Remarks on the Occasion of William Julius Wilson's Retirement
Hutchins Center for African and African American Research, Harvard University

Paul A. Jargowsky, Rutgers University – Camden

September 12, 2019

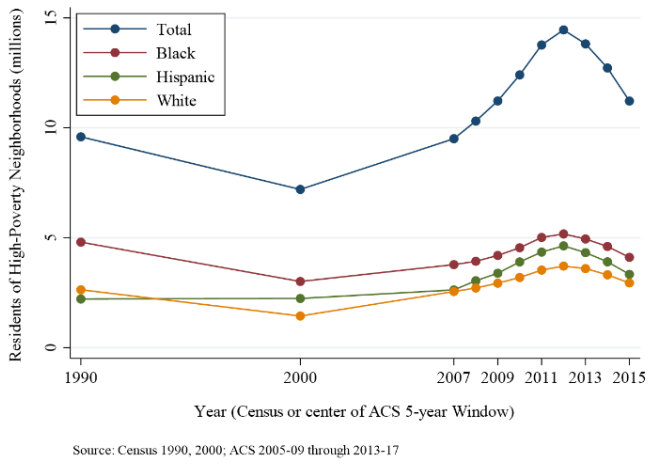
Before the Malcolm Weiner Center for Social Policy at the Kennedy School, we had something called the Center for Health and Human Resources Policy, known affectionately as CHHRP. I was a graduate student in those days, employed by CHHRP, and part of my job was to help organize lectures, seminars, and events. The most memorable of these was the Godkin Lecture delivered by Bill Wilson in 1988. If you were here for that, you remember the crowd we had at the forum in the Kennedy School. Every inch of that place was packed with people. Their legs were dangling off the third-floor balcony and all the risers were filled to capacity.

So much body heat was generated that the fire alarm went off. After some tense negotiations, the fire marshal reluctantly allowed the lecture to continue, but the "fire alert" signs keep flashing throughout the speech. Well, that was fitting because Bill Wilson brought the fire that night. His target was those who simplistically criticized the behavior and choices of high-poverty ghetto residents without acknowledging or comprehending the structural factors that create and maintain those neighborhoods, sharply limiting the resources and opportunities of those who live there. The lecture was a *tour-de-force*, because of what Bill said, and the moral urgency with which he said it. He inspired me to work on these issues, as he has so many through his career.

So why are neighborhoods so unequal?

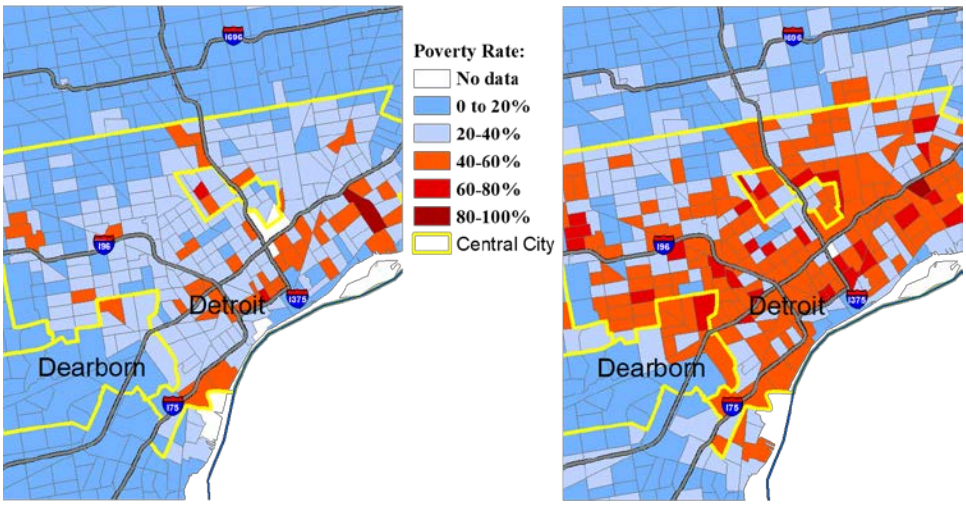
My colleagues on this panel[1] have definitively shown that highly disadvantaged neighborhoods have independent and long-lasting negative effects on children who grow up there. My goal in these few minutes is to argue that we, as a society, are still not acknowledging

[1] Raj Chetty, Robert Sampson, and Pat Sharkey. The full schedule of the event and videos of all presentations are available at https://hutchinscenter.fas.harvard.edu/WJW2019.



