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Omaha in Black and White: Poverty amid prosperity

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First in an occasional series



Kids like Kavon Jones, 13, a student at McMillan Magnet Center, live in a city in which nearly six of 10 black children are in poverty.

Omaha is known far and wide as the home of Warren Buffett, one of the wealthiest men on the planet.

It boasts the headquarters of five Fortune 500 companies, the most for any U.S. city its size.

But the Omaha metropolitan area also has another economic distinction: home to one of the poorest black communities you'll find anywhere in America.

Among America's 100 largest metro areas, Omaha has the third-highest black poverty rate.

Worse yet, its percentage of black children in poverty ranks No. 1 in the nation, with nearly six of 10 black kids living below the poverty line.

And this is in a metro area that is otherwise prospering, with a gleaming new convention center and arena, new high-rises filling out the skyline and national retail and restaurant chains by the dozens coming in to set up shop.

In fact, only one other U.S. metro area, Minneapolis, has a wider economic disparity between how black and white residents fare.

The endemic poverty in Omaha's black community is catching thousands of children in an all-too-familiar spiral: school failure, poor choices, kids having kids, violence, unemployment and hopelessness.

Amber Franklin is fighting those odds. The teen, who turned 16 on Thursday, hears it from her mom all the time: "Don't end up like me."

Her mom, Latressa Montgomery, got pregnant in high school with the first of seven children. She dropped out of Omaha North High School and later earned a high school equivalency diploma. But that was no ticket to a job that paid what she needed or offered a schedule allowing the single parent to be home nights.

Amber's family has bounced from home to home and relies on food stamps and other public assistance to bolster Latressa's earnings as a child care provider.

Amber sees how tired and stressed out her mother is. She dreams of another path: high school and college diplomas, then a career on stage and money for nice things.

"I just want to do it," she said. "I can't be like my mom, my brothers and my dad, all of them. I want to be more of a model for the younger kids."

But hardship surrounds her.

Cousins her age are pregnant. Three older brothers dropped out of school, and one has a criminal record. None is working, though one is in a job training program.

Amber herself recently served a day of in-school suspension for getting to school late too many mornings. She relies on her mother to drive her to school.

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Amber Franklin, a sophomore at Omaha Benson High, dreams of a path different from the one her struggling mother took. Amber faces tough odds in avoiding the spiral of school failure, poor choices and unemployment.

While indeed some children do overcome the odds, studies have traced a link between the economic well-being of children and their outcomes in life. And poor children's struggles ultimately cost us all in the form of social welfare programs, crime, weakened civic institutions and lost economic growth.

"There are tremendous societal costs when kids grow up in poverty," said Alan Berube, who has studied poverty for the nonprofit Brookings Institution. "It sets a lot of things in motion that are pretty hard to reverse later on."

Certainly dire stories and grim statistics about the economic struggles of blacks are not new in Omaha or elsewhere. But even demographers, city officials and some within the black community found the latest figures from the U.S. Census Bureau surprising - and alarming.

Omaha's black poverty figures are even more dismal than those in New Orleans, where the stark plight of poor blacks in the wake of Hurricane Katrina put a spotlight on troubling national issues of poverty and race.

And the percentage of Omaha's blacks below the poverty line - an income of \$20,650 for a family of four - has been rising in recent years.

"This is jaw-dropping," said Chris Rodgers, a black banker who serves on the Douglas County Board.

The new signs of the depth of black Omaha's economic malaise also come at a critical time.

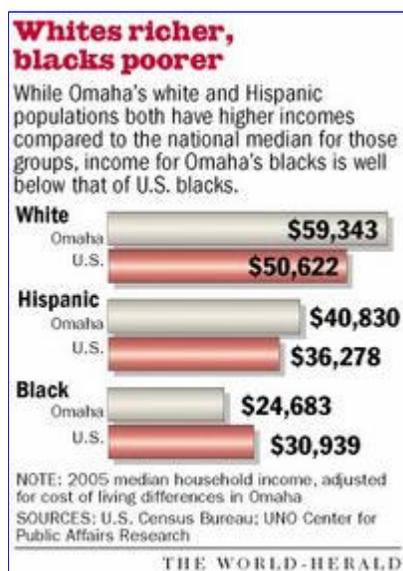
Lawmakers in Lincoln are debating the future of school organization in Omaha, a debate largely driven by lagging achievement of poor children.

