

# **The Industry Composition of Production and the Distribution of Income**

## **by Race and Ethnicity in Miami**

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This paper examines the empirical link between the growth of production in a central city and the distribution of income among its residents, by race and ethnicity, within an input-output modeling approach. The specific case of Miami, Florida is considered. The paper reviews the recent historical experience which reveals considerable growth of employment in the central city at the same time that per capita income of city residents has declined. The decline in income has been particularly acute among black families. This discussion is followed by a presentation of the model and the estimation of model parameters. Income multipliers and their distributional effects are presented. The results show that in Miami the present character of economic growth has little direct economic benefits for a large majority of the city's residents.