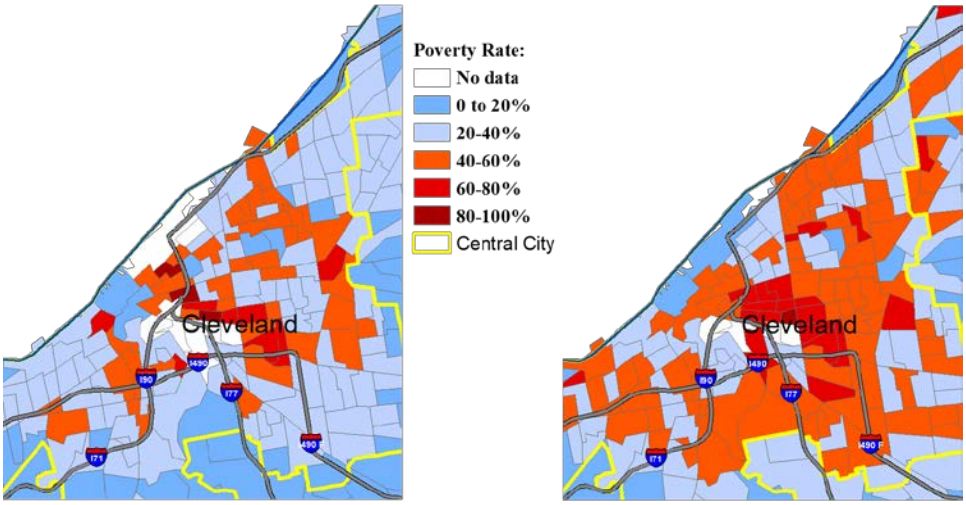
or comprehending the structural factors that create the vast disparities that exist among the neighborhoods in our metropolitan areas. In particular, we refuse to acknowledge that these differences result in large measure from public policies at the local, state, and federal level and that we, as a nation, bear a moral responsibility to change those policies.

The number of residents of high-poverty areas – defined as census tracts with poverty over 40 percent -- has fluctuated over the years. The number fell sharply, to about 7 million during the 1990's due to policy changes and a strong economy. After 2000, there was an increase and then a much sharper increase after the recession kicked in. By 2012, the population of high-poverty neighborhoods had more than doubled to 14.5 million.



Source: U.S. Census 2000 and ACS 2009-2013. Paul A. Jargowsky, "The Architecture of Segregation (online appendix)." Century Foundation and Center for Urban Research and Education (CURE), Rutgers University - Camden. August, 2015.

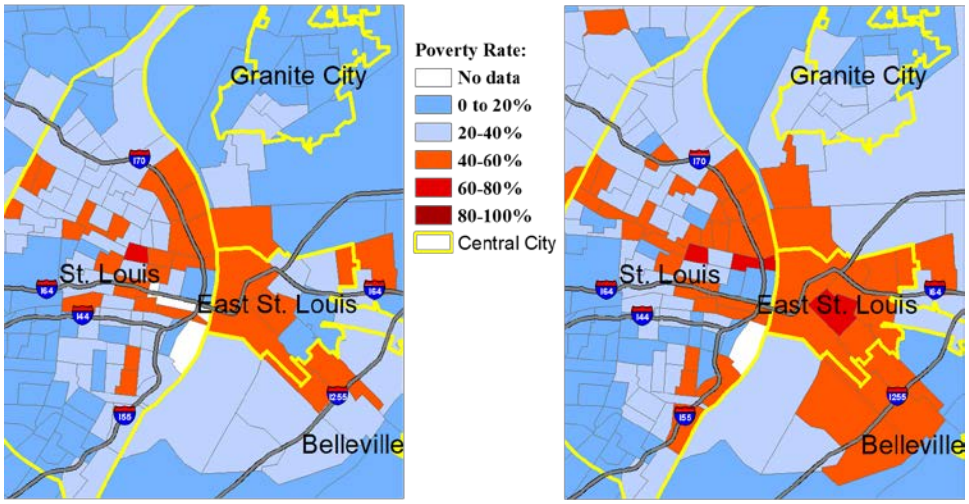
These maps show the expansion of the high-poverty areas of Detroit, with poverty over 40 percent indicated shades of red. The



2000 2009-2013

Source: U.S. Census 2000 and ACS 2009-2013. Paul A. Jargowsky, "The Architecture of Segregation (online appendix)." Century Foundation and Center for Urban Research and Education (CURE), Rutgers University - Camden. August, 2015.

