

# **Bond Case Briefs**

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## **The Future of the Great Lakes Region: Urban Institute Report**

### **Abstract**

The Great Lakes region—home to 50 million people in Illinois, Indiana, Michigan, Minnesota, Ohio, and Wisconsin—has become a fixture in our national political discourse. Many of the country's social, economic, and political challenges are being played out here.

Despite a decade of job loss, demographic shifts, and falling household incomes, evidence suggests the area has strong foundations capable of sustaining future growth and prosperity. By building on these strengths, the Great Lakes region can rewrite its Rust Belt narrative as a story of resurgence.

Outlined below are key findings from the Urban Institute report *The Future of the Great Lakes Region*, which offers a glimpse into the region's past and future challenges and promise. This report provides a comprehensive analysis of recent economic, demographic, and social trends in the region, coupled with projections on how those trends will play out between now and 2040.

### **Manufacturing collapse, but steady population and economic growth**

- From 2000 to 2010, manufacturing jobs in the region fell 35 percent, a loss of nearly 1.6 million jobs.
- Overall, though, the region added 1.2 million jobs from 2000 to 2015. But the growth was mainly in low-wage jobs.
- Sixteen percent of Great Lakes residents were ages 65 and older in 2015. From 1990 to 2015, the region's white and native-born population was stable or declined, but African American, Hispanic, other non-white, and foreign-born populations grew rapidly. The region is still less diverse than other states were in 2000.

### **Gradual population growth and labor force stabilization**

- By 2040, the region is expected to grow by 3.2 million people. Births will outnumber deaths until around 2030.
- Standing at 8 million today, the senior population will reach 13 million by 2040. Younger age groups will shrink over this period, however, because of out-migration and lower birth rates.
- The labor force will shrink because of early retirement and out-migration of workers in their 30s and 40s, but young people will continue to enter the labor force.
- Although fewer manufacturing jobs exist, remaining industries will still be a major source of employment and high wages.

### **Challenges and promise**

- From 2000 to 2010, median household incomes fell more dramatically in five of the six Great Lakes states than in the entire United States.
- More workers will have associate's and four-year college degrees, but this increase will be held back by disparities between African Americans and Hispanics on one hand and whites and Asians

on the other.

- In addition to racial and economic segregation, demographic change and economic stress have reduced the vitality of rural, suburban, and urban communities.

### **Toward future prosperity**

To improve the quality of life and economic mobility for Great Lakes residents, decisionmakers should

- Encourage young families with children to stay in the region to sustain population levels through more targeted investments;
- Welcome and integrate immigrants and their children into the community;
- Prepare young adults to enter the labor force; and
- Ensure workforce development systems upgrade worker skills, because manufacturing will continue to be a major source of jobs and high-wage employment.

[Read the full report.](#)

### **The Urban Institute**

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