



ACHIEVEMENTS

SIS Professor Named to White House Commission

A Q&A with Arturo Porzecanski, newly appointed presidential advisor on economic and educational issues that impact Hispanic Americans

By Christine Slattery | September 18, 2020



“It is better to light a candle than to curse the darkness,” is a favorite saying of Dr. Arturo Porzecanski, distinguished economist in residence at American University’s School of International Service and Hurst senior professorial lecturer.

Porzecanski has a history of lighting candles; seeing the potential in the young people he mentored during three decades as an economist on Wall Street, and imparting the fire of knowledge to his students at Columbia University, New York University, and, here, at AU since 2005.

Now, he is helping others light their own candles as part of the newly established Presidential Advisory Commission on Hispanic Prosperity. Appointed in July, Porzecanski will advise the president through the secretary of the US Department of Education on government policy initiatives to deliver educational and economic opportunity for Hispanic Americans.

Born and raised in Montevideo, Uruguay, to parents who escaped the Holocaust, Porzecanski scraped enough funding for one year of college in the United States. What he found, however, was “a land of opportunity,” and by winning scholarships and working several campus jobs, he managed to fund his bachelor’s in economics from Whittier College and his master’s and doctorate in economics from the University of Pittsburgh. Overwhelmed by the generosity of donors and the kindness of professors, he set out to return that generosity and kindness during his two successful careers.

“That’s America, you know?” he said. “And I want others to learn that, too.” While on Wall Street Porzecanski championed diversity, hiring Hispanics and other minorities as much as he could and sharing his knowledge and advice. And now, it seems, one of the candles he lit long ago has shed light on this new opportunity to give back—a young man he mentored works in the White House and suggested

Porzecanski's name for the new commission.

Porzecanski recently answered some questions about his new role and how he hopes to help the Hispanic community in the US and empower others to light candles of their own.

What is the commission's main objective, and in what ways do you hope to contribute to its deliberations and recommendations?

We are tasked with suggesting how best to improve government policies affecting the educational and economic opportunities facing Hispanics. Since so far I'm the only commissioner who is a professional educator, and also the only one who is a veteran economist, I believe that my insider's knowledge and long experience in both fields of endeavor will prove useful to the commission's work and provide a good complement to my colleagues, who come mostly from the business world.

How would you characterize the significance of Hispanics in American society right now?

When I came to the United States in the late 1960s, there were fewer than 10 million Hispanics, and we represented about 7 percent of the total population. It is estimated that by now we have surpassed the 60 million mark and account for almost 19 percent of the country's population. This makes Hispanics the single largest racial or ethnic minority group in the United States. And the more than 30 million of us estimated to be eligible to vote in the November elections could cast at least 13 percent of the total ballots. Consequently, beyond our many cultural, economic, demographic, and service contributions to American society, we are now a political constituency to be reckoned with.

Why are additional policy initiatives needed to deliver educational and economic opportunity for Hispanic Americans?

Even before the COVID-19 pandemic hit Hispanics particularly hard, there was an educational and economic deficit that warranted constructive government initiatives. A fifth of Hispanic households do not speak English fluently, limiting their social integration and economic potential. Hispanics are also the least likely ethnic or racial group to finish high school—never mind complete a college education. An estimated 28 percent of Hispanics over age 25 never finished high school; the comparable figure for non-Hispanic whites is just 6 percent. Hispanic adults are half as likely to hold a college degree as non-Hispanic white adults. And merely 4 percent of Hispanics hold a master's degree, whereas 11 percent of non-Hispanic whites do. This wide educational gap means that Hispanics as a group are not as productive, and thus not as prosperous, as they could be.

What are some of the approaches to expanded educational opportunities that are supported by Hispanics?

There is a desire among Hispanics that federal and state governments should do more to improve educational opportunities by, for example, supporting alternatives to traditional public schools funded by local property taxes. Hispanics resent being

condemned to getting an inferior primary and secondary education simply because many of them reside in low-income districts where public school teachers are resource-constrained—and worse, they are not held accountable for poor performance. Surveys show that Hispanics overwhelmingly support educational choice in all its forms: district, private, religious, charter, and virtual schools, as well as home schooling. And they favor vouchers, tax-credit scholarships, and education savings accounts to help underwrite the cost of these educational alternatives.

What about the economic challenges facing Hispanics?

The educational deficit of Hispanics is inextricably linked to their earnings deficit. For example, in the second quarter of 2020, full-time US workers aged 25 and over without a high school diploma had median weekly earnings of \$630, compared with \$790 for high school graduates and \$1,300 for college graduates. It is no wonder, therefore, that median weekly earnings of Hispanics (\$785) working at full-time jobs were lower than those of all other groups—especially whites (\$1,020) and Asians (\$1,340). In 2018, the median income of Hispanic households was \$51,450, which was \$19,200, or 27 percent, less than for non-Hispanic whites (\$70,650). In that year, more than twice as many Hispanics (17.6 percent of total) were living below the US poverty line as were non-Hispanic whites (8.1 percent).

How has the Covid-19 pandemic altered the situation?

It has made matters much worse; it has been a double-whammy, in fact. First, Hispanics are heavily represented in industries directly affected by the historic economic contraction, like restaurants, construction, hotels, leisure, daycare, and home and office services, such that many have lost either their jobs or their businesses. And second, Hispanics became disproportionately exposed to the virus because many of them are employed in industries deemed essential, performing functions that cannot be done remotely. For instance, Hispanics work in meatpacking and other food-processing plants; in retail, stocking shelves and at checkout counters in grocery stores; in transportation, sorting and delivering packages for shipping companies; and in health services, taking care of the sick, elderly and disabled in nursing homes, hospitals and other facilities. The commission can do little to help matters during this emergency, but we can help lay the basis for a more vigorous and inclusive economic recovery once the pandemic is brought under control. One example is by continuing to dismantle the outdated rules and regulations that were put on the books during prior administrations, which constitute obstacles to new businesses and job creation.

<https://www.american.edu/news/20200918-arturo-porzecanski-honored.cfm#main-container>