

The Systemic Inequity Collection

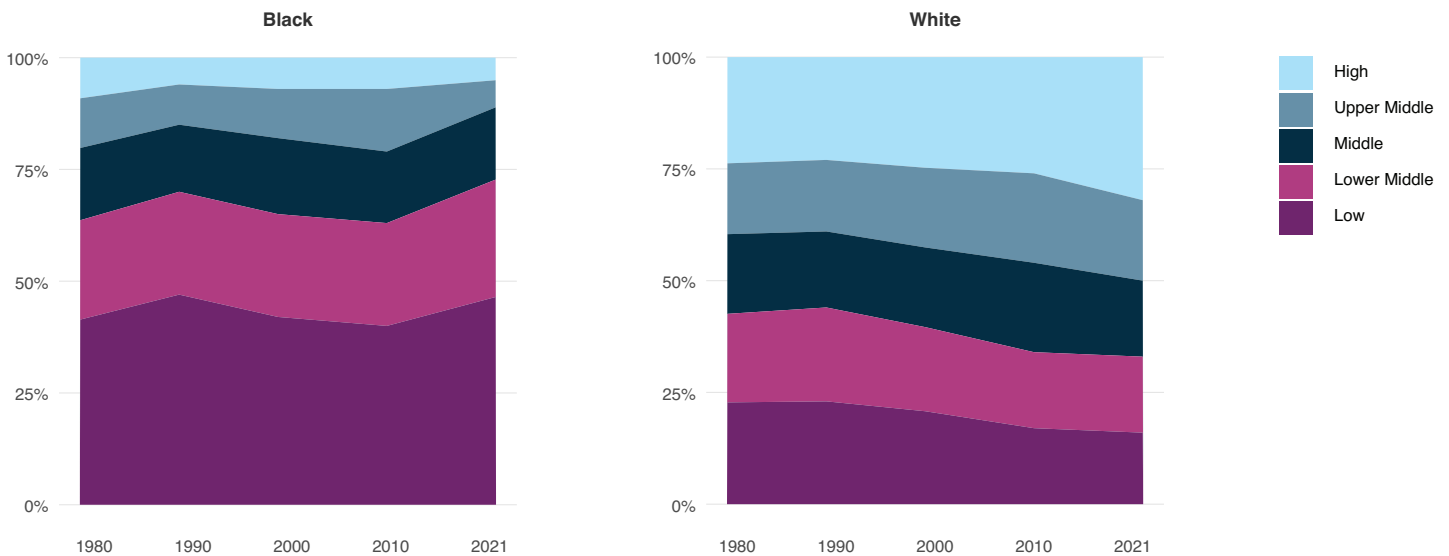
# Potential Economic Impact of Increasing Income for Black New Orleanians

THE DATA CENTER OF SOUTHEAST LOUISIANA

## Introduction

Growing inequality in the U.S. was gaining increasing attention well before the COVID-19 shutdown and racial reckoning of 2020. But as recently as the 3rd quarter of 2022, when the national unemployment rate was as low as 3.7 percent and employers were struggling to find workers, the median wages of White full-time workers in the U.S. continued to be 25 percent higher than that of Black full-time workers.<sup>1</sup> According to the most recent data for New Orleans, Black households had median incomes that were 64 percent less than White households (\$30,292 compared to \$83,727) in 2021.<sup>2</sup> In fact, racial income inequality widened over the last decade with the share of New Orleans’ White households earning more than \$133,572 (the top national income quintile), growing from 25 percent in 2000 to 32 percent in 2021, and the share of New Orleans’ Black households earning less than \$26,904 (the lowest income quintile) expanding from 42 percent in 2000 to 46 percent in 2021.

### PROPORTION OF HOUSEHOLDS BY NATIONAL INCOME QUINTILES NEW ORLEANS



Source: The Data Center analysis of data from the U.S. Census Bureau, IPUMS U.S.A, and HUD.

Note: In 2021, the income quintile ranges are: High: above \$133,572; Upper middle: \$82,860–\$133,572; Middle: \$51,828–\$82,859; Lower middle: \$26,904 - \$51,827; Low: below \$26,904.

Income inequality itself can have several near-term negative consequences on a city. As real estate markets respond to widening income extremes, they may fail to produce housing accessible to middle-class families, prompting them to leave the city. As a result, those who move up or down the income ladder become more likely to move elsewhere. Unequal cities and counties often struggle to provide essential services due to limited tax bases that cannot generate sufficient revenue to sustainably fund them. Income inequality



can also hamper a regional economy's ability to support industries that rely on middle-skill labor.<sup>3</sup> Recent research suggests that local economies that prioritize greater equality of opportunity experience greater overall growth by harnessing the full potential of their talent and entrepreneur bases on which growth depends.<sup>4</sup>

A sometimes overlooked exposure of income inequality is the effect it has on families. Low levels of household income affect everyone in the household, including children in family households. One local consequence of widening household income inequality is that 51 percent of all Black children in New Orleans live in poverty, compared to only 5 percent of White children.<sup>5</sup> The prolonged stress endured by children living in poverty can significantly interfere with the normal development of their brains. Constant worry about having enough food, frequent changes of residence, exposure to violence, and limited parental supervision due to irregular work hours in low-paying jobs create a state of chronic stress that can detrimentally affect the architecture of the developing brain that, without appropriate therapeutic interventions, may result in lifelong challenges in learning, memory, and self-regulation. In fact, scholars argue that poverty may be the single greatest threat to children's healthy brain development.<sup>6</sup>

Like many cities, New Orleans is the urban core of a metro area that spans several parishes. The metro area represents an integrated economy across which many workers commute to a variety of job sites and children to a variety of schools. As such, metros are the appropriate geographic unit of analysis when comparing city economies. This report quantifies the potential economic impact of an increase in income for Black residents of Metro New Orleans and suggests policies and practices that could contribute to developing a more inclusive economy.

