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*Addressing the Racial, Ethnic, and Class Implications of Legacy Cities*

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Why address racial, ethnic, and class-related issues in a book about developing strategies for America's cities experiencing extreme population loss, "legacy cities?" After all, these topics are related to broad social trends that could be extremely difficult to change using strategies of any kind. The decentralized landscape in U. S. metropolitan areas developed long before the present period, building upon trends that started in the early twentieth century but gained full force with the post-World War II buildup of suburbia. This decentralization began as a racially and in some cases ethnically exclusionary movement and always contained elements of class exclusiveness as well, a process that continued unabated for decades and continues still. The worst of at least racial and ethnic exclusion is supposedly over, but spatial mobility and access for low-income people remain serious problems. Since this book focuses largely on proactive strategies, one might well ask, Is a discussion of race, ethnicity, and class superfluous?

It is not. We argue that the topics of race, ethnicity, and socio-economic status are at the very heart of the dilemma facing cities experiencing major population loss in the U.S., even though present conditions are rooted far in the past and not easily changed, and that trying to resolve at least some aspects of that dilemma is a pivotal task. In spite of the best hopes of social reformers, civil rights legislation and the gradual lessening of social prejudice have not eliminated disparity and unequal access to opportunity by race and ethnicity, and even less so for low-income people of color. The disparity is both a cause and a result of cities distressed by population shrinkage. As a cause: Dating from just after World

War II, suburbanization—all but closed to minority-race families and supported in several specific ways by federal and state policies—contributed to the white working-class and middle-class flight that first led to the pattern of population decentralization, which eventually yielded cities shrinking in terms of both population and jobs, a basic pattern in many U. S. metropolitan areas. As a result, many central cities remain severely imbalanced with regard to race, ethnicity, and income level, in comparison with their metropolitan areas. Many such cities contain a disproportionate share of low-income people, particularly of those belonging to a minority race. These cities struggle to maintain fiscal health and firms that contribute to a strong economic base, and yet they face high municipal service costs, affecting their ability to retain and serve existing residents and firms as well as to attract new ones.

Rather than ignore such conditions, it is important to discuss them, for two main reasons. The first reason is social justice. It is essential to retain a focus on social justice as we help develop next steps for cities that have experienced persistent population decline. Social justice is not an easy concept to define, but one approach would be to avoid various forms of oppression of certain categories of people, which is the way Iris Marion Young and David Harvey approach the topic.<sup>1</sup> The need to avoid oppression suggests that people should not be deprived of their rights as citizens, or marginalized, or made to bear the burden of social change without just compensation or full redress of the true impact of such change on their lives.

This definition of social justice—avoidance of various forms of oppression—gains substance and historical context when we consider that the urban renewal era, formally ended in 1974 but continued in informal ways after that,<sup>2</sup> offers specific examples of social injustice, and lives on in the memories of many central-city residents and their descendants.

Aided by federal funding, cities targeted certain neighborhoods for demolition in preparation for redevelopment, and many of these neighborhoods were inhabited by racial and ethnic minorities of low income. Often these were the residential areas with the oldest and most dilapidated housing stock, an oft-cited justification for clearance, but in addition many areas selected were strategically located for other purposes, such as situating higher-income housing near central business districts or providing land for institutions such as hospitals and universities. The trauma of those days—characterized by forced condemnations; relocation practices with insufficient provision for adequate replacement housing; decades of fallow land and stalled projects even after speedy relocation and clearance; shattered neighborhood networks and social support systems—lingers in the form of distasteful memories of official oppression in the name of “progress.” Such experiences would suggest that, today, plans to reorder the central-city landscape in order to accommodate reduced population size—for example, by reducing city

services or discouraging new construction in certain areas of the city—would, of necessity, need to avoid such injustice.

Another approach to defining social justice would be to aim for more equal, or less skewed, outcomes for city residents by striving to make sure that all people live in safe and properly serviced neighborhoods, a situation that is not the reality for many, and is disproportionately unlikely for low-income racial minorities. The concept of social justice also has a “process” dimension, which refers to the rights people have to participate in decision-making that affects their lives, through such means as engaging in meaningful and inclusionary dialogue about alternative futures. This aspect of social justice would call for full consultation concerning any major land use or municipal service changes that cities are planning to undertake in the future, changes that could very well affect people’s lives and livelihoods.

Because of the need for social justice, then, we should aim for social outcomes that do not oppress people or leave them deprived of homes, jobs, access to food, and other basic necessities of life, whether because of their race or ethnicity or income level, and for a decision-making process that is inclusionary. How this translates into actual practice is not always clear, particularly since the current political system fragments arenas of responsibility. Contemporary central-city leaders, for example, must observe the principles of social justice as they wrestle with dilemmas related to population decline, yet they may have woefully inadequate resources to ensure more equitable outcomes, one aspect of social justice. Furthermore, they could legitimately argue that it is unjust for a region to place the entire responsibility for the area’s neediest residents upon their municipalities, particularly since racially-selective exodus played a major historical role in creating current central-city circumstances. This suggests that the scale of responsibility is metropolitan, rather than municipal.

In addition to general principles of social justice, a second reason that it is important to look at race, ethnicity, and class disparity when discussing the topic of legacy cities is to inform possible proactive strategies. Racial, ethnic, and class demographics heavily affect present and future conditions of America’s most distressed cities. Understanding this concept is necessary in order to move forward with clear-headed information and solutions. For example, city leaders may know that the proportion of their residents who represent racial minorities is growing compared to the proportion of whites. Yet they may not understand subtle changes in such trends that may help them develop responsive action. An example of such a trend is the growing Hispanic population in many cities; another example would be a decline in measurable levels of highly concentrated poverty that some observers noted after the 2000 census. Watching immigration or poverty trends could be an essential part of city leaders’ strategy to build on potential assets.

