



INCLUSIVE GROWTH SCORE™ REPORT

Growing together

Measuring inclusive growth in U.S.
communities and cities

CENTER FOR INCLUSIVE GROWTH



Introduction

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Communities need time-sensitive, localized, and data-driven insights to drive equitable economic development and encourage investment.

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For many decades, the United States has been wrestling with an incredible paradox: even at the peak of what, until the start of the pandemic, was the longest economic expansion in modern history, many people were excluded and many places were left behind. Evaluating the U.S. economy as a whole through the narrow lens of GDP and median income make this reality difficult to see. These measurements help us estimate the strength of the economy on average, but don't show the distribution of resources and opportunity – or lack thereof – across neighborhoods.

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The market structure has not allowed benefits like growing incomes, improved public services, and technological advancements to be distributed evenly – and so, the concept of inclusive growth is gaining traction. Inclusive growth ensures the benefits of a growing economy extend to all segments of society, thus unleashing everyone's economic potential.



Measuring opportunity

Since 2018, the Mastercard Center for Inclusive Growth has worked on a ground-breaking suite of tools that provide local leaders with timely, data-driven insights on the current state of and potential for inclusive growth in their communities.

Our approach was informed by numerous conversations with community leaders and local policymakers, seeking evidence-based insights to help them:

- **Steer** investment dollars to local economic development initiatives.
- **Unlock** the potential of trailing neighborhoods.
- **Improve** quality of life for all.

In 2019 we launched the **Inclusive Growth Score™** (IGS), an open-access tool that measures both growth and inclusion across **three pillars: Place, Economy, and Community**. Inclusion is measured by the distribution of access to resources, while growth is measured by the relative change of key metrics over time.

We have found that “geography is still destiny” for too many communities, as access to quality jobs, public services, and economic opportunities depend heavily on where individuals live. The notion of truly inclusive place-based economic development drives our theory of change and allows us to identify areas being left behind in a more standardized and consistent way.

Today, the **Inclusive Growth Score™** allows users to explore more than six million data points, covering more than 70 thousand census tracts in the United States. The score blends 18 key metrics from public and proprietary data sources, along with Mastercard's highly aggregated and anonymized transaction data.

By measuring the evolution of each neighborhood across place, economy, and community, we can better understand their current state as well as their potential, tracking progress as these places revitalize.

Using our **Inclusive Growth Score™**, hundreds of communities have been able to answer questions like:

- How can data insights be used to drive inclusive economic growth in cities?
- How can we better identify the places at risk of being left behind?
- How can the public and private sectors come together to improve our communities?

“It could be that the neighborhood, not the individual, is the essential unit of social change. If you’re trying to improve lives, maybe you have to think about changing many elements of a single neighborhood, in a systematic way, at a steady pace.”

– David Brooks, NY Times



[Explore the tool](#)