## Current inequities

In recent years, respected organizations have aimed to quantify the economic benefits of inclusion. For the New Orleans metro area, PolicyLink calculated that the regional gross domestic product (GDP), or the total value of goods and services produced in a region, would've been \$18 billion higher in 2014 if racial gaps in income had been closed. That is, if all racial groups earned the same as White New Orleans, after adjusting for age, the overall size of the economy would be substantially larger.<sup>8</sup> The W.K. Kellogg Foundation and Altarum conducted a different analysis that estimated the increase in GDP if New Orleans eliminated racial disparities across health, education, incarceration, and employment opportunities. They estimated that Metro New Orleans' GDP would increase by \$43 billion by 2050.<sup>9</sup> Growth in GDP is fundamental to the long-term improvement of standards of living in a region.<sup>10</sup>

Notably, Black incomes in Metro New Orleans are not only well below White incomes in Metro New Orleans, they are also well below incomes of Black households in other peer metros. Given the entrenched nature of racial income disparities across the nation, raising Black income to the same level as White income may seem daunting. While income parity is certainly a worthwhile goal, solving this systemic disparity may require an incremental approach. Thus, as a first step, this report quantifies the economic impact of increasing Black incomes in Metro New Orleans to the level of Black households in comparable Southern metros.

Cities and metros can be compared on a number of different dimensions, which makes finding benchmarks difficult. The Data Center selected Atlanta, Charlotte, Nashville, Houston, and Orlando as comparisons. Four of these are among the metros which The Data Center refers to as "aspirational" metro areas and often use as reasonable comparisons points to Metro New Orleans. They are: Charlotte, Nashville, Houston, and Orlando.<sup>11</sup> Atlanta was added to the group because it is often anecdotally cited as an aspirational comparison for New Orleans. These five metros are briefly described below:

**ATLANTA, GEORGIA** is a focal point of Black society in the United States. It is also arguably the leading economic hub of the southeastern United States, with the busiest airport in the nation, and several Fortune 500 companies including Coca-Cola, Home Depot, UPS, and Delta Airlines.<sup>12</sup>

**CHARLOTTE, NORTH CAROLINA** is located near the North/South Carolina border and, in recent decades, has emerged as a major U.S. financial services center.<sup>13</sup>

**NASHVILLE, TENNESSEE** has a reputation as one of the country's most dynamic cities.<sup>14</sup> Like New Orleans, Nashville is home to a large tourism sector, and prominent universities including Vanderbilt.

**HOUSTON, TEXAS** benefits from a large port industry, and substantial ties to the oil and gas industry like New Orleans, but Houston has significantly diversified its economy since the oil bust of the 1980s.<sup>15</sup>



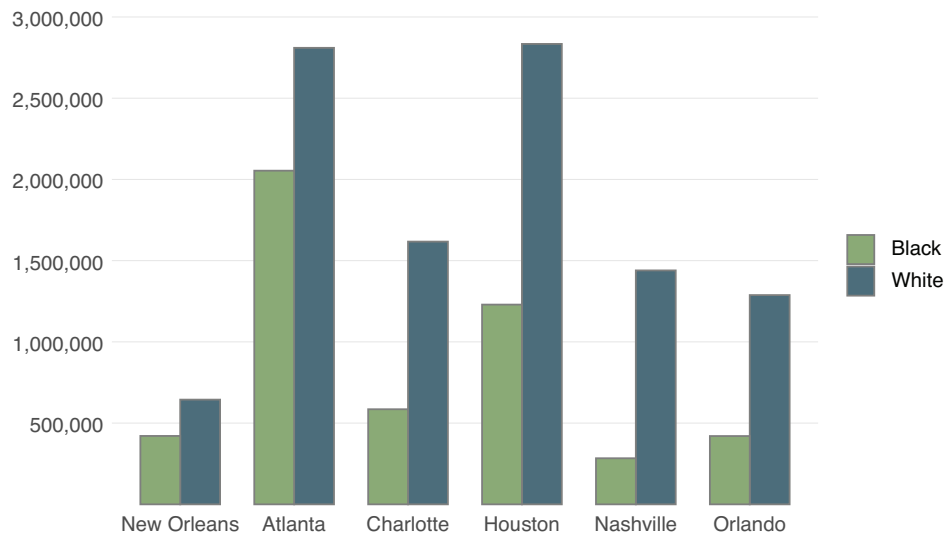
*Child poverty costs for the U.S. range between \$800 billion and \$1.1 trillion annually, based on the estimated value of reduced adult productivity, increased costs of crime, and health expenditures associated with children growing up in poor families.*

– National Academies of Sciences, Engineering, and Medicine<sup>7</sup>

**ORLANDO, FLORIDA** frequently appears alongside New Orleans in studies on tourism economies, and its southern location and worker context make it a better comparison to New Orleans than other top tourism metros such as small and northern Atlantic City or western cities such as Las Vegas.<sup>16</sup>

