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De-concentrating Poverty: De-constructing a Theory and the Failure of Hope

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De-concentrating Poverty: De-constructing a Theory and the Failure of Hope

*Michael Diamond**

Introduction

Our nation is moving toward two societies,
one black, one white – separate and unequal¹

Racial segregation has been a problem in the United States for generations. Despite the passage of the Fair Housing Act in 1968,² many of the nation's communities remain highly segregated by race. The economic segregation of the poor has also been a major problem although until about 25 years ago it had commanded far less attention. Given the high correlation between poverty and race, the combination of racial discrimination and the limited availability of affordable housing has had the effect of thrusting the poor into (or creating) neighborhoods with concentrated pockets of extreme poverty. Many commentators have claimed that this concentration of poverty has produced enormously negative societal consequences.

In 1987 William Julius Wilson, then a University of Chicago sociologist, published his influential book, *The Truly Disadvantaged*.³ While Wilson was not the first to point out the negative effects of concentrated poverty, the book fomented a revolution in housing policy. Wilson argued that the concentration of poverty, the very high percentage of people with incomes below the poverty line living within a defined geographic community, resulted in severely negative societal externalities far in excess of what would be expected for isolated circumstances of individual poverty.⁴

Wilson's observations led to a series of federal and local policy prescriptions, each having the ostensible goal of de-concentrating poverty in high-concentration neighborhoods. Among the resulting legislative initiatives was the HOPE VI program for the redevelopment of public housing.⁵ Congress also adopted a demonstration program, Moving to Opportunity (MTO),⁶ in which low-income residents were given special \$8 vouchers in order to move to other, often suburban, low-poverty neighborhoods. There were also several local programs designed to accomplish the same result.⁷

* I would like to thank my friends and colleagues, Peter Byrne, Mike Seidman and Gerry Spann for their extremely useful comments on various drafts of this chapter. I also want to acknowledge the exemplary research assistance of Jared Lamb. This article first appeared in *COMMUNITY, HOME AND IDENTITY*, Michael Diamond & Terry Turnipseed, eds. (Ashgate 2112).

¹ US Nat'l Advisory Comm'n on Civil Disorders, Report Of The National Advisory Commission On Civil Disorders (1968) [hereinafter Kerner Commission Report].

² 42 U.S.C. §§ 3601–3619 (2006).

³ William Julius Wilson, *The Truly Disadvantaged: The Inner City, The Underclass, and Public Policy* (1987).

⁴ This argument, while accepted by many social scientists and policy-makers, has been strongly contested, a point to which I will return later in this chapter.

⁵ Quality Housing and Work Responsibility Act of 1998, Pub L. No. 105–276, 112 Stat. 2461, 2473–74 (1998) (codified at 42 U.S.C. § 1437v (2006)).

⁶ Moving to Opportunity for Fair Housing, Pub. L. No. 103-120, § 3, 107 Stat. 1148 (1993) (codified at 42 U.S.C. § 1437f (2006)).

⁷ One of the oldest and most widely utilized is Inclusionary Zoning. Inclusionary Zoning (which may be mandatory or voluntary, depending on the jurisdiction) requires developers to include a certain percentage of affordable units in their residential developments of more than a certain number of units. In exchange, the developer receives some form of regulatory relief, often a density bonus above what the zoning regulations would ordinarily allow or fast-track processing of permits. The percentage of affordable units and the targeted income of lower income residents varies by jurisdiction. *See, e.g.,* MONTGOMERY COUNTY, MD., CODE § 25A–1 (2006).

Even before *The Truly Disadvantaged* was published, there had been efforts to break up the racially concentrating effects of federal public housing policy. For example, *Hills v Gautreaux*⁸ challenged the racially segregated siting of public housing by the Chicago Housing Authority (CHA). The litigation resulted in a consent decree that ultimately allowed more than 7,000 households to move to less segregated housing in the Chicago metropolitan area.⁹ Due, again, to the high correlation between class and race, particularly in public housing, the extreme racial segregation that was the focal point of the *Gautreaux* suit also resulted in a very high concentration of poverty in those Chicago neighborhoods.¹⁰

There is, however, a certain irony to the development of and ardor for these governmental programs, since a major contributing cause of racial and (to a great extent) economic segregation in many residential communities had been the housing and housing finance policy of federal and local governments. For example, beginning in the 1930s and continuing, certainly at least, through the 1960s and early 1970s, the Federal Housing Administration (FHA), The United States Department of Housing and Urban Development (HUD), and their predecessors and affiliates had an explicit policy of segregating the races and, as time went on, of displacing residents in predominantly black communities in the name of redeveloping “blighted” urban neighborhoods.¹¹

For a particularly stark example of the interplay between racial segregation and concentrations of poverty, one, again, need look no further than the policies concerning the siting of public housing developments that were challenged in *Gautreaux*. For decades, public housing developments, which came to house some of the nation’s poorest families, were placed in predominantly minority neighborhoods.¹² These developments, large, highly segregated, and housing an extremely poor population, contributed mightily to the considerable concentration of poverty in those communities (in fact, often *causing* the high concentration of poverty) while also reinforcing the preexisting pattern of segregation.¹³

The *Gautreaux* litigation, begun in 1966, was initiated by residents in segregated public housing operated by the CHA.¹⁴ The litigation resulted in a consent judgment that called for the dispersal of CHA residents to less racially segregated communities, which, incidentally, were also often less poor. Under the consent decree program, CHA residents were given vouchers that allowed them to move to other housing accommodations and about 7,000 households took advantage of the program.

After *Gautreaux*, several programs, both federal and local, were initiated to the point that today, the effort to de-concentrate poverty has become an accepted, if not the

⁸ 425 US 284 (1976).

⁹ Molly Thompson, *Relocating from the Distress of Chicago Public Housing to the Difficulties of the Private Market: How the Move Threatens to Push Families Away from Opportunity*, 1 Nw. J.L. & SOC. POL’Y 267, 270 (“The Gautreaux Program ended in 1998 after relocating approximately 7100 families.” (citing LEONARD S. RUBINOWITZ & JAMES E. ROSENBAUM, *CROSSING THE CLASS AND COLOR LINES: FROM PUBLIC HOUSING TO WHITE SUBURBIA* 39 (2000))).

¹⁰ Of course, the fact that the original neighborhoods contained large public housing projects almost guaranteed the high poverty concentrations that accompanied the racially discriminatory siting policies of the CHA.

¹¹ See, e.g., Kenneth T. Jackson, *Crabgrass Frontier: The Suburbanization of the United States*, 195–218 (1985).

¹² See *Gautreaux*, 425 US at 286–87.

¹³ The governmental policies were not, of course, the sole cause of the segregated communities. In fact government policy typically reflected public attitudes at the time. These attitudes were also often shared by the government policymakers.

¹⁴ While conditions in the various public housing developments were often deplorable and while the social environment was dangerous and unsatisfactory, the case was about the discriminatory siting and resident placement in these developments.

preeminent, anti-poverty choice in federal and many local policy circles.¹⁵ The de-concentration policy, however, has met with substantial criticism from a range of commentators including academics, community activists and policy-makers as well as from many residents who are (or who are threatened to be) subjected to the de-concentration policy. The criticism has been about both the practical implementation and performance of the programs and about more conceptual issues concerning their very nature.

On the practical level, studies have shown repeatedly that many of the hoped-for fundamental benefits of de-concentration have not been achieved. For example, low-income residents have failed, for the most part, to build social capital when they have moved into higher-income neighborhoods or when they returned to redeveloped HOPE VI neighborhoods.¹⁶ Moreover, there has not been appreciable gain for the economically integrated low-income residents in their employment or income status.¹⁷ Instead, there is substantial evidence that such residents have suffered significant economic or other hardship due to higher housing costs,¹⁸ higher costs of daily living,¹⁹ and problems with transportation.²⁰

On the conceptual level, critics have focused on the destruction of preexisting communities²¹ and the elimination for many people of the social safety net that their old communities provided for them.²² Some take the critique even further and suggest that, as was claimed to be the case with Urban Renewal and the Interstate Highway program, the current de-concentration programs are deliberately designed to and, in most cases do, displace African-American families and communities.²³

¹⁵ Even the Low Income Housing Tax Credit program, the other major governmental affordable housing initiative, permits some mixing of income levels.

¹⁶ Melody L. Boyd et al., *The Durability of Gains from the Gautreaux Two Residential Mobility Program: A Qualitative Analysis of Who Stays and Who Moves from Low-Income Poverty Neighborhoods*, 20 HOUS. POL'Y DEBATE 119, 125 (2010).

¹⁷ Edward G. Goetz, *Better Neighborhoods, Better Outcomes? Explaining Relocation Outcomes in HOPE VI*, 12 CITYSCAPE 2, 9 (2010).

¹⁸ LARRY BURON ET AL., *THE HOPE VI RESIDENT TRACKING STUDY* 99 (2002), available at http://www.urban.org/uploadedpdf/410591_HOPEVI_ResTrack.pdf; Susan J. Popkin, *The HOPE VI Program: What has Happened to the Residents*, in *WHERE ARE THE POOR TO LIVE: TRANSFORMING PUBLIC HOUSING COMMUNITIES* 83 (Larry Bennett et al., eds, 2006).

