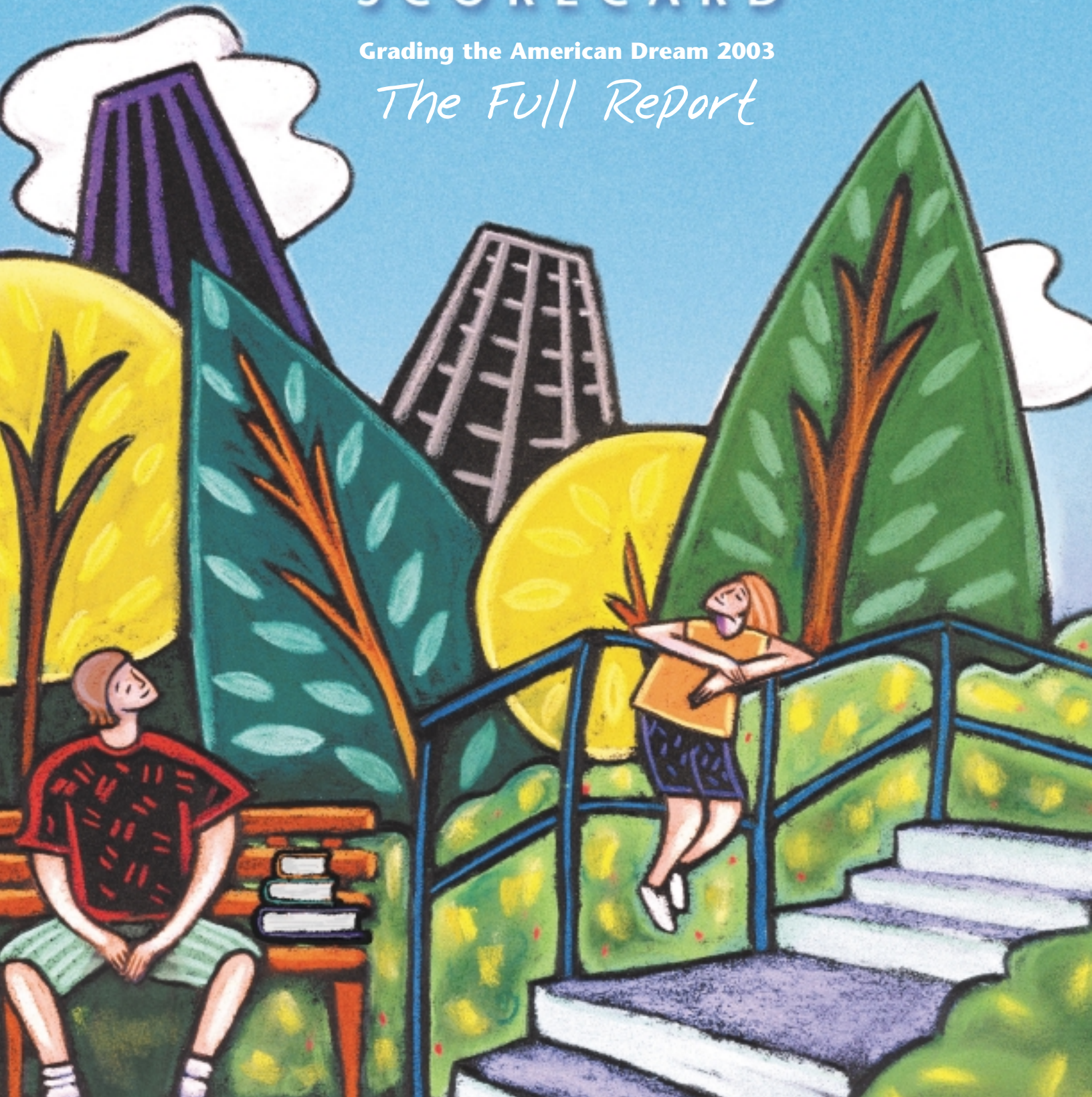


Latino

SCORECARD

Grading the American Dream 2003

The Full Report



LATINO SCORECARD 2003
Grading the American Dream

FULL REPORT

October 2003

United Way of Greater Los Angeles
523 West 6th Street, Los Angeles, CA 90014

www.unitedwayla.org

CONTENTS

Introduction

The Scorecard

Health

Center for the Study of Latino Health and Culture, UCLA

Education

Tom s Rivera Policy Institute, USC

Economic Development

Pepperdine University

Housing

Center for the Study of Los Angeles, Loyola-Marymount University

Public Safety

Center for Southern California Studies, CSU-Northridge

Introduction

The Latino Scorecard project is a follow-up to the American Dream Makers Report, released by United Way of Greater Los Angeles in January 2000. The project was initiated with a survey sent to 224 Latino leaders in Los Angeles County early in 2002. Results of the survey were used to define five issue areas of key concern for Latinos.

In August 2000 a Latino Leadership Summit was convened at Loyola Marymount University to discuss how to tie these quality of life issues that Latinos most care about to a Latino Scorecard that could be used to track progress for Latinos over a multi-year period. Breakout groups discussed the kinds of information needed to identify trends affecting the well-being of Latinos, and the results of these sessions became the starting point for the research process.

Next, the organizing committee agreed to invite outstanding research institutions in the county to undertake the effort of refining the issues, defining indicators and compiling data for the scorecard. Academic partners for the scorecard project were recruited on the basis of specialization in study centers or faculty areas of research. Each research team started with recommendations from the Latino Leadership Summit and convened an advisory group of summit participants and/or additional advisors to select indicators to be used for the Scorecard. Criteria for selecting indicators included the requirement that data must be available on an ongoing basis, reflective of key topics for the scorecard and available for major race/ethnic groups at the county level.

In this full report, the five research teams present complete findings, methods, data sources and references. Questions about data or methods should be directed to the appropriate institution. The report is available on

the United Way web site at www.unitedwayla.org, and may be downloaded without charge.

HEALTH

David E. Hayes-Bautista

Mariam I Kahramanian

Cristina Gamboa

**Center for the Study of Latino Health and Culture
University of California at Los Angeles**

Introduction

Over the past 15 years the demographics of Los Angeles County have changed rapidly. Beginning with the 21st century Latinos comprise nearly half of the county's population (44.6%).¹ Overall, Latinos are experiencing good health despite poverty, lack of health insurance and low education, a phenomenon known as the Latino Epidemiological Paradox. Latinos have lower rates of heart disease, cancer, and stroke. These lower rates, however, will not necessarily remain permanent. There are troubling trends that, if allowed to continue, will erode the healthy profile and should be tracked. These trends include increases in weight, physical inactivity, and tobacco use, as compared to other ethnic groups. An additional alarming trend in the Latino community is — access. Access to healthcare in the Latino community is not just a matter of not having health insurance, but also a matter of not having culturally competent physicians willing to serve in shortage areas. Over a third of Latinos in L.A. County do not have health insurance. Many Latino communities suffer from severe shortage of physicians of any kind, and an exceptional shortage of physicians who speak Spanish and are culturally competent. These shortages are a direct result of low Latino enrollments in medical schools. While we don't know what is the best way to deal with these increasing trends in unhealthy behaviors in the Latino community, increasing access to health care and increasing the numbers of culturally competent physicians must be part of the solution. It is imperative that we focus efforts on increasing the supply of culturally competent physicians and solve the problems of unhealthy behaviors and access to health care, in order to ensure a healthy and productive county and a healthy California.

¹ United States Bureau of the Census. 2001a. *Census 2000 Summary File 1 (SF 1). 100 Percent Data*. PCT11. Hispanic or Latino by Specific Origin [31]: 2000. In United States Census Bureau home page. Washington, DC: United States Census Bureau, 2001.

Indicators and Grading

The health of Latinos in Los Angeles County was measured using five indicators and one aggregate measure. The five indicators are:

- Health Insurance
- Tobacco Use
- Overweight or Obesity
- Physical Inactivity
- First-Year Medical School Enrollments
- Health Outcomes (birth and death)

The adult aggregate measure is the sum of the averages (1999-2001) of tobacco use, overweight or obesity, and physical inactivity (2000-2001). The youth aggregate measure is the sum of overweight or obesity and physical inactivity for 2001. The aggregate measure for both adults and youth is termed a health-promoting behavior measure.

Data pertaining to adult health insurance, tobacco use, overweight or obesity, and physical inactivity came from the Centers for Disease Control Behavioral Risk Factor Surveillance Surveys (BRFSS) from 1999-2001.

Data pertaining to youth physical inactivity and overweight or obesity came from the California Health Interview Survey (CHIS), 2001.

The fifth variable, First-Year Medical School Enrollment, was examined as a means of representing the current physician shortage that exists in the Latino community statewide and locally in Los Angeles County. Data regarding first-year enrollments was taken from the medical schools in Los Angeles County: UCLA, USC, and Drew Medical.

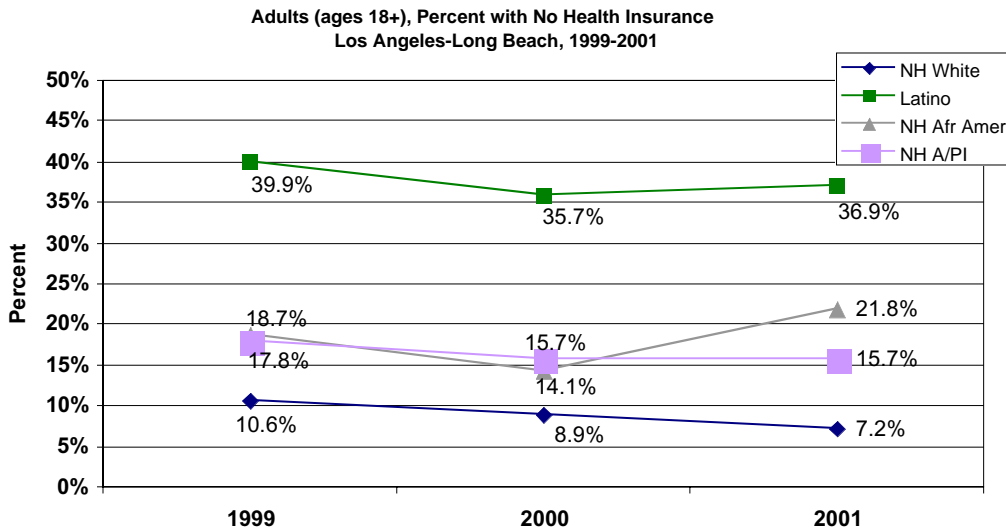
The grading procedure detailed in the narrative is a measure of progress made in achieving a healthy Latino community in L.A. County. Grading of

the indicators is based on a straight scale. For example, if 90% of adults or youth had good health-promoting behavior, then they would get an A ; if only 80% of adults or youth had good health-promoting behaviors, they would get a B , and so on. In the present report, grading was done only on certain variables, including:

- Health Insurance (adults)
- Health-Promoting Behavior Measure
- First-Year Medical School Enrollments

Latino health outcome measures of heart, cancer, stroke, infant mortality, low birth weight, and life expectancy were given an A because Latinos outcomes were markedly better in these indicators compared to all non-Hispanics.

Results:

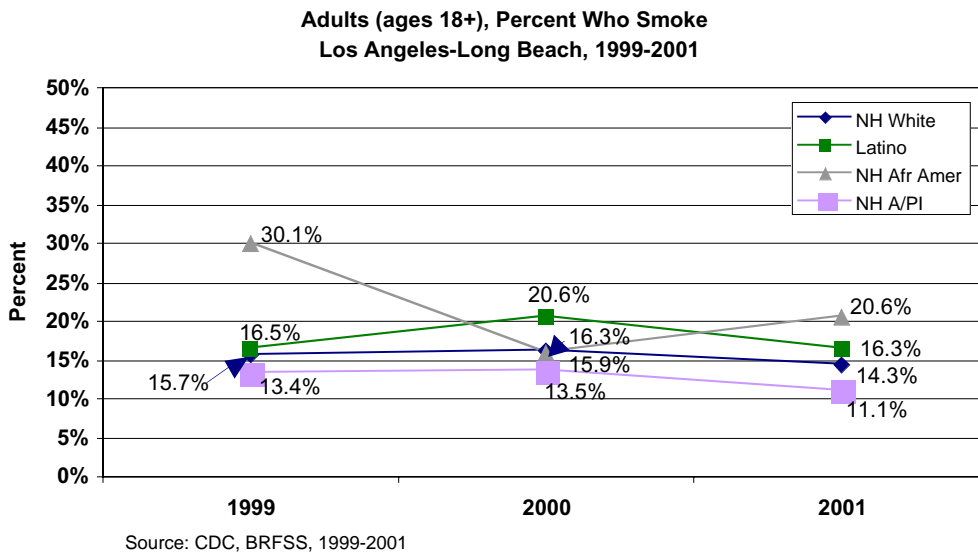


Source: CDC, BRFSS, 1999-2001

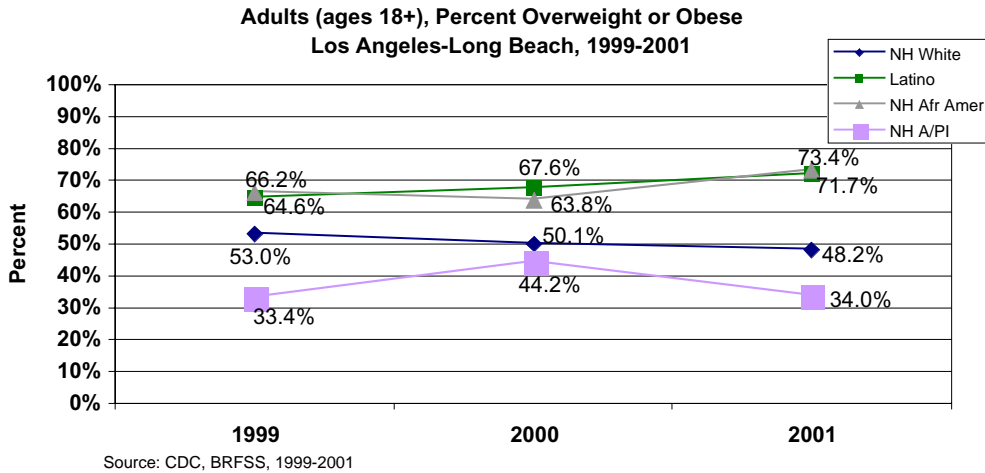
Trend data from 1999-2001 show that Latino adults consistently had the highest percentage of uninsured persons in the county. On average, 37.6% of Latino adults did not have health insurance in Los Angeles in

1999-2001. The data also shows that non-Hispanic whites had the lowest percentage of uninsured adults. In 1999-2001, approximately 9.0% of non-Hispanic white adults did not have health insurance. Non-Hispanic African-Americans and non-Hispanic Asian/Pacific Islander adults had percentages of 17.6% and 16.3%, respectively. **GRADE: D**

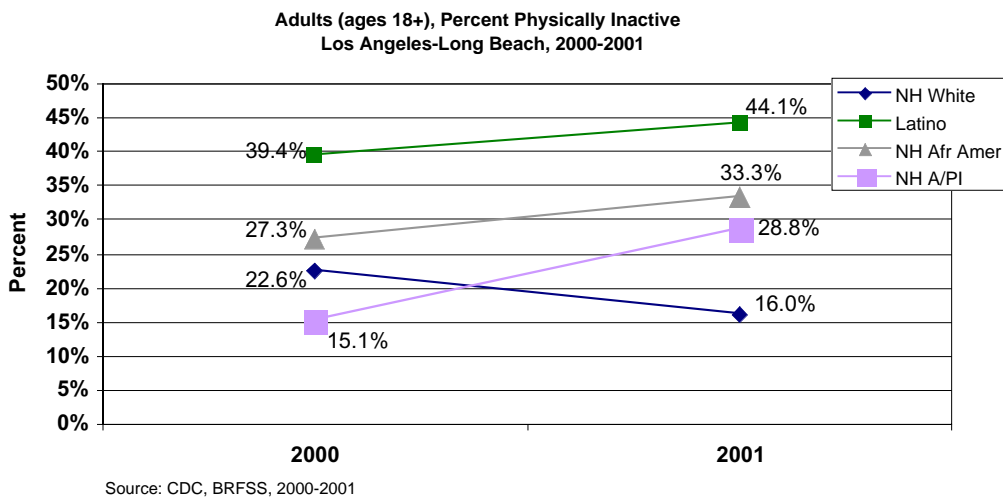
KEY CONCEPT: People with health insurance are far more likely to receive preventive health services and to be encouraged to engage in health-promoting behaviors. Health insurance is one key to a healthy population.



In Los Angeles, in 1999-2001, on average, 17.6% of Latino adults indicated that they were current smokers, second only to non-Hispanic African-Americans. Non-Hispanic whites were 13.9% less likely than Latinos to be current smokers. Non-Hispanic Asian/Pacific Islanders had the lowest percentage of current smoking adults, with an average of 12.5%.



Trend data from 1999-2001 show that Latino adults consistently had a very high percentage of persons who were overweight or obese. Non-Hispanic African-American adults followed this trend very closely. In 1999-2001, in Los Angeles, on average, 68.0% of Latino adults were overweight or obese, compared to 67.3% of non-Hispanic African-Americans, 50.5% of non-Hispanic whites and 37.0% of non-Hispanic Asian/Pacific Islander adults.

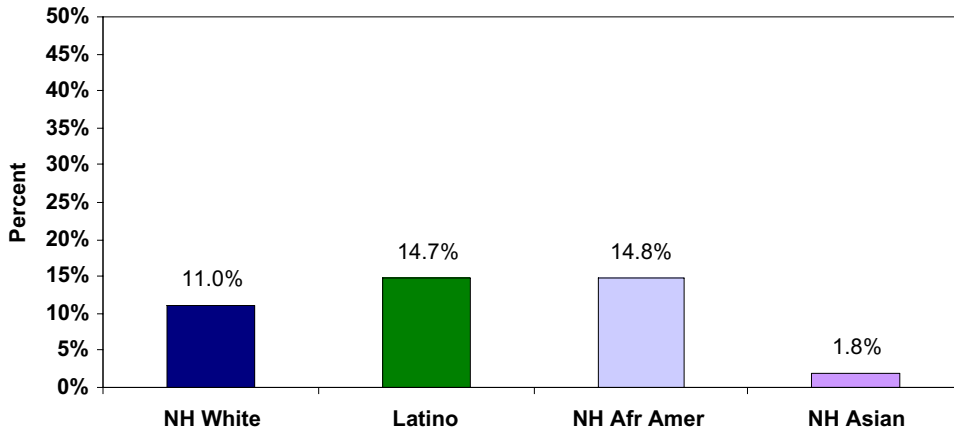


Trend data for Los Angeles in 2000-2001 show that Latino adults had the highest percentage of physical inactivity. On average, in Los Angeles,

42.0% of Latino adults in 2000-2001 were physically inactive, compared to 30.0% of non-Hispanic African-Americans and 23.0% of non-Hispanic Asian/Pacific Islanders. The data also shows that, on average, 20.0% of non-Hispanic whites were physically inactive.

The youth of today are the adults — workers, parents, and citizens — of tomorrow. The health behaviors learned in adolescence are often carried well into adult years. Latino youth present behaviors that could compromise the health of tomorrow s adults.

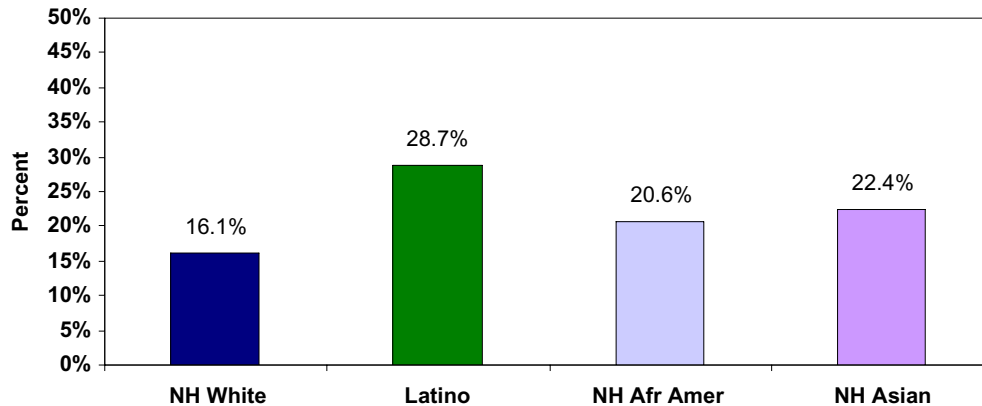
Youth (ages 12-17), Percent Overweight or Obese
Los Angeles County, 2001



Source: California Health Interview Survey, CHIS, 2001

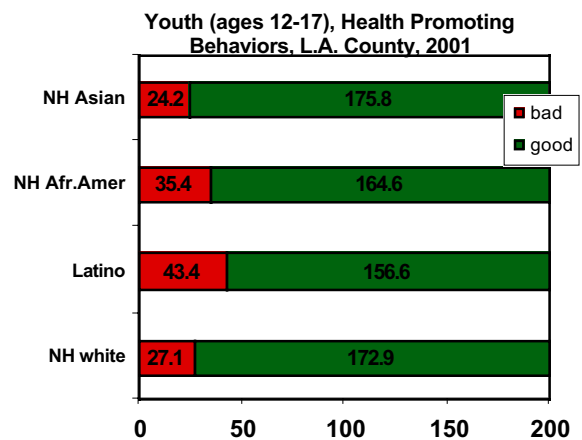
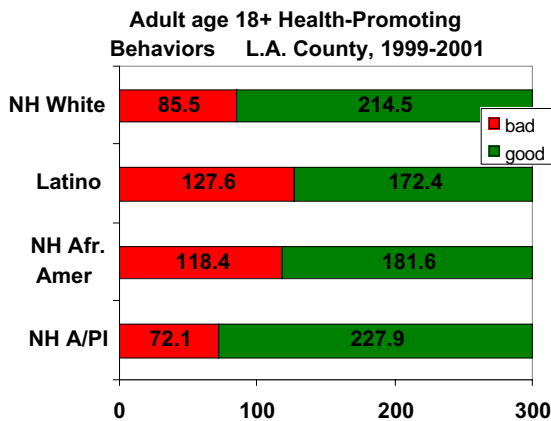
Among youth (ages 12-17) in Los Angeles County in 2001, non-Hispanic African-Americans had the highest percentage of overweight or obese youth, at 14.8%. This was followed extremely closely by Latino youth, at 14.7%. Non-Hispanic white and non-Hispanic Asian youths were classified as 11.0% and 1.8%, respectively, overweight or obese.

**Youth (ages 12-17), Percent Physically Inactive
Los Angeles County, 2001**



Source: California Health Interview Survey, CHIS, 2001

In Los Angeles County in 2001, 28.7% of Latino youths indicated that they did not participate in moderate activity for at least 30 minutes per week, compared to 16.1% of non-Hispanic whites. Non-Hispanic African-Americans and non-Hispanic Asians also had lower percentages of physical inactivity than Latino youths, at 20.6% and 22.4%, respectively.



On the health behavior index (aggregate measure of tobacco use, overweight or obesity, and physical inactivity), 57.5%² of Latino adults

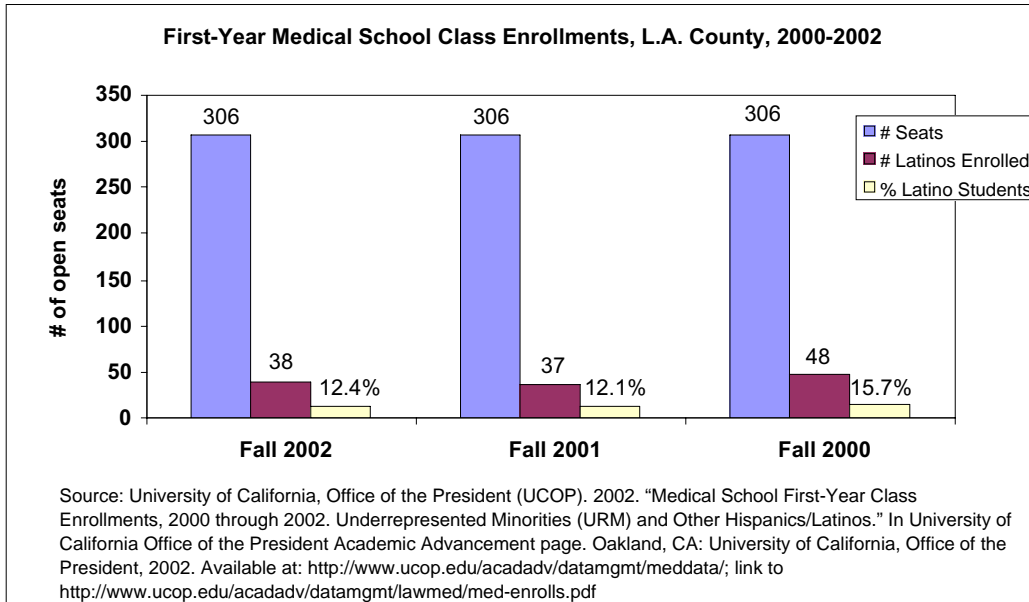
² Percentages for the aggregate measure for adults were calculated by the score of good health-promoting behavior over a total of 300 (accounting for 100% scale of each of the three indicators).

have good health-promoting behaviors (i.e., are not current smokers, not overweight or obese, and participate in physical activity). On the health behavior index for youth (aggregate measure of overweight or obesity, and physical inactivity), 78.3%³ of Latino youths have good health-promoting behaviors (i.e., are not overweight or obese and participate in at least 30 minutes of physical activity per week). Latino adults and youth ranked the lowest in health-promoting behaviors, compared to the county's other major ethnic groups. **GRADE: D**

KEY CONCEPT: A healthy workforce is a productive workforce. We should not allow health-harming behaviors to take root in tomorrow's workforce.

Latino physicians are far more likely to serve in shortage areas, to speak Spanish, and to be culturally competent, than non-Latino physicians. The most direct route to increasing the number of linguistically and culturally competent physicians practicing in shortage areas is to increase the enrollment of the medical students most likely to do so: Latino medical students.

³ Percentages for the aggregate measure for youth were calculated by the score of good health-promoting behavior over a total of 200 (accounting for 100% scale of each of the two indicators).



In Los Angeles County, of the possible 306 open seats in the medical schools (UCLA, USC, Drew), only 38 Latinos were enrolled in the Fall 2002 semester. The data indicates fewer and fewer Spanish-speaking physicians coming out of our medical schools. If this trend continues, this would jeopardize future access to culturally competent physicians that can provide quality health care.

GRADE: F

KEY CONCEPT: Many Latino communities suffer from a severe physician shortage, compounded by the need for linguistic and cultural competency. Increasing the number of Latino medical students is the quickest way to increase both the supply and the competency of the region s physician force.

Vital statistics — conditions at birth and death — are classic indicators that reflect health status of a population. Despite low levels of education, high poverty rates and lack of access to health care that typically lead to poor health outcomes, Latino vital statistics show a strikingly consistent pattern of healthy births and low death rates. Compared to non-Hispanics, Latinos have a higher rate of health birthweights and lower rate of infant

deaths, much lower death rates from heart disease, cancer and stroke, and substantially longer life expectancy.

Health Outcomes		
Condition	Latino	Non-Latino
Low birthweight	5.8%	7.0%
Infant deaths per 1,000 births	5.2	5.7
Heart disease death rate	154.9	243.4
Cancer death rate	117.1	190.4
Stroke death rate	44.0	63.7
Life expectancy	82.5 years	77.3 years

Source: California Department of Health Services

Discussion

In L.A. County unhealthy behaviors are increasing among Latino adults and Latino youths. They are not getting enough exercise, are more often overweight and obese, and are smoking more. The increase in these unhealthy behaviors is alarming because 28.2%⁴ of Latinos don't have health insurance; many speak Spanish and prefer Spanish-speaking physicians who are more culturally approachable and more sensitive to their life experiences. Latinos make up nearly 50% of the population of Los Angeles County and as a community they work hard and contribute to our strong economy. Only recently have the needs of Latinos been focused on separately from those of other minorities by health care researchers, health care providers, and the media. As this segment of the population grows and as these unhealthy behaviors in this population increase, it becomes more and more important to do something to change the lifestyles and habits of Latinos that support unhealthy behaviors.

⁴ California Health Interview Survey (CHIS), 2001. www.chis.ucla.edu.

EDUCATION

Louis G. Tornatzky

Celina Torres

Traci L. Caswell

**Tom s Rivera Policy Institute
University of Southern California**

Introduction

The demographics of Los Angeles County are dramatically different from what they were twenty or even ten years ago. About 47% of the people living in the County are of Hispanic¹ descent. More importantly, Hispanic youth account for over 60% of the K-12 school population. Over the next decade Latino youth will become the most important source of the workforce, emerging leadership, and parents of one of the most important regions in America. Unfortunately, compared to other racial and ethnic groups in the County, Latinos are near the bottom in educational outcomes. It is therefore imperative that they gain educational attainment to maximize skills and future contributions.

Objective

The objective of the scorecard is to identify measures that collectively paint a picture of the status of Latino educational well-being in Los Angeles. These indices will be tracked biannually for a period of up to five years to determine the progress made, if any. The results will be shared in public forums.

Key Concepts

There are several key concepts that should be taken away from this scorecard :

- These outcomes are a result of both participation and program impact. If Latino children do not participate in certain activities such as preschool, they are less likely to realize benefits. In addition, districts and schools vary widely in terms of their apparent ability to educate Latino children.

¹ The terms Hispanic and Latino are used interchangeably throughout this report to refer to individuals who trace their ancestry or origin to the Spanish-speaking parts of Latin

- Despite the County's overall shortcomings, there are school districts and individual schools that do quite well in educating Latino children.
- Educational outcomes need to be considered in context. There are different goals in primary grades versus high school.
- Schools throughout the County need to do better at replicating the "best practices" that some of their peers are using to achieve notable educational success.

Methods

Latino performance was assessed relative to the performance of the second largest student group in the County, White, non-Hispanic. Letter grades were assigned along 15% increments of the White, non-Hispanic outcome (W). According to this formula:

- A = Top of A range was the White non-Hispanic outcome (W)
Bottom of A range was $[W - (15\%W)]$ or 85%W
- B = 84%W to 70% W
- C = 69%W to 55%W
- D = 54%W to 40%W
- F = Below 40%W

For example: The UC/CSU grade was developed as follows:

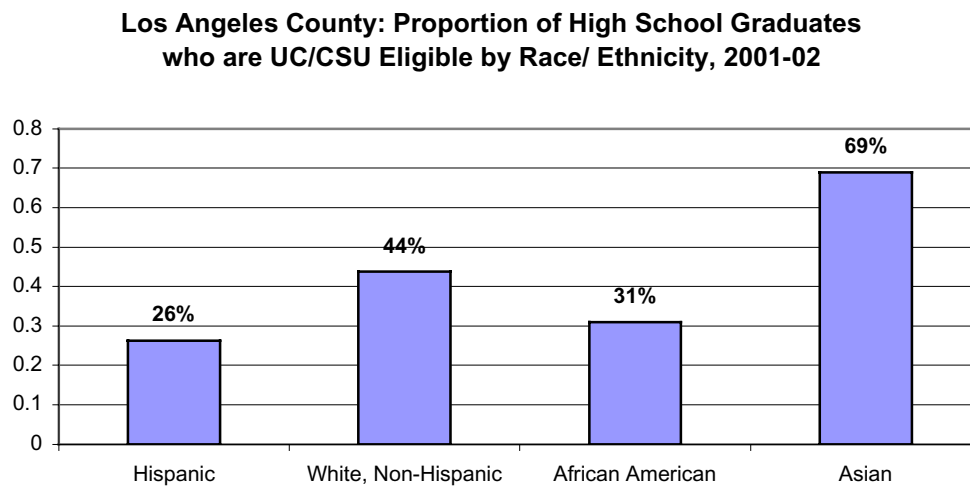
44% of White, non-Hispanic students are UC/CSU eligible. In order for Latino students to receive an A in this category at least 37.4% (85% of 44%) would need to be UC/CSU eligible. Instead, only 26% are eligible. This represents three increments of 15% away from the White non-Hispanic outcome, or a grade of C.

America or the Caribbean. We also use the terms Anglo and white, non-Hispanic interchangeably.

Results

The End Product. Beginning with an end-of-the-pipeline index, we examined the percentage of Latino students who graduate from high school in Los Angeles County that have completed the requirements for admission to the California State University or the University of California system. In an economy in which living wage, entry-level jobs are increasingly demanding post-secondary experience, this seems a reasonable benchmark. Figure 1 shows comparisons across racial and ethnic groups for UC/CSU coursework completion. As can be seen, Hispanic high school graduates score lower than any other group, by a wide margin. **GRADE: C-**

Figure 1.

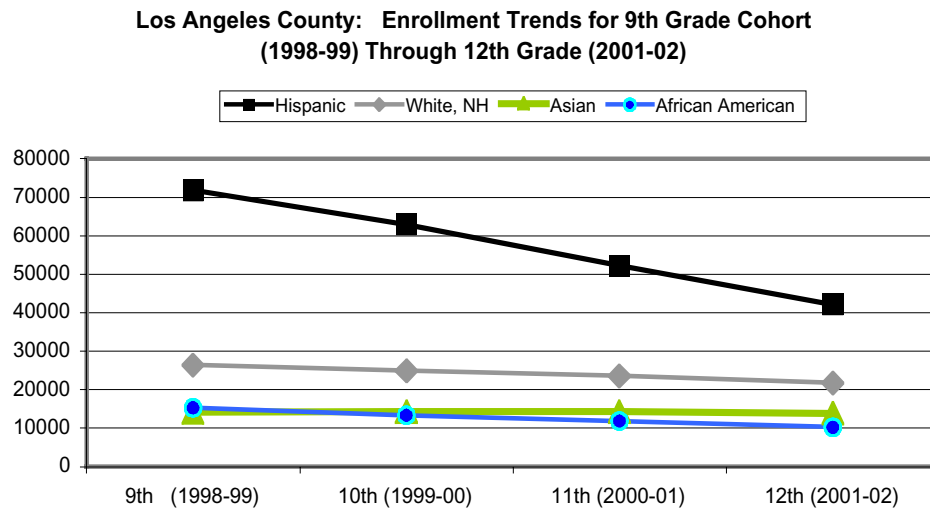


Source: California Department of Education; <http://data1.cde.ca.gov/>; retrieved 8/03

Losses Along the Road. The real story begins to emerge at a deeper level of analysis. For example, the number of students graduating from Los Angeles County high schools represents but a fraction of those who started 9th grade, and data strongly indicate that this fraction is much smaller among Hispanic youth. Figure 2 presents data on the drop-off between 9th grade enrollment and 12th grade enrollment by racial and ethnic group. Hispanics fare poorly, losing over 41% of enrollment over

the four years of high school. The absolute magnitude of this figure in terms of unrealized potential and lost productivity cannot be measured, but is probably substantial. Approximately 30,000 Hispanic youth somehow disappear from the Los Angeles County high school system over four years. **GRADE: D**

Figure 2.



Source: California Department of Education; <http://data1.cde.ca.gov/dataquest/>; retrieved 8/03

Getting Started: Preschool. The participation grade at the close of high school also reflects experiences, or the lack of them, much earlier. Some of the most important schooling happens before kindergarten, as children are exposed to an intellectually enriching preschool experience². At its best, this means a focus on literacy and language skills (ABCs and early phonics), learning to work in groups, early work with numbers, access to books and other educational materials, and the benefit of well-trained, qualified teachers³. It may also mean that health and nutrition needs may

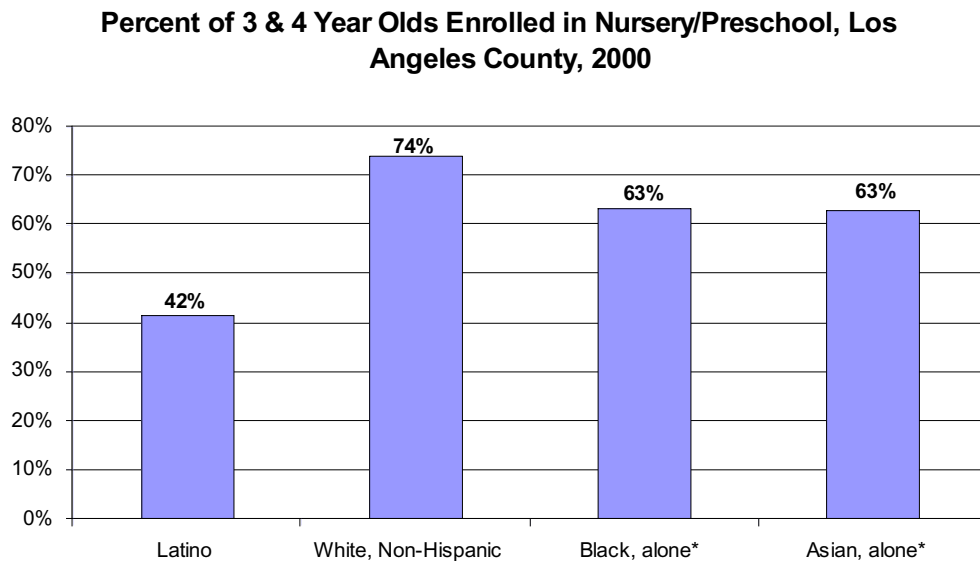
² National Research Council. *Eager to Learn: Educating Our Preschoolers*. Washington, D.C.: Commission on Behavioral and Social Science and Education, National Academy Press, 2000.

³ National Research Council. *Eager to Learn: Educating Our Preschoolers*. Washington, D.C.: Commission on Behavioral and Social Science and Education, National Academy Press, 2000.

be met for children participating in publicly-funded programs like Head Start, so that the fun and challenge of learning can be the primary focus.

What is the preschool experience for Hispanic students in Los Angeles County? One way of answering that question is to look at what fraction of children in Los Angeles County participate in early childhood education. In Los Angeles County, the participation rate is considerably less for Hispanic children relative to other groups. Figure 3 shows the proportion of children ages three to four in Los Angeles County who are enrolled in nursery school or preschool by racial and ethnic group. As can be seen, Hispanic children, again, are losing out in this important educational experience. **GRADE: C-**

Figure 3.



Source: US Census Bureau, 2000
* Includes Hispanics

The Years Between Kindergarten and High School Graduation.

Ideally, many positive things happen between kindergarten and high school graduation. Grade schools lay down a foundation for later education, including giving the Hispanic child a set of facts, skills and

problem-solving capacities. When a child finishes grade school he or she must be literate — speaking and writing (including spelling and grammar) — in the English language, have mastered the basic mathematical building blocks, and have basic subject knowledge of facts and concepts in science, social studies, music and the arts. During middle school, students move from being kids to becoming miniature adults. When middle school works, children grow physically, emotionally, and intellectually. They adapt to their new schedules and routines, and have access to a plethora of extracurricular activities. In effective middle schools, students have academic and social support systems that prepare them for high school. They will have learned how to study and how to think, and they will have a growing understanding and knowledge base about the steps needed to meet college pre-requisite requirements. Following from this base, the successful high school experience will set up a graduate for the post-secondary world. This may mean college, military service, enrollment in a technical school or training program, and combinations of the above. Ideally, the graduate will have many options, both educationally and vocationally. The basics that have been established in the lower grades will be built upon, with more specialized and advanced coursework, as far as the student wants to go.

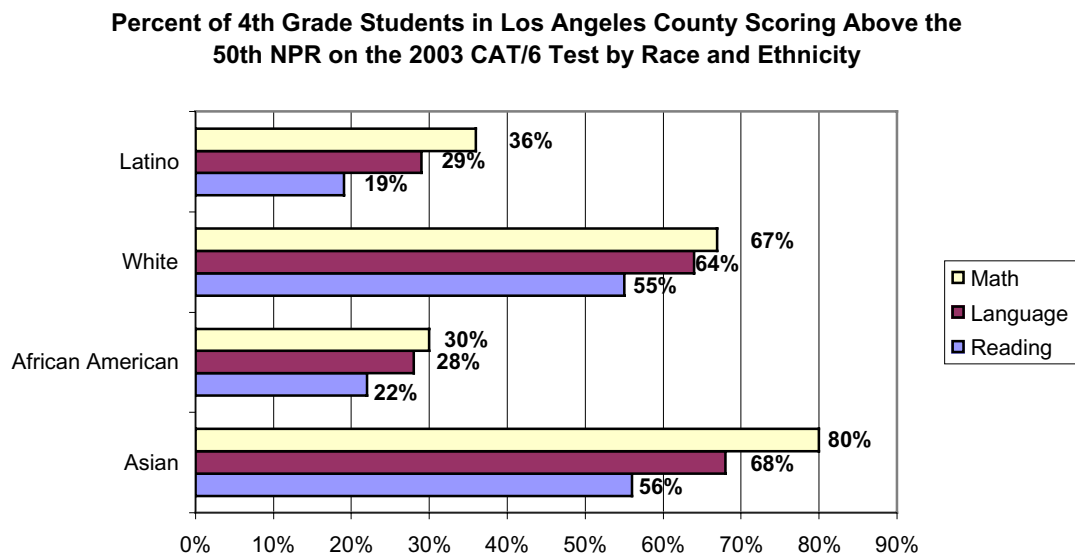
During this twelve-year journey, there are literally hundreds of measures or metrics that might be used to capture the performance of children in Los Angeles County. For the sake of simplicity, we have used one: the fraction of school children in fourth grade who are performing above the 50th National Percentile Rank (NPR)⁴ on the California Achievement Test (CAT/6)⁵ in Reading, Math and Language. Typically, the majority of

⁴ According to the California Department of Education, % Scoring At or Above the 50th NPR is the percent of students in this group that scored at or above where 50% of the students in the national sample scored. The 50th NPR is the percentage of students considered as scoring at or above their grade level on this test.

⁵ According to the California Department of Education, the purpose of administering the CAT/6 is to determine how well each California student is achieving academically

directed reading instruction takes place from K-3. By fourth grade, students are expected to be reading and writing at grade level. Thus, in order to be prepared to learn fourth grade subject content, students must have mastered basic reading and writing skills. If children have not mastered these skills, it is very likely they will fall behind in the years to come.

Figure 4.



Source: California Department of Education; <http://www.star.cde.ca.gov/star2003>; retrieved 10/03

As shown graphically in Figure 4, this crude but encompassing measure yields another discouraging picture of Hispanic student accomplishment. Hispanic children score lower than all other groups, in both math and reading, with the exception of math achievement when compared to African American students.

Reading GRADE: F

Math GRADE: D

Language GRADE: D

compared to a national sample of students tested in the same grade at the same time of

The Potential for a Different Future: The Importance of Exemplary Schools. Is there hope for educating Hispanic children in Los Angeles County? This answer is a definitive yes — if we can learn to pay more attention to those districts and schools that seem to be doing a better job of educating Hispanic children. As an extension of this project, the Tom s Rivera Policy Institute conducted additional analyses of data at the level of school districts and individual schools.

First, we identified those school districts in the County that are among the highest in Hispanic student enrollment⁶. We then asked whether some districts are performing better in terms of realizing educational outcomes for Hispanic children.

Table 1.

Higher Performing* Los Angeles County Latino School Districts
(2003, CAT/6, Grade 4)**

Student Group	At or Above the 50 th NPR		
	Reading	Math	Language
All 4 th Grade White	55%	67%	64%
All 4 th Grade Latino	19%	36%	29%

At or Above the 50 th NPR				
District	Latino	Reading	Math	Language
West Covina Unified	65%	34%	49%	40%
East Whittier City EI	68%	29%	42%	40%
Covina-Valley Unified	58%	29%	48%	38%
Downey Unified	73%	27%	n/a	35%

the school year.

⁶ These included 29 districts that were above the median in the percent of Latino students enrolled, as well as the absolute number of students attending the district. A list of these districts is available from TRPI.

Little Lake City EI	81%	27%	45%	37%
Inglewood Unified	55%	24%	47%	37%
Rowland Unified	59%	23%	47%	n/a
Hacienda la Puente	72%	23%	n/a	n/a
Bassett Unified	91%	n/a	43%	n/a
Norwalk-La Mirada	68%	n/a	n/a	34%

Source: California Department of Education; <http://www.star.cde.ca.gov/star2003> ; retrieved 10/03

*Top quartile of percent of students scoring above the 50th NPR from 29 Latino districts

**Percent of students in district who took the test who were Latino is at or above ‡ 46.7 % (median) and ‡ 4008 (median) students

Table 1 compares the proportion of 4th grade Latino students who score above the 50th NPR in Reading, Math and Language to the proportion of all 4th graders in the County, and to select high performing Latino school districts.⁷ As can be seen, there is significant potential for hope. These ten districts appear to be relatively more effective at meeting the educational needs of Latino children.

We performed an analysis at the level of individual schools. In this case we examined the performance of 4th grade students in 876 schools within those Los Angeles County districts that have the highest overall enrollment of Latinos. We selected those schools that were jointly above the median in percent of Latino enrollment among the 876 schools⁸ and in the top quarter of the 876 schools in terms of percent of students scoring above the 50th NPR in Reading, Math and Language. Using this approach, we identified a number of schools with high percentages of Latino students that are performing well in Reading, Math and Language. In Tables 2 and 3 we identified 46 higher performing schools in Reading, 61 higher performing schools in Math, and 52 higher performing schools in Language. The percent of students scoring at or above the 50th NPR in

⁷ Higher performing Latino school districts are those that have the largest percentage of Latino students scoring above the 50th NPR in three subjects, who also have the largest fraction of Latinos in their student body.

⁸ For the 876 schools, above the median is ‡ 75% Latino total enrollment.

these schools were then compared to all White 4th grade students county-wide and all Latino 4th grade students county-wide.

[Table 2.](#)

Higher Performing* Latino Los Angeles County Schools: READING
(2003, CAT/6, Grade 4)**

Student Group	At or Above 50th NPR
All 4th Grade White	55
All 4th Grade Latino Students	19%

School	At or Above 50th NPR	Latino	District
Perez (Alphonso B.) Elementary	53%	90%	LAUSD-H
Clifford Street Elementary	48%	87%	LAUSD-E
Lakeview Elementary	38%	76%	Little Lake City Elementary
Santa Fe Elementary	37%	80%	Baldwin Park Unified
Lemay Street Elementary	36%	79%	LAUSD-C
Washington Elementary	36%	91%	Lynwood Unified
Magnolia Elementary	34%	82%	Azusa Unified
Herrick Avenue Elementary	34%	88%	LAUSD-B
Unsworth Elementary	33%	79%	Downey Unified
Durfee Elementary	33%	90%	El Rancho Unified
Palm Elementary	33%	81%	Hacienda la Puente
Price Elementary	32%	77%	Downey Unified
La Colima Elementary	31%	79%	East Whittier
Vena Avenue Elementary	31%	81%	LAUSD-B
Allison Elementary	31%	82%	Pomona Unified
Merwin Elementary	30%	87%	Covina-Valley Unified
Chase Street Elementary	30%	86%	LAUSD-A
Mayberry Street Elementary	30%	79%	LAUSD-E
Morrison (Julia B.) Elementary	30%	82%	Norwalk-La Mirada Unified
Andrews N.W. Elementary	30%	82%	Whittier City Elementary
Old River Elementary	29%	76%	Downey Unified
Oak Street Elementary	29%	86%	Inglewood Unified
Orr (William W.) Elementary	29%	83%	Little Lake City Elementary
Elysian Heights Elementary	29%	88%	LAUSD-F
Hubbard Street Elementary	29%	90%	LAUSD-B
Ramona Elementary	29%	77%	LAUSD-E
Rosewood Park Elementary	29%	95%	Montebello Unified
Shadybend Elementary	29%	88%	Hacienda la Puente
Rio Hondo Elementary	28%	80%	Downey Unified
Laurel Elementary	28%	79%	East Whittier
Mulberry Elementary	28%	79%	East Whittier
Cherrylee Elementary	28%	75%	El Monte City Elementary
Valencia Elementary	28%	96%	El Rancho Unified
Jersey Avenue Elementary	28%	93%	Little Lake City Elementary
Aldama Elementary	28%	96%	LAUSD-E

School	At or Above		District
	50th NPR	Latino	
Lake Marie Elementary	28%	84%	South Whittier Elementary
Gauldin Elementary	27%	86%	Downey Unified
Ceres Elementary	27%	83%	East Whittier
Birney (Alice M.) Elementary	27%	94%	El Rancho Unified
Paddison Elementary	27%	82%	Little Lake City Elementary
Burbank Elementary	27%	76%	Long Beach Unified
Shirley Avenue Elementary	27%	77%	LAUSD-C
McKibben (Howard) Elementary	27%	80%	South Whittier Elementary
Fairgrove Academy (K-8)	27%	85%	Hacienda la Puente
Sparks Elementary	27%	93%	Hacienda la Puente
La Seda Elementary	27%	92%	Rowland Unified

Source: California Department of Education; <http://www.star.cde.ca.gov/star2003>; retrieved 10/3

*Top quartile of percent of students scoring above the 50th NPR from 875 schools in Reading ($\pm 27\%$)

**Percent of students who took the test who were Latino is at or above 75%, for all grades.

Table 3.

Higher Performing* Latino Los Angeles County Schools: MATH**
(2003, CAT/6, Grade 4)

Student Group	At or Above 50th NPR	.
All 4th Grade White	67%	.
All 4th Grade Latino	36%	.

School	At or Above 50th NPR	Latino	District
Clifford Street Elementary	66%	87%	LAUSD-E
Pio Pico Elementary	64%	94%	El Rancho Unified
Merwin Elementary	62%	87%	Covina-Valley Unified
Mayberry Street Elementary	61%	79%	LAUSD-E
Shadybend Elementary	61%	88%	Hacienda la Puente
Shirley Avenue Elementary	59%	77%	LAUSD-C
Washington Elementary	59%	91%	Lynwood Unified
Allison Elementary	59%	82%	Pomona Unified
Stevenson Elementary	58%	82%	Long Beach Unified
Lemay Street Elementary	58%	79%	LAUSD-C
Sterry (Nora) Elementary	58%	81%	LAUSD-D
Pleasant View Elementary	56%	95%	Baldwin Park Unified
Ramona Elementary	56%	77%	LAUSD-E
Santa Fe Elementary	55%	80%	Baldwin Park Unified
Normont Elementary	55%	80%	LAUSD-K
Osceola Street Elementary	55%	93%	LAUSD-B
Morrison (Julia B.) Elementary	55%	82%	Norwalk-La Mirada Unified
Lakeview Elementary	54%	76%	Little Lake City Elementary
Garden Grove Elementary	53%	76%	LAUSD-C
McKibben (Howard) Elementary	53%	80%	South Whittier Elementary
Vanwig (J. E.) Elementary	52%	90%	Bassett Unified
Westmont Elementary	52%	85%	Pomona Unified
Hurley Elementary	52%	96%	Rowland Unified
Magnolia Elementary	51%	82%	Azusa Unified
Oak Street Elementary	51%	86%	Inglewood Unified
Fairgrove Academy (K-8)	51%	85%	Hacienda la Puente
Northam Elementary	51%	94%	Rowland Unified
Foster Elementary	50%	89%	Baldwin Park Unified
Paddison Elementary	50%	82%	Little Lake City Elementary
Kingsley Elementary	50%	84%	Pomona Unified
Lake Marie Elementary	50%	84%	South Whittier Elementary
Lassalette Elementary	50%	93%	Hacienda la Puente

School	At or Above 50th NPR	Latino	District
Durfee Elementary	49%	90%	El Rancho Unified
Burbank Elementary	49%	76%	Long Beach Unified
Cantara Street Elementary	49%	83%	LAUSD-C
Glenfeliz Boulevard Elementary	49%	77%	LAUSD-E
Sparks Elementary	49%	93%	Hacienda la Puente
Rorimer Elementary	49%	86%	Rowland Unified
Villacorta Elementary	49%	91%	Rowland Unified
Price Elementary	48%	77%	Downey Unified
Evergreen Elementary	48%	94%	East Whittier City
Payne(Buelah) Elementary	48%	90%	Inglewood Unified
Broad Avenue Elementary	48%	84%	LAUSD-K
Marianna Avenue Elementary	48%	99%	LAUSD-H
Lane (Robert Hill) Elementary	48%	95%	LAUSD-H
Walgrove Avenue Elementary	48%	79%	LAUSD-D
Andrews N.W. Elementary	48%	82%	Whittier City Elementary
Erwin (Thomas E.) Elementary	47%	92%	Bassett Unified
La Seda Elementary	47%	92%	Rowland Unified
Ceres Elementary	46%	83%	East Whittier City Elementary
Monte Vista Street Elementary	46%	94%	LAUSD-E
San Pedro Street Elementary	46%	98%	LAUSD-H
Lincoln Elementary	46%	96%	Lynwood Unified
Voorhis (Jerry) Elementary	46%	91%	Mountain View Elementary
Edgewood Academy Elementary	45%	80%	Bassett Unified
Cresson Elementary	45%	86%	Little Lake City Elementary
Studebaker Elementary	45%	76%	Little Lake City Elementary
Aldama Elementary	45%	96%	LAUSD-E
Garvanza Elementary	45%	88%	LAUSD-E
Glenwood Elementary	45%	88%	LAUSD-B
Telechron Elementary	45%	91%	South Whittier Elementary

Source: California Department of Education; <http://www.star.cde.ca.gov/star2003>; retrieved 10/03

*Top quartile of percent of students scoring at or above the 50th NPR from 875 schools in Math (±.45)

** Percent of students who took the test who were Latino is at or above 75%, for all grades.

Table 4.

Higher Performing* Latino Los Angeles County Schools: LANGUAGE**
(2003, CAT/6, Grade 4)

At or Above 50th	
*Student Group	NPR
All 4th Grade White	64%
All 4th Grade Latino	29%

At or Above 50th			
School	NPR	Latino	District
Washington Elementary	55%	91%	Lynwood Unified
Lakeview Elementary	54%	76%	Little Lake City Elementary
Normont Elementary	53%	80%	LAUSD-K
Perez (Alphonso B.) Elementary	53%	90%	LAUSD-H
Mayberry Street Elementary	52%	79%	LAUSD-E
Shadybend Elementary	52%	88%	Hacienda la Puente
Clifford Street Elementary	48%	87%	LAUSD- E
La Colima Elementary	47%	79%	East Whittier City
Orr (William W.) Elementary	47%	83%	Little Lake City Elementary
Ramona Elementary	47%	77%	LAUSD-E
Pio Pico Elementary	46%	94%	El Rancho Unified
Morrison (Julia B.) Elementary	46%	82%	Norwalk-La Mirada Unified
Santa Fe Elementary	45%	80%	Baldwin Park Unified
Herrick Avenue Elementary	45%	88%	LAUSD-B
Unsworth Elementary	44%	79%	Downey Unified
Birney (Alice M.) Elementary	44%	94%	El Rancho Unified
Garden Grove Elementary	43%	76%	LAUSD-C
Glen Alta Elementary	43%	92%	LAUSD-F
Glenfeliz Boulevard Elementary	43%	77%	LAUSD-E
Allison Elementary	43%	82%	Pomona Unified
Lake Marie Elementary	43%	84%	South Whittier Elementary
Durfee Elementary	42%	90%	El Rancho Unified
Obregon (Eugene A.) Elementary	42%	91%	El Rancho Unified
Magnolia Elementary	41%	82%	Azusa Unified
Merwin Elementary	41%	87%	Covina-Valley Unified
Osceola Street Elementary	41%	93%	LAUSD-B
Vena Avenue Elementary	41%	81%	LAUSD-B
Rosewood Park Elementary	41%	95%	Montebello Unified
Ceres Elementary	40%	83%	East Whittier City
Broad Avenue Elementary	40%	84%	LAUSD-K
Latona Avenue Elementary	40%	86%	LAUSD-F
Serry (Nora) Elementary	40%	81%	LAUSD-D
Shirley Avenue Elementary	40%	77%	LAUSD-C

At or Above 50th			
School	NPR	Latino	District
Walgrove Avenue Elementary	40%	79%	LAUSD-D
Lincoln Elementary	40%	96%	Lynwood Unified
Edgewood Academy Elementary	39%	80%	Bassett Unified
Price Elementary	39%	77%	Downey Unified
Old River Elementary	39%	76%	Downey Unified
Oak Street Elementary	39%	86%	Inglewood Unified
Harbor City Elementary	39%	85%	LAUSD-K
Lemay Street Elementary	39%	79%	LAUSD-C
Lane (Robert Hill) Elementary	39%	95%	LAUSD-H
Loma Vista Elementary	39%	92%	South Whittier Elementary
Rio Hondo Elementary	38%	80%	Downey Unified
Rivera Elementary	38%	97%	El Rancho Unified
Jersey Avenue Elementary	38%	93%	Little Lake City Elementary
Burbank Elementary	38%	76%	Long Beach Unified
Buchanan Street Elementary	38%	86%	LAUSD-E
Fullbright Avenue Elementary	38%	77%	LAUSD-C
Johnston (D. D.) Elementary	38%	80%	Norwalk-La Mirada Unified
Kingsley Elementary	38%	84%	Pomona Unified
Fairgrove Academy (K-8)	38%	85%	Hacienda la Puente Unified

Source: California Department of Education; <http://www.star.cde.ca.gov/star2003>; retrieved 10/03

*Top quartile of schools with largest percent of students scoring at or above 38% NPR (quartile cutoff $\geq 38\%$)

**Percent of students who took the test who were Latino is at or above 75%, all grades.

Finally, we performed an even more stringent analysis at the school level. In this case we examined the performance of 4th grade students who are economically disadvantaged in 834 schools within those Los Angeles County districts that have the highest overall enrollment of Latinos. We selected those schools that were: 1) above the median in percent of economically disadvantaged students among the 834 schools,⁹ 2) in the top quarter of the 834 schools in terms of percent of students scoring above the 50th NPR in Reading, Math and Language,¹⁰ and 3) above the median in Latino enrollment.¹¹ Using this approach, we identified a number of schools with high percentages of economically disadvantaged students that are performing relatively well in Reading, Math and Language. In Tables 5, 6 and 7 we identified 7 higher performing schools

⁹ Percent of students who took the test was at or above 84%

¹⁰ For specific quartile cutoff number see footnotes for each individual table

in Reading, 30 higher performing schools in Math, and 20 higher performing schools in Language. The percent of students scoring at or above the 50th NPR in these schools were then compared to all White students county-wide and all economically disadvantaged students county-wide.

Table 5.

Higher Performing* Economically Disadvantaged Los Angeles County Schools with High Latino*** Populations: READING (2003, CAT/6, Grade 4)**

Student Group	At or Above 50th NPR
All 4th Grade White	55%
All 4th Grade Economically Disadvantaged	19%
All 4th Grade Latino	19%

School	At or Above 50th NPR	Economically disadvantaged	Latino	District
Oak Street Elementary	29%	100%	86%	Inglewood Elementary
Aldama Elementary	29%	99%	96%	LAUSD-E
Clifford Street Elementary	45%	88%	87%	LAUSD-E
Elysian Heights Elementary	27%	100%	88%	LAUSD-F
Herrick Avenue Elementary	34%	86%	88%	LAUSD-B
Lemay Street Elementary	36%	86%	79%	LAUSD-C
Mayberry Street Elementary	34%	100%	79%	LAUSD-E
Perez Alphonso B. Elementary	56%	100%	90%	LAUSD-H
Ramona Elementary	29%	100%	77%	LAUSD-E
Washington Elementary	38%	85%	91%	Lynwood Unified
Rosewood Park Elementary	28%	100%	95%	Montebello Unified

Source: California Department of Education: <http://www.star.cde.ca.gov/star2003>; retrieved 10/03

*Top quartile of economically disadvantaged schools with largest percent of students scoring at or above 50 NPR from 834 school in Reading (quartile cutoff > 27)

**Percent of students who participate in the National School Lunch Program (NLP) is at or above 84% (median NLP outcome from 875 schools)

***Percent of students who took test, all grades, is at or above 75% Latino

¹¹ Percent of students who took the test was at or above 75% Latino

Table 6.

Higher Performing* Economically Disadvantaged Los Angeles County Schools with High Latino*** Populations: MATH (2003, CAT/6, Grade 4)**

Student Group	At or Above 50th NPR	.	.	.
All 4th Grade White	67%			
All 4th Grade Economically Disadvantaged	35%			
All 4th Grade Latino	36%	.	.	.

School	At or Above 50th NPR	Economically disadvantaged	Latino	District
Vanwig (J.E.) Elementary	48%	86%	90%	Bassett Unified
Pio Pico Elementary	65%	87%	94%	El Rancho Unified
Oak Street Elementary	50%	100%	86%	Inglewood Unified
Aldama Elementary	46%	99%	96%	LAUSD-E
Cantara Street Elementary	49%	88%	83%	LAUSD-C
Clifford Street Elementary	67%	88%	87%	LAUSD-E
Garden Grove Elementary	52%	84%	76%	LAUSD-C
Garvanza Elementary	49%	100%	88%	LAUSD-E
Glenfeliz Blvd. Elementary	52%	88%	77%	LAUSD-E
Glenwood Elementary	47%	100%	88%	LAUSD-B
Lane (Robert Hill) Elementary	49%	89%	95%	LAUSD-H
Lemay St. Elementary	62%	86%	79%	LAUSD-C
Marianna Avenue Elementary	49%	100%	99%	LAUSD-H
Mayberry St. Elementary	67%	100%	79%	LAUSD-E
Monte Vista Street Elementary	46%	100%	94%	LAUSD-E
Normont Elementary	50%	100%	80%	LAUSD-K
Osceola Street Elementary	55%	100%	93%	LAUSD-B
Ramona Elementary	57%	100%	77%	LAUSD-E
San Pedro Elementary	47%	99%	98%	LAUSD-H
Walgrove Avenue Elementary	47%	89%	79%	LAUSD-D
Burbank Elementary	46%	100%	76%	Long Beach Unified
Stevenson Elementary	56%	100%	82%	Long Beach Unified
Lincoln Elementary	46%	94%	96%	Lynwood Unified
Washington Elementary	60%	85%	91%	Lynwood Unified
Voorhis (Jerry) Elementary	48%	100%	91%	Mountain View Elementary
Kingsley Elementary	47%	91%	84%	Pomona Unified
Hurley Elementary	52%	92%	96%	Rowland Unified
La Seda Elementary	46%	91%	92%	Rowland Unified
Northam Elementary	52%	87%	94%	Rowland Unified
Villacorta Elementary	48%	86%	91%	Rowland Unified

Source: California Department of Education: <http://www.star.cde.ca.gov/star2003>; retrieved 10/03

*Top quartile of economically disadvantaged schools with largest percent of students scoring at or above 50 NPR from 834 school in Math (quartile cutoff > 45)

**Percent of students who participate in the National School Lunch Program (NLP) is at or above 84% (median NLP outcome from 875 schools)

***Percent of students who took test, all grades, is at or above 75% Latino

Table 7.

Higher Performing* Economically Disadvantaged Los Angeles County Schools with High Latino*** Populations: LANGUAGE (2003, CAT/6, Grade 4)**

Student Group	At or Above 50th NPR
All 4th Grade White	64%
All 4th Economically Disadvantaged	28%
All 4th Grade Latino	29%

School Name	At or Above 50th NPR	% Economically disadvantaged	% Latino***	District Name
Pio Pico Elementary	41%	87	94	El Rancho Unified
Oak Street Elementary	39%	100	86	Inglewood Unified
Buchanan Street Elementary	40%	91	86	LAUSD-E
Clifford Street Elementary	48%	88	87	LAUSD-E
Garden Grove Elementary	38%	84	76	LAUSD-C
Glen Alta Elementary	43%	100	92	LAUSD-F
Glenfeliz Boulevard Elementary	41%	88	77	LAUSD-E
Harbor City Elementary	40%	100	85	LAUSD-K
Herrick Avenue Elementary	44%	86	88	LAUSD-B
Lane (Robert Hill) Elementary	38%	89	95	LAUSD-H
Latona Avenue Elementary	41%	100	86	LAUSD-F
Lemay Street Elementary	49%	86	79	LAUSD-C
Mayberry Street Elementary	55%	100	79	LAUSD-E
Normont Elementary	46%	100	80	LAUSD-K
Osceola Street Elementary	42%	100	93	LAUSD-B
Perez (Alphonso B.) Elementary	56%	100	90	LAUSD-H
Ramona Elementary	46%	100	77	LAUSD-E
Walgrove Avenue Elementary	40%	89	79	LAUSD-D
Lincoln Elementary	39%	94	96	Lynwood Unified
Rosewood Park Elementary	40%	100	95	Montebello Unified

Source: California Department of Education: <http://www.star.cde.ca.gov/star2003>; retrieved 10/03

*Top quartile of economically disadvantaged schools with largest percent of students scoring at or above 50 NPR from 834 school in Language (quartile cutoff > 38)

**Percent of students who participate in the National School Lunch Program (NLP) is at or above 84% (median NLP outcome from 875 schools)

***Percent of students who took the test who were Latino is at or above 75%.

These data give a basis for encouragement, and these higher performing schools should be congratulated and encouraged. While there is room for improvement in terms of educational outcomes, they are clearly making notable progress. We must better understand how they are achieving these results (best practices) and replicate them widely across the region, state, and country. This is a

challenge that is being addressed nationally by organizations such as The Education Trust¹² and the Center for Research on the Education of Students Placed at Risk¹³ (CRESPAR), but which could also be pursued with considerable vigor by local leaders from public, private and non-profit sectors.

Discussion

In summary:

- The educational performance of Hispanic students in Los Angeles County is considerably less than optimal.
- There is great disparity across school districts in the performance and achievement of Hispanic students and how well they are served by their school experience.
- There is great variation across individual schools, and it is clear that there are some schools that are serving Latino students at a higher level while others are not meeting this goal.

This raises several important issues for further debate and immediate action:

- What and how can we learn from these schools — locally and nationally - and what can we do to make sure the lessons of their higher performance can be widely shared? In effect, how can we stimulate the process of innovation via the replication of what has been demonstrated to succeed?
- How can we encourage parents, community leaders, and school leaders to reach common cause on what to do on issues of school improvement?

Whatever actions are prompted as a result of this and other reports,¹⁴ the goal should be to bring more schools and districts out of the shadows of limited

¹² Ali, Russlynn and Jerald, Craig. (2001). *Dispelling the Myth in California: Preliminary Findings from a State and Nationwide Analysis of High-Flying Schools*. Washington, DC: The Education Trust. Other reports and tools are available at: <http://www.edtrust.org>

¹³ For a wide selection of reports and information: <http://www.csos.jhu.edu/crespar>

¹⁴ For a more expansive discussion of the general issues of Hispanic K-12 education, the reader is referred to: Tornatzky, Louis G., Pachon, Harry P. and Torres, Celina. (2003) *Closing Achievement Gaps. Improving Educational Outcomes for Hispanic Children*. Washington, DC and

aspirations and limited outcomes for Hispanic children. The social and economic success of our region, our state, and our society depend upon it.

Economic Development

**Joel Kotkin
Erika Ozuna**

Pepperdine University

Latinos are the greatest challenge - and best hope — for the future of the L.A. economy. How Latinos do economically by creating wealth, owning property and businesses, will determine the fate of the Southland economy. — Joel Kotkin, Pepperdine University

INTRODUCTION

Over the past decade, Los Angeles economic recovery grew out of two basic elements: the increased diversification of the economy and a shift away from dependence on large corporations towards a growing reliance on small and medium-size enterprises.

This transformation took place at a period of accelerating ethnic change. In 1980, there were 2,066,103 Hispanics in Los Angeles County making 27.6% of the total population. By 1990, Hispanics made up 37.8% of all Angelinos, while the 2000 Census revealed that there were 4.2 million Hispanics (44.6%) in L.A. County. Latinos now make up the largest share of the population within the 18th largest economy in the world — Los Angeles County economy. The increased presence of Latinos in the area deserves special attention. Addressing the needs of Latinos and assisting them to achieve economic prosperity is not an ethnic issue anymore; it is essential to the future of the entire region.

Within Los Angeles, and around the country, small businesses have become the critical driver of economic growth. New businesses generate new employment opportunities for the communities thereby improving their living conditions. It is by providing a good environment (geographical, economic, social, and political) for the development and nurturing of this self-empowerment spirit that economic growth can be accelerated for the Latino. Small businesses not only account for approximately half of the private gross domestic output, but they also employ more than half of the private sector work force, and provide three-fourths of the new jobs each year.¹⁵

¹⁵ Cavalluzzo, Ken, and Wolken, John, *Small Business Loan Turndowns, Personal Wealth and Discrimination*, Georgetown University and Federal Reserve System, July 2002

The critical factors behind entrepreneurial growth include the availability of reasonably priced buildings or office space, good workers, reliable transportation and mail, good communications infrastructure, training, a stable economy, and government policies favoring businesses. Note two prominent researchers in the area: The entrepreneurs appear to be saying that regulatory and political considerations are strongly outweighed by economic factors. Give them a supportive environment and they will make a go for it.¹⁶ Since small and medium-sized businesses (mainly minority-owned) are the driving force and base of the economy, public officials, educators and business groups in L.A. County should be responsible for the support and development of entrepreneurs and their businesses.

METHODOLOGY AND GRADING

In terms of research, we performed primary and secondary research. The primary research consisted in interviewing key people involved in economic development in different industries. The purpose of the variety of the group was to get a better understanding of the dynamics and necessities of this area from different perspectives. The secondary research consisted in accumulating and analyzing articles, studies, and key statistics from reliable sources. This research provided the information for an evaluation of the economic status of Latinos.

After evaluating the research and comparing key Latino statistics to other racial groups, a grade that reflected these two aspects was given. First of all, we selected the appropriate statistics to serve as indicators of Latino s economic development progress. After evaluating the data for Latinos in L.A. County, we have compared it to the data of African Americans, Whites, and Asians and/or non-Latinos as a group. This process set the stage for providing a grade for Latinos by comparing them to the other groups. For the income indicator, Latinos were given a C because Asians and Whites median household income

¹⁶ Baker, Herbert George, and Kecharananta, Nattaphan, *What Facilitates Entrepreneurship?*,

was much higher than Latinos . The same letter grade (C) was given to Latinos for business ownership because in spite of their entrepreneurial spirit, Asians far exceed them in business ownership while having a smaller share of the population. For unemployment, Latinos received a higher letter grade, a B, because if compared to the total unemployment rate of L.A. County the difference is not much, but there is still work to do. The overall grade (C) was given because Latinos economic progress has a lot of opportunity to advance/grow.

INDICATORS

(Note: Data by ethnicity is not available in some cases)

1. Income (Census 2000 Data)

Grade: C

The median income for all Latino households is \$33,820, compared to about \$42,000 for the county as a whole. However, since Latinos generally tend to have larger, younger families, their per capita income of \$11,100 is far lower than the per capita income of other ethnic groups. Still, the Latino community as a whole has an enormous economic effect with an aggregate household income of almost \$45.9 billion dollars. In terms of median household income (1999), Hispanics have \$33,820, Whites non-Hispanics \$53,978, Asians \$47,631, and African Americans have \$31,905. The 1999 Per Capita Income was \$11,100 for Hispanics, \$35,785 for Whites non-Hispanic, \$20,595 for Asians, and \$17,341 for African Americans.



Source: US Census Bureau 2000

2. *Business Ownership*

Grade: C

According to a survey on small businesses owned by at least 51% of a minority done by MarketPlace, L.A. County has approximately 10,800 Asian-owned businesses employing 83,100 persons and 1,800 Black-owned businesses with 20,300 workers. Although lagging far behind Asians, there are at least 3,000 Latino businesses in L.A. County employing approximately 43,600 people. These Latino-owned businesses are concentrated in the business services and construction trades with the business services-driven firms employing the largest share of people. While the number of Latino construction firms is much greater than the Latino enterprises focused on the wholesale trade of nondurable goods, the latter employs approximately the same number of people.¹⁷

Latino-Owned Businesses

The business services industry has the highest number of Latino businesses — 362. The next industry with the largest number of Latino owners is construction counting with 214 and followed by SIC 83 engineering, accounting, research, management, and related services with 195 establishments. The 364 Latino enterprises in the business services employ 14,040 workers. The Latino

businesses in the construction sector employ 2,847 persons, while the 70 Latino businesses in the wholesale trade of nondurable goods sector employ 2,714 workers.¹⁸

Asian-Owned Businesses

There are 1,010 Asian-owned businesses in the wholesale trade of durable goods, 902 in the wholesale trade of nondurable goods, and 874 in the business services. These three industries also have the top 3 highest number of employees: business services with 8,603 workers, wholesale of durable goods employs 8,270, while wholesale of nondurable goods has 7,783 employees.¹⁹

Black-Owned Businesses

The industries with the highest numbers of African-American-owned businesses are business services with 316 black-owned businesses, engineering, accounting, research, management, and related services with 216 Black companies, and personal services with 145. African-American-owned businesses in the engineering, accounting, research, management and related services industry employ the greatest number of persons, approximately 7,000, while those in business services employ about 3,700 followed by construction employing 730 workers.²⁰

■

Source: MarketPlace Database

¹⁷ MarketPlace Database

¹⁸ MarketPlace Database

¹⁹ MarketPlace Database

The numbers in the MarketPlace data are far less than those of the Census data because the MarketPlace numbers come from a survey of a sample, not all of the businesses, of at least 51% minority-owned. Comparing the MarketPlace data to the Economic Census numbers, although different, they portray the same picture. The Latino businesses in both data sets employ fewer people than the Asian-owned businesses. The Black owned-businesses still have a long way to go in order to catch up with the other minority groups.



Source: Minority-Owned Businesses in L.A. County — 1997 Census Data (see Appendix A)

3. Unemployment in L.A. County

Grade: B

Latino unemployment typically falls somewhere between the highest and lowest rates for all the ethnic groups. The unemployment rate for L.A. County Latinos was 7.3% for males in June 2003, while the non-Hispanic rate was 6.6%. Labor force participation among Latinos is very strong, particularly in light of the

²⁰ MarketPlace Database

legal issues that many immigrants face: 68% of all Latino males are in the labor market, compared with 62% of all non-Hispanics.²¹



Source: US Bureau of Labor Statistics

GRADE

Overall Grade: C

The economic development indicators clearly demonstrate the integral link between educational attainment and income. While Latinos have a strong work ethic and a thriving entrepreneurial spirit, too many are earning at a low income level. The Latino business community will continue to grow only if there is an increased emphasis on achieving higher levels of education and job skills training, coupled with more business support for aspiring entrepreneurs and an increased access to capital. These are the essential ingredients that will create a future of economic success for all of Los Angeles County.

KEY CONCEPT

In an attempt to follow the most effective strategies that will accelerate the economic growth of Latinos in L.A. County, we have narrowed the focus of action to two main areas — access to employment opportunities/job creation and support for Latino entrepreneurs and businesses. These two areas encompass the key elements and issues that need to be dealt with for our purpose. The strategy to support Latino businesses concentrates on overall business development issues:

²¹ US Bureau of Labor Statistics

promoting economic growth in Latino neighborhoods, providing better business development information to prospective and existing Latino entrepreneurs. This also includes some attention to ways of providing better access to capital. These strategies are the most direct, effective means to boost income and employment opportunity both for Latino families and individuals.

ANALYSIS OF THE OBSTACLES

Insufficient Business Development Resources in Latino Areas

Latino dominated areas vary widely in terms of the degree of business development. This has a direct impact on the services provided to Latino businesses and consumers. Historically many of these areas have been underserved in terms of critical business infrastructure such as parking, lights, public safety and amenities.

Today however there are examples of prosperous Latino shopping districts, such as in Huntington Park and San Fernando that have created opportunities for Latino businesses as well as tax revenues to localities. Some areas have also managed to attract manufacturing businesses which are often owned by Latinos and employ large numbers of Latinos.

These areas are often all poorly served by financial institutions, which are the prime source of new and expansion capital for businesses. Policies that encourage new investment in these areas --- and business development --- would do much to improve the prospects for Latino entrepreneurs as well as consumers.

Access to Capital

California ranks 11th place in the nation for having a high small business ownership rate — approximately 14.31% of the state s labor force owns a firm.²² A high business ownership rate is important for the opportunities of Latino residents to accumulate wealth, but many have difficulties obtain capital to start

²² Corporation for Enterprise Development, *State Asset Development Report Card: Benchmarking Asset Development in Fighting Poverty*, 2002

their business. Regulatory and legal matters, language barriers, and cultural differences are some of the biggest obstacles for Latinos to obtain loans. In fact, Latinos occupy a miniscule presence in the private banking industry, and they pay the price by regularly incurring higher interest rates on loans. Latinos being one of the largest ethnic groups in L.A. County and representing an incredible potential market for lenders, banks and financial institutions should be encouraged to target this market more aggressively.

Fortunately, there are signs of change as more banks are finally looking for ways to get a piece of \$580 billion buying power.²³ Banks such as Bank of America, Wells Fargo, and Banco Popular are increasing loans to the expanding Hispanic business community. Another reason for banks to seek out the Hispanic market is customer loyalty - Latinos are very loyal to brands and companies that serve them well. Even though efforts to address this market exist, Latinos are still underserved by banks. However, many Latin entrepreneurs still rely on self-financing-or that of friends and family-to start and grow companies. Held back by an inherit distrust of banks, lack of documentation and credit histories, they largely avoid bank financing.²⁴

According to Cavalluzo and Wolken, minority-owned businesses had significantly higher denial rates than whites. In particular, African Americans were denied credit at more than 2 _ times the rate of whites, while Hispanics and Asians were denied credit at about twice the rate of whites.²⁵ Business owners who do not own a home have more possibilities of having a loan denied. In fact, the rejection rate on loan applications for Hispanic entrepreneurs is about 50 percent, twice as high as their non-Hispanic white counterparts, according to 1998 Federal Reserve data — a fact that industry observers say underscores lost

²³ U.S. Census, and Selig Center for Economic Growth.

²⁴ McCrea, Bridget, U.S. Banks Are Downright Zealous in Their Pursuit of the Hispanic Market , www.hispaniconline.com, Winter 2003

²⁵ Cavalluzo, Ken, and Wolken, John, *Small Business Loan Turndowns, Personal Wealth and Discrimination*, Georgetown University and Federal Reserve System, July 2002

opportunities for banks as well as a need for Latin immigrants to do a better job educating themselves about U.S. banking system.²⁶

Opportunities to Government Contracts and Better Regulations

Government plays a secondary, but still important role, in the development of businesses. Regulation and the contracts that local and state governments provide especially affect small businesses thus affecting most minority enterprises. The licenses and permits required provide a burden making it very difficult for Latino entrepreneurs to succeed. It is not uncommon that half a dozen to a dozen different permits and licenses must be obtained often from many different local and state agencies. Running this gamut is difficult enough for a native English speaker; it is extremely difficult for a non-native speaker.²⁷

When government officials package contracts into big projects and do not give plenty of time to receive proposals, small businesses are unable to bid and miss the opportunities to grow. Prohibit bundling contracts into mega-projects that result in prohibitively large contracts that small firms cannot serve. Small businesses aren't the only ones harmed by this practice the government limits its field of competitors.²⁸

Access to Employment Opportunities and Job Creation

Although Latinos in L.A. County have the highest labor participation rate among the region's ethnic groups --- reaching a remarkable 69%--- many are still locked at the lower levels of the wage scale. Education is a major factor; Latinos, particularly recently arrived immigrants, have not reached the level of education and training as others have. This has placed them at a severe disadvantage in terms of income potential. Better and more education and training are needed in order for Latinos to have more access to employment opportunities.

²⁶ McCrea, Bridget, U.S. Banks Are Downright Zealous in Their Pursuit of the Hispanic Market , www.hispaniconline.com, Winter 2003

²⁷ Tabarrok, Alexander, Immigration Integration , Testimony before the Little Hoover Commission: State of California, The Independent Institute, May 24, 2001

²⁸ SBA Office of Advocacy, *Models for Success: State Small Business Programs and Policies*, 1999, www.sba.gov/advo/success.html

Better training and skills level will be critical all across the board in gaining higher levels of income. The key here is for Latinos to take advantage of future growth in the area. According to the Employment Development Department's projections for 1999 to 2006, non-farm wage and salary employment in L.A. County is projected to grow by 508,300 jobs (a 12.7 percent increase). Projections show that the service industry will create the largest number of new jobs (234,000 jobs, representing a 17.8 percent growth rate). Nearly half of the job growth will be in the services industry division, which is expected to account for 46 percent of all the new jobs during the seven-year forecast period. Over half (57 percent) of the services employment gains are expected in business services, where employment is projected to grow by 132,800 jobs. Growth in business services employment will be driven by gains in personnel supply and temporary help services, and increased demand for computer programming and computer related services. Smaller but still substantial job growth is expected in other services (up 22,100), health services (up 21,500), and private educational services (up 18,500).²⁹ These latter fields also tend both to be higher paying and require a more extensive education.

The second largest industry sector in the county is manufacturing, which will have a 2.4 percent job growth and rank eighth having a total of 656,800 at the end of 2006. Because of its relatively slow growth, the industry is predicted to decline from second to third place in terms of its share of total Los Angeles County employment. Job growth in manufacturing is expected to be greater in the nondurable good sector where employment is projected to grow by 8,500 jobs. Notable gains in this sector are forecast for food and kindred products, printing and publishing, and chemicals and allied products. The durable goods sector is projected to add 6,800 jobs. The largest gains are projected in furniture and fixtures, lumber and wood products, and fabricated metal products.³⁰ Even within these industries, the best jobs are those requiring the highest levels of

²⁹ Employment Development Department, Industry Trends and Outlook, 1999-2006: Los Angeles County, Labor Market Information

³⁰ Employment Development Department, Industry Trends and Outlook, 1999-2006: Los Angeles County, Labor Market Information

skill, including advanced machine operators, sales, marketing, and other back office functions.

Retail trade is the third largest industry division in Los Angeles County and is expected to produce the third largest number of new jobs (65,600 jobs) during the projection period — a growth of 10.7 percent. Growth is anticipated in all segments of this division, but by far, the largest gains will be in eating and drinking places, which will grow by 26,000 jobs, and other retail, which will expand by 17,900 jobs.³¹ The next sectors with the greatest job growths respectively are government and wholesale trade. The Transportation and public utilities division is projected to expand by 44,000 jobs, an 18.7 percent increase. Construction is the industry division projected to have the highest growth rate during the projection period, with gains forecast at 26.6 percent — that is 33,400 additional jobs by 2006. Although wage rates are generally low, most upward mobility comes from ascending into the management ranks, again something that tracks closely with education.

1999 — 2006 Growth Projections: Services (security guards, teachers aides, paraprofessionals, elementary and secondary school teachers except special education and vocational education) 17.8%; Government (police and sheriff s patrol officers, office clerks, general, correctional officers, jailers, and child, family, and school social workers) 13.5%; Retail trade (retail salespersons, cashiers, waiters and waitresses, first-line supervisors/managers of retail sales workers) 10.7%.

BEST PRACTICES

Latinos have a great entrepreneurial spirit and many have put it to work successfully. In several communities, Latino shopping centers have prospered - good examples are the shopping districts in the City of San Fernando and Huntington Park. In addition to retail stores, some manufacturing businesses have been recruited. These manufacturers have provided employment for many

Latinos in the areas. Banks such as Bank of America, Banco Popular, and Wells Fargo have realized the potential of the Hispanic market and have made greater efforts to address its needs. In addition to these models, several have successfully stepped into the political arena and serve as leaders for their communities.

ACTION STRATEGIES

For Hispanics, business ownership is not solely an instrument for overcoming discrimination, but rather a strategy for intergenerational mobility.³²

Helping Latinos succeed will clearly benefit all of L.A. County. Through support to Latino enterprises and providing access to employment opportunities and job creation for Hispanics, the region can better leverage its human capital and long-term economic potential.

Support for Latino Small Businesses

In order to secure future success for Latinos, business development must be the key. Government funds have experienced large cuts and do not seem promising for the recent future years. Due to our present economy and government budget constraints, the main focus for reaching solutions should be in the private sector.

The growth of businesses and jobs in Latino communities can be best achieved through infrastructure improvements, i.e., parking, better policing, and street lighting. Such steps make these areas more attractive both for local entrepreneurs and for outside businesses, such as financial institutions, which can help accelerate business development.

Latinos must be educated to use the same tools as the general market -- grass roots training on SBA and State guarantee programs. Lending institutions as well as the Hispanic community must collaborate harder to meet their needs.

³¹ Employment Development Department, Industry Trends and Outlook, 1999-2006: Los Angeles County, Labor Market Information

³² RAIJMAN, Rebeca and TIENDA, Marta, Immigrants pathways to business ownership: A Comparative Ethnic Perspective, University of Haifa and Princeton University.

Financial literacy for non-business owners and culture sensitive literacy for financial institutions must be promoted. Banks need to get a clearer understanding of the Latino culture so that the lending options available will appropriately support and apply to their companies' business culture. One way to accomplish this is to fund intermediaries to provide this literacy (including in Spanish). Bilingual personnel must be trained to package loans for Latinos. Other initiatives that lenders could take are: ATMs should be bilingual and all advertising available in Spanish; multicultural diversity training for employees teaching differences and similarities of banking for Latinos; Spanish classes; target the predominantly Latino communities; and build capacity and training for developing more revolving loan funds to do micro-lending. As part of the financial literacy and support to Latino businesses, entrepreneur workshops could prove helpful.

The public sector, although of secondary importance, can help assist the process small businesses are usually left out of a participating voice in state and local governments while being greatly affected by new initiatives and harmed by the long-term impact of policies. Los Angeles County and the various jurisdictions need to do more to listen to smaller firms and consider their concerns when imposing new regulations or taxes. Also, policies and permit and licensing processes should be periodically evaluated for the real value they offer to small businesses, and easily accessible compliance assistance for business owners should be provided. Small business outreach and participation is the key to effective policy development.³³ City officials should provide assistance to mitigate environmental issues affecting business growth - redevelopment laws always help, but the political stakeholders must be willing to exercise its appropriate powers to make matters work.

Access to Employment Opportunities/Job Creation

³³ SBA Office of Advocacy, *Models for Success: State Small Business Programs and Policies, 1999*, www.sba.gov/advo/success.html

Education and training of Latinos have to be aligned to the job market. A key element in helping Latino small businesses is providing educated and skilled workers. The public and private sectors need to form partnerships for entrepreneurial, financial and business education for Latino to incorporate in the general market (i.e. set-up businesses in schools - businesses are administered by students providing them with job skills and fostering an entrepreneurial spirit). Examples include the state-federal partnerships that fund the small business development centers, and the University of Washington's Business and Economic Development program that teams school resources and business students with companies in economically depressed areas (See <http://weber.u.washington.edu/~busdev/report/98/>).³⁴ Latinos should be encouraged to use the Earned Income Tax Credit (EITC) to increase available dollars for qualified low-income households, with emphasis on bilingual communication strategies.

Schools (LAUSD is key) must be more accountable for better educating Latinos. Colleges should adjust offerings to include shorter more intensive training for careers in the private sector. They need to mentor young Latinos to prepare and educate them to work in high-paying and profitable sectors (i.e. legal services, motion pictures, radio and TV broadcasting, business services, etc). At the same time, efforts should be made to facilitate professional immigrants' ability to practice their professions in California. Latino leadership ---which usually single-mindedly supports the concerns of organized labor and traditional civil rights groups ---need to stronger advocate for Latino entrepreneurs, as well as those who work in the real world of the private sector. This means policymakers must connect public policy to those things that lead to increased new businesses and keep current employers in L.A. County (i.e. entertainment industry).

Addressing common skill deficits is the way to most improve job matching, job retention, and job advancement Employees who seek to advance within the company would benefit from training programs that

³⁴ SBA Office of Advocacy, *Models for Success: State Small Business Programs and Policies, 1999*, www.sba.gov/advo/success.html

emphasize initiative and communication skills, in addition to work/life skills (such as attendance and punctuality, self-presentation, interview, and job search skills). Employees who seek to advance by changing employers primarily obtain skills through job experience, although training in initiative, communication, job search skills (completing an application, creating a resume, and interviewing), and job networking facilitate job changes. Providing ESL courses at employer locations would bring English language instruction to some of those most in need of and most able to benefit from increased English proficiency. Other basic skills courses (reading, writing, basic math, and computers) could also be welcome at employer sites.³⁵

³⁵ Gera, Jennifer, and Hill, Laura, *Summary and Ranking of Training Recommendations for the Job Creation Investment Fund*, The Sphere Institute, October 31, 2000

APPENDIX A
Minority Owned Businesses in Los Angeles County
1997 Economic Census

	All Firms	Sales and Receipts (\$1,000)	Firms with Paid Employees	Sales and Receipts (\$1,000)	Number of Employees
Latino-Owned Firms	136,678	16,245,931	16,757	#####	134,048
Agricultural services	7,102	*	222	*	*
Construction	12,157	1,100,323	2,139	884,487	9,146
Manufacturing	3,807	4,964,071	1,761	4,731,982	35,070
Transportation, etc.**	8,886	1,043,044	1,309	617,742	21,459
Wholesale trade	2,831	2,509,747	1,236	2,414,637	10,074
Retail trade	16,654	2,362,194	2,912	1,865,877	15,690
Finance, insurance, etc.***	5,560	615,983	643	*	*
Services	64,262	3,191,213	6,546	2,147,722	38,351
Other industries	15,432	*	1	*	*
Asian-Owned Firms	114,462	55,113,170	37,596	#####	309,469
Agricultural services	1,424	63,714	131	*	*
Construction	3,891	663,729	889	483,456	3,669
Manufacturing	4,176	4,497,197	2,505	4,333,510	61,917
Transportation, etc.**	4,008	963,478	1,689	867,848	12,078
Wholesale trade	13,734	28,335,119	8,800	#####	70,550
Retail trade	21,012	10,657,694	11,856	#####	69,471
Finance, insurance, etc.***	11,038	1,721,665	900	1,081,589	5,157
Services	49,762	7,028,589	10,566	4,662,602	79,367
Other industries	5,435	1,181,986	280	*	*
Black-Owned Firms	38,277	3,321,671	3,359	2,444,226	32,268
Agricultural services	244	19,181	12	*	*
Construction	1,499	84,350	231	48,252	589
Manufacturing	373	128,041	94	120,618	989
Transportation, etc.**	1,134	56,269	30	*	*
Wholesale trade	168	729,622	37	719,668	509
Retail trade	3,151	191,619	203	155,502	1,710
Finance, insurance, etc.***	1,328	104,551	310	66,021	643
Services	22,843	1,511,527	1,914	1,046,410	23,998
Other industries	7,539	496,511	531	249,354	3,276

Source: U.S. Census Bureau, 1997 Economic Census: Survey of Minority-Owned Business Enterprises.

Data from 2002 Census of Businesses not yet available.

*Data not available for blank cells. **Transportation, communications & utilities. ***Finance, insurance & real estate.

Note: This table presents 1997 minority business data from the 1997 Economic Census. Data from the 2002 Economic Census is not yet available. 2002 data from Marketplace as shown in the report present data from a survey of at least 51% minority-owned businesses and represent only a sample of the total businesses. We recommend using the older 1997 census data.

Housing

Fernando Guerra, Ph.D.

Matt Barreto

Mara Marks, Ph.D.

Center for the Study of Los Angeles

Loyola Marymount University

Executive Summary

Findings

In Los Angeles County, median home prices have increased by more than 10 percent each year, more than triple the rate of median household incomes. Population growth far outpaces new home construction, leaving the average Latino family with little to no opportunity to achieve the American Dream of homeownership. While data from the Census Bureau shows considerable expansion of the Latino middle class, the housing market in Los Angeles is failing its largest population. In this section, we review four components of the housing industry: Accessibility, Availability, Affordability, and Quality, and conclude that Los Angeles County is earning a D grade with the Latino Community. In particular, the findings for 2001 are:

- **Accessibility:** While Latinos comprise 45% of the county population, they received only 17% of new home loans. They had higher rejection rates than Whites and were more likely to receive subprime loans. *Grade: C*
- **Availability:** Latino homeownership stands at just 38% compared to 58% among Whites and only one new home is being built for every 30 Latinos who move to Los Angeles. *Grade: D*
- **Affordability:** Home prices grew by 12%, up to \$227,000 in 2001, but incomes only grew by 3%. The average Latino family spends almost half of its income on housing. *Grade: F*
- **Quality:** Compared to non-Latino families, Latino families tend to live in homes with less square footage, more people per room, and that are in poorer condition. *Grade: C*

Policy Recommendations

- If the American Dream is to remain viable for this region's largest demographic group, Los Angeles County needs more housing as well as loans that are cheaper and of higher quality. For this to occur we need to increase household incomes (see Economic Scorecard), build more

houses, reform the regulatory system, reform the loan approval process, and enforce current housing codes. To accomplish this, private, public, and non-profit sectors must work together to prioritize the housing issue and cooperate to implement the recommendations outlined below including balancing the concerns of environmental groups and neighborhood activists with the pressing need for new housing development, ensuring that inclusionary housing provisions also give developers by-right development rights and density bonuses, and stepping up enforcement of current regulations and housing/apartment codes without taking units off the market.

Introduction

In 2001, the state legislature convened a series of working groups focusing on the most pressing issues throughout the state. At the top of the list was the lack of affordable housing with only one out of three California households able to afford the median-priced home in the state in 2000. According to the state report, housing affordability is a huge problem statewide, because overall demand exceeds overall housing supply.³⁶ Since 1976 home prices have grown by 356 percent, far outpacing the growth of the average family income. While the housing crisis is felt across the state, the report concluded that the housing shortage is most acute in California's urban growth centers, such as Los Angeles County where only 36 percent of all households were able to afford the average home in 2000. What's more, the problem is getting worse here in L.A. where only 1 new housing unit is being built for every 9 new jobs created, leaving more than 60 percent of Angelenos in the rental market or locked out of the market altogether. In response to this growing problem, the City of Los Angeles created the *Housing Crisis Task Force* to consider the profound crisis of housing affordability.³⁷

While all of Los Angeles is in the grip of a profound crisis of housing affordability, minority households still have more trouble than Whites obtaining mortgage financing. In particular, Latinos are significantly impacted by the housing crisis in Los Angeles. Latinos are the largest population in L.A. County at 45 percent, but received only 17 percent of all home loans in the county, compared to Anglo-Whites who comprise 31 percent of the population and received 72 percent of home loans. While the housing crisis is felt countywide, this evidence has led many experts to conclude, the group most impacted —

³⁶ Growth Challenges Facing the Golden State. A Series of Informational Hearings. February 28, 2001: Reducing Commutes & Promoting Housings. Joint Senate/Assembly Policy Committee Report. Sacramento, CA.

³⁷ Donoghue, Diane and Lauren Saunders. 2000. In Short Supply: Recommendation of the Los Angeles Housing Crisis Task Force. March 2000 (revised May 2000).

and certain to feel the sting most acutely — is Latinos, who represent a plurality of California new households.³⁸

Achieving the American Dream of homeownership is critical for social and economic stability. Studies have shown that homeownership helps create wealth and economic opportunities, generates a sense of community, leads to better educational opportunities for children, and promotes safer neighborhoods. Survey research also suggests that homeowners in Los Angeles are more optimistic about the future of the city. Indeed, greater Los Angeles faces a profound housing crisis that threatens the region's economy, erodes the quality of life, and widens the gulf between rich and poor.³⁹ To best assess the status of housing in Los Angeles into the future, and how the lack of home ownership opportunities affect Latinos, this section details four housing indicators that can be tracked at two-year intervals.

Grading

Grades were assigned based on local, regional, and national comparisons to other population groups and to the aspirations identified in the 2000 American Dream Makers survey.

³⁸ Kotkin, Joel, Thomas Tseng and Erika Ozuna. 2002. Rewarding Ambition: Latinos, Housing, and the Future of California. Pepperdine University, School of Public Policy, Davenport Institute. September 2002.

³⁹ Guerra, Fernando, Mara Marks, and Harold Brackman. 2001. Rebuilding the Dream: A New Housing Agenda for Los Angeles. Center for the Study of Los Angeles. October 2001.

Housing Indicators

Accessibility

Loan approval rates and subprime loan rates

Grade: C

Using yearly data from associations of realtors and the U.S. Census Current Population Survey (CPS), *Accessibility* measures access to capital in Los Angeles by Race and Ethnicity. Specifically, we examine how many loans are given and the rejection rates by race and ethnicity. To supplement this, we examine loan rates by comparing the percent of all loans received that are subprime for Whites, Blacks, and Latinos. Subprime loans, or loans with higher interest rates, make it more difficult to accumulate wealth, and are harder to payback. As evident in the table presented below, Latinos represent the largest population in Los Angeles at 44.6 percent, but received only 16.9 percent of total home loans in 2000. This corresponds to a lower overall rejection rate for whites (16.4) compared to Latinos (25.0) and Blacks (31.9). Further, among loans that were given, Blacks and Latinos were more likely to receive subprime interest rates for both new home purchases and refinance loans.

Loan Accessibility by Race/Ethnicity in Los Angeles 2000

	White	Black	Latino
Share of Total Home Loans	72.00%	4.90%	16.90%
Share of Total Population	30.90%	9.80%	44.60%
Total Home Loan Rejections	16.40%	31.90%	25.00%
Subprime Purchase Loans	10.90%	27.00%	15.30%
Subprime Refinance Loans	16.90%	41.50%	25.70%

Source: ACORN Annual Housing Report, 2000.

Availability

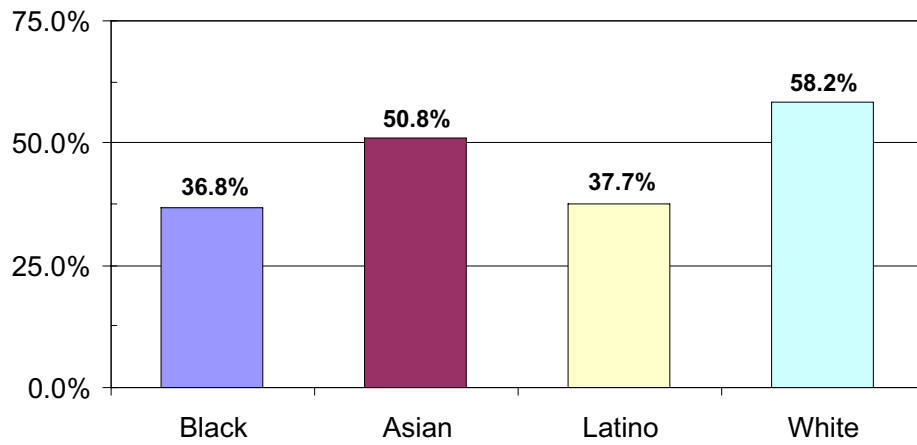
Homeownership and new homes built

Grade: D

In addition to access to capital, *availability* of homes is a problem in Los Angeles. Yearly data from the U.S. Census tracks homeownership by race and ethnicity and provides the means to monitor the homeowner / renter market. In addition, by comparing population growth to the number of new homes built, we can estimate whether or not the county is providing enough available housing to keep up with demand. Generally speaking, there is a shortage of housing of various types and price points, in Los Angeles. This is evident in the chart below. While a large gap exists between Black, Latino, and White homeownership rates, even Whites only reach ownership levels of 58 percent. Latinos though are more than 20 percentage points lower at only 37.7 percent. Increasing demand and tight supply drive up home prices and also send rental prices soaring, leaving Latinos, as the largest growing segment of the population, with nowhere to live. As noted in a recent policy report from Pepperdine University, the lack of homeownership opportunities for Latinos poses a problem to society at large. Strongly work-oriented and family-centric, Latinos are natural home buyers, with a strong, demonstrated cultural affinity for investing their earnings into residential real estate. Yet increasingly they face growing obstacles to purchasing homes. If not addressed forcefully, this gap in affordability could create a potentially dangerous break with our state's tradition,⁴⁰ of rewarding hard work with the opportunity of owning a home.

⁴⁰ Kotkin, Tseng and Ozuna. 2002.

Homeownership Rates in Los Angeles by Race



Source: U.S. Census Bureau, 2000

Growth in the population and new housing 2000 - 2001

L.A. County Total Population Growth	150,000
Latino Population Growth	200,000
Non-Latino Population Growth	-50,000
New Homes Built in L.A. County	6,390
Population Growth : New Home Ratio	23:01
Latino Population Growth : New Home Ratio	31 :1

Source: U.S. Census Current Population Survey, 2000-1;
LAEDC Stats Sheet 2000-1

Affordability

Median home payment compared to income

Grade: F

Not only do more new homes need to be built, but the average price of a home needs to be affordable for the average family. *Affordability* compares the median household income for ethnic groups in Los Angeles, and the median monthly expenses on rent and mortgage payments. This data, reported yearly from the U.S. Census, provides a picture of how reasonably priced the housing market is — for the population as a whole as well as for different ethnic groups. In addition, we report the growth in the overall median home price as compared to overall median household income. Starting here, it is evident that the growth in median home prices far outpaced the growth in median household income from 2000 to 2001. On average, home prices grew by nearly 12 percent while income grew by only 3 percent. This disparity makes it nearly impossible even for most middle-income households to purchase a home in Los Angeles. As the largest number of low- and middle-income households in the county, Latinos are disproportionately locked out of the opportunity of homeownership.

The proportion of income spent on rent does not differ greatly among ethnic groups. However, the higher incomes of Whites and Asians means that these households have more money available for expenses other than housing, while Latinos and Blacks are more likely to be severely limited in discretionary funds. With much lower incomes than non-Latinos, 43% of Latinos and 52% of Blacks spend more than the recommended 30% of income for housing.

Growth in Median Home Price and Median Income 2000-01

	Home Price	Household Income
Average 2000	\$203,000	\$39,671
Average 2001	\$226,698	\$40,907
Increase 2001-02	\$23,698	\$1,236
Percent Growth	11.70%	3.10%

**Percent of Income Spent on Housing, Los Angeles County,
by Race**

	<u>Black</u>	<u>Asian</u>	<u>Latino</u>	<u>White</u>
Median Household Income	\$31,905	\$47,631	\$33,820	\$53,978
Median Monthly Rent	\$ 663	\$ 746	\$ 632	\$ 825
Percent of Income Spent on Rent	31%	28%	29%	27%
Percent Paying 30%+ for Rent	52%	45%	43%	47%
Median Monthly Mortgage	\$ 1,363	\$ 1,643	\$ 1,350	\$ 1,709
Percent of Income Spent on Mortgage	26%	24%	27%	21%

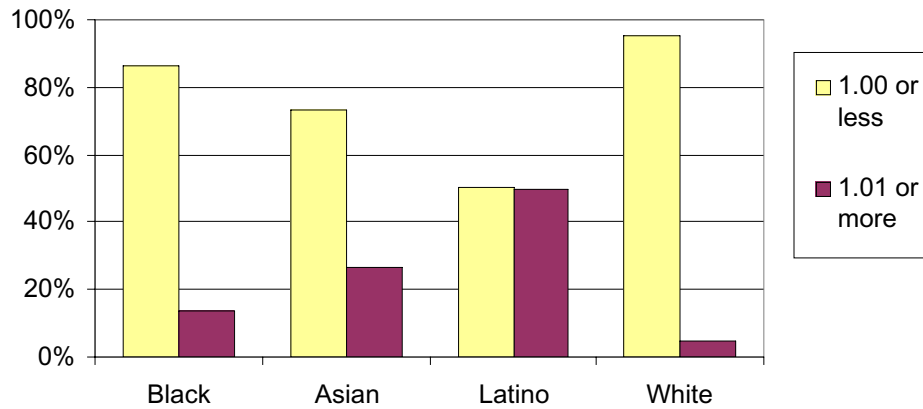
Source: U.S. Census Bureau; California Association of Realtors 2000-01

Quality

Multiple quality issues including persons per room Grade: C

Beyond having a place to live, we are interested in measuring the quality of housing opportunities in Los Angeles for Latinos and non-Latinos. The *Quality* index examines a variety of factors including persons per room, persons per square foot, physical damage to home, presence of air conditioning and safe drinking water, and other variables pertaining to health and safety. The first component of this indicator, occupants per room, shows that half of Latino households average more than one person per room. This measure is not confined to bedrooms, but all rooms in a house: bedroom, bathroom, kitchen, dining room, living room, family room, and more. Thus, the average of over one person per room or more, among 50% of Latino households suggests that they live in small, crowded houses. By comparison, in more than 90 percent of White households, there is less than one person per room. In addition to living in more crowded conditions, Latino householders are more likely to report physical damage to their unit, less likely to have air conditioning, less likely to have safe drinking water, and have less living space per person to enjoy.

Occupants per room by Householder Race



Source: U.S. Census Bureau, 2000

Housing Quality Measures in Los Angeles

	Latino	Non-Latino
Physical Damage to Unit	12.6%	9.0%
No Air Conditioning	54.3%	40.0%
Water not Safe to Drink	48.1%	33.9%
Square Footage per Person	355	636

Source: HUD American Housing Survey — Los Angeles MSA, 1999.

Overall Grade: D

On all four indicators presented here, the housing market in Los Angeles is not effectively serving Latino households. Latinos receive fewer loans and higher interest rates when they do receive loans, resulting in lower levels of Latino homeownership. As the largest growing population in the county, Latinos face slim opportunities to find housing because few new homes are being built and

consequently, the median price of homes is pricing Latino families out of the market. If changes are not made soon, Latinos may become the first major group to find themselves, through no fault of their own, excluded from owning their piece of the California dream.⁴¹

Key Concept: Homeownership

Put simply, Latinos lag in homeownership because of a lack of affordable housing and access to capital. Thus, monitoring homeownership, on its own, is the single best marker of housing equality. While multiple indicators and variables are presented in this section, homeownership rates by race and ethnicity provide a snapshot of the current status of the housing market in Los Angeles on a yearly basis.

Action Strategies

While the analysis above paints a bleak picture of the housing market for Latino families, it is possible to improve on the situation with strong leadership from stakeholders in the county. Private, public, and non-profit sectors must work together to prioritize the housing issue and cooperate to implement the necessary recommendations, in four main policy areas. These policy recommendations include: (1) Build more houses; (2) Improve access to capital/loans; (3) Promote inclusionary housing; and (4) Enforce current codes without taking units off the market. As a part of this effort, we also suggest new emphasis be placed in the following areas:

- Safeguarding the environment and preserving the character of existing neighborhoods should be balanced with the pressing need for new housing development
- Ensure that inclusionary housing provisions also give developers by-right development rights and density bonuses

⁴¹ Kotkin, Tseng and Ozuna. 2002.

- Assist non-profit organizations seeking to secure capital for low interest loans
- Monitor financial institutions lending practices
- Encourage development of affordable housing in working class communities with attention to areas with high population growth
- Increase government backed loans and grants for first time home buyers
- Step up enforcement of current regulations and housing/apartment codes without taking units off the market
- Encourage the building of larger homes and apartments for multi-family living arrangements to alleviate crowding through density bonuses or credits

Public Safety

Martin Saiz, PhD

Ellis Godard

Kimberly Saunders

**Center for Southern California Studies
California State University, Northridge**

Introduction

The goal of the Latino Scorecard Project is to produce a base of information that engages policy makers, business, and community leaders in meaningful dialogue and compels them to take action to improve the well being of Latinos in Los Angeles. Following from this goal, the work of the public safety group was guided by two principles. First, that the Latino community has a right to demand results --that crime be reduced in Latino neighborhoods and that fewer Latinos become victims of crime. Whatever policy or action plan is followed, the indicators we have designed will give the community a clear idea whether progress toward these objectives is being made. The indicators and benchmarks will help show if the recommended policies and action strategies are working or whether they should be changed. To ensure the success of this goal, the public safety group took seriously the task of choosing indicators that not only accurately reflect the problems and concerns of the Latino community and the public safety experts we consulted, but also could be replicated with relative ease in the near future. Second, it was our contention that policy recommendations and action strategies should follow from the problems identified by the Latino public safety measures. We have thus worked to determine empirically rather than politically what the public safety problems actually were.

Methodology and Grading

Crime affecting the Latino community was measured using two primary classes of crime as indicators and two methods for summarizing or aggregating the data to create the public safety scores. We measure violent crime with a composite index including the number of homicides, forcible rapes, robberies and aggravated assaults. We measure property crime with a similar composite measure using burglary, theft, and motor vehicle theft. These are standard measures established by the FBI. As such, the crimes reported here can be compared to similar composite indicators from other communities and groups.

Our first method of aggregation simply compares the relative percentage of Latinos as victims of reported violent and property crimes and compares them with the other ethnic/racial groupings the City of Los Angeles. However, we also felt it was

important to measure the level of crime in Latino neighborhoods. Violent and property crimes committed in Latino communities affect all the individuals and families living and working there through reduced feelings of public safety or through the loss of real estate values caused by the perception that such neighborhoods are unsafe. We summarize crime by location through the use of regression analysis, a method that quantifies the relationship between the crime rate of each area and the relative size of each of the racial and ethnic groupings located in each of those areas.

The benchmarks and measures presented in the tables above accurately describe the public safety issues facing the Los Angeles area and the Latino community in particular. Further, because the measures are expressed as rates they represent standard scores and thus allow comparison across groups of different sizes.

Translating these measures to grades amounts to reverse scaling. In other words, to dramatize our data and findings and make them more accessible, we have translated the numbers into objects, a procedure that necessarily results in lost precision. We assigned grades by equating the top group's score on any given measure to an A-, assuming that when it comes to public safety, even the best performing group has room for improvement. We created the grading scale by assigning the A- to 90% and the average score across all groups 70%. We then translated the measures mathematically to conform to the resulting scale and assigned the grades accordingly. That said, we took the liberty of adjusting the hate and property crime scores to account for underreporting.

Latinos as Victims of Crime

Latinos as Victims of Violent Crime

Our data shows that during the year 2002, there were 19,188 reported victims of violent crimes in the City of Los Angeles. Of these, 10,181 or about 53 percent of these victims were identified as Latino. As Latinos make up only 46.5 percent of the city's population, they are over-represented among these victims. However, African Americans are more over-represented than Latinos, being

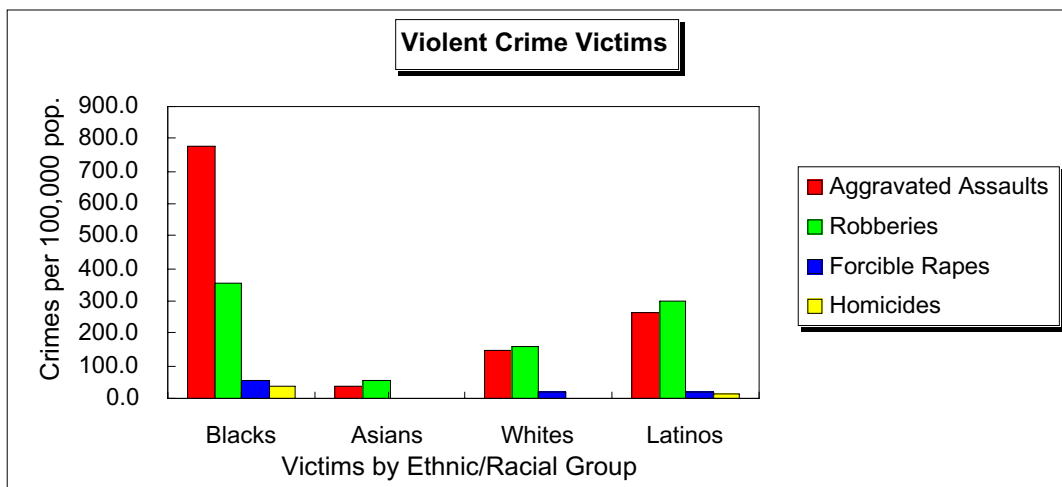
about 11% of the population yet accounting for 26.5 percent of the victims of violent crime. Both the Asians and White communities in Los Angeles are underrepresented in this crime category.

- § Benchmarks: 592.6 total violent crimes per 100,000 Latinos, 10.2 Homicides per 100,000 Latinos in 2003.
- § Grade: D

Table 1. Reported Violent Crime Victimization Rate by Race and Ethnicity
(Los Angeles Police Department)

Type of Crime	Blacks	Asians	Whites	Latinos	City
Aggravated Assaults	780.3	36.3	144.6	264.5	263.7
Robberies	356.4	55.8	161.8	299.9	239.2
Forcible Rapes	52.9	2.7	16.0	18.0	19.8
Homicides	37.2	0.5	2.5	10.2	10.0
Total	1226.9	95.3	325.0	592.6	532.6

Reported Victims per 100,000 population. Source: Los Angeles Police Department 2002



Reported Victims per 100,000 population. Source: Los Angeles Police Department 2002

Latinos as Victims of Property Crime

Property crimes tell a different story. In 2002, there were a total of 35,141 reports of burglary, theft, and motor vehicle theft filed by the LAPD. Here, Latinos are the most underrepresented among the city's ethnic/racial groups as victims of property crimes, accounting for 35.7 percent of the total, well below their proportion of the city's population. On the other hand, white victims in this category are the most over-represented among our groups, comprising almost 30 percent of the population yet accounting for 45.5 percent of the victims. African Americans are also over-represented as victims of property crime, accounting for 15.4 percent of the total.

While this appears to be good news for the Latino community much of the pattern can be explained by the nature of reporting data rather than the actual incidents. Although *violent* crimes involving Latinos are reported at about the same rate as those involving whites, Asians, or African-Americans, there are good reasons to believe that property crimes involving Latinos are significantly underreported relative to those reported by other groups (BJS 2003). Latinos are more likely to face barriers to reporting crimes such as those imposed by language and culture. Latinos are also more likely than other groups to lack understanding of laws and the law enforcement system and some may assume that contact with police will lead to deportation. Lastly, Latinos may fear police brutality or corruption based on their experience here or their or country of origin (Regional Research Institute 2002). On the other hand, more affluent groups are more likely to carry property insurance, which requires reports to be filed before claims are settled. Thus, the low rate of Latinos as victims may be an artifact of which groups tend to report property crime and who does not report crime. To account for the underreporting of property crime the numbers were adjusted upwards by 15% to reflect national estimates of Latino underreporting of property crimes. According to data collected by the US Department of Justice, motor vehicle theft is the most reported of property crimes across all groups (BJS 2003). Thus, this category of property crime may be the most reflective of Latino property crime. The data show that the rate of motor vehicle theft is slightly below average for the City of Los Angeles.

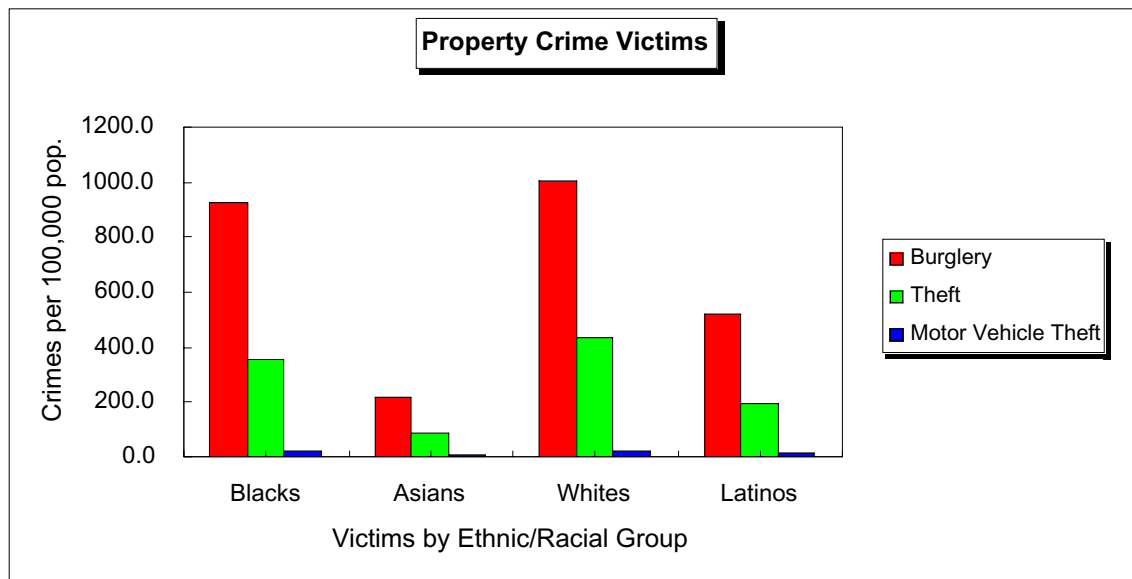
§ Benchmark: 731.0 total property crimes per 100,000 Latinos, 15.4 motor Vehicle Thefts per 100,000 Latinos in 2003.

§ Grade: C

Table 2. Reported Property Crime Victimization Rate by Race and Ethnicity (Los Angeles Police Department)

Type of Crime	Blacks	Asians	Whites	Latinos	City
Burglary	927.5	218.1	1001.9	521.5	683.8
Theft	357.2	86.9	434.9	194.1	275.5
Motor Vehicle Theft	19.1	4.9	20.2	15.4	16.2
Total	1303.7	309.9	1457.0	731.0	975.5

Reported Victims per 100,000 population. Source: Los Angeles Police Department 2002



Reported Victims per 100,000 population. Source: Los Angeles Police Department 2002

Latinos as Victims of Hate Crimes

According to the Los Angeles Commission on Human Relations, a hate crime is one in which bias, hatred, or prejudice (based on the victims real or perceived race, religion, ancestry, sexual orientation, etc.) are substantial factors in the commission of an offense. According to the data, hate crimes are directed toward a person's race, sexual orientation, and religion, in that order. Among the 20 groups classified as potential victims, Latinos in Los Angeles County were the fourth most victimized group in 2001 behind African Americans, victims of September 11th related hate crimes, and gay men. However, Latinos made up 16 percent of the September 11 related hate crime victims and 32 percent of Gay men victims. Although Latinos account for 24.4 percent of the victims of hate crimes they represent yet 44.6 percent of the residents of Los Angeles County in 2001. African Americans are the most frequent victims of hate crimes, accounting for 51.7 percent of all hate crime victims but representing only 9.5 percent of the County's population. Like Latinos, Asians and Whites are underrepresented, as victims of hate crimes.

Overt racism against Latinos that results in violent crime or property damage does not appear to be a serious problem, at least relative to some other groups. However, Latinos may be less likely than others to report violent crime or property damages not only generally but as racism. Thus, they may be less likely to simultaneously use law and emphasize their ethnicity.

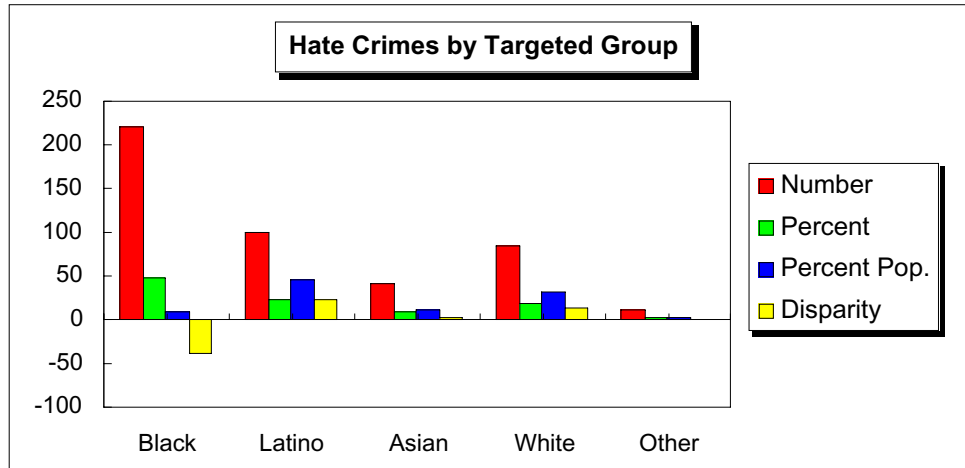
§ Benchmark: 22% of the race related reported cases of hate crimes directed against Latinos in 2001.

§ Grade: B

Table 3. Reported Hate Crimes by Target Group, Los Angeles County

Target Group	Percent Hate Crimes	Percent Population	Disparity (%pop.-% crimes)
Black	47	10	-38.1
Latino	22	45	23.1
Asian	9	12	2.8
White	18	31	12.6

Source: 2001 Hate Crime Report, Los Angeles Commission on Human Relations



Source: 2001 Hate Crime Report, Los Angeles Commission on Human Relations

Latino Neighborhood Crime Environment

Violent Crime in Latino Neighborhoods

Here we measure the relationship between the rate of violent crime and the size of each racial and ethnic group within the various census tracts in the City of Los Angeles. Our analysis shows that neighborhoods with higher concentrations of Latinos and African Americans tend to have higher rates of violent crime while tracts with higher percentages of Asians or whites tend to have lower violent crime rates. All the relationships described are statistically significant. By our measures, Latino neighborhoods are safer from violent crime than African American neighborhoods but are not as safe as Asian neighborhoods, and white neighborhoods are generally the freest from violent crime. The statistical model used to predict the crime rate by census tract was statistically significant; however, it explained only about 15 percent of the variance in crime rates. In other words, ethnic difference on this dimension is slight, but to the extent they are more than negligible, Latinos are behind Asians and Whites.

- § Benchmark: A one percent increase in the number of Latinos in an area increases the number of violent crimes by rate of .1 per 1000 violent crimes on average.
- § Grade: D

Table 4. Correlation Coefficients for Racial/Ethnic Percentage of Census Tract With Crime Rate

Census Tract	Correlation Coefficient
Percent Black	0.359
Percent Latino	0.111
Percent White	-0.256
Percent Asian	-0.135

All coefficients are statistically significant (p below .001)

Violent crime index: total aggravated assaults, robberies, forcible rapes, and homicides/1000 population.

Data source Los Angeles Police Department, 2002.

Property Crime in Latino Neighborhoods

With regard to the relationship between the race or ethnicity and property crimes, our findings are indeterminate as none of our measures are large or mathematically important. We show that reporting of property crime is marginally higher in white and black areas. Here we suspect that ethnic differences in property crimes in Los Angeles is better explained by the nature of reporting data rather than the actual location of property crime. In other words, none of our measures show large or mathematically important differences in property crimes based on the ethnic composition of a neighborhood.

We reanalyzed our data considering only property crimes where either the victim or the arrestee was between the ages of 9 and 25. We find a significant relationship between the race or ethnic composition of the neighborhood and the incidence of property crime. The percentage of the areas that is African American had the largest effect followed by the percentage white, but here the effect was negative. Whiter areas have less reported property crime where youth are victims or arrestees. The relationship between Asian and Latino concentrations with youth property crime is relatively modest, but positive, meaning that the higher concentrations of these groups translate to higher incidences of youth property crimes. Property crime is also positively related to population density and census tracts with higher populations tend to be more Latino.

- § Benchmark: A one percent increase in the number of Latinos in an area increases the number of youth related property crimes by about .07 per 1000 crimes on average.
- § Grade: C

Table 5. Correlation Coefficients for Racial/Ethnic Percentage of Census Tract With Youth Related Property Crime Rate

Census Tract	Correlation Coefficient
Percent Black	0.182
Percent Latino	0.067
Percent Asian	-0.85
Percent White	-0.100

All coefficients are statistically significant (p below .01)

Youth property crimes index: total burglaries, thefts, and motor vehicle thefts where arrestee or victim is between the ages of 9-25 per 1000 pop

Source Los Angeles Police Department, 2002

Latino Youth Crime

Comprehensive data on youth crime in Los Angeles County is available from arrest reports filed with the California Attorney General. The data show a serious problem with the level of violent crime among the youth in the Latino community. Although Latino total juvenile arrests, including felony arrests, are slightly below what one would expect given their proportion of the juvenile population, they account for a disproportionate number of homicide arrests, about 4% more than their population size would justify. African American youths also account for more homicide arrests than their share of the juvenile population. These youths accounts for 10 percent of the county s juvenile population yet are arrested for 28.6 percent of the homicides. Asian youths account fewer homicide arrests than their proportion of the population would justify as do white youths.

This pattern, however, is not repeated when considering juveniles arrested for felonies. In this category, Latino youths account for 53 percent of the arrestees, about 3 percent less than one would expect given their proportion of the county's youth population. White and Asian youths are also underrepresented as juvenile arrestees; African American youths are significantly over represented among juveniles arrested for felony offenses.

All told Latinos comprise about 59 percent of the population under the age of 18 yet are represented slightly more than 55 percent of all juvenile arrests. By contrast, African Americans represent about 10 percent of the youth population of the county but account for about 23 percent of the youths arrested. Asian and white youths constitute 11 and 21 percent of the juvenile population of the county, but account for 6 and 16 percent of juvenile arrests respectively.

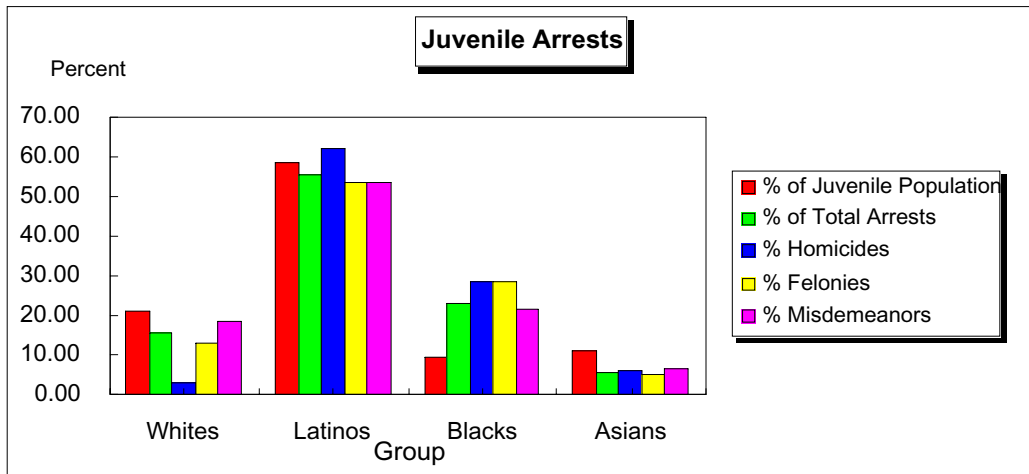
§ **Benchmarks: Latino Juvenile Homicide Arrest Rate; .8.7 per 100,000 juvenile arrests. Total Latino Juvenile Arrest rate; 4502.8 per juvenile arrests**

§ Grade C

Table 6. Juvenile Arrests, Los Angeles County by Group and Crime

	Whites	Latinos	Blacks	Asians
Percent of Juvenile Population	20.91	58.53	9.57	10.99
Percent of Total Arrests	15.7	55.4	23.2	5.7
Percent Homicide Arrests	3.1	62.2	28.6	6.1
Percent Felony Arrests	12.8	53.4	28.7	5.1
Percent Misdemeanor Arrests	18.4	53.7	21.4	6.4
Disparity, Total Arrests	5.2	3.2	-13.7	5.3
Disparity, Homicide Arrests	17.8	-3.7	-19.0	4.9
Disparity Felony Arrests	5.2	3.2	-13.7	5.3
Disparity, Misdemeanor Arrests	2.5	4.8	-11.9	4.6

Disparity is calculated by subtracting the percentage arrests from the percentage juvenile population for that group. Source: *Los Angeles County, Juvenile Arrests Reported 2001*, and Office of the California Attorney General.



