



Growing Green Jobs in America's Urban Centers

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September 2011

While leaders in Washington, D.C., search for ways to create jobs and kick-start our struggling economy, urban centers are experiencing steady growth in the green economy, which is creating well-paid jobs in communities that have felt the worst of the recession, particularly those with large numbers of African Americans and Latinos. These urban centers are ideal for growing a strong and equitable driver of new business and jobs.

The Great Recession has not impacted all Americans equally. While countless families across all communities are suffering, data indicate that black and Latino households—concentrated in America's urban centers—have felt the worst of the economic malaise. In many cases, these communities lack the wealth and educational assets to hedge against economic decline.

Green jobs are no magic bullet for solving economic disparity and job loss in urban communities but they do offer real opportunity to rebuild our struggling economy with a strong growth segment. Green job growth has outpaced traditional job growth at a rate of nearly 2-to-1 in the nation's 100 largest metropolitan centers, all during the peak of the recession (2008 through 2010), according to a new report by the Brookings Institute. These urban centers are the vanguard of green jobs growth, accounting for 64 percent of all jobs in that sector.

Individuals without a college degree hold a large portion of these jobs, which also pay a higher median wage than average. This is critical because these workers currently make up nearly 70 percent of the American workforce and have traditionally been the anchor of our middle class.

Similar data are drawn from a 2010 study from Apollo Alliance, the Initiative for a Competitive City, and Green for All, which finds that inner-city green jobs have grown by 11 percent, more than 10 times the rate of

Defining green jobs and the green economy

The green economy is a sector of the broader economy producing goods and services that provide environmental benefit. This can include clean energy production, energy and water efficient design and construction, mass transit, conservation, waste management, and numerous other industries that are part of a general shift in the way we use and produce energy and eliminate waste.

Green jobs include workers in nearly every industry who are part of the shift away from dirty energy and toward a more sustainable economy. "Green collar" jobs are generally referenced as paying a living wage and accessible across a broad range of skill levels, similar to traditional "blue collar" jobs. The Brookings Institute defines "green collar" jobs as paying a mid-level wage and including the following occupational categories: production, transportation, installation, construction, office administration and support, protective services, and social services.

inner-city job growth in the last decade. Likewise, the Blue Green Alliance finds that \$93 billion in green investments from the American Recovery and Reinvestment Act has produced nearly 1 million jobs, with the vast majority (80 percent) held by workers without a college degree, and 26 percent in the construction industry.

Political leaders and media pundits love to debate the merits and nuances of this emerging economic sector, and the debate has become quite polarized. Conservative commentators and policymakers have begun to reject any and all investments that will help the green economy continue to grow.

In doing so, they are trying to starve the fastest runner on a struggling team. Despite the rhetoric and political angling, the numbers tell a distinct story: The green economy is creating jobs in the places that need them, and they are the right jobs for communities bearing the worst of the recession.

Further, even though progress has not been nearly fast enough to fill the void of the 10 million jobs lost during the recession, and despite the lack of comprehensive federal policy to spur green growth, progress is still driving forward. We must strengthen our efforts to grow and protect this emerging sector, one of the few bright spots in our struggling economy, which also offers opportunity to communities who desperately need good jobs.

Economic malaise by the numbers

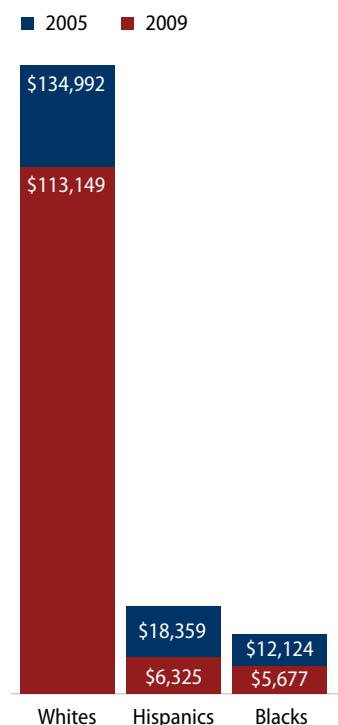
National unemployment rates hover at 9.2 percent. The rate for African Americans is nearly twice that and the Latino unemployment rate is 11.3 percent. Unemployment in the construction industry, which represents disproportionately large numbers of Latinos, hovers at a crippling 13.6 percent.

