PolicyLink

America's Tomorrow: Equity Is the Superior Growth Model

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Features

Investing in Tomorrow's Leaders Today: San Antonio's Preschool Initiative



San Antonio's future leaders

Tomorrow's leaders are born today. That's why in San Antonio, Texas, the business community has united with educators, residents, and government officials to invest in free high-quality preschool for thousands of low-income children.

A one-eighth penny increase in sales tax will pay for four new full-day pre-kindergarten centers, workforce training for early childhood educators, and grants for schools to expand preschool programs. The increase was championed by Mayor Julian Castro, supported by all seven local chambers of commerce, and approved by voters last November.

The investment will help ensure that all children enter kindergarten ready to learn and succeed. But business leaders also see the initiative as the foundation for building a workforce pipeline in a city with a growing knowledge-based

Lifting Up What Works®



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In Brief

Celebrating the Real Job Creators: Women of Color

You may have heard that women are creating more businesses, more jobs, and more revenue growth than any other group in the country. But did you know that women of color are starting businesses at three times the rate of other women and employ over a million workers? For details, read the <u>blog post</u> by the Center for American Progress in honor of International Women's Day.

Viral Video on Wealth Inequality: Where's the Racial Wealth Gap?

Over four million people have watched the <u>video</u> on Wealth Inequality in America. It frames a compelling problem, but misses an important point: the racial wealth gap and <u>its drivers</u>.

African American and Latino families are severely underrepresented in the group of households that make up 80 percent of the nation's wealth, being outnumbered 20 to one when compared to white families, according to 2010 census data. Recognizing and addressing economy and a need for more high-skilled workers.

"The business community took a long-term view of business success," said Richard Perez, president and CEO of the Greater San Antonio Chamber of Commerce. "We have to make long-term investments to be prepared for the next economy."

<u>Research</u> shows that even small investments in quality early education can yield large benefits later, including increased high school graduation rates, lower rates of incarceration, and higher lifelong incomes. Other programs show returns of over \$10 in economic benefit for every \$1 invested in early education.

It is not just the students themselves who benefit. Investments that enhance the capabilities of young people increase productivity broadly and stimulate business development, said Timothy J. Bartik, a senior economist at the W.E. Upjohn Institute. He believes that early childhood education is a better economic development strategy than conventional approaches, such as tax breaks for businesses.

"Everyone has a huge stake in making sure that a broad range of the population has as many capabilities as possible," he said.

A win-win for San Antonio and families

The program, known as Pre K for SA, was born in response to a collision of worrisome trends evident throughout the nation. High-wage blue-collar jobs in San Antonio disappeared with the shutdown of military bases, once the city's economic anchor.

New jobs, in fields like information technology and cybersecurity, went unfilled because the local workforce lacked the necessary skills and training.

And the education system failed to prepare students for success in school and life. San Antonio schools have one of the <u>lowest spending rates per pupil</u> in the country, along with high dropout rates and low college attainment.

In 2011, Mayor Castro convened a task force co-chaired by CEOs of two of the largest businesses in the city to determine the best way to improve education outcomes and develop a more competitive workforce. The task force quickly identified wealth disparities across race and ethnicity becomes more important as the nation becomes more and more diverse. Our prosperity hinges on ensuring that everyone can save and invest in themselves, their communities, and our national economy.

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Where the Jobs Are, and Aren't

Once again, national unemployment numbers released last week show a slow and shaky economic recovery. This <u>interactive map</u> by the Economic Policy Institute paints a stark picture of how unemployment is unevenly spread. Unemployment for Latinos, for example, is highest in Rhode Island, at 18.2 percent, and lowest in Maryland at 5.2 percent. preschool as an equitable, cost-effective solution.

"It became clear that early childhood education was the best way to impact all the things we wanted to improve," said Rebecca Flores, education coordinator of the City of San Antonio. "It's cheaper to treat the patient in the beginning rather than wait until the symptoms appear."

The mayor crafted the measure and campaigned tirelessly for its passage. "We're a city that believes that if you create opportunity for folks now that you are going to see prosperity in the future," he said on the TV show *Morning Joe*.

The sales tax hike, which takes effect April 1 2013, is expected to generate about \$32 million annually. The first two preschool centers will open in August. Curriculum development and plans for parent engagement are moving forward. The program will serve 22,000 children over the next eight years.

This initiative builds on successful efforts in recent years to expand access to early childhood education in the city. One such initiative – <u>the Eastside Promise Neighborhood (EPN)</u> – leveraged federal dollars through Promise Neighborhoods to expand access to preschool by 11 percent last year. This effort aligns with EPN's efforts to build a cradle to career pipeline in the city's urban center. "We see this as a win-win both for the children who get a head start on their education and for the parents who have a greater ability to pursue more education or career opportunities," said Tony Leverett, EPN project director.

Perez believes that San Antonio, where more than 60 percent of the population is Latino, is creating a model for growth in a changing America.

"Diversity is growing across the country. We realize we have to invest in ourselves. If we don't do this, it is to our detriment."

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A Cleveland Greenhouse Grows an Equitable Economy

America's largest food-production greenhouse in a core urban area is cultivating jobs and creating wealth-building

opportunities for underserved residents in Cleveland, Ohio. Green City Growers Cooperative is a 3.25 acre hydroponics greenhouse that opened in December 2012 and will hire up to 40 community residents. As workers in an employee-owned cooperative, residents will have the opportunity to become employee-owners and share in the profits, while earning living wages. The plan calls for selling its lettuces and herbs to grocery chains, medical centers, and universities within 50 miles of the city – boosting the local economy by bringing large-scale local food production and purchasing close to home.

Green City Growers Cooperative is the newest venture of Evergreen Cooperatives, a group working to start 10 businesses to employ and provide ownership opportunities to approximately 500 residents of six low-income neighborhoods. By stabilizing communities and strengthening the area economy, Evergreen projects that 5,000 jobs for Clevelanders will be created over the next 10 to 15 years. In pioneering these new efforts to create employee-owned businesses that in turn create thousands of jobs, Evergreen is revitalizing not only the city's neighborhoods but also its economy.

"This is a shining example of how neighbors are taking an active role in the health and vitality of their neighborhoods and, in return, reaping the entrepreneurial opportunities provided by shared ownership," said Michael Taylor, senior vice president of PNC Community Development Banking.

Learn more about equity-driven food projects like Green City Growers at the <u>Healthy Food Access Portal</u>.

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America's Tomorrow highlights campaigns, leaders, policies, reports, and local models that are advancing equity as an economic imperative. It is produced by Chris Schildt, Sarah Treuhaft, Fran Smith, and Ana Louie. To learn more, visit the *America's Tomorrow* **webpage**.

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