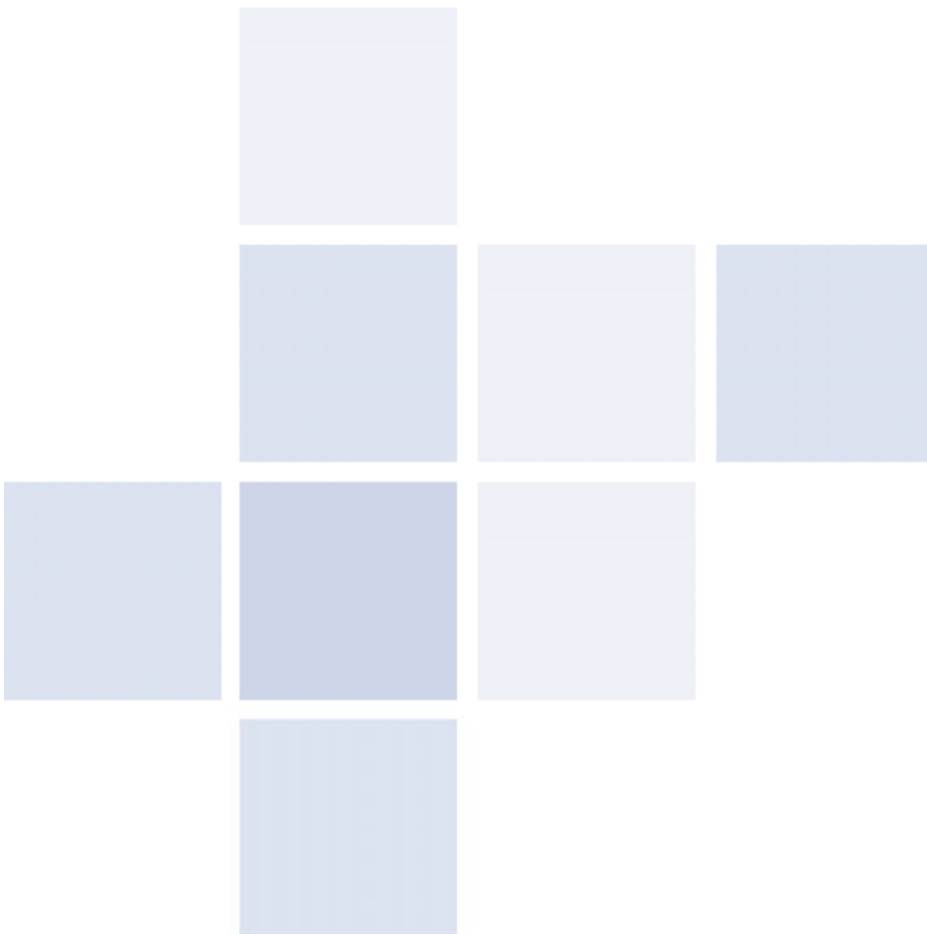




America's Racially Diverse Suburbs: Opportunities and Challenges

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I. Overview

Still perceived as prosperous white enclaves, suburban communities are now at the cutting edge of racial, ethnic, and even political change in America. Racially diverse suburbs are growing faster than their predominantly white counterparts. Diverse suburban neighborhoods now outnumber those in their central cities by more than two to one.¹ 44 percent of suburban residents in the 50 largest U.S. metropolitan areas live in racially integrated communities, which are defined as places between 20 and 60 percent non-white. Integrated suburbs represent some of the nation's greatest hopes and its gravest challenges. The rapidly growing diversity of the United States, which is reflected in the rapid changes seen in suburban communities, suggests a degree of declining racial bias and at least the partial success of fair housing laws. Yet the fragile demographic stability in these newly integrated suburbs, as well as the rise of poor virtually non-white suburbs, presents serious challenges for local, state, and federal governments.