Because of the need for both social justice and clear-headed solutions that fit the context, we undertake two tasks in this chapter. The first is to summarize a few

conditions relating to race, ethnicity, and poverty that affect cities experiencing large-scale population loss. In doing this we will build upon the work of Robert Beauregard, who has authored the first chapter in this book. The second is to discuss some possible corrective strategies that seem reasonable in the face of existing conditions. The strategies we are presenting are neither original nor exhaustive, but they could nonetheless help us explore the implications of changing patterns of settlement. Existing conditions of social differentiation continue to threaten many efforts that all levels of government undertake to help legacy cities enhance their futures. At the same time, current trends suggest possible positive outcomes that need to be recognized and understood.

In this chapter, we are using the U. S. Census Bureau's definition of the term race, even though this is a social construction that has very little reality in biology. In the United States, we quite commonly refer to black (or African-American), Asian, and white as separate races, along with several others, but in fact these categories are not always mutually exclusive and people who self-identify as "mixed" in race are growing in number. The U.S. Census Bureau has wrestled for some time with this issue of racial categories and has changed definitions several times over the last few decades. Currently, a person officially classified as "white only" could come from German, Italian, Lebanese, or Saudi Arabian roots. By ethnicity, we are referring to a sense of shared history, culture, and identity that is often associated with nationality but that can be quite varied even within one country. We are treating the term Hispanic as an ethnic term in this chapter, and we will look occasionally at poverty rates, easily measured and described, as one indicator of socio-economic status.

## Conditions

Diversity by race and ethnicity appears to be a permanent condition of many of the cities that are surviving and thriving in the new global economy. This does not mean that diversity is an essential characteristic: Largely homogeneous populations in Japan, for example, have fared quite well in raising up Tokyo as a global power, as have the multiethnic but single-race Chinese in several key cities. But in comparison with these places, the United States is a multiracial and multiethnic nation built upon a fabric of comparatively recent diversity rather than on many centuries of relative homogeneity. Polyglot peoples are a fact of life in cities such as New York, San Francisco, and Chicago, cities that demonstrate that the new post-industrial economy did not kill very large central cities but, rather, often made them more important. The presence of citizens of international origin is a part of the strength of these key American cities, as these people help provide diverse economic ventures as well as workers of many skill levels.

Consider, for example, the case of New York City. Although this city variously lost and gained population over the last few decades, it remains a major

population center, with over eight million people, and it has become a center for the global economy as well as host for people from all over the world. In 2000, 36 percent of the city's population was foreign-born. Of those, 19 percent came from Europe, 3 percent from Africa, 24 percent from Asia, and 29.8 percent from the Caribbean, with 22.8 percent from Central or South America. New York City has its share of poverty, with 15 percent of families estimated as falling below the poverty level during the period 2005-2009, but this is lower than in many other older cities, and the city on the whole has a considerable amount of critical mass, resources, and vitality. In recent years, buoyed by economic prosperity, New York City has systematically addressed such challenges as providing housing for its middle- and low-income population. In this case, the extraordinary diversity of the population appears to be an important part of this city's identity in a global era.

New York City is a special case, a prototype for the new urban-form "global city," and such cities have major stores of resilience. Chicago, as another example, is not technically a global city on the order of New York. It is located in the same Midwest region as several major cities losing population, and it has experienced its own share of population and industrial decline. Yet 21.7 percent of its residents were foreign-born in 2000, half of these from Central America, and increases in in-migration from the previous decade had been enough to overcome population loss as both whites and blacks fell in numbers. The city's population expanded by 112,000 during the 1990s, but the white population dropped by 48,000 during that decade, and the black population fell by 23,000. In contrast, the Hispanic population rose by 128,789 during the 1980s and by 207,792 during the 1990s.<sup>3</sup> Clearly, without this level of Hispanic influx, largely channeled into ethnic enclaves populated by specific Hispanic nationalities, the city would undoubtedly have shrunk in size yet again during the 1990s. Even so, the city's overall population fell between 2000 and 2010, dropping 6.9 percent, largely on the basis of fewer blacks and a lower influx of Hispanics. Chicago gained only 25,218 Hispanics and 21,190 Asians from 2000 to 2010, and the white population declined by a mere 2,480 people, but blacks, although still one-third of the city's people, dropped in numbers by 177,401 during that decade.

Although Chicago experienced a recent decade of population growth in the 1990s, it then, in large part because of black exodus, declined in numbers during the early 2000s. In many large cities, especially in the U. S. Midwest and Northeast, population has declined continuously and without remittance over several decades. Some of the reasons for this are economic, such as decline in the industrial sector and a shift of economic activity to other regions. But another set of reasons is social: Problems related to the racial segregation and isolation of low-income people have lingered and led to even more fragmentation within metropolitan areas.

## *Segregation*

Many cities facing precipitous population decline struggle with a lack of resources and a disproportionate share of low-income citizens, many of them of minority-race status. Unusually high proportions of racial minorities, in a context of metropolitan racial segregation and concentrated poverty, can make it difficult for older core central cities to survive in contemporary times. This is true not because certain racial minorities are always poor but because they are disproportionately so, and because the racial profile of existing neighborhoods still apparently affects housing choices.

