

Dialogue. Collaboration. Knowledge-sharing.

## Future Forces 2050 Working Group Meeting 2



Presented by: Brett Fusco 3/8/19

## Agenda

- Meeting 1 Recap
- 3 Working List Forces with Greatest Knowledge Gaps
  - Socioeconomic Inequality, *Tayyib Smith, Little Giant Creative*
  - The Digital Revolution, Nihit Jain, IBI Group
  - International Upheaval & (Im)Migration, Lauren Hansen-Flaschen, Visit Philly
- Finalize Research Statement
- Finalize Voting List Forces
  - What should be combined/separated from the Working List?
  - What is missing?
- Vote on the Forces that are Most Probable and Relevant to the Research Statement



## **Ground Rules**

- Everyone will have a chance to speak.
- It's OK to disagree.
- Disagree with the idea, not the person.
- Do not interrupt each other.
- If you get stuck: park the issue so the process can keep moving.



## **Future Forces**

## **170 Brainstormed Forces**

## 41 Nominated Forces

## **15 Working List Forces**

# 20 (Max) Voting List Forces

## **15 Working List Forces**

- Climate Change
- Delivery on Demand / End of Bricks & Mortar Retail
- The Digital Revolution
- Greater Philadelphia in the Global Economy
- Housing Shortage
- International Upheaval & (Im)Migration
- Low-Density Divestment
- Mobility-as-a-Service
- Shifting Demographics
- Social & Political Dysfunction
- Socioeconomic Inequality
- Technocracy
- Transportation Technology Deployment
- Updating Infrastructure
- Workforce Automation



## **Participant Presentations**





## WHAT WE DO

As a **full-service marketing and creative agency**, we believe in the power of storytelling to affect change.

Little Giant Creative is consistently approached by clients seeking not only creative marketing solutions, but the ability to drive authentic connections with multicultural audiences, which to us is the general market.

Since our start 10 years ago with the launch of Little Giant Creative, we have worked to sharpen the cultural lens to a more inclusive and equitable point of view.

## NONWHITE SCHOOL DISTRICTS GET

# **\$23 BILLION** LESS THAN WHITE DISTRICTS

## DESPITE SERVING THE SAME NUMBER OF STUDENTS



## THE NATIONAL STORY

Race and class are inextricably linked in the U.S. When comparing the poverty level of racially concentrated systems, a clear divide emerges. Predominantly white districts are far better off than their heavily nonwhite peers. These statistics confirm what we know about income inequality and the effects of segregation.

In the United States, 20% of students are enrolled in districts that are both poor and nonwhite,<sup>\*</sup> but just 5% of students live in white districts that are equally financially challenged.<sup>†</sup>

Small districts can have the effect of concentrating resources and amplifying political power. Because schools rely heavily on local taxes,

\* > 75% of students are nonwhite AND student poverty rate is >20%
† > 75% of students are white AND student poverty rate is >20%





## THE NATIONAL STORY

Despite more than a half-century of integration efforts, the majority of America's school children still attend racially concentrated school systems. This is reflective of the long history of segregation—policies related to everything from voting to housing—that have drawn lines and divided our communities.

27% of students are enrolled in predominantly nonwhite districts. 26% of students are enrolled in predominantly white districts.<sup>†</sup>

\* > 75% of students are nonwhite † > 75% of students are white



white households with an employed head have more than ten times higher wealth than similar black households. *Furthermore, white households with an unemployed head have a higher net worth than black households with a head who is working full time.* 



Figure 2: Median Household Net Worth by Race and Employment Status

Source: Authors' calculations, SIPP, 2014.

### Homeownership while black

## BROOKINGS

In U.S. metropolitan areas, **10 percent** of **neighborhoods** are **majority black** 

## **50% LESS**

homes in **majority-black neighborhoods** are **undervalued** compared to homes in neighborhoods with **no black residents** 