By mid-century, the increasingly metropolitan nation that is the United States will have no racial majority. Last year a majority of the children born in the United States and nearly half of students in U.S. public schools were non-white.² Almost 60 percent of U.S. population lives in the 50 largest regions, 80 percent in its metropolitan areas. At the same time, a growing number of central-city blacks and Latinos experience apartheid levels of segregation and civic dysfunction. In comparison, integrated suburbs, despite challenges, are gaining in population and prosperity. Given these trends, ensuring successful racially integrated communities represents the best policy path for the nation's educational, economic, and political success.

Stably integrated suburbs are places where whites and non-whites can grow up, study, work, and govern together effectively. Integrated communities have the greatest success eliminating racial disparities in education and economic opportunity. While non-whites in integrated communities have seen improvements in education and employment, non-white residents of segregated urban communities are further behind than ever. In integrated communities, whites and non-whites have the most positive perceptions of one another. Integrated suburbs are much more likely to be politically balanced and functional places that provide high-quality government services at affordable tax rates than high-poverty, segregated areas. In environmental terms, they are denser, more walkable, more energy-efficient, and otherwise more sustainable than outer suburbs. They also benefit from their proximity both to central cities and outer suburban destinations.

¹ The terms “integrated” and “racially diverse” will both be used to describe municipalities and neighborhoods with non-white population shares between 20 and 60 percent. At the municipal scale, this broad measure may mask segregation at smaller scales, undermining the use of the term “integrated.” However, the municipality is also the dominant scale for the local housing and land-use policymaking that is most likely to affect integration and segregation rates. School policy (through school districts) is also often pursued at roughly this scale. Thus, while many of these municipalities are likely to be segregated at neighborhood scales, policy-making institutions—city councils or school boards, for instance—are much more likely to be integrated. In addition, if a municipality meets the criterion, this means that local policy institutions exist at scale large enough to fruitfully pursue integrative policies. The use of the term at the neighborhood scale, defined as a census tract for the purposes of this work, is much less problematic, as census tracts are generally much smaller than municipalities.

² Sabrina Tavernise, “Whites Account for Under Half of Births in U.S.,” *New York Times*, May 17, 2012.

These communities also reflect America's political diversity. On average, they are evenly split between Democrats and Republicans, and are often the political battlegrounds that determine elections. They are more likely than other suburbs to switch parties from one election to another and, as a result, often decide the balance of state legislatures and Congress as well as the outcomes of gubernatorial and presidential elections.³ Policy makers could pay a political price for failing to connect with "swing" voters in these integrated suburban communities.

Yet, while integrated suburbs represent great hope, they face serious challenges to their prosperity and stability. Integrated communities have a hard time staying integrated for extended periods. Neighborhoods that were more than 23 percent non-white in 1980 were more likely to be predominately non-white⁴ by 2005 than to remain integrated. Illegal discrimination, in the form of steering by real estate agents, mortgage lending and insurance discrimination,⁵ subsidized housing placement, and racial gerrymandering of school attendance boundaries, is causing rapid racial change and economic decline. By 2010, 17 percent of suburbanites lived in predominantly non-white suburbs, communities that were once integrated but are now more troubled and have fewer prospects for renewal than their central cities. Tipping or *resegregation* (moving from a once all-white or stably integrated neighborhood to an all non-white neighborhood), while common, is not inevitable. Stable integration is possible but, it does not happen by accident. It is the product of clear race-conscious strategies, hard work, and political collaboration among local governments. Critical to stabilizing these suburbs is a renewed commitment to fair-housing enforcement, including local stable-integration plans, equitable education policies and incentives that encourage newer, whiter and richer suburbs to build their fair share of affordable units.

If racially diverse suburbs can become politically organized and exercise the power in their numbers, they can ensure both the stability of their communities and the future opportunity and prosperity of a multi-racial metropolitan America.

II. The Pattern of Diversity

A. Residential and School Segregation

America is one of the most racially, ethnically, and economically diverse nations on earth. According to the Bureau of the Census, America will have no single racial majority in its

³ Myron Orfield, *American Metropolitcs: The New Suburban Reality* (Washington D.C.: Brookings Institution, 2002), 155-72; Myron Orfield and Thomas Luce, *Region: Planning the Future of the Twin Cities* (Minnesota: University of Minnesota Press, 2010), 273-92; John B. Judis and Ruy Teixeira, *The Emerging Democratic Majority* (New York: Scribner, 2002), 69-117; David Brooks, *On Paradise Drive* (New York: Simon and Schuster, 2004), 1-15.

