Inheritance of Poverty or Inheritance of Place? The Emerging Consensus on Neighborhoods and Stratification

DOUGLAS S. MASSEY
Princeton University
dmassey@princeton.edu

Sociologists have long sought to understand the mechanisms by which socioeconomic disadvantage persists over time and across generations. They have paid particular attention to understanding why poverty appears to be so deep, obdurate, and lasting for certain social groups, such as African Americans. Whereas economists theorize human welfare as the end product of rational choices made by individuals and households within free markets subject to resource and informational constraints, sociologists emphasize the stratifying effects of social structures that embed institutionalized practices of exclusion and exploitation within and outside of markets.

The early theorists of the Chicago School grounded their structural analysis of social stratification firmly in space, emphasizing how people and households are embedded within neighborhoods which are themselves embedded within cities and metropolitan areas. Space largely disappeared from structural-functionalist accounts of inequality during the 1950s and 1960s, however. Although functionalist theories did embed individuals and families within larger social institutions, they did not situate them in space. Likewise, in the status attainment model that dominated the 1960s and 1970s, family background was explicitly recognized to shape individual social mobility whereas little or no attention was paid to the spatial context within which mobility occurred.

The neglect of space in the sociological study of stratification came to an end in the 1980s. Nancy Denton and I, for example, incorporated spatial assimilation into the status attainment model explicitly to capture the stratifying potential of neighborhoods with respect to social mobility (Massey and Denton 1985). Nonetheless, it was not our article but the publication of William Julius Wilson's book *The Truly Disadvantaged* (1987), that galvanized the field. He was the first to note that black poverty was becoming more spatially concentrated, and went on to hypothesize that rising rates of poverty within black neighborhoods undermined the welfare of African Americans in new ways, deepening their social, economic, and cultural isolation from U.S. society.

Wilson saw economic isolation as resulting from the structural transformation of the urban economy, which eliminated steady, high-paying jobs in manufacturing and replaced them with a two-tiered service economy that contained stable, high paying jobs for well-educated workers but poorly-paid, unstable jobs for those lacking education. The resulting rise of joblessness and the loss of earnings among black males, he argued, undermined black family stability, weakened connections to the labor market, rendered productive role models scarce, and ultimately changed cultural practices and normative structures in ways that fueled a rising cycle of disorder and deprivation.

Massey and Denton (1993) built on Wilson's theory by arguing that black segregation was not a natural part of the urban environment, but a discriminatory configuration that was deliberately created by whites in order to isolate African Americans

Great American City: Chicago and the Enduring Neighborhood Effect, by **Robert J. Sampson.** Chicago, IL: University of Chicago Press, 2012. 534pp. $27.50 cloth. ISBN: 9780226734569.

Stuck in Place: Urban Neighborhoods and the End of Progress Toward Racial Equality, by **Patrick Sharkey.** Chicago, IL: University of Chicago Press, 2013. 304pp. $30.00 paper. ISBN: 9780226924250.

socially and spatially. They saw racial segregation not as a neutral social fact, but a powerful contributor to the concentration of black poverty observed by Wilson, pointing out that poverty inevitably became more concentrated whenever poverty rates increased for a segregated group. Lincoln Quillian (2012) later broadened this insight by showing that concentrated poverty actually resulted from the interplay of three kinds of segregation: racial segregation, poverty-status segregation within race, and segregation between blacks and high- and middle-income members of other racial groups. Nonetheless the fact remains that persisting segregation interacts with rising income inequality to produce spatially concentrated poverty.

Publication of *The Truly Disadvantaged* set off a wide-ranging search across the social sciences for evidence of ''neighborhood effects.'' Researchers sought data to assess the degree to which living in a disadvantaged neighborhood contributed to the perpetuation of poverty above and beyond individual and family characteristics. Unfortunately, in the late 1980s, multi-level data sets linking individuals and families to neighborhood data were few and far between, and statistical methods for multilevel analysis had not yet been developed (Jencks and Mayer 1990). Rising interest in neighborhood poverty coincided, however, with the implementation of the Gautreaux Assisted Housing Program in Chicago, a coincidence that seemed to offer good evidence in support of Wilson's hypotheses.

