# Segregation by Design: Local Politics and Inequality in American Cities

**By Jessica Trounstine** University of California, Merced Fear ruled everything around me, and I knew, as all black people do, that this fear was connected to the Dream out there, to the unworried boys, to pie and pot roast, to the white fences and green lawns nightly beamed into our television sets.

Ta-Nehisi Coates, Between the World and Me, p28

## Introduction

City services sustain, prolong, and even save lives. In the latter half of the 19<sup>th</sup> century, urban populations and economies were booming. But so too were their filth, their disease, and their divisions. By 1900, infectious and parasitic diseases killed nearly eight in every thousand residents; accounting for more than 45% of all deaths (Tippett 2014) and more than 60% of deaths in children (Guyer et al 2000).<sup>1</sup> In some cities, 30% of babies would not live to celebrate their first birthday (Meckel 1990). But, between 1900 and 1940, the overall mortality rate in the United States declined by 35%<sup>2</sup> (Linder and Grove 1947) and the infectious disease mortality rate declined by 75% (CDC 1999).<sup>3</sup> Estimates indicate that between one quarter and one half of this decline can be attributed to the development of public water and sewer systems. Systems that were financed, built, and maintained not by the federal or state governments – but by cities.

Across the United States local public works significantly reduced outbreaks of diseases like cholera, typhoid fever, diarrheal diseases, and malaria (Cutler and Miller 2006, Troesken

<sup>&</sup>lt;sup>1</sup> Pediatrics. 2000 Dec;106(6):1307-17. Annual summary of vital statistics: trends in the health of Americans during the 20th century. Guyer B1, Freedman MA, Strobino DM, Sondik EJ.

<sup>&</sup>lt;sup>2</sup> Total mortality declined from 17 per 1,000 persons to 11 per 1,000 persons.

<sup>&</sup>lt;sup>3</sup> http://www.cdc.gov/mmwr/preview/mmwrhtml/mm4829a1.htm#fig1

2004).<sup>4</sup> Over time, the growth of municipal fire and police forces, street cleaning and refuse disposal, childhood vaccination and physical examination programs, regulation of food supplies, and the implementation of building codes all worked to prolong life expectancy (Condran and Cheney 1982, Haines 2001, CDC 1999).

But, such benefits were neither inevitable nor universal. Although all major cities would eventually come to provide basic services, development was uneven. Nearly fifty years separated the delivery of water in Philadelphia and Boston (Cutler and Miller 2005). At the turn of the 20<sup>th</sup> century some cities spent as little as \$100 per resident on services and others more than \$900. And, from the beginning poor and minority neighborhoods received fewer and lower quality services. They were less likely to be connected to sewers, less likely to have graded and paved streets, or benefit from disease mitigation programs.<sup>5</sup>

Today, the quality of public goods in the United States remains highly variable. Some people have access to good schools, well-paved and plowed roads, sewers that never overflow, public parks with swing sets and restrooms, adequately staffed police and fire forces, and clean water. Others do not have access to these resources. As the epigraph by Coates illustrates, the availability of the American Dream for some, has for the entirety of American history, depended crucially on the denial of that Dream to others.

<sup>&</sup>lt;sup>4</sup> It is important to note that the dramatic improvement in mortality from water and sewer systems required the development of filtration and treatment techniques, which were not immediately available when the systems were first built.

<sup>&</sup>lt;sup>5</sup> This book explores race and class divisions in local politics and residential locations. There are many ways one might go about defining these groups. As explained in more detail in Chapter 1, I focus on divisions between whites and nonwhites, and homeowners and renters. I use the terms minority and nonwhite interchangeably. I also use the terms black and African American interchangeably.

The quality of services one experiences in the United States is largely a function of the neighborhood in which a person resides. When the poor and people of color are concentrated in residential locations apart from wealthy and white residents we say that a place is segregated. It is segregation that permits unequal access to public goods and service. Yet, the extent of segregation varies from place and to place, and everywhere has changed dramatically over time. This book asks how segregation becomes entrenched and why it's form changes. My answer is local politics. I argue that white property owners' preferences have been institutionalized through the vehicle of local land use policy, shaping residential geography for more than 100 years. In the early part of the 20<sup>th</sup> century – when cities began their rapid ascent, local governments systematically institutionalized racist and classist approaches to the maintenance of housing values and production of public goods. They created segregation. These institutions persist, narrowing options for residents, creating and recreating inequality today.

Between 1890 and 2010 the spatial scale of residential segregation along race and class lines increased (Logan et al 2015, Reardon et al 2009, Lee et al 2008). In the late 1800s, whites and people of color, renters and owners, poor and wealthy, were separated from each other in small clusters, so that residential segregation occurred block-to-block. By the middle of the 20<sup>th</sup> century segregation patterns had transformed; residents became segregated neighborhood-to-neighborhood. Throughout the post-war period, segregation between whole cities arose as the nation suburbanized. In recent decades, this city-to-city segregation has remained remarkably persistent despite decreasing neighborhood segregation. Because political representation is geographically determined, these changing patterns have had profound political consequences – generating opportunities for exclusion and increasing polarization. Local governments have been instrumental in driving and shaping these patterns.

Striving to protect property values and access to high quality public goods for white property owners, local governments have generated segregation along race and class lines. The result has been stark inequalities in access to good schools, safe streets, clean water, and many other public goods and services. Segregation is *not* simply the result of individual choices about where to live. Neither racial antipathy nor economic inequalities between groups are sufficient to create and perpetuate segregation. The maintenance of property values and the quality of public goods are collective endeavors. And like all collective endeavors, they require collection action for production and stability. Local governments provide this collective action. So, supported by land-oriented businesses, white homeowners have backed a succession of maneuvers to keep their property interests and public benefits insulated from change even as cities have grown, aged, redeveloped, suburbanized, and adjusted to industrialization. Battles over the control of urban space have always been the primary driver of city politics. At stake is the quality of life accessible to residents and markets available to commercial interests. The result has been *Segregation by Design*.