⁴ For the purpose of this study predominately non-white is defined as more than 60 percent non-white.

⁵ In part because there is no equivalent to HMDA data for insurance, far less is known about insurance than mortgage lending. See Greg Squires and Sally O'Connor, "The Unavailability of Information on Insurance Unavailability and the Absence of Geocoded Disclosure Data," *Housing Policy Debate* 12, no. 2 (2001): 247.

IV. Opportunities and Challenges

A. Opportunities

In the new multi-racial America, diverse suburbs now represent the best hope for realizing the dream of equal opportunity. The population of racially diverse suburbs in the 50 largest metropolitan areas is now greater than the combined population of the central cities in those metros. These integrated communities and neighborhoods offer the best chances to eliminate the racial disparities in economic opportunity that have persisted for decades. They offer the most equal access to good schools and a clear path to living-wage employment for all their residents. They are the places where whites and non-whites have the best relations and the most positive perceptions of one another. They offer the best chances for people of color to participate and succeed in the educational and economic mainstream.

Scholarly evidence on the benefits of school integration highlights the importance of integrated communities. Extensive research literature documents that racial and economic segregation hurts children and that the potential positive effects of creating more integrated schools are broad and long-lasting. The research shows that integrated schools boost academic achievement (defined as test scores, attainment (years in school and number of degrees) and expectations), improve opportunities for students of color, and generate valuable social and economic benefits including better jobs with better benefits and greater ease living and working in diverse environments in the future. Integrated schools also enhance the cultural competence of white students and prepare them for a more diverse workplace and society.

Attending racially integrated schools and classrooms improves the academic achievement of minority students (measured by test scores).¹⁹ Since the research also shows that integrated schools *do not* lower test scores for white students, they are one of the very few strategies demonstrated to ease one of the most difficult public policy problems of our time—the racial achievement gap. Other academic benefits for minority students include completing more years of education and higher college attendance rates. Long-term economic benefits include a tendency to choose more lucrative occupations in which minorities are historically underrepresented.²⁰

¹⁹ Russell W. Rumberger and Gregory J. Palardy, “Does Segregation Still Matter? The Impact of Student Composition on Academic Achievement in High School,” *Teachers College Record*, 107, no. 9 (2005): 1999-2045; Roslyn Arlin Mickelson, “Segregation and the SAT,” *Ohio State Law Journal*, 67 (2006): 157-99; Roslyn Arlin Mickelson, “The Academic Consequences of Desegregation and Segregation: Evidence from the Charlotte-Mecklenburg Schools,” *North Carolina Law Review*, 81 (2003): 1513-62; Kathryn Borman et al., “Accountability in a Postdesegregation Era: The Continuing Significance of Racial Segregation in Florida’s Schools,” *American Educational Research Journal*, 41, no. 3 (2004): 605-31; Geoffrey D. Borman and N. Maritza Dowling, “Schools and Inequality: A Multilevel Analysis of Coleman’s Equality of Educational Opportunity Data” (paper presented at the annual meeting of the American Educational Research Association, San Francisco, CA, 2006).

²⁰ R. L. Crain and J. Strauss, “School Desegregation and Black Occupational Attainments: Results from a Long-Term Experiment” (Center for Social Organization of Schools, 1985); Goodwin Liu and William Taylor, “School Choice to Achieve Desegregation,” *Fordham Law Review*, 74 (2005): 791; Jomills H. Braddock and James M. McPartland, “How Minorities Continue to be Excluded from Equal Employment Opportunities: Research on Labor Market and Institutional Barriers,” *Journal of Social Issues*, 43, no. 1 (1987): 5-39; Janet Ward Schofield,

