

AMERICAN HUMAN DEVELOPMENT REPORT

THE MEASURE OF AMERICA 2013-2014

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Economic indicators are the standard lens through which we try to understand the world around us. Listen to the radio as you drive to the office in the morning, check a news website at work, or flip on the TV at the end of the day; you're sure to hear something about the economy. Perhaps the quarterly GDP numbers are out, or maybe there's a new jobs report. It's hard *not* to hear about inflation rates, interest rates, housing starts, and retail merchant sales. These numbers answer an important question: how is the economy doing?

What economic indicators don't do, though, is tell the story of **how people are doing**. They weren't even designed to do so. Yet the media, politicians, and regular people nonetheless frequently use indicators like GDP as shorthand for discussing human progress. But how accurate are those numbers in describing the health, education, and well-being of Americans?

The American HD Index paints a far more informative picture of people's lives and serves as a more sensitive gauge of well-being and opportunity. It is a composite measure that brings together three areas fundamental to a freely chosen life of value and dignity—health, access to knowledge, and material living standards.

- Health, the bedrock of our very existence, is measured by life expectancy at birth.
- Knowledge, an end in itself as well as the surest route to higher wages and longer lives, is measured by degree attainment and school enrollment.
- Living standards, what many people use to assess progress, are represented by median personal earnings. Though we argue that money isn't everything, it's not nothing, either. Sufficient income and economic security matter tremendously to people's choices, chances, and well-being.

How is America doing on this measure? Over the last half-century, the Index value for the country as a whole has increased three-fold. Americans live nine years longer today than they did in 1960 and are four

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times as likely to have a bachelor's degree. Fifty years ago, nearly 60 percent of Americans had not completed high school; that rate stands at 14 percent today. Earnings have also grown, from \$18,756 in 1960 to \$28,899 in 2010, both adjusted for inflation.

Health and education indicators have improved consistently over the last five decades, but earnings indicators have not. In 2000, the typical full- or part-time American worker earned \$30,084, but by 2010, median earnings had slumped by more than \$2,000. The Great Recession pulled wages southward, but the decline had actually begun well before the bottom fell out of the market in late 2007.

Though as a country we may be moving in the post-racial direction, we certainly aren't there yet: the greatest well-being gaps in our society are those that separate racial and ethnic groups. Looking beneath the national average shows a more varied picture of progress. Asian Americans and whites have higher levels of well-being than African Americans and Latinos at the national level and in every U.S. state as well as each of the twenty-five metropolitan areas included in this report. For instance, Asian Americans live, on average, a dozen years more than African Americans at the national level, and the gap between them in the Baltimore metro area is wider still—an astounding seventeen years. Median earnings for whites are more than 50 percent higher than median earnings for Latinos at the national level, and nearly twice as high in California.

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Differences between states and metropolitan areas are also striking. In the District of Columbia, half of all adults have at least a bachelor's degree; in Wyoming, only one-quarter do. People in twelve U.S. states can expect to live, on average, 80 years or more; people in seven other U.S. states have life expectancies of 76 years or less.

Understanding what is happening to people requires that we look directly at them rather than trying to divine their condition through proxies far removed from their everyday experience. Huge groups of Americans routinely miss out on a dozen years of existence, others earn today what the typical American earned thirty, forty, or even fifty years ago, and surprisingly large swaths of American adults are trying to make a go of it in the information age without even the bare-bones minimum of a high school diploma. Yet this kind of information sees the light of day only sporadically at best.

In general, the analyses that Measure of America has conducted for this and other reports show that investing in the health and education of Americans pays huge dividends to them and to the country as a whole. If all we care about is a growing economy, than that's all we should pay attention to; GDP and other economic metrics suit that purpose well. But if we care about the ability of all Americans to live freely chosen lives of value, to realize their personal American Dreams, then shining a spotlight on the actual conditions of people's lives in communities around the country is critical.



Measure of America provides easy-to-use yet methodologically sound tools for understanding well-being and opportunity in America and stimulates fact-based dialogue about issues we all care about: health, education, and living standards.

Through hard copy and online reports, interactive "apps," and custom-built dashboards, Measure of America breathes life into numbers, using data to identify areas of need, pinpoint levers for change, and track progress over time.

Policy-makers, businesses, philanthropists, and nonprofit boards increasingly want an answer to this question: are our efforts translating into social, economic, or environmental impacts on the ground? Several tools for measuring impact exist, but they tend to focus heavily on inputs (such as the number of loans approved or philanthropic dollars delivered) and direct, short-term results. Measure of America moves beyond inputs to identify indicators of community-level change and works with organizations to design performance metrics, monitor progress, and present the results.

PUBLICATIONS



Measure of America's reports provide authoritative data-based analyses on well-being and access to opportunity at the national, state, and local levels.

Reports are frequently cited by journalists and researchers. Organizations such as Catholic Charities USA and United Way use MOA's work to evaluate programs, implement policy changes, and more.

INTERACTIVE TOOLS



Measure of America develops innovative and engaging online tools to explore the latest data. They are excellent for classroom use.

In Mapping the Measure of America, users can play with over 100 indicators. They can calculate their personal well-being score on the Well-O-Meter and delve into the impact of education on communities with The Common Good Forecaster.

SERVICES



Need help with data? MOA's custom services help clients better understand their constituents, measure social impact, and present data in an engaging manner.

We can help you identify the right indicators; analyze, visualize, and communicate data; and write about your findings. Our clients include government, nonprofit, service delivery, and philanthropic organizations.

To obtain copies of reports and use an array of interactive maps and tools, please visit:

www.measureofamerica.org