

# Minorities

## Pennsylvania Transfer of Wealth Study

09.15.15

### Background and Introduction

The Center for Rural Entrepreneurship has been retained by the [Center for Rural Pennsylvania](#) to update the Commonwealth's **Transfer of Wealth Opportunity** (TOW) analysis. Related to this project the Center has prepared a [series](#) of mini-reports focusing on unique factors that impact community TOW opportunities. This mini-report addresses **Minorities**.

### Question and Additional Information

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### Who are Minorities?

America is increasingly diverse and the definition of “minority” is changing rapidly. Traditionally, according to the U.S. Census, minorities included anyone who was not “white” or “Caucasian.” Minority populations often include Hispanics, Black or African Americans, Native Americans and persons with two or more races. Across America, an increasing number of communities are becoming “minority-majority” where a majority of the population falls into these former “minority” classifications. Additionally, and over time, more and more Americans will identify as multi-racial.

### Why are Minorities Important?

For many American communities, including some in Pennsylvania, there are legacy minority populations that have been part of the community for a generation or longer. The single largest driver of population increase in the U.S. is *new residents* and often these immigrants are from minority groups. Hispanic, Asian, African and Caribbean immigrants are driving growth. In counties with larger minority and particularly immigrant populations, the implications for wealth creation can be significant. First-generation immigrants often require assistance from their host community. But by the second generation, immigrants are established and have wealth profiles comparable to the resident population. And, by the third generation, there is integration and significant wealth formation among segments of these households. Faster growing concentrations of new residents suggests the need to adjust our TOW Scenario Model.

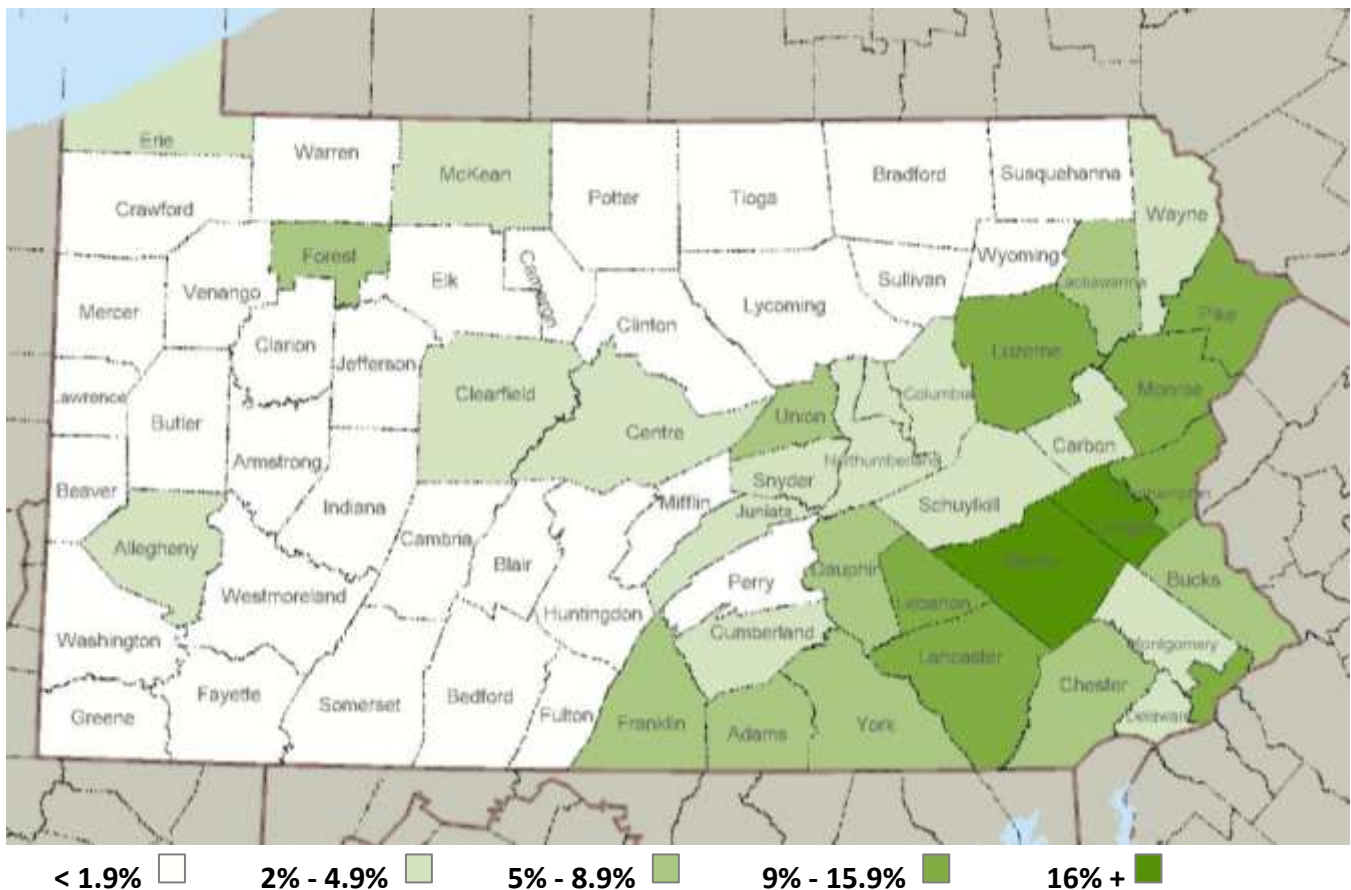
### What Has Our Analysis Found?

Using U.S. Census data, we produced two maps – Percent Hispanic Population and Percent Black or African American Population. We also developed a third map using ESRI's **2015 Diversity Index** which provides a more comprehensive view of racial diversity. When compared to states like Florida, Colorado and Texas, new resident

population growth is not a major factor impacting our TOW scenarios in Pennsylvania overall. We will be making some modest adjustments in select counties to reflect growing Hispanic or Latino populations.

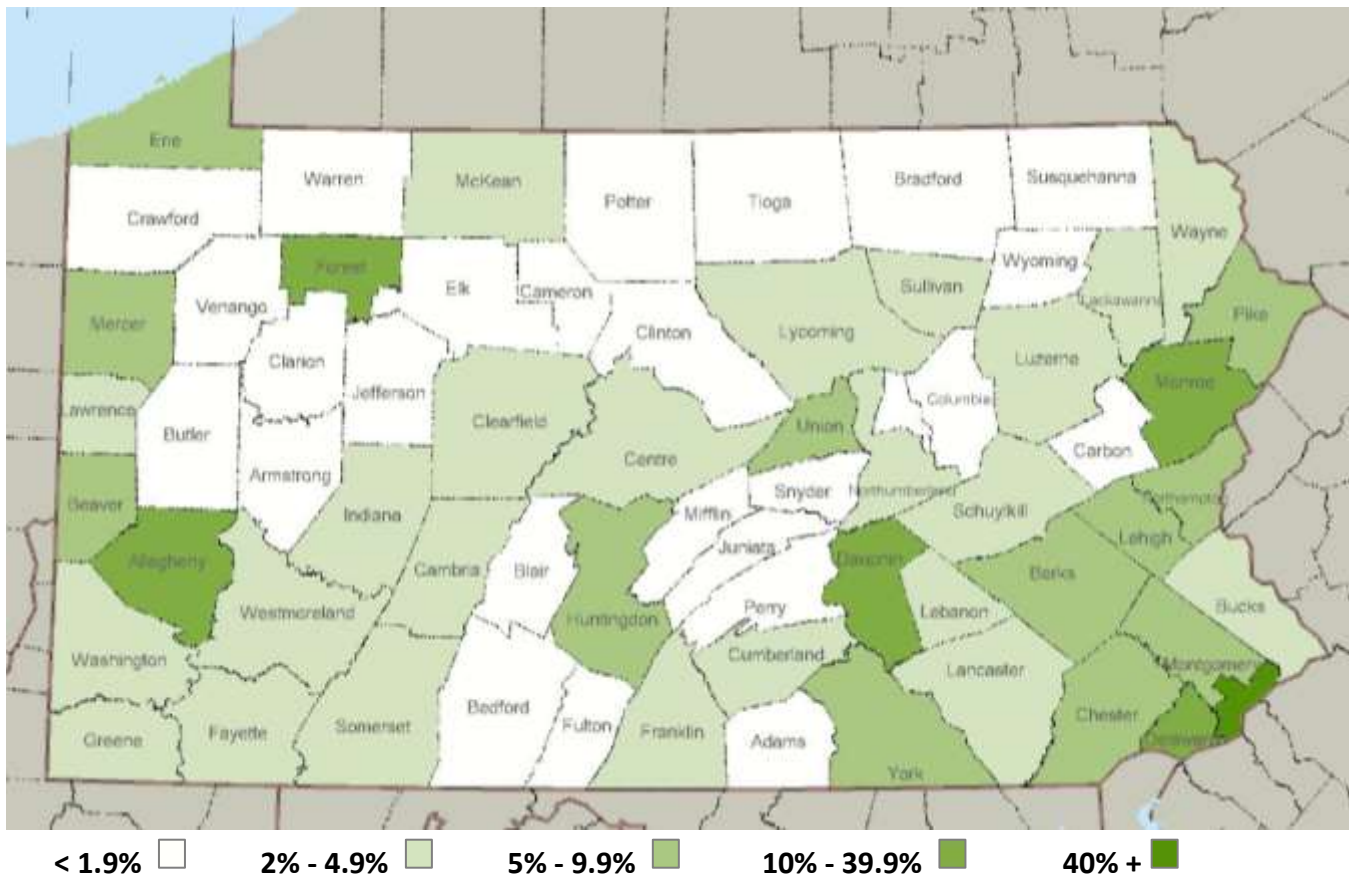
### Percent of Population – Hispanic

The following map shows concentrations of Hispanic or Latino populations in Pennsylvania. The highest concentration of these groups is in the Philadelphia area and Southeastern portions of the state. There are pockets elsewhere, but these do not represent significant concentrations that would impact TOW scenarios.



### Percent of Population – Black or African American

There are historic African American or Black populations in Pennsylvania, as shown in the map below. These populations are concentrated in Philadelphia, Pittsburgh and Southeastern Pennsylvania. Forest County stands out due to a large adult correctional facility with a relatively small overall county population. This facility has a significant minority population. Union and Huntingdon Counties stand out for the same reason (correctional facilities).

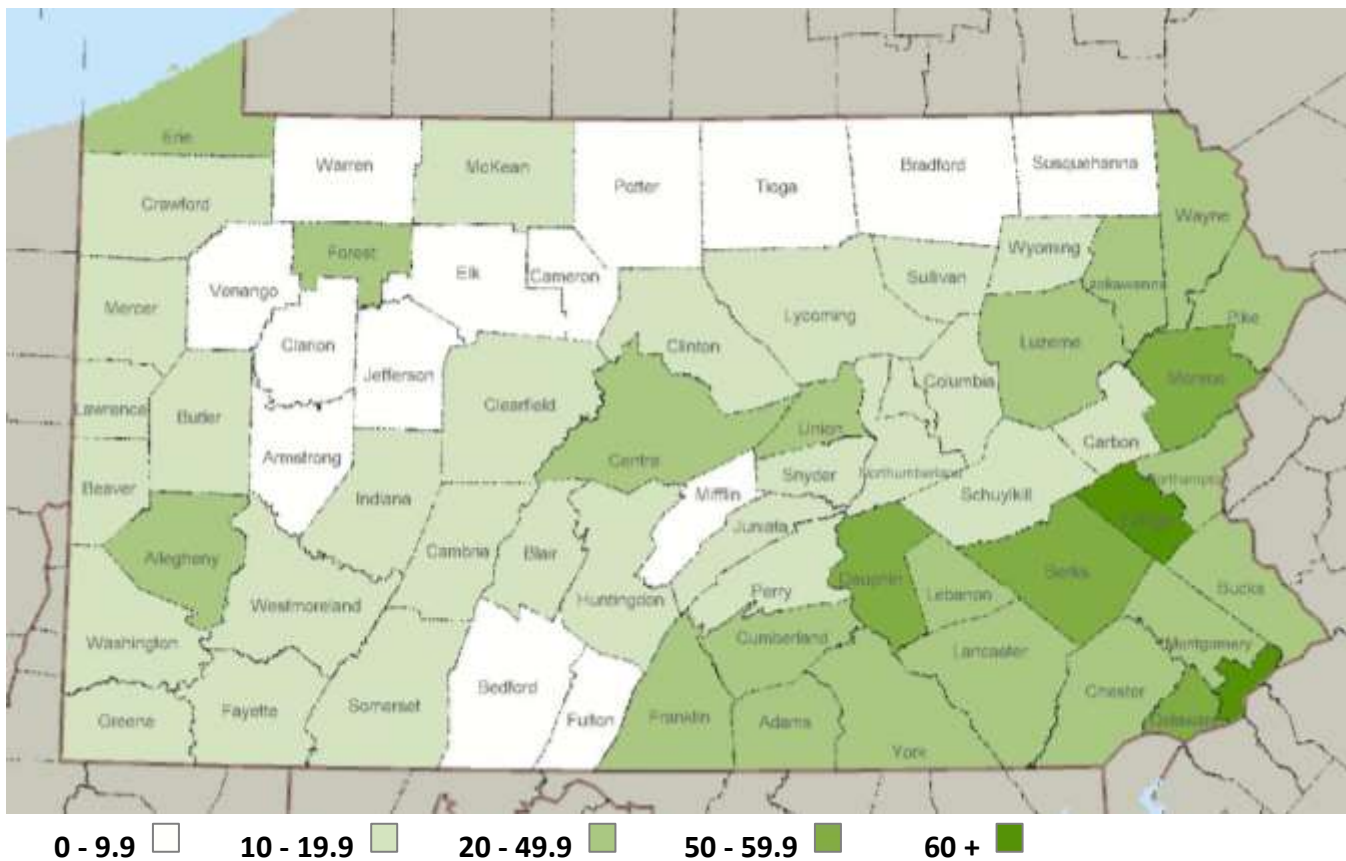


## Overall Diversity

The **Diversity Index** from Esri represents the likelihood that two persons, chosen at random from the same area, belong to different races or ethnic groups. Ethnic diversity, as well as racial diversity, is included in this definition. Esri's diversity calculations accommodate up to seven race groups: six single-race groups (White, Black, American Indian, Asian, Pacific Islander, Some Other Race) and one multiple-race group (two or more races). Each race group is divided into two ethnic origins, Hispanic and non-Hispanic. If an area is ethnically as well as racially diverse, then diversity is compounded.

The map below summarizes Esri's 2015 findings for the Commonwealth. This map mirrors the previous two maps but also illustrates that Pennsylvania, like the rest of America, is becoming more diverse. This increase in diversity is likely to continue over future generations as younger people are generally more welcoming of diversity, choose to live in more diverse communities and even create more diverse families.

## ESRI 2015 Diversity Index



Source: Esri, 2015.

## Supporting Research and Sources

The source for this analysis is the [2009-2013 American Community Survey](#) (ACS), DP05 or Demographic and Housing Estimates data series. We have also included proprietary data from Esri (Diversity Index).



The Center promotes and sustains the vitality of Pennsylvania's rural and small communities by sponsoring research projects to identify policy options for legislative and executive branch consideration and action; collecting data on trends and conditions to understand the diversity of rural Pennsylvania; publishing information and research results to inform and educate audiences about the diverse people and communities of rural Pennsylvania; and participating in local, state and national forums on rural issues to present and learn from best practices.

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