## Majority-black neighborhoods at a glance:

**37% of the U.S. black population** *live in these communities* 

#### \$609 billion

in owner-occupied housing assets

### 10,000

public schools

**3 million** businesses

## What is **\$156 billion?**



**4.4 million** black-owned businesses

Source: Stanford Institute for Economic Policy Research







Replace pipes in Flint, MI nearly **3,000** times



**97%** of the damage of Hurricane Katrina

Source: National Oceanic and Atmospheric Administration





use of jail is

The trends toward less crime and less use of jail have accelerated in New York City over the last three years. Because of deliberate efforts to rethink policing strategy, expand alternatives to jail, and reduce the time it takes cases to move to conclusion, fewer people are entering city jails and the number of people in city jails for longer than one year has declined. Steep declines in the number of people admitted to New York City jails are evident across a number of different categories, including those detained pretrial on misdemeanors (down 25%), those serving sentences (down 34%), and those detained on bail of \$2000 or less (down 36%). After increasing for decades, the average length of time it takes a Supreme Court case to reach disposition has shrunk by 18 days over the last two years.

## C

### **Creative Cities Lab**

#### **Pillars of CCL Projects**

#### Shifting Contemporary Lens =

Meet changing demographics → Inclusion of minority-majority

#### **Building Equity =**

Meet rapid transition of cities → Supporting equitable development

#### Using Common Language =

Change exclusionary communication → Accessible, relevant and engaging



Using art + technology + media to tell the story of how race and policy shape the landscape of Philadelphia

Goal: Establish a shared understanding and invite honest conversations to build empathy

#### **Multi-Platform Project**

## 1. 0 5 1. 1

#### **Panel Discussion**

4-part panel "A Series of Uncomfortable Conversations: Breaking the Myths of Meritocracy"

#### **Confessional Booth**

Private safe space to capture real-time reactions & responses

#### **Art Installation**

Creative reimagining of equitable resource Partner: Artist (s) TBD

#### Interactive Touchscreens GIS data map + digital timeline + glossary of terms

*Historians:* Frauke Schnell, Danae Mobley, Brian Peterson *GIS Map:* Azavea *Touch Tech:* IB5K

**Documentary 20-minute documentary** *Partner*: Kuyamba Media

## INTRODUCTION

- Myth of meritocracy
- Housing and racial inequal
- Explicit segregation at the federal, state and local levels

"The geography of America would be unrecognizable today without the race-based social engineering of the mid-20th century."

- Ta-Nehisi Coates



Photo: Marget Bourke-White

## Setting the Stage -Reconstruction Era (1865-1877)

Post Civil-War and time of great violence + hostility

President Andrew Johnson passed "**Black Codes**" to control the labor of "freed" slaves.

- Paid low wages and forced to sign yearly contracts
- Black people could be arrested for almost anything
- Labor conditions in prisons were just as bad as slavery

Black was defined by blood. Any amount of black blood means one was black.



Convicts who violated Black Code.

### Setting the Stage -Reconstruction Era (1865-1877)

Post Civil-War and time of great violence + hostility



Era of "scientific racism"

Pseudoscience such as eugenics and phrenology to justify racism

KKK formed weidling political powers in the Republican Party

Photo: Library of Congress

## Setting the Stage - Jim Crow Era (1877-1950's)

Separate but equal

A system of legally enforced practice of segregation on both state and national level Great Migration: 6 *Million* African Americans relocated from the rural South to the cities of North, Midwest, and West.



## Our Story Begins -New Deal (1933 - 1939)

Federal government pursued important policies that segregated many metropolitan areas:

- 1. Development of Public Housing
- 2. Redlining
- 3. Subsidization of Suburb Development



A typical shantytown of the Great Depression in the United States, this one located in Seattle, WA. Source: University of Washington

### Public Works Administration (PWA) + Public Housing

- 1933 President Roosevelt established Public Works Administration (PWA)
- PWA builds the first public housing due to enormous housing shortage in the country and no construction was being done in the Depression
  - → Built to provide homes mostly to white middle-class + lower-middle class families.
  - ➔ Project developed for Africans-American were very limited and built as an afterthought



First lady Eleanor Roosevelt (center) at a Works Progress Administration site in Des Moines, Iowa, 1936. Source: Getty Images

### **Major Federal Policies**

#### Home Owners Loan Corporation (HOLC)

established in 1933 to provide relief to troubled mortgage borrowers and their lenders. through refinancing

#### **Federal Housing Administration (FHA)** established in 1934 to *jump-start new housing* construction through mortgage loans.



