



Fact Sheet on Hispanic Economic Development

Advocate for Change: Be Informed ... Become Involved ... Take Action

What is economic well-being?

According to the US Census Bureau the dynamics of economic well-being include personal or household income - generally regarded as the single best measure of the degree to which people are "well off." But other factors also contribute to people's well-being. Extended measures of well-being gauge how people are faring at the household level. Included are possession of consumer durables, housing and neighborhood conditions, and the meeting of basic needs. Indicators of children's well-being are used to take a closer account of how well children progress to adulthood and include measures of cognitive development, social interactions, health, and successful completion of school.

By the year 2050, one third of the U.S. population will be Hispanic. "For businesses, this demographic shift means a larger Latino consumer market and a growing Latino workforce."

*Dr. Richard Rodriguez, Chair
Hispanic Alliance for Career Enhancement*

REALITY: In order to participate fully in any community's economic recovery, Latinos must succeed in the areas of growing income and assets, supporting their children and youth, and overcoming obstacles faced by new immigrant and citizens alike in education and health care.

Why examine economic well-being through the lenses of equitable opportunity and advancement?

Hispanics are not a homogenous group, as they represent racially-mixed and heterogeneous, cultural sub-groups. Given their many roots and rapid growth rate, they continue to represent one of the most complex ethnic groups from which to generalize in the country. Collectively, Hispanics and/or Latinos represent both the most recent arrivals to this country as well as the oldest settlers. As the population is growing rapidly, it is also changing quickly. The places Hispanics live, the views they have, the jobs they hold, their length of residence in the U.S., even attitudes on key political and social issues, to name a few factors, are quite complex and difficult to generalize... While Hispanics now constitute the Nation's largest minority population, they are also misperceived by some to represent the greatest problem of urban plight for many cities across the country. Cleveland is no exception.

REALITY: "There must be a reciprocal relationship. We have too long let Corporate America determine how they were going to invest in the Hispanic community." George Herrera, former president, USHCC

"Small businesses represent something on the order of seventy-five percent of new jobs. We tend to pay a lot of attention to the big, huge corporations of the world, but at the end of the day, the engine is the small business sector, and in that group, the fastest-growing segment is the Latino-owned small business."

*Javier Palomarez, CEO and President
United States Chamber of Commerce*

DO YOU KNOW?

Nationally, Hispanic buying power will increase from \$212 billion in 1990 to \$1.3 trillion in 2013, an increase of 554.3%, which is higher than the growth rate for any other race or ethnicity. However, Hispanics only hold 3.1% of all board seats in Fortune 500 companies; entities who are benefiting the most from Latino consumerism. (HACR, 2007)

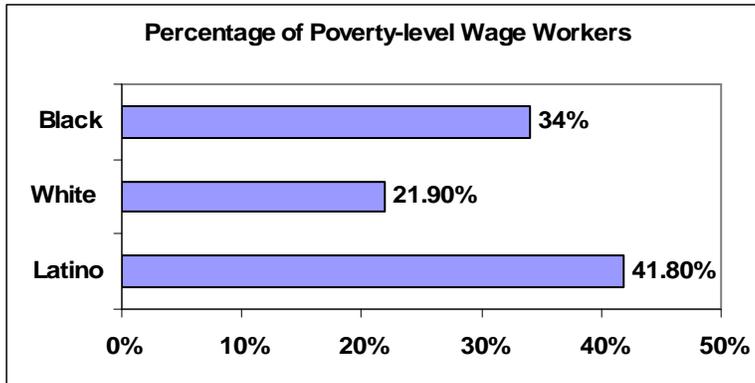
Only 70% of Hispanic households have any type of bank account, versus 98% of non-Hispanic Whites. ... Hispanics have been slow to apply for credit, too: 57% of Hispanics have credit or debit cards versus 89% of non-Hispanic Whites. (Aida Levitan, Senior Executive of Bromley Communications)

* The terms "Latino" and "Hispanic" are used interchangeably by the U. S. Census Bureau and throughout this document to refer to persons of Mexican, Central and South American, the Caribbean (Cuban, Puerto Rican and Dominican), Spanish and other Hispanic descent; they may be of any race.

Advocate for Change: Be Informed ... Become Involved ... Take Action

How is the economic status of Hispanics affecting the Nation, State, County and City?