¹⁹ Boyd et al., *supra* note 16, at 125; SUSAN J. POPKIN ET AL., *A DECADE OF HOPE VI: RESEARCH FINDINGS AND POLICY CHALLENGES* 45 (2004), http://www.urban.org/UploadedPDF/411002_HOPEVI.pdf.

²⁰ James Rosenbaum et al., *New Capabilities in New Places: Low-Income Black Families in Suburbia*, in *THE GEOGRAPHY OF OPPORTUNITY: RACE AND HOUSING CHOICE IN METROPOLITAN AMERICA* 168 (Xavier de Souza Briggs ed., 2005).

²¹ Stephen Steinberg, *The Myth of Concentrated Poverty*, in *THE INTEGRATION DEBATE: COMPETING FUTURES FOR AMERICAN CITIES* 213, (Chester Hartman & Gregory Squires eds, 2010)

²¹ Stephen Steinberg, *The Myth of Concentrated Poverty*, in *THE INTEGRATION DEBATE: COMPETING FUTURES FOR AMERICAN CITIES* 213, (Chester Hartman & Gregory Squires eds, 2010)

²² This includes financial support from friends and relatives as well as other support such as child care and transportation assistance.

²³ *See, e.g.*, Steinberg, *supra* note 21. ("It is debatable whether integration efforts bestow on poor African-Americans economic or sociological benefits or, rather, destroy non-white political power, sense of community, culture, and neighborhood-based support systems.") (quoting William P. Wilen & Wendy L. Stasell, *Gautreaux and Chicago's Public Housing Crisis: The Conflict between Achieving Integration and Providing Decent Housing for Very Low-Income African Americans*, in *WHERE ARE POOR PEOPLE TO LIVE? TRANSFORMING PUBLIC HOUSING COMMUNITIES* *supra* note 18, at 239, 249); David Imbroscio, "[U]nited and Actuated by Some Common Impulse of Passion": Challenging the Dispersal Consensus in American Housing Policy Research, 30 J. URB. AFF. 111 (2008).

In this chapter I add my own critique to the literature on the de-concentration of poverty.²⁴ Part of my concern is about implementation. For example, even if all of the supposed benefits were available to relocating residents (which they are not), the aggregate number of households being relocated by these programs represents only a tiny portion of the households living in highly concentrated neighborhoods.²⁵ Moreover, the destroyed affordable housing in poor communities is not being replaced on a one-for-one basis. The result is an increasing gap between the demand for decent affordable housing and the supply.²⁶ This is particularly troubling for the lowest income residents who comprise a significant percentage of those who live in public housing. Because the private market cannot economically house them and there are no other governmental programs designed to do so, the units lost due to de-concentration will never be replaced.²⁷ The result is increased homelessness, more people “doubling up” in units, and more people paying a very high percentage of their household income for rent, thereby leaving other household needs unmet.

My main critical focus, however, will be on the conceptual problems of de-concentration. In particular, I am apprehensive about the social, cultural, and political ramifications of destroying existing communities. Despite popular conceptions, poor communities, just as other communities, contain networks and institutions that are valuable to the residents of those communities and to society. For just this reason, many people faced with involuntary dislocation under one of the de-concentration programs resist the move. Moreover, those who are forced to move often move back to their original or to a similar neighborhood at their first opportunity.²⁸ The consequence is that the forcible de-concentration of poverty in one neighborhood often creates new or worsening concentrations in other neighborhoods. This presumably unintended consequence, a result of the lack of affordable housing throughout the economy, suggests the weakness, if not the failure, of the de-concentration policy.

It does not follow that we, as a society, should encourage concentrated poverty. Economic integration has many advantages. In fact, to the extent that de-concentration programs are voluntary, that is, to the extent that residents of concentrated low-income communities want to move to mixed-income, mixed-race communities, they should be encouraged. On the demand side, support, both financial and technical, should be made available by government to residents of high-concentration neighborhoods. On the supply side, greater support should be provided for the development and preservation of

²⁴ While the critique will focus primarily on the HOPE VI program, which is by far the largest of the federal de-concentration programs, the concerns that I and others have expressed are applicable, to a great extent, to the other federal and many local programs. Where critiques do not have general applicability, I will discuss the distinctions to be made.

²⁵ As of 2008, 72,265 households had been relocated from HOPE VI developments, which represented 98% of the planned relocation. There were 91,802 units demolished, 95% of the planned demolition: 72,196 units were constructed or rehabilitated, 65% of the planned total of 111,059. Of these planned new or rehabilitated units, about 55% will go to public housing residents although only about 24 % of the original households had returned to the completed HOPE VI development of the planned 38% of households to return. G. Thomas Kingsley, Appendix A: Scope and Status of the Hope VI Program, in FROM DESPAIR TO HOPE: HOPE VI AND THE NEW PROMISE OF PUBLIC HOUSING IN AMERICAN CITIES 300 (Henry C. Cisneros & Lora Engdahl eds, 2009). Kingsley discounts the net loss of units by pointing out that many of the destroyed units were unoccupied and many of these were “vacant and uninhabitable” (although he concedes that the number of habitable but unoccupied units is not reliably known). *Id.*

²⁶ J. Peter Byrne & Michael Diamond, Affordable Housing, Land Tenure, and Urban Policy: The Matrix Revealed, 34 FORDHAM URB. L.J. 527 (2007).

²⁷ It is not an adequate response to say that a large number of the demolished units were uninhabited or even that they were uninhabitable. The fact is that those units were in existence to serve the extremely low-income population but they have permanently been taken out of the inventory.

²⁸ Boyd et al., *supra* note 16, at 122.

affordable units throughout the economy and fair housing laws should be strictly enforced to allow unfettered mobility.

The compulsory destruction of communities and involuntary displacement of residents, however, is another matter. Such actions are, to my mind, immoral, impractical and incoherent. They should be replaced with policies that provide for strengthening existing communities and for increasing the availability of affordable housing in higher income communities. The latter should be accompanied by mobility counseling and rental or purchase subsidies so that low-income households generally would be able to choose whether to move from their original communities to higher income neighborhoods and have the ability to do so if that is their choice

The alternative that I will develop later in this chapter is that we must strengthen existing low-income communities through appropriate interactive institutions (schools, health care, day care, job training, economic development, and so on). We should concentrate on making existing low-income communities into places where residents are proud to reside. These would be places where residents might retain the social ties and the supports available in their communities while at the same time offering them some of the benefits theorized by the advocates of mixed-income communities.

Low-income communities are fundamentally similar to other, higher-income, communities: there are people with talent and ambition; there are social connections that are valuable to existing residents; and institutions that can provide the link between the talent, ambition and connections that already exist in the broader community. Offering residents a realistic choice between moving to mixed-income, mixed-race communities or remaining in a significantly improved, socially and economically viable original community, is a better model of addressing the problems of concentrated poverty.

In this chapter I lay out the nature of the concentration problem and some of its causes and consequences, and then I go on to describe current de-concentration programs and examine the major successes and disappointments of these programs. I elaborate on the criticisms that have already been leveled against them and add my own to the queue. Finally, I propose an alternative to the current focus on the de-concentration of poverty.

The Concentration of Poverty

Long-term poverty has been publicly recognized as a problem in the United States at least since the 1960s when President Lyndon Johnson initiated his War on Poverty.²⁹ Since that time, there have been countless federal, state, and local programs designed to combat both individual and systemic poverty. Despite these programs, poverty has persisted and the gap between those who have and those who have not has widened.³⁰

²⁹ President Lyndon B. Johnson, Annual Message to the Congress on the State of the Union (Jan. 8, 1964). I recognize that the War on Poverty, during the mid 1960s, attempted a multifaceted approach to fighting poverty and met with, at best, mixed success. Later in this chapter, I will attempt to distinguish my approach from the earlier effort.

³⁰ CARMEN DENAVAS-WALT ET AL., US CENSUS BUREAU, INCOME, POVERTY, AND HEALTH INSURANCE COVERAGE IN THE UNITED STATES: 2010, at 4 (2011), available at <http://www.census.gov/prod/2011pubs/p60-239.pdf> ("Approximately 31.6 percent of the population had at least one spell of poverty lasting 2 or more months during the 4-year period from 2004 to 2007."). The Gini index (also known as the Gini coefficient) is a traditional measure of income inequality. *See id.* at 10. "The Gini index was 0.469 in 2010. Except for the 1.5 percent decline in the Gini index between 2006 and 2007, there were no other statistically significant annual changes since 1993, the earliest year available for comparable measures of income inequality. Since 1993, the Gini index is up 3.3 percent." *Id.*

Moreover, poverty in the United States has become increasingly concentrated.³¹ In 2000 more than 6.7 million people lived in communities of concentrated poverty.³²

Several explanations have been offered for the increased concentration of the very poor in particular neighborhoods. A superficially benign explanation is Wilson's claim that the de-segregation of housing led to the voluntary outmigration of relatively wealthier African-Americans from the racially (but not economically) segregated urban neighborhoods in which they lived to other neighborhoods, often in the suburbs.³³

Those left behind were, to a great extent, households without the financial means to leave. The problems caused by the exodus of working class and, middle-and upper-income African-Americans from their communities were exacerbated by the loss of well-paying industrial jobs in the urban centers. Thus, remaining families not only lost what Wilson thought was the social adhesive that kept the communities together and well functioning, but also the means for those who remained to obtain well-compensated employment.³⁴

Other commentators have pointed to several less benign causes. These include persistent racial discrimination and the lingering effects of consciously implemented governmental interventions in markets that were intended to segregate citizens by race and economic class.³⁵ Examples of these policies include the explicit early guidelines of the Federal Housing Administration concerning mortgage availability for African-Americans;³⁶ the segregated siting of public housing developments; the Interstate Highway program; and the Urban Renewal program. Each of these programs pushed people into highly segregated neighborhoods and physically isolated those neighborhoods, or forced people to remain in them. Later, when it became expedient for governments to recapture the land or to dislocate existing communities (after government policies had helped to segregate the neighborhoods), government programs often

³¹ Daniel T. Lichter et al., *The Geography of Exclusion: Race, Segregation, and Concentrated Poverty 2* (Nat'l Poverty Ctr., Working Paper No. 11-16, 2011) ("We document a 25 percent increase in the number of poor places during the post-2000 period (and growing shares of poor people living in them) after deep and widespread declines in concentrated poverty during the economic boom of the 1990s.").