Years of surveys have revealed that all racial minorities do not face the same level of segregation or residential prejudice; African-Americans experience higher levels than other groups. Since in many metropolitan areas blacks as well as lower-income people are concentrated within central cities, even during an era that has seen the increased suburbanization of blacks and other racial and ethnic minorities, central cities may bear the burden of the negative effects of this historic pattern of separation. They may encounter drastically falling tax revenues and increased costs for municipal services but have access to few resources to support them because so many people and businesses have fled or refused to move into the central city. Furthermore, once city services fall, crime rates increase, or schools decline, moving out of a distressed central city or inner-ring suburb or refusing to move in becomes a rational act. As suburban options have opened up for black middle-class families, many have moved out of central cities, leaving behind increasing proportions of lower-income blacks who are not as mobile.

Among the authors who have documented the negative effects of racial segregation and concentrated poverty are William Julius Wilson, who has written several books, including *The Truly Disadvantaged: The Inner City, the Underclass and Public Policy*, and Douglas Massey and Nancy Denton, authors of *American Apartheid: Segregation and Making of the Underclass*. These authors have helped us visualize the effects of racial and income segregation. Wilson explained the implications for children and young adults raised in areas of central cities where they had little access to positive role models, in the form of professional-class people of their own race or other races; little ability to attend schools that enabled them to gain necessary education and market skills; and, once graduated, little or no access to jobs or other legitimate means of earning a livelihood. Massey and Denton measured segregation and explained its effects, pointing out that a number of forms of such segregation exist. According to the index of dissimilarity, one such measure, racial separation between blacks and whites within certain key metropolitan areas remained high in 2000. The areas with highest segregation between blacks and whites included metropolitan Detroit, which contains a distressed central city within its midst, but also places such as Chicago and New York City, which have not suffered nearly as much population and economic

decline in their central cities. Therefore, racial segregation within the metropolitan area is not necessarily associated with high population loss or with poor economic performance of the region or its central city, if that central city is strong enough to weather whatever negative effects might arise.

Metropolitan racial segregation nevertheless continues to be a part of the problem facing distressed central cities; racial division fueled much of the decentralizing flight of first whites and then other races, and some cities thus abandoned have not survived intact. Although demographers have measured a slight lessening of racial segregation within metropolitan areas, such segregation has continued at a high level even in suburban areas. In 2009, Massey and his colleagues noted that racial segregation is declining but still very high; income segregation between the poor and the rich, also as measured by the dissimilarity index, is not quite as high but is growing.<sup>4</sup> In addition, racial preferences continue to influence residential patterns, particularly for whites, a proportion of whom still hesitate to live in neighborhoods with predominately black residents.<sup>5</sup> This pattern of avoidance has enormous implications for heavily black central cities, which may need to attract middle-class and professional residents of many races, including whites, in order to protect or enhance their tax bases.

The Brookings Institution's 2010 report, *The State of Metropolitan America*, noted major shifts in demographic characteristics of major metropolitan areas and their central cities. They confirmed that the metropolitan African-American population was suburbanizing rapidly in the United States, as were other racial and ethnic groups. They noted that metropolitan areas varied in their ability to adjust to new economic realities; they organized metropolitan areas into several categories and found two sets that are characterized by particularly low growth. The older "industrial core" metropolitan areas, located in the Midwest but also found in the Northeast and Southeast, have less population diversity and lower educational levels compared to other kinds of regions, as well as slow growth. The "skilled anchor" metropolitan areas, also slow-growers with less diversity but with higher educational levels, in-migration, and amenities, were located largely in the Midwest and Northeast. Several metropolitan areas within these two categories contain cities that have lost large proportions of their populations, but those in "industrial core" metropolitan areas face particular challenges.

### ***Race, Ethnicity, and Poverty***

In a 2009 article, author Robert Beauregard noted that among the top fifty central cities in size for the year 2000, several had lost population in both the 1980s and the 1990s. He called these the "persistent twelve," listed in *Table 1*. Population loss for each of these selected central cities during the 1990s ranged from a low 2.5 percent for New Orleans to a high 12.2 percent for St. Louis during that

same decade. The last column in *Table 1* shows that all cities continued to lose population from 2000 to 2010 except Washington, D.C., and Philadelphia. New Orleans is, of course, an outlier, because of Hurricane Katrina and related flooding of the city's levee system in 2005, but it experienced population decline even before then. *Table 1* shows that the percentage of foreign-born population in eleven of these twelve cities is low compared to the national average of 12.4 percent but that generally the central cities in "skilled anchor" metropolitan areas have larger percentages of foreign-born people than cities in "industrial core" areas.

Table 1: *Population in "Persistent Twelve"\* Cities, 1990-2010, Organized by Metropolitan Area Status and Percent Foreign-Born*

