

TWO AMERICAN PROBLEMS

Concentrated Poverty: A Critical Analysis

Herbert J. Gans

To many observers, it may be almost reflexive to believe that neighborhoods with high levels of poverty naturally breed more poverty. To Herbert Gans, long a poverty specialist, this is a dangerous myth. Moreover, he says, it is one the Obama administration apparently accepts. The result leads to policies to break up neighborhoods rather than getting to the root causes of extreme poverty—not the least of which is the unavailability of jobs.

WHEN PRESIDENTIAL CANDIDATE BARACK OBAMA announced his urban policy, he promised a new program to attack concentrated poverty—a socially harmful kind of poverty said to exist in African American neighborhoods where at least 40 percent of the population lives below the poverty line. The concept had been

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circulating in the academic research and public policy worlds for the last twenty years, and several major public policy organizations had recently urged a new attack on this form of poverty, but the Obama promise raised the concept to high national visibility once more.

What candidate Obama may not have known, and what the president may still not know, is that concentrated poverty is an intellectually and empirically questionable concept that offers almost no constructive lessons for antipoverty policy. It is also a spatial concept, which raises questions of whether poverty and related inequalities can be significantly reduced by local housing, land, and other spatial policies.

Concentrating poor people in a limited area is said to increase troubled, trouble-making, and antisocial behavior among them. Such behavior would be lessened if poor people were spread out over a larger area, and perhaps even eliminated if they were sent to live in middle-class neighborhoods. However, concentration merely makes poverty more visible than spread-out poverty, calls attention to concentration, and thereby diverts attention from policies that would reduce or end poverty.

Concentrated Poverty and the Underclass

When the term “concentrated poverty” was first used in the late 1980s, the people so concentrated were being described as members of an underclass. Indeed, concentrated poverty is an offspring of the “underclass,” a technical-sounding term that blamed the victims of poverty. “Underclass” was also the latest synonym for the undeserving poor that was popular with journalists, social scientists, and policy analysts from the late 1970s to the late 1990s (Gans 1995; Katz 1989).

Like some other ideas that later turned into punitive descriptions of the poor, concentrated poverty began as part of a larger and scholarly analysis. In his seminal 1987 book, *The Truly Disadvantaged*, William Julius Wilson sought to explain why poor inner-city African Americans were more disadvantaged than other poor urban residents. His theory emphasized the departure of more affluent blacks from inner-city neighborhoods and the resulting isolation of those left

behind, but the term he thought best captured their condition was “concentration effects.”

Wilson, too, had described this population as an underclass. Subsequently, other scholars tried to count the number of neighborhoods in which the black underclass was to be found. Needing a quantifiable definition, they decided that such areas were concentrated if, according to the U.S. Census, more than 40 percent of the population lived on incomes below the poverty line. Wilson’s reference to concentration *effects* initiated a concerted search for related neighborhood effects (e.g., Briggs 1997; Sampson et al. 2002). That search still continues, accompanied by a long and lively debate about both the existence of such effects and the proper research methods for identifying them (e.g., Jencks and Mayer 1990; Sampson 2008).

The term “underclass” was sent to the terminological sidelines in the late 1990s after the end of the crack epidemic and the decline in violent street crime, as well by as the economic good times and the resulting drop in unemployment that took place during the Clinton administration.

Concentrated poverty also went into terminological decline, in part because the same good times had led to a sharp decrease in the number of such areas. Besides, concentrated poverty had never caught the fancy of journalists. It remained popular mainly with demographers and other social scientists who were still looking for areas inhabited by poor people who could not or would not live by middle-class standards.

The term reappeared in the policy literature around the turn of the new century, partly because of the deterioration of the economy and thus of the condition of the poor, but also because it could be used to justify Hope VI, the federal program to tear down public housing projects. Since only poor people lived in these projects, they were by definition areas of concentrated poverty, giving the term a new reason for existence.

Over the years, concentrated poverty inherited all the punitive “behavioral” indicators associated with the underclass, such as joblessness, unmarried motherhood, gang membership, use of hard drugs, high

levels of street crime, and the several kinds of interpersonal violence often found in very poor areas. Concentrated poverty retains its black ghetto association as well, even though it can be found in Latino and white neighborhoods, too.