³² ALEMAYEHU BISHAW, US CENSUS BUREAU, US DEP'T OF COMMERCE, AREAS WITH CONCENTRATED POVERTY: 1999, at 3 tbl.1 (2005), available at <http://www.census.gov/prod/2005pubs/censr-16.pdf> (2.8% of approximately 281 million United States citizens – approximately 7,868,000 people – lived in census tracts with 40% or more of residents living in poverty at the time of the 2000 Census); Claudine Gay, *Moving Out, Moving Up: Housing Mobility and Political Participation of the Poor 2* (Harvard University, Working Paper, 2008) (unpublished paper on file with the author).

³³ See WILSON, *supra* note 3, at 49 ("... I emphasized that inner-city neighborhoods have undergone a profound social transformation ... as reflected not only in their increasing rates of social dislocation (including crime, joblessness, out-of-wedlock births, female-headed families, and welfare dependency) but also in the changing economic class structure of ghetto neighborhoods. I pointed out that [previously] these neighborhoods featured a vertical integration of different income groups [who] all resided more or less in the same ghetto neighborhoods. I also stated that the very presence of working- and middle-class families enhanced the social organization of inner-city neighborhoods. Finally, I noted that the movement of middle-class black professionals from the inner city, (*sic*) followed in increasing numbers by working-class blacks, has left behind a much higher concentration of the most disadvantaged segments of the black urban population ...").

³⁴ *Id.* at 38-41.

³⁵ Prior to desegregation, the governmental policies affected minorities regardless of class. After desegregation, much of the discrimination resulted in the social and economic isolation of low-income minorities who had insufficient political or economic power to fight these policies and insufficient resources to escape the isolation.

³⁶ The practice of "redlining" was created by the Home Owners Loan Corporation and later adopted by FHA. Redlining draws its name from FHA's practice of rating neighborhood quality by color scheme. The lowest quality neighborhoods, often reserved for those in which African-Americans resided, were coded red. See DOUGLAS S. MASSEY & NANCY A. DENTON, *AMERICAN APARTHEID: SEGREGATION AND THE MAKING OF THE UNDERCLASS 51* (1993).

permitted or required bisecting or bulldozing these communities in the name of further societal progress. A few examples should suffice to demonstrate governmental complicity in the concentration of poverty.

Beginning in the 1930s, through the Home Owners Loan Corporation (HOLC) and the FHA, the federal government deliberately steered funds away from African-American neighborhoods and from African-American applicants for mortgages even if they were financially qualified for the loan.³⁷ This practice, which continued for several decades after the creation of these agencies, contributed to highly segregated neighborhoods and a low rate of urban homeownership among African-Americans.³⁸

In addition to the restrictions placed on the ability of minorities, particularly African-Americans, to purchase homes or even to live in integrated communities, federal and local policies concerning public housing placements and occupancy added to the segregation and isolation of minorities, and to the concentration of poverty.

The result, if not the intent, of the public housing program of the United States was to segregate the races, to concentrate the disadvantaged in inner cities, and to reinforce the image of suburbia as a place of refuge for the problems of race, crime, and poverty.³⁹

The *Gautreaux* litigation led to a change in these policies. The District Court found, in *Gautreaux v Chicago Housing Authority*,⁴⁰ that CHA had selected sites for public housing and had assigned tenants to those sites on the basis of race:⁴¹ the parties then entered into a consent decree by which lotteries were established for current African-American residents of (or those on the waiting list for) public housing in Chicago. The winners of the lotteries obtained §8 vouchers and housing counseling to assist them in obtaining housing in predominantly white neighborhoods in the Chicago metropolitan area. At its conclusion, approximately 7,100 families were relocated under the program.⁴²

Two other, non-housing federal programs also had significant influence in disrupting or isolating minority communities. Starting in the late 1940s and the early 1950s, the Urban Renewal program⁴³ and the Interstate Highway program⁴⁴ each wrought havoc on existing communities, almost always low-income minority communities.

³⁷ For an interesting history of these federal programs, see JACKSON, *supra* note 11, at 195–218.

³⁸ “A government offering such bounty to builders and lenders could have required compliance with a nondiscrimination policy ... Instead, FHA adopted a racial policy that could well have been culled from the Nuremberg laws. From its inception FHA set itself up as the protector of the all-white neighborhood. It sent its agents into the field to keep Negroes and other minorities from buying houses in white neighborhoods.” CHARLES ABRAMS, *FORBIDDEN NEIGHBORS* 214 (1955).

³⁹ JACKSON, *supra* note 11, at 219.

⁴⁰ 296 F. Supp. 907 (N.D. Ill. 1969).

⁴¹ “Uncontradicted evidence submitted to the District Court established that the public housing system operated by CHA was racially segregated, with four overwhelmingly white projects located in white neighborhoods and with 99 1/2% of the remaining family units located in Negro neighborhoods and 99% of those units occupied by Negro tenants.” *Id.* at 910.

⁴² James E. Rosenbaum et al., *Can the Kerner Commission’s Housing Strategy Improve Employment, Education and Social Integration for Low-Income Blacks*, in *RACE, POVERTY, AND AMERICAN CITIES* 275 (John Charles Boger & Judith Welch Wegner eds, 1996); ALEX F. SCHWARTZ, *HOUSING POLICY IN THE UNITED STATES: AN INTRODUCTION* 167 (2006).

⁴³ Michelle Wilde Anderson, *Mapped Out of Local Democracy*, 62 *STAN. L. REV.* 931, 942 (2010) (“[I]n the past, such movement of individuals through displacement (such as urban renewal programs) has shown only sporadic success at advancing race and class integration, and it has meant land loss for minority families and the demolition of stable, historically rooted communities.”). “As previously noted, urban renewal and redevelopment programs have a

Urban Renewal (which was known as Urban Redevelopment prior to the passage of the Housing Act of 1954) was intended to redevelop areas that had been designated as slums. Local governments, with significant assistance from the federal government, acquired land subject to the slum designation and made it available to private developers for redevelopment. There have been many criticisms of the program, both as to its goals and its effects. For example, Peter Marcuse has claimed that the supporters of Title I of the Housing Act of 1949 (the Title that created the urban redevelopment program) were not concerned with rehousing slum dwellers, but with tearing down slums – at least those casting a blighting influence on major business areas.⁴⁵

The result was the displacement of entire communities without provision for the return of former residents. Moreover, urban renewal eventually was used for more than slum clearance as many neighborhoods that were not slums were also bulldozed.⁴⁶ Despite the destruction of whole neighborhoods in which many residents had low or very low incomes, little or no new replacement housing was built to accommodate those displaced. Thus, large numbers of low-income displacees moved to other neighborhoods with existing low-cost housing, creating or exacerbating high-concentration poverty neighborhoods.

The Federal Highway Act was passed in 1956 and had similarly doleful consequences on low-income minority communities. First, because land in and around poor communities was often cheaper and because political opposition there was likely to be less intense, the government often exercised its eminent domain rights to take such land for its right of way, thus disrupting the lower-income communities by displacing many of its residents.⁴⁷ Second, the communities that remained were often isolated by the new highways that cut them off from other urban amenities.⁴⁸ Such communities became, almost literally, “the other side of the tracks.”

Ironically, many of the current government programs designed to de-concentrate poverty are actually seeking to undo the effects of prior government policies that led to, or at least assisted in, the concentration in the first place. Perhaps this policy shift resulted from a good faith reconsideration of earlier judgments, a natural evolution of societal and governmental social vision. As already noted, Wilson’s work called attention to significant negative externalities that he claimed were associated with the concentration of poverty: it is also possible, though, that the second thoughts about concentrated poverty reflect no more than the current response to changing preferences of the white middle class whose members want to return to reinvigorated cities. Moreover, there was

dark and extensive history of displacing low-income minority communities in order to make way for land uses that benefit political majorities.” *Id.* at 949 n.57.

⁴⁴ Federal-Aid Highway Act of 1956, Pub. L. No. 84–627, 70 Stat. 374 (1956).

⁴⁵ Peter Marcuse, *Housing Policy and the Myth of the Benevolent State*, in *CRITICAL PERSPECTIVES ON HOUSING* 255 (Rachel B. Bratt et al., eds, 1986).