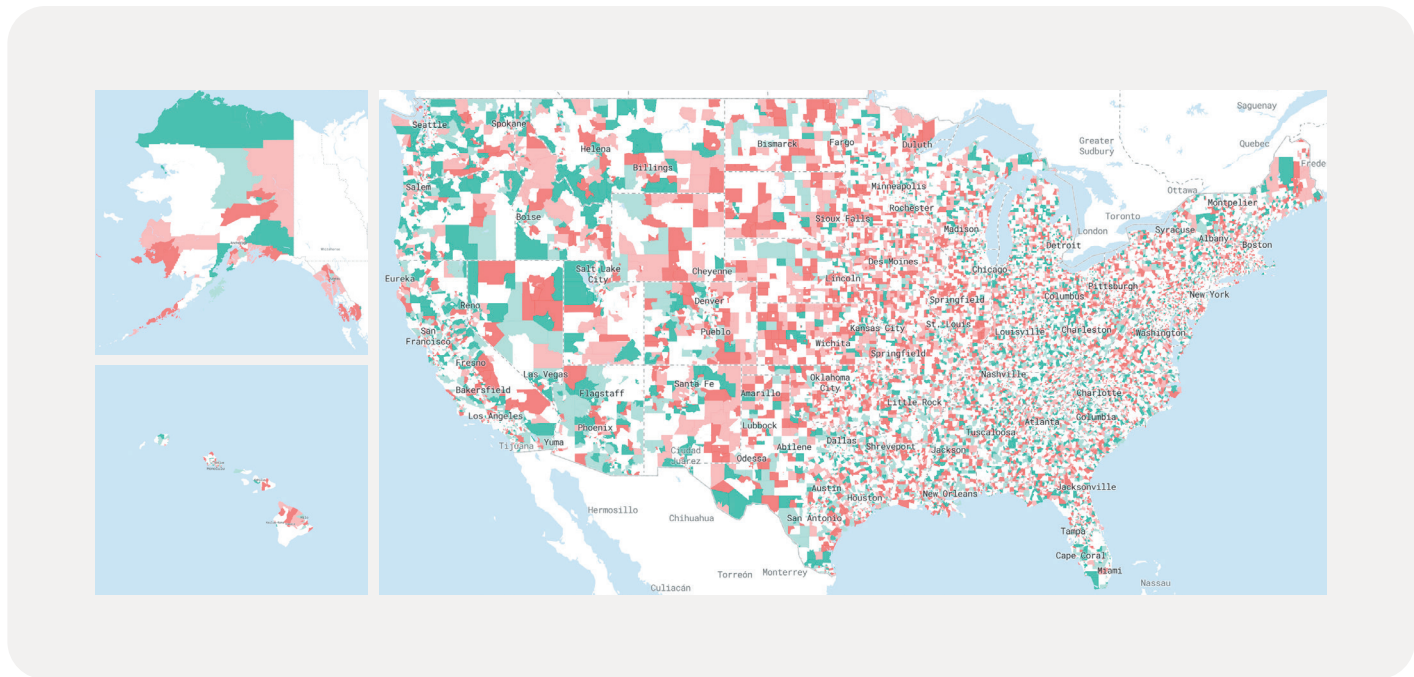
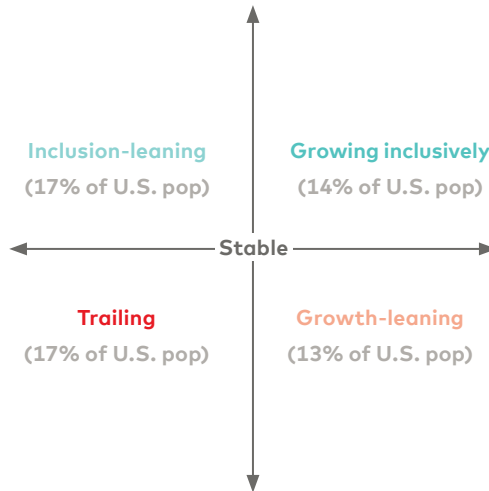
[Visit us](#)

Looking back on six years

For this special report, we looked at the evolution of scores for every census tract in the country between 2017 and 2022. We categorized each of these tracts into five types:

- **Growing inclusively** – Increasing scores in both growth and inclusion metrics [dark teal]
- **Inclusion-leaning** – Increasing inclusion scores with decreasing growth scores [light teal]
- **Growth-leaning** – Increasing growth scores with decreasing inclusion scores [light red]
- **Trailing** – Decreasing growth and inclusion scores [dark red]
- **Stable** – Tracts with stable growth and inclusion scores [white]

Change in average of **inclusion metrics** from 2017 to 2022

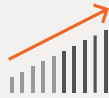


[Visit the interactive map](#)

Understanding census tracts across the United States



The majority of the U.S. population is experiencing significant changes in their neighborhood, with over 31% living in areas that are going in the right direction for inclusion.



Lower income areas see more inclusive growth than higher income areas, suggesting that historically underserved communities might be turning a corner on the path to prosperity.



The prospects for inclusive growth are similar in urban and rural America, which challenges the popular narrative that big cities are seeing the most improvements in economic and social health.