And there are several new, unrelated efforts to bring new economic vitality to north Omaha neighborhoods that are home to the vast majority of the city's black residents.

Such efforts - some emanating from city and business leaders and others from the black community - will be trying to succeed where numerous others before have failed to keep kids like Amber from being trapped in poverty's cycle.

So, why Omaha?

While it's sometimes difficult to separate cause from effect, it appears a number of factors are combining to give poverty a strong, multigenerational grip in Omaha's black community.



- **Small black middle class** - While their fathers, grandfathers and great-grandfathers were first lured from the segregated South to Omaha during the last century by the promise of good-paying jobs, many educated blacks now are leaving Omaha for opportunity, often in Southern cities with bigger middle-class black populations.

Those migration losses, confirmed by census data, and the struggle of Omaha employers to lure and keep educated blacks have made it difficult for the city to develop the black middle-class neighborhoods, social institutions and cultural environments found in cities with more thriving black communities.

The loss of middle-class blacks leaves Omaha's black community proportionately poorer and deprives youths like Amber of much-needed role models.

- **Changing job market** - The unemployment rate among Omaha's blacks has been on the rise and in the latest census data ranks eighth highest in the nation, at more than 17 percent.

Several in north Omaha attribute recent spikes in poverty and unemployment among blacks to the influx of Hispanic workers into the city. The issue has not been studied locally, but some U.S. studies have suggested immigration depresses incomes of native, unskilled workers.

Others point out that if economic conditions for blacks are to improve, blacks need to stop fighting for jobs at the bottom of the wage scale and get the education and skills needed for good-paying jobs.

Compared with other U.S. cities, Omaha proportionally has fewer blacks working in higher-paying professional and management occupations and more working in low-skill labor, service and sales jobs.

According to a World-Herald analysis of census data, if Omaha's black work force were more like the work force for

blacks nationally, the city would have hundreds more black teachers, doctors and nurses, accountants, scientists, computer specialists and executives.

While Omaha has more than an average percentage of blacks working in factory jobs, such work is not as plentiful or as well-paying as three decades ago.

● **High school, college dropouts** - Gaps in education and training appear to be major barriers to Omaha blacks getting better jobs.

While states and school districts measure dropouts by various methods, two studies that tried to make apples-to-apples comparisons ranked Nebraska among states with the highest school dropout rates for blacks. Both calculated black graduation rates below 50 percent and placed Nebraska in the bottom handful of states nationally.

Omaha Public Schools officials use a measure they say is more accurate and puts their black graduation rate higher, at 65 percent. But they say there's no doubt poverty and school struggles go hand in hand. "Poverty is not an excuse for not learning," said Superintendent John Mackiel, "but it is a factor in not learning."

Omaha also ranks in the bottom third among the U.S. cities in the percentage of its blacks who have four-year college degrees.

And contrary to the national trend, the gap in educational attainment between blacks and whites in Omaha is widening.

According to projections by the Federal Reserve, jobs requiring postsecondary education are expected to grow much faster than those requiring less education - a trend that threatens to leave Amber and her young peers in school today even further behind.

● **Single-parent homes** - Among the nation's 100 largest cities, Omaha in 2000 had the 11th-highest percentage of black households headed by a single parent. A teen birthrate for blacks that also ranks among the highest contributes to that ranking.

According to a Harvard study, a household headed by a single parent is almost three times more likely to be below the poverty line than one headed by two parents.

Amber's mom gave up trying to improve her earning potential after juggling college classes, an overnight work shift and care for her kids became too much. "The hardest time of the month is at the end, when you run out of food," she said.

● **Racial segregation** - Using the two most common methods of measuring racial isolation, another Harvard study looking at the 100 largest U.S. cities ranked Omaha 40th and 45th in segregation of blacks.

Experts say residential segregation can significantly contribute to poverty. Adults in segregated communities can be cut off from employment centers and lack the social networks that can lead to better-paying jobs.

Black children growing up in poor, segregated neighborhoods are far more likely to attend schools with concentrations of low-achieving children who are at risk of dropping out. Such concentrations in Omaha increased in 1999 with the end of 23 years of mandatory integration busing.

In 2000, about half of poor black children in Omaha lived in a six-square-mile area bounded by 16th, 48th, Cuming and Fort Streets.