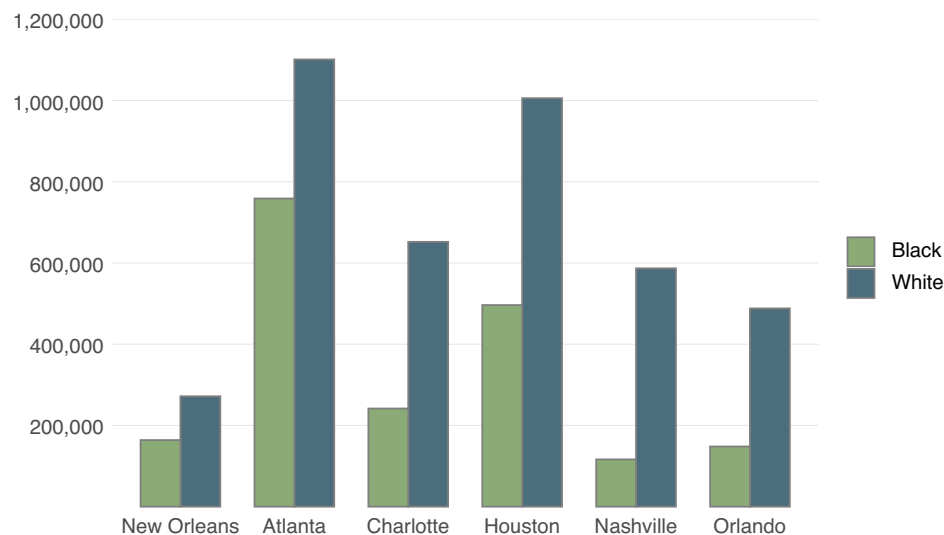
The charts below depict 2021 population and household snapshots of New Orleans and the five comparison metros. Fully 33 percent of the Metro New Orleans population is Black as is Metro Atlanta. In contrast, 22 percent of Metro Charlotte is Black as are 17 percent of Metro Houston, 16 percent of Metro Orlando, and 14 percent of Metro Nashville. Among households in each metro, 32 percent in New Orleans are Black, and 33 percent are Black in Atlanta. In Metro Charlotte, 23 percent of households are Black, and 19 percent are Black in Metro Houston. In Nashville and Orlando, roughly 15 percent of households are Black.

**BLACK AND WHITE POPULATIONS  
NEW ORLEANS AND COMPARISON METROS, 2021**



Source: The Data Center analysis of data from the U.S. Census Bureau American Community Survey 1-year estimates.

**BLACK AND WHITE HOUSEHOLDS  
NEW ORLEANS AND COMPARISON METROS, 2021**

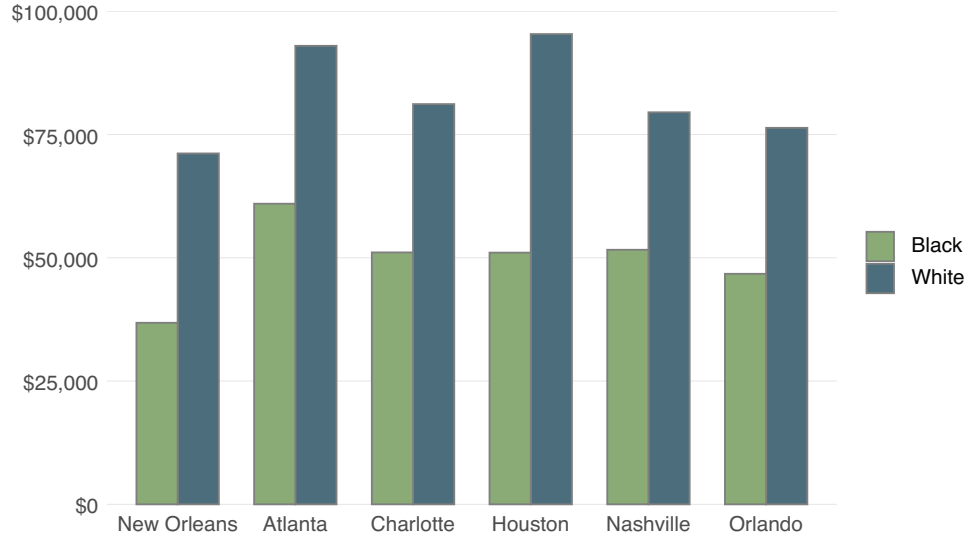


Source: The Data Center analysis of data from the U.S. Census Bureau American Community Survey 1-year estimates.

Black households in Metro New Orleans had median incomes 48 percent less than White households in 2021. All of the five comparison metros had smaller racial income gaps than Metro New Orleans. In the Atlanta metro this gap is smallest, with Black household incomes that are 34 percent lower than White households. Metro Houston’s gap is 46 percent, the largest of the comparison metros.

The gap is 35 percent in metro Nashville, 37 percent in Metro Charlotte, and 39 percent in Metro Orlando.

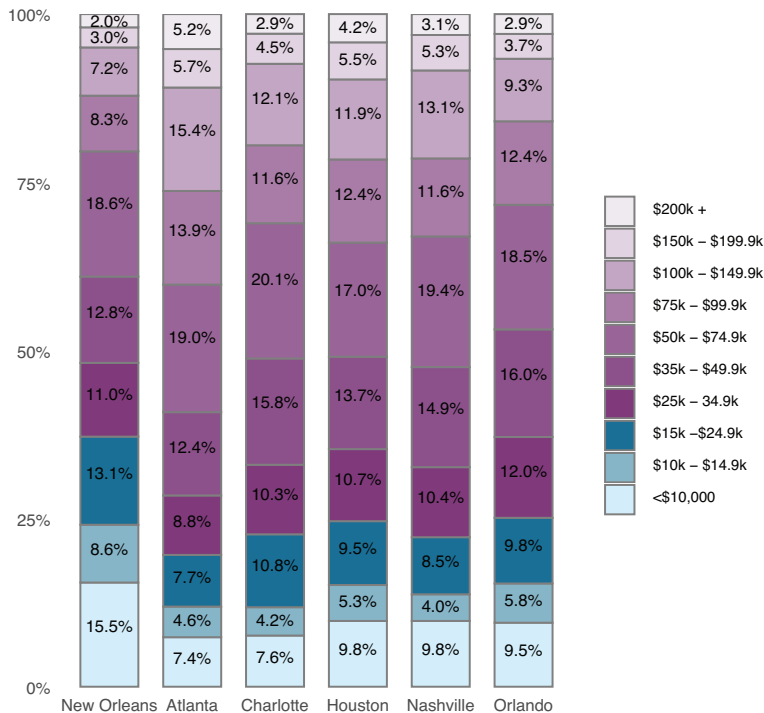
**BLACK AND WHITE MEDIAN HOUSEHOLD INCOMES  
NEW ORLEANS AND COMPARISON METROS, 2021**



