

Neighborhoods and racial inequality:
Thinking in Generations

Pat Sharkey

October 10, 2013

Urban Neighborhoods

and the End of Progress

toward Racial Equality



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Outline for the talk:

- 1) The end of progress toward racial equality
- 2) A multigenerational perspective on neighborhood inequality
- 3) The consequences of persistent neighborhood inequality
- 4) Implications for urban policy



Urban Neighborhoods

and the End of Progress

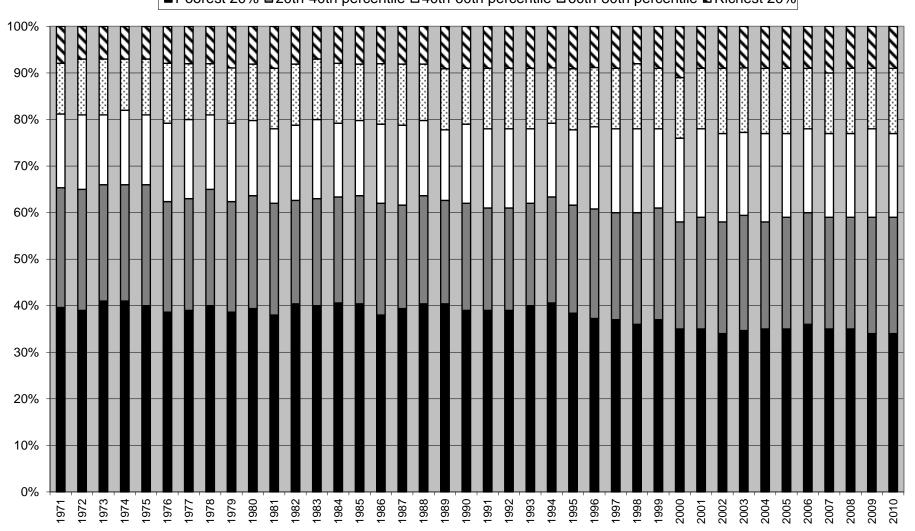
toward Racial Equality

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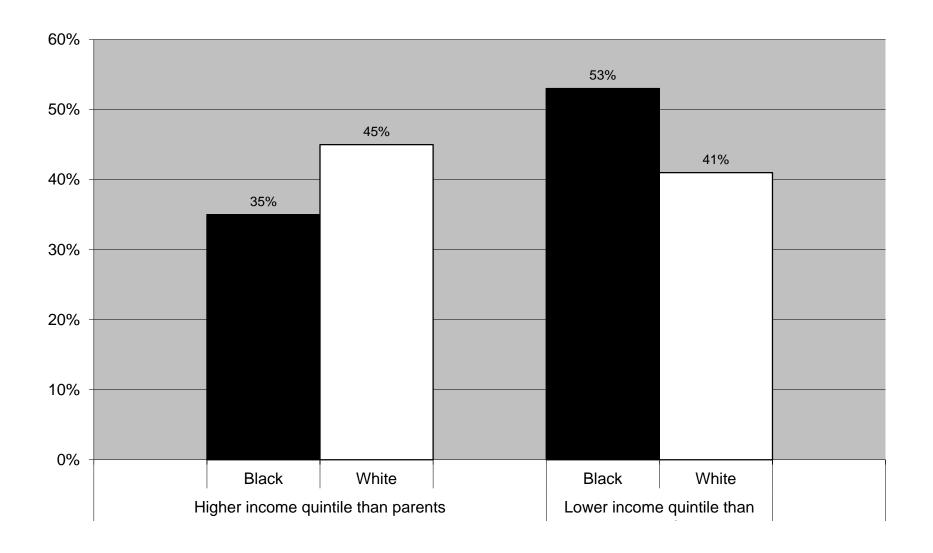
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The end of progress toward racial equality: Family Income

■ Poorest 20% ■ 20th-40th percentile □ 40th-60th percentile □ 60th-80th percentile □ Richest 20%



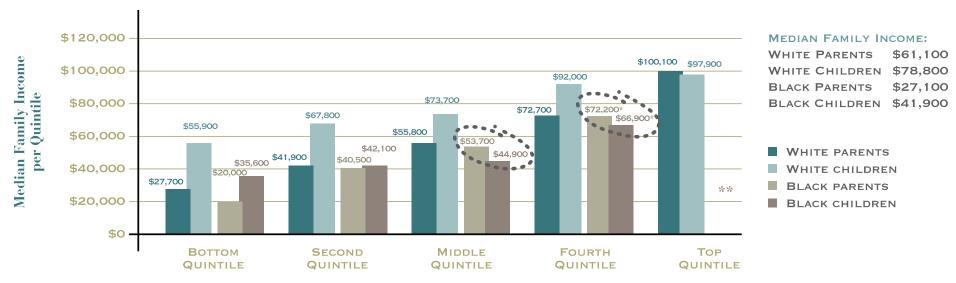
The end of progress toward racial equality: Economic mobility



The end of progress toward racial equality: Economic mobility

FIGURE 5

Children's Income, by Race, Compared to Parental Income and Generational Average (2006 Dollars)



Parents' Family Income Quintile

Source: Brookings tabulations of PSID data.