Nationwide, data on Latinos indicate that the country is in the midst of a dramatic demographic shift that will most assuredly affect its future complexion and bring about cultural impact. Projections now indicate that the “browning of America” is not only a growing reality, but that by the year 2050 nearly half of all Americans will be a member of a minority group (people of color) and the majority will be Hispanic. The rapid rise in the Hispanic population has now made it the largest minority group in the U.S. labor force.



Source: National Council of La Raza, 2007

As the fastest growing segment of the United States and its labor force, Latinos are integral to the nation’s economic prosperity; in 2050 one in three workers will be Latino. Moreover, the economic status of Hispanics has implications for the labor force as a whole. Latinos are less likely than their peer to hold financial assets and build wealth, which means that their labor market status heavily influences their economic standing.

DO YOU KNOW?

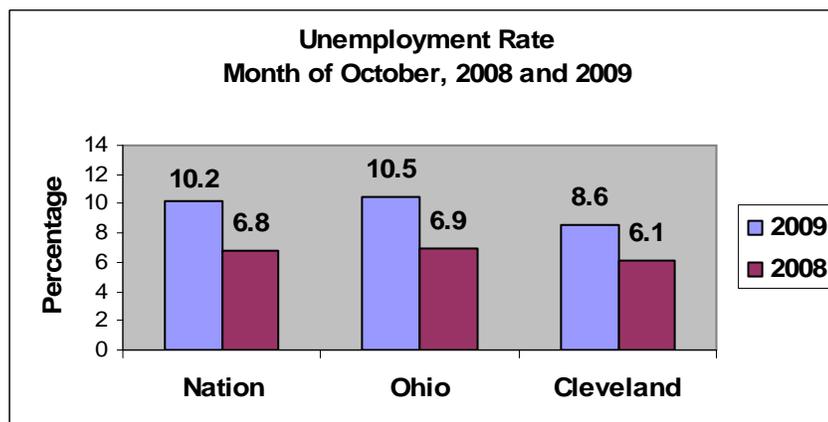
In 2007, two out of five (41.8%) Latino workers earned poverty-level wages, which translates to about \$10.20 per hour to sustain a family of four. Not surprisingly, that same year more than one in five (21.5%) Latinos lived in poverty, compared to 12.5% of all US residents, and nearly three in ten (28.6%) Latino children were poor.

“Fighting against poverty for low-income workers and promoting opportunity for their children through policies that provide good jobs, support work and enhanced incomes strengthen families and communities.”

*Douglas W. Nelson, President and CEO
The Annie E. Casey Foundation*

DO YOU KNOW?

Ohio’s non-White labor force is expected to surpass one million the next decade and account for about one in six jobs, doubling its labor force numbers in twenty years (1992 to 2012), while the White population will decrease slightly during this period. It is estimated that the entering Ohio workforce population by 2015 will be composed of 90 percent women, minorities and immigrant workers.



Source: U.S. Bureau of Labor Force Statistics, 2009

The State of Ohio experienced a statistically significant decrease in employment rates, losing 243,200 jobs between 2008 and 2009. In October, 2009 the national unemployment rate rose to 10.2%, the highest since April, 1983. In Ohio, unemployment in October, 2009 was 10.5%, - slightly more than the national rate - reaching a double-digit figure for the first time in more than 25 years.



Fact Sheet on Hispanic Economic Development

Advocate for Change: Be Informed ... Become Involved ... Take Action

REALITY: The best way to help the economy would be to welcome and support immigrants already here, so that they would help recruit their families and friends. When one immigrant does well and talks about it, others follow. Success could be contagious....This is Cleveland's best hope to save itself. Over the next 50 years, the lion's share of the nation's population and economic growth will be linked to the influx of people born beyond our borders....Cleveland will age and die....if you don't attract more immigrants to revitalize your economy, the best business to open in Cleveland will be a mortuary.

**Sam Fulwood III, Columnist
The Plain Dealer, April 8, 2003**

"Immigrants do not leave their home country to come here and do nothing! They come to prosper and this prosperity is shared by the entire city." As long as immigration is seen as a race issue, Cleveland will be left out of the immigrant wave in America; and will be left further behind."

**Bob Smith, International Culture Writer
The Plain Dealer, May 2009**

DO YOU KNOW?