Source: The Data Center analysis of data from the U.S. Census Bureau American Community Survey 1-year estimates.

In Metro New Orleans, over 37 percent of Black households have incomes less than \$25,000. In all five comparison metros, no more than one-quarter of all Black households earn less than \$25,000 as depicted by the blue bars in the graph below. New Orleans and Atlanta have the largest share of Black households among the comparison metros, but their respective income distributions across Black households are the most different. The share of Black households making under \$25,000 is nearly twice as large in Metro New Orleans as in Metro Atlanta, while the share making over \$100,000 in Metro New Orleans is less than half as large as in Metro Atlanta.

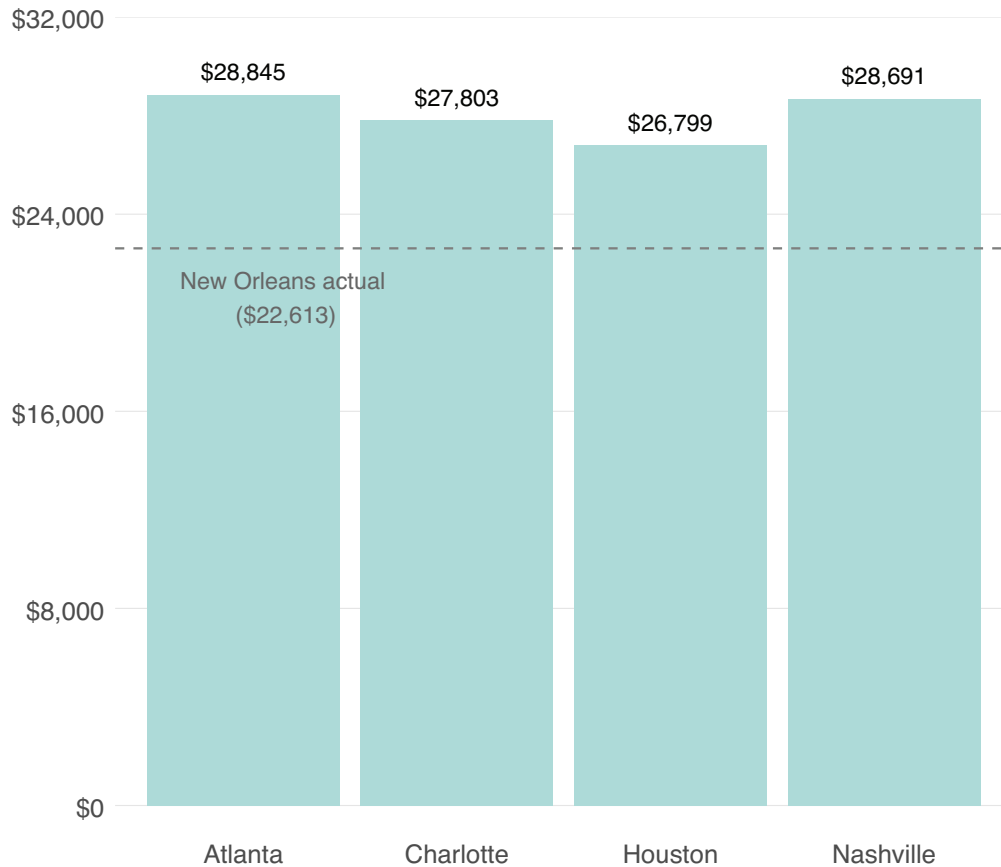
**INCOME DISTRIBUTION AMONG BLACK HOUSEHOLDS  
NEW ORLEANS AND COMPARISON METROS, 2021**



Source: The Data Center analysis of data from the U.S. Census Bureau American Community Survey 1-year estimates.

Certainly, cost of living varies from one metro to another. The average number of people per household varies as well. For these reasons we adjust Black per capita income for each metro to match the cost of living in Metro New Orleans. On a per capita basis, income for Black residents of Metro New Orleans is 22 percent lower than for Black residents of Metro Atlanta, 21 percent lower than Metro Nashville, 16 percent lower than Metro Houston, and 19 percent lower than Metro Charlotte as depicted in the graph below. These dollar amounts have been adjusted to match purchasing power in Metro New Orleans. After this adjustment, per capita incomes in the New Orleans and Orlando metros are approximately the same (the difference is not statistically significant), so Orlando is not shown on the charts that follow.