The Gautreaux Program allocated housing vouchers to residents of Chicago public housing as part of a court-ordered remedy for past racial discrimination by the Chicago Housing Authority. Viewing residential segregation as a metropolitan-wide problem achieved by racial exclusion in suburbs as well as the city, the court required half the voucher recipients to move to white suburban neighborhoods whereas the other half were free to use their vouchers to move to neighborhoods within the city. In a series of studies based on the Gatreaux Project, James Rosenbaum and colleagues compared the socioeconomic status of city versus suburban movers and found significant improvements in the lives of those who had relocated to white suburbs (Rubinowitz and Rosenbaum 2000).

In general, he found that suburban residents displayed higher rates of employment, earnings, school completion, and lower rates of welfare dependency compared to those who remained in the city. These findings were hailed as evidence for the existence of neighborhood effects and seen by some as a blueprint for promoting the desegregation and socioeconomic advancement of poor minority families (Polikoff 2006). Critics, however, quickly pointed out that Gautreaux program participants had not been randomly allocated to city and suburban locations, subjecting Rosenbaum's findings to the charge of selection bias. In response, a team of economists with support from the U.S. Department of Urban Development designed and implemented the Moving to Opportunity Demonstration Project (Briggs, Popkin, and Goering 2010).

Unlike Gautreaux, MTO randomly assigned residents of public housing projects in five metropolitan areas to one of three treatment groups. One group was offered a voucher to use in moving to a low-poverty neighborhood and received counseling to help them do so; another group was offered a voucher that could be used anywhere but got no counseling; and a third group received no voucher or counseling at all. When the interim evaluation appeared in 2003, however, the findings were less impressive than those emanating from the Gautreaux Program. Although families who moved to low-poverty neighborhoods did experience lower crime rates, improved housing, and better mental health, there were no significant differences between treatment groups with respect to employment, earnings, or educational achievement, leading some observers to conclude that earlier estimates from the Gautreaux Program were indeed biased by selectivity and that ''neighborhoods don't really matter.''

A turning point in the debate on neighborhood effects came in 2008, when the *American Journal of Sociology* sponsored a symposium on MTO in which Susan Clampet-Lundquist and I (2008) documented features of MTO's design and implementation that mitigated against finding strong neighborhood effects. Families in the

experimental group, for example, were only required to move into low-poverty neighborhoods, not low-poverty *white* neighborhoods as in the Gautreaux Program. Whereas the Gautreaux settlement was explicitly about race, in MTO race was pushed aside in favor of class. As a result, most voucher recipients simply moved within the confines of the black ghetto, usually relocating to segregated black neighborhoods adjacent to or near high poverty areas, often with the same school catchment area. In his contribution to the *AJS* symposium, Robert Sampson (2008) indeed showed that experimental and control families in Chicago moved to the same disadvantaged minority neighborhoods.

Other problems in MTO stemmed from the inevitable gap between the project's design and its implementation in practice. Only around half of those offered mobility vouchers accepted them and moved into a low-poverty neighborhood, and the process of voucher uptake was itself highly selective (Clampet-Lundquist and Massey 2008). Moreover, those who accepted the vouchers and moved exhibited a high and again selective propensity to return migration to high-poverty ghetto neighborhoods after the first year. Sampson (2008) convincingly argued that the geographic mobility of voucher recipients, as among Chicagoans generally, was highly structured along the lines of race and class and that instead of moving to opportunity, most program participants ended up "moving to inequality."

In the United States, this kind of segmented mobility produces distributions of neighborhood disadvantage for white and black households that barely overlap. White families, even very poor white families, rarely experience concentrations of poverty that are routinely experienced by poor and even middle-class black families. Given this structural reality, rather than seeking to randomize selective geographic mobility away as an experimental nuisance, Sampson (2008) and others have argued that a better approach would be to recognize selective mobility into high- and low-poverty neighborhoods as a fundamental component of the stratification process itself, and to model it theoretically and measure it empirically in order to reveal how selective mobility generates the divergent social worlds inhabited by black and white Americans.

Since 2008 a consensus seems to have emerged among social scientists that neighborhoods do indeed matter in determining human welfare across a variety of salient dimensions. In 2010, Ruth Peterson and Lauren Krivo published *Divergent Social Worlds*, which painstakingly documented the vast gap in neighborhood quality experienced by white families, on the one hand, and black and Latino families, on the other. The racial differential in neighborhood circumstances was particularly stark in terms of exposure to crime, disorder, and violence. At the same time, a growing number of studies have used a range of methodologies to demonstrate the negative effects of concentrated neighborhood disadvantage on human well-being, especially over the long term (Wodtke, Harding, and Elwert 2011).

