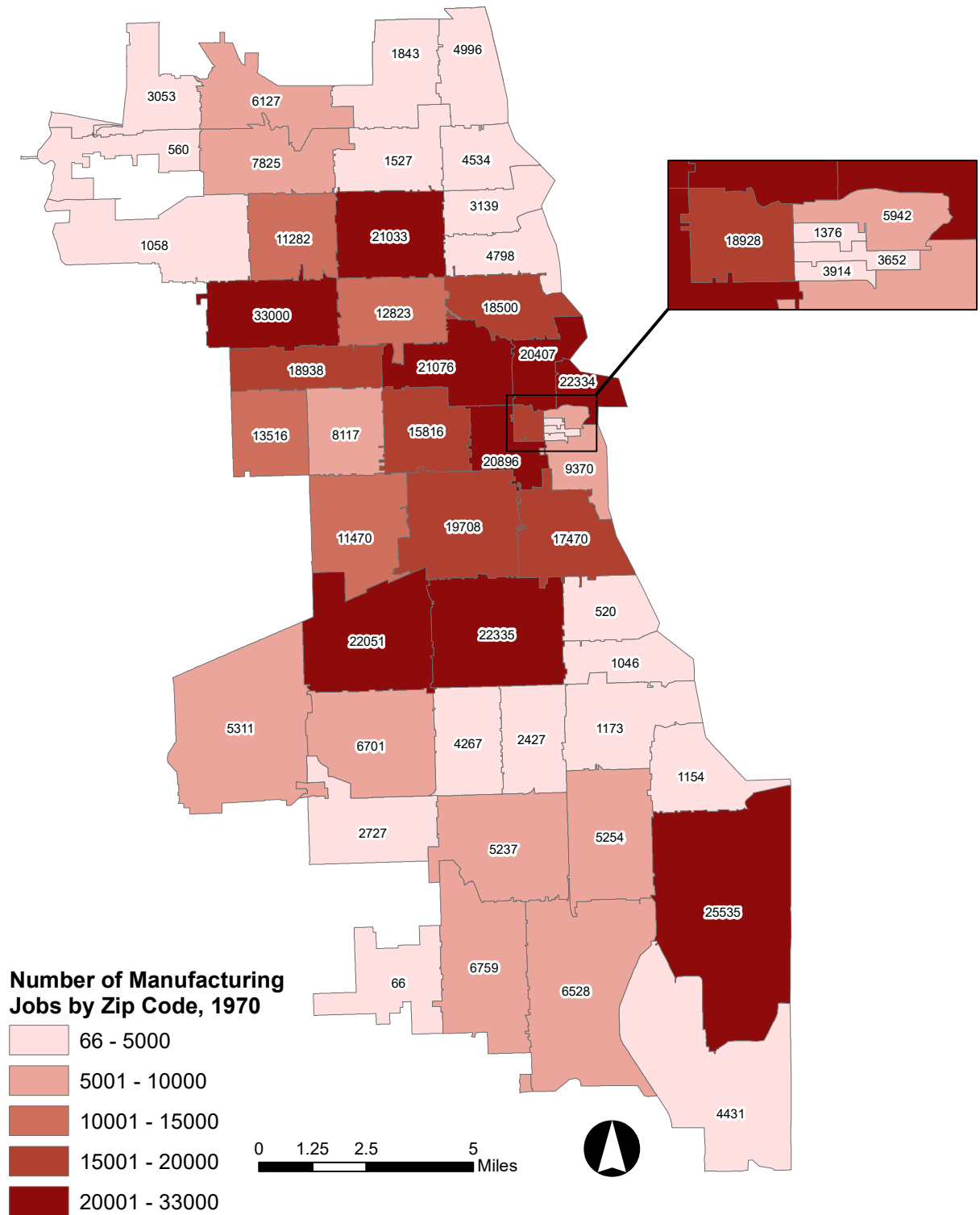
These maps provide insight into the distribution of jobs in two time periods by Chicago Zip codes. For over five decades, the Illinois Department of Employment security has provided data for the location of jobs for employers covered under the Illinois Unemployment Compensation Act. The following section utilizes this data to provide an overview of the movement of private sector jobs covered by the Illinois Unemployment Compensation Act throughout the Chicago Area. In 1991, new data coding was instituted followed by changes in 2001 from SIC to NAICS code classifications in retail and manufacturing. This next section therefore is meant to provide insight into the distribution in jobs in different time periods rather than absolute losses and gains by zip codes over time. From 1957, 1970, and 2015 data, we see different patterns in the distribution of jobs throughout Chicago.