### Home Owners Loan Corporation (HOLC) + Redlining



HOLC grade code

**HOLC** employed armies of real estate agents to conduct neighborhood appraisals. Color coded maps created from the surveyed data. It set mortgage value and <u>race</u> was the determining factor.

**Grade A / Green** = 'Hot spots' and safe for mortgage lenders to provide maximum loans.

**Grade D / Red** = Areas considered hazardous. "Characterized by detrimental influence in a pronounced degree."

**Grade C + D** areas were occupied by: African-Americans, recent immigrant Europeans groups - Jews and Italian and Latinos



# Consequences of Redlining

- Made it difficult to purchase homes and borrow against the value
- Lowered property values
- Decreased housing quality
- Increased racial segregation

### Consequences of Redlining

- Predatory lending "Contract Buying"
  - → Offered relatively low down payment but to get this "deal", there was a large fee
  - → Fees ranged from a min of 35% to 115% (avg increase was 73%)
  - → Tenants could be evicted for missing even 1 payment, regardless of their history
  - → This created large scale government sanctioned *wealth theft*.



In Chicago, African-Americans move furnishings from evicted homes to dump at the Chicago Civic Center on March 30, 1970.

## Consequences of Redlining

- Forced people of color into particular areas and then starved those areas of affordable capital.
- Combined with widespread job discrimination you had neighborhoods that were **impoverished by design.**



### Federal Housing Authority (FHA) + Suburbia

- FHA subsidized mass-productions
- Financial incentives to white families with low-interest mortgages
- Monthly charges for mortgages were *less than* the rent in public housing
- In the suburban-shaping years (1930-1960) *less than 1%* of all African Americans were able to obtain a mortgage



Aerial view of Levittown, New York. Image courtesy Mark Mathosian.



Sojourner Truth Homes, a federal government housing project, erected this sign in Detroit in 1942. *Source: Getty Images.* 

## Racially Restrictive Covenants

- FHA established racially restrictive covenants = requirement that **no homes be sold** to African-American and also included other people of color
  - → Every home had a clause in the deed that prohibited resale to POC
  - → Developers of these suburbs got bank loans on condition they sell no homes to POC

### **Racially Restrictive Covenants**

Example of language written into the deed:

"No person or persons of **Asiatic, African, or Negro blood**, lineage or extraction shall be permitted to occupy a portion of said property or any building thereon except a domestic servant or servants who may actually and in good faith be employed by white occupants of such premises"

(Greenlake neighborhood in Seattle, WA)



The first family moved into Levittown, Pennsylvania, on June 23, 1952, an arrival captured in this photograph by Howard Hamburger of the Source: *Philadelphia Evening Bulletin*.

### Blockbusting

- Realtors + developers drive down home prices by encouraging blacks to move into white areas or create the appearance of this
- Once white-family fled, realtors converted homes into multi-family dwellings, cramming large groups into row houses coupled with contract buying to to make even larger profits.



#### Would you panic if a Negro moved next door?

"I'm broad-minded," said one home out the whites. And how one specowner when Negroes moved into his block. But a short time later he panicked-and sold his house at a loss.

In this week's Post, you'll read how speculators decide which blocks are "ripe" for racial change. How they use vicious tactics to force

ulator brags that he could "bust" your block in no time at all.





#### LOOK At These Homes NOW!

An entire block ruined by negro invasion. Every house marked "X" now occupied by negroes. ACTUAL PHOTOGRAPH OF 4300 WEST BELLE PLACE. SAVE YOUR HOME! VOTE FOR SEGREGATION!

#### A 1916 leaflet proposes to segregate St. Louis.

### FHA's Underwriting Manual

- Well-known explicitly racist practice were written in the FHA's Underwriting Manual.
- The manual explicitly said that incompatible racial groups should not be permitted to live in the same communities
- Their goals was: "the prevention of the infiltration of ... lower class occupancy and inharmonious racial groups."

# Evidence of explicit racism

A development in Detroit:

FHA would not proceed with development unless the developer built a 6' high cement wall separating development from a nearby African-American neighborhood to make sure that no African-Americans could even walk into that neighborhood.



Image of the Detroit Wall. Captured by John Vachon.



Evidence of explicit racism

FHA recommended highways be a good way to separate African-American from white neighborhoods.