Understanding cities

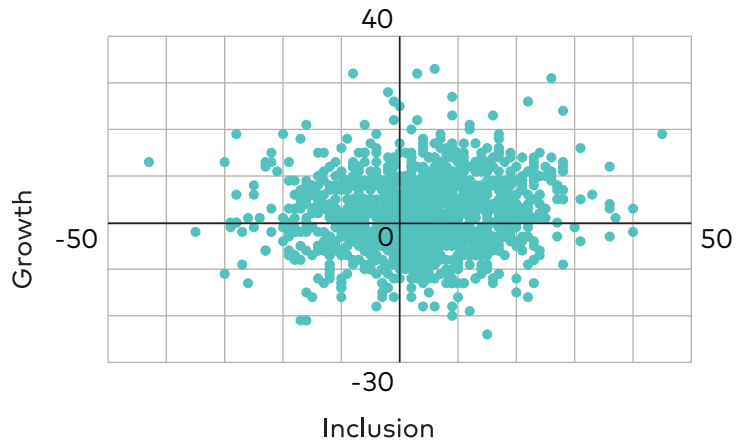
We aggregated the census tract data up to the metropolitan statistical area (MSA, or metro area) by looking at what proportion of an MSA's census tracts fell into each of the five types we've identified. This helps us better understand how cities are moving over time. For the largest MSAs in the U.S. by population, here are the top five metro areas growing inclusively:

Largest MSAs	Total population	Growing inclusively	Inclusion-leaning	Growth-leaning	Trailing
Detroit-Warren-Dearborn, MI	4.3m	26%	12%	15%	9%
Seattle-Tacoma-Bellevue, WA	3.5m	24%	12%	13%	9%
Tampa-St. Petersburg-Clearwater, FL	2.8m	24%	10%	18%	10%
Chicago-Naperville-Elgin, IL-IN-WI	9.5m	23%	10%	17%	10%
Minneapolis-St. Paul-Bloomington, MN-WI	3.3m	20%	8%	19%	10%

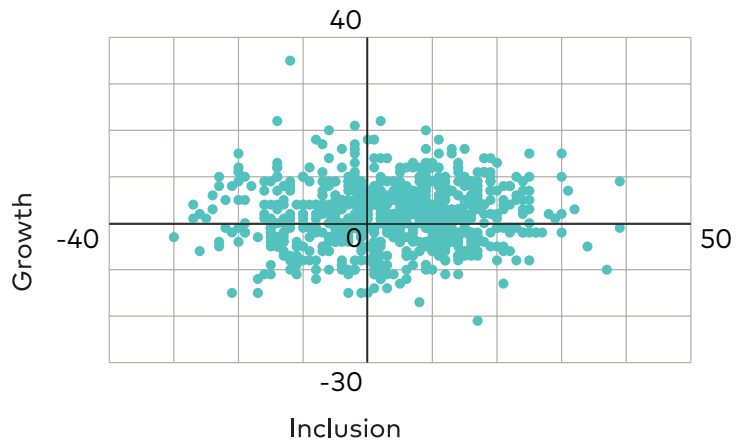
Top three most populous MSAs with the greatest inclusive growth

Each dot on the charts represents a census tract in that Metropolitan Statistical Areas (MSAs, or metro areas), with the x-axis showing the change in the growth scores from 2017 to 2022, and the y-axis showing the same for inclusion scores. As shown above, the top right section shows the census tracts growing inclusively, or 'rising together.'