- Maps 3 and 4 show the number of manufacturing jobs by zip code in 1970 and 2015. In 1970 Chicago's manufacturing sector was distributed throughout all Chicago zip codes, but most notably in the central portion of Chicago near road, rail, and water transportation infrastructure. In 1970, Zip codes from Lake Michigan to the east, Chicago's western boundary, north to Irving Park and North Center, and South to New City, had a large

cluster of Manufacturing Jobs. By 2015, the city lost most of its manufacturing jobs. This change reverberated throughout Chicago, but most notably in the neighborhoods that contained these anchor employers. These conditions have led to associated business and population flight that has compounded the hardship in neighborhoods that lost manufacturing.

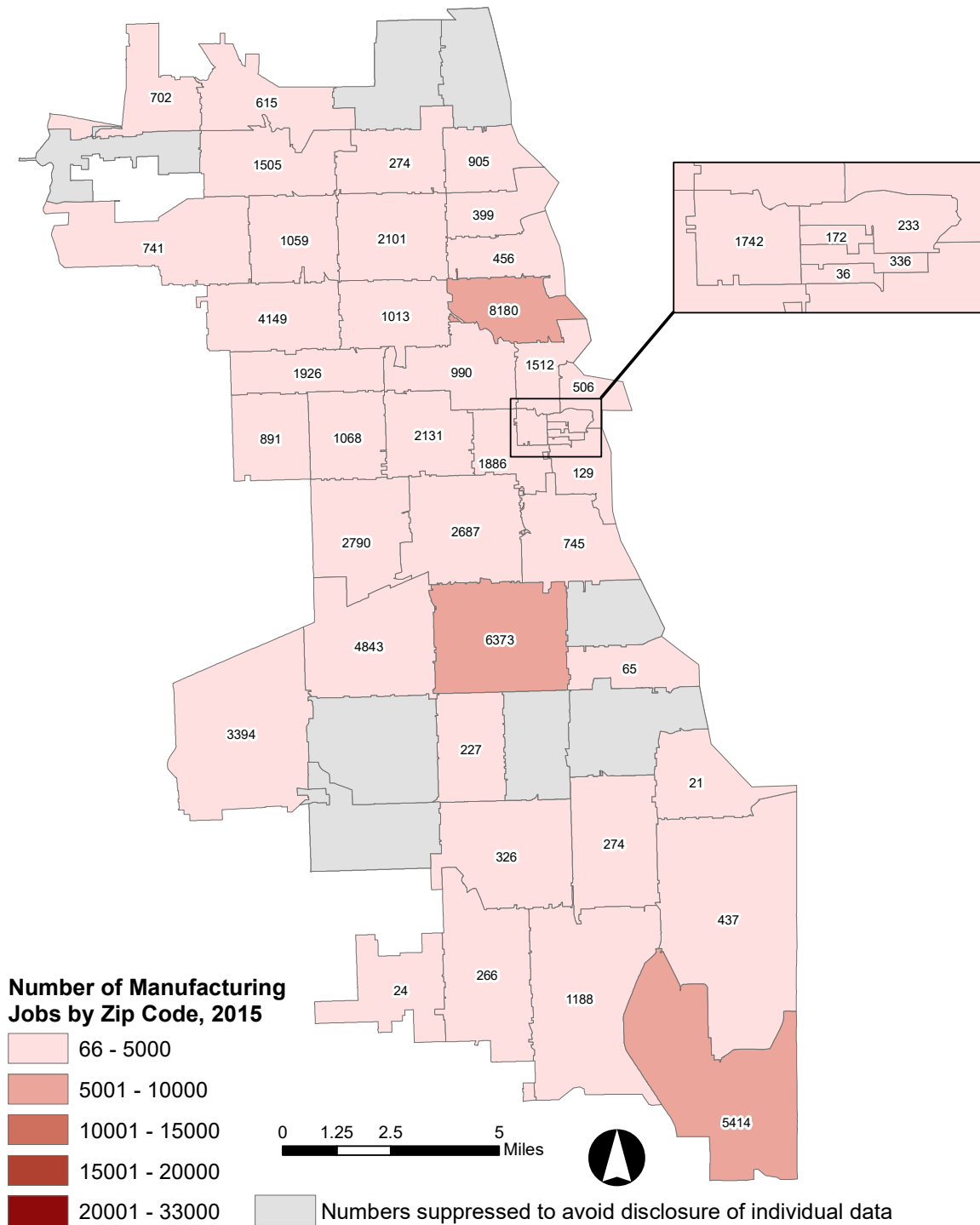
- Maps 4 and 5 show the number of retail jobs by zip codes in 1970 and 2015. Large retail centers, in 1970 were located on the South and West Sides. In 2015, these areas no longer had large retail sectors, as most retail jobs are concentrated just north of the Loop.
- Maps 7 and 9 show jobs for all private sector industries in 1957 and 2015. In 1957, Jobs were concentrated across the central portion of Chicago near road, rail, and water transportation infrastructure and in the Loop. By 2015, jobs are less decentralized and more concentrated in the Loop and areas north of the Loop with noticeably more jobs on the North Side and Southwest Sides of Chicago compared to the South, parts of the West Side, and Far North West Side. The change in total private sector jobs over time shows large losses away from transportation infrastructure and increased concentration in the Loop and North Side.