## Cherry Hill and Camden

An example from Southern New Jersey is illustrative. Camden and Cherry Hill, New Jersey are similarly sized cities, both just across the Delaware River from Philadelphia. Camden is home to two superfund (toxic waste) sites; Cherry Hill is home to none.<sup>6</sup> In Camden only 1.7% of state roads had good pavement in 2004<sup>7</sup> compared to 35% in Cherry Hill.<sup>8</sup> Camden has

<sup>&</sup>lt;sup>6</sup> https://www.epa.gov/superfund/search-superfund-sites-where-you-live

<sup>&</sup>lt;sup>7</sup> http://www.state.nj.us/transportation/works/njchoices/pdf/camden.pdf

<sup>&</sup>lt;sup>8</sup> Personal communication with New Jersey Department of Transportation. The NJDOT provided data from the NJDOT Pavement Management System by email. Available from the author by request.

22 combined sewer overflow outfalls (where raw sewage and storm water may be released to the surface during wet weather), while Cherry Hill has zero. Camden offers no e-waste recycling and no yard waste collection; Cherry Hill provides both. In 2012, Camden's water supply ran so low that residents were required to boil water for consumption and were prohibited from watering their gardens.<sup>9</sup> Cherry Hill has a clean, plentiful water supply. The Cherry Hill Public Library has more than 400,000 circulating materials, more than 300 adult programs and classes, and 67 public computers.<sup>10</sup> In 2011, Camden shuttered the doors of its main library and handed control of the remaining two small branches to the county.<sup>11</sup> Cherry Hill offers 63 recreational facilities (parks, art centers, tennis courts, etc.) for its residents and supports 13 different swim clubs.<sup>12</sup> Camden has 25 parks and 8 community centers.<sup>13</sup> Between 2007 and 2012, Camden's city budget declined by about \$245 per resident, while Cherry Hill's increased by about \$12 per capita. Clearly, living in Camden is unlike living in Cherry Hill. So, how did Cherry Hill and Camden get to be so different?

The story begins with a focus on Camden at the turn of the century. Although Cherry Hill was incorporated as a municipality in 1844, like most would-be suburbs, it remained a small, undeveloped agricultural community in the first few decades of the 20<sup>th</sup> century. But in 1900, Camden had a population of nearly 76,000 residents. The city boasted 55 miles of sewers, 79 miles of water mains, and about 38% of the city's streets were paved; figures that suggest that

<sup>&</sup>lt;sup>9</sup> http://www.nj.com/news/index.ssf/2012/06/camden\_residents\_advised\_to\_bo.html

<sup>&</sup>lt;sup>10</sup> http://www.chplnj.org/about/documents/2015%20Annual%20Report%20-%20FINAL.pdf

<sup>&</sup>lt;sup>11</sup> http://www.nj.com/news/index.ssf/2011/02/main\_branch\_of\_camden\_public\_l.html

<sup>&</sup>lt;sup>12</sup> http://www.cherryhill-nj.com/Facilities

<sup>13</sup> http://ecode360.com/8508679

Camden's development was right in-line with national averages. Also similar to other cities, were Camden's level of race and class segregation, which was generally low. By the turn of the century, Camden was home to two well-established free black communities: Fettersville and Kaighnsville (Garwood 1999). Established in the 1830s and 40s, these communities were comprised of small lots, affordable to people of modest incomes, many of whom were African American (Garwood 1999). One of Fettersville's neighborhood churches, the Macedonia African Methodist Episcopal Church, was a stop on the Underground Railroad (Garwood 1999). Although the majority of Camden's black residents lived in Fettersville and Kaighnsville, both neighborhoods were predominately populated with white, working-class residents.

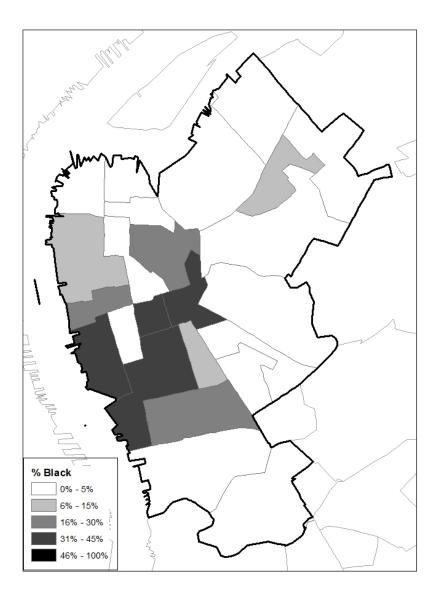
According to the 1900 Census, the wards representing Fettersville and Kaighnsville were about a quarter African American. For a city in which African Americans only comprised 8% of the total population, it is clear that blacks were not evenly spread across the city. But, the extent and scale of black segregation would increase dramatically over time, climbing more than 50% in the first half of the 20<sup>th</sup> Century.

In 1930, Camden was a bustling central city. It had more than 118,000 residents and spent nearly \$950 (in 2012 dollars) per capita on municipal expenditures – well above the national median. Cities with high levels of service provision, like Camden, were more likely to have high property values, high tax rates, and high rates of homeownership compared to cities with smaller city budgets. And they were much more likely to be early adopters of land use regulations because they were more invested in protecting these high values and good services, and ensuring that both were delivered to the residents with the most political power – white property owners. Camden first authorized zoning in 1928 and like other early zoning adopters, moved quickly to ensure that land use policy was used strategically to "conserve[e] the value of

property," and protect the interests of white home-owning residents (Cunningham 1965). Thus, from early in the 20<sup>th</sup> Century, Camden's segregation was state-sponsored.

