



*Isom Joseph More, 68 -- Ali Hashmi/MEDILL*

## **Middle-class neighborhoods shrink as economic inequality grows in U.S.**

**by Ali Hashmi**  
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Isom Joseph More, 68, a black unemployed man, rests against the traffic signal pole on the corner of Wacker Drive and North Michigan Avenue. He is bundled up against the winter, and he holds a sign that reads “Please help.” One of his eyes functions, but the other is prosthetic. More scrounges for shelter every day, moving from place to place with a urine bag that he has been obliged to carry ever since he had bladder surgery. “I am living wherever I can,” More said. “Sometimes I go to the shelter. Lately I have been living in an abandoned building on the south side of Chicago... where mostly low-income black people live.”

More, who in the past has worked as a cosmetologist, a barber and a tailor, has few illusions: “I am out of job because I am 68 years old, and it’s kind of difficult to get employment at that age,” he said, seated on his milk-carton chair.

Perhaps surprisingly, More does not blame racism for his current difficulties. Society is now segregated by income, he said. “It’s no longer about the color of your skin or nationality, it’s about success.”

Earlier this week a new study by Stanford University sociologists Sean F. Reardon and Kendra Bischoff offered support for More's view that America is increasingly becoming divided along income lines. Over the past four decades, the study found, there has been "a steady decline in the proportion of families living in middle-class neighborhoods."

Rising income inequality in the nation's metropolitan areas over that period has led to an income-based residential distribution, the authors noted, where "the share of families living in middle-income neighborhoods dropped from 65 percent to 44 percent" since 1970.

There's no doubt that racial segregation continues to haunt American society. And More's perspective – that America is a society in which economic inequality has trumped race-based divisions -- is in contrast to a widespread perception that the principal divisions in U.S. society are based on skin color.

But the Stanford report lends weight to More's viewpoint.

In 1970, only 15 percent of families lived in neighborhoods that were either affluent or poor, according to the report. But by 2007, the proportion of such families had more than doubled to 31 percent.

That's because as the middle class grew smaller, more families were landing either in the top or bottom economic tiers.

"The increasing concentration of income and wealth in a small number of neighborhoods results in greater disadvantages for the remaining neighborhoods where low- and middle-income families live," the study said.

As economic fault lines develop, middle-class home-owners can find themselves priced out of their own neighborhood.

One such example in Chicago is the gentrification of Andersonville neighborhood. In the 1980s, many young urban professionals moved into the once-middle-class community, attracted by its proximity to the city's downtown. The influx of new, upscale residents gradually pushed property values higher in the community. Similar trends can be seen in other North Side neighborhoods in Chicago, including Lincoln Park, Uptown and Rogers Park. In contrast, South Side neighborhoods such as Dixmoor, Robbins and Phoenix have seen a inrush of former city dwellers who can no longer afford to live in the city. These neighborhoods are often characterized by declining housing conditions, poor schools, and high levels of crime.

Neal Ratner, a real-estate agent for Apartment & Home Seekers in Chicago, confirmed that housing in Andersonville is now unaffordable for the middle class. "The prices come down a little bit" in times of economic stagnation, he said, "but the overall cost of the house plus the taxes pretty much boxes a lot of people out."

On the other hand, a weak economy has led to a decline in housing priced in the middle class price range, said Donna Schwan, a real-estate agent with MetroPro in Chicago. "Less people are

able to buy houses in the middle-class price range because there are fewer people in the middle-class that have jobs,” she said.

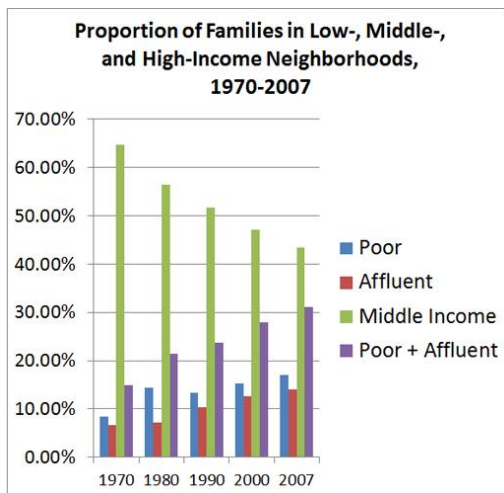
In general, “it seems people with money are moving into the cities, and everyone else is moving out into the outskirts,” said Samantha Gaddy, a state policy advisor.

“What [the study] is saying, in part, is that some of the neighborhoods that used to be middle class have now become poor,” said Linda J. Waite, a sociology professor at the University of Chicago.

One of the reasons behind this change is that many middle-income jobs have been outsourced or replaced by low income jobs, Waite said.

“Manufacturing jobs that high school graduates used to get at the Ford Motor Company, or U.S. Steel, are not as available,” she noted. “And the jobs that have replaced them are working at Walmart or other service jobs that just don’t pay as much.”

Michelle Handrigan, a computer specialist who works in downtown Chicago, echoed that sentiment. “The middle class is definitely becoming poorer,” she said, standing a block south of More’s begging site.



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Data Source: Growth in the Residential Segregation of Families by Income, 1970-2009.