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### **Race, Poverty and Public Policy**

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**Race, