

THE HUFFINGTON POST

## 'Insidious And Persistent' Residential Segregation Called Out In Study



By Janell Ross, First Posted: 8/3/11

Among minority American communities, rising household wealth far from a guarantee of an improved standard of living, according to a new analysis of census data by The US 2010 Project, a joint undertaking of Brown University and the Russell Sage Foundation.

The study examined trends across more than 300 American communities over the last two decades and concluded that ethnic identity trumps income as a predictor of where people live. Among minority households, even those with relatively high incomes tend to be clustered in neighborhoods where most of their neighbors are the same race and many are poor, the study found. (The study also provides detailed metro area and city data.)

Experts construe the findings as evidence of continued discrimination in American housing, with minority households effectively impeded from taking advantage of the full spectrum of choices available to white Americans. The result, say economists, is a self-reinforcing limitation on minority wealth accumulation. Deprived of access to more affluent neighborhoods, minority families are also denied the benefits that accrue from living in such communities: better schools, nicer parks and rising home prices, with equity gains that can be tapped to launch businesses and finance private education.

"Race trumps income more than we would have expected," said John Logan, a Brown University sociologist and the lead researcher behind the study. "And if you look at the characteristics of neighborhoods where affluent African Americans and Latinos live, they just do not have the

same characteristics of neighborhoods where whites with similar incomes live. Their neighborhoods just aren't the same."

The pattern is so pervasive that many affluent black and Latino families earning \$75,000 or more per year live in communities with much higher concentrations of poverty than white households earning \$40,000 or less.

Asian Americans, who on average have higher incomes than blacks and Hispanics and are less residentially segregated, also live in somewhat poorer neighborhoods than whites.

Communities in which 20 percent or more of the population is below the poverty level tend to have fewer public and private resources — everything from quality parks, schools and teachers to clean streetscapes, banks, grocery stores and dry cleaners, said Margery Turner, a vice president for research at the Urban Institute, a research organization that analyzes social and economic issues that often effect lower-income and minority populations. (The federal government defines poverty by family size. In 2009, the last year that the US2010 study examined, the federal government considered a family of four to be "poor" if they were living on \$22,050 or less.)

In 2008, a group of housing scholars and fair housing advocates submitted a report to the United Nations indicating that certain U.S. policies also continue to drive residential segregation. The group pointed specifically to budgets for programs that encourage affordable housing construction or vouchers that allow the poor to live in a variety of neighborhoods. Cuts to these programs have effectively funneled large numbers of poor people into minority neighborhoods where home values and land prices tend to be lower than those in predominantly white neighborhoods and where affordable housing programs can purchase, build or rent more units for less money. The study's authors wrote:

Residential segregation is an insidious and persistent fact of American life. Discrimination on the basis of race, while on the decline according to some estimates, continues to pervade nearly every aspect of the housing market in the United States.

Three years later, it is clear that even during boom times, housing prices in minority communities remained lower than comparable majority white neighborhoods, Logan said.

Predominantly minority neighborhoods appear less attractive to white renters and buyers due to housing prices, those missing resources and the assumptions some whites continue to make about their disorder and danger, Turner said. In the end, that leaves most neighborhoods far short of truly mixed, and leaves minority families with less wealth to pass along to their children or use for down payments on future homes or businesses.

"Historic neglect and disinvestment by public and private entities is feeding a wealth gap today and tomorrow," said Turner. "That's not something families can control. But given the way that our population is changing, it is something we should all be very concerned about."

Late last month, a Pew Research Center study found that the wealth gap between the average white and nonwhite American family is large and has only expanded since The Great Recession

began. Median white household wealth is 20 times that of the median black family, and 18 times larger than the median assets held by Latinos.

This kind of widespread lack of wealth will have serious implications when minorities collectively become the nation's majority in about 35 years, Turner said.

