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## Racial gap in pay runs deep

### Disparity among blacks, whites remains sharp, census shows

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Although the incomes of minorities in metropolitan Milwaukee rose at a faster rate than whites during the 1990s, the economic chasm between the races remains deep, according to U.S. Census Bureau figures being released Wednesday.

The data shows that blacks - as well as other minorities - in the four-county Milwaukee area saw significant gains in incomes during the decade. The median household income, when adjusted for inflation, rose 20% for blacks, 14% for Hispanics and 39% for Asians. By comparison, Milwaukee-area white households saw an 11% increase.

Even so, black households in the Milwaukee area on the average earned 49 cents for every dollar earned by whites by the end of the decade, according to an analysis of the census data by the Lewis Mumford Center at the State University of New York at Albany. Among the nation's 50 largest metropolitan areas, Milwaukee ranked 49th in the size of that disparity, behind only San Francisco.

"What stands out about Milwaukee is the extreme disparity that black households still experience compared to whites," said John Logan, professor of sociology and director of the Mumford Center. Logan said that nationally, black income is a bit better than 60% of white income. "When you find a place where it's less than half, that really is an extreme value."

The good news was that - even after factoring in inflation - median household incomes in metropolitan Milwaukee were up 9.3% - from

#### Census 2000



Photo/Jeffrey Phelps

Rafael Roman welds under a vehicle Tuesday afternoon at Ricardo and Pepe's Auto Repairs, 902 W. National Ave. The booming 1990s buttressed the fortunes of state residents of all races, but there remains a large gap between the incomes of whites and African-Americans, especially in the Milwaukee area, census data shows.

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\$41,978 to \$45,901. In Wisconsin, median household incomes rose 14.6% during the decade - from \$38,212 to \$43,791. And that growth was across the board.

"The benefits of the economy of the 1990s were distributed fairly widely," said John Karl Scholz, an economist and director of the Institute for Research on Poverty at the University of Wisconsin-Madison. "The economic growth seemed to reach down into all parts of the income distribution, and given that blacks and Hispanics are disproportionately poor, it is very important to have growth that affects the bottom as well as the top."

Ricardo Salinas experienced that growth firsthand at his auto repair shop at S. 9th St. and W. National Ave.

In 1991, Salinas and his business partner moved their shop from 16th and National to its current location. With the Hispanic community in the area growing abundantly, the new decade brought Ricardo & Pepe's Auto Repairs nothing but steady clientele, Salinas said.

At 67 years old, he's ready to retire and attributes most of his comfort to the last decade. "The economic boom was pretty good," he said.

## Still a wide gap

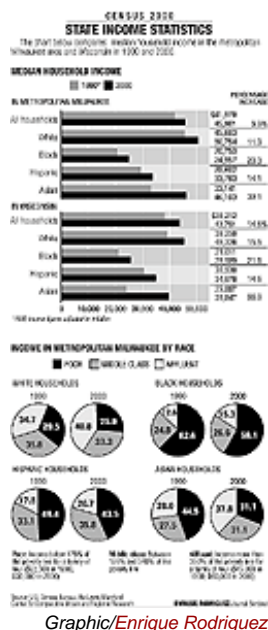
But the numbers also reveal a continuing and significant gap between the prosperity of whites and Wisconsin's minority communities. In metropolitan Milwaukee, which includes Milwaukee, Waukesha, Ozaukee and Washington counties, the median income of white households was \$50,754, compared with \$24,957 for black residents - meaning that blacks in the metropolitan area earned 49.2 cents for every dollar earned by white households.

That figure represents an improvement over 1990, when Milwaukee area blacks made about 46 cents for every \$1 earned by whites.

"We will have a lingering challenge of poverty, low incomes and all of the social challenges that come from those economic conditions," said Marc Levine, director of the Center for Economic Development at the University of Wisconsin-Milwaukee. "It's all the more extraordinary when we consider the 1990s were an extraordinary period of economic growth. This is what happened during a boom period. There was improvement, but not nearly enough to close the racial gap."

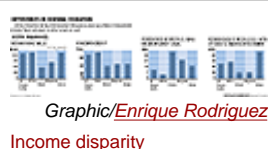
The figures being released today were calculated by the Census Bureau from information on the long forms given to about one in six households during the 2000 census. The data contains never-before-seen information on income, poverty, ethnicity and other indicators, including information on specific neighborhoods. It is the last of the raw data from 2000 to be released by the bureau.