Source: *Los Angeles County, Juvenile Arrests Reported 2001*, Office of the California Attorney General.

Table 7. Juvenile Arrest Rates, Los Angeles County by Group and Crime

	Whites	Latinos	Blacks	Asians
Juvenile Arrest Rate	3571.1	4502.8	11559.0	2477.6
Juvenile Homicide Arrest Rate	1.2	8.7	24.5	4.6
Juvenile Felony Arrest Rate	859.8	1283.1	4208.8	650.7
Juvenile Misdemeanor Arrest Rate	1886.0	1964.4	4794.1	1238.8

Rate per 100,000 s calculated by taking the juvenile arrests divided by the juvenile population of that group and multiplying by 100,000. Source: *Los Angeles County, Juvenile Arrests Reported 2001*, Office of the California Attorney General

Latino Representation on the Police Force

In terms of the Los Angeles Police Department, Latinos comprise a total of 3058 sworn police officers including 521 ranking above the rank of sergeant among the city s more than 9000 sworn police officers. This represents 33.4 percent of the total police officers and 24.9 percent of those with higher rank. However, since Latinos make up 46.5 percent of the city s population, they are underrepresented within the city s police force by 13.2 percent overall and 21.6 percent among the force s top officers. By comparison, white officers make up 45.7 percent of the city s total sworn officers, and 54.3 percent of the city s top officers yet comprise only 29.8 of Los Angeles s population. African Americans are also over-represented, but by a much lesser degree. They represent 13.7 percent of the total police officers and 14.8 percent of officers above the rank of sergeant yet total only 11.2 percent of the city s population they are over-represented in the city s police force. Like Latinos, Asians are underrepresented in the city s police force but to a lesser degree. They represent 5.3 percent of the city s officers and 4.7 percent of those above the rank of sergeant yet comprise 10 percent of the city s population (LAPD 2001).

Our findings are similar with regard to the County Sheriff s Department. Here, Latinos numbered 2612 among the 8915 sworn officers and 49 of the 400 officers

ranking above sergeant (including the sheriff). Although this represents 29.3 percent of the total sworn officers and 12.3 percent of the department's top ranking officers Latinos make up 44.6 of the County's residents. Thus, Latinos are under-represented by 15.3 percent among Sheriff's and LAPD sworn officers and by 32.3 percent among officers above the rank of sergeant. On the other hand, white officers comprised 55.4 percent of the force yet whites comprise only 31.1 percent of the county's population. Moreover, among the department's higher-ranking officers 76 percent are white. African American officers are about at parity with their numbers in the county's population while Asians officers are underrepresented by about 8 percent. Among the department's officers above the rank of sergeant, African American and Asians are underrepresented given their proportion of the county's residents (LA County Sheriff's Department 2003).

Among total sworn officers in LAPD and Sheriff's Department, Latinos are 31.7 percent, whites are 51.1%, African Americans are 12.1% and Asians are 5.1%.

§ **Benchmarks: Latinos are under-represented by 13 percent among total sworn officers in Sheriff's Department and LAPD.**

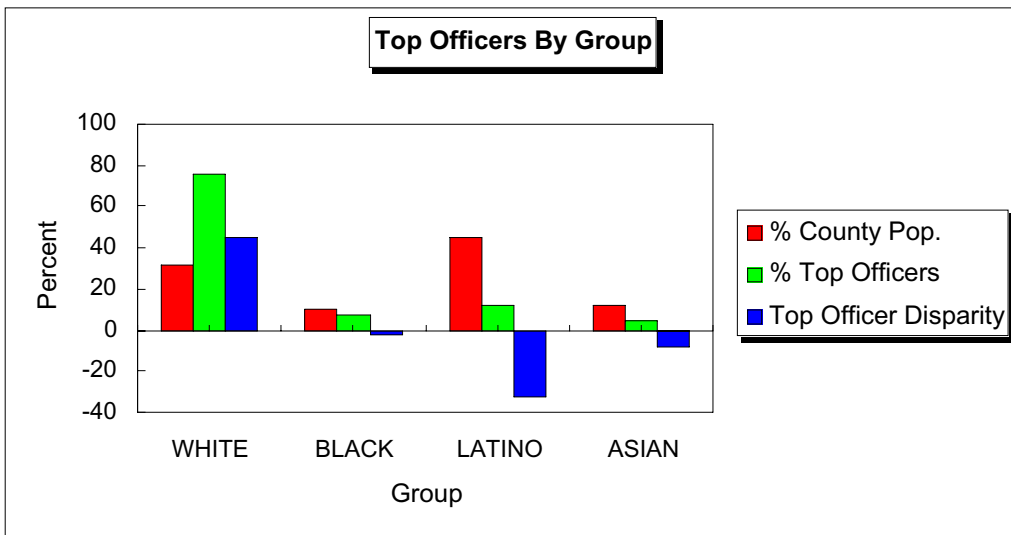
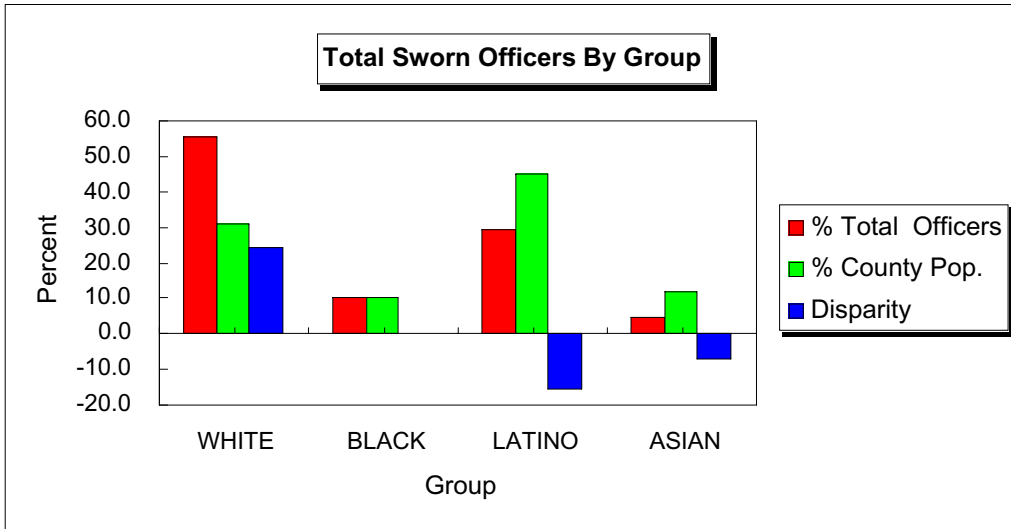
§ Grade: D

Table 8. Los Angeles County Sheriff's Department Personnel By Group Representation

	White	Black	Latino	Asian
Percent County Population	31	10	45	12
Total Sworn Officers	4940	910	2612	435
Percent Total Sworn Officers	55.4	10.2	29.3	4.9
Total disparity	24.41	0.21	-15.7	-7.12
Top officers (above rank of sergeant)	304	30	49	17
Percentage Top Officers	76	7.5	12.25	4.25
Top Officer Disparity	45	-2.5	-32.75	-7.75

Disparity is calculated by subtracting the percentage officers from the percentage population for that group.

Source *Year in Review 2002*. Los Angeles County Sheriff's Department.



Compelling Message: Violent Crime is Disproportionately Concentrated Within the Latino Community and Directed Against Latinos

We identify a serious public safety issue that warrants a concerted policy response by public officials and community leaders. We find that violent crime is disproportionately concentrated within the Latino community and against Latinos. Moreover, our statistical tests suggest that these differences are significant and too large

to be an artifact of data collection or reporting methods. Latino youths also account for more homicide arrests than one would expect given their share of the County's juvenile population.

On the other hand, Latino youths arrested for all crimes are slightly less than their proportion of the County's population. All told Latinos comprise slightly less than 60 percent of the population under the age of 18 yet are account for slightly more than 55 percent of all juvenile arrests. In our statistical tests we found that the relationship between Latino concentrations and youth-related property crime to be relatively modest.

Relative to Latino rates of violent crime, property crime and vandalism may not be serious problems. On the other hand, the low rate of property crime in Latino neighborhoods may be a function of low reporting. Indeed, as the Latino population becomes more affluent, reports of these types of crimes are likely to increase. Ironically, we may want to interpret any such increases as a positive sign --that the Latino community has become less tolerant of minor crimes and is more willing to report such violations. Thus, a rise in reported property crimes, while suggesting diminished public safety, may instead indicate improved socioeconomic status.

Reporting should also improve with increases in trust between the community and the various police and sheriff's departments in the county. However, we find that Latinos are under-represented between LAPD and Los Angeles County's total sworn officers. The problem becomes more significant when considering officers above the rank of sergeant.

As victims of hate crimes, Latinos are among the safest groups in the county, at least according to reports made to the Los Angeles County Human Rights Commission. However, other research shows that Latinos are likely to underreport such crimes (Regional Research Institute 2002).

Analysis

No clear consensus has emerged among criminologists as to the exact causes of crime. The most mentioned demographic factor, as a potential determinant of crime is the proportion of young men in a population. Other scholars believe that poverty, unemployment, or low wages increase the opportunity costs associated with committing crimes. It follows that communities with low unemployment and healthy incomes offer few incentives to run counter to the law. Some criminologists argue that social disorder as measured by factors like low quality parenting, lack of supervision, or a high number of single-parent families have a significant influence on the crime rate. Still others argue that the level of law enforcement deters crime. Here studies show that crimes were committed in jurisdictions where there is a small police presence. Lastly, some scholars find that the presence of guns and drugs increases crime rates (Fajnzylber et al 1999).

Undoubtedly, any and probably all of these factors increase crime. If so, crime in Los Angeles County can be reduced by improving the health of the community in a number of direct and indirect ways. Increasing employment and wages in Latino areas would reduce incentives to commit crimes. Similarly, increasing educational opportunities and thus the earnings potential would reduce crime. Improving the social health of the Latino community through programs that build social interaction and public participation would also reduce the incidence of crime.

More direct law enforcement actions would include improving police services by providing the police more resources to provide better and more public safety services. Law enforcement agencies should use increased resources to improve cultural awareness of the Latino community. Community policing programs that foster more social interaction between the community and the police force would more actively engage the community efforts to reduce crime, build community by increasing social interaction, and increase the level of trust between the police and the Latino community. Reporting of crimes should be encouraged regardless of citizenship status.

Lastly, there needs to be more collaboration between police and community-based organizations (community policing) working to prevent crime. This includes the need to make greater connections between schools, boys and girls clubs, social service providers,

traditional non-profit agencies and faith based organizations; and to consider alternatives to the radio car model of law enforcement.

Best Practices for Improving Public Safety

According to a study produced by the Tom s Rivera Policy Institute, community-policing programs help to reduce overall crime and juvenile crime in Latino communities in particular. Community policing programs not only increase the presence of police in patrol areas but also require that officers get to know the people in these areas so that trust can be established. Successful programs require a willingness on the part of the police to work with members in the community to solve problems. In turn, residents begin to feel that they are in partnership with the police to reduce crime. The study investigated nearly 100 police departments in four Southern California counties and identified successful programs in nine communities. In addition to developing working partnerships between the police department and community, the study found that hiring minority police officers, and decentralizing the command staff s of the respective police departments were effective strategies (Becker et al 1998).

Another program that builds bridges between the Latino community and the police is the Jeopardy Program. Researchers at the California State University, Northridge found this program to be effective in decreasing the amount and severity of gang-related crimes in the San Fernando Valley (O'Donnell-Brummett and Flores, 2002). This program targets "at risk" children, and offers a variety of educational and physical projects, from tutoring to martial arts to divert energies of Latino youth away from gang activity and channel youth activities into positive directions. The program works intensively with youths and their families, monitors their progress, and refers them to counseling if needed. Like community policing, this program works to prevent crime rather than reacting to crime.

A program aimed at preventing youth-related crime is the Communities in Schools (CIS) Program. Here the approach is comprehensive. A grass roots, nonprofit agency delivers a broad range of community services including parenting classes, English language tutoring, mentoring, gang intervention, and counseling. The program goes as far as to hold an annual soft-ball game between clients, police officials, community activists,

and local elected officials to promote community interaction, trust, and development (O'Donnell-Brummet 2001).

The above programs are in line with a national study produced for the National Governor s Association. According to the report, police efforts should be focused on the demographic predictors of individual violent criminality: male gender and race (DOJ 1999a). The report also noted studies that link child abuse and neglect and later violent offenses DOJ 1999b). Thus, it seems that the most effective ways to deal with violent crime are early prevention strategies --targeting at-risk youths with programs aimed at family therapy and parent training. Collaborative programs offered by schools, non-profit agencies, and churches that teach social competency and job skills or simply work to increase thinking skills of high-risk youth seem to prevent crime (NGA 2003).

That said, extra patrols in high crime areas, specialists trained and deployed to monitor high-risk repeat offenders, and programs that deal immediately with high-risk repeat offenders were also deemed effective. Lastly, nuisance laws directed toward tenants or owners of rental housing being used for drug dealing also seem to work.

Programs considered not effective by the report were: Gun buyback programs, drug prevention classes focused on fear and other emotional appeals, arrests of juveniles for minor offenses, and the Drug Abuse Resistance Education (D.A.R.E.) program.

Action Strategies

§ Latino leaders and advocacy groups should promote awareness of the state of crime in Latino communities and lobby elected officials to devote more resources to provide better and more public safety services. Community leaders should also promote collaboration between community-based organizations, police and business to prevent crime. Such efforts should be not only be directed toward educating the community about problems of violent crime but that property crimes are in fact crimes and should be reported.

§ Efforts should also be made to support police department efforts to train culturally competent police officers. The various police forces should also continue the hiring of bilingual/bicultural police officers. Again, efforts to make the police forces more culturally sensitive should be directed toward identified problems i.e. that

property and hate crimes, like violent crimes are real crimes and cause serious harm to the community and should be reported.

§ After school programs/mentoring to keep youth off the street in collaboration with community based groups and school districts should be promoted.

The Role of Leadership

Much of the responsibility for public safety leadership in Los Angeles county necessarily falls on the Los Angeles Police Department, the County Sheriff's Department, and the police departments of the county's various cities and communities. Combined, these agencies spend more than \$3 billion in public funds to serve and protect the area's residents (California Department of Justice 2003). In an area as socially diverse as Los Angeles, quality leadership takes on special importance. Especially important are confident and effective decision-making and regular communication with the county's communities. Given the many immigrants within the Latino community, leadership needs to understand and be supportive of the group's special needs and demonstrate concern with their welfare. When problems are serious, such as an unacceptable level of violent crime in the Latino community, leaders need to make difficult decisions on behalf of the interests of the overall community.

Much of this leadership role can be accomplished with the tone set by the commanding officers, watch commanders, and supervisors of the various law enforcement agencies who function as role models for the rank and file street officers. It is also paramount for top leadership to make themselves available to meet with the public as a symbolic show of support and concern. Such actions will go far to build trust within the Latino community and elicit cooperation in efforts to reduce crime.

The leadership role can also be shouldered by community organizations such as Jeopardy and Communities in Schools. These organizations fulfill important community roles by creating bridges and neutral grounds for community and law enforcement understanding. Organizations such as these can be instrumental in reducing violent crime with early intervention programs.

References

Becker, Harold K., Shaunna Clark, and Camilo Cruz, (1998). Community Policing: Successful Partnerships in the Prevention of Crime in Latino Communities° Los Angeles, CA: Tom s Rivera Policy Institute University of Southern California School of Policy, Planning and Development.

Fajnzyblber, Pablo, Daniel Lederman and Norman Loayza (1999) The Causes of Crime and Violence: A Guide for Empirical Researchers. Retrieved July 14, 2003 from the World Wide Web: <http://www.nga.org/cda/files/000214JUVCRIME.pdf>.

Los Angeles County Commission of Human Relations (2002) 2001 Hate Crime Report. Los Angeles, CA Los Angeles County Commission of Human Relations.

Los Angeles County Sheriff s Department (2003) Year in Review 2002. Los Angeles, CA. Los Angeles County Sheriff s Department

Los Angeles Police Department. (2003) Los Angeles Police Department Annual Report 2000 Los Angeles, CA. Los Angeles Police Department.

National Governor s Association Center for Best Practices Issue Brief, Dealing with Violent Juvenile Offenders (2000) Retrieved July 1, 2003 from the World Wide Web: <http://www.nga.org/cda/files/000214JUVCRIME.pdf>.

O'Donnell-Brummett, Patricia (2001). Evaluative study of Communities in Schools of San Fernando Valley/Valley Unity Peace Treaty Northridge, CA: University of California, Northridge.

O'Donnell-Brummett, Patricia and William D. Flores. (2002). School Community Police Program, Reaching Across Boundaries: Evaluation of a crime/gang intervention partnership between Fulton Middle School, LAPD, and Jeopardy Northridge, CA: University of California, Northridge.

Office of the California Attorney General (2002) Adult And Juvenile Arrests Reported, 2001. Sacramento: CA. Office of the California Attorney General

Regional Research Institute, Portland State University. (2002) Oregon Crime Victims Needs Assessment. 2002. Portland, OR. Portland State University.

United States Department of Justice, Bureau of Justice Statistics (BJS). (2002, July) Third Party Involvement in Violent Crime 1993-99. Washington, D.C.: Department of Justice. NCJ 189100.

United States Department of Justice, Bureau of Justice Statistics (BJS). (2002, April) Hispanic Victims of Violent Crimes 1993-2000. Washington, D.C.: Department of Justice. NCJ 191208.

United States Department of Justice, Bureau of Justice Statistics (BJS). (2003, March) Reporting Crime to the Police, 1992-2000. Washington, D.C.: Department of Justice.. NCJ 195710.

United States Department of Justice, Office of Justice Programs, Office of Juvenile Justice and Delinquency Prevention. (1999a July). Report to Congress on Juvenile Violence Research Washington, D.C.: Department of Justice.

United States Department of Justice, Office of Juvenile Justice and Delinquency Prevention, OJJDP Research. (1999b August). Making a Difference for Juveniles Washington, D.C.: Department of Justice.



Our Sponsors



THE JAMES IRVINE FOUNDATION



Los Angeles Times



WELLS FARGO



United Way
of Greater Los Angeles

523 West Sixth Street.
Los Angeles CA, 90014
Tel: 213.630.2100
www.unitedwayla.org