Figure 1 shows that by 1940, the black concentration exceeded 50% in the central part of the city, even though African Americans only made up 11% of city residents.

Figure 1: Segregation in Camden, 1940



After generating this segregated community, Camden's city government proceeded to underprovide services to and locate public nuisances in its black neighborhoods (Helzner 1968<sup>14</sup>, Silvotti 1968<sup>15</sup>).

As was the case for many large cities, the stress of the Great Depression left Camden with an enormous burden of vacant and uninhabitable properties, a disproportionate number located where black residents lived (Housing in Camden, 1942)<sup>16</sup>. And, so Camden became one of the earliest recipients of federal slum clearance and public housing funds in the 1930s (Pommer 1978). In 1938, two public housing complexes were erected – one for whites and one for blacks. When the program was expanded in the 1940s two more projects were built; also segregated. Unsurprisingly, the projects were placed in communities based on the demographics of their occupants, and the neighborhoods around each became increasingly segregated (Williams 1966a<sup>17</sup>). Later, when Interstate 95 was run through the city, "an attempt [was] made to eliminate the Negro and Puerto Rican ghetto areas," destroying parks and homes, and increasing density in the remaining segregated black and Latino neighborhoods (New Jersey State Attorney General report, quoted in Rose and Mohl 2012, p108).

So it was, that the creation of Camden's segregated neighborhoods echoed the creation of segregated neighborhoods throughout the United States. Camden city government used zoning laws, the placement of segregated schools and public housing, and slum clearance to create and

<sup>&</sup>lt;sup>14</sup> Helzner, Gerald, Camden Courier-Post, March 7 1968, p 13

<sup>&</sup>lt;sup>15</sup> Silvotti, Bert, Camden Courier-Post, March 18, 1968

<sup>&</sup>lt;sup>16</sup> http://www.dvrbs.com/hacc/CamdenNJ-HousingAuthority.htm

<sup>&</sup>lt;sup>17</sup> Camden Courier-Post, June 8, 1966

enforce residential segregation between whites and Africans Americans, as well as between renters and homeowners.

Starting around the time of the Second World War, the city faced desegregation pressures on a number of different fronts. As of 1944, no black children attended white elementary schools in Camden, despite a state level anti-segregation law that had been passed in 1881 (Wright 1953, Jensen 1948). When the National Association for the Advancement of Colored People (NAACP) sued the district, officials responded that black parents had simply not requested attendance at their neighborhood schools. So, the NAACP took out ads in the Camden Courier Post to convince parents to do just that. In 1947, hundreds of black children enrolled in previously all-white schools (Wright 1953).

School desegregation was just one of the first of many signs of racial transition in Camden. In 1951, the city witnessed its first biracial contest for city council when Dr. Ulysses S. Wiggins, the president of the Camden NAACP Branch, was nominated on the Republican ticket (Chicago Defender April 21, 1951). He lost, but in 1961, Elijah Perry became the city's first African American city council member (Riordan 1996<sup>18</sup>). In 1954, the New Jersey Supreme Court ordered public housing to be desegregated and the first black families moved into white buildings in 1966 (Williams 1966a, Williams 1966b<sup>19</sup>). In 1969 and 1971, the city erupted in violent race riots, touched off by police brutality against black and Latino residents.

Compare this tumultuous history with that of the little hamlet of Cherry Hill. In 1940, Cherry Hill had a population just under 6,000 residents; 91% of whom were white and 9% who

<sup>&</sup>lt;sup>18</sup> Riordan, Camden Courier Post, February 2, 4B

<sup>&</sup>lt;sup>19</sup> Camden Courier-Post, June 9, 1966, p17

were black. <sup>20</sup> Not only small, the city was economically weak, having defaulted on its bond obligations and been placed in receivership by the state government during the Depression (Shay v Delaware 122 N.J.L. 313, 316 (N.J. 1939), Cammarota 2001). But after the war, while housing and schools in Camden were integrating, Cherry Hill's population and economy exploded, as was true of suburbs throughout the nation.

Drawn to places like Cherry Hill by the attractiveness of low-cost, federally insured mortgages, the development of new homes and new employment opportunities in outlying communities, and easy commuting along newly built federal highways, the nation suburbanized and white homebuyers moved to the periphery (Jackson 1985, Nall 2017). During the 30-year period following WWII, Cherry Hill witnessed a tenfold population increase, while Camden lost 13% of its residents.

Figure 2 shows the share of the total population living in rural areas, central cities, and suburbs over the 20<sup>th</sup> century. The graph reveals that the pace of suburbanization increased sharply during the postwar period so that by 1970, a plurality of the population lived in suburbs.<sup>21</sup> The homeownership rate increased at the same time. This latter fact explains the driving force behind exclusionary zoning adopted by suburban communities. White homeowners in places like Cherry Hill, intent on raising property values and maintaining

<sup>&</sup>lt;sup>20</sup> <u>http://lwd.dol.state.nj.us/labor/lpa/census/2kpub/njsdcp3.pdf;</u> Camden Historical Society scan\*\*\*\*

<sup>&</sup>lt;sup>21</sup> Rural here refers to population outside of any metropolitan area. A suburb is an area inside of a metropolitan area, but outside of the central city. City refers to the central cities of metro areas.

https://www.census.gov/prod/2002pubs/censr-4.pdf p33;

https://www.census.gov/hhes/www/housing/census/historic/owner.html

exclusivity in their public schools, aggressively shaped the future of their residential communities.