Isaacs, Julia B. 2007. "Economic Mobility of Black and White Families." in *Getting Ahead or Losing Ground: Economic Mobility in America*. The Pew Charitable Trusts, Economic Mobility Project.

^{*} Interpret data with caution due to small sample size. ** Too few observations to report.



Urban Neighborhoods

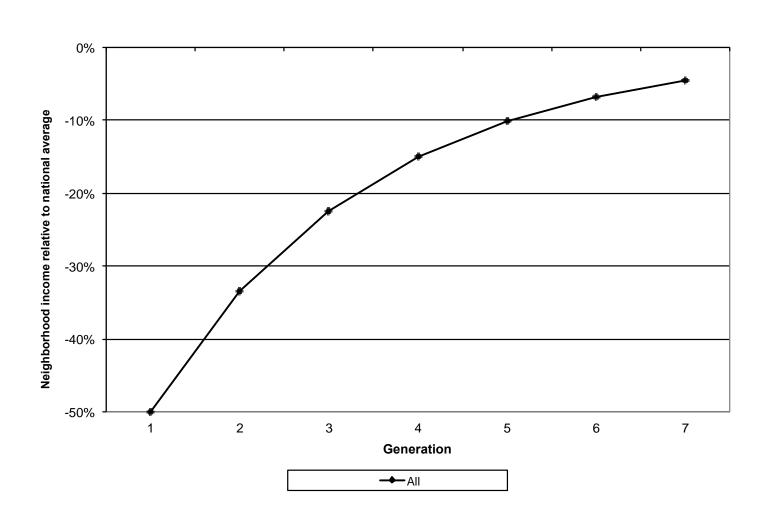
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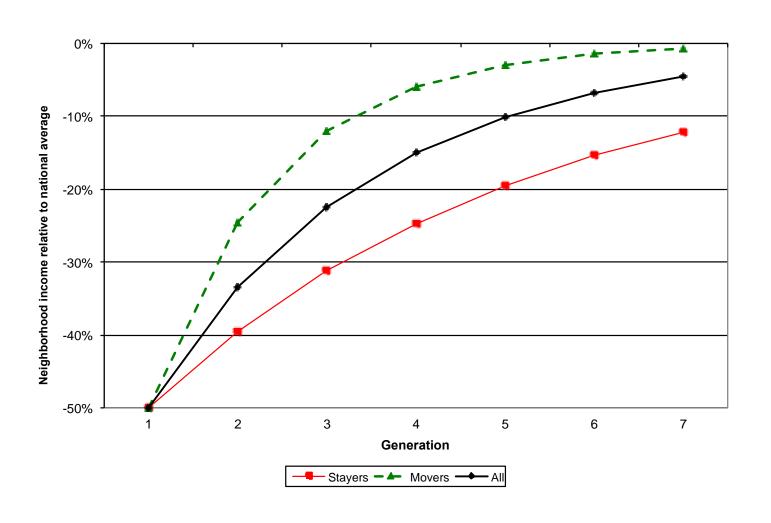
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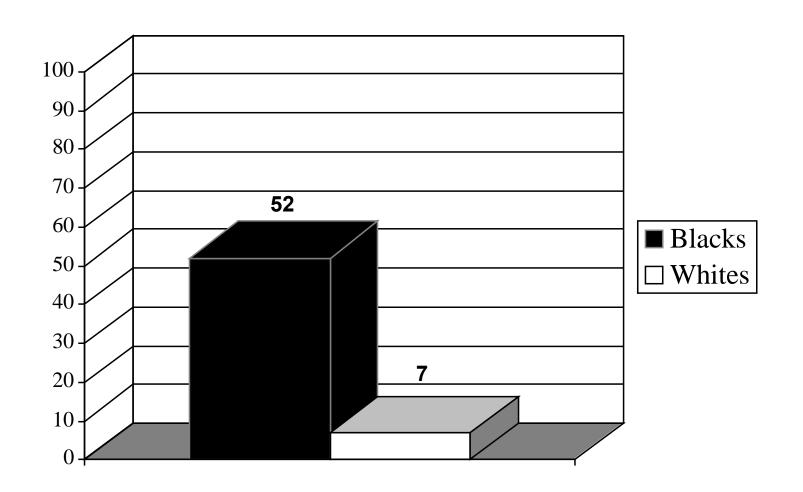
Neighborhood disadvantage over 7 generations