| <i>Central City</i>                      | <i>Population<br/>2010</i> | <i>% Foreign-<br/>Born<br/>2005-2009</i> | <i>% Change<br/>in Total<br/>Population<br/>1990-2000</i> | <i>% Change<br/>in Total<br/>Population<br/>2000-2010</i> |
|--|----------------------------|--|---|---|
| <b>In "Skilled anchor" metro areas:</b>  |                            |  |   |   |
| Philadelphia, PA                         | 1,526,006                  | 11.0                                     | -4.3  | 0.6   |
| Milwaukee, WI                            | 594,833                    | 9.5                                      | -5.0  | -0.4  |
| Pittsburgh, PA                           | 305,704                    | 7.0                                      | -9.5  | -8.4  |
| St. Louis, MO                            | 319,274                    | 6.3                                      | -12.2   | -8.3  |
| Baltimore, MD                            | 620,961                    | 6.2                                      | -11.5   | -4.6  |
| Cincinnati, OH                           | 296,943                    | 4.1                                      | -9.0  | -10.4   |
| Average Rate                             |                            | 7.35                                     | -8.6  | -5.3  |
| <b>In "Industrial core" metro areas:</b> |                            |  |   |   |
| Detroit, MI                              | 713,777                    | 6.5                                      | -7.5  | -25.0   |
| Buffalo, NY                              | 261,310                    | 6.1                                      | -10.8   | -10.7   |
| New Orleans, LA                          | 343,829                    | 5.1                                      | -2.5  | -29.1   |
| Toledo, OH                               | 287,208                    | 3.3                                      | -5.8  | -8.4  |
| Average Rate                             |                            | 5.18                                     | -6.4  | -18.6**   |
| <b>Other</b>                             |                            |  |   |   |
| Washington, D.C.                         | 601,723                    | 12.5                                     | -5.7  | 5.2   |

Source: Calculated from U. S. Census Bureau data. Estimates from 2005 to 2009 are from the American Community Survey, based on the average of estimates for indicated years.

\* The "persistent twelve" are those U. S. central cities among the top fifty in size for 2000 that lost population in both 1980-1990 and 1990-2000. For discussion, see Robert Beauregard, "Urban Population Loss in Historical Perspective: United States, 1820-2000," *Environment and Planning A* 41 (2009): 514-529. The three categories of metropolitan areas come from the Brookings Institution (2010).

\*\*This average is 15.3 percent excluding New Orleans, an outlier because of flooding and its aftermath.

In addition, population loss from 2000 to 2010 was less in the six “skilled anchor” central cities, with an average 5.3 percent decline, than in the five industrial core cities, which averaged an 18.6 percent decline, or 15.3 percent excluding New Orleans. Thus the “industrial core” central cities suffered greater population decline as well as lesser levels of immigration compared to cities in “skilled anchor” metropolitan areas.

Each of the twelve central cities has relatively high family poverty rates compared to the U.S. average of 9.9 percent, according to 2005-2009 census estimates. Of the cities listed, the average family poverty rate estimated for the cities located in “skilled anchor” areas was 18.6 percent, which is high, but not as high as the average poverty rate for “industrial core” cities, which was 23 percent. Particularly stressed in terms of estimated poverty levels were the industrial cities of Detroit (28.3 percent), Cleveland (25.4 percent), and Buffalo (24.9 percent).

The number of households lost is perhaps more crucial for distressed cities than population decline, since decline in numbers of individuals could simply be due to the aging out of families’ children, late marriages, or other demographic considerations, whereas loss of households means loss of occupied housing units, with all that implies in terms of housing vacancy and decline in the residential housing market. Also important is how many households a central city has lost since its peak year (for households, often different from the peak year for people). The twelve cities varied greatly in terms of their household loss, with Detroit and St. Louis losing the most between their peak household years and 2010, 48 percent and 45 percent, respectively. *Table 2* groups the twelve cities by higher or lower household loss between their peak household years and 2010,<sup>6</sup> a categorization that reveals changes in occupied housing-unit demand, a particular problem for cities experiencing abandonment because of falling demand for a previous number of housing units. Cities that experienced especially high loss of households include Detroit, New Orleans, Cleveland, St. Louis, Buffalo, and Pittsburgh.

*Table 2* provides “white only” population figures, divided into two categories: those cities that experienced relatively high loss in number of households between their peak population years and 2008, and those that experienced gains or less household loss over that time period. We’re using “white only” because it is increasingly complex to measure racial categories, particularly with various racial mixtures; tracking the presence of people who self-identify as “white only” reveals the presence in a city of majority-race people, who have historically had the greatest flexibility in housing choices.

In *Table 2* we see the expected: Whites were indeed a decided minority in many cities that we are examining, particularly Detroit, Baltimore, New Orleans, Cleveland, and Washington, D.C. The difference between high household-loss cities and low household-loss cities in terms of proportions of whites, however, is not dramatically different. What is decidedly different is that those cities that

lost a higher number of households over several decades also lost a larger percentage of their white population from 2000 to 2010. The percent change in white population during the 1990s varied widely, with high losses of whites in the less stressed cities as well as the more stressed, in terms of household loss. On the other hand, the biggest losses from 2000 to 2010 appear to be in the cities that lost more households in the long term; those six experienced declines in their white populations that averaged 20 percent, compared to only 5.1 percent declines in the cities with less household loss over time, or with gains. That the cities with higher household loss experienced population drops among resident whites more dramatically than the other cities suggests a possible continued link between total population decline and white decline.

Table 2: “White Only”\*Population Change in Twelve Cities, 1990- 2010, Classified by Household Change from Peak Population Year to 2010 and Percent White 2

| <i>City and Household Loss or Gain (in %)</i> | <i>“Whites only” as % Population 2010</i> | <i>% Change in White Population 1990-2000</i> | <i>% Change in White Population 2000- 2010</i> |
|---|---|---|--|
| <b>Higher long-term loss</b>                  |   |   |  |
| Detroit                                       | 10.6                                      | -47.6   | -35.0  |
| New Orleans                                   | 33.0                                      | -21.7   | -23.1  |
| Cleveland                                     | 37.3                                      | -20.7   | -25.5  |
| St. Louis                                     | 43.9                                      | -24.5   | -8.1   |
| Buffalo                                       | 50.4                                      | -25.0   | -17.3  |
| Pittsburgh                                    | 66.0                                      | -15.2   | -10.8  |
| Average                                       | 40.2                                      | -27.8   | -20.0**  |
| <b>Lower long-term loss, or gain</b>          |   |   |  |
| Baltimore                                     | 29.6                                      | -28.4   | -10.8  |
| Washington, D. C.                             | 38.5                                      | -2.0  | 31.4   |
| Philadelphia                                  | 41.0                                      | -19.5   | -8.3   |
| Milwaukee                                     | 44.8                                      | -25.0   | -10.7  |
| Cincinnati, OH                                | 49.3                                      | -20.3   | -16.6  |
| Toledo  | 64.8                                      | -14.0   | -15.5  |
| Average                                       | 44.7                                      | -18.2   | -5.1   |