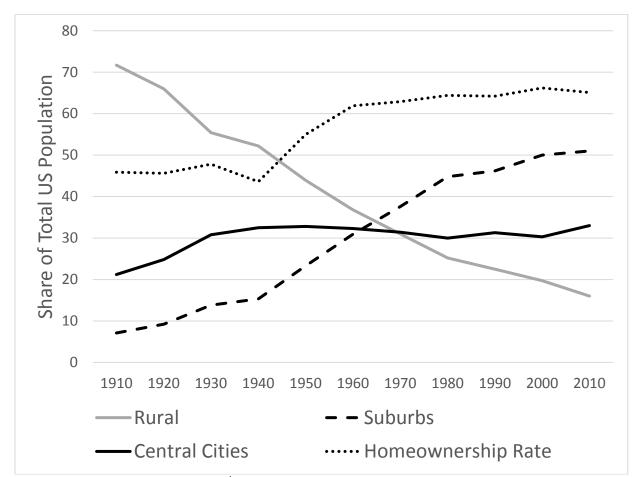


Figure 2: Share of Total U.S. Population Living in Different Types of Places

Sources: Demographic Trends in the 20<sup>th</sup> Century, Census 2000 Special Report; Population Reference Bureau: Reports on America, 2011; Housing Characteristics, 2010 Census Brief

As Camden rushed to utilize more than \$30 million in federal redevelopment funds to revitalize its flagging urban center, Cherry Hill was busy implementing zoning restrictions that effectively prohibited the development of low-or even moderate-income housing (Cammarota 2001). These economic zoning practices effectively kept out people of modest incomes, but also maintained the racial homogeneity of the city and schools. In 1975, black residents of Mount Laurel, New Jersey (a suburb close to Cherry Hill both geographically and demographically) along with several local chapters of the NAACP, won a class action lawsuit challenging Cherry Hill's type of exclusionary zoning. As a direct result of this decision, Cherry Hill was required by the state to zone for thousands of low-income housing units. The city declined to do so. As of 2015, Cherry Hill continued to face litigation for its failure to zone for affordable housing.<sup>22</sup> As is true in many places throughout the United States, exclusionary economic zoning cannot be disentangled from race. One activist argued "many residents carried racist feelings about affordable housing, fearing it would attract poor blacks and Hispanics."<sup>23</sup>

Figures 3 and 4 reveal how segregation between Camden and Cherry Hill changed between 1970 and 2010.

<sup>&</sup>lt;sup>22</sup> <u>http://www.cherryhill-nj.com/DocumentCenter/View/2562</u>, page 8;

<sup>&</sup>lt;sup>23</sup> <u>http://articles.philly.com/1989-09-10/news/26101167\_1\_bloat-prosperity-sewers-and-roads</u>

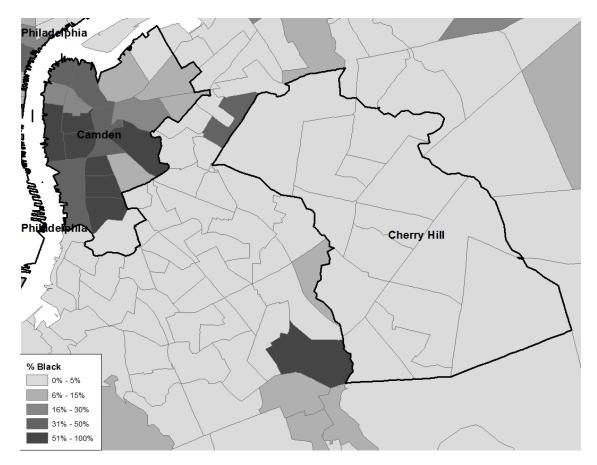
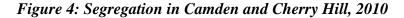
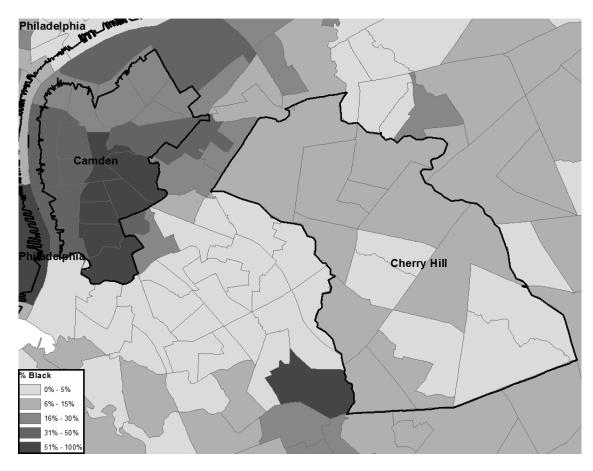


Figure 3: Segregation in Camden and Cherry Hill, 1970





In 1960, Camden was 76% white. This had declined to 60% by 1970. The maps show that although Camden's population of color had grown, in 1970 the city still had several exclusively white neighborhoods. These white neighborhoods had *completely* disappeared by 2010. In 2010, a greater share of segregation occurs between Cherry Hill and Camden than within them.

Those who left Camden during the postwar period and those who moved to Cherry Hill were largely white, middle-and upper-class. As of 2014, about 39% of Camden's population owned their homes, 5% were white, and the annual median household income was \$26,000. In Cherry Hill, 80% owned their homes, 75% were white, and the median household income was

\$89,500.<sup>24</sup> In 2012, per capita taxes in Cherry Hill were double Camden's. Camden simply cannot afford to offer the services that Cherry Hill provides.

But it is important to note that no one could have predicted the vast inequality between Camden and Cherry Hill in 1900 or even 1940. Indeed, Camden would have seemed poised to remain a regional economic engine and home to the area's premier amenities. Writing in 1886,

George Prowell proclaimed

could the first settlers upon the site of [Camden] now look upon the industry and energy that have asserted their power in the rumble of ponderous machinery, the whistle of the high-spirited iron horse, the hum and whir of revolving wheels, the stately magnificence of some of the public institutions, the comfortable homes and beautiful streets and the improvements in the modes of life and living, they would feel gratified that their children's grandchildren...are so bountifully favored in this land of freedom and independence. p407

Today's segregation along race and class lines between Camden and Cherry Hill, and the resulting inequality in access to public goods was produced by local public policy. It is a pattern that was replicated many times over throughout the United States, driven by white property owners' obsessive concern with property values and public goods, and carried out by local governments.

