This study is an update to our report *Evaluating Shared Prosperity in Southeast Michigan, 2012–2018*

We examine how prosperity in the region has changed since before the pandemic.

We classify households into four income groups using a standardized measure of income (three-person equivalent income adjusting for local cost of living).

We consider the distribution of prosperity by geography, racial and ethnic groups, educational attainment, and age.

New this year, we also examine prosperity by disability status and housing tenure.
Household Income Thresholds in Detroit-Warren-Dearborn, 2018 and 2022

Nominal Dollars

2018

- Lower
- Lower-Middle
- Upper-Middle

2022

- Lower
- Lower-Middle
- Upper-Middle

Household Income Thresholds in Detroit-Warren-Dearborn, 2018 and 2022

RSQE: May 2024
Mean 3-person Household Equivalent Income by Income Group in Southeast Michigan, 2018 and 2022

Real Household Income, 2022 Dollars

- **All**: 2.8% growth
- **Lower Income**: 5.2% growth
- **Lower-Middle Income**: 3.1% growth
- **Upper-Middle Income**: 3.2% growth
- **Higher Income**: 2.8% growth

Income Groups

RSQE: May 2024
Geographic Distribution of Prosperity in Southeast Michigan

Average Three-Person Equivalent Household Income, 2022

Real Growth of Average Three-Person Equivalent Household Income, 2018–2022

Average Income
- Less than $80,000
- $80,000 to $100,000
- $100,000 to $125,000
- $125,000 to $150,000
- Greater than $150,000

Real Income Growth
- Declined more than 5%
- Declined less than 5%
- Grew less than 5%
- Grew 5% to 10%
- Grew 5% to 10%
- Grew more than 10%
Distribution of Population 25+ by Household Income and Education
Southeast Michigan, 2022

- **No HS Diploma**
  - Lower: 3.9%
  - Lower-Middle: 20.0%
  - Upper-Middle: 59.0%
  - Higher: 17.3%

- **HS Grad/GED**
  - Lower: 7.7%
  - Lower-Middle: 31.7%
  - Upper-Middle: 39.3%
  - Higher: 21.4%

- **Some College**
  - Lower: 30.2%
  - Lower-Middle: 36.1%
  - Upper-Middle: 20.7%
  - Higher: 13.0%

- **Associate's Degree**
  - Lower: 41.0%
  - Lower-Middle: 18.4%
  - Upper-Middle: 15.9%
  - Higher: 24.7%

- **Bachelor's Degree**
  - Lower: 33.5%
  - Lower-Middle: 42.0%
  - Upper-Middle: 12.3%
  - Higher: 12.3%

- **Graduate Degree**
  - Lower: 8.7%
  - Lower-Middle: 42.4%
  - Upper-Middle: 8.8%
  - Higher: 40.1%

RSQE: May 2024
Distribution of Children 17 and Under by Household Income
Southeast Michigan, 2018 & 2022

All Races/Ethnicities

<table>
<thead>
<tr>
<th>Income Groups</th>
<th>2018</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lower</td>
<td>39.8</td>
<td>38.5</td>
</tr>
<tr>
<td>Lower-Middle</td>
<td>15.9</td>
<td>17.1</td>
</tr>
<tr>
<td>Upper-Middle</td>
<td>29.8</td>
<td>30.6</td>
</tr>
<tr>
<td>Higher</td>
<td>14.5</td>
<td>13.8</td>
</tr>
</tbody>
</table>

Hispanic

<table>
<thead>
<tr>
<th>Income Groups</th>
<th>2018</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lower</td>
<td>55.0</td>
<td>51.6</td>
</tr>
<tr>
<td>Lower-Middle</td>
<td>18.4</td>
<td>16.6</td>
</tr>
<tr>
<td>Upper-Middle</td>
<td>18.6</td>
<td>25.7</td>
</tr>
<tr>
<td>Higher</td>
<td>8.0</td>
<td>6.2</td>
</tr>
</tbody>
</table>

RSQE: May 2024
Share of Non-Hispanic Black Children 17 and Under in Lower-Income Households by Region, 2018 & 2022

Percent

<table>
<thead>
<tr>
<th>Region</th>
<th>2018</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Southeast Michigan</td>
<td>70.1</td>
<td>62.7</td>
</tr>
<tr>
<td>Rest of Metropolitan Midwest</td>
<td>68.0</td>
<td>64.6</td>
</tr>
<tr>
<td>United States</td>
<td>60.6</td>
<td>58.5</td>
</tr>
</tbody>
</table>

RSQE: May 2024
Labor Market Engagement by Disability Status in Southeast Michigan

**No Disability**

<table>
<thead>
<tr>
<th>Year</th>
<th>Did Not Work</th>
<th>Full-time</th>
<th>Part-time</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>48.6</td>
<td>27.7</td>
<td>23.7</td>
</tr>
<tr>
<td>2022</td>
<td>50.3</td>
<td>28.1</td>
<td>21.6</td>
</tr>
</tbody>
</table>

**With At Least One Disability**

<table>
<thead>
<tr>
<th>Year</th>
<th>Did Not Work</th>
<th>Full-time</th>
<th>Part-time</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>13.7</td>
<td>14.2</td>
<td>18.1</td>
</tr>
<tr>
<td>2022</td>
<td>14.0</td>
<td>18.1</td>
<td>14.0</td>
</tr>
</tbody>
</table>
Prosperity became more broadly shared in Southeast Michigan from 2018 to 2022

Gains were noticeable for Hispanic and Non-Hispanic Black residents, especially children

Disabled residents experienced sharp gains in full-time employment

Southeast Michigan still suffers from holes in the distribution of prosperity, with large gaps across racial and ethnic groups

Education still matters. A bachelor’s degree or higher formal education remains the most reliable way to attain an upper-middle or higher-income standard of living
SAVE THE DATE!

The 72nd Annual Economic Outlook Conference will take place on November 21–22, 2024 in Ann Arbor. The conference will feature RSQE’s forecasts of the U.S. and Michigan economies plus a range of leading speakers from government, academia, and the private sector.

For more information: lsa.umich.edu/econ/rsqe

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