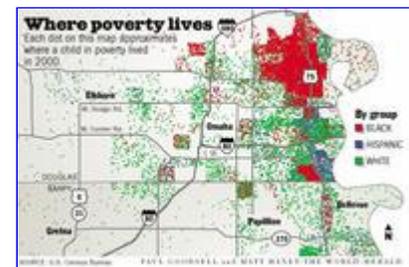
To be sure, Omaha's challenge is not unique. Black poverty plagues all major cities.

But although other cities more known for black poverty - New Orleans, St. Louis or Detroit - have many times more poor blacks than Omaha, they also have an even higher multiple of blacks with higher incomes.

The World-Herald's analysis of the latest census poverty data, done in conjunction with the University of Nebraska at Omaha's Center for Public Affairs Research, is believed to be the first comprehensive economic comparison between black Omahans and blacks in other U.S. cities.

That may be a reason the gravity of Omaha's black poverty hasn't been widely appreciated.

Others say the issue has simply been ignored by Omaha's white majority, a lack of concern that they say is rooted in racism.



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"It has to do with a profound, profound indifference between the races," said Walter Brooks, a north Omahan who recently retired as a public relations specialist. "Omaha is a rich city, and that's what makes this so much worse."

Some say that while existence of black poverty has obviously been known, its depth has been partially hidden.

Blacks here still make up a relatively small portion - about 8 percent - of the total metro population. Help from taxpayers, charities and families buoys many of the poorest families.

And Omaha's black poverty isn't as concentrated in slum neighborhoods as it is in many major U.S. cities. Some of the most powerful and visible symbols of Omaha's black poverty - north Omaha's public housing complexes - are now mostly gone, replaced by smaller units and single-family homes.

The economic conditions of Omaha blacks also may have been further obscured by the policy spotlight on the exploding numbers of Hispanics, who as early as 2010 are projected to supplant blacks as Omaha's largest minority group.

Though Hispanic immigration has strained some community services, the poverty rate for Hispanic Omahans is less than half that of blacks, and Hispanic household income is more than 50 percent higher.

Still unknown is the impact on the poverty rate from an entirely new black population - impoverished African refugees from war-torn Sudan and Somalia. The census data do not distinguish the new arrivals, and population estimates vary widely.

Regardless, the severity of Omaha's black poverty is now out of the shadows, and state and city policymakers have a chance to do something about it.

The poverty issue is front and center in the metro school boundary issues currently being debated in the Legislature. Some lawmakers say any solution needs to focus on breaking up the growing concentration of poor students within OPS and making sure all metro residents share financial responsibility for educating youth most at risk.

The latest Omaha rankings show that school discussion "should have happened sooner," said Omaha Mayor Mike Fahey. "It's important we try to mobilize the entire community to address the achievement gap."

There is action on other fronts, including a local group of philanthropists working on a multimillion-dollar education initiative, a Greater Omaha Chamber of Commerce development plan for north Omaha and a coalition of black leaders working on homegrown solutions.

"These numbers certainly support the gut feeling we all had - that something needs to happen in north Omaha," said David Brown, top executive of the Omaha chamber.

The good news, Brown said, is Omaha's black community has some strong assets on which to build. The infrastructure in north Omaha is sound, including recent heavy investment in school facilities, and housing stock is in better shape than in many large cities.

Community leaders say given the city's size and relative wealth, Omaha may be uniquely positioned to tackle poverty in ways never before seen in America.

"The problem is so multifaceted," said Franklin Thompson, a college professor who serves on the Omaha City Council. "But you stay in the game, and you do it for the children."

Children like Amber Franklin.

Her open face, short stature and proclivity for bashful smiles make her seem younger than 16. But a turbulent childhood has forced her to grow up.

Still, her story also shows how public and private efforts to reach out can make a difference.

She found refuge at the North Omaha Boys and Girls Club, where she says a staff member turned her from a girl easily spurred to fight to one with dreams.

The Omaha Benson High School sophomore took small parts in a school musical, and she recently landed a bigger role in this spring's melodrama.

The title? "A Fate Worse Than Death; or Adrift on Life's Sea."

Amber sees no such fate for herself. She fingers her gold necklace, a gift from her mother. Its charm reads, GOOD AS GOLD.

"I feel I can get somewhere."

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