The data contains other evidence that minorities in the Milwaukee area did not enjoy the same level of prosperity as whites during the 1990s:



State income statistics

## Metropolitan income disparity



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- While the percentage of black households classified as poor dropped during the decade, the actual numbers rose from about 38,584 in 1990 to 45,843 in 2000 - a 19% increase. Hispanics classified as poor increased from 6,793 to 10,743 - a 58% increase. Households in that category had median incomes that were below 175% of the federal poverty level.
- More than half of the black households were classified as poor in 2000, as were 43% of Hispanic households.
- While the number of black households deemed to be affluent rose from 12.6% to 15.3%, those numbers were far below the 40.8% of white households that were judged to be affluent.

"While there is progress, there are still very large gaps," Scholz noted. "The gap is closing modestly, and there's no doubt blacks and Hispanics continue to lag, but slightly less than they did before."

Milwaukee Mayor John O. Norquist agreed that the numbers hold both positives, chiefly in the growth of minority incomes, and negatives, in terms of income disparity.

"We have a long way to go," he said. "I'm encouraged that poverty has gone down and African-American incomes have gone up, but they obviously have a lot further to go."

Norquist said the growth of household incomes among all races was a promising sign. "The fact that it's improving is more of a tribute to the minority population working their way out of poverty than to any other factor," he said.

Derrick Johnson, a 47-year-old cleaning service contractor who is black, has seen an improvement in his economic status. After spending the 1990s working sometimes 60 hours a week for cleaning service companies, Johnson decided to use his money to start his own business.

"When you own your own business, you're going to make a little bit more," he said, noting that he went from earning \$20,000 a year working 60 hours per week to \$25,000 working almost one-third of the hours.

Mitchell Avant, 36, used his education to work his way into a job he enjoys - area community relations manager for Coca-Cola. In the booming 1990s, Avant, who is black, maneuvered into a position where he feels an adequate degree of mentorship and support from his company.

But Avant said he was not surprised to see other educated minorities leave the state after getting their education - perhaps contributing to the problematic statistics revealed in the last census.

"Minorities who are qualified are leaving," said Avant, a lifelong Milwaukee resident. "No one's ever done a serious job of cultivating that talent."

The census data released today shows other signs of disparity as well, both statewide and in the Milwaukee area.

In metro Milwaukee, 10.1% of blacks and 10.4% of Hispanics over age 25 had a bachelor's degree, compared with 29.1% of whites. Statewide, 23.1% of whites over 25 had a bachelor's degree, while 10.5% of blacks and 11.4% of Hispanics held a degree.

There also is a stark difference among the values of homes owned by the various racial and ethnic groups.

The median value of homes owned by all races was \$131,900 in the Milwaukee area, with home values of \$137,500 for whites, \$134,000 for Asians, \$84,700 for Hispanics and \$58,400 for blacks.

Statewide, the median value of a home stood at \$112,200. Asians led the way

with homes valued at \$121,300, compared with \$114,600 for whites, \$89,600 for Hispanics and \$60,700 for blacks.

"Racial disparities in housing wealth doesn't surprise me," Scholz said.

"Disparities between different racial and ethnic groups in wealth inequality dwarf the disparities in income inequality."

Stephen Braunginn, president of the Urban League of Greater Madison, said the educational numbers were disconcerting.

"When you don't have the education that would give you the capacity to compete for a career, this is what you end up with," Braunginn said, referring to the income gap between the races.

Logan, of the Mumford Center, said research had identified a cycle involving education and income among African-Americans.

"One reason minorities have lower incomes is they have less education. One reason they have a poorer education is that, even if they have comparable incomes, they live in worse neighborhoods," he said.

Logan said the census numbers should be viewed not only from an economic standpoint, but from a quality-of-life perspective. His researchers have found that typical black and Hispanic residents - regardless of their incomes - tend to live in areas with more poverty, lower education and homeownership than neighborhoods where whites live.

Logan said there were a mix of factors involved in those choices - the decision to live in a more integrated area and a lack of access to housing opportunities.

"In the Milwaukee area, there has been very little movement of African-Americans to the suburbs," he said. "In the country as a whole, about 40 percent of African-Americans live in suburban areas outside of central cities. In Milwaukee, it's 10 or 15 percent - much lower. It's unlikely to be a matter of free choice and preferences."

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