A Critique of Concentrated Poverty

The notion of concentrated poverty contains enough shortcomings that its adoption and use by social scientists, particularly as a causal concept, is hard to understand.

First, there is no persuasive empirical evidence to suggest that the level of concentration of poor people in a particular neighborhood causes their poverty-related problems and the behavior patterns that upset the larger community. Correlational studies are numerous, but they are inconclusive unless researchers can describe the causal and other processes by which concentration is said to affect the residents of these neighborhoods.

Second, there is no reason that neighborhoods per se, whether concentrated or not, should have such effects. Neighborhoods, whether demarcated officially or unofficially by their inhabitants, do not control or allocate resources and do not make policy and political decisions. They are, like other spatial aggregations, containers; and it is only the contents of these containers that can have effects on their inhabitants. A neighborhood hospital will help sick residents and a good local school will improve school performance. Their positive effects will take place in the neighborhood, but they are not neighborhood effects because their resources and policies originate elsewhere.

Wilson has always taken pains to stress that residential neighborhoods are not economic containers; they cannot create jobs or raise incomes. That he is right, and that improved economic conditions for the poor originate elsewhere, was demonstrated during the good economic times of the 1990s, when the number of concentrated-poverty neighborhoods decreased sharply. National and regional economic conditions as well as antipoverty policies determine the fate of poor people wherever they live.

Actually, studies that count or otherwise analyze concentrated-poverty neighborhoods are not even about neighborhoods. Because researchers doing these studies need numbers, they must use whatever quantitative data are available. In this case, they end up reporting numbers for census tracts, the administrative areas into which the U.S. Census divides communities in order to facilitate its work. Even if their boundaries sometimes coincide with those of official neighborhoods, census tracts are data-gathering containers that cannot affect the lives of the people living in these tracts.

The measurement of concentration is equally problematic. It is also determined by available quantitative data—in this case U.S. Census studies on the proportion of census-tract residents below the poverty line. The census data are available for several proportions, the highest of which is 40 percent. It became the indicator used to define and identify poverty concentration. Jargowsky and Bane (1990), two of the founders of concentrated-poverty research, chose this indicator after they had toured several cities and discovered that tracts with 40 percent of poor residents were in noticeably worse condition physically and otherwise than tracts with 20 or 30 percent of poor residents.

Even so, no systematic empirical work is available to suggest that poor areas are always in worse physical shape and their occupants are more troubled or trouble-making when 40 percent are poor. Other researchers have encountered similar physical and social conditions in areas in which a lower proportion of the population was poor. Conversely, Sessoms and Wolch (2008) studied a sample of Los Angeles areas with 40 percent poverty levels and found that “they do not conform to stereotypes of concentrated poverty areas.”

Admittedly, poverty concentration is very high, by definition, in public housing projects, including those that were declared to be physically and socially “distressed” and then torn down. Even so, their condition, as well as high levels of problematic behavior by some of their residents, is better explained by the residents’ extreme poverty than by their concentration.

The size and density of the projects may have played a small part as well. For example, many drug dealers could be found in the big proj-

ects because enough customers were available at close hand, making both especially noticeable. Moreover, the project families included a large number of teenagers, some of whom organized drug-dealing gangs and sometimes terrorized project populations that lacked police protection (Venkatesh 2000). Poor people who do not live in huge public housing projects become drug addicts as well, but they and the drug dealers serving them are less visible.

The much publicized distress of the now destroyed public housing projects is best explained by the decades-long withdrawal of public funds, not only for the maintenance of the buildings but also for the upkeep of those residents unable to work or to find work. The effects attributed to the concentration of poverty are therefore better assigned to generations of elected officials in Washington, DC, beginning with the Nixon administration, as well as the Real Estate Investment Trust (REIT) and other lobbyists that influence federal public housing, jobs, and welfare policy.

Third, no one has yet answered the theoretical question of why concentration per se should have any effects on people's behavior or identified the causes of such effects. The researchers studying poverty concentration apparently assume that bringing together poor residents turns them into an antisocial and sometimes dangerously mob-like critical mass. When this critical mass is reached, increases are thought to take place in joblessness, unmarried motherhood, violence, and the other shortcomings of which the concentrated poor stand accused.