Integrated schools also generate long-term social benefits for students. Students who experience interracial contact in integrated school settings are more likely to live, work, and attend college in more integrated settings.²¹ Integrated classrooms improve the stability of interracial friendships and increase the likelihood of interracial friendships as adults.²² Both white and non-white students tend to have higher educational aspirations if they have cross-race friendships.²³ Interracial contact in desegregated settings decreases racial prejudice among students and facilitates more positive interracial relations.²⁴ Students who attend integrated schools report an increased sense of civic engagement compared to their segregated peers.²⁵

Diverse suburbs recommend themselves in many other ways as well. In general, they show many fewer signs of social or economic stress than central cities and non-white segregated suburbs—the other community types with significant numbers of minority households. They offer higher incomes, lower poverty, better home values, and stronger local tax bases (Table 2). They also show many characteristics associated with economic and environmental sustainability—they are denser, more likely to be fully developed (and therefore more walkable) and to be located in central areas (offering better access to transit), and are home to more jobs per capita than predominantly white suburbs or exurbs (Table 1 and Maps 3 – 8). Additionally, revitalizing and redeveloping these communities through increased density, walkability and transit is more environmentally sustainable than the all-too-common practice of abandoning these areas in favor of new, low-density, automobile dependent communities built on greenfield land. Finally, diverse suburbs are politically mixed, providing the potential for meaningful political participation and limiting the risks associated with dominance by a single party.

“Maximizing the Benefits of Student Diversity: Lessons from School Desegregation Research,” in *Diversity Challenged: Evidence on the Impact of Affirmative Action* (Cambridge, MA: Harvard Education Press, 2001): 99; Orley Ashenfelter, William J. Collins, and Albert Yoon, “Evaluating the Role of *Brown vs. Board of Education* in School Equalization, Desegregation, and the Income of African Americans,” *American Law and Economics Review*, 8, no. 2 (2006): 213-248; Michael A. Boozer et al., “Race and School Quality Since *Brown v. Board of Education*,” *Brookings Papers on Economic Activity (Microeconomics)* (1992): 269-338.

²¹ Jomills H. Braddock, Robert L. Crain, and James M. McPartland, “A Long-Term View of School Desegregation: Some Recent Studies of Graduates as Adults,” *Phi Delta Kappan*, 66, no. 4 (1984): 259-64.

²² Maureen Hallinan and Richard Williams, “The Stability of Students’ Interracial Friendships,” *American Sociological Review*, 52 (1987): 653-64; Richard D. Kahlenberg, *All Together Now* (Washington, D.C.: Brookings Institution Press, 2001), 31.

²³ Maureen Hallinan and Richard Williams, “Students’ Characteristics and the Peer Influence Process,” *Sociology of Education*, 63 (1990): 122-32.

²⁴ Thomas Pettigrew and Linda Tropp, “A Meta-Analytic Test of Intergroup Contact Theory,” *Journal of Personality and Social Psychology*, 90 (2006): 751-83; Melanie Killen and Clark McKown, “How Integrative Approaches to Intergroup Attitudes Advance the Field,” *Journal of Applied Developmental Psychology*, 26 (2005): 612-22; Jennifer Jellison Holme, Amy Stuart Wells and Anita Tijerina Revilla, “Learning through Experience: What Graduates Gained by Attending Desegregated High Schools,” *Equity and Excellence in Education*, 38, no. 1 (2005): 14-24.

²⁵ Michal Kurlaender, John T. Yun, “Fifty Years After *Brown*: New Evidence of the Impact of School Racial Composition on Student Outcomes,” *International Journal of Educational Policy, Research and Practice*, 6, no. 1 (2005): 51-78.

B. The Challenge of Resegregation and Economic Decline

Resegregation is the primary challenge facing many diverse communities and neighborhoods. Many currently integrated areas are actually in the midst of social and economic change—change that is often very rapid. Integrated communities in the United States have a hard time staying integrated for more than ten or twenty years, and many communities that were once integrated have now resegregated and are largely non-white. The process is driven by a wide variety of factors, including housing discrimination, inequitable school attendance policies, and racial preferences shaped by past and present discrimination.