Map 3: Number of Manufacturing Jobs by Zip Code in Chicago, 1970



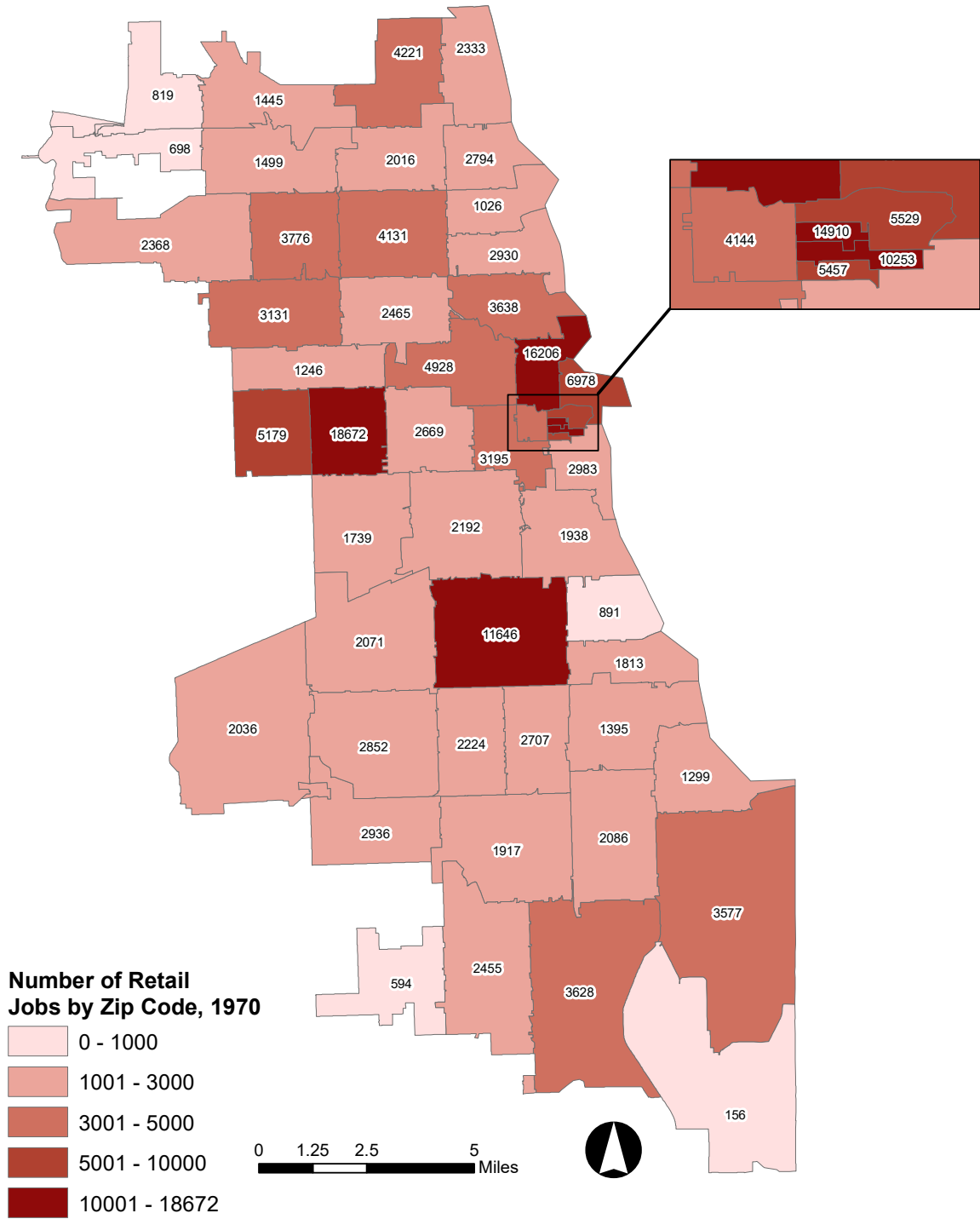
Data Source: 1970 and 2015 Where Workers Work. Illinois Department of Employment Security.
Map Prepared by Great Cities Institute, University of Illinois at Chicago.