According to a new study by the Pew Research Center, the “wealth gap” between white, black, and Latino households rose to record heights during the recession. Between 2005 and 2009 inflation-adjusted median wealth fell by 66 percent among Latino households and 53 percent among black households, compared with just a 16 percent drop among white households. Data indicate that typical black households possessed just \$5,677 in wealth (defined as assets minus debt) in 2009. Latino households didn’t fare much better with only \$6,325 in wealth. The typical white household, however, had \$113,149. To make matters worse, 35 percent of black and 31 percent of Latino households had zero or negative net wealth in 2009, compared to just 15 percent of white households.

A separate study by the Brookings Institute confirms that individuals without college degrees living in metropolitan areas were among those most affected by the recession. Not surprisingly, blacks and Latinos also have the lowest rate of attainment in higher education.

The recession decimates wealth for people of color

Median net worth of households, 2005 and 2009, in 2009 dollars



Source: Pew Research Center tabulations of Survey of Income and Program Participation data.

To be clear, this is not simply a “black and brown problem” that can be swept under the rug as we debate larger economic policy issues. Latinos (16 percent of the population) and blacks (12 percent of the population) make up more than a quarter of our total population and represent the nation’s two largest minority groups. High unemployment in these communities is critical for the entire U.S. economy. If fewer people are working, fewer people are spending, and economic recovery will be slow and anemic at best. The economic crisis in this country is largely a jobs crisis and thus we need a strong job creator to drive economic recovery.

Enter the green economy

As job creation goes, we know that we get three times more jobs by investing in the green economy than we would by investing in fossil fuels. These kinds of investments include energy efficiency retrofits to buildings, renewable energy deployment, and development of mass transit infrastructure, all of which require labor-intensive, U.S.-based jobs. Most importantly, these activities create jobs in the most critically hit sectors of the economy, construction, and manufacturing.

Case in point: CAP analysis indicates that retrofitting just 40 percent of the nation’s residential and commercial building stock would require mobilizing a massive domestic labor force—more than half a million (625,000) sustained full-time jobs over a decade. Further, we know that 89 percent of the materials for retrofits are made in the United States, meaning that the struggling manufacturing sector would also get a boost.

On top of the jobs we could generate from energy efficiency, these retrofits would also save Americans \$64 billion per year in energy costs. That’s \$300 to \$1,200 in savings for individual families. This is especially important for low-income families in urban centers, who spend a greater portion of their monthly income (15 percent to 20 percent) on energy costs. Freeing up 15 percent to 20 percent of a low-income family’s budget is likely to be spent on other expenditures—such as groceries, school tuition, and rent—thus further stimulating the urban economy.

Investments in mass transit would create still more jobs in the green economy. The Apollo Alliance has proposed that a serious investment in our nation’s public transportation infrastructure could create 3.7 million jobs, including 600,000 alone in the manufacturing sector over the next six years. Furthermore, studies indicate that investments in public transportation create 31 percent more jobs than investments in new highway construction. Again, most of these jobs will be in the construction and manufacturing sector.

Not only would investments in mass transit create jobs, but they would also increase accessibility and mobility for the 30 percent of Americans who do not drive, many of whom reside in urban neighborhoods. A study by the American Public Transportation

The importance of urban centers

Harvard business professor and widely cited economic development expert Michael E. Porter argues that America’s urban centers are the “crucible” of our nation’s economic health. He theorizes that job creation in urban centers with large poor and minority populations is the “lynchpin” for the success of virtually all other social programs. Further, he notes that low-income urban populations are also more likely to spend money in their local economy. Porter’s research suggests that job creation via investments by the government and leveraged with private-sector capital can not only play a critical role in alleviating the distressing poverty of urban centers but also have powerful spillover effects to grow the regional economy.