⁴⁶ The Supreme Court approved such actions in *Berman v. Parker*, 348 US 26 (1954).

⁴⁷ Cf. Jon Hanson & Kathleen Hanson, *The Blame Frame: Justifying (Racial) Injustice in America*, 41 *HARV. C.R.–C.L.L. REV.* 413, 449 (2006) (“The Federal Highway Act funded a highway system to link cities to growing suburbs, permanently destroying much predominantly minority, low-income housing to build roads on which poor, car-less minorities rarely drove. Such targeted infrastructure development also led to depreciation or significantly lower appreciation in black areas than in white areas, further concentrating wealth among the population already controlling the most assets.”) (citations omitted).

⁴⁸ See Oliver A. Pollard, III, *Smart Growth: The Promise, Politics, and Potential Pitfalls of Emerging Growth Management Strategies*, 19 *VA. ENVTL. L.J.* 247, 260 (2000) (“Planners of the Federal Highway Act of 1956 declared that the effect of the massive highway building program would be ‘to disperse our factories, our stores, our people; in short, to create a revolution in living habits.’ This is precisely what has occurred.” (quoting William H. Whyte Jr, *Urban Sprawl*, in *THE EXPLODING METROPOLIS* 133, 144 (1957))).

pressure on government by developers who wished to cater to the desires of the prospective middle class occupants by developing what they considered to be underused urban land.

The Movement to De-concentrate Poverty

As the concentration of poverty accelerated,⁴⁹ Wilson's work called attention to what he claimed were the significant negative externalities associated with it.⁵⁰ Congress, as well as many state and local legislatures, accepted the idea that concentrations of poverty created these externalities and that they, in turn, led to social and financial costs to local jurisdictions and to many individuals and families. Legislative bodies began to consider ways to reduce the concentration of poverty and thus to reduce the public costs associated with the perceived pathologies.

Two distinct approaches have been utilized by governments in attempting to alleviate the concentrations of poverty. The first involves dispersing the poor from dense, high-concentration neighborhoods to other, less poor, areas. This approach is exemplified by federal programs such as *Gautreaux* and Moving to Opportunity. On a local level, many jurisdictions have adopted Inclusionary Zoning programs,⁵¹ and programs modeled on MTO. San Diego, for example, has implemented a local program known as Choice Communities⁵² to assist low-income residents to move from high-concentration neighborhoods to higher-income communities.

The other approach adopted by many jurisdictions is to bring wealthier residents into previously high-concentration communities. HOPE VI represents the federal effort in this regard, while local programs such as the District of Columbia's New Communities Program⁵³ attempt to replicate HOPE VI on a local level. Some critics attack these programs as spurring the market phenomenon of gentrification, the purchasing of property in formerly low-income areas by affluent buyers desirous of urban living environments. Often, but not always, the affluent buyers are of a different race than the lower-income original residents.⁵⁴

In implementing these programs, governments adopted the theory that by de-concentrating the poor, the negative externalities associated with concentration would be reduced. Residents who were able to reside in mixed-income communities, a stated goal

⁴⁹ The growth of concentrated poverty has been explosive. Edward G. Goetz, citing studies by Danziger and Gottschalk and Jargowsky, both of which used a 40% threshold for concentration, has pointed out that between 1970 and 1990, the number of high poverty neighborhoods more than doubled and the number of people living in these neighborhoods grew from 4.1 million to 8 million. EDWARD G. GOETZ, *CLEARING THE WAY: DECONCENTRATING THE POOR IN URBAN AMERICA* 25 (2003).

⁵⁰ WILSON, *supra* note 3, at 21–22.

⁵¹ See Nicholas Benson, Note, A Tale of Two Cities: Examining the Success of Inclusionary Zoning Ordinances in Montgomery County, Maryland and Boulder, Colorado, 13 J. GENDER RACE & JUST. 753 (2010) ("First enacted in communities on the East and West Coasts more than forty years ago, inclusionary zoning is now implemented in 250 local communities across the United States. In total, these inclusionary programs have generated an estimated eighty to ninety thousand affordable housing units since their inception.") (citation omitted).

⁵² San Diego Housing Commission Choice Communities, <http://sdhc.org/Rental-Assistance/Rental-Assistance-Participants/Request-to-Move/Choice-Communities/> (last visited Sept. 23, 2011).

⁵³ Office of the Deputy Mayor for Planning and Economic Development, New Communities, THE DISTRICT OF COLUMBIA, <http://dmped.dc.gov/DC/DMPED/Projects/New+Communities> (last visited Sept. 23, 2011).

⁵⁴ Some have argued that gentrification is beneficial to the lower-income residents who are able to remain in gentrified communities. See, e.g., J. Peter Byrne, *Two Cheers for Gentrification*, 46 HOW. L.J. 405 (2003). Others, including the author, believe that the poor who remain will face severe economic and social hardship that will lead to their eventually leaving the neighborhood. In either event, the critics claim that the original community has been destroyed and the remaining residents become outsiders in the new social organization of the neighborhood.

of the de-concentration effort,⁵⁵ could be expected to obtain the benefits that Wilson thought existed in black communities prior to de-segregation; role modeling, social control and social networking leading to economic improvement for the poor.⁵⁶

Professor Mark Joseph, a critic of the programs designed to implement mixed-income communities, has restated Wilson's cataloging of the supposed benefits of such programs. Their goals, he says, are:

- the creation of social interaction and social networks between the higher and lower income residents that could lead to better employment opportunities;
- the establishment of social control;
- role modeling; and
- creating better access to goods and services due to the social and human capital of the higher-income residents.⁵⁷

Many of these supposed benefits, Joseph observes, attempt to rectify defects that the policy-makers supposed existed in the low-income residents themselves, a reworking of the conventional bromide about the “undeserving” poor. They do not respond to defects in the social or economic structures of society that caused (or at least contributed to) the economic problems of many low-income people.⁵⁸ This is only one of several critiques of the de-concentration policies that have been adopted. Other critics doubt the sincerity of the stated program goals⁵⁹ and still others decry the destruction of community, regardless of the motivations for doing so.⁶⁰ Moreover, commentators, both critics and supporters alike, point out that many of the stated goals of the programs have not been met and some of these commentators think they cannot be met.⁶¹ In the sections that follow, I will address these criticisms, beginning with evidence of the failure of the programs to achieve many of their stated goals.

Outcomes of the De-concentration Programs

In this section, I examine studies analyzing only the various federal programs. This is due, in part, to the relatively recent advent of many of the local programs (with the exception of Inclusionary Zoning which originated more than 30 years ago) and the relative paucity of data on the newer local initiatives. It is also important to keep in mind here the variety of goals that have been attributed to these programs. They run from the redevelopment of blighted communities to the reduction in the concentration of poverty so as to improve the quality of life and economic opportunities for lower-income residents to the reduction of the social costs of the concentration of poverty. There has been a good deal of success on the redevelopment front, but not as much on the improved opportunities for the poor, or in the reduction of social costs to society.

⁵⁵ It should be noted that some critics have suggested that the goal of HOPE VI was not offering the original residents the opportunity to reside in mixed-income communities but rather to redevelop the public housing site into a mixed income community. *See, e.g.,* Susan Clampett-Lundquist, Moving Over or Moving Up? Short-Term Gains and Losses for Relocated HOPE VI Families, 7 CITYSCAPE 57, 58 (2004).

⁵⁶ *See* WILSON, *supra* note 3, at 30.

⁵⁷ Mark Joseph, Early Resident Experiences at a New Mixed-Income Development in Chicago, 30 J. URB. AFF. 229, 233 (2008).

⁵⁸ *Id.* Joseph goes on to observe that mixed-income development does not address the underlying causes of persistent poverty.

⁵⁹ Imbroscio, *supra* note 23 at 112 (in the context of discussing relocation in New Orleans after Hurricane Katrina).

⁶⁰ *See* Steinberg, *supra* note 23; Imbroscio, *supra* note 23.

⁶¹ *See* Goetz, *supra* note 17, at 6 (residents who are displaced by HOPE VI typically move to better neighborhoods but improvement in the quality of their lives “... is mixed, being quite modest in most cases and frequently non-existent.”).

The most visible measure of success has been purely physical. It has involved the demolition of highly distressed and very dense public housing developments and the replacement of these projects with new, lower-density developments with a substantial number of new units going to market rate buyers and renters. Many critics have pointed to the governmental emphasis on redeveloping toxic sites rather than on rehousing the poor in mixed-income developments.⁶² One frequent writer about HOPE VI, Susan Popkin, has noted that even the research on the program done by HUD focuses primarily on neighborhood benefits, not on those displaced by the programs.⁶³

For the displacees, the benefits are less clear. Many move to better housing and to neighborhoods with less overall poverty and crime⁶⁴ although even these benefits are subject to qualification and come with significant costs. Other benefits, such as more social capital leading to more and better employment and wages, social integration, and better health and educational outcomes are not supported by the evidence.⁶⁵ In fact, there is some evidence suggesting the overall condition of displacees may have worsened. The remainder of this section will be devoted to these findings.