Map 4: Number of Manufacturing Jobs by Zip Code in Chicago, 2015



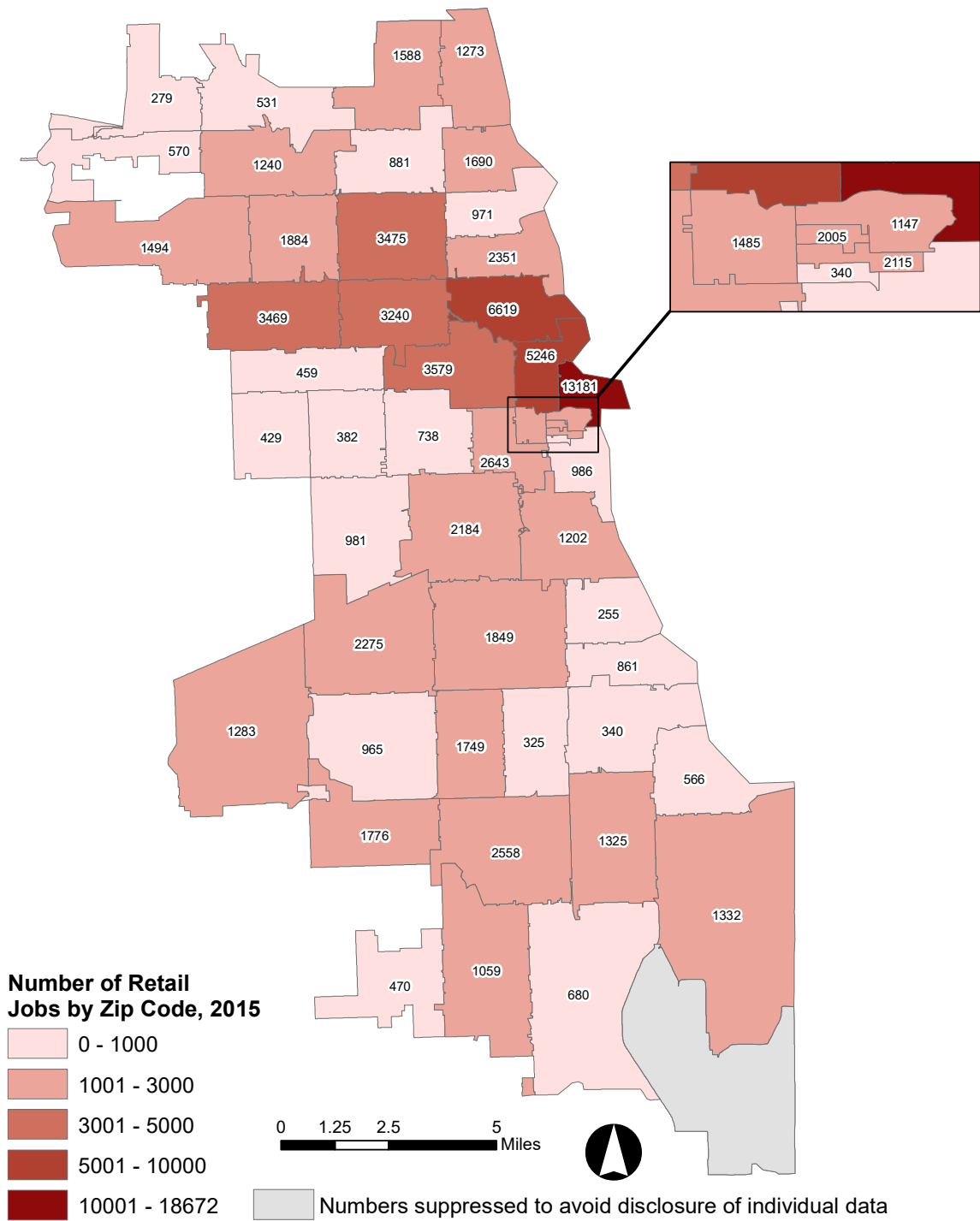
Data Source: 1970 and 2015 Where Workers Work. Illinois Department of Employment Security.
Map Prepared by Great Cities Institute, University of Illinois at Chicago.

