

Summarizing Disparities between American Indian and White Residents in the Twin Cities Region

Key Findings

In September 2015, we released our second annual report ([PDF](#)) on racial and ethnic disparities in the 16-county Twin Cities metropolitan area. Much like our first report ([PDF](#)), data from the U.S. Census Bureau's 2014 American Community Survey showed that among the 25 most populous metro areas, the Twin Cities metro has the largest—or among the largest—disparities between persons of color and White, non-Latinos in poverty rates, homeownership, employment, and level of education. The gaps between our metro's American Indian and White residents' employment and poverty rank in the top five largest disparities across large U.S. metros.

In our recently released "Diving Deeper" *MetroStats* series ([PDF](#)), we explored the demographic differences between the region's White, non-Latino residents and Black ([PDF](#)), Latino ([PDF](#)), and Asian ([PDF](#)) residents, and to what extent those differences were driving disparities in employment, income, and homeownership. Those analyses were based on microdata from the U.S. Census Bureau's American Community Survey. Unfortunately, the data do not contain enough records from American Indian respondents to perform the same analysis for demographic differences or disparities between American Indian and White residents in the Twin Cities region. Making fine-grained distinctions within categories of age, education, and other relevant demographic and socioeconomic characteristics slice the data too thinly to form statistically valid conclusions.

In lieu of a "deep dive," we present the most current data on the residential patterns of the region's American Indian residents and historic data on disparities between American Indian and White, non-Latino residents. **The historic trends show longstanding disparities in employment, income, and homeownership between American Indian and White residents in the Twin Cities region.**

Background: The Twin Cities region's American Indian residents

The most recent American Community Survey data show that close to 15,000 American Indian persons lived in the seven-county Twin Cities region in the 2010-2014 period. For national context, other large metro areas with a similar number of American Indian residents in our (16-county) Minneapolis-Saint Paul-Bloomington metro area include Buffalo, Portland, Denver, and Milwaukee.

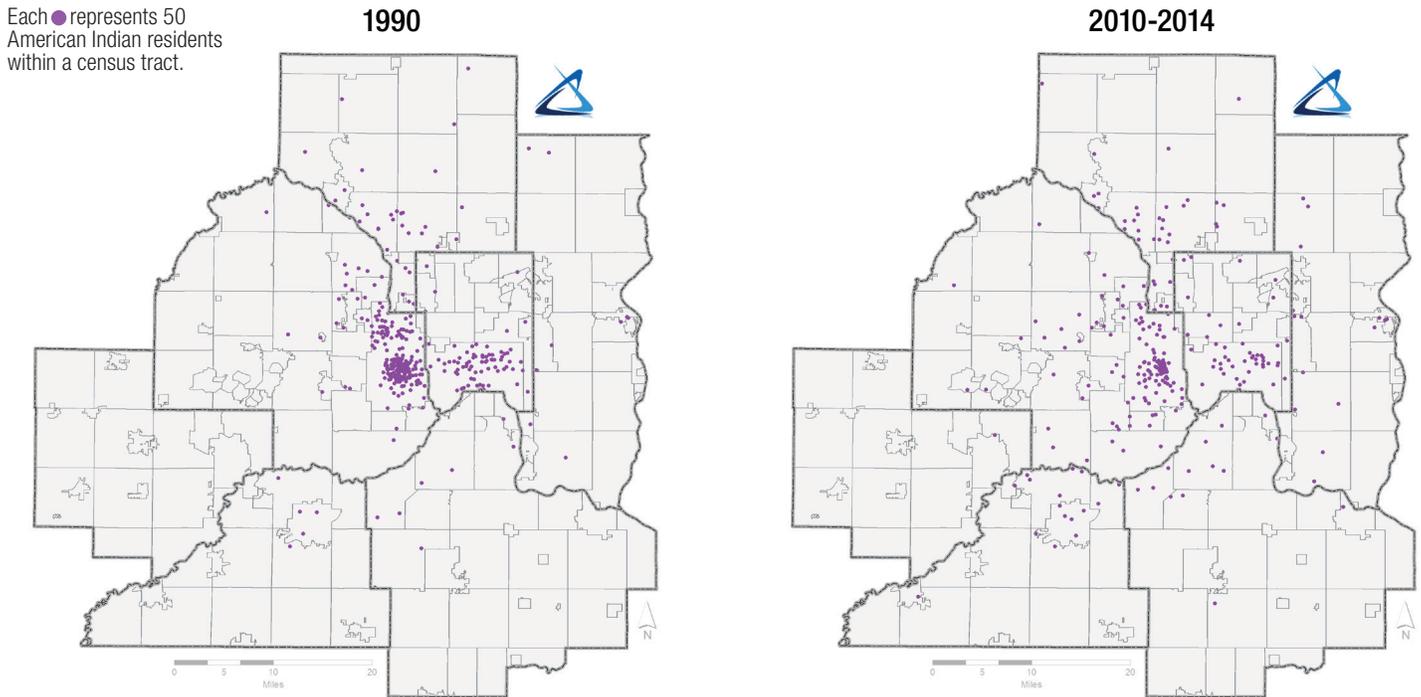
Between 1990 and 2010-2014, the region's American Indian population decreased by a third (-33%) while the total population increased by 28%. Currently American Indian residents account for 0.5% of the region's total population, down from 0.97% in 1990. Although this report looks at the region's American Indian population as a whole, it is worth noting that the American Indian community in the Twin Cities includes residents with Ojibwe, Dakota, Sioux, and Winnebago ancestry.¹