Levels of Poverty De-concentration and Racial Integration

I begin this discussion with what should be an alarming reality. A huge percentage of the residents of public housing projects subject to the HOPE VI program are African-American or Latino, as are the residents of the communities surrounding those sites.⁶⁶ Moreover, 80 per cent of the residents on HOPE VI sites have total income below the poverty line.⁶⁷ Reducing this overwhelming race and class segregation was one of the major stated goals of the de-concentration programs, but the results have been far from encouraging.

Even if the de-concentration programs were highly successful in relocating former residents to mixed-income, mixed-race communities, the total number of persons relocated would comprise only a tiny portion of the poor who lived in communities segregated by race and/or class.⁶⁸ But, of course, the programs are not highly successful in such relocation. Very few displaced residents of Public Housing end up in truly mixed-income communities. Kingsley et al., for example, found that as of 2000, 49 per cent of the residents displaced from HOPE VI sites went to other public housing developments while 31 per cent obtained §8 vouchers and moved to private housing. Of these, many moved to nearby neighborhoods with income and racial demographics much like the neighborhoods they left. The remaining 20 per cent received other HUD assistance, no assistance at all, or were unaccounted for.⁶⁹

⁶² See, e.g., Clampett-Lundquist, *supra* note 56, at 57. Clampett-Lundquist points out that nearly one half of those displaced from public housing due to HOPE VI relocate to other public housing projects. Only approximately 11% are slated to return to the redeveloped HOPE VI community. For those slated to return, the “temporary” relocation time may be four or five years. *Id.* at 57. Many others moved to other high-poverty neighborhoods. *Id.* at 66.

⁶³ Popkin, *supra* note 18, at 68.

⁶⁴ *Id.* at 70; see also; POPKIN, ET AL, *supra* note 19 at 30; Goetz, *supra* note 17, at 5.

⁶⁵ In fact, the studies on benefits for movers to mixed-income communities are mixed, but all find that there is little or no improvement in employment or income for such movers.

⁶⁶ POPKIN ET AL., *supra* note 19, at 8.

⁶⁷ *Id.* at 9. HUD targets the poorest to live in public housing and only the poorest would live there.

⁶⁸ In 2000, more than 25% of the urban poor (6,700,000 people) lived in neighborhoods with poverty rates of greater than 30%.

⁶⁹ G. Thomas Kingsley et al., *Patterns of Section 8 Relocation in the HOPE VI Program*, 25 J. URB. AFF. 427, 429 (2003).

Many researchers have found that while the rate of poverty in the communities to which displacees moved is significantly lower than in their original communities, it is still quite high.⁷⁰ Moreover, the communities to which displacees moved remained highly segregated by race.⁷¹ Nevertheless, many commentators have lauded the reduction of poverty rates from more than 60 per cent on average to approximately 27 per cent.⁷² Few of these commentators, however, discuss the fact that the poverty rate on HOPE VI sites has been enormous. Thus, the mere destruction of the public housing site and the dispersal of its residents to other communities, even if near the original site, would place those residents in neighborhoods with much lower rates of poverty.⁷³

Two additional facts are worth noting in this regard. Many of the communities to which displacees moved were “fragile” and had high rates of poverty even prior to the influx of the former HOPE VI residents.⁷⁴ This influx pushes these communities towards higher concentrations of poverty, albeit sometimes remaining below the recognized danger threshold of 30 per cent.⁷⁵ In addition, the evidence suggests that many displacees who moved to lower-poverty neighborhoods moved back to their original neighborhood (or to one geographically close to it) within a few years.⁷⁶

Levels of Social Capital and the Benefits Derived from it

Access to neighborhood resources may depend, at least in part, on the degree to which residents have or can form social networks within resource-rich neighborhoods.⁷⁷

One of the major assumptions underlying Wilson’s theory about the effects of concentrated poverty was that the very poor needed higher-income people in their neighborhoods to act as role models, to assert a degree of social control, and to provide a level of social capital that would translate into better employment and income opportunities for them. Even if one accepted Wilson’s underlying assumption, there are two significant problems with the de-concentration initiatives that emanated from his theory. First, the mixed-income communities Wilson described prior to desegregation were organic. While they were created as a result of a pernicious social policy, they were of longstanding duration and were characterized by limited entrance or exit by residents. People had important commonalities, both demographic and experiential, that bound them together. The communities created by de-concentration programs were artificially

⁷⁰ For example, Kingsley et al., found that the average poverty rate in census tracts containing public housing developments was 38% while the rate in tracts with HUD assisted housing averaged 22% and those containing §8 voucher holders averaged 19%. The poverty rate in census tracts with HOPE VI designated public housing averaged 61%. The tracts to which displacees of these projects moved averaged 27%. *Id.* at 433.

⁷¹ POPKIN ET AL., *supra* note 19, at 29; Popkin, *supra* note 18, at 69. *See also* Kingsley et al., *supra* note 70, at 428, where the authors point out that, while these problems do not characterize the program as a whole, in many cities displacees wind up in seriously distressed, high-poverty neighborhoods not far from their original site.

⁷² Kingsley, *supra* note 70, at 433.

⁷³ Rachel Dwyer, *The Limits of the Deconcentration of Poverty: The Spatial Context of the Poor* 11 CITY & COMMUNITY (2012).

⁷⁴ Popkin, *supra* note 18, at 83.

⁷⁵ *Id.* at 13 (“As people leave a poor neighborhood it gets less poor while some other neighborhood gets more poor”); *see also* Goetz, *supra* note 17, at 15; Popkin, *supra* note 18 at 69 (stating that people who move from HOPE VI sites still face extremely poor and segregated communities); Clampett-Lundquist *supra* note 54 at 58 (stating that nearly 50% of displacees moved to other public housing projects); but compare Kingsley *supra* note 70, at 428, who states that while one might expect many former residents to cluster in “a small number of less poor, but still fragile, neighborhoods” which then become destabilized, this did not characterize the HOPE VI program overall.

⁷⁶ Boyd et al., *supra* note 16, at 122.

⁷⁷ *Id.* at 124.

constructed, often with unwilling participants on each side.⁷⁸ The second problem, which derives from the first, is that in these communities, there is very little meaningful social interaction taking place among the higher-and lower-income residents.⁷⁹ Moreover, there is little evidence that living in these communities improves the life chances for the poor.⁸⁰

These findings should not be entirely unexpected. The concept of community generally requires some element of commonality among the theoretical members.⁸¹ What, one might ask, other than geography would qualify as a common bond among the HOPE VI displacees and higher-income residents of an existing community to which they moved? This lack of commonality is exacerbated when one considers that, for the most part, the move by the displaced HOPE VI residents was involuntary⁸² and the reception of them by the members of the receiving community was rarely welcoming.⁸³

The absence of social capital contributed to disappointing results for other important goals of de-concentration such as increased employment and earnings opportunities. A much more subtle negative effect was the loss of social capital that had existed in the displacees' original communities. While a more detailed discussion of both of these issues will be presented later in this chapter, a comment from one of the displaced public housing residents aptly describes the feelings of many displacees:

I mean, I understand what they were trying to do. I do understand what they were trying to do and they were trying to give people better opportunities, but to force people away, to force people away from their family, their support system. You know, just common things that people need to have. It's not beneficial.⁸⁴

This absence of social capital was a major factor in limiting new low-income residents in mixed-income communities from achieving some of the other goals of the de-concentration initiatives. For example, the data regarding the success of the low-income movers to mixed-income communities in finding better employment or increasing income is bleak. This is true both for the adult movers and for their children after they became adults.⁸⁵ In fact, participants in mobility programs may actually do worse than non-participants in being able to use contacts to find employment.⁸⁶ This is the result not only of the lack of social contact between the economic classes: it is also due to the fact that many of the displacees have lower educational attainment, fewer employment skills and less work experience than their higher-income neighbors. Therefore, the jobs for which they would be qualified are limited and are less likely to be the type that the higher-income neighbors would be aware of.⁸⁷

There are other obstacles to employment for displacees. Assuming, as is often the case, the lower-income residents do not own cars, transportation to places of employment

⁷⁸ Imbroscio, *supra* note 23 at 117;

⁷⁹ POPKIN ET AL., *supra* note 19, at 23; Clampett-Lundquist, *supra* note 56, at 69.

⁸⁰ Popkin, *supra* note 18, at 70.

⁸¹ Mark L. Joseph et al., *The Theoretical Basis for Addressing Poverty Through Mixed Income Development*, 42 URB. AFF. REV. 369, 383 (2007).

⁸² Popkin, *supra* note 18, at 71.

⁸³ Boyd et al., *supra* note 16, at 124 (stating that while blacks tend to want integrated neighborhoods, whites do not).

⁸⁴ *Id.* at 135 (quoting Nikki, a resident displaced by the Gautreaux Two program).

⁸⁵ *Id.* at 122 (concerning Gautreaux Two relocation).

⁸⁶ Boyd et al., *supra* note 16, at 125.