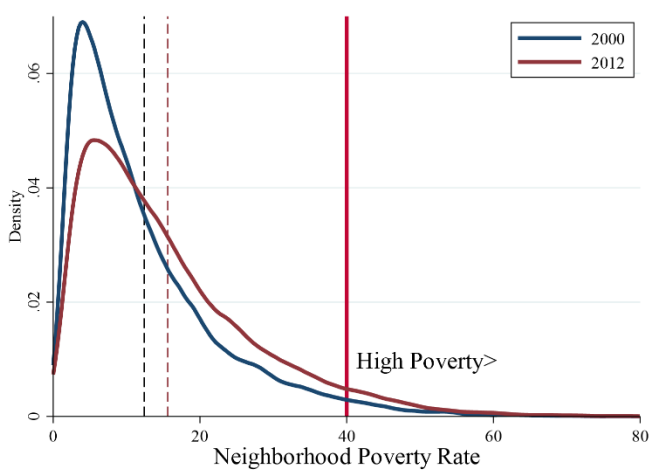
light blue shade indicates borderline areas of 20 to 40 percent poverty.[2] Notice that some high-poverty and borderline areas are outside the central city – the boundary shown in yellow. This is a change from previous decades when the phenomenon was limited to the central city. The same is true in Cleveland and also St. Louis. The area to the upper left, by the way, is Ferguson, which had low-poverty and was majority white as recently as 1990.



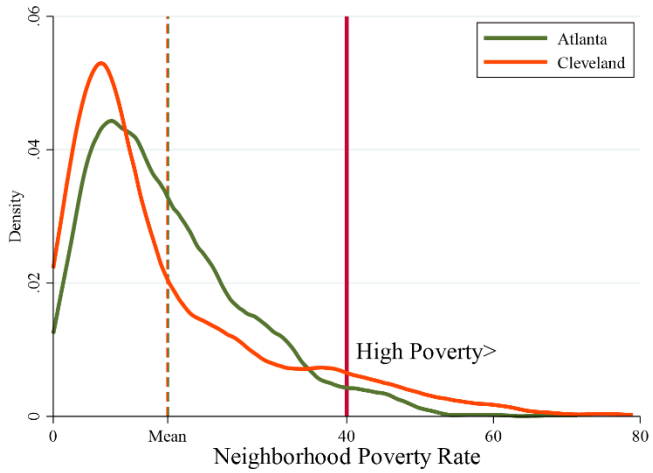
2000 2009-2013

Source: U.S. Census 2000 and ACS 2009-2013. Paul A. Jargowsky, "The Architecture of Segregation (online appendix)." Century Foundation and Center for Urban Research and Education (CURE), Rutgers University - Camden. August, 2015.

[2] Jargowsky, Paul A. "Architecture of Segregation: Civil Unrest, the Concentration of Poverty, and Public Policy." New York, NY: Century Foundation, August 9, 2015. Maps of additional metropolitan areas may be viewed at http://bit.ly/jargowsky_2015_maps.



But when we focus on high-poverty neighborhoods we miss the bigger picture. This kernel density plot shows the distribution of all US census tracts by their poverty rate in 2000. The 7 million high-poverty residents in 2000 are the tail of the distribution to the right of the 40 percent threshold. By 2012, the whole distribution shifts. The mean poverty rate – shown as dashed lines in the figure – increased and so did the standard deviation. So when the number of residents of high-poverty neighborhoods doubled, it wasn't because of ghetto culture or poor decision-making. It was the result of major metropolitan-wide, structural changes in the economy and housing markets.



We can also look at difference between metropolitan areas. Cleveland and Atlanta had the same poverty rate in 2012, yet concentration of poverty was more than double in Cleveland than in Atlanta. Why? Because Cleveland was both more racially and economically segregated than Atlanta, topics to which I now turn.

