Middle income neighborhoods shrinking

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By Jere Downs

Just 43 percent of Americans live today in middle income neighborhoods, compared to 65 percent in 1970. That’s the result of the growing wealth divide, according to Stanford University researchers Kendra Bischoff and Sean F. Reardon. They define a middle income neighborhood as one where residents earn between 80 and 125 percent of median income.

“Not only do the rich have more resources than they did 40 years ago, they are far more likely to live in neighborhoods inhabited exclusively by high-income neighbors. The same is true of the
poor, who are now much more likely than they were in 1970 to live in neighborhoods where the majority of their neighbors are poor,” the pair wrote in the Boston Review.

In Louisville, the median household income was about $33,000 annually in 2009, according to the U.S. Census Bureau. That would make an affluent neighborhood one with an average median household income higher than $41,250.

I’m not sure I agree with how Bischoff and Reardon are using median income as a measure of affluence. As a threshold, $41,250 annually for a household does not signal affluence in Louisville.

By any measure, however, their findings of neighborhood median income over time illustrate the growing divide between rich and poor.

I visited my childhood Detroit suburb Sunday and was amazed to see a boarded up Kmart store and a defunct grocery store with broken windows. The rest of my middle class town seemed intact. Do you see signs of blight in your neighborhood?