⁸⁷ *Id.* at 125; POPKIN ET AL., *supra* note 19, at 23; Clampett-Lundquist, *supra* note 56, at 71 (“[N]one [of the low-income residents surveyed] reported having learned of a job opportunity from a new neighbor but several had while in public housing.”); *see also* Joseph, *supra* note 58, at 234.

may be difficult.⁸⁸ The availability of child care may determine whether a resident can take an available job.⁸⁹ Moreover, there are a series of health-related barriers, including asthma, diabetes, and obesity that prevent many displacees from obtaining employment.⁹⁰ These barriers are independent of the existence of systemic discrimination, which also remains an obstacle for minorities in actually obtaining available jobs for which they are qualified.⁹¹

Costs to Displacees

There are other, non-employment-based problems associated with the move to mixed-income communities. While there is evidence that displacees who moved to mixed-income communities lived in better housing and safer neighborhoods,⁹² there is also evidence that the move imposed significant costs on them. These include both direct and indirect financial costs. The indirect costs include the loss of social networks and the benefits these networks provided, such as material goods, child care, and informal social control.⁹³

In addition to the emotional and indirect financial costs of moving away from social networks, there were direct financial costs as well. These included higher costs for needs such as transportation and child care which often made it difficult for many movers to afford food and other necessities. Perhaps more surprisingly, *housing* costs increased for many people who moved to the private market. The increase was due primarily to utility costs, which were previously covered in their public housing rents, but were no longer covered by the §8 voucher provided to displacees.⁹⁴

The psychological costs were also high. Aside from the obvious sense of distance from friends, movers felt a sense of stigma and alienation in their new communities.⁹⁵ Displacees often felt as if they were being monitored by a disapproving community. They also reported a sense of relative deprivation in comparison to their higher-income neighbors.⁹⁶ One commentator has pointed to the “de-mobilizing” effect of being poor and living in a community of plenty⁹⁷ which results in the lower-status individuals experiencing feelings of alienation.⁹⁸ One other area of cost should also be mentioned although it is more ephemeral than some of the others. This is the loss of influence concerning neighborhood issues suffered by those who moved to mixed-income communities. The loss is the result of several factors: the newness of the movers to the community and the associated lack of social capital that has already been mentioned; the relatively greater sophistication of the preexisting residents; and the greater financial and political resources of those residents. This loss is partially offset by the relatively greater level of goods and services in the community, many of which one could hypothesize substantially all residents would desire. Nevertheless, these goods and services typically

⁸⁸ Boyd et al., *supra* note 16, at 136; *see also* Goetz, *supra* note 17, at 9.

⁸⁹ Goetz, *supra* note 17, at 9.

⁹⁰ Alastair Smith, Joint Ctr. for Hous. Stud. of Harv. Univ., *Mixed-Income Housing Developments: Promises and Reality* 26 (2002), available at http://www.jchs.harvard.edu/publications/W02-10_Smith.pdf.

⁹¹ *See* Joseph et al., *supra* note 82, at 399.

⁹² Popkin, *supra* note 18, at 70.

⁹³ Clampett-Lundquist, *supra* note 56, at 69.

⁹⁴ Popkin, *supra* note 18, at 83.

⁹⁵ Gray, *supra* note 33 at 16; Mark L. Joseph, *Is Mixed-Income Development an Antidote to Urban Poverty*, 17 HOUSING POL'Y DEBATE 209, 217 (2006).

⁹⁶ Robert J. Chaskin & Mark L. Joseph, *Building “Community” in Mixed Income Developments: Assumptions, Approaches, and Early Experiences*, 45 URB. AFF. REV. 299, 303 (2010).

⁹⁷ Gay, *supra* note 33, at 10.

⁹⁸ *Id.* at 16.

cater to the wishes of the higher-income residents and, in any case, are often obtained without input from or, in many cases, consideration of the needs of the new, lower-income residents.⁹⁹

Critiques of the De-concentration Programs and Strategy

In this section, I discuss the practical and theoretical criticisms that have been (or could be) leveled against the de-concentration concept and programs. Among the most basic complaints is that, even if the programs were highly successful in achieving their stated goals, their scale is so small in comparison to the need that they make minimal impact into the racial and economic segregation of the poor. But, of course, the programs, as I demonstrated in the previous section, have not met many of their stated goals. In addition, the implementation of the programs has imposed substantial costs both on the displacees and on those who remain in concentrated low-income neighborhoods.

Study after study has shown that there has been little neighboring between the higher-and lower-income residents of a mixed-income neighborhood.¹⁰⁰ There has been little social capital developed and little or no improvement in employment status, hours worked or overall income.¹⁰¹ Mental health outcomes for the low-income residents were mixed. While many movers reported a greater sense of well-being in their new community, others reported a sense of alienation, stigma and relative deprivation.¹⁰² Research has not shown that the provision of “basic” resident services in mixed-income communities has led to improved obesity and mental health outcomes for displacees.¹⁰³ Similarly, several studies show no positive educational outcomes for the children of movers.¹⁰⁴ Many, in fact, did not change schools, but continued attending their original school.¹⁰⁵ For those who did change schools, there has been little interaction between the new students and their higher-income classmates.¹⁰⁶ Even where such interaction existed, the low-income students did not consider their classmates as role models and they had little or no interaction with the parents of their new classmates.¹⁰⁷ Conversely, many lower-income students also reported feelings of racism, stigma, and isolation.¹⁰⁸

The failures of these programs to achieve their goals in reference to those who moved to mixed-income neighborhoods is all the more striking because these who moved into the mixed-income settings were selected only after a rigorous screening process designed to identify the most stable and upwardly mobile public housing residents. Hard-to-house families, on the other hand, were offered very little as they were shunted to other public housing projects or allowed to move with their §8 voucher to other high-

⁹⁹ Joseph, *supra* note 96 at 216.

¹⁰⁰ POPKIN ET AL., *supra* note 19, at 23; Clampett-Lundquist, *supra* note 56, at 69; Smith, *supra* note 91, at 2; Joseph, *supra* note 96, at 217.

¹⁰¹ Joseph, *supra* note 96, at 217; POPKIN ET AL., *supra* note 19, at 23; Goetz, *supra* note 17, at 9.

¹⁰² Gray, *supra* note 33, at 16.

¹⁰³ Marjorie Austin Turner, et al., *Estimating the Public Costs and Benefits of HOPE VI Investments: Methodological Report*, at 35 (2007) (“Existing research provides no evidence that a mixed-income redevelopment scenario with ‘basic’ resident services would lead to improvement in resident obesity or mental health problems. However, ‘enhanced’ services could reasonably be expected to yield significant improvement in resident health.”) Urban Insite, available at <http://www.urban.org/url.cfm?ID=411497>.

¹⁰⁴ Goetz, *supra* note 17 at 8.

¹⁰⁵ Clampett-Lundquist, *supra* note 56, at 71. Goetz *supra* note 17, at 8.

¹⁰⁶ *Id.* at 71.

¹⁰⁷ Goetz, *supra* note 17 at 11.

¹⁰⁸ Gray, *supra* note 33, at 16.

poverty neighborhoods geographically and demographically close to their original communities.¹⁰⁹

In order to be eligible to move into a mixed-income community, public housing residents had to:

- be in compliance with their existing lease;
- be working at least 30 hours per week;
- have no unpaid utility bills;
- have no criminal record; and
- pass a drug test.¹¹⁰

The fact that those who moved to mixed-income neighborhoods did not achieve the success that was predicted for them raises the question that many have asked: can proximity alone influence social relations?¹¹¹ The answer seems to be no. The creation of community, the creation of relationships that encourage interaction with and concern for others requires significant commonalities among the members.¹¹² These commonalities are not immediately apparent when low-income people of color move into communities of middle-and upper-income white residents. Thus, the expectation of employment opportunities and social support emanating from the higher-income residents for the benefit of the new, lower-income residents appears to be unrealistic.

These implementation failures are not, however, the main problems associated with the de-concentration strategy. The main problems are conceptual. There are three major theoretical difficulties associated with the de-concentration strategy. First, it breaks up existing communities on the supposition that they are valueless or, worse, toxic, and cannot be made to function adequately. The break-up is undertaken without consultation with the residents of those communities and in disregard of the wishes of many of them. Second, it is based on the premise that, somehow, economic integration will compensate for structural flaws in the economic and social systems. It ignores systematically imposed educational and skills deficits brought on by past discrimination and turns a blind eye to current prejudice. Third, it caters heavily to the needs of business interests and middle-income, predominantly white, homebuyers. In this way, it is reminiscent of the racially based displacement of poor people that occurred under the Urban Renewal and Highway programs, programs that regularly served the interests of people other than those displaced.

The Break-up of Existing Communities

A widespread view of low-income communities, particularly those of color, is that they are dysfunctional. This is even more pronounced when the community is in a public housing development. This view is the theoretical basis for the de-concentration strategy. However, low-income communities generally function well, albeit without the various accoutrements of wealth. Most adults work, interact in traditional ways, rely on their friends and neighbors, and obey the law. In fact, William Ryan et al. found "... contrary

¹⁰⁹ Goetz, *supra* note 17, at 7.

¹¹⁰ Joseph, *supra* note 58, at 236; Smith, *supra* note 91, at 23.

¹¹¹ Joseph et al., *supra* note 82, at 381–82.