¹ Both demographics and key economic outcomes differ by cultural group. The Minnesota State Demographic Center's [The Economic Status of Minnesotans](#) provides a summary of these differences at the state level.

As Figure 1 shows, the region's American Indian residents primarily lived in Minneapolis and Saint Paul in 1990. By 2010-2014, this residential pattern had become more dispersed, though Minneapolis and Saint Paul stand out as places with higher numbers of American Indian residents. The cities with the largest number of American Indian residents in 2010-2014 include Minneapolis, Saint Paul, Coon Rapids, Shakopee, and Prior Lake. In each of these cities, however, American Indian residents were less than 2% of the total population.

Our previous research ([PDF](#)) shows that the region's American Indian residents are slightly more likely to live in Areas of Concentrated Poverty than White residents. (Areas of Concentrated Poverty are census tracts where at least 40% of the residents have incomes at or below 185% of the federal poverty threshold.)

FIGURE 1. AMERICAN INDIAN RESIDENTS IN THE TWIN CITIES REGION IN 1990 AND 2010-2014



Source: U.S. Census Bureau, Decennial Census, 1990; American Community Survey 5-year Estimates, 2010–2014.

A well-established history of racial and ethnic disparities in the Twin Cities region

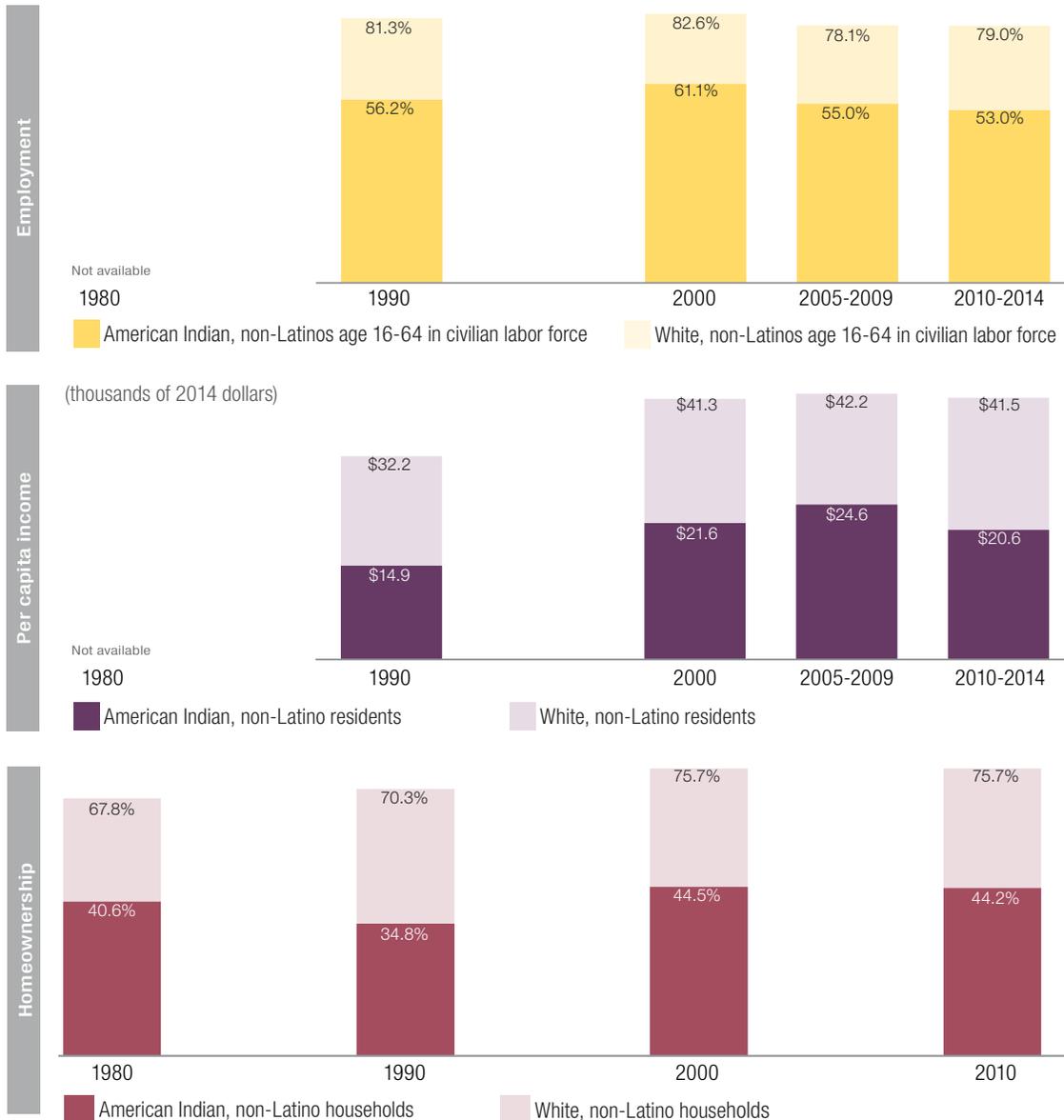
Disparities in employment, income, and homeownership between American Indian residents and White residents in the Twin Cities have persisted since 1990.

In 1990, just over half (56%) of the region's working-age American Indian residents were employed, compared with four in every five White residents (Figure 2). This gap remained consistent over the next two decades though widening slightly in 2010-2014.