Image: Miami's Overtown

## GI Bill

- In 1940's the Veterans Administration, established under the GI Bill
- It adopted ALL of the FHA **racial exclusion programs** when it began to insure mortgages for returning veterans
- Housing prices were so low in the FHA-insured suburbs - monthly mortgage payments were often less than rent in public housing, especially if a white family received veterans' benefits.



# CONSULT YOUR NEAREST OFFICE OF THE


Members of the veterans committee campaigning for more housing. *Source: St.Louis Post Dispatch* 

### **Public Housing**

- After WWII, in 1950's public housing continued to be developed for whites and returning veterans.
- Segregation continued to be enforced: One project designated for white only and another for African Americans.

## Public Housing

- Problem: Many white towers had many vacancies while a long waiting list of African-Americans.
- Solution: Open white-designated area to African-Americans
- Context: Industry was leaving the cities. African-Americans were becoming poorer in those areas.
- Result: Projects became a place for poor people "vertical slums" we come to associate



Fairhill Apartments, a North Philadelphia public housing site, was built in 1959 in the redlined area. *Source: Next City.* 

### Urban Renewal aka "Negro Removal"



N. Philly abandoned homes. Photo: Abdul Sulayman, Tribune Chief

- In 1950's + 60's demolition of black neighborhoods to make room for middle-income white housing, hospitals & universities
  - → Over 2,500 neighborhoods were bulldozed in 993 cities.
  - → Estimate of 1,600 black neighborhoods were demolished
- African Americans once again displaced farther from downtown or central location near jobs
- "White Flight" Continuation of white suburban development + disinvestment of cities

### Zoning Laws

- Industrial plants and waste disposal zoned in black parts of the city
- Areas were permitted for industrial and toxic uses and turned neighborhoods into slums.
- Contribute to the perception that blacks were slum dwellers and if black moved into the white areas, they would bring those conditions with them.



Contaminated Hunters Point neighborhood of San Francisco, California . *Source: Propublica.* 

### Fair Housing Act

- 1968 the Fair Housing Act passed: Prohibits discrimination on the basis of race, color, religion, national origin, and disability.
- Empty promise because homes no longer affordable to those who could have one time afforded it
  - → Equity + wealth gained from buying into affordable suburbs is lost
- The law was poorly enforced



Fair Housing March. Source: Walter P. Reuther Archives of Labor and Urban Affairs, Wayne State University.

## **Futures Working Group**

## The Digital Revolution as a Future Force





Nihit Jain, Associate, IBI Group

March 2019



Let's talk about the Digital Revolution!

Understanding it through the CLIOS Framework

Case Study – Transit Fare Systems

Where can this Digital Revolution lead us?

But what is the Philadelphia and Delaware Valley Perspective?

Let's talk about the Digital Revolution!

A convergence of digital technologies such as the Internet of Things (IoT), Big Data, Artificial Intelligence, Robotics, and others.

Automation replaces many of the functions traditionally done by humans, providing exciting opportunities to change the nature of work, our lifestyles, education, healthcare, and how we get around.



What characterizes the Digital Revolution? Acronyms and keywords – AI, Automation, AV, Big Data, Blockchain, CV, IoT, IoI, ML, Security, and more

Many characterizations – Information Age, Fourth Industrial Revolution, Age of Surveillance Capitalism

Technology and data in every aspect of life

Communications, Data, Networks, Platforms

Understanding it through the CLIOS Framework High degrees of

Human Agency

Interaction

Complex, Large-Scale, Interconnected, Open, Sociotechnical Systems

Uncertainty

Complexity

Systems behaviors are often

Not easily understood

Often counterintuitive

Inherently tough to analyze



- Focus on the physical
- Focus on growth and mobility

- Economics-based framework
- Recognition of system interfaces

- Systems as connected to other
  Sociotechnical Systems
- Characterized by advanced technology and mathematics



## Case Study

## Transit Fare Systems / SEPTA Key



Day 1	Cash, printed paper, tokens
1980's – 2000's	Information on physical media (with some replication centrally)
Late 2000's - Today	All information captured and stored centrally
	(like Septa Key)
Future	Information is automatically inferred?

#### **Origin Destination Inference (ODX)**



Referenced from a presentation by Lauren Sager Weinstein, Chief Data Officer, TfL.

