DAY 7: ALICE Lives in Washtenaw County

“There has never been a time in this country (United States) when there has not been a wage gap that exists along intersecting gender and racial lines.” – The Center for American Progress

Who is ALICE? ALICE stands for Asset-Limited, Income-Constrained, Employed. These households earn more than the Federal Poverty Level, but not enough to cover the basic cost of necessities like housing, child care, food, and transportation. A living wage is defined as a minimum income necessary for an individual to meet their basic needs such as food, housing, clothing, etc. The pandemic put into sharp focus the importance of historically undervalued jobs in retail, health care, and foodservice.

The implications are stark. A parent or individual within an ALICE household may have to make trade-offs between necessities like rent, stocking the refrigerator or going without health care to ensure for example, that their children have access to preschool.

In Washtenaw County, home to the most educated city in America, you may be surprised to learn that deep inequities persist here. A third (31%) of households in Washtenaw County live below the ALICE earnings threshold (12% below the poverty line and 19% below ALICE threshold but above poverty line), and disparities persist across communities, ranging from 12% in York Township to 44% and 60% in Ypsilanti Charter Township and Ypsilanti City, respectively.

These indicate that people in our community are having vastly different lived experiences and differential access to opportunity.

Black, indigenous and people of color in our County, as in our nation, disproportionately experience financial hardship and are at the opposite end of an ever-widening racial wealth gap—the disparity in median wealth between different racial groups in the United States.

The COVID-19 pandemic further compounded growth of the racial wealth gap making it even more challenging for working households to build wealth through savings, investments, and home ownership.

Share your reflections on today’s topic on social media using the hashtag #unitedforequity or #uwwcequitychallenge and tag @uwwashtenaw.
Today’s Challenge:

Listen:

- Listen to this episode of Washtenaw United on WEMU featuring Morghan Boydston, human services manager for the Washtenaw County Office of Community and Economic Development, where she discusses current efforts to address racism and its impact on local poverty.
- Listen to this episode of Washtenaw United on WEMU featuring Alex Gossage, executive director of the Ann Arbor, Livingston, and Monroe Centers for Independent Living, where he discusses current efforts to creating greater equity and access for the disabled community.
- Listen to this Washington Post podcast where they look at what’s driving economic inequality in the U.S., and examine how race and zip code affect prosperity.

Read:

- Learn about Washtenaw County government’s plan, in partnership with the Ann Arbor Area Community Foundation, to increase economic opportunity by investing in affordable home ownership.
- Read this NY Times article debunking widely held beliefs about income inequality and exploring the disproportionate impact race has on black boys.
- Read this report from the Center for Responsible Lending, which lays bare the data revealing the impacts of systemic racism on student loan borrowers who attended Historically Black Colleges and Universities making it difficult for many to engage in wealth-building activities like purchasing a home or investing for retirement, breaking the promise of a college degree as an “equalizer.”

Watch:

- One solution to the persistent financial pressure on working families has been the testing of guaranteed income. Watch this video by Robert Reich, which breaks down surprising findings from a recent guaranteed income experiment. Did you know? United Way of Washtenaw County and the Ann Arbor Area Community Foundation launched a guaranteed income pilot in March of 2022, and the City of Ann Arbor has its own in the works now.
- Listen to this TEDTalk by Raj Chetty, a Harvard economist committed to demonstrating how zip code shapes opportunity. Dive into his research through the Equality of Opportunity Project.
- Did you know that disabled workers aren’t guaranteed minimum wage across the U.S.? Watch this segment from The Daily Show about the wage gap for disabled workers.

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Act:
- Dig into the data further in the updated [2020 Washtenaw County Opportunity Index](#) to see and understand how racial and socioeconomic disparities in our community are differentially impacting opportunity.
- [Sign up for action alerts](#) so that you can join United Way of Washtenaw County and advocate for policies that create more equitable conditions such as fair wages, tax credits and more.

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