



The Wayne State University School of Social Work and Mike Ilitch School of Business are proud to host the third annual STEAM Challenge, which brings interdisciplinary student teams together to address a social problem in our city. There are four priority areas under this year's theme **of Innovating Change and Developing Solutions Towards a Just Society**:

### **1. Promoting youth development and educational opportunities**

There are over 52,000 disconnected youth in metro Detroit, ages 16 to 24 years old, who are not in school or working. African American, Latino and Native American youth are more at risk for disconnection than White and Asian American youth at every income level. The human, social and economic costs of youth disconnection are high. Poverty, discrimination, residential segregation, and transportation barriers play significant roles in the lack of opportunities for disconnected youth.<sup>1</sup> Social impact solutions need to address longstanding structural barriers that have created unequal opportunities for youth from disadvantaged communities and find innovative ways to re-engage disconnected youth.

### **2. Creating employment opportunities and developing workforce solutions for individuals and groups who face barriers to finding and maintaining employment**

Despite historic low rates of national unemployment, persons from vulnerable populations and communities including returning citizens, military veterans, persons experiencing homelessness, women who are survivors of domestic violence and people with physical and cognitive disabilities can experience significant challenges finding and maintaining employment. The Department of Justice reports an estimated 600,000 citizens return to neighborhoods across the country, after serving time in federal and state prisons.<sup>2</sup> Each year, more than 13,000 citizens return from prison to their communities in Michigan, with approximately 3,000 to 5,000 being released back into the Detroit community.<sup>3,4</sup> Barriers to employment for returning citizens can include lack of educational attainment, work experience, job-related skills, literacy and soft skills. Returning citizens can struggle with substance use and abuse histories and mental health challenges, as well as structural barriers to obtaining necessary work requirements like getting a driver's license.<sup>5</sup> Social impact solutions for helping persons from disadvantaged groups like returning citizens find and keep meaningful employment should address systemic discrimination, and include advocacy and policy changes that remove obstacles and provide critical health and human services resources designed to empower people to fully participate in the formal labor market.

### **3. Enhancing financial literacy, capabilities and inclusion for low-to-moderate income individuals and households**

The percentage of Detroiters living in poverty is much greater (37.9%) than the state average (14.1%). The most vulnerable are Detroit residents from communities of color.<sup>6</sup> Moreover, the liquid asset poverty rate, defined as the percentage of households without sufficient liquid assets to subsist at the poverty level for three months in the absence of income, is 66.3 % for households of color as compared to 32% for white households in Michigan.<sup>7</sup> People living in poverty pay more for critical financial services. Lower income Detroit households are more likely to be unbanked or underbanked, and have to rely on prepaid cards, money orders and check cashing services with higher transactions costs, as well as expensive alternative financial services

including refund anticipation loans, payday loans, rent-to-own services, pawn shop loans and auto title loans. Unbanked rates for black and Hispanic households are substantially above the national average. Additional groups at risk include working-age disabled Americans.<sup>8</sup> Promoting financial literacy and capabilities have become increasingly important strategies for helping at risk and lower income households increase income and build assets. Social impact solutions for decreasing income and asset inequalities should address a history of systemic discrimination that has created and exacerbated a racial wealth gap between white and black American households, acknowledge that many households are unbanked by choice citing mistrust of financial institutions, and develop customized programs that effectively address the needs of underserved communities.

#### **4. Advancing and monitoring environmental justice initiatives (i.e. clean water/air) in under-resourced communities**

Climate change, industrial pollution and other forms of environmental degradation disproportionately negatively affect lower-income and communities of color. Detroit is home to five of the most polluted zip codes in the State of Michigan,<sup>9</sup> and the 48271-zip code in Southwest Detroit is the most toxic area in Michigan.<sup>10</sup> Significant issues facing residents include diesel pollution, illegal dumping, and lead poisoning.<sup>11</sup> Addressing environmental degradation should recognize the disparities suffered by lower income communities and seek social impact solutions that integrate and promote the existing work of longtime residents who have been advocating for more environmentally just and sustainable practices and policies in their communities.

<sup>1</sup> Disconnected youth. Measure of America. *Social Science Research Council*. Retrieved from <http://measureofamerica.org/disconnected-youth/>

<sup>2</sup> United States Department of Justice. (2017). Roadmap to reentry: reducing recidivism through reentry reforms at the federal bureau of prisons. Retrieved from <https://www.justice.gov/archives/reentry/roadmap-reentry>

<sup>3</sup> Awalt, S., Harris, J., & Thorndike, M. (2015). Returning citizens and workforce development review with special focus on Detroit. Retrieved from <https://mnaonline.org/docman/uncategorized/20-returning-citizens-review/file>

<sup>4</sup> United States Department of Justice. (2015). Hiring returning citizens makes good business sense. Retrieved from <https://www.justice.gov/usao-edmi/hiring-returning-citizens-makes-good-business-sense>

<sup>5</sup> Ergungor, O. E., & Oliver, N. (2013, Nov. 19). The employability of returning citizens is key to neighborhood revitalization. *Federal Reserve Bank of Cleveland*. Retrieved from <https://www.clevelandfed.org/newsroom-and-events/publications/economic-commentary/2013-economic-commentaries/ec-201317-the-employability-of-returning-citizens-is-key-to-neighborhood-revitalization.aspx>

<sup>6</sup> Quick Facts. *United States Census Bureau*. Retrieved from <https://www.census.gov/quickfacts/detroitcitymichigan>

<sup>7</sup> Liquid asset poverty rate. Financial Assets & Income. *Prosperity Now Scorecard*. Retrieved from <http://scorecard.prosperitynow.org/2016/measure/liquid-asset-poverty-rate>

<sup>8</sup> Appam, G. et al. (2018, Oct.) FDIC national survey on unbanked and underbanked households. Federal Deposit Insurance Corporation. Retrieved from <https://www.fdic.gov/householdsurvey/2017/2017execsumm.pdf>

<sup>9</sup> Detroiters Working for Environmental Justice. <https://detroitenvironmentaljustice.org/environmental-justice-matters/>

<sup>10</sup> Kubota, B. (2017, June 19). Toxic town: Michigan's most polluted zip code. *Great Lakes Now*. Retrieved from <https://www.greatlakesnow.org/2017/06/toxic-town-michigans-polluted-zip-code/>

<sup>11</sup> Southwest Detroit Environmental Vision <http://www.sdevweb.org/about-southwest-detroit-environmental-vision/>