"For many people when they think about wealth disparities, the ultimate conclusion they arrive at is: just get more education, just try really, really hard," said Trina Shanks, an assistant professor at the University of Michigan's School of Social Work who studies the dynamics of economic mobility and race. "Just play by the rules, if you will. What this study seems to confirm is that if you are not the typical white person, you are going to have a harder time getting to the place where you not only do well but those economic gains are sustained by your children."

In the 1990s, large numbers of middle- and upper-income blacks moved to the suburbs, said Shanks. But schools in the communities where black families are concentrated are also serving larger portions of poor children. So they face some of the same challenges that inner city schools do, in terms of attracting and keeping the best teachers, and therefore in providing the best quality education, Shanks said.

Since 1990, the percentage of blacks living in the same neighborhoods with white Americans has grown only slightly, the US2010 study found. Most of the progress made in residential integration has come as a result of blacks, Latinos and Asians living closer to one another. That's why the share of black households living in racially isolated neighborhoods has dropped from just over 47 percent in 1990 to about 41 percent in 2009, while the proportion of black families with white neighbors slid only slightly, from about 42 percent to about 40 percent during that same period.

Residential segregation today isn't exactly the same as it was 60 years ago. Cities such as Washington, D.C., have seen such an influx of white residents in once all-black or nearly all-black communities that the capital city's population is no longer majority black. And the number of whites who leave predominantly white communities if and when a family of color arrives has also declined, Logan said. In 1990, 83 percent of white households lived in communities that were all white. By 2009, that figure had dropped to 75 percent.

There are also some minority home buyers and renters who simply opt to live in communities where minorities are the majority because of personal preferences, language barriers or fears about how their children will be treated in a predominantly white school, said Logan. Asian Americans are the prime example of this phenomenon, Logan said. Like all minorities, Asian neighborhood isolation appears to be unrelated to income. But unlike other minorities, affluent Asians live in whiter neighborhoods than do poor Asians. And the number of Asians with white neighbors is higher than the number of African Americans and Latinos in similar situations. Still, even the nation's most affluent Asians live in neighborhoods that are disproportionately Asian, the study found. Simply put, the nation's wealthiest Asians are likely to have far more Asian neighbors than white, even in communities where whites are in the majority.

Despite the endless stories about gentrifying neighborhoods and minority movement into the suburbs, truly integrated neighborhoods remain the exception, Logan said. What really determines who lives in which of America's neighborhoods is what happens when people go looking for a new house or apartment.

"Most Americans believe that we passed laws against discrimination in housing, so we dealt with it and it went away," said Logan. "But these are not laws enforced by police or prosecutors, but rather by civil actions brought by people who think they were discriminated against. And frankly, it's pretty hard to know that you have even been a victim."

A 2000 national study by the Urban Institute sent housing testers with identical applications but different racial and ethnic backgrounds to respond to housing ads, and data found that discrimination had declined since 1989 but remained "significant," said Turner, who was also one of the 2000 housing study's lead researchers. That study includes the most recent national housing discrimination testing data available.

Some testers were told that apartments or houses were no longer available even when they were. But today, the most common and persistent form of discrimination involves what researchers call "steering," Turner said.

"This is what happens when buyers -- let's say an African-American couple -- meets with the real estate agent," said Turner. "They are treated very courteously and are probably shown a lot of homes, a lot of nice homes. But those homes are not in the same neighborhoods that white couples with the same requests, income and other qualifications are shown. And what this research tells us is that all too often African Americans are steered to communities with lower home values and higher rates of poverty."

Real estate agents often deny that this sort of thing happens, or that it happens because of any sort of discriminatory intent, said Logan. They fear that placing a family in a neighborhood where they will not feel "comfortable" will not lead to the kind of word-of-mouth recommendations and new listings on which their businesses depend, he said.

There is also ample evidence that would-be minority borrowers with the same qualifications see mortgage applications declined more often than whites, Turner said. Late last month it became public that the Department of Justice was investigating allegations that a major bank steered black borrowers into subprime loans.

"I'm afraid that making a good income, having a college degree and buying a home does not have the same pay-off for blacks ... that it does for whites," said Logan.