Map 5: Number of Retail Jobs by Zip Code in Chicago, 1970



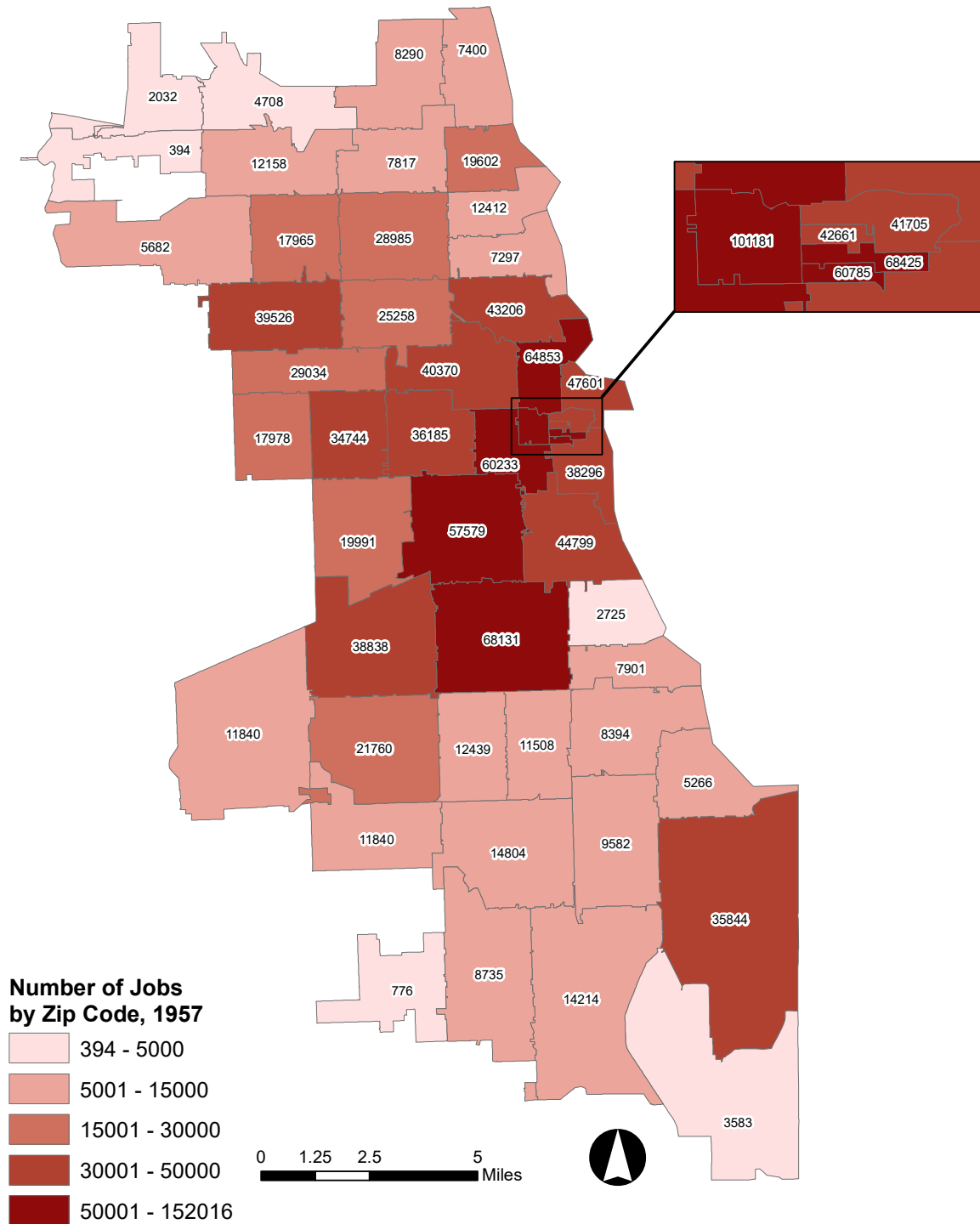
Data Source: 1970 Where Workers Work. Illinois Department of Employment Security.
Map Prepared by Great Cities Institute, University of Illinois at Chicago.