Reviewing the evidence from MTO in the 10 to 15 years after the study's initiation, Jens Ludwig, one of the project's lead investigators, noted that "what is particularly remarkable about the MTO health impacts is how massive they are" (2012:18) and that "data about neighborhood safety from MTO participants show similarly large effects" (2012:14). In the end he rejected only the extreme hypothesis that "neighborhoods always matter" and in the article even discussed the possibility that MTO may have offered a "weak treatment" to detect neighborhood effects on outcomes such as employment and education. A recent quasi-experimental study I directed, however, offered a "strong treatment," contrasting residents of high poverty minority neighborhoods with a matched sample of people who moved into an affordable housing complex built within an affluent white suburb. The study replicated the MTO finding of a significant connection between neighborhood disadvantage and mental health (Casciano and Massey 2012a), but also found a strong causal effect of neighborhood disadvantage on rates of employment, earnings, and household income (Casciano and Massey 2012b), not to mention education (Casciano and Massey 2012c).

In the end, I conclude that MTO reveals both the power of neighborhoods to influence key human outcomes (such as health)

but also the limitations of what can be accomplished using voucher programs to send poor minorities families into a social system and urban landscape that is highly segmented on the basis of race and class, especially if the vouchers offer only modest subsidies (DeLuca, Garboden, and Rosenblatt 2012) and landlords are not required to accept them (Edin, DeLuca, and Owens 2012). The social structure of urban America is such that absent a forceful intervention, powerful, institutionalized, socially-embedded processes will operate to replicate the existing ecological landscape, despite the noble intentions of voucher program designers.

This urban reality is magnificently exemplified by Robert Sampson in his outstanding book *Great American City: Chicago and the Enduring Neighborhood Effect*, which represents the capstone publication of his justly celebrated Project on Human Development in Chicago Neighborhoods. In the tradition of the Chicago School, Sampson seeks explicitly to analyze the connections between social and residential mobility and to study it as a central feature of the stratification system. He does so by conceptualizing and measuring relevant social structures and processes operating at the micro-, meso-, and macro-levels, grounding them firmly in space, and then showing how they operate selectively to channel people and resources to different positions in the geospatial order, and in so doing to replicate and reinforce existing structures of social and spatial inequality.

Sampson begins by showing that despite extensive residential mobility over time and constantly churning neighborhood population, the socioeconomic and racial-ethnic composition of Chicago's neighborhoods is extremely stable over time and that across neighborhoods "things go together" in very consistent and highly predictable ways. The same neighborhoods that were disadvantaged in 2000 were disadvantaged in 1990, not to mention 1980, 1970, and 1960. In addition, irrespective of year, neighborhoods that were disadvantaged with respect to socioeconomic status were also disadvantaged with respect to health, crime, collective efficacy, civic organization, altruism, and other factors relevant to human welfare.

Thus, attempting to disentangle whether low socioeconomic status causes a lack of collective efficacy or vice versa is beside the point. Owing to Chicago's highly stable configuration of interlocking social and spatial structures, these two conditions almost always go together. Along with poor health, high neighborhood disadvantage simultaneously predicts high crime, weak civic organization, isolated social networks, and cynical social attitudes, exposing residents to the combined influence of these maladies so that their independent effects cannot really be disentangled theoretically or empirically. According to Sampson, the interlocking of social and spatial structures begins in human social cognition. He shows that the perceived level of crime and disorder within neighborhoods increases systematically as the black percentage and poverty rate rise, irrespective of actual rates of crime and delinquency. Although observed disorder may predict perceived disorder, racial and economic composition matter far more in determining the perceived safety and desirability of neighborhoods and strongly shape residential decisions.

Not only do race and class segment human social cognition, they also shape the structure of interpersonal networks and social organizations, which in turn map onto ecological structure and operate in interlocking ways to constrain choices and constrict the range of possible outcomes for individuals depending on race, ethnicity, and socioeconomic status. As a result, the vast majority of residential moves within urban systems such as Chicago, however frequent they may be, tend to produce marginal changes in the social world experienced by movers. Absent some kind of intervention, poor black families who move simply go from one poor black neighborhood to another, whether or not they have a voucher. It is for this reason that MTO in Chicago and other cities failed to produce significant movement outside the ghetto and had disappointing effects on employment, earnings, and education.