Dispersing that critical mass and moving its concentrated poor people into better-off neighborhoods will, it is argued, reduce or end these practices. This will happen because the better-off and better-educated people and the services and facilities located in these neighborhoods will help, and set a good example for, the impoverished newcomers.

However, the causal processes leading to concentration remain to be identified, and whether the critical-mass hypothesis can explain anything is doubtful. A critical mass of people, poor or rich, may hasten the spread and perhaps worsen epidemics. It will also circulate and legitimate the fads and fashions that provide variety in everyday life.

But how can a critical mass cause the serious problems, the endless and often insoluble crises, and the destructive and self-destructive behavior that dog the lives of significant minorities of the poor? Can the presence of drug-addicted neighbors really lead anyone to become a drug addict? And why would living in an area marked by street fights and drive-by shootings therefore persuade anyone to commit homicidal violence?

Furthermore, if concentration causes the claimed social effects, the people so affected should be physically close and therefore living at extreme levels of density. Although residential density was high in the most distressed public housing projects, it is often low in other concentrated-poverty tracts. This is particularly true in cities in which empty buildings in poor neighborhoods are quickly torn down and vacant lots separate still occupied buildings. The residents of a concentrated-poverty tract may not even be living near each other.

In fact, most of the alleged behavioral effects of concentrated poverty have been shown to have other causes. Joblessness is, as already noted, an effect of the areal economy. Most people applied for welfare (before Bill Clinton eliminated it as an entitlement program) because they could not find steady work and needed the money, not because their neighbors were on welfare.

A high rate of single-parent-family formation is at least partly an effect of male joblessness and the consequent shortage of marriageable males. It could also reflect the youthfulness of the area population, since poor women often have children when they are young and marry later, when they or their men are economically reasonably secure (Edin and Kefalas 2005). Teenage pregnancy is frequently associated with unusually low income and is often an effect of dropping out or being pushed out of school, but unless pregnancy is contagious, it cannot be an effect of poverty concentration. The crack industry was always associated with violence, and the anger and frustrations associated with poverty play a major role in interpersonal violence. In sum, economic and social conditions are among the principal reasons for most of the ills said to be caused by poverty concentration.

Indeed, I would suggest the hypothesis that many if not most of these ills

may be the direct or indirect effects of severe or extreme poverty (usually measured as an income of half the poverty line) rather than of poverty concentration (Gans 2009).

Tracts with the highest poverty concentration may also be those with the greatest number of residents living in extreme poverty. These residents were, after all, left behind in their neighborhoods when many of those who could afford to obtain better housing did so. The left-behind people, who might be called residuals, are likely to be extremely poor. I would be surprised, however, if many residuals can be found in areas of low poverty concentration, if only because the rents are often way beyond their means.

Although concentrated poverty researchers should have been concurrently looking at the effects of extreme poverty, too few have been interested in income-level data. This is true of poverty researchers in general; many have simply counted the number of people below the poverty line, failing to distinguish whether those living on half the poverty line income were undergoing the same experiences and dealing with the same problems as those earning twice as much. Perhaps economically comfortable researchers do not notice that living on \$10,000 a year—approximately half the current poverty line for a family of three—creates many more problems than living on \$20,000.

In retrospect, the attention given to poverty concentration is somewhat surprising, because in America, where residential areas are generally differentiated by price, a great many people live in places concentrated by income. Even so, scholars have not looked for concentration effects, good or bad, among the general population. No one has studied whether areas like New York's Park Avenue or Philadelphia's suburban Main Line concentrate the rich and therefore cause debauchery or decadence. Wall Street's concentration of bankers, speculators, and other investors cannot explain the excesses of contemporary capitalism.

This author once studied a new post-World War II suburb that, like most other new suburbs of that period, was concentrated not only by income but also by age, life cycle position, occupational status, and other characteristics (Gans 1967). While the huge number of young

residents with young children created a variety of effects, from regular epidemics of childhood diseases to abnormal growth patterns in school enrollments, no one proposed tearing down the community for being overly concentrated.