In the early decades of the 20<sup>th</sup> Century, homeownership rates in the United States were already much higher than in many other advanced democracies. In 1914, 10% of households in the United Kingdom owned their homes (House of Commons Research Paper, 1999). In the United States the figure was about 45%.<sup>25</sup> Even as of the late 1940s homeownership rates for France and Germany were only about 31% and 27% respectively (Kohl 2014). For most families, the home was (and is) the single largest component of household wealth (Knoll et al

<sup>&</sup>lt;sup>24</sup> <u>http://www.census.gov/quickfacts/table/PST045215/3410000,3400712280,00</u>

<sup>&</sup>lt;sup>25</sup> https://www.census.gov/hhes/www/housing/census/historic/owner.html

2014). Not only homeowners, but all property owners, land-oriented businesses (like real estate agencies), and local governments reliant on property taxes, had a strong incentive to protect and enhance the value of property. In a world of limited resources, they also had a strong incentive to politically control the distribution of public goods increasingly offered to city dwellers.

Yet, homeownership and political power were not equally available to all urban residents. In 1900, the homeownership rate among whites was more than double the rate among blacks (Collins and Margo 1999). Chinese and Japanese immigrants were barred from owning property completely in many states, and everywhere the vast majority of blacks, Asians, and Latinos were prohibited from voting (Keyssar 2000). Thus, as America became an urban nation, it was white property owners who dictated the policies of local governments. They used their power to pursue segregation. White economic advancement was built on the backs of people of color. By invoking the power of land use regulation and zoning, city governments promoted the generation of property wealth through segregation and unequal allocation of resources, institutionalizing prevailing race and class hierarchies.

In cities across the country, "Chinatowns" (McWilliams 1964, p105), Sonoratowns (Torres-Rouff 2013, p139) and "Darktowns" (Silver and Moeser 1995, p130) were walled-off by public policy and violence condoned by police. Local governments then systematically underinvested in these neighborhoods, denying them adequate sewers, paved roads, garbage collection, or public health initiatives. By the onset of the Second World War, city governments had become proficient segregators. When millions of dollars were spent renewing and rebuilding urban communities, segregation was reinforced and deepened.

The consequences are irrefutable. Segregation causes higher poverty rates for blacks and lower poverty rates for whites (Ananat 2011), lower high school and college graduation rates

among blacks (Cutler and Glaeser 1997), higher imprisonment rates (Burch 2014), and higher rates of single-motherhood among blacks (Cutler and Glaeser 1997). Segregated neighborhoods differ significantly with respect to "crime, poverty, child health, protest, leadership networks, civic engagement, home foreclosures, teen births, altruism, mobility flows, collective efficacy, [and] immigration" (Sampson 2012, p6). These differences, Patrick Sharkey (2013) explains, are "*not* attributable primarily to factors that lie within the home or within the individual," but rather to the <u>place</u> itself, passed down from generation to generation (p21).

Neighborhood disadvantage is also causally related to black/white income inequality, lack of employment stability among blacks, and larger gaps in cognitive skills between blacks and whites (Sharkey 2013). Cohen and Dawson (1993) show that neighborhood poverty undermines blacks' attachment to and involvement in the political system. Chapters in this book reveal that segregation leads to racial political polarization and underfunding of public goods. Cumulatively, these results suggest that both growing up and living in disadvantaged places, while not wholly determining one's fate, leaves little margin for error. "Mobility out of the poorest neighborhoods," Sharkey (2013) says "may be even less common than mobility out of individual poverty" (p35). Perversely, home ownership for people of color in this environment can serve to limit mobility rather than enhance it. These inequalities, Sampson tells us are, "durable and multiplex but not inevitable or natural" (p99). They were created by local policy.

In the first half of the 20<sup>th</sup> century, advantaged and disadvantaged neighborhoods resided within the political boundaries of large central cities. In the second half of the century, when the suburbs captured most of the population growth, the physical, and more importantly political, distance between advantage and disadvantage widened. Today, the most advantaged places are located outside of central cities altogether so that disadvantaged residents have no direct role to

play in decisions about building affordable housing, expanding public transportation, or diversifying schools. In these advantaged places development is restricted and residents are politically conservative; they vote at higher rates for Republican presidential candidates, support low taxes, want limited spending, and see inequality as the result of individual failings.

#### Contributions to Existing Literature

Several seminal theoretical works in the local politics literature have, simply put, ignored the centrality of race and racism in the generation of local politics, policy, and outcomes. In Who Governs, perhaps the founding tome of the field, Robert Dahl (1961) argues that city politics is inherently pluralistic. Influence in local politics is diffusely distributed and policy outcomes are the result of varied, competing interests. "Whenever a sizable minority...is determined to bring some question to the fore," Dahl claims, "the chances are high that the rest of the political stratum will soon begin to pay attention," (p92). In a detailed case study of New Haven, Connecticut, Dahl finds power in the vote. Equality at the ballot box trumps social and economic inequalities. Dahl asserts that, "in comparison with whites, Negroes find no greater obstacles to achiev[ing] their goals through political action," (p294). Segregation by Design reveals this to be a profoundly untrue statement. Inequality is embedded in the very fabric of cities and is produced and reproduced through the political process. While Dahl was conducting his research, the New Haven city government was busy shoehorning black residents into segregated neighborhoods. In 2011, New Haven was the still most segregated city in Connecticut.