Where can this Digital Revolution lead us?



Market thresholds are initially lowered leading to greater competition

Use technology to understand, experiment, and find solutions

Ability to design and build for resiliency and redundancy in systems

Network effects rapidly escalate power of some players and lead to winner-take-all scenarios

Assumption that technology will "solve everything"

Increasing reliance on digital infrastructure and challenges with security



Commuting and land use patterns Move away from physical to virtual Data privacy and security concerns Growing disparities



Europe



1910 1920 1930 1940 1950 1960 1970 1980 1990 2000 2010

Growth in income for households within the top percentile, 2009–2010





#### Chart 4. Wage and salary productivity in goods-producing industries by high-tech designation, 2016 and 2026



Note: Productivity defined as output in chain weighted 2009 dollars per hour worked. Source: U.S. Bureau of Labor Statistics, Employment Projections program.

#### Chart 5. Wage and salary productivity in service-providing industries by high-tech designation, 2016 and 2026



Note: Productivity defined as output in chain-weighted 2009 dollars per hour worked Source: U.S. Bureau of Labor Statistics, Employment Projections program.

Referenced from an MIT Technology Review article.



Focus on people and user experience

Increasing need for digital education

Need to build adaptable, flexible, and interoperable systems

Focus on data, privacy, security



Winners and losers

Technology leading to inequality

Effects of the underlying complexity

Impacts of design bias

# But what is the Philadelphia and Delaware Valley Perspective?

Where are we Headed? Potential to be left behind

Need for digital literacy and education

Strength of some sectors

Potential to learn from and leapfrog the "early movers"



# Thank You,

## Questions?



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# International Upheaval & Immigration

#### DVRPC Futures Working Group March 8, 2019

Lauren Hansen-Flaschen VISIT PHILADELPHIA

# Globalization

McDonald's

**croso** 

SAMSUNG

Globalization

Sources to reference: Forbes article https://www.forbes.com/sites/panosm

ourdoukoutas/2011/09/10/the-goodthe-bad-and-the-ugly-side-ofglobalization/#491f43b4483f and

#### Deloitte article:

https://www2.deloitte.com/kh/en/pag es/risk/articles/sid-dir-bulletinglobalisation.html

# **Global Value Chain Disruption**



(Paris, France: Organization for Economic Cooperation and Development, 2013), http://www.oecd.org/publications/interconnected-economies-9789264189560-en.htm.

# **Threats to the Global Economy**

- Food insecurity
- Civil unrest
- Vulnerable infrastructure systems
- Interdependence of financial institutions
- Environmental
- Technological



# **Global tourism**

Source to reference: **World Trade Organization** <u>http://www2.unwto.org/content/why-tourism</u>

# **Global Immigration**

- Estimated 260 million people migrated to another country in 2017
  - Rapid growth over past ten years (+15%)
- Top counties of origin for international migrants: India, Mexico, China, Bangladesh, Syria, Pakistan, Ukraine (2017)

visitphilly.com

- U.S. has largest number of international migrants (50M)
- Migrant population is becoming younger overall

Source: United Nations, 2017

# **Refugee Crisis**

- Total 68 million people displaced by end of 2017
- 16 million people newly displaced in 2017
- "International responsibility-sharing for displaced people has utterly collapsed.



# **Immigration to the U.S.**

Top origin countries of immigrants to the U.S.:

- Mexico
- India
- China
- Philippines
- El Salvador
- Vietnam
- Cuba
- Dominican Republic
- South Korea

Source: Census Bureau



# Foreign-born population in the United States, 1850-2016

Foreign-born population, in millions





# **Immigrant population in Philadelphia**

- Foreign-born population grew 69% from 2000-2016
- 15% of all city residents
- Driven population growth, increased workforce and boosted number of entrepreneurs
- Diverse nationalities


# **International Travel to Philadelphia**

#### Total International Travelers in 2017: 1.17 million

#### **Top counties of origin:**

- Canada
- United Kingdom
- China
- Germany
- India
- France
- South Korea/Mexico

Total direct spending of international visitors in Philadelphia: \$833M

Source: Tourism Economics, reported by PHLCVB; Econsult Solutions Inc.