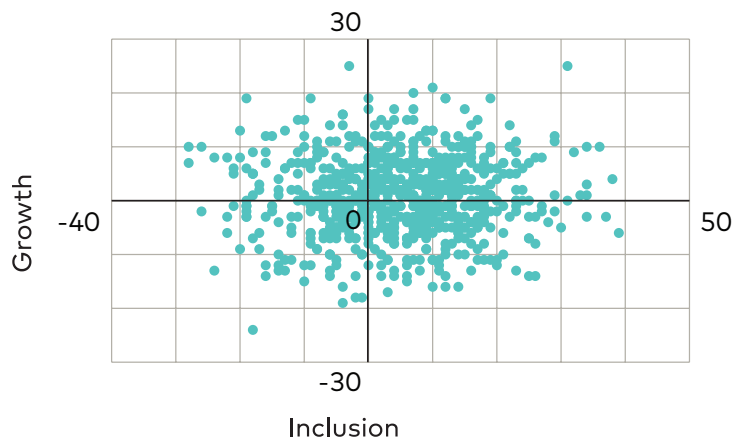
Detroit-Warren-Dearborn, MI



Seattle-Tacoma-Bellevue, WA



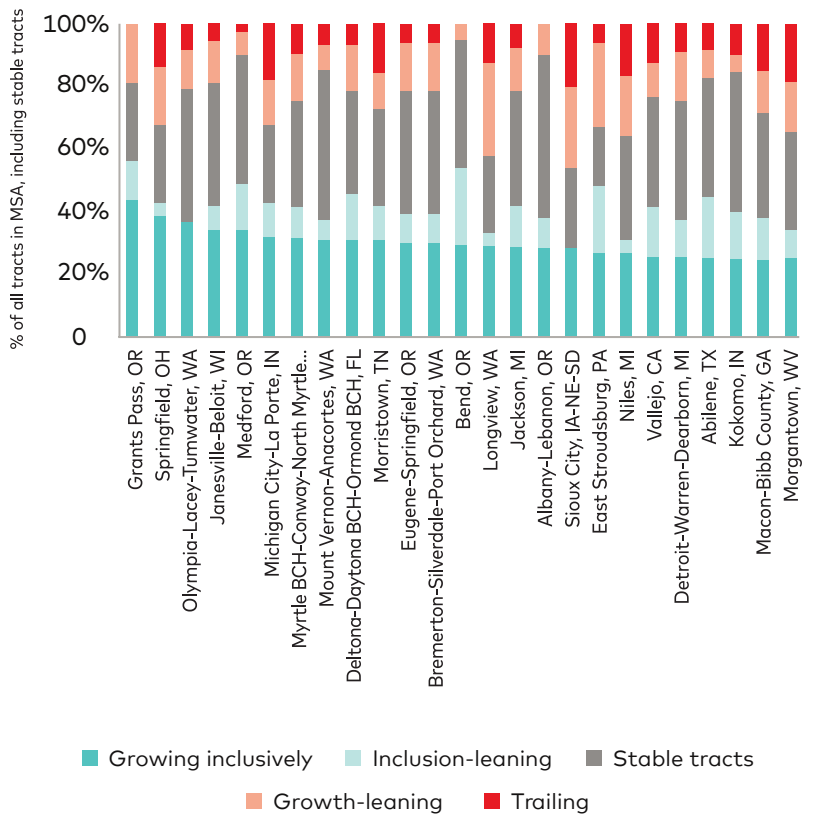
Tampa-St. Petersburg-Clearwater, FL



Next, we wanted to see the dynamics across the U.S. and understand which MSAs were driving the most inclusive growth in three contexts: across their whole geography, in their lowest income areas, and in their highest income inequality areas. We created lists of the top 25 MSAs for those three segments.

1. MSAs with the **highest proportion of tracts** that are seeing increases in both inclusion and growth, across the U.S.

