How "Gentrification" in American Cities Maintains Racial Inequality and Segregation

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After decades of population declines, cities are adding population more rapidly than suburbs for the first time in nearly a century, as trendy middle-class neighborhoods continue to grow in number and size across areas that more affluent Americans once considered places to avoid. Yet research tells us that American cities continue to exhibit high levels of neighborhood inequality and poverty, especially for racial minorities. My research seeks to understand these two seemingly contradictory trends by examining how gentrification unfolds over time. Do neighborhoods gentrify at the same pace or to the same degree? Does gentrification spread evenly into its adjacent disinvested neighborhoods? If not, what factors influence these differences - leaving some urban areas mired in extreme poverty?

My research with sociologist and SSN Scholar Robert Sampson examined these issues in a study of Chicago neighborhoods. We define gentrification as the reinvestment and renewal of previously debilitated urban neighborhoods that occurs as middle- and upper-middle-class residents move in. To measure neighborhood change, we went beyond traditional sources of Census data to use information on the location of institutions and urban amenities, police data, community surveys, and – most innovative of all – visual information from Google Street View. The visible streetscape of neighborhoods provides direct indicators of change, such as new construction, rehabilitation, and beautification efforts. By assessing the presence of our various indicators of gentrification for nearly 2,000 blocks, we were able to measure degrees of gentrification for neighborhoods of varying racial composition. Additional research I have done also probes the impact of immigration.

Minority Neighborhoods are Not Readily Gentrified

Neighborhood selection is an important reason that poor enclaves and racial segregation persist in U.S. cities. Racial and ethnic stereotypes influence people's choices about where they want to live and which neighborhoods to avoid – and people also consider crime, property values, school quality, and local amenities. In popular media and political debates, gentrification is often depicted as a process in which middle-class whites move into and thus integrate minority neighborhoods. But in fact, gentrifiers prefer already white neighborhoods; they are least attracted to black neighborhoods and see Asian and Latino neighborhoods as middling options.

We analyzed shifts over time in or near debilitated Chicago neighborhoods that had showed signs of gentrification in 1995. Race and neighborhood reputations turned out to play an important role, as gentrification proceeded more slowly through 2009 in areas with higher shares of blacks and Latinos. Even after we took into account other important factors such as crime, poverty, and proximity to amenities, neighborhoods with more blacks and Latinos were less likely to continue to gentrify or even to reverse course and decline after early signs of transformation. Gentrification also tends to slow down in the face of perceptions of disorder in a neighborhood, even if the actual level of disorder does not match perceptions.

Sometimes gentrification does affect areas with racial and ethnic diversity, but we saw little such change in Chicago neighborhoods where more than forty percent of residents were black. Only neighborhoods that
were at least 35 percent white continued to gentrify after 1995.

The Impact of Asian and Latino Immigration

Immigration has increased sharply in recent decades, shifting the ethnic and racial composition of many urban neighborhoods – sometimes boosting housing demand and creating new local businesses. To look at immigration and gentrification, I tracked demographic and socioeconomic changes since the 1970s in economically struggling neighborhoods identified in 23 large U.S. cities. Tellingly, the neighborhoods that gentrified were overwhelmingly multiethnic in the 1970s, and remained relatively diverse over the next few decades. But the ethnic specifics mattered. An early presence of Asians and rising proportions of Asian residents tended to be positively associated with gentrification, while the same was not true for a growing Hispanic presence. Contrasts were stronger when blacks were a major presence. What is more, in cities where Hispanics had a well-established presence, economically distressed neighborhoods continued to struggle as more Hispanics moved in.

Consider Seattle compared to Chicago. Seattle had a much less diverse population and has only recently become an immigrant destination, while Chicago has served as a major gateway for many decades, particularly for Latinos who make up nearly one-third of its population. Data for Chicago neighborhoods reveal that Latino neighborhoods have experienced little or slowed rates of gentrification. But in Seattle, influxes of immigrants, often Asians, have furthered neighborhood gentrification.

Implications for Racial Inequality and Urban Policy

In sum, gentrification in U.S. cities has been problematic for low-income minorities, and not just because new middle-class residents displace poor people. Despite gentrification in some locales, economically blighted black neighborhoods, plus those with growing Hispanic populations, have tended to remain disadvantaged. Some neighborhoods that attracted Asian immigrants experienced ethnic diversification along with gentrification, but the arrival of more Latinos has gone hand in hand with gentrification only in cities where Latinos are not already negatively stigmatized.

In many of America’s cities, civic leaders have pinned hopes for urban revitalization on gentrification and efforts to attract immigrants. But facts on the ground show that they need to weigh the probability that these forms of urban change can further isolate poor blacks and Latinos and – contrary to media claims – actually increase racial segregation and inequality. Urban policymakers should take note: Fresh thinking is needed to devise targeted, sustained efforts to protect minorities from displacement, ensure affordable housing for those with low incomes, and further the economic revitalization of blighted urban neighborhoods. Gentrification and immigration are not panaceas.