Association found that households that use public transportation and live with one less car can save \$9,000 on average every year.

Two benefits of investing in the green economy—job creation in middle-skill occupations like manufacturing and construction, and cost savings for consumers—are a powerfully positive combination for urban communities hit hardest by the recession.

Growing good, green jobs in urban centers

Analysis of the green economy is not simply an exercise in counting jobs; it is also an opportunity to create quality jobs in the communities that need them the most. Looking closer at the Brookings Institute numbers, we find that the five urban centers with the largest share of the green economy also have significant populations of blacks and Latinos, indicating that this segment of the economy is growing alongside these diverse populations. Additionally, on average, these jobs offer a higher median wage than the region's average, and many (45 percent) are filled by workers without a college degree.

Brookings also reports that 41 percent of the nation's green jobs offer medium- to long-term career building and training opportunities, and 26 percent of green jobs are in the manufacturing sector, compared to 9 percent in the traditional economy.

The socioeconomic characteristics of green jobs—well paid, upwardly mobile, and available to diverse communities with varying levels of skills and education—have been long-held core values for advocates of the green economy. Organizations such as [Green for All](#), the [Apollo Alliance](#), the [Blue Green Alliance](#), the [Center on Wisconsin Strategy](#), and the Center for American Progress have led the national discussion that job creation is not just a numbers game. Economic development and job creation must also reflect quality and accessibility in order to address longstanding economic disparity and help build a strong middle class, particularly in urban communities of color.

The Green Collar Economy

In 2007 New York Times best-selling author and CAP Senior Fellow Van Jones released the “The Green Collar Economy.” In it he describes an economic engine that could address the growing economic, environmental, and social disparities facing the “have nots” of society, while at the same time being robust enough to drive new industries, investments, and technologies that could propel the United States to a more competitive and sustainable economy. The green collar economy would be centered on cleaner, healthier, and safer alternatives to fossil fuels and other polluting products and industries. It has the potential to create jobs that were “family supporting ... in environmentally friendly fields” and would encompass a wide variety of skill and education levels. It could, as Jones described, “lift all economic boats.”

Top five green job regions

Region	Unemployment rate	Total green jobs (2010)	Latino population	African American population	Median wage (overall)	Median wage (green jobs)	“Green collar”* share of jobs
New York	8.5%	152,034	27.0%	26.6%	\$38,625	\$45,578	74.4%
L.A.	11.9%	89,592	46.5%	11.2%	\$36,687	\$40,910	70.9%
Chicago	9.8%	79,338	26.0%	32.8%	\$38,625	\$42,816	70.1%
D.C.	10.4%	70,828	9.1%	50.7%	\$58,906	\$51,651	62.3%
Philadelphia	8.9%	54,325	12.3%	43.4%	\$36,646	\$43,913	70.3%

Source: U.S. Census Bureau, Bureau of Labor Statistics, Brookings Institute.

*The Brookings Institute defines “green collar” jobs as paying a mid-level wage and including the following occupational categories: production, transportation, installation, construction, office administration and support, protective services, and social services.

Let the green economy grow

In order to turn our struggling economy around, consumers need to spend money on goods and services. To do this, Americans need jobs—all sorts of jobs.

Despite the best efforts by conservative naysayers and detractors, and the worst economic downturn since the Great Depression, green jobs continue to grow. This is an American success story, one that should be celebrated, cultivated, and protected.

In the face of staggering and record-breaking economic disparity, the green economy offers real opportunity to communities that desperately need jobs. Further, these jobs are well paid, with paths for upward mobility—even without an advanced degree. This is particularly crucial for black and Latino families, who have traditionally relied on jobs in construction and manufacturing to gain pathways to wealth building and the middle class.

Building a strong middle class is not just an exercise in social good; it is absolutely necessary for rebuilding our economy. We have clear challenges ahead but also a promising path forward. The green economy can help us get there.

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