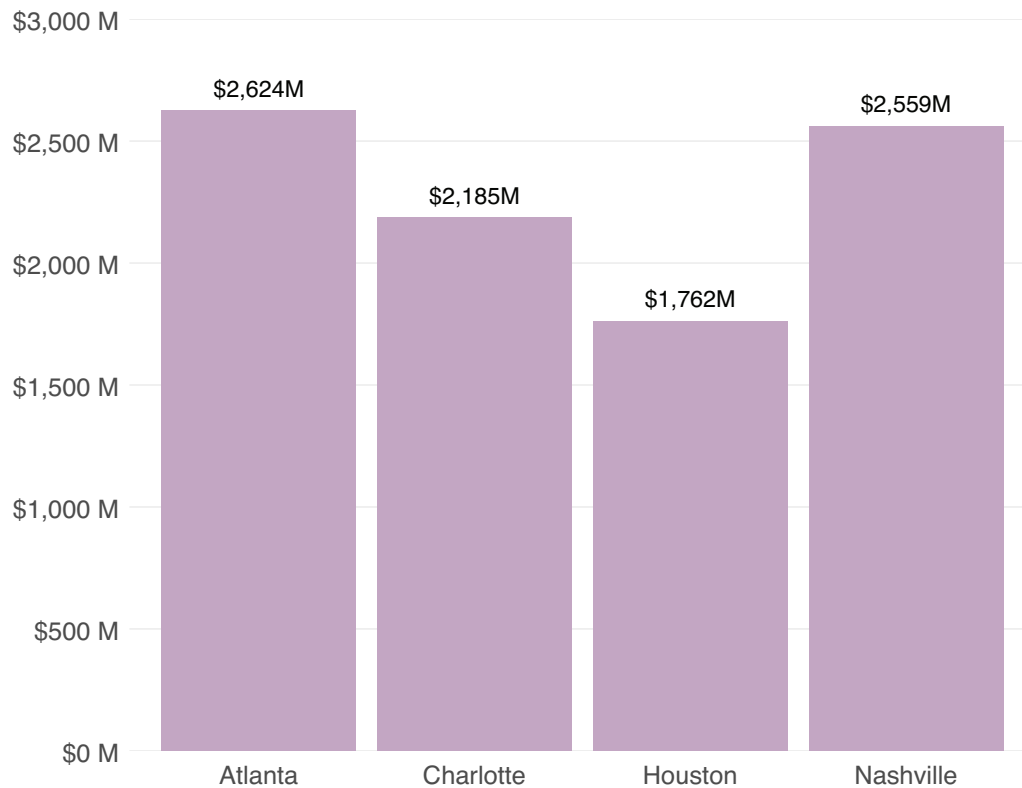
**BLACK PER CAPITA INCOME IN FOUR METROS AND NEW ORLEANS**  
**2021 DOLLARS, ADJUSTED TO MATCH PURCHASING POWER IN NEW ORLEANS**



Source: The Data Center analysis of data from the U.S. Census Bureau American Community Survey 1-year estimates.

The chart below shows what would happen if Black income levels in Metro New Orleans were to rise to those in the four comparison metros where Black per capita income is higher than in New Orleans (again, after adjusting for differences in purchasing power). As an example, if Black per capita income in Metro New Orleans equaled that of Metro Atlanta's Black population, Metro New Orleans' total Black income would be 22 percent higher than it is currently which would add \$2.6 billion in total income to the economy. The smallest change would occur in the Houston scenario, in which case Metro New Orleans' African American income would still increase by 15.6 percent, adding \$1.8 billion in total income to the economy. These higher incomes would ripple through the city's economy, supporting retailers, restauranteurs, and realtors, among others.

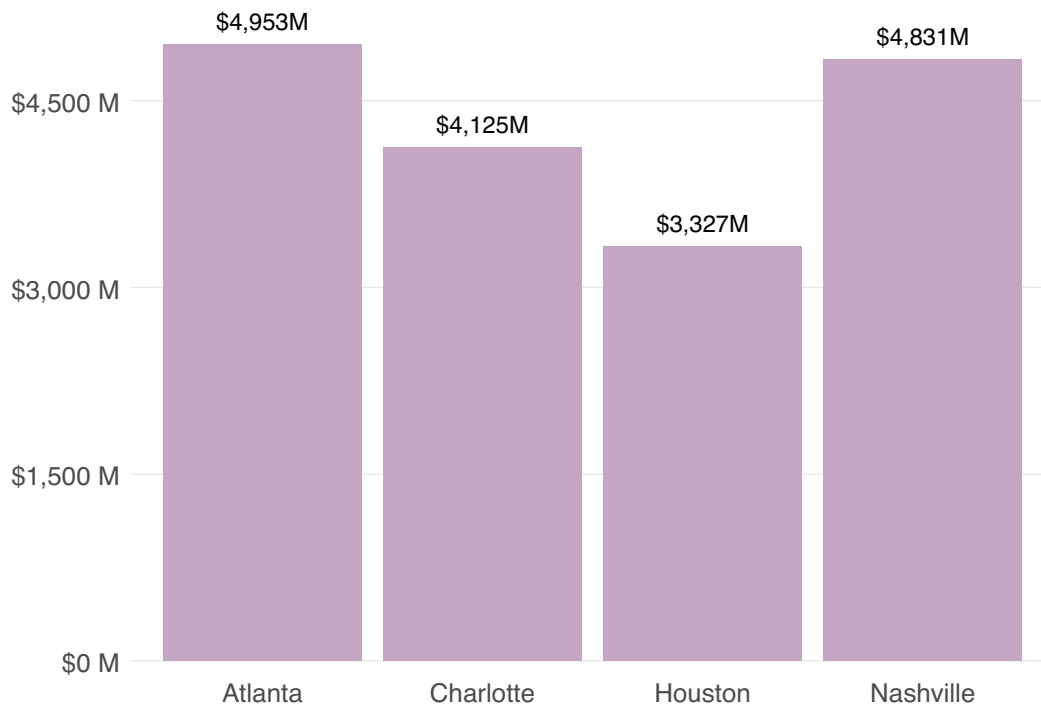
**TOTAL INCOME GAINS IN FOUR SCENARIOS WHERE BLACK INCOMES IN METRO NEW ORLEANS MATCH BLACK INCOMES IN COMPARISON METROS**  
**2021 DOLLARS, ADJUSTED TO MATCH PURCHASING POWER IN NEW ORLEANS**



Source: The Data Center analysis of data from the Bureau of Economic Analysis and U.S. Census Bureau American Community Survey 1-year estimates.