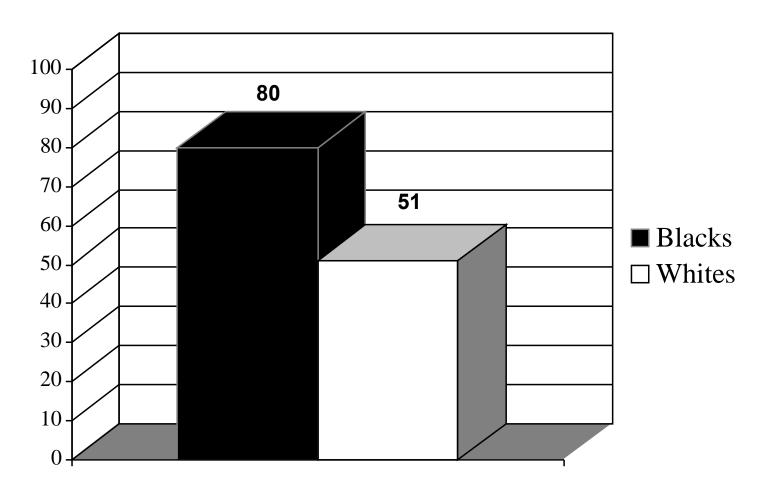
Neighborhood disadvantage over 7 generations



% of all parent/child pairs living in poor neighborhoods over consecutive generations



% of individuals in poor neighborhoods whose parent was also raised in a poor neighborhood





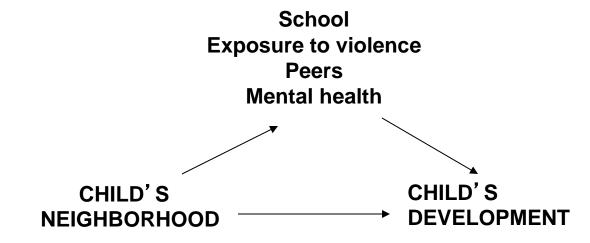
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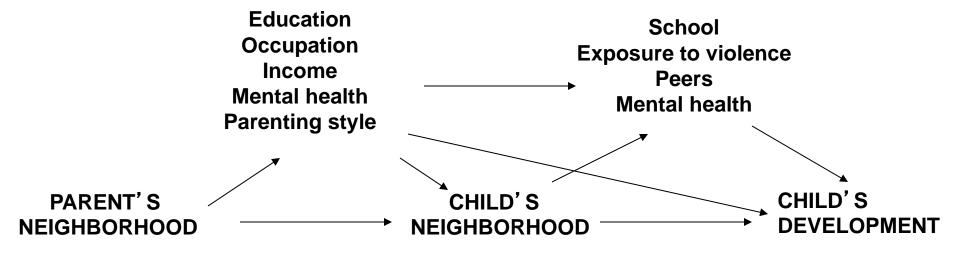
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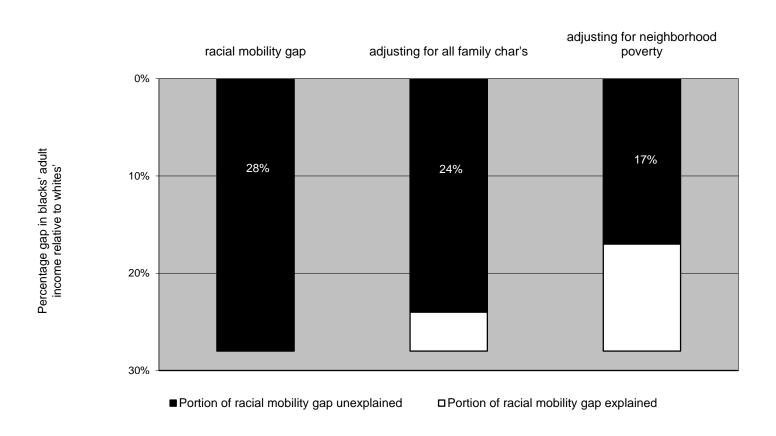


Standard theoretical model of "neighborhood effects"