Source: Calculated from U. S. Census Bureau data, with proportion of household loss since peak household years calculated by the author (see note 6 for specifics).

\*\*“White only” respondents indicated that they were “white” as defined by the census, without racial mixture. “Whites” includes many specific ethnic or nationality groups.

\*\*This number is -19% without New Orleans.

We see the unexpected, as well, in *Table 2*: Whether because numbers had fallen so low that they could only rebound (a phenomenon called “regression to the mean”), or because of some other trends, conditions were apparently very different from 2000 to 2010 than during the previous decade. Although white population numbers continued to decline, the rate of loss was lower in several of the first set of cities, including Detroit, St. Louis, Buffalo, and Pittsburgh. In the second category of cities, the number of whites leaped upward in Washington, D.C., growing by 31.4 percent between 2000 and 2010, with the level of white population decline less compared to the 1990s in Baltimore, Philadelphia, Milwaukee, and Cincinnati. Why was the level of white presence in those nine cities dropping less rapidly than in the previous decade? We need to know more about these specific cities’ circumstances. One possible explanation is that a subpopulation of whites was moving into these cities at the same time that others were leaving. In a number of these cities, new and rehabilitated housing developments specifically aimed toward professional workers would have played a part in stoking this phenomenon. Another possible explanation is that a remaining core of whites stayed because they were comfortable with their central-city surroundings.

Changes in the presence of Hispanics, the nation’s fastest-growing minority, are also instructive, as *Table 3* shows for twelve cities. Although a small portion of the total population, the Hispanic population has shown dramatic increases over two decades in all of the cities we are discussing. This growth appears to be faltering only in Detroit: The number of Detroit’s Hispanics increased during the 1990s by 65.7 percent, but only by 3.2 percent in the 2000s, during the decade of a dramatic population slide for that city. Nevertheless, Detroit continued to benefit in numbers from the 1990s boost in Hispanic population and in other ways from the vibrancy of the city’s southwest area, which houses much of its Hispanic community, complete with Latino-owned businesses, restaurants, and churches influenced by Hispanic culture.

Buffalo, Cleveland, Milwaukee, Philadelphia, and Washington, D.C., all contained at least 9 percent Hispanics in 2010, again with strong growth rates in this population segment, for an increase of 43.8 percent in Milwaukee and 45.5 percent in Philadelphia during the 2000s. Particularly noteworthy is the apparent trend for cities that lost lower proportions of households over several decades to average higher rates of increase in Hispanic population, an average 61 percent increase in the 2000s, than cities that lost high proportions of households, an average of 23 percent over the same decade. This association suggests that Hispanics may be key population boosters for these central cities. The question then becomes whether these trends will continue, and whether the cities more stressed from household loss than others can further elevate their numbers of Hispanic people.

Table 3: *Hispanic/Latino Change in Twelve Cities, 1990- 2010, Classified by Household Loss from Peak Population Year to 2010 and Percent Hispanic*

| <i>City</i>                                   | <i>Hispanics/<br/>Latinos of<br/>Any Race<br/>2010</i> | <i>Hispanics/<br/>Latinos of<br/>Any Race as<br/>% of Popula-<br/>tion 2010</i> | <i>% Change<br/>in His-<br/>panic/ Latino<br/>Population<br/>1990-2000</i> | <i>% change<br/>in His-<br/>panic/ Latino<br/>Population<br/>2000- 2010</i> |
|---|--|---|--|---|
| <b>High long-term household loss</b>          |  |   |  |   |
| Buffalo, NY                                   | 27,519   | 10.5  | 36.9   | 24.7  |
| Cleveland, OH                                 | 39,534   | 10.0  | 49.7   | 13.8  |
| Detroit, MI                                   | 48,679   | 6.8   | 65.7   | 13.8  |
| New Orleans,LA                                | 18,951   | 5.5   | -14.0  | 24.7  |
| St. Louis, MO                                 | 11,130   | 3.5   | 37.0   | 3.2   |
| Pittsburgh, PA                                | 6,964  | 2.3   | 27.6   | 58.5  |
| Average                                       |  | 5.3   | 33.8   | 23.1  |
| <b>Less long-term household loss, or gain</b> |  |   |  |   |
| Milwaukee, WI                                 | 103,007  | 17.3  | 81.8   | 43.8  |
| Philadelphia, PA                              | 187,611  | 12.3  | 44.5   | 45.5  |
| Washington, D.C                               | 54,749   | 9.1   | 37.4   | 21.8  |
| Toledo, OH                                    | 21,231   | 7.4   | 29.8   | 23.9  |
| Baltimore, MD                                 | 25,960   | 4.2   | 45.5   | 134.7   |
| Cincinnati, OH                                | 8,308  | 2.8   | 77.3   | 96.4  |
| Average                                       |  | 8.9   | 52.7   | 61.0  |

Source: Calculated from U. S. Census Bureau data; see Table 2 for explanation of household-loss categories.