In his famous treatise on the limits of city politics, Paul Peterson, also fails to analyze the ways in which inequality is baked into the structure of cities. Peterson argues that housekeeping services (e.g. police and fire) are "widely and proportionately allocated," (p45). In the

neighborhoods where property is more valuable, he says "one also characteristically finds lower crime rates, less fire damage, and cleaner streets." Peterson claims that these disparities are not the result of differential efforts by city departments, but rather, the function of "environmental variables influenced more by local government zoning laws," (p45). Yet, nowhere in the book does Peterson probe his own claim that local land use policy provides the backdrop for the entire endeavor. As a result, the inequalities that land use policy creates are never interrogated.

Instead, Peterson claims that all city residents share a unitary interest in "maximiz[ing] their economic position," (p 29). More specifically, Peterson means that "what is good for business is good for the community," (p143). Peterson argues that policies that enhance the local economy (e.g. developmental policies) are consensual. He says they are "opposed only by those few whose partial interests stand in conflict with the community interests," (p41). Peterson draws on the case of urban renewal to make this point. Indeed, it was the case that more vigorous pursuit of urban renewal increased property values, income, and population in the aggregate (Collins and Shester 2013). But at what cost? Thousands of homes were destroyed. Hundreds of neighborhoods razed. These burdens were not borne universally; they disproportionately impacted people of color and the poor (Anderson 1964, Wilson 1966). This was not accidental or unintentional. Decisions about which neighborhoods to clear and which to protect were made by the same set of interests, with the same goals, that had designed residential segregation in decades past. In Peterson's telling of events, when disrupted communities protested the bulldozers of slum clearance, it was *they* who acted selfishly, while the proponents of urban renewal acted on behalf of the community.

Peterson is certainly not the first theorist to conflate white property-owners' interests with the interests of the whole. In *City Politics*, Banfield and Wilson (1966) argued that conflict in

cities was rooted in a fundamental struggle between the "public regarding" Anglo-Saxon Protestants and "private-regarding lower-class" immigrants (p329). By their account, when city governments pursued policies for white native-born residents it was for the good of the whole, in contrast to immigrants who demand favors and benefits to be enjoyed by *their* group. Similarly, the municipal Progressive Reform movement was premised on the notion that reform goals were equivalent to the city's interest (Bridges 1997). Every institutional change (e.g. nonpartisan elections, city manager form of government, at-large elections) promoted by reformers had an eye toward amplifying the power of those who supported reform and silencing the opposition (Trounstine 2008). Reformers justified their approach by claiming that city politics was a nonideological realm, one in which the needs of the community could be straightforwardly addressed by a-political public servants. But giving policy making authority to unelected bureaucrats did not eliminate underlying divisions in municipal politics; it simply served to magnify the voice of some residents over others. Reform rhetoric was a strategic move that legitimated white property owners' claims while de-legitimating the claims of renters, the working class, and people of color. It is no accident that "residents of Anglo, middle-class neighborhoods were both [reform's] beneficiaries and its strongest supporters," (Bridges 1997, p11). If city policy were actually universalistic as Peterson and the reformers claimed, white property owners would have had no need to fortify suburban land use regimes in face of rising black power or school desegregation orders from the federal government as chapters in this book reveal.

Another giant in the field of urban politics, Clarence Stone, brings race front and center in his analysis of coalition politics (Stone 1989). In Atlanta, the site of Stone's research on urban regimes, black votes are needed by politicians to win election, and so, black elites can bargain

for desirable policy outcomes. But, the real power remains in the hands of those with the private resources to govern: typically the business community. Yet, Stone fails to consider *why* those with the resources to govern are nearly always white, why they are overwhelmingly owners of property, why those who are constrained to bargain are people of color, and how these regularities are at odds with a political system in which, formally speaking, all citizens are granted the same rights and duties.

Other scholars have written profoundly and extensively about the role of race and class in city politics (e.g. Gosnell 1935, Pinderhughes 1987, Browning, Marshall, and Tabb 1986, Jones-Correa 1998, Kaufmann 2004, Owens 2007, Shaw 2009, Hajnal 2010). What I add to these conversations is a link between the political economy drivers of local politics as distilled by Dahl and Peterson and the fundamental role of race and (to a lesser extent) class in animating the choices of residents and political actors. In so doing, I follow in the footsteps of scholars like Adolph Reed (1999) and Lester Spence (2015) who argue that local development imperatives and protections of economic markets have driven social inequalities. My work builds on these approaches by offering broad, empirical evidence that the protection of property values and public goods motivate local land use policy, and generate inequality and polarization.

This book also contributes to a number of dense literatures including work focused on segregation, public goods, attitudes toward outgroups, and political inequality. Although a great deal has been written on each of these topics, very little research engages more than one of these areas. For instance, Tiebout's (1956) seminal article arguing that consumer-voters pick communities which best satisfy their preferences for public goods ignores the role of race, segregation, and inequality in these choices and is silent about the ways in which public goods packages are developed. In order for anyone to vote with her feet, she must first find a place to

live. We cannot understand sorting (either to obtain a tax/public goods bundle or avoid other racial groups) until we understand the ways in which housing choices, property values, and neighborhood character are structured by local governments.

Other scholars (Alesina et al 1999, Hopkins 2009) show that diversity drives down collective investment in public goods, but do not consider the ways that geo-spatial arrangements might affect this relationship. I show that diversity alone does not undermine public goods provision. It is only when cities are also segregated along racial lines that we see this effect. I argue that segregated places are politically-polarized places. The gulf between whites and minorities in segregated places makes it less likely that they will find common ground in support of a bundle of taxation and expenditures, driving down collective investment. It is segregation, not diversity that contributes to inequality.

