



MEASURE OF AMERICA

of the Social Science Research Council

AMERICAN HUMAN DEVELOPMENT REPORT

THE MEASURE OF **AMERICA** 2013–2014

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The Measure of America 2013–2014: Key Findings

At first glance, it would seem that in this era of “big data” policy-makers and regular people alike would have at their fingertips the information they need to understand their world and make it better. Unfortunately, that’s far from the case. Though we know the country’s gross domestic product (GDP) and current account balance quarterly, its retail sales and business inventories monthly, and interest rates and stock market numbers daily, we rarely hear critical statistics on our country’s people. How long can a baby born today in Missouri, or New Mexico, or Minnesota expect to live? What’s the share of adults who have completed high school, or college, in Houston as compared to Dallas? What wages and salaries are typical of Latinos in the United States, and how do they compare to those of whites or African Americans? Measure of America’s mission is to highlight and make sense of data points like these and use them to tell the story of how American people—not just the American economy—are doing. We do so using the global gold standard for measuring human well-being, the human development approach and index.

Human development is about what people can do and be; it is the process of improving people’s well-being and expanding their freedoms and opportunities. The human development approach emphasizes the everyday experiences of ordinary people, encompassing the range of factors that shape their opportunities and enable them to live freely chosen lives of value. People with high levels of human development can invest in themselves and their families and live to their full potential, while those without find many doors shut, many choices and opportunities out of reach.

Human development is the brainchild of the late economist Mahbub ul Haq, who came to believe that the commonly used measure of GDP was an inadequate measure of well-being. Working with Nobel laureate Amartya Sen, in 1990 Dr. Haq published the first Human Development Report under the aegis of the UN Development Programme. It featured the newly created Human Development (HD) Index, which allowed for a ranking of all the world’s countries not by the size of their economies but by the well-being of their people. The HD Index measures three core dimensions of human well-being: **a long and healthy life**, **access to knowledge**, and **a decent standard of living**. People around the world view these three capabilities as the fundamental building blocks of a good life, and the HD Index is widely accepted as the global gold standard for measuring the well-being of large populations.

Measure of America (MOA), a project of the Social Science Research Council, adapted the United Nations’ HD Index to the context of an affluent democracy and featured this tailored American Human Development Index in its first publication, *The Measure of America: American Human Development Report 2008–2009*. The national American Human Development Index was then updated in 2010 and, with this report, in 2013. MOA has also applied the Index methodology in states and counties.

Measure of America is a nonpartisan project, founded in 2007, of the Social Science Research Council. It creates easy-to-use yet methodologically sound tools for understanding well-being and opportunity in America and stimulates fact-based dialogue about these issues. Through hard copy and online reports, interactive maps, and custom-built dashboards, Measure of America works closely with partners to breathe life into numbers, using data to identify areas of need, pinpoint levers for change, and track progress over time.

www.measureofamerica.org

The Measure of America 2013–2014: Key Findings

WELL-BEING COMPARISONS: NATIONWIDE

- In 1960, the country's Human Development Index was 1.63 on a scale from 0 to 10. The average American could expect to live just under seventy years, was highly unlikely to have a bachelor's degree (only 7.7 percent did), and had median earnings of about \$19,000 per year (in today's dollars).
- Today, the country's score is 5.03; average life expectancy has increased by more than nine years and adults are nearly four times as likely to have a bachelor's degree.
- While the human development trend shows steady progress in health and education, growth in earnings—the wages and salaries of the typical worker—has been anemic. The Great Recession that started in December 2007 undoubtedly pulled wages downward, but the trend of declining earnings was already in place before the onset of the financial crisis. The typical American earned \$2,200 less in 2010 than in 2000.
- The top-scoring racial/ethnic group on the American HD Index is **Asian Americans** (7.21), followed by **whites** (5.43), **Latinos** (4.05), **African Americans** (3.81), and **Native Americans** (3.55).
- **Latinos** have the second longest life span, outliving **whites**, on average, by nearly four years.
- **African Americans** have the shortest lives, but their educational outcomes and earnings exceed those of both **Latinos** and **Native Americans**.
- **Whites** saw the greatest earnings drop between 2000 and 2010, nearly \$2,300.

WELL-BEING COMPARISONS: U.S. STATES

- Historical analysis shows that no automatic link exists between strong economic performance in states over time and improvements in their residents' health, education, and living standards.
- The top five states on the American HD Index are **Connecticut, Massachusetts, New Jersey, the District of Columbia,** and **Maryland**.
- Looking at human development change over the past decade, the biggest gainer from 2000 to 2010 was the **District of Columbia**, which climbed in the rankings from twenty-fourth to fourth place.
- The bottom five states are **Alabama, Kentucky, West Virginia, Arkansas,** and **Mississippi**. Residents of Mississippi have life spans and earnings of the typical American in the late 1980s.

The Measure of America 2013–2014: Key Findings

- **Michigan** saw the greatest decline in human development over the past decade and is the only U.S. state whose 2010 HD Index score is lower than its 2000 score.
- Only six states—**Montana, New Mexico, North Dakota, South Dakota, West Virginia, and Wyoming**—plus the **District of Columbia** finished the first decade of the 2000s with higher median earnings than they had in 2000 (in inflation-adjusted terms).
- In no state do African Americans or Latinos have well-being levels above those of whites or Asian Americans.

WELL-BEING COMPARISONS: MAJOR METROPOLITAN AREAS

- People living in the nation's twenty-five largest metro areas tend to have higher levels of well-being and access to opportunity than the average American. Only four metro areas, **Houston, Tampa–St. Petersburg, San Antonio, and Riverside–San Bernardino**, have HD Index scores below the national average of 5.03.
- The metro areas that perform best on the American HD Index are, starting from the top, **Washington, DC, San Francisco, Boston, Minneapolis–St. Paul, and New York**. Workers in the top-ranked Washington, DC metro area make over \$14,000 more than the typical American wage-earner, are more than twice as likely as other Americans to have a graduate degree, and live 2.1 years longer.
- The metro areas with the lowest levels of well-being are **Detroit, Houston, Tampa–St. Petersburg, San Antonio**, and, in last place, **Riverside–San Bernardino**. In Riverside–San Bernardino, one in five adults over twenty-five years old did not graduate high school. Earnings are about \$2,000 less per year than the national median.
- The top six metro areas in the 2008 Index retained their spots in 2010, with overall Index scores that rose slightly or stayed the same. Not surprisingly, their gains came not from income—in fact, most lost ground here—but rather from increased life expectancy and an uptick in adult educational attainment.
- The five metro areas with the greatest increases in their Index scores from 2008 to 2010 did so largely on the strength of improvements in health: **Baltimore, Washington, DC, San Antonio, Dallas, and Boston**. San Antonio, although it ranked last in 2008 and second-to-last in 2010, is gaining ground at a comparatively quick clip.
- The five metro areas with declines in Index scores from 2008 to 2010 were **Detroit, Portland, Atlanta, Miami, and Tampa–St. Petersburg**—the same cities that lost the most ground in terms of earnings over that period—despite gains in health and education in each place.
- An analysis of well-being by race and ethnicity within metro areas revealed one clear constant: in no major U.S. metropolitan area do either African Americans or Latinos have well-being levels that equal or exceed those of Asian Americans or whites.