The consequences of such structural selection are amply detailed in Patrick Sharkey's excellent and provocative new book *Stuck in Place*. Not only are African Americans far more likely than whites to experience

concentrated poverty at any point in time, but exposure to its pernicious effects has actually increased over time, despite the passage of landmark civil rights legislation. Among African Americans born prior to the end of the civil rights era (1955–1970), for example, 62 percent grew up in neighborhoods that were more than 20 percent poor whereas among those born afterward (1985–2000) the figure had risen to 66 percent. In contrast, the respective figures for whites in the same birth cohorts were just 4 percent and 5 percent.

As a result, for African Americans in the post-civil rights era exposure to high levels of neighborhood disadvantage are more than just common; it is persistent and multigenerational. According to Sharkey, roughly half of the African Americans he studied had lived in the poorest quarter of urban neighborhoods for at least two consecutive generations, compared with just 7 percent of whites; and this inability to escape ghetto poverty cannot be attributed to individual or family characteristics. In Sharkey's words, ''the reason children end up in neighborhood environments similar to those of their parents is not that their parents have passed on a set of skills, resources, or abilities to their children . . . . Instead, parents pass on the place itself to their children'' (p. 21).

African Americans' unique multigenerational exposure to concentrated poverty goes a long way toward explaining the persistence of black/white gaps in socioeconomic status. Racial gaps in variables such as education and occupational status are determined by a combination of disadvantaged family background and exposure to concentrated neighborhood poverty. However, racial gaps in income and wealth are determined far more by neighborhood conditions than family background, ''For these outcomes, aspects of the *family* environment play little role in explaining black/white gaps, while *neighborhood* conditions explain a substantial portion of the racial gap in each outcome'' (p. 114, emphasis in original).

Although differential exposure to neighborhood poverty is important in explaining racial gaps in attainment, when it comes to patterns of inter-generational mobility the effect of poverty concentration depends on whether one considers upward or downward mobility. Although the likelihood of upward mobility is not strongly affected by neighborhood circumstances, the prospects for downward mobility are much greater for blacks than whites. Whereas almost half of all black children with middle-class parents fall into the bottom of the income distribution as adults, only 16 percent of white children do so. Put succinctly, ''the social environments surrounding African Americans . . . make it difficult for families to preserve their advantaged position in the income distribution and to transmit these advantages to their children'' (p. 115).

The pernicious effects of multigenerational exposure to concentrated poverty are particularly evident with respect to the inculcation of cognitive skills. To demonstrate this effect, Sharkey divided African American children into four groups: one in which neither parent nor child ever lived in a poor neighborhood; one in which the parent but not the child grew up in a poor neighborhood; one in which the child but not the parent grew up in a poor neighborhood, and one in which both parent and child grew up in a poor neighborhood. For those that did not experience high neighborhood poverty in either generation the average score on a standardized test of reading skills was 110, whereas the score was 94 for those who experienced high neighborhood poverty in both generations—a shift of more than one standard deviation. Those in the two middle groups experienced a score of around 102. Controlling for individual and family characteristics slightly diminished but did not eliminate the differential.

In my view, *Great American City* and *Stuck in Place* are critical to understanding the persistence of poverty and deprivation among African Americans today and are also fundamental to explaining the relative lack of progress in closing salient racial gaps in achievement. Sampson in his book expertly describes the social and spatial structure by which segregation and concentrated poverty are generated and reproduced. Sharkey ably documents the multigenerational exposure of African Americans to concentrated poverty that inevitably follows from these structural conditions and how it systematically undercuts black prospects for education,

employment, occupational status, earnings, and wealth while simultaneously making it difficult for affluent African American parents to pass on class advantages to their children. Taken together, these two books convincingly demonstrate that neighborhood effects are very real indeed, and that selection into advantaged and disadvantaged segments of the urban landscape is not a confounding nuisance to be eliminated through randomization in a field experiment but is a core mechanism of stratification to be modeled and understood in and of itself.

In 1968 Otis Dudley Duncan, writing from the perspective of the newly developed status attainment model, argued that "if we could eliminate the inheritance of race, in the sense of the exposure to the discrimination experienced by Negroes, the inheritance of poverty in this group would take care of itself" (1968:103). His article, written in the same year the Fair Housing Act passed Congress, was entitled "Inheritance of Poverty or Inheritance of Race?" If he were writing today, a more appropriate title would be "Inheritance of Poverty or Inheritance of Place?" The more things change, the more they stay the same.

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