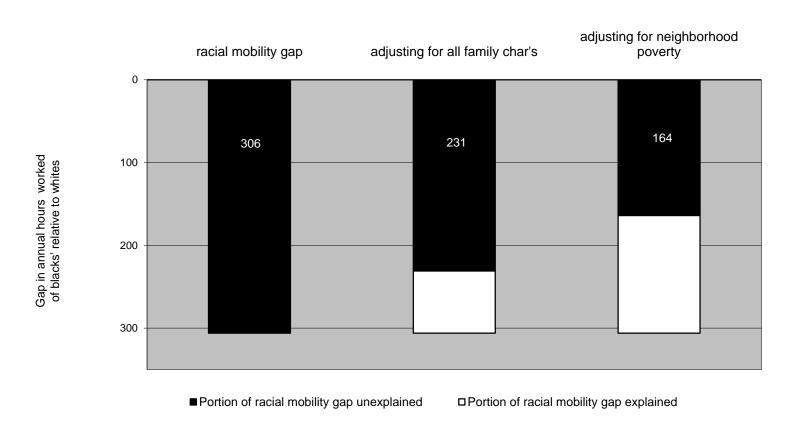


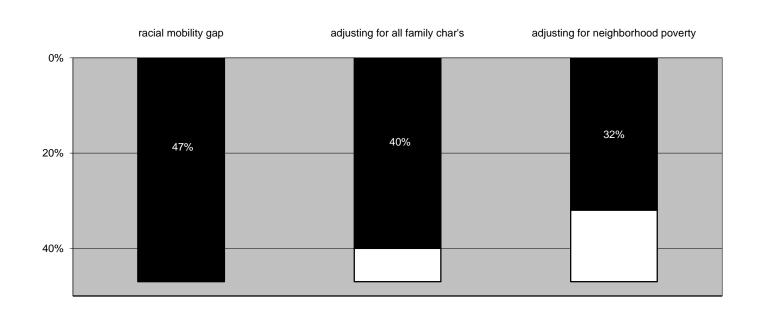
Multigenerational model of "neighborhood effects"

Decomposing the racial gap in income mobility



Decomposing the racial gap in annual hours worked

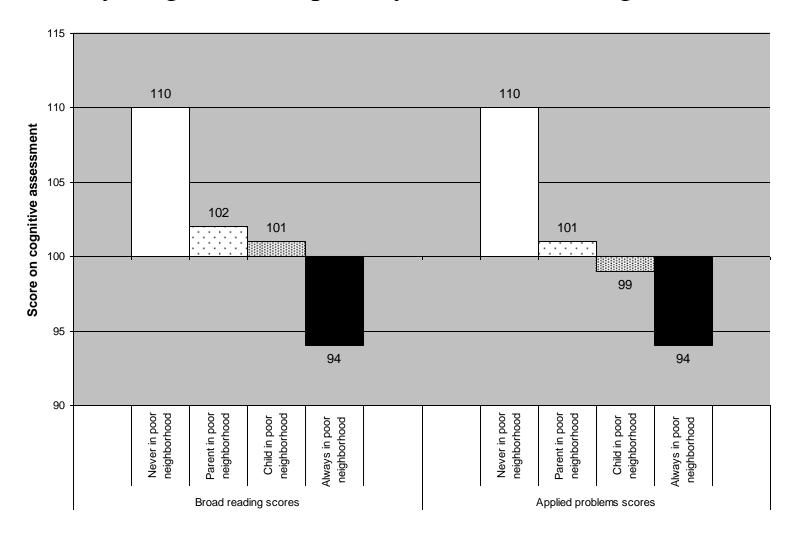




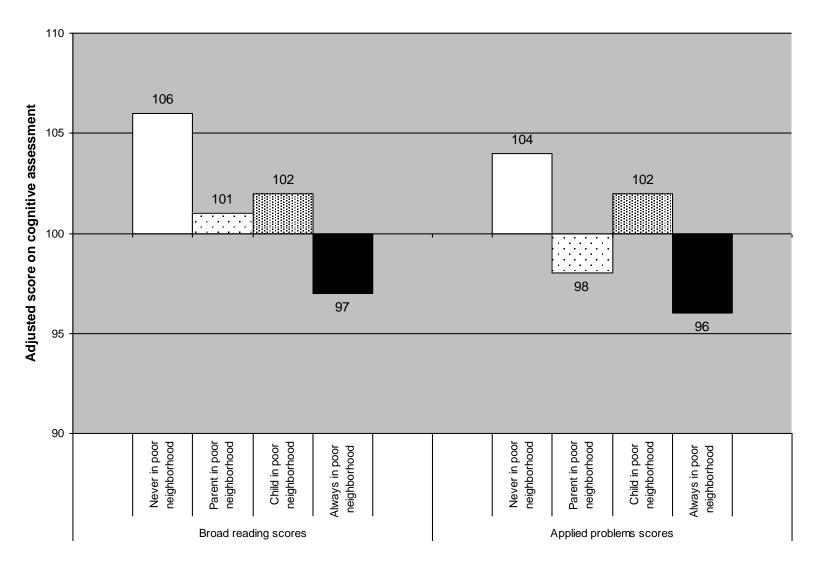
□Portion of racial mobility gap explained