Data for municipalities and census tracts clearly show the vulnerability of integrated neighborhoods to racial transition. Table 3 summarizes racial transition in municipalities in the 50 largest metropolitan areas between 2000 and 2010. In just 10 years, 160 of the 1,107 communities (16 percent) classified as diverse in 2000 made the transition to predominantly non-white. A similar percentage of predominantly white municipalities made the transition to diverse.²⁶

Table 3
Racial Transition in Suburban Municipalities: 2000 to 2010

| <u>2000 Classification</u> | <u>2010 Classification</u> | | | <u>Total</u> |
|----------------------------|--------------------------------|----------------|----------------------------|-----------------|
| | <u>Predominately Non-white</u> | <u>Diverse</u> | <u>Predominately White</u> | |
| Predominately Non-white | 309 (99%) | 3 (1%) | 0 (0%) | 312 (100%) |
| Diverse | 160 (16%) | 838 (82%) | 19 (2%) | 1,017 (100%) |
| Predominately White | 0 (0%) | 527 (18%) | 2,482 (82%) | 3,009 (100%) |
| Total | 469 | 1,368 | 2,501 | 4,338 |

Sources: 2000 and 2010 Censuses of Population.

²⁶ Table 1 does not show exurbs. Since exurbs are defined by urbanization rate in 2000 in both years—2010 urbanization data are not yet available—none made the transition to another classification during the period.

Neighborhood (census tract) data for a longer period provide better indicators of how vulnerable integrated areas are to racial transition. Table 4 summarizes the data for racial transition in census tracts in the 50 largest metropolitan areas for the period between 1980 and 2005-09.²⁷ It shows how neighborhoods of all types changed during the 1980s, 1990s, and 2000s. Neighborhoods that were integrated in 1980 were much less stable than predominantly white or predominantly non-white neighborhoods. More than a fifth (21 percent) of the census tracts that were integrated in 1980 had crossed the 60 percent threshold into the predominantly non-white category during the 1980s. Another 28 percent of them had made the transition by 2000 (more than doubling the total to 49 percent). By 2005-09, only 56 percent of the neighborhoods that had been integrated in 1980 had become predominantly non-white. Another four percent became predominantly white during the period, leaving only 40 percent of the 1980 integrated neighborhoods in the 2010 integrated category.

The analysis also shows that once a neighborhood makes the transition to predominantly non-white it is very likely to stay that way. Predominantly non-white neighborhoods were, by far, the most stable group—93 percent of neighborhoods that were in this group in 1980 were still predominantly non-white 25 years later.²⁸ This highlights how rare another often-cited risk to traditional minority neighborhoods—gentrification—actually is. Contrary to widespread fears of gentrification, the data clearly show that once a neighborhood becomes predominantly non-white it virtually never reverts to predominantly white. Just two census tracts out of the nearly 1,500 that were predominantly non-white in 1980 became predominantly white in the next three decades, and only seven percent of them became diverse. Similarly, only four percent of diverse neighborhoods became predominantly white during the period. If gentrification involves bringing more middle-income family households into previously segregated neighborhoods then metropolitan America actually needs much more gentrification, not less. Indeed, in most cases, it could just as aptly be called “urban racial reintegration” rather than “gentrification”.²⁹

²⁷ The most recent data with census tracts boundaries consistent with earlier years are from the Census American Community Survey, which reports averages for the period from 2005 to 2009 for census tracts. Census tracts in the more recent 2006-2010 data are not contiguous with earlier years and cannot be used for this comparison.

²⁸ The percentage was even higher in central cities—94 percent of 3,647 census tracts that were predominantly non-white in central cities in 1980 were still non-white in 2005-09. By 2005-09, central cities had 5,876 census tracts qualifying as predominantly non-white, compared to 4,697 in suburbs. At the same time, they had only 3,426 diverse tracts compared to 8,196 in suburbs.

²⁹ At the same time, there are a few significant cases (at least in large cities like New York, San Francisco, Washington D.C., Chicago) where the racial composition of traditionally black neighborhoods have become whiter and if not predominantly white, then different enough to create real animosities. See generally, Bruce Norris, *Clybourne Park: a Play* (New York: Faber and Faber, 2011); Nathan McCall, *Them* (New York: Washington Square Press, 2004).