In the winter 2007 issue of *Entrepreneur Ohio Quarterly*, it is reported that the number of Hispanic-owned businesses is rapidly increasing, but many of these aspiring entrepreneurs lack the formal legal and business know-how essential to getting a new business on the road to success. So, the Ohio Small Business Development Corporations (SBDC) have partnered with the Latino Community Association of Ohio (LCAO) to create the Ohio Latino SBDC, which provides basic information, consulting services and educational programs to Spanish-speaking entrepreneurs.

Limited Change over Time...

A review of critical socioeconomic indicators across nearly three decades in Cleveland points to the fact that while some improvement has been attained, this is considerably lower than should have been expected by the 21st century. A few quick facts dramatize the seeming stalemate of progress across this span of time. Table 1 provides rough comparisons, overall, of data over the past 30 years. It indicates relatively little increase in the socioeconomic status among Cleveland's Hispanic population. In fact, some trends may have declined or reached a plateau.

Hispanic Demographics for Cleveland, Years 1960-70 and 2000-06

Category	General Statistics	
	Past (1960-1970)	Current (2000-2006)
Puerto Rican percent of Latino population	82 percent	68 to 82 percent
High school graduation or equivalent (census)	21 percent	43 percent
% Speaking Spanish at home	≈ 80 percent	76 percent (for 2003-04)
Per capita income	Lower than city average	\$9,718 (1999); less than one-third city average
Below poverty level	34 percent	52 percent (lower in Ward 14)
Owner-occupied housing	Unknown (est. 34 percent)	41 percent
Unemployment	Estimated at 16 percent by 2 studies	> 26 percent
Median age	27 years of age	25 years of age
High school dropout rate	≈ 80 percent	76 percent
Percent foreign born	> 65 percent	Unreliable data
Total Latino population	25,000 (1970)	Range: 31,728 to 78,675



Fact Sheet on Hispanic Economic Development

Advocate for Change: Be Informed ... Become Involved ... Take Action

What steps can we take as members of the Hispanic Alliance to promote the economic well-being of Hispanics?

- ◆ Collaborate with organization working to reduce poverty for children and families.
- ◆ Create strategies which promote workforce participation and business creation through increased attention to job and skills development.
- ◆ Participate in meetings where appropriations of public funding are being discussed to ensure Hispanics compete and secure a fair share of millions of new jobs and business opportunities.
- ◆ Ensure middle and high schools, and post-secondary education institutions are providing quality career and academic counseling services which graduate Latinos and guide them on meaningful career pathways.
- ◆ Work with individuals and organizations to make all markets accessible to help Hispanics afford quality goods, secure financial services, and outlaw predatory practices in consumer and mortgage lending.
- ◆ Sponsor community dialogues/education series on financial (debt and wealth) management strategies.
- ◆ Support *Convención Hispana 2007* Community Resolutions from the Business and Economic Development Area Team.
- ◆ Subscribe to *Hispanic Business Magazine*, *Hispanic Enterprise*, and *Latina Style*. Contribute articles about successful practices and urgent challenges impacting Latino entrepreneurs.
- ◆ Work to invite Latino regional and national conferences to Cleveland.
- ◆ Attend national economic events with non-Hispanic colleagues to strengthen professional networks.
- ◆ Sponsor critical dialogues with university business schools to create case studies of what is working and not working for Latinos in the greater Cleveland area.
- ◆ Promote dialogue between minority women in the region in which Latinas play a significant role.
- ◆ Create a reading/discussion group in which books like *Latino Talent* by Dr. Robert Rodriguez and *The Latino Advantage in the Workplace* by Mariela Dabbah and Arturo Poiré to discover strategies for success in corporate settings.
- ◆ Secure corporate sponsorship for annual updating of economic development synopsis and fact sheets to inform action steps.
- ◆ Provide visible support to member organizations like Hispanic Business Association, National Society of Hispanic MBA's, El Barrio, Spanish American Committee, and other workforce and business development programs.
- ◆ Honor and recognize champions advancing the economic well-being of Hispanics in Northern Ohio.

Hispanic Alliance, Inc. is a 501 (C) 3 nonprofit corporation in the State of Ohio with the purpose of addressing Hispanic/Latino community needs.

3110 W. 25th Street | Cleveland, Ohio 44109 | (216) 661.4249 | info@hispanicallianceinc.org

www.hispanicallianceinc.org