Still others have shown that whites' desire for homogeneity has played a role in generating racial segregation between cities and school districts (Reber 2005, Baum-Snow and Lutz 2011, Boustan 2010). However, these works largely ignore the political mechanisms by which such preferences are realized (e.g. the development of zoning policies).<sup>26</sup>

Outside of (excellent) case studies focused on one to two metropolitan areas at a time (Danielson 1976, Hirsch 1983, Sugrue 1996, Kruse 2005, Lassiter 2006, Kraus 2000), to date most of the research analyzing the relationship between segregation and public policy has focused on national level programs like the Federal Housing Administration underwriting guidelines (Jackson 1985) or the Home Owners Loan Corporation neighborhood investment

<sup>&</sup>lt;sup>26</sup> Baum-Snow and Lutz analyze the effect of school district desegregation orders on suburbanization. So, while they focus on the effect of a public policy, they are not concerned with policies that intentionally aided segregationist preferences.

ratings (Hillier 2005).<sup>27</sup> With such far reaching effects, the focus on these programs has been well placed, but has tended to obscure considerable subnational variation; and while the case studies offer invaluable historical detail, they are unable to provide evidence of broader patterns of the effect of local policies on segregation. In short, although scholars have documented changing patterns in racial and class segregation, they have not demonstrated the ongoing role of city politics and local service policy in creating segregation and growing inequality. I show how patterns of local service delivery, zoning laws, and other local policies not only mirrored patterns of segregation but also drove them – not only in the pre-civil rights era, but also in recent decades.

Although many scholars have suggested that segregation across neighborhoods or between cities and suburbs fosters inequalities in access to public goods (Massey and Denton 1993, Burns 1994, Dreier et al 2004), very little research offers systematic evidence of this intuition.<sup>28</sup> Other scholars have carefully documented the pernicious effects of segregation on

<sup>&</sup>lt;sup>27</sup> Important exceptions include Rothwell (2011) who analyzes the effect of low density zoning on metropolitan area racial segregation and Dreier et al (2004) who suggest (although they do not provide direct evidence) that zoning and redevelopment affect economic segregation across cities. Cutler, Glaeser, and Vigdor (1999) find support for a theory of "collective action racism" prior to 1970. They show that housing prices for equivalent quality housing were higher for blacks than for whites implying that whites acted collectively to limit black housing choices. However, the authors do not provide any analysis of the types of collective action in which whites engaged beyond speculating that restrictive covenants and racial zoning may have played a role. Importantly, Cutler et al do not distinguish between collective actions that occur in the public versus private realm.

<sup>&</sup>lt;sup>28</sup> An important exception is Troesken (2001) who provides direct evidence of the relationship between segregation and public goods inequalities. He shows that cities with racial segregation were more likely to generate unequal access to municipal water and sewer connections in the late 19<sup>th</sup> and early 20<sup>th</sup> centuries.

individual level outcomes (Ananat 2011, Cutler and Glaeser 1997), but have not offered a direct link between these outcomes and allocation of public goods. I offer quantitative and qualitative data showing that segregation across both neighborhoods and cities allows governments to disinvest in poor and minority communities and this produces unequal access to public goods. These results help to explain why social mobility is tied to place, as scholars like Sharkey (2013) and Sampson (2012) find, and demonstrate the consequences of public policy and segregation for larger patterns of inequality.

Much of the work investigating the determinants of segregation (both within cities across neighborhoods, and within regions across cities and suburbs) argues or assumes that the important driver of racial segregation is prejudice – that is, attitudinal predispositions toward racial and ethnic minority groups. This is an insufficient account. It is insufficient first because racial segregation has not declined as precipitously as one would predict given dramatic changes in overt expressions of racism. I argue that the institutionalization of prejudice through local public policy makes segregation more rigid. Second, pure prejudice does little to explain the rise of class segregation. I argue that if we understand segregation as a mechanism to protect public goods and property values, increasing class segregation is predictable. Finally, a pure prejudice account leaves unexplored the basis for these predispositions. I argue that beliefs about the acceptability of different demographic groups as neighbors (e.g. what we might take to be pure prejudice) were influenced by the distributions of public goods and battles over those distributions decades ago.

Contrary to some scholars' conclusion that the core problems of segregation have been alleviated, I show that segregation persists, that segregation has grown across cities, and that

local government policies continue to play a central role in perpetuating segregation.<sup>29</sup> White, wealthy Americans are still trying to segregate themselves. And local governments still tend to invest more toward whites and the wealthy. I build this argument through eight substantive chapters and a conclusion that considers omissions from the book and forecasts the path forward.

#### **Chapter Summaries**

Chapter 2 provides a framework for the study, describing the theory in detail and clarifying empirical predictions. Then, in Chapter 3, I provide an overview of changes in segregation and public goods spending over the course of the 20<sup>th</sup> century. I begin by providing a broad synopsis of spending between 1900 and 1940. It reveals that cities increased expenditures on street paving and lighting, refuse collection, sewers, libraries, health, education, public safety, and recreation, and increased revenue from taxes. During this early period, cities became modern service providers.

Next, Chapter 3 explores early patterns of race and class segregation. I show that racial segregation increased dramatically between 1890 and 1940 while class segregation increased marginally. It was in the cities with the largest budgets that segregation increased the most. Then, I turn to analyzing fiscal and segregation patterns between 1970 and 2011. I suggest that during this period, white property owners turned to suburbanization as their primary mechanism for protecting property values. After 1970 the dominant trend in both race and class segregation was increasing differentiation between cities. During this period, suburban governments grew

<sup>&</sup>lt;sup>29</sup> Several recent headlines make this claim "Glimpses of a Ghetto-Free Future," "Segregation Continues to Decline in Most U.S. Cities, Census Figures Show," "The End of the Segregated Century: Racial Separation in America's Neighborhoods, 1890-2010."

more intensely than central cities so that by 2011, central cities accounted for a smaller share of total metro area spending than they had in 1970.