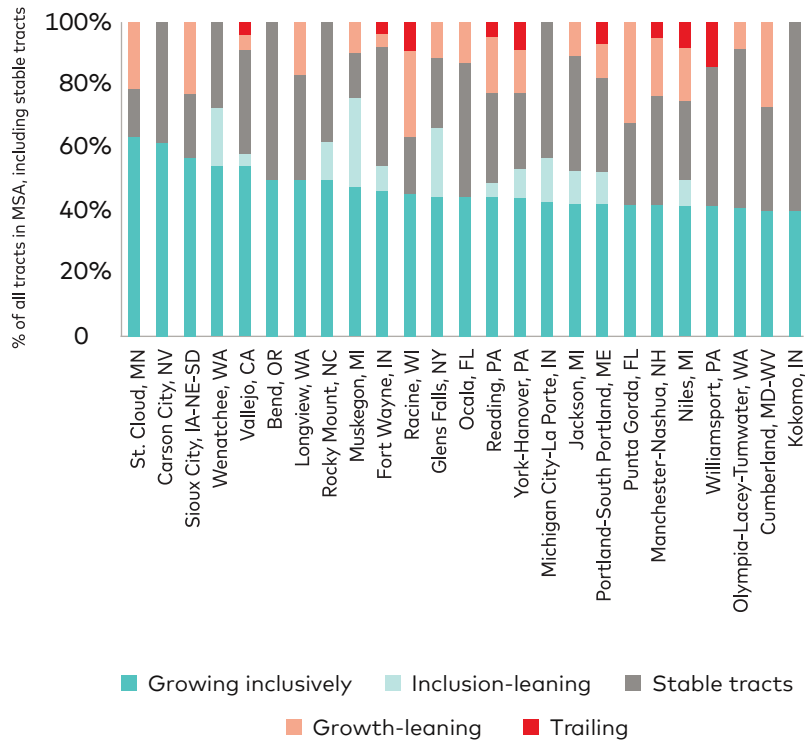
Top 25 metro areas "growing inclusively"



Inclusive growth appears to be most prominent on the west coast, especially in smaller metro areas. Nine of the 25 MSAs seeing the most inclusive growth (based on the proportion of tracts) are on the West Coast, with eight of them located in the Pacific Northwest, specifically Washington and Oregon.

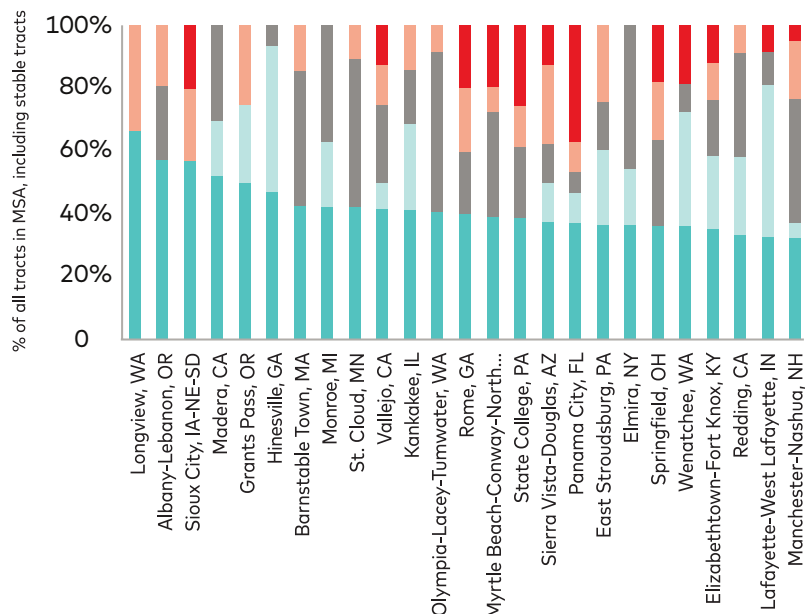
- MSAs seeing increases in both inclusion and growth among the highest proportion of their **bottom 25% low-income tracts**, by pulling census tract median incomes.

Top 25 metro areas with low income communities "growing inclusively"



- MSAs seeing increases in both inclusion and growth in the highest proportion of their **25% highest income inequality tracts**, by pulling the Gini coefficient.

Top 25 metro areas with the highest inequality areas "growing inclusively"



What drives inclusive growth?

The underlying metrics of the Inclusive Growth Score – such as spend growth, housing affordability, health insurance coverage, and more – can help us identify the trends that are leading to shared prosperity.

Understanding inclusive growth will also require us to take a closer look at factors such as policies implemented, the presence of community organizations, equitable distribution of funding, and more to create a holistic picture of what is happening in each of these communities.



See your community in the rankings? Interested to understand how your census tract is doing over time?

Contact us at
inclusivegrowthscore@mastercard.com



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