Policy Implications

The concept of concentrated poverty must also be criticized for its policy implications. Three such implications especially deserve discussion: dispersion or deconcentration, localization, and distraction.

Dispersion

Poverty is logically best deconcentrated by dispersion: moving the concentrated poor out of their neighborhoods. Dispersion programs come in two kinds, those that move poor people to higher-income areas and those that send them off to find their own housing, which means that many wind up in equally poor or even poorer areas.

Dispersion programs that move poor people to better-off areas are voluntary; they recruit the households to be moved, and this policy has been tried frequently over the last quarter century (Goetz 2003). The most famous example is the so-called Gautreaux project, established following a 1976 court decision to counter the extreme racial segregation of Chicago's public housing projects.

Gautreaux helped several thousand public housing residents move to the Chicago suburbs (e.g., DeLuca and Rosenbaum 2010). These consisted of a self-selected and screened ghetto population, many of them presumably upwardly mobile families, including single-parent ones wanting a better life for their children.

Summarizing broadly, many of the movers adjusted to life in predominantly white middle-class suburbs without undue difficulty. Since middle-class people are not always helpful or kind to their poorer neighbors (Sanchez-Jankowski 1999), and not all whites to darker-skinned ones, those experiencing undue class or racial harassment moved back to the city. So did people financially unable to keep up

with middle-class Joneses. Movers who were lonely for family, friends, and old support systems sometimes returned to their old neighborhoods.

The majority who stayed have improved their economic condition but only slightly, due in part to lack of needed job skills and continuing racial discrimination in hiring. Dispersion is not an antipoverty policy. Better public facilities have produced positive results for many, particularly those children who improved their school performance and went on to college. Unfortunately, no studies are yet available of the adult fate of these youngsters and of how many were able to escape poverty.

Voluntary dispersion projects, at least in America, suffer from two related and predictable defects: better-off communities rebel if they are required to welcome large numbers of people from the poorest neighborhoods in the city. Consequently, most voluntary dispersion projects are condemned to remaining small.

This is particularly true of programs that move poor people to suburban and other homeowner communities, where people worry that the arrival of too many dark-skinned newcomers of lower status will reduce their property values.

Involuntary dispersion has involved far larger numbers of people but has resulted in fewer benefits for the dispersed. The primary involuntary program has been the federal Hope VI program, which brought about the destruction of "distressed" public housing projects all over the country (Goetz 2003). In some cases, lower-density housing, mixed racially and by class, has been built on the cleared land, but usually only a small minority of the former public housing residents have obtained apartments. In other cities, the projects were torn down, but no new housing was built at all.

In effect, in several places, Hope VI turned into a sequel to the urban renewal program of the 1950s and 1960s (Bennett et al. 2006). Once more it displaced enough poor blacks to deserve being described as Negro Removal again, at least in some cities. Although both relocation programs and benefits have been more generous than they were during urban renewal, and a larger proportion of the displaced have

obtained better housing in better neighborhoods, still, sometimes a majority of the displaced have ended up in other poor ghetto areas, including equally distressed black suburbs (e.g., Popkin et al. 2009). And once again, public policies have led to a reduction in the total supply of already scarce low-cost housing.

To be sure, dispersion, even of the involuntary kind, should not be rejected out of hand, for several of the now leveled housing projects were no longer fit for human occupancy. However, people were also separated from family, friends, and neighbors and lost other support systems. Those who had to find housing far from the city were now at an even worse disadvantage in the labor market.

Involuntary dispersion of any kind is unjustifiable. But what if project residents could have chosen new, rehabilitated, or otherwise standard housing in good neighborhoods before they lost their apartments, with moving assistance designed to undertake group relocation for those requesting it? Then, the dispersed residents would have obtained better housing and better communities, and remained near at least some family and friends.

Localization

Concentrated poverty, being an areal concept, leads to local spatial policies. In some cases, this emphasis can be justified, for example when people occupy dangerous housing and neighborhoods, or when subsidized workplaces are built for employers that offer jobs to the local residents. However, spatial programs usually lack an economic component, and thus do not give poor people a chance to escape poverty. Economic improvement requires national job creation and income support policies and metropolitan areawide antipoverty programs to implement these policies at the local level.