## **Global Factors Influencing International Travel to the U.S.**

- U.S. Trade War with China
- Inflation
- Strength of U.S. dollar
- Visit U.S. Coalition video
  <u>https://www.visituscoalition.com/</u>



## **Social Forces**

- Socioeconomic Inequality Continuing and growing income and wealth disparities within and between regions are propelled by racism, nationalism, and gender.
- Shifting Demographics Aging population, gentrification and displacement, immigration, and other sociodemographic factors will lead to major changes in the region.
- Housing Shortage New housing models are needed, along with an increased supply of co-generational, infill, and affordable units.



# **Technological Forces**

- The Digital Revolution A convergence of digital technologies automates many of the functions traditionally human functions—creating exciting opportunities to change the nature of work, our lifestyles, education, healthcare, and how we get around.
- Mobility as a Service (MaaS) Technology manages all modes and movements and links trip planning to single personal transportation account, which pays for tolls, fares, parking, and shared mobility services.
- Transportation Technology Deployment Automated vehicles (AVs), electric vehicles (EVs), connected vehicles (CVs), the Hyperloop, and shared mobility services affect personal travel, goods movement, homeownership, and development patterns.

## **Economic Forces**

- Workforce Automation Robotics, artificial intelligence, and other technologies change the nature of work.
- Technocracy Very large organizations concentrate power through massive quantities of information, real time responsive systems, big data analytical models, artificial intelligence, and winner-take-all economics from network effects.
- Updating Infrastructure Will the public sector step up and provide new sustainable ways to fund infrastructure state-of-good repair, technological, and other needs? Or will the private market step in?



## **Economic Forces**

- Low-Density Divestment Economic and demographic forces combine to increase demand for compact, walkable communities.
- Greater Philadelphia in the Global Economy How competitive will the region be in the global economy?
- Delivery On Demand / End of Bricks & Mortar Retail — An intensification of current trends toward shrinking retail square footage and increased package delivery.



# **Environmental Forces**

 Climate Change – More severe storms and storm surges, more heavy rainfall in some areas and droughts in others, higher temperatures and more temperature extremes, increased sea levels cause major disruptions throughout the world.



### **Political Forces**

- International Upheaval and (Im)Migration Refugee crises, uprisings, food shortages, rising authoritarianism, and terrorism increase population movement.
- Social and Political Dysfunction Increasing polarization leads to an inability to advance legislative agendas.



Test uncertainty from societal, technological, economic, environmental, and political trends and forces in Greater Philadelphia between now and 2050, which may:

- Present new opportunities and risks;
- Affect predictability in regional socio-economic, land use, and travel patterns; and
- Impact the region's ability to achieve its vision.



# **Group Discussion - Force Questions**

- 1. Are there any forces that should be combined? Or are there any forces that should be separated out into two or more?
- 2. Are there any forces that we are missing?
- 3. Are there any revisions we should make to these force definitions?
- 4. All these forces should have at least a medium probability of occurring. Are there any with too low of probability to vote on?



# Future Forces 2050

- Step 1. Define Research Statement
- Step 2. Brainstorm Future Forces
- Step 3. Short Presentations on Future Forces with Highest Knowledge Gaps
- Step 4. Vote for Working List Forces Most Probable and Relevant to Research Statement
- Step 5. Vote on Impact and Uncertainty for Top 20 Voting List Forces (identified in Step 4)
- Step 6. Use Impact-Uncertainty voting results to form axes of uncertainty.\*

\*DVRPC staff-led steps.

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# Future Forces 2050

- Step 7. Use axes of uncertainty to form scenarios.\*
- Step 8. Facilitated discussion of scenario implications.
- Step 9. Facilitated discussion on scenario recommendations.
- Step 10. Model and develop scenario narratives.
- Step 11. Review draft report.
- Step 12. Publish final report and communicate key findings.

\*DVRPC staff-led steps.



# **Next Steps**

- Network and vote on the (5) working list forces with at least medium or higher probability and relevance to the research statement.
  - Determines the Voting List Forces
- Impact and Uncertainty Voting for Voting List Forces
  - Look out for e-mail.
  - DVRPC Staff will use results to develop axes of uncertainty and scenarios
- Meeting 3: Thursday, April 11, 2019.





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