■Portion of racial mobility gap unexplained

Raw scores on tests of broad reading skills and applied problems skills, by neighborhood poverty status over two generations



Adjusted scores on tests of broad reading skills and applied problems skills, by neighborhood poverty status over two generations



Sharkey and Elwert. 2011. "The Legacy of Disadvantage: Multigenerational Neighborhood Effects on Cognitive Ability." *American Journal of Sociology*.



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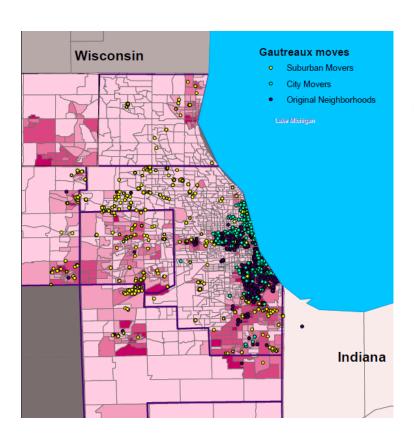
Policy with the capacity to:

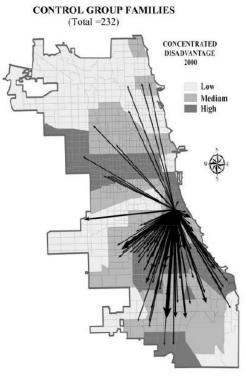
- Disrupt multigenerational patterns of neighborhood inequality
- Generate transformative changes in places and in families' lives
- Withstand fluctuations in the political mood and the business cycle

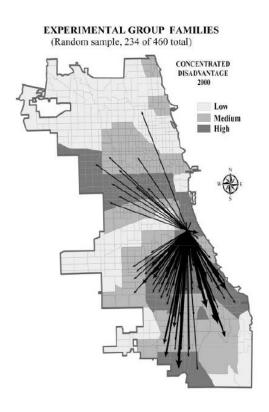
Martin Luther King Jr., in a speech just months before the passage of the 1968 Fair Housing Act and his assassination:

"We must constantly work toward the goal of a truly integrated society, while at the same time we enrich the ghetto...We must work on two levels. We should gradually move to disperse the ghetto, and immediately move to improve conditions within the ghetto..."

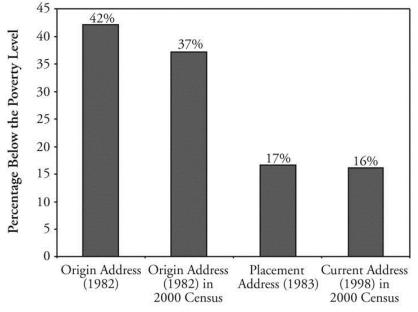
What does "durable" mobility look like? Gautreaux and Moving to Opportunity







Keels et al. 2005. "Fifteen years later: Can residential mobility programs provide a long-term escape from neighborhood segregation, crime, and poverty?" *Demography*.



What does "durable" mobility look like? Gautreaux and Moving to Opportunity

Neighborhood Location		Control mean	MTO treatment (voucher) groups versus control			
			ITT		SE	n
Census tract	characteristics					
Share poo	r at different points in time					
1 year	after random assignment	0.499	-0.160	***	(0.007)	3224
5 years	after random assignment	0.399	-0.089	***	(0.007)	3208
10 to 1	5 years after random assignment (May 2008)	0.311 (-0.034	***	(0.007)	3206

- Mobility policies that promote dramatic, sustained changes in families' environments
 - Example: Gautreaux

- Investments that reach multiple generations
 - Examples: New Hope, Promise Neighborhoods

- Investments with the potential to create permanent or transformative change in communities
 - Example: HOPE VI/Choice Neighborhoods

- Investments/programs/policies with the potential to withstand shifts in economy and political mood
 - Example: ?

- Mobility policies that promote dramatic, sustained changes in families' environments
 - Example: Gautreaux/Baltimore Mobility Program
- Investments that reach multiple generations
 - Example: New Hope, Promise Neighborhoods
- Investments with the potential to create permanent or transformative change in communities
 - Example: Choice Neighborhoods
- Investments/programs/policies with the potential to withstand shifts in economy and political mood
 - Example: ?