Map 6: Number of Retail Jobs by Zip Code in Chicago, 2015



Data Source: 2015 Where Workers Work. Illinois Department of Employment Security.
Map Prepared by Great Cities Institute, University of Illinois at Chicago.

Map 7: Total Number of Private Sector Jobs by Zip Code in Chicago, 1957



Data Source: 1970 Where Workers Work. Illinois Department of Employment Security.
Map Prepared by Great Cities Institute, University of Illinois at Chicago.

Number of Jobs by Zip Code, 2015

- 394 - 5000
- 5001 - 15000
- 15001 - 30000
- 30001 - 50000
- 50001 - 152016

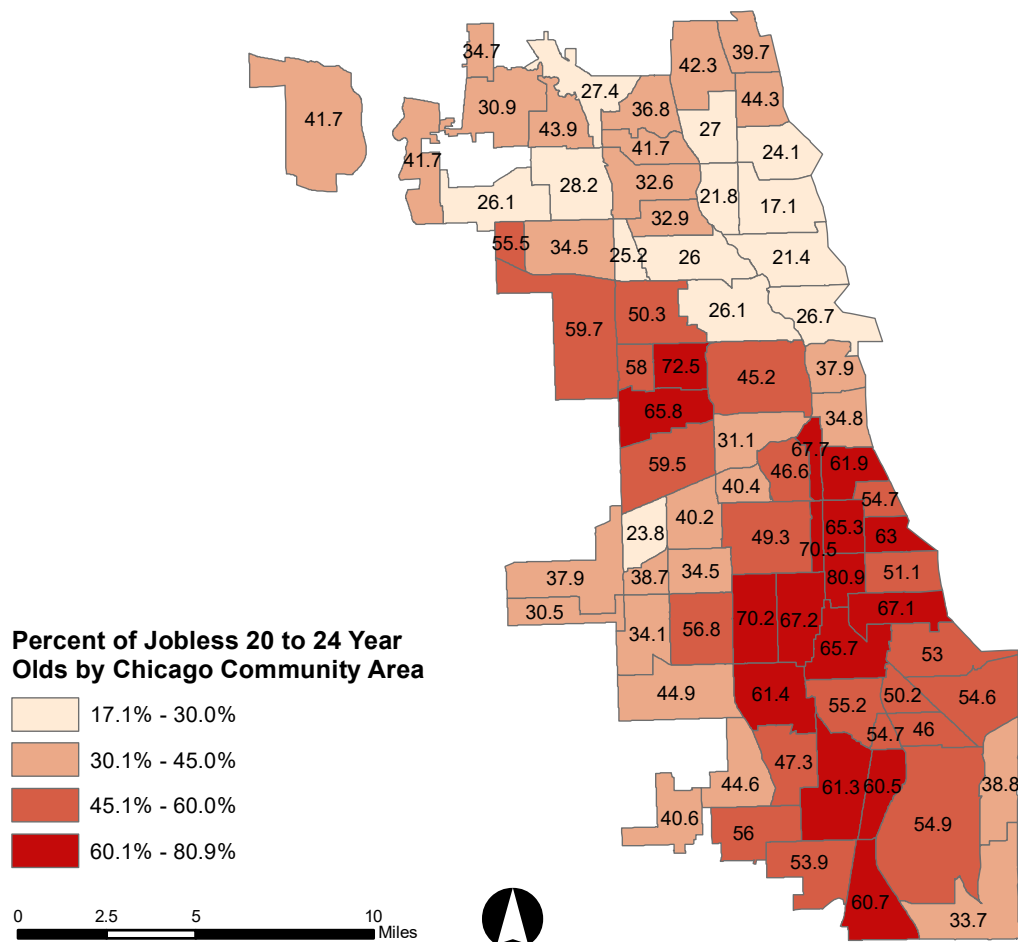
0 1.25 2.5 5 Miles

xxii

Jobless Rates for 16 to 19 and 20 to 24 Year Olds, 2011 – 2015 (See Maps 10 and 11.)

- The lowest jobless rates in the city are in the predominantly White Community Areas on the North Side and Far North Side where many Community Areas have jobless rates less than half of the South and West Sides.
- For 16 to 19 year olds, communities with high jobless rates are primarily located in the predominantly Black West, South, and Far South sides, with notably high jobless rates on predominantly Hispanic or Latino Northwest and Southwest sides.
- The lowest jobless rates are in Community Areas that border Lake Michigan near the Loop and North Side and Community Areas on the Far North Side with the highest concentrations of the White population.
- Examining jobless rates for 20 to 24 year olds by Community Areas show a sharp contrast between the predominantly Black South and West Sides of Chicago and all other parts of the city that have comparably lower jobless rates.