## Strategies

Conditions facing the cities we have been discussing are challenging. Although racial segregation has abated in U. S. metropolitan areas, income segregation has increased. Unwillingness on the part of many whites to live in predominately black neighborhoods has continued as a problem. Twelve central cities that we examined experienced population loss from 1980 to 2000, with only two cities, Philadelphia and Washington, D.C., experiencing population gains from 2000 to 2010. The twelve tended to have fairly high poverty rates, low proportions of foreign-born populations, and declining proportions of white populations (except for the nation's capital). At the same time, white population loss slowed in most of these cities during the 2000s compared to the 1990s, and all twelve received an influx of Hispanics during the 2000s.

These findings lay the groundwork for suggesting possible strategies to help address conditions of racial, ethnic, and class disparity in the context of social justice. To do so would require a leap of faith, due to the long-term intractability of the problems at hand and the barriers set in place by time, culture, and the very structure of the metropolitan political system. Nevertheless, a few strategies do exist that might help mitigate current circumstances in relation to these topics. We'll offer brief comments on a few: increasing diversity of the population, attending to economic development, building bridges within the city and the region, and pursuing a social-justice agenda.

### ***Increasing Population Diversity***

One need for cities experiencing severe population loss is a more stable and diversified population. One of the major difficulties has been that metropolitan areas where central cities have lost large numbers of people and households have seen too much regional fragmentation, especially with regard to race and poverty status. At the same time, cities that have been able to attract foreign-born residents have enhanced their labor pool as well as their economic prospects. One potential strategy is to encourage foreign-born populations to move to central cities; another is to attract diverse populations, including Hispanics and whites.

*Immigration.* Encouraging immigrant communities could be one of the best ways to enhance the population diversity shrinking cities need, as well as to increase numbers of people and families. To encourage immigrant communities is no small undertaking, of course, since typically immigrants seek places of opportunity and may avoid places that they perceive as under-resourced. Furthermore, national policy strongly influences the number of immigrants allowed into the country. In many places given up for lost, however, immigrants have managed to settle and to form ethnic enclaves that have created vibrant communities where none existed before. Immigrants appear to provide several major benefits through such actions. One is that immigrants are often associated with economic innovation; another is that ethnic enclaves can encourage economic growth in many forms, including tourism. Foreign-born populations can also help rejuvenate communities and neighborhoods that are no longer attractive to native-born Americans.

One of the most famous urban theorists to argue that immigrants are important to local economies is Richard Florida, who made this point in several books about creative-class cities. He calculated a melting pot index, composed largely of the percentage of foreign-born population in the metropolitan area, which he found to be highly correlated with high-technology economic activity as he measured this. While other scholars have contested some of his findings, strong support exists at least for his claims about the importance of foreign-born

populations. Long before his studies other scholars had found a link between immigration and economic performance. Some researchers have documented the global influence of immigration not just in the United States but in other countries as well, while others have offered in-depth case studies, as has Anna Lee Saxenian, who explored the influence of highly skilled immigrants in elevating California's Silicon Valley. But one of the earliest researchers on this topic was George Borjas, who suggested that even low-skilled immigrants brought benefits to metropolitan areas and to the national economy, due to a complex set of reasons, which included increased efficiency and expansion of local markets.<sup>7</sup>

One of the ways these benefits can be realized is through the establishment of residential and commercial ethnic enclaves, which themselves can become engines of growth. Ethnic enclaves, in contrast to ethnic or racial ghettos, are usually voluntary and purposeful, established to provide mutual support. At their best, such enclaves can provide culturally familiar niche neighborhoods for new immigrants, thereby allowing them to survive in spite of limited proficiency in English or low per capita income. Some research has suggested that such enclaves generate an unusually high self-employment rate compared to native-born areas, and that they may lead to other economic benefits, as well. In addition, they may spur tourism simply by offering a context in which people seek to gain exposure to a foreign culture, as has happened in numerous Chinatowns and Mexican neighborhoods throughout the country. Add to this the fact that such enclaves often lead to rejuvenation of the housing stock in previously abandoned neighborhoods, and a picture of an elegant form of reuse emerges.

Individual localities have a limited ability to change national immigration laws or to entice national or ethnic groups who have no reason to move to their areas. However, a number of people have begun to consider ways in which to make given localities and states immigrant-friendly. The Global Detroit project, spearheaded by former state representative Steve Tobocman, is an excellent example, and the project's online report identifies a number of such strategies that can help make immigrant groups and foreign corporations feel welcome and be inclined to attract like-minded people from abroad. Some necessary steps may include reaching out to existing foreign-born communities and making sure they understand how valued they are in a particular urban area. Other more proactive steps include developing a retention program for foreign university students, or attracting global firms or foreign investors, and some of these efforts require largely initiative and vision rather than vast sums of money.

The same points that apply to foreign-born populations also apply to native-born Hispanics, as well as Asians, and other racial and ethnic groups. In some cases, it may be possible to support enclaves that are made up not just of foreign-born racial and ethnic minorities but also of the progeny of such immigrant communities, as has happened for example in Chinese communities in Chicago.

However, children and grandchildren of foreign-born immigrants are less prone to stay in ethnic enclaves, and they may instead move outward, aiming for the same suburban, noncentral city lifestyles as do families of domestic background. Thus it is important not to rely on the attraction of immigrants as a singular strategy.