¹¹² Smith goes so far as to say homogeneity is necessary for a high level of interaction. Smith, *supra* note 91, at 26.

to conventional wisdom, people at different income levels display pretty much the same distribution of values, social attitudes and lifestyles.”¹¹³

What, then, accounts for the alacrity with which we seek to disrupt existing communities? One answer might be the replacement of a decaying physical infrastructure. If that is all that is being sought, however, it could be done without the destruction of otherwise serviceable housing or, it could be done with allowing all who want to return to the redeveloped community to do so. If what is sought is improvement of the quality of life for residents of the disrupted community, again, the method chosen seems unsuited to the task. For those who move to mixed-income communities, they do gain better housing and better physical infrastructure. They do not gain much social capital and, in fact, may lose much of the benefit provided by social capital in the old communities. A more pressing question is what happens to those who do not move to mixed-income communities?

The evidence is clear that those chosen to move to mixed-income neighborhoods are (in conventional terms) the highest achievers among the local residents. Thus, the problems first suggested by William Julius Wilson, that is, the drain of talent and resource from minority communities due to desegregation, is repeated by the “creaming” of the public housing residents. Those who move to other public housing projects or into private housing in “fragile” nearby communities are left to fend for themselves without counseling or social services associated with the move. Given the de-concentration theory, this would be likely to exacerbate the problems of those displaced to other low-income communities and of the communities to which they move.

But it is also clear that, despite their obvious problems, low-income communities also have strengths. They certainly contain networks of personal connections that make many residents reluctant to leave them.¹¹⁴ In addition, there are often well-functioning institutions, both public and private, that address many of the needs of local residents. While there may not be a sufficient number of these institutions and those that exist may not have sufficient resources to meet all of the needs of those who live there, nevertheless, they do provide a basis for a different way of thinking about concentrated poverty.

Concerning social services, there is an efficiency associated with providing these services, which essentially everyone agrees is a necessary ingredient in the battle against poverty, in a confined geographic area. It is certainly more difficult and more costly to provide such services across a wide geographic area and with widely dispersed recipients.¹¹⁵ Again, this is not to say that society should restrict the poor to certain neighborhoods. It is to suggest that such neighborhoods exist and that they offer numerous benefits to the residents. Instead of destroying them, governmental policy could focus on making them stronger and more beneficial to those who live in them and to those who might want to.

De-concentration and Structural Flaws

¹¹³ Quoted in Joseph et al., *supra* note 82, at 392. Ryan, however, goes onto note the difference between values and actions.

¹¹⁴ In fact, Goetz found that in a Seattle Hope VI project, 60% of those displaced thought that their old neighborhood was a better place to live than their new one. Goetz, *supra* note 17, at 11.

¹¹⁵ Smith, *supra* note 91, at 25.

American society has been plagued by the problem of persistent, systemic poverty. For centuries and across cultures, however, society has viewed this problem as being primarily attributable to the poor, themselves. Distinctions between poverty and pauperism, between the “deserving” and the “undeserving” poor, have dominated policy as well as common discourse. For centuries in England and the United States, distinctions were made between those who suffered poverty due to conditions beyond their control such as advanced age, infancy, disability, or sickness and all others who were said to be lazy, unambitious, drunkards or criminals.¹¹⁶ The latter group was labeled as paupers or the undeserving poor and was largely cut off from assistance. The former group, labeled the deserving poor, obtained various forms of assistance from their communities, from charities, or from the state.¹¹⁷ These characterizations were often highly correlated with race, but the symbiosis between race and poverty was rarely examined.

Even recently, there have been labels of the poor that suggest the blame for poverty lies with the poor, themselves. Terms such as the “culture of poverty” and the “underclass” have been used in the past several decades to describe certain groups of poor people. The culture of poverty was first brought to public consciousness by Oscar Lewis. He used the term to describe several “traits” that he ascribed to the poor. The culture, he said:

... tends to perpetuate itself from generation to generation because of its effects on the children. By the time the slum children are six or seven, they have usually absorbed the basic values ... and are not psychologically geared to take full advantage of ... increased opportunities that may occur in their lifetimes.¹¹⁸

Michael B. Katz pointed out that the culture of poverty concept was not intended to classify the poor. He claims, however, that it did just that. Most commentators, according to Katz, recognized that the “culture of poverty” did not apply to all poor people. Rather, it placed in a class by themselves those whose behaviors and values converted their poverty into an enclosed and self-perpetuating world of dependence. Although some of its exponents located the sources of poverty in objective factors such as unemployment, the new concept resonated with traditional moral definitions.¹¹⁹

Similarly, the term “the underclass,” which started as an academic concept, was transformed into a popular and pejorative label for urban African-Americans. Beginning with Gunnar Myrdal’s use of the term underclass “to describe the victims of deindustrialization,”¹²⁰ the term went through a series of definitions until the 29 August 1977 issue of *Time Magazine* did a cover story entitled, “The American Underclass: Destitute and Desperate in the Land of Plenty.”¹²¹ The article went on to describe, in particularly negative terms, the personal attributes of poor, urban African-Americans. The term as a pejorative label had entered the popular consciousness.

¹¹⁶ For an interesting historical view of distinguishing and labeling the poor, see HERBERT J. GANS, *THE WAR AGAINST THE POOR: THE UNDERCLASS AND ANTIPOVERTY POLICY* 11–26 (1995).

¹¹⁷ Labels such as these certainly continued into the latter part of the twentieth century and were used by mainstream media, individuals, and institutions. Ronald Reagan used the term “welfare queen” in his 1976 presidential campaign. See “*Welfare Queen*” *Becomes Issue in Reagan Campaign*, *NY TIMES*, Feb. 15, 1976, at 51.

¹¹⁸ GANS, *supra* note 117, at 24 (quoting Oscar Lewis, *The Culture of Poverty*, in *ON UNDERSTANDING POVERTY* 188 (Daniel P. Moynihan ed., 1968)).

¹¹⁹ MICHAEL B. KATZ, *THE UNDESERVING POOR* 16 (1989).

¹²⁰ GANS, *supra* note 117, at 27.

¹²¹ *Id.* at 32.

The HOPE VI program and many other de-concentration programs have at their core, albeit often tacitly, a similar belief in the moral and intellectual incapacity of many of the poor, particularly poor people of color.¹²² Among the central claims for these programs is the social control and role-modeling that will result when the poor are living with higher-income neighbors. Recall William Julius Wilson's lament that desegregation resulted in the removal of the social adhesive that had allowed African-American communities to function and that gave young people role models and hope for the future.¹²³ The structural flaws in the society are not addressed by the de-concentration strategies. The question might be asked as to how mixed-income communities will end racial discrimination? How will they create millions of jobs that offer a living wage? How will they offer better basic and vocational education to poor young people? As Mark Joseph has said:

... it is unlikely that mixed-income residence by itself can promote observable change in the short or medium term. In terms of employment, the roles of macrostructural factors—the strength of the economy, the availability of accessible jobs for which residents are qualified and for which they will be fairly considered—cannot be influenced by simply relocating to a mixed-income development.¹²⁴

The Cynical View of Community Redevelopment

The final theoretical critique of de-concentration programs that I will discuss is that they often serve the interests of people other than the low-income residents who are subject to their disruptions. There are several interest groups who stand to benefit by the redevelopment of formerly low-income inner-city neighborhoods. These include local governments looking for greater tax income from development and from the higher-income residents who will occupy these redeveloped spaces. A second constituency is higher-income buyers who are looking for safe and convenient urban living experiences. Third are the real estate developers who are seeking valuable “underutilized” land to redevelop and sell. Next, there are merchants who would not have ventured into the former neighborhoods but might now hasten to serve the higher-spending new occupants. Finally, there are those who might wish to minimize the political organization and potential power of low-income residents. This can be accomplished by dispersing them to areas where they will be overshadowed in numbers, financial resources and social and political networking by their higher-income neighbors. It might also be accomplished merely by breaking up existing constituencies and networks.

These concerns are reminiscent of those expressed in connection with the Urban Renewal program in the 1960s when the process of destruction of African-American communities in the name of slum removal and redevelopment came to be known, in James Baldwin's term, as “Negro Removal.”¹²⁵ Massey and Denton argue that Urban Renewal was enacted at the behest of white elites. Their goal was to stop the spread of African-American neighborhoods that might threaten their elite enclaves. Thus, entire black neighborhoods were razed and redeveloped for other uses. These areas became a buffer against the expanding black ghetto while at the same time forcing the former residents into other highly segregated neighborhoods, or into newly constructed public

¹²² Joseph, *supra* note 58.

¹²³ Wilson, *supra* note 3, at 38–41.

¹²⁴ Joseph et al., *supra* note 82, at 399.

¹²⁵ During Urban Renewal's heyday, the 1950s and 1960s, hundreds of thousands of units of low-cost housing was destroyed and millions of people, mostly poor and African-American, were displaced from their homes and communities. There was very little assistance in relocating the displaced families and the typical rent costs for these families went from about \$60 per month to about \$195 per month. See KATZ, *supra* note 120, at 136.

housing projects that were placed in African-American neighborhoods and were, of course, themselves highly segregated.¹²⁶

The political similarities between Urban Renewal and HOPE VI are stark. In each case, there was a public rhetoric of offering assistance to those in need, of redeveloping highly distressed communities. I am sure there were many, policy-makers and citizens alike, who pursued these programs in the belief that what they were doing was beneficial to the poor. And, to be fair, in many cases there was improvement in the quality of life of low-income residents who moved as a result of the de-concentration programs, particularly in the lives of those who moved voluntarily. Most displaced, however, were involuntarily displaced. This meant that connections, support networks and, to use the encompassing term, communities, were disrupted.¹²⁷

It also meant that, since more housing units were destroyed than were replaced, displacees were largely shunted to neighborhoods with significant vacancy rates or to where they could double up. These tended to be other low-income neighborhoods with high or growing concentrations of poverty. As a consequence of the stringent eligibility requirements for residents to move to mixed-income communities, many of the involuntary displaced were hard-to-house households which often put additional strains on the new communities to which they moved. Already inadequate social services were stretched even thinner when the need was for far greater support.