Map 11: Jobless Rate for 20 to 24 Year Olds by Chicago Community Areas



Data Source: 2011-2015 American Community Survey 5-Year Estimates, U.S. Census Bureau.
Map Prepared by Great Cities Institute, University of Illinois at Chicago.

Conclusion

This report, *Abandoned in their Neighborhoods: Youth Joblessness Amidst the Flight of Industry and Opportunity*, dramatically reveals a downward and long-term trend of economic abandonment in many of Chicago's neighborhoods, leaving behind *chronic and concentrated* conditions of joblessness that have affected generations of young people.

Examining the period from 1960 to 2015, we see the continual decline of employment/population ratios (rising joblessness) for young people, particularly for Blacks and Latinos.

In Chicago in 1960, compared to the U.S., larger concentrations of 16 to 19 and 20 to 24 year olds worked in manufacturing and saw larger declines over time, suggesting that Chicago was disproportionately impacted by the decline in manufacturing. Among 16 to 19 and 20 to 24 year olds, Hispanic or Latinos, who had the largest concentration in manufacturing employment, have also seen the largest decline over time. For Blacks and Latinos, their percentage decline in manufacturing is paralleled by their percentage increase in retail and services, while Whites increased employment in higher paying professional and related service jobs.

Joblessness disproportionately persists for young people of color and is geographically concentrated. Its roots are structural and have an impact on young people, their households, and their neighborhoods. Reflecting long-term impacts of segregation, racial disparities and economic restructuring, joblessness is a function of structural changes in the economy that date back several decades and was compounded by the 2008 global recession that exacerbated conditions and isolated people even further.

Chronic joblessness has consequences for those who experience it. Depriving young people of the dignity of work leaves “permanent scars,” impedes an overall sense of wellbeing, and can lead to counterproductive behaviors. Quoting from last year's Great Cities Institute report, *Lost: The Crisis of Jobless and Out of School Teens and Young Adults in Chicago, Illinois and the U.S.*, we restate the following:

There are long-term impacts associated with low rates of employment for young people. We know from previous research, including that produced by Bell and Blanchflower in 2009, entitled, “Youth Unemployment: Déjà Vu?” that youth unemployment causes “permanent scars” (12) where conditions of low rates of employment as youth impact the likelihood of employment later in life, the level of wages, and interestingly, all indicators of life satisfaction. Unemployment, for example, “makes people unhappy” (12).

“Unemployment increases susceptibility to malnutrition, illness, mental stress, and loss of self-esteem, leading to depression” (13). Quoting the U.S. National Longitudinal study of Youth, Bell and Blanchflower point out that youth joblessness “injures self-esteem, and fosters feelings of externality and helplessness among youth” (13). Again citing other research studies, they also point out that “increases in youth unemployment causes increases in burglaries, thefts and drug offences” (16).

The result is a cycle, where the “permanent scars” lead to conditions that are both a consequence and a precipitating factor that leads to further youth unemployment and parallel social conditions.

Chronic joblessness creates the very conditions that impede overcoming them.

We are left then with questions about what to do. **Understanding that residential segregation and economic and occupational restructuring is the structural context for what is happening to our young people of color, is a pointed reminder that chronic and concentrated youth joblessness must be understood in terms of its structural roots and not as a function of individual attributes. Blaming young people for their plight does nothing to remedy their condition. Providing structured opportunities for employment and capacity building does.**

In Chicago, over the last forty years, as we witnessed the end of industrialization and the rise of a “global economy,” we also witnessed the dramatic departure of jobs from large sections of the city along with the rise in chronic and concentrated joblessness. We have seen the impact of this extensive joblessness, including the pressures on young people to find economic solutions in arenas most available to them, which are often illegal and can lead to violence. In a city that attracted large numbers of people to work in jobs generated by its industrial activity, when the economy shifted, there was not enough done to ensure that those affected by the industrial and occupational restructuring were incorporated into the new economy. Without belaboring the point that more should have been done to stem this tide, it is now incumbent on business, government and the community to tackle this problem and its symptoms. What is needed are multi-faceted strategies that create direct employment opportunities, particularly as a means to provide first time job opportunities; equip individuals to participate in the new economy; revive economically abandoned neighborhoods; and stop the bleeding of job loss and reverse policies that reward extraction of wealth from communities.