In Chapter 4, I provide the first piece of evidence directly linking the patterns described in Chapter 3 by showing that public goods considerations drove efforts to segregate in the early decades of the 20<sup>th</sup> century. Acting in response to white homeowners and land-oriented businesses, local government policy explicitly sought to exclude people of color from white neighborhoods and poor individuals from wealthy neighborhoods. In empirical analyses I analyze the factors that encouraged the adoption of zoning laws and the role that zoning laws played in the development of race and class segregation. I find that exclusion was most adamantly pursued in cities that had become significant providers of public goods, where property taxes were high (and so, raising property values was attractive), and where political support for Progressive reform was strongest. I supplement this analysis with qualitative evidence that reveals the many factors local governments utilized to promote segregation, including strategies like the siting of segregated public goods such as parks and schools. Finally, this chapter reveals that zoning laws had their intended effect: early zoning adopters segregated more rapidly over the next several decades compared to cities without similar ordinances and zoned cities witnessed greater inequalities in housing values.

Chapter 5 documents the unequal provision of public goods that early segregation allowed. Using historical case study evidence, I show that poor and minority neighborhoods consistently received worse public amenities like road paving, and health clinics. I draw on detailed ward level data from Baltimore, Boston, Chicago, and Philadelphia to show that sewer extensions were less likely to be built in neighborhoods with higher proportions of African American and renting residents. As a result, inequality in water and sewer access was greater in

more segregated places. I show that these inequalities persisted. Using data on all tracts in all cities in the United States, I provide evidence that whites and minorities, and renters and homeowners had differential rates of access to public sewers in more segregated places in 1970, 1980, and 1990. I argue that these inequalities in service provision affected the ways in which white and wealthy residents would come to view poor and minority neighbors. Daria Roithmayr (2014) points out, "we see the strongest evidence of continuing discrimination in housing markets" (p18). This is because the roots of this bias are whites' conscious and subconscious beliefs about the effect of nonwhite and renter neighbors on property values and the quality of public goods – beliefs that were fostered by government choices at the turn of the 20<sup>th</sup> century.

Chapter 6 provides evidence of municipal policy effects on segregation in the middle of the 20<sup>th</sup> Century. By 1940, segregation was entrenched, as were the unequal allocations of public goods. But patterns would change in the post war period. In some places segregation along racial lines increased, while in others it had already begun to decline (as it would everywhere after 1970). Class segregation began a slow ascent and then leveled off. As was the case in the first time period analyzed, local public policy played a role in these patterns. I provide evidence that cities that more vigorously implemented urban renewal programs grew more segregated along both race and class lines.

The second half of Chapter 6 shows that during the 1960s and 70s, in many cities white homeowners lost the political power needed to police the borders of their neighborhoods and control the distribution of public goods. I argue that such changes made suburban living a more attractive option than living in homogenous neighborhoods within cities. I draw on varied evidence to show that the integration of public spaces and residential areas encouraged whites

and the wealthy to move to the suburbs during the postwar period, which allowed for more control over political decisions and the distribution of public goods.

Chapter 7 analyzes the negative consequences of segregation within cities. Quite ironically given early claims that segregation was the best solution to racial discord, I show that segregation is associated with deep race and class divisions that dominate city politics today. Polarization makes cooperation difficult and, I show that segregated cities have smaller city budgets and spend less on individual categories of expenditure such as roads, policing, parks, and sewers. Underinvestment means that city services do not operate well. Focusing on one measurable area of public goods provision, I demonstrate that sewer overflows are more frequent in segregated cities.

Between 1970 and 2000, the major change in segregation patterns occurred between cities. That is, neighborhoods became more racially integrated within cities, but whole cities became more racially homogenous. Class segregation across cities also increased during this period. Chapter 8 offers an analysis of the role of local political control in generating these changes. Using demographic and finance data from all metropolitan areas in the United States between 1980 and 2000, I show that larger budgets, higher spending on policing, and minority mayoral victories are associated with more segregation across city lines. Where whites maintained control they were less likely to move to the suburbs. Throughout the postwar period cities and suburbs alike moved away from explicitly racial strategies toward class based tactics, such as large lot zoning and limiting multi-family developments, to ensure segregation. I show that more restrictive zoning by suburban cities increased both race and class segregation. As a result, suburban communities made decisions that profoundly affected non-suburban residents while preventing them from participating in the decision-making process. In this context,

representative government, policy responsiveness, and political equality became hollow concepts.

In Chapter 9, I focus on the effects of segregation for national level politics. I draw on restricted-access General Social Survey data geo-coded to 1970 Census tracts to show that residents who live in neighborhoods that were whiter than the metropolitan area in 1970 are much more conservative than those who live in more integrated places. I argue that this conservatism is rooted in the battles over integration that occurred in earlier decades.

In the conclusion of the book, I pull the many pieces of evidence presented previously into a single framework and discuss what the future holds. I reiterate my main claim: local governments pursue segregation at the behest of politically powerful interests. This allows politicians to target public goods towards some residents and away from others, resulting in differential access to public goods. Segregation generates unequal political outcomes which in turn, reinforces segregation. By linking neighborhood level segregation to suburbanization, I suggest that preferences for separation have changed in form, but not intent over time. Going forward we can expect additional change. Rather than seeking residential segregation, some individuals will choose to leave the public realm altogether – relying more heavily on private provision of services like education, policing, and park space. We have some evidence that privatization has increased even as many cities have become more integrated. The drive to protect property values, ensure good schools for children, and safe streets for families has remained a powerful force. Finally, I consider potential policy solutions to these seemingly intractable problems. I suggest that the one path forward is to utilize lessons from school finance reform (e.g. Lafortune, Rothstein, and Schanzenbach 2015) to guide state governments' approach to producing more equal access to a range of local public goods. Another remedy is to

concentrate on YIMBYism (Yes-in-My-Backyard) – that is, urging integration of housing types and increased development. Undoubtedly such strategies will require intense political will; mobilization and voice in currently underrepresented communities. This is a tall order, but a more equal future depends upon it.