*Incentives for Diverse Populations.* Another form of diversification could come by way of attracting a greater variety of people, not necessarily from immigrant roots, to move into central cities or convincing those already there not to leave them. A great part of the shrinkage in the central cities we examined happened because of the falling proportions of white residents. We mentioned that some researchers have found fairly strong evidence that a proportion of white house-buyers shy away from neighborhoods that contain black families, even if the relative percentage is small; this phenomenon increases the higher the percentage of black families in a particular neighborhood. This means that when a neighborhood or city becomes predominantly black, it becomes increasingly difficult to attract whites and, in addition, other groups, such as Hispanics and Asians; this is the case, at least, in cities studied thus far. However, this same research also suggests that blacks shy away from predominantly black neighborhoods, preferring racially integrated neighborhoods.<sup>8</sup> This sets up an imbalance that leads to integration eventually turning into segregation yet again, since whites would refuse to move in after a certain point of racial mixture, and blacks would try to move out to avoid strict racial segregation. This is a situation that for predominately black neighborhoods increases the likelihood of housing abandonment as the housing market fails to operate properly and potential buyers dry up. This was true long before the housing crisis, which created such a high foreclosure rate in many neighborhoods that no one would willingly choose to live there.

Policymakers will have to be aware of these population dynamics in order to craft effective strategies to counter them. One such strategy could be to create incentive programs for populations of diverse races and ethnicities, including whites. As just one example, an incentive program organized by three key Detroit institutions—Wayne State University, the Detroit Medical Center, and Henry Ford Hospital—will pay employees to buy housing units or rent within a certain area of central Detroit. While the effects of the strategy have yet to be seen, it is a promising venture, modeled in great part upon a similar program under way for some years in Philadelphia, where the University of Pennsylvania and allied institutions have attracted new residents to specific neighborhoods.<sup>9</sup> Because the employee base of these institutions is much more racially diverse than the city's population, with a much larger proportion of whites, we can anticipate that many people taking part in this program will be white. This should help to make the area around these institutions a much more racially diverse area, and much more comfortable for whites. Of course, at the same time it will be important to offer a level of service that will not drive these residents back out again. Here,

critical mass would be important, with city government making sure that at least the services and activities around the protected areas are such as to encourage commitment. One possible difficulty here is that other areas may resent what they see as an unfair advantage for protected areas, and so city government would need to approach any such strategy very carefully.

Although we don't know exactly which whites, Asians, blacks, and others would be most inclined to move back into central cities that have lost large proportions of their populations, professionals working with key institutions and people who do not have school-age children would be prime candidates for such migration. Families with children are possible as well, but the choices are more complex; many school systems in distressed central cities are struggling—and thus are less desirable for middle-income families—because of the very problems we described related to loss of revenue, racial isolation, and income segregation. Thinking through ways to attract younger adults to live in central cities would be important, especially since evidence suggests that racial prejudice among younger adults is not as entrenched as prejudice among older adults. A strategy to attract young adults could include a number of creative solutions, such as professional clubs, festivals, and artistic events.

*Proactive Economic Development.* Another necessary action would be to undertake proactive economic development. This is of course easier said than done, and the argument could be made that such cities have been trying to do this for many years. They could be working very hard at a few key economic development projects but be in need of a broader vision to consider other possibilities. The pro-immigration effort we cited above, Global Detroit, created an economic development study that suggested ways to diversify the metropolitan economy through closer ties to international corporations and other business opportunities. This approach would become a forthright attempt to tap into the global economy by attracting diverse people with the skills needed for such an economy. But all this would require an orchestrated strategy, including creating effective ways to nurture small businesses and support entrepreneurs.

What has passed for economic development in many legacy cities has really been an attempt to hold on to, or to woo through tax incentives and other similar means, the old industrial sector, which has, however, changed in profound ways. It is becoming increasingly apparent that such an approach to economic development will no longer work. Also falling out of favor is the idea that casinos, sports stadia, or other such high-profile projects can boost the local economy enough to offset profound and long-term losses in commerce and industry, an approach that also has proved to be insufficient. Instead, it will be necessary to look to new economic ventures, and to train a workforce that is capable of participating in something other than the failing industrial sector, once a haven for those with only a high school diploma, which no longer suffices, as discussed in Chapter 7. A part of such a strategy would require revamping educational systems that have in

some cases reached the point of collapse. This leads us to our next two categories of strategy making: building bridges and social justice.

### *Building Bridges*

Another key set of strategies will involve trying to build bridges among people strongly fragmented by politics, economics, and place. This is a huge topic, one that would actually require a separate chapter, because one of the obvious places to start would be to look at bridging barriers within the metropolitan area between citizens of various municipalities. Rather than tackle that giant a topic, here we will just mention a few ways to develop smaller-scale efforts that do not require reforming government relations within metropolitan areas.

Building bridges across racial, ethnic, and class barriers can take place at a number of levels. These could range from the institutional down to the individual. In terms of the institutional, it would be helpful if civic leaders and prominent organizations took public stances on the importance of overcoming racial and ethnic prejudice and poverty, as well as their effects. Although it is not clear that such visible stances make a difference in terms of impact, they help provide an environment that does not tolerate continued prejudice and denigration of people because of their income levels or skin color. Some organizations have become dedicated to overcoming such barriers through such consortia as faith-based organizations or civil rights groups.