Strategies:

Among the possible strategies, there are at least four categories of initial steps for business and corporations, government, and community members and organizations to tackle joblessness among those most affected:

1. Create direct employment opportunities
 - a. Reinstate federal, state, and local summer jobs programs
 - b. Replicate New Deal strategies
 - c. Fund paid mentorship programs
 - d. Create apprenticeship programs
 - e. Recreate employment subsidy programsⁱ
2. Prepare young people from these neighborhoods for the livable wage jobs that do exist and equip them to participate in the emerging economy
 - a. Increase public education expenditures
 - b. Provide on-the job training
 - c. Expand training and workforce development
 - d. Remove the impediments to employment, including those related to criminal records
3. Revive economically abandoned neighborhoods
 - a. Attract anchor employers that hire neighborhood residents
 - b. Assist and incentivize small business development
 - c. Create incentives for venture capital investments that are not totally predicated on immediate profit recovery
 - d. Enhance conditions for community led initiatives such as worker cooperatives and small business incubators that harness the skills and talents of young people, both of which can become the basis for revitalized commercial districts to supply the much-needed access to a wider range of goods and services
 - e. Increase funding for community organizations that provide mentorship and capacity building of young people

4. Stop the bleeding of job loss and reverse policies that reward extraction of wealth from communities
 - a. Tie tax incentives for corporations to actual job generation, which are then monitored for adherence to agreements with penalties for non-compliance
 - b. Accelerate incentives to invest in neighborhoods and evaluate their effectiveness

All of these approaches involve directing effort and resources to individuals as well as the organizations and government agencies that serve them. Given that industry abandonment was accompanied by the abandonment of federal resources, the federal government has – and could again – play a key role in providing resources to assist in reviving neighborhoods and building capacity and opportunity for individuals. Local governments can play a role in re-establishing anchor institutions in neighborhoods and state government can reinvest in summer employment and jobs programs that we know are gateways for further employment opportunities. Establishing various task forces to tackle these urgent issues and provide concrete recommendations may be an immediate first step.

Quoting Father Boyle from Homeboy Industries in Los Angeles, as well as the title of last year’s March 2016 hearing before the Cook County Commission, “Nothing Stops a Bullet Like a Job.” On the basis of the data produced in this report, we can conclude that we have the corporate and political responsibility to invest in those affected by years of economic abandonment and indifference. Reconnecting the disconnected yields benefits for everyone. Doing so requires that the young people themselves are part of developing further understanding of both the problem and the solutions.

No doubt, the severity and complexity of chronic and concentrated joblessness among young people most affected, requires an “all hands on deck” response. As David Elam reminded us during his testimony at the youth employment hearings in January 2016, “Team work will make the dream work.”

¹ In its February 21st, 2016, lead editorial, the Sunday New York Times, called for Congressional action to address conditions of unemployment in “minority” communities. Citing the Great Cities Institute report on joblessness among young people, the editorial goes on to express outrage that Congress has rejected programs that we know work and “that could help rescue a generation of young men from failure and oblivion.”

Specifically, the New York Times editorial references a component of the Recovery Act of 2009, an employment subsidy program that “created more than 260,000 temporary jobs.” The non-profit, Economic Mobility Corporation, released an analysis in 2013 through which they concluded that this program, which placed workers largely in the private sector, not only aided local businesses that did the hiring, but also those who were hired, increasing their likelihood of finding permanent employment.

These promising results suggest that carefully targeted subsidies that place unemployed people into private-sector jobs can be a potent tool in reducing the devastating unemployment in minority areas of big cities where young people are disconnected from work and civic life.

As the Times points out, employment subsidy programs have been around since the 1930s. They suggest, however, that such programs should be created to place individuals in the private sector, including those who may have criminal records and need the opportunity to prove themselves as “motivated workers.” “Carefully developed subsidy programs are worth pursuing even if they do not produce big earnings gains. Getting jobless young people into the world of work is valuable in itself.”

The Times Editorial is a call to congressional action but concludes that if Congress fails to act, then this is something that the states should fund.

The idea of employment subsidy programs to place workers in the private sector, as already evidenced, can yield results. A subsidized employment program for public works, as we saw from the 1930s, could also put people to work, and at the same time, rebuild the decaying infrastructure in cities and states (Great Cities Institute, *A Lost Generation: The Disappearance of Teens and Young Adults from the Job Market*, 2016).