Racial Segregation

Despite some claims to the contrary, I regret to report that 50 years after passage of the Fair Housing Act racial segregation is still with us. Some scholars, mainly economists, have

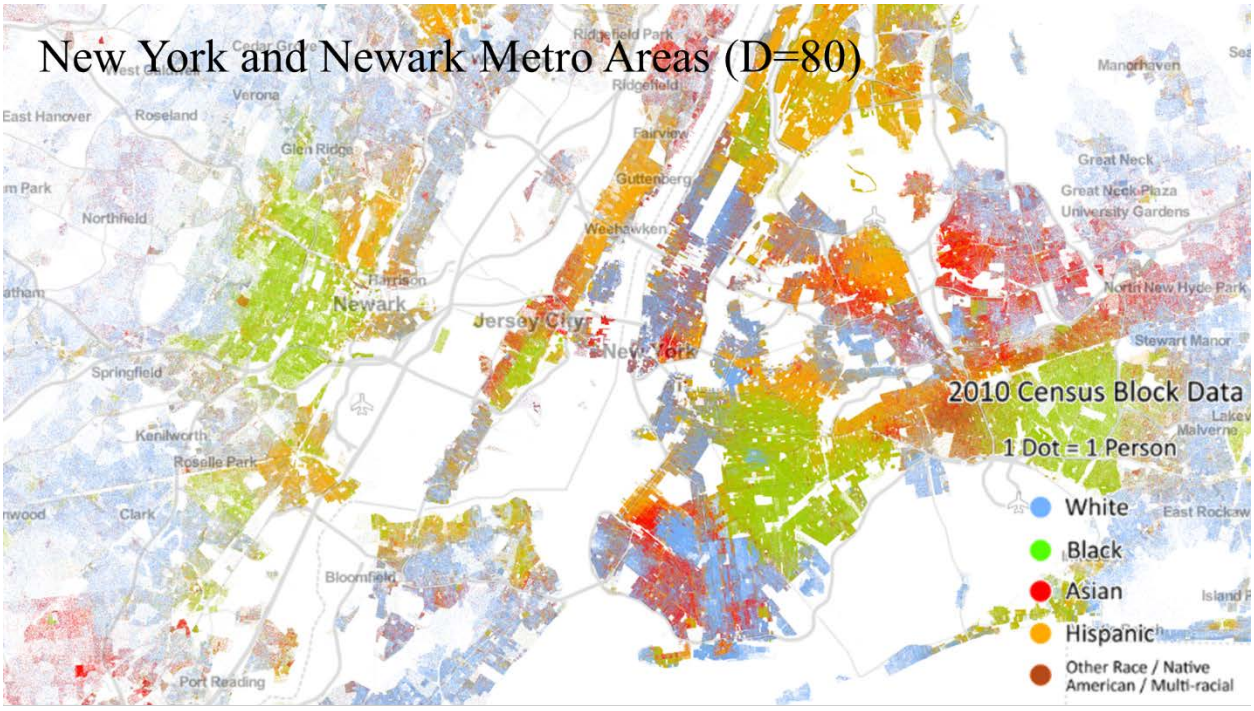
trumpeted large declines in the segregation of blacks.[3] However, their conclusion is too strong for several reasons.

First, they measure segregation as blacks compared to non-blacks. But the reason for studying segregation in the first place is that it isolates disadvantaged groups from the neighborhood amenities, resources, and opportunities available to the advantaged, majority, group. Since 1970 the proportion of metropolitan area residents who were neither non-Hispanic white nor black nearly tripled, from 9.9 percent to 28.3 percent by 2015. These new residents, many of them Asian or Hispanic immigrants, often settled in neighborhoods with more affordable housing in proximity to existing African-American communities. The decrease in the black-nonblack index has been driven in large part by these changes. Did black residents secure more opportunities when immigrants moved into the relatively inexpensive neighborhoods near them? Probably not. It is more sociologically meaningful to compute segregation of blacks from non-Hispanic whites; those figures show higher levels of segregation and smaller declines in segregation over time.[4]

[3] See, for example: Cutler, David M., Edward L. Glaeser, and Jacob L. Vigdor. "The Rise and Decline of the American Ghetto." *Journal of Political Economy* 107 (1999): 455–506; Glaeser, Edward L., and Jacob L. Vigdor. "The End of the Segregated Century: Racial Separation in America's Neighborhoods, 1890–2010." Civic Report. New York, NY: Manhattan Institute for Policy Research, 2012.