Then in addition to the proper tone of rhetoric, we need action. This could involve, for example, foundations getting together and creating consortia dedicated to helping to resolve critical issues of differentiation and isolation. Key foundations have undertaken such efforts throughout the country, as have intermediaries, but some of them will need to change their agendas from trying to push one path to reform, such as building new housing or offering interracial social events, to promoting another, which might imply working for housing set-asides and inclusionary zoning. That would be a strategy for giving poor people access to suburban communities, but we will need new strategies in order to help get suburban people moving into central cities. A good start would be to look at new ways to envision community development in central-city neighborhoods, particularly in the wake of the 2007 housing crisis, which has made construction of new housing, the favored activity of many sponsors of community development, moot, since foreclosed houses exist in great abundance. And while we are on the topic of moving, it is noteworthy that some businesses and corporations have made conscious decisions to move from suburban campuses into central cities, because of the advantages of economic agglomeration or clustering, and encouraging such efforts would be good in terms of social justice as well as for economic reasons.

At the individual level, we still need educational programs to help people understand the continuing effects of prejudice. Many people believe that the battles

concerning this topic are over, when they are not. As long as society remains as fragmented as it is, and as long as the unwanted are isolated in neglected central cities, we have a problem. It will be necessary to continue to seek ways to overcome this historic inertia in relation to racial and income-based disparity. One simple strategy that some institutions have used is to organize their workers to participate in direct-assistance programs such as tutoring in local public schools. The Detroit public school system has organized thousands of enthusiastic volunteers of all races and from many localities to assist the public school teachers in enhancing reading skills for their youngest pupils. This kind of one-on-one interaction is an excellent example of action at the individual level. Another strategy is for corporations to adopt certain elementary school classes, offering personal mentoring, or to create internship programs for inner-city youth.

### *A Social Justice Agenda*

Several of the above points, of course, relate very well to what we have called “a social justice agenda.” Such an agenda involves not only steps such as the few we have indicated but also the continual improvement of intact and salvageable central-city neighborhoods so that they are able to survive. The needs are so great that almost anyplace a group or organization can be started, whether in employment or business development or youth training, will be helpful. But all of these initiatives would take money in order to have a serious impact, and part of the problem is that central city governments do not have the resources to provide the services that citizens deserve, or the schools, or the access to secure housing and available food sources or the means to offer effective public safety, in part because many of these things should not be solely dependent upon the public sector. And so for a central-city government experiencing major fiscal problems in addition to a loss of people and commerce, what is its social justice agenda? It is not as if such a government is purposefully oppressing a part of its population. It is very likely itself a victim of historical forces within the metropolitan area, which left it holding the bag for several more well-to-do municipalities, many of which managed to organize themselves so as to protect their citizens from exposure to the unwanted.

The typical stressed central city is so limited in resources that it needs the best workers, the smartest bureaucrats, and the most experienced council members and mayor to make even a dent in the problems it must solve. This particularly has meaning in Detroit, where the city learned, to its sorrow, that one incompetent or corrupt city government administration can do a world of harm, not only in terms of the city’s reputation, which has a major impact upon potential residents and businesses, but also with regard to the life chances of the citizens living within its borders and dependent upon the proper working of that city’s government. In this case, social justice would demand not necessarily equalized outcomes for all municipal services, although that would be a wonderful goal to aim toward.

Neither does it imply simply a just process, although assuredly any decisions that are made, particularly about land use or neighborhood reconfiguration, should involve the best principles of consultation and participation. What social justice does demand, at the least, is principled, purposeful, honest government, and leaders who will do their best to improve the city under even the most trying of circumstances. This should be expected no matter what conditions are to be addressed.

Another obvious need in this situation is for the political leaders, staff, citizens, and businesses of more well-to-do municipalities to set aside the tendency to demonize and isolate the central city with a high minority-race population—opposing regional transportation or taxation systems, for example—and to support any opportunity for cooperation and support. This would be in the name of social justice but also in recognition of the integrated fabric of metropolitan areas, since a collapsed urban core affects the areas around it in many ways. Yet, unfortunately, almost everything about the way U. S. local governments have been set up within metropolitan areas appears to counter any cooperative, altruistic, or unifying tendencies that might be needed.

## Notes

1. Harvey (2002); Young (1990).
2. Although the Community Development Block Grant (CDBG), established in 1974, formally ended new allocations for “urban renewal” initiated under the Housing Acts of 1949 and 1954, redevelopment projects in process continued for many years thereafter. CDBG moneys funded many of those. Also noteworthy is the massive highway construction of the same period, 1950s–1970s, which many people confused with urban renewal because it sometimes had the same effect on minority neighborhoods. The worse ills of relocation funded with federal dollars were abated with reforms mandated in the Uniform Act of 1970 and subsequent iterations. See <http://www.hud.gov/offices/cpd/affordablehousing/training/web/relocation/overview.cfm>
3. Lewis et al. (2002).
4. See Massey, Bothwell, and Domina (2009).
5. Charles (2003).
6. Levels for cities with high household loss are Detroit (-48 percent) from 1960 peak to 2010, St. Louis (-45 percent) from 1950, Cleveland (-38 percent) from 1960, Buffalo (-33 percent) from 1960, New Orleans (-31 percent) from 1990, and Pittsburgh (-29 percent) from 1950. Cities with lower household loss or gain are Cincinnati (-18 percent) from 1960, Baltimore (-14 percent) from 1970, Toledo (-10 percent) from 1980, Philadelphia (-7 percent) from 1970, Milwaukee (-5 percent) from 1980, and Washington D.C. (+2 percent) gain from former peak in 1970 to 2010.
7. Florida (2004); Saxenian (2002); Borjas (1995).
8. Charles (2003).
9. See Spangler (2011).

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