Finally, whatever political power and organizing opportunities existed in the original neighborhoods was disrupted, if not destroyed, by the displacement that resulted from the de-concentration programs. For the movers to mixed-income communities, the loss is obvious. The movers became a small minority in a new community in which they had few ties and in which new ones proved difficult to create. For the displacees who moved to other low-income communities, they entered new settings in which their old connections had been weakened and they needed access to existing networks that were likely to have preexisting hierarchies and social norms.

Community-building Alternatives to De-concentration

The movement to de-concentrate poverty is based upon the supposition that communities with very high concentrations of poverty involve insurmountable problems for the residents of those communities and for society. Sometimes, this is true. More often, it is not. Communities, and this term connotes something more than merely an aggregate of individuals living in a defined geographic space, suggests important connections among people and between people and place. They serve important personal and societal ends so that when destroyed, something valuable is lost. I, and many others, have argued that even when undertaken with the best of intentions (which is often the case), destruction of communities in the name of de-concentration of poverty has had this destructive effect.

There may be situations when community destruction may serve some greater good, even for the people who are displaced by the destruction. Consider, for example, the removal of residents from an unsafe building or from a neighborhood in jeopardy due to life-threatening pollutants. There may even be situations when the dangers, even

¹²⁶ DOUGLAS S. MASSEY & NANCY A. DENTON, *supra* note 37, at 55–56.

¹²⁷ Moreover, whatever benefits, limited though they may have been, that were realized by voluntary movers, such benefits were unlikely to be produced for the involuntary displaced. Popkin, *supra* note 18, at 71.

overwhelming dangers, come from other residents, or situations where any semblance of social order has broken down. In cases like these, most people, even, perhaps, critics of de-concentration, would say that the displacement, the destruction of what remains of community, would be appropriate. But these cases are rare. What is more common is the destruction of viable communities, albeit communities with significant social and economic problems.

To be clear, I am not arguing blindly for the preservation of high-concentration communities. I do argue that in a just society such communities would not be forced to exist. But they do exist, often as a result of governmental policy and therefore, in my view, society has obligations to them and to their residents. Residents of high-concentration neighborhoods who want to move should be assisted, financially, emotionally, and practically, to do so. Those who wish to stay should be able to do so in safety and dignity. For this to happen, however, there needs to be a combined place-based and people-based strategy. Housing and the physical infrastructure must be improved. Existing community institutions must be identified and strengthened. New institutions must be created that address currently unmet needs. Individuals must be given the opportunity to gain skills that will help them achieve both economic improvement and life satisfactions.

The first element of this multifaceted program is the production of an adequate supply of decent affordable housing. This should be accomplished in both low-income communities and in other communities throughout the economy. As a corollary to the construction or rehabilitation of affordable units, subsidies of various sorts should be available to low-income households that would allow them to live, to the greatest extent possible, where they choose. This might be accomplished through such programs as Housing Choice vouchers,¹²⁸ the District of Columbia's Local Rent Supplement program,¹²⁹ and Inclusionary Zoning.¹³⁰

In order for these programs to work effectively, there must be active enforcement of federal and local fair housing laws. Too often, the "not in my backyard" syndrome or outright discrimination has prevented the racial and/or economic integration of neighborhoods. These obstacles might be overcome with a more rigorous enforcement policy by governments at all levels.

However, the creation of additional affordable housing and housing support, while necessary, is not sufficient to improve the quality of neighborhoods, or to reap the benefits thought to be derived from the economic integration strategy. To obtain these benefits there must be a comprehensive program of:

- social services, including health, educational, youth development, and other services;
- economic development, including small business development by local residents, the attraction of outside employers to the community, and job training and readiness programs;
- financial services including financial literacy training, the creation and/or attraction of financial institutions such as commercial banks, credit unions and Community Development Financial Institutions; and
- political organizing and education.

¹²⁸ 42 U.S.C. § 1437f (2006).

¹²⁹ D.C. CODE ANN. § 6-226 (2011).

¹³⁰ See *supra* notes 7, 52 and accompanying text.

Such ideas are not new. As early as the 1960s, during the Great Society and the War on Poverty, various programs were initiated with the idea of providing more comprehensive and holistic services to poor neighborhoods and families. Programs such as the Community Action Program¹³¹ and Model Cities¹³² were designed to provide comprehensive and coordinated community-based physical and human development activities. In addition, The Office of Economic Opportunity funded many Community Development Corporations in poor communities throughout the nation.¹³³ These programs were place-based efforts to combat poverty and to improve existing communities. Their lack of success can be attributed to a variety of causes, including inadequate funding, lack of long-term commitment, and political misjudgments and missteps, not to mention the intransigency of the structural obstacles to success.¹³⁴

Since the demise of the Great Society programs, there have been a series of local, typically privately initiated, programs that have attempted and, to a great extent, have succeeded in improving local communities. These programs have been called, generically, Comprehensive Community Initiatives, or CCIs.¹³⁵ Perhaps the most well known is the Dudley Street Neighborhood Initiative (DSNI) near the Roxbury-Dorchester neighborhoods in Boston. In its more than 25 years of operation, DSNI has engaged in the development of decent affordable housing, the improvement of the local public schools, youth and parenting programs, and in organizing collaborative efforts with other neighborhoods.¹³⁶

The goal of the CCIs is to involve residents in identifying and prioritizing local problems and planning and implementing sustainable solutions to them. While funding for such initiatives has largely been private with some local government support, the diversion of some of the federal funds currently used for HOPE VI and similar dislocating programs could significantly enhance the number and scope of the community initiatives. While these initiatives are not panaceas for the problems of poor communities, they have been shown to have potential for more comprehensive place-based improvements and to do so while leaving existing communities intact.

Conclusion

I have attempted in this chapter to provide a counterpoint to the perceived wisdom of a policy of involuntarily de-concentrating poverty. I have pointed out that the policy has failed to produce many of the benefits expected of it and has caused a good deal of harm to those displaced by it. I have also pointed out that even if the goals had been substantially met and the harms had been averted, the small scale of the policy leaves it far from being a solution for concentrated poverty. As Edward Goetz has pointed out:

¹³¹ This program called for the establishment of local Community Action Agencies that included “maximum feasible participation of the residents.” These CAAs were to design and coordinate development activities and service provision in low-income communities. Economic Opportunity Act of 1964, Pub. L. No. 88-452, § 202, 78 Stat. 508, 516 (1964).

¹³² Demonstration Cities and Metropolitan Development Act of 1966, Pub. L. No. 89-754, 80 Stat. 1255 (1966).

¹³³ Economic Opportunity Amendments of 1972, Pub. L. No. 92-424, § 712, 86 Stat. 688 (1972).

¹³⁴ For an interesting discussion of these programs and their political history, see ROBERT HALPERN, *REBUILDING THE INNER CITY*, 106-148 (1995).

¹³⁵ For a recent listing of research work on CCIs, see Chris Walker, *Bibliography: Research on Comprehensive Community Initiatives* (2010) available at <http://www.instituteccd.org/library/1402>.

¹³⁶ For a history of DSNI, see PETER MEDOFF & HOLLY SKLAR, *STREETS OF HOPE: THE FALL AND RISE OF AN URBAN NEIGHBORHOOD*, (1994).

Mobility programs face a paradox—they must remain small to remain politically viable but smallness ensures they will never address concentrated poverty adequately.¹³⁷

Moreover, given the screening process by which residents are selected to move to less poor communities, commentators have raised considerable doubt as to whether the benefits that have been shown to occur do so because of the effects of a new neighborhood and their lower concentrations of poverty or because of the personal and family characteristics of those who have successfully moved.¹³⁸ In fact, Alastair Smith points out that very little research has been done on the question of whether mixed-income solutions are even necessary. He asks whether other strategies can achieve the same goals in low-income communities.

What comes with mixed income is a bundle of housing attributes that allow policy-makers to say how well it works. If you provide very-low-income people with good management, good maintenance and housing that blends in, mixed income may not be necessary.¹³⁹

Nevertheless, I do not intend this chapter to be a condemnation of mobility programs. So long as such programs are truly voluntary and are accompanied with appropriate support, they should be a part of the policy arsenal arrayed against poverty. In this chapter, however, I do argue for greater recognition of the importance and, indeed, the capacities of existing communities. By addressing the structural causes of poverty and segregation and by preserving and improving existing communities, society can provide real choices to lower income citizens as to where to live.

¹³⁷ Edward G. Goetz, *The Reality of Deconcentration* (2004) available at <http://www.nhi.org/online/issues/138/deconcentration.html>.

¹³⁸ Gay, *supra* note 33, 5.

¹³⁹ SMITH, *supra* note 91 at 21, quoting Rachel Bratt.