In 1990, the per capita income of American Indian residents was half that of the region's White, non-Latino residents. This trend has largely continued: While the income disparity contracted slightly in periods of economic boom, the per capita income of American Indian residents in 2010-2014 (around \$20,000) was still less than half that of White residents (\$41,000).

In 1980, two in every five American Indian households owned their homes compared with just over two-thirds of White households. Thirty years later, this homeownership gap remains largely the same.

FIGURE 2. RACIAL AND ETHNIC DISPARITIES IN THE TWIN CITIES REGION ACROSS THREE DECADES



Source: U.S. Census Bureau, Decennial Census 1980, 1990, 2000, and 2010; American Community Survey Public Use Microdata Samples, 2005-2009 and 2010-2014.

Looking ahead: How racial and ethnic disparities undermine our region’s future prosperity

The Twin Cities region is among the most prosperous regions in the U.S.: Overall, our unemployment rate, home-ownership rate, and per capita income rank favorably compared with the 25 largest metropolitan areas. However, even with these assets, the presence and potential growth of our region’s disparities between White residents and residents of color may undermine our economic competitiveness and prosperity. Other metro areas with similar shares of residents of color as the Twin Cities do not show racial and ethnic disparities as large or as persistent as ours when it comes to key economic outcomes. Our Thrive MSP 2040 regional forecast shows that our region’s share of residents of color is expected to grow significantly over the next three decades, going from 24% in 2010 to 41% by 2040. With nearly all of our region’s workforce growth coming from residents of color in the coming decades, all residents of the Twin Cities region need access to opportunity if the region is to have a healthy and prosperous future.

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Metropolitan Council | Regional Policy and Research
 390 Robert Street North
 Saint Paul, MN 55101-1805
metro council.org/metrostats contact us: research@metc.state.mn.us

