State of the South highlights challenge of youth economic mobility—and solutions

DURHAM, N.C.— Some of the South’s most economically vibrant cities—cities such as Raleigh, Charlotte, Nashville, and Atlanta—may be thriving, but they do not propel their own youth and young people up the ladder of economic and social mobility, according to MDC’s State of the South 2014 report.

In the report, entitled “Building an Infrastructure of Opportunity for the Next Generation,” Durham-based MDC takes a deep look at youth mobility in the South. It features analysis of state and regional data that reveal region-wide reductions in K-12 and higher education spending; state-by-state looks at where young people are dropping out of the education-to-career continuum; and data showing that booming Southern cities rated at the high end of “Best Places for Business” lists are near the bottom of lists that indicate serious inequities that threaten their communities’ wellbeing.

At a time when political gridlock at the state and national level are freezing the pursuit of policies that promote education reform and economic development, the report says change must come at the level where the impact of stagnant economic mobility hits hardest: in communities.

To address the challenge, Southern communities need to create an “infrastructure of opportunity” for youth and young adults that is as seamless as the electric grid or the water system—and just as essential, the report says. That infrastructure consists of a clear and deliberate set of pathways and supports that connect youth and young adults to educational credentials and economic opportunity. It requires the involvement of a broad cross-section of the community—employers, education systems, community-based organizations, policy makers, civic and neighborhood leaders, philanthropy, and young people themselves.

“It’s harder in the South than in any other region in the nation for someone born at the bottom of the income ladder to make it higher up the ladder as an adult,” says MDC President David L. Dodson. “Communities are working to improve educational attainment and build their economies,
but they can be more successful if they align that work by creating an infrastructure of opportunity—a clear, coordinated set of pathways that connect youth and youth adults to education, experience, and credentials that match the needs of local employers."

The report profiles nine Southern communities, large and small, urban and rural—Brownsville, Texas, Charlotte, N.C., Port St. Joe, Fla., Danville, Va., Greenville, S.C., Northern Neck, Va., Houston, Texas, Durham, N.C., and regions of Arkansas—and examines the status of their opportunity infrastructures. It points out innovative ideas they are trying and what they may be missing, including a focused perspective on youth economic mobility as part of their education and economic development strategies.

Key findings in State of the South include:

- In Forbes magazine’s rating of “Best Places for Business and Careers,” six Southern metros placed in the top 10: Raleigh, N.C., placed first, followed by Nashville, Tenn. (6th), Charlotte, N.C. (7th), Dallas, Texas (8th), Atlanta, Ga. (9th), and Houston, Texas (10th). In contrast, Raleigh, N.C., ranked 94th in youth mobility, and all of the others except Houston ranked in the bottom half.
- In K-12 public education, spending per pupil declined in all Southern states, except Tennessee, from fiscal years 2008 to 2014.
- Every Southern state except North Carolina, Tennessee, and Texas has reduced support for higher education.
- Underemployment is substantially higher among workers under age 25 than among all workers in every Southern state, and is higher in seven Southern states than the national average.
- Region-wide, of a cohort of 100 ninth graders:
  - 25 to 40 do not graduate from high school in four years
  - Roughly 25 graduate from high school but do not go directly to college
  - 15 out of the 100 enroll in college but do not make it through their second year
  - Fewer than 20 out of those 100 once-9th graders end up with an associate’s or bachelor’s degree in three to six years.
- Southern states incarcerate 45 percent of all state-held inmates in the nation, and African-Americans represent more than one-third of local inmates and state prisoners. Four out of 10 prisoners are between the ages of 18 and 29.
- Southern youth are becoming more diverse: 50 percent of 15- to 24-year-olds and 54 percent of youth under 15 are people of color.

MDC, a Durham, N.C.-based nonprofit that has worked in and studied the South for nearly half a century, began publishing State of the South reports in 1996 to further its mission of helping communities, organizations, and leaders close the gaps that separate people from opportunity. Founded in 1967 to help North Carolina make the transition from an agricultural to an industrial economy and from a segregated to an integrated workforce, MDC now focuses on increasing educational attainment, connecting people to work that pays, and helping them get the resources they need to become successful.

Publication of State of the South is supported by The Kresge Foundation, Mary Reynolds Babcock Foundation, Hollingsworth Funds, Jessie Ball DuPont Fund, Winthrop Rockefeller Foundation, John S. and James L. Knight Foundation, Foundation for the Carolinas, Greenville Technical College, United Way of Greenville County, Lumina Foundation, and the Park Foundation.