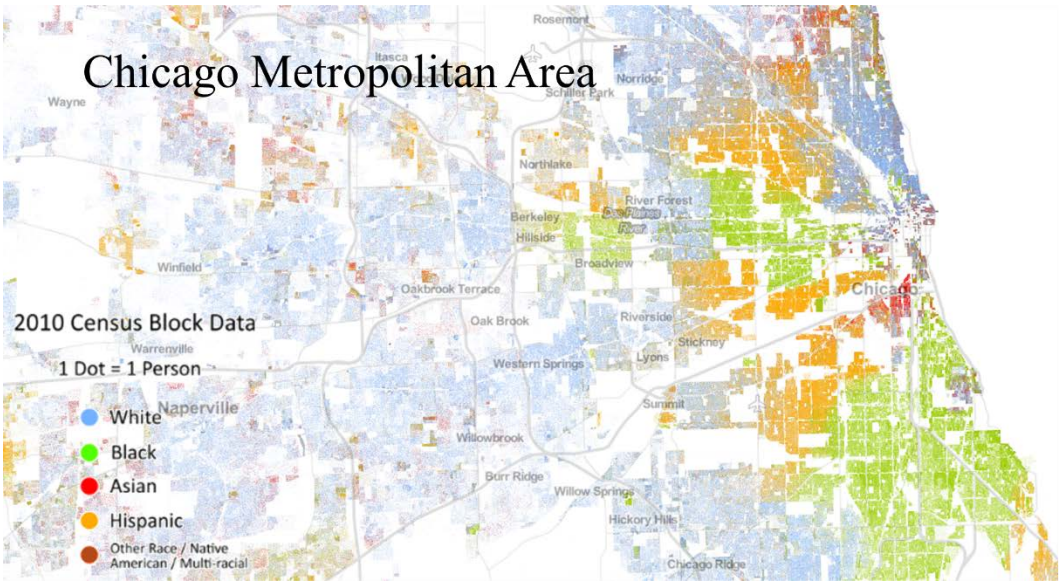
[4] For a more complete discussion of this issues see Jargowsky, Paul A. "The Persistence of Segregation in the 21st Century." Law & Inequality: A Journal of Theory and Practice 36, no. 2 (July 18, 2018): 207–30.

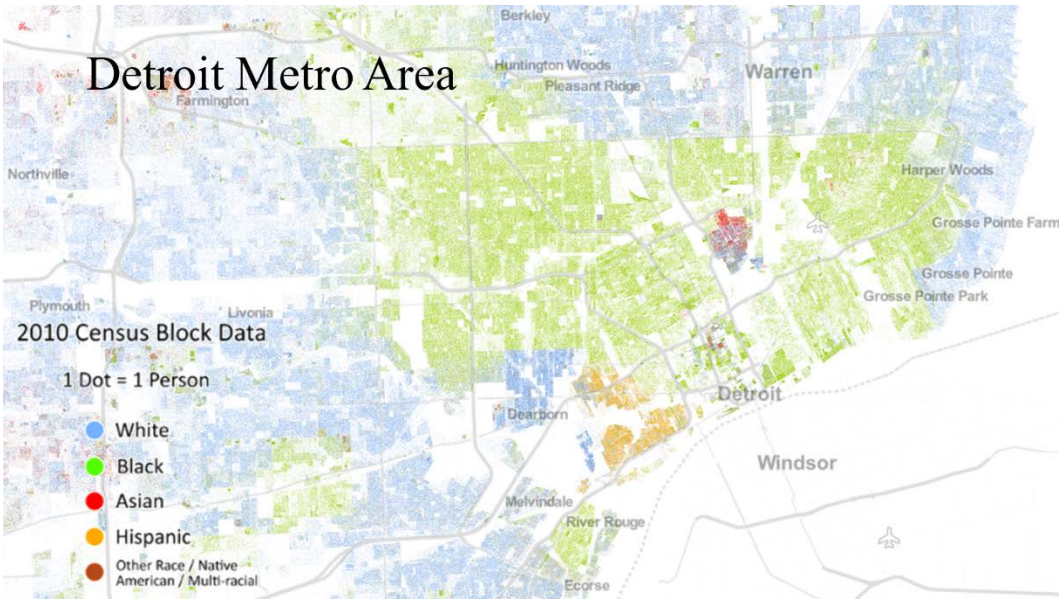
Second, the decline in racial segregation is somewhat overstated because many metropolitan areas have small black populations. The metro areas where most black people live still have very high levels of segregation. This is easy to see in this racial dot map, where every person is represented by one dot.[5] Here is the New York metro area, where blacks are shown in green, whites in blue, Hispanics in orange, and Asians in red. The index of Dissimilarity is 80, so 4 in 5 blacks would have to move to get an equal distribution. Chicago also shows sharp racial divisions. In Detroit, you can literally see the boundary of the central city sketched out in the racial demographics. In fact, most racial segregation today – ¾ by my estimate[6] – is not between neighborhoods per se but rather between political jurisdictions – central cities, old suburbs, new suburbs, and beyond. Exclusionary zoning and restrictive land use policies enforce this jurisdictional segregation.