The Obama administration's program to fight concentrated poverty emphasizes two programs (Wilson 2010). One is a dispersion program called Choice Neighborhoods, which proposes to correct many of the faults of Hope VI. The second program, called Promise Neighborhoods, seeks to replicate the widely praised Harlem Children's Zone project

in twenty neighborhoods around the country. Like Geoffrey Canada's Harlem program, the Promise Neighborhoods project features a large number of preschool, school, parenting, and employment retention programs to help the next generation escape poverty.

In some ways, the Harlem Children's Zone project reminds those of us active in the 1960s of the hopes placed on Head Start, a mostly school-centered program for young children. Although it improved school performance significantly, its effects were often dissipated when its graduates had to return to their neighborhoods' substandard public schools. Moreover, we discovered during that same time that individual projects, then called demonstration projects, which were begun by charismatic leaders with highly dedicated staffs, could not easily be duplicated on a larger scale and in other places. Maybe today's policy makers and program directors have learned from the experiences of the 1960s, however.

As currently formulated, the Promise Neighborhoods project appears to include few programs related to job creation or income support, although presumably such programs could still be added. Moreover, other parts of candidate Obama's urban policy proposed increases in the minimum wage and Earned Income Tax Credit (EITC) payments, job creation schemes, and a variety of other economically oriented antipoverty programs, some of which are now getting under way. Still, the current economic crisis has forced his administration to orient its economic programs to the broad swath of the population described as middle class. (Candidate Obama's antipoverty proposals are described in his Urban Policy paper at www.barackobama.com/issues/urban_policy.)

Distraction

The third shortcoming of policies against concentrated poverty is that they can distract programmatic and other attention from poverty and focus attention solely on deconcentration. In that case, economically oriented antipoverty policies may not even be considered. Fortunately, the Obama administration is not likely to let itself be so distracted.

However, conservatives in Congress and in the lobbies that seek to influence Congress could press for involuntary dispersion projects, rejecting any attempts to reduce or eliminate poverty. If unknowing liberals can be persuaded to believe that dispersion and other spatial programs will nonetheless help poor people economically, the conservatives might even succeed.

Preventing the Misuse of Concepts

Like culture of poverty and underclass, concentrated poverty began as a social science concept that was later turned into a blaming term accusing poor people of harmful and socially undesirable practices. Concentrated poverty is less offensive than the earlier terms because it has not achieved the same popularity as its predecessors. It is also less personalistic; it blames the aggregation of poverty on a mob-like critical mass, not the poor themselves.

Unless social scientists begin their research with political agendas, they are not responsible for how their scientific concepts are used politically. They should, however, consider possible misuses of their concepts before they put them on paper or into the computer. Another possibility is to so qualify the concepts that they are less easily toyed with. Unnecessary neologisms should be avoided and researchers encouraged to depend on older and time-tested concepts that have not been misused by policy makers and politicians.

They should also renounce concepts when they are subsequently misused, as Wilson (1991) did, for example, when he announced publicly that he would stop using the underclass concept. If public policy rests on or includes misused concepts, social scientists who have employed these concepts ought to be protesting their misuse, as well as the policies in which the misuses took place (Steinberg 2010).

This issue is not hypothetical. Hope VI and the nationwide destruction of public housing it undertook was publicly justified in part as a reduction of concentrated poverty. Whether the concept led to the federal policy or was brought in afterward to justify the policy is an empirical question that ought to be addressed by urban historians.

Nonetheless, social scientists had invented the idea of concentrated poverty, and they should have criticized its use in policy making. All those active in concentrated poverty research should have identified and opposed the deficiencies of Hope VI.

Most funded antipoverty research is undertaken among the victims of poverty. Consequently, antipoverty researchers should be sure also to do research on their victimizers. If studies of the poor that mainly catalogue their deviations from mainstream behavior cannot be avoided, they should be accompanied by at least some observations on similar deviations among the more fortunate classes.

Poor people do not have a monopoly on blameworthy behavior. However, being poor, they are condemned to conduct it in public and thus make it visible to others, including researchers. The drug dealers that serve affluent drug addicts deliver. "White collar crime" is not committed on the street, and whatever misdeeds correlate with concentrated affluence take place behind closed doors.

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