A scenario where Black incomes increase is also one where Black residents hold more jobs and better-paying jobs than they do today. Combined with increased spending, a larger and more productive workforce implies that the total output of the metro economy, or GDP, would also grow (see Technical Appendix). As indicated by the chart below, the total impact on the size of Metro New Orleans' economy would range from \$3.3 billion in additional output in the Houston scenario to almost \$5 billion in the Atlanta scenario. (For reference, the Bureau of Economic Analysis reports the GDP of the New Orleans metro was \$70 billion in 2021.<sup>17</sup>) Increasing output is key to increasing standards of living. In addition, increasing discretionary income for low-income households reduces intense stress and increases families' ability to be resilient in the face of shocks such as disasters, deaths in the family, or job losses.<sup>18</sup>

**POTENTIAL ANNUAL INCREASE IN METRO NEW ORLEANS GDP IN FOUR SCENARIOS WHERE BLACK INCOMES IN METRO NEW ORLEANS MATCH BLACK INCOMES IN COMPARISON METROS  
2021 DOLLARS, ADJUSTED TO MATCH PURCHASING POWER IN NEW ORLEANS**



Source: The Data Center analysis of data from the Bureau of Economic Analysis and U.S. Census Bureau American Community Survey 1-year estimates.

The cross-metro comparison raises the question of what policies and practices were enacted in each metro such that Black residents have higher incomes than in Metro New Orleans. Such an examination of state and local policies and practices over the last 50 or 60 years since the end of the Civil Rights era, could yield some important insights. However, such an examination is outside the scope of this paper and, regardless, would not likely point to solutions for New Orleans, given that today's opportunities and circumstances are very different than those of the past 50+ years. Instead, this paper highlights a few current and future opportunities for increasing the number of better paying jobs and reducing occupational segregation in Metro New Orleans.

## Implications for future policy and action

Let's consider two mechanisms by which Black median household income can be raised. One is to increase the incomes of those who are already working. Another is by expanding the share of African Americans working. This section outlines actions civic leaders can take on both fronts.

The U.S. economy has been experiencing a tight labor market with roughly two job openings for every job seeker for more than a year.<sup>19</sup> According to the most recent data for Louisiana, the state similarly has twice as many job openings as job seekers as of May 2023.<sup>20</sup> When job openings exceed job seekers, employers often increase wages to make their job openings more attractive and to retain the workers they currently employ.<sup>21</sup> In July 2023, the median pay across Louisiana was up 6.2 percent over July 2022, according to the ADP Research Institute's payroll data.<sup>22</sup>

Economic theory suggests that increasing wages can encourage more adults to join the workforce. Given the continuing tight labor market, now might be the optimal time to raise the minimum wage in Louisiana. Unlike the majority of U.S. states, Louisiana has not set a minimum wage above the federal minimum of \$7.25 per hour.<sup>23</sup> Compared to all other states, Louisiana had the highest share of workers earning only \$7.25 in 2021.<sup>24</sup> Some economists fear that raising the minimum wage will force employers to eliminate jobs causing unemployment to grow. But recent, systematic studies on increases in the minimum wage have found positive income gains for low-wage workers with minimal negative impacts on employment levels.<sup>25</sup> In the southern states of Arkansas and Florida, where the minimum wage is now \$11 per hour, the unemployment rate has consistently been below the national average since January 2021 to the most recent month of August 2023.<sup>26</sup>

The vast majority (81 percent) of Louisianans expressed support for increasing the minimum wage to \$8.50 in a 2019 poll by LSU, including 94 percent of Democrats, 78 percent of Independents, and 72 percent of Republicans.<sup>27</sup> Despite such broad support, in 2019, the Louisiana Senate failed to support an initiative to allow Louisiana to vote on a \$9 per hour minimum wage for the state.<sup>28</sup> And as recently as May 2023, a proposal to increase the minimum wage in Louisiana to \$10/hour was defeated in the Louisiana Senate.<sup>29</sup> Not only has Louisiana failed to raise the state's minimum wage, but the state legislature passed a law that also prevents local governments from establishing higher minimum wages locally.<sup>30</sup>

Increasing the minimum wage has remained a relevant topic as recent increases in the cost of living have taken effect. The living wage — which is the wage at which workers can pay basic expenses without receiving government assistance — has increased 10 percent from \$15.01 per hour for one adult without children in 2020 to \$16.68 per hour in 2022. One adult with one child needed to earn more than \$34 per hour to support their family without any assistance in New Orleans in 2022. Although historically, rural areas may have had lower cost of living than urban areas, the difference between the highest and lowest living wages across all Louisiana parishes for one adult and one child was just \$3.52 per hour in 2022, with a statewide average at \$32.76 per hour.<sup>31</sup>

Worker organizing is an important mechanism by which workers successfully negotiate for better pay and working conditions. Worker organizing can include unions and non-union efforts such as worker centers that support low-wage workers in organizing efforts.<sup>32</sup> Average wages in a unionized workplace are 11 percent higher than those at a non-unionized workplace in the same industry when accounting for a worker's education, occupation, and experience.<sup>33</sup> And increased unionization benefits non-union workers as well, as unions can set a higher standard for pay and benefits that may be taken up by non-union workplaces.<sup>34</sup>

Union membership in the U.S. has been steadily declining for decades — dropping from about 20 percent of all employees in 1983 to 10 percent in 2021.<sup>35</sup> Had the decline in unionization rates not occurred, median hourly wages for men would be 12 percent higher.<sup>36</sup> Louisiana's "Right to Work" law likely contributed to the decline in union membership in the state from 9.4 percent in 1993 to the current low of 4.2 percent.<sup>37</sup>

Despite these declines, nationally, unionizing efforts are gaining traction once again. Union election petitions to the National Labor Relations Board increased 53 percent in fiscal year 2022.<sup>38</sup> But many new union efforts represent single work sites, such that the total number of newly unionized workers has not grown dramatically. For example, one Starbucks that unionized had only 25 employees.<sup>39</sup>

Scholars at the Massachusetts Institute of Technology advise employers to respond to potential worker organizing proactively and constructively. They highlight research that reveals that adversarial relationships between workers and employers reduce productivity. In addition, they point out that worker organizing represents proactive attempts to improve working conditions and can be harnessed to improve operations and organizational performance as well.<sup>40</sup>

Nationally, Republican lawmakers have traditionally opposed labor unions. However, several are now beginning to cite the need for resurgent labor organizing to boost working Americans' wages. Republican U.S. Senators from Arkansas, Florida, Indiana, and Ohio have put forward new policy proposals to support sector-wide bargaining that could dramatically scale unionizing across the country.<sup>41</sup>

New Orleans has the opportunity to invest more heavily in industries that have demonstrated greater likelihood of upward mobility for low-wage workers. Recent research has found that low-wage workers in construction and manufacturing industries were among the most likely to move from low-wage jobs into occupations with better pay, hours, and benefits, while workers in accommodation, food services, arts, and entertainment<sup>42</sup> were among the least likely to experience this kind of upward mobility.<sup>43</sup>

With significant new federal funding available to states and localities from the Bipartisan Infrastructure Act and the Inflation Reduction Act, Louisiana can tap into ample new funding streams that are likely to support a larger share of upwardly mobile jobs.

These federal funding streams will add to the state's current investments in coastal restoration and clean energy. For more than a decade, economic development leaders have recognized the potential of Louisiana's investments in coastal restoration to create many well-paying jobs. To strengthen the link between economic inclusion and these investments, a 2021 executive order directs much of the new federal infrastructure funding to communities that are economically underserved or overburdened by environmental hazards,



and Louisiana's 2022 Climate Action Plan identifies specific strategies to enhance inclusion in the shift to a low-carbon economy. To support these goals, The Data Center's 2022 report on the Blue-Green Economy recommends that business leaders grow beyond "business as usual" practices — contracting and hiring based on current social networks that are often racially segregated.<sup>44</sup> Including more people of color in social and business networks will have the added benefit of enlarging labor and subcontractor pools. For example, leaders can support local professional organizations for people of color and share information about hiring and training opportunities with schools and organizations led by people of color. Contractors can work to build mentor-protégé relationships with sub-contractors in both public and private sector business opportunities. And executives can shape organizational culture to promote a sense of ownership, with mutual respect and an expectation of continuous learning.<sup>45</sup> Including more people of color in social and business networks will have the added benefit of enlarging labor and subcontractor pools, and prioritizing the development of minority-owned businesses will have spillover effects. Minority-owned businesses are more likely than other employers to hire minorities, especially low-income African Americans. These businesses often invest in the neighborhoods where they operate, contributing to additional economic development.<sup>46</sup> Also, minority-owned businesses can serve as crucial hubs where job-related information is exchanged, and informal financial support is offered.<sup>47</sup>

To increase the supply of skilled labor in New Orleans, boosting the capacity and profile of community colleges will be essential. Given rapid changes in technology as well as shifting demand for new products and services including (but not limited to) cleaner and more sustainable industries, workers and employers must invest in lifelong education. Employers should organize within their industry to create curriculums that serve their needs and engage with workers to understand how best to support frequent skill building.<sup>48</sup>

Policies and practices that remove barriers to employment for formerly incarcerated adults could go a long way to increasing the number of Black New Orleanians working. Roughly 1 in 3 Americans has a criminal record. In Louisiana the proportion is likely higher given that Louisiana continues to have one of the highest incarceration rates in the U.S.<sup>49</sup> "Ban the Box" policies remove the requirement to disclose criminal records on job applications and are being adopted by corporate giants such as JPMorgan Chase. Louisiana has enacted "second chance" reforms that allow previously incarcerated individuals to clear their criminal records, but it's likely that only a small percentage of those eligible know about this opportunity or have the resources to pursue expungement.<sup>50</sup> To remedy this, "Clean Slate" laws are being enacted in many states to ensure that record clearing for certain offenses happens automatically.<sup>51</sup>

## Conclusion

If Black incomes across Metro New Orleans were as high as their Black peers in Atlanta, Houston, Charlotte, or Nashville, the size of New Orleans' economy measured in terms of output would increase between \$3.3 billion and \$5 billion annually. Raising incomes for Black New Orleanians to the level of their Black peers in other growing Southern metros will require broad private sector participation and policy changes that both increase wages and increase the share of Black New Orleanians actively participating in the workforce. In addition, federal and state funding for coastal restoration, water management, and new sustainable industries will provide a significant boost to Louisiana for the remainder of the decade. Ensuring the benefits of these investments flow to historically marginalized workers will have long term implications for the region's prosperity and quality of life.

## Technical Appendix

To estimate the impact on GDP if Black incomes in the New Orleans metro were at parity with Black incomes in other metros, we adapted and modified a methodology from a series of “Equity Profiles” published by PolicyLink. PolicyLink’s methodology is in turn adapted and modified from a national analysis by Robert Lynch and Patrick Oakford, published as a book chapter in *All-In Nation: An America that Works for All*. Each of these approaches stems from the assumption that income gains would go hand-in-hand with gains in household spending and productivity sufficient to enhance the total output and productive capacity of the economy — without necessarily implying that this correlation implies a direction of causality. Making this simple assumption and holding all else equal, an increase in income would imply a proportional increase in regional GDP. Put differently, the region’s GDP is assumed to increase by the same percentage that the region’s total incomes increase under a hypothetical increase in Black household incomes.

To be clear, all estimates of economic impacts require assumptions, and the key assumption of proportional gains in income and GDP is highly simplified. Precisely estimating a “multiplier effect” of increases in income on GDP would require specific assumptions about the channels through which incomes increase, such as changes in employment in specific industries and the induced effects on spending within the region, and the resulting changes in the level and composition of activity across different components of the metro economy. These changes and their knock-on effects would be complex. Rather than making many specific and arguably strong assumptions about changes in the economy, we follow PolicyLink in relying on a single simplified, general assumption that is consistent with multiplier effects of both consumption spending and a reallocation of labor. The results are offered as illustrative of the potential effect of Black income gains where regional GDP and household income have a fixed relationship.

There are two significant ways in which the method in this essay differs from PolicyLink’s method. First, though the intuition is similar, the comparisons are different. PolicyLink compares several race/ethnicity groups with the non-Hispanic White group *within the same region*. We compare the non-Hispanic Black group in the New Orleans metro with the non-Hispanic Black group in the comparison metros. Thus, rather than describing a scenario where people of color’s incomes are at parity with White incomes in the same metro, we describe a scenario where Black incomes in one metro are at parity with Black incomes in different metros.

Second, since PolicyLink compares incomes for people of color with White incomes in one metro, the way they quantified total income gains is based on disparities conditional on age and position in the income distribution. Our analysis compares Black incomes in different metros, and the age and income distribution characteristics of these sub-populations tend to be more similar than Black and White sub-populations in a single metro. For example, the median age of Black residents of the New Orleans metro is 36.7, several years younger than the median age of White residents, 44.9. Because incomes tend to vary considerably by age, compositional differences in age can have a large and distortive effect on quantifying aggregate disparities. In comparison, the median age of Black residents of the comparison metros is much closer to the median age of Black residents of the New Orleans metro: 36.1 in both Charlotte and Nashville, 35.2 in Atlanta, 34.3 in Houston, and 33.6 in Orlando. Our scenarios are based on population averages that are not adjusted for differences in age or income distribution.

To account for regional differences in prices and purchasing power, we also adjust each comparison metro’s per capita income using the Bureau of Economic Analysis’s regional price parity (RPP) figures. This adjustment shows what incomes of the comparison metros are worth in the New Orleans metro. We carry these adjusted incomes through the remainder of the analysis, meaning that the increase in total income and proportional GDP gain are also in “New Orleans dollars.” Since the difference between adjusted per capita incomes in the Orlando metro (\$21,989) and the New Orleans metro (\$22,613) is small and statistically insignificant, Orlando is excluded from the total income and GDP scenarios.

Total income and GDP gains were calculated as follows.

- \* Take the difference between Black per capita incomes in the New Orleans metro and the RPP-adjusted per capita income in each comparison metro. Multiply this difference by the Black population of the New Orleans metro, giving the total Black income gain in the New Orleans metro under each comparison scenario.
- \* The total Black income gain in each scenario is also an increase to the total income across the entire population of the New Orleans metro. Divide the total Black income gain by the total income, giving the rate of total income gain in each scenario.
- \* Assuming proportional gains in GDP, multiply the rate of total income gain in each scenario by the existing GDP of the New Orleans metro, giving an estimated increase in the New Orleans metro GDP under each scenario.

Income and population estimates were taken from the American Community Survey 1-year estimates for 2021, and metro GDP for 2021 was taken from the Bureau of Economic Analysis. All dollar amounts reflect 2021 dollars.

## Endnotes

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## About The Data Center

The Data Center is the most trusted resource for data about greater New Orleans and Southeast Louisiana. Since 1997, The Data Center has been an objective partner in bringing reliable, thoroughly researched data to conversations about building a more prosperous, inclusive, and sustainable region. The Data Center, well known for its extensive data on New Orleans neighborhoods, also became the local authority for tracking post Katrina recovery with *The New Orleans Index*. Later, during New Orleans' 300th anniversary, The Data Center published *The Prosperity Index* to advance local conversations on improving racial disparities and economic inclusion as a necessary pathway to creating a more prosperous and competitive region.

## About The Systemic Inequity Collection

The Systemic Inequity Collection includes contributions from local scholars on the long reach of historical inequities built into the systems that shape our practices, policies, and beliefs today. Inspired by the inequities exposed during the COVID-19 pandemic and summer 2020's national reckoning with longstanding social justice issues, each essay seeks to provide contextually relevant recommendations aimed at producing more equitable outcomes, broader prosperity, increased economic inclusion, and greater regional competitiveness.

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