[5] These maps were produced using the interactive web set at the Weldon Cooper Center for Public Service, University of Virginia [https://demographics.coopercenter.org/racial-dot-map].

[6] Jargowsky, Paul A., Deborah J. Rog, and Kathryn J. Hendersen. "Suburban Poverty and Racial Segregation." Prepared for Madeleine Solan, Assistant Secretary for Planning and Evaluation, U.S. Department of Health and Human Services. Westat, Inc. and Maxine Goodman Levin College of Urban Affairs, Cleveland State University. [http://bit.ly/1Ndswsv]

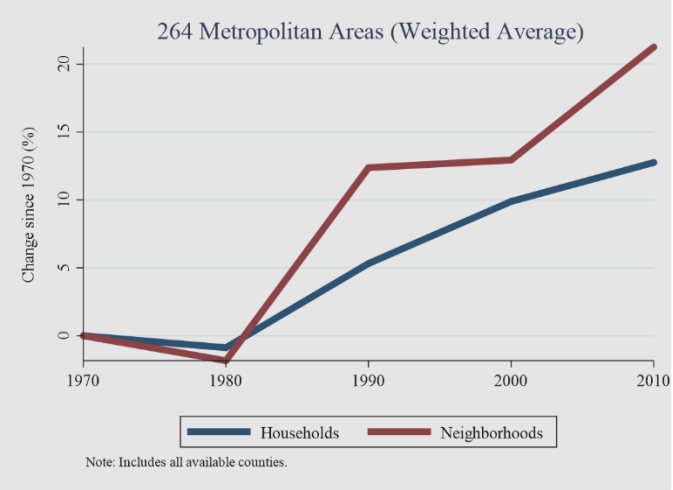




Economic Segregation

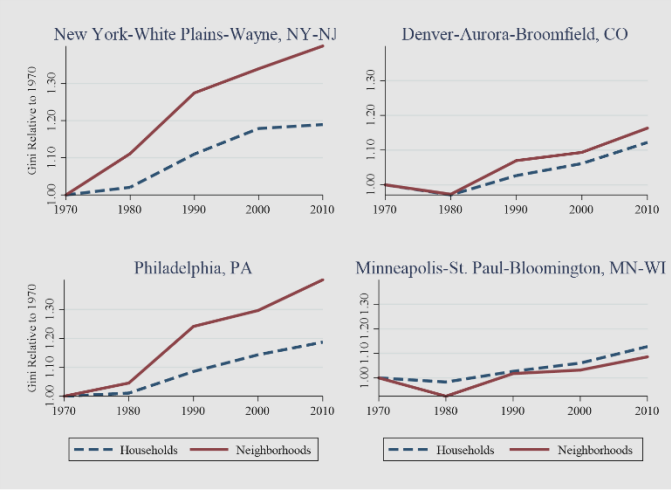
For neighborhoods to be unequal, you have to start with households being unequal. Household income inequality – shown in red – increased steadily in almost every U.S. metropolitan area, consistent with national and international trends. However, as shown in this

graph, neighborhood inequality grew more rapidly than household inequality starting around 1980, as measured by Gini Coefficients and averaged over 264 metropolitan areas.[7]



The implication is that neighborhoods became more unequal for two different reasons. First, there was simply a lot more inequality among households to go around. Second, households sorted into neighborhoods in ways that led a greater proportion of household income inequality to be *between* rather than *within* neighborhoods. In other words, the degree of residential sorting of households on the income dimension – i.e. economic segregation -- increased.

Virtually every metropolitan area saw rising inequality of household income. New York and Philadelphia both experienced increases in income inequality and both had even faster increases in neighborhood inequality. This was the dominant pattern seen in most metropolitan areas and implies that economic segregation was rising in those areas.

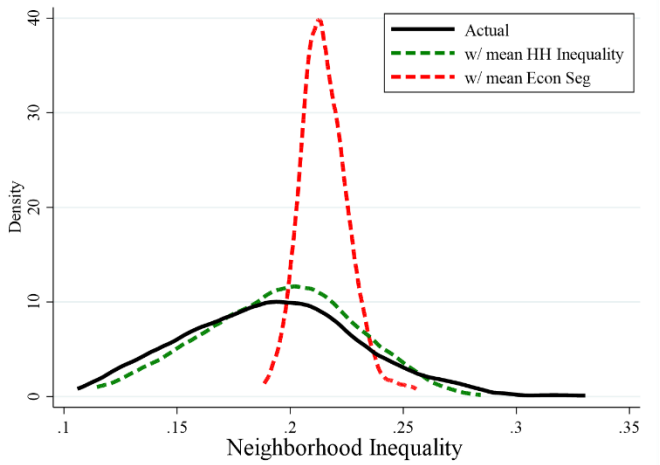


But some metropolitan areas followed a different pattern. Neighborhood inequality in Denver and Minneapolis neighborhoods increased as well, but only

[7] Jargowsky, Paul A. and Christopher Wheeler, *Economic Segregation in US Metropolitan Areas, 1970-2010*. Prepared for the 21st Century Cities Initiative at Johns Hopkins University, November 2017.

in proportion to the increase in the household inequality. In places like Denver and Minneapolis, there was more neighborhood inequality, but it was mainly due to the increase in household inequality; the degree of sorting of inequality within and between neighborhoods remained stable (Denver) or even decreased (Minneapolis).

The ability of some – albeit few – metropolitan areas to constrain the rise in neighborhood inequality despite the increase in household inequality points to the importance of local policies that underpin economic segregation: exclusionary zoning, density restrictions, public transit, school assignment, and the location of public and assisted housing.



The final figure shows the distribution of neighborhood inequality across 264 metros (the heavy black line). If we hold household income inequality constant across metros, the picture hardly changes (the green line). But if we hold economic segregation constant – which is driven by zoning, land use, the distribution of affordable housing, and other public policies – the differences between metros are sharply reduced. Thus, public policies that affect economic segregation – those that determine what type of housing is built and how that housing is distributed – explain which metros have the most neighborhood inequality.

Time to Act

The failure to address neighborhood disparities, given the consequences for children, is tantamount to accepting permanent inequality. Chetty and his colleagues conclude wrote recently that "*blacks and whites are now in a steady-state where the black-white income gap is due*

almost entirely to differences in rates of intergenerational mobility".[8] I think the vastly unequal neighborhoods that many black children experience impede intergenerational mobility through many channels, while white children—even poor white children—rarely experience similar levels of neighborhood disadvantage. The inequality of neighborhoods sustains and replicates racial inequality.

The Fair Housing Act, passed 50 years ago, was supposed to break down segregated living patterns. Perhaps if cities had remained configured as they were in 1968, the FHA's reduction in discrimination at the point of sale might have worked, because there was a mixture of housing types in most neighborhoods and communities. The authors of the Fair Housing Act did not anticipate that segregation would move to a higher level, with the construction of vast new affluent and racially homogenous suburban rings, enforced through exclusionary zoning and subsidized through infrastructure spending and the mortgage interest deduction. We reconfigured metropolitan areas so that segregation could be maintained not by overt discrimination at the point of sale or rental, but by the development of huge areas where lower-income minorities could not even afford to make a bid.

In closing, neighborhood inequality is not inevitable. We have it because we build it. In fact, we legally require that neighborhood inequality is built into the housing stock. As Bill Wilson said in the Godkin Lecture, "*One has the urge to shout 'enough is enough!'*"[9] We as a nation have to muster the same sense of moral urgency that animated Bill Wilson's Godkin Lecture, and indeed his whole career, and harness it to change the policies and practices that created and that still maintain neighborhood inequality.

---

[8] Chetty, Raj, Nathaniel Hendren, Maggie R Jones, and Sonya R Porter. "Race and Economic Opportunity in the United States: An Intergenerational Perspective." Working Paper. National Bureau of Economic Research, March 2018. https://doi.org/10.3386/w24441.

[9] The text of Wilson's 1988 Godkin lecture is available here: http://americanradioworks.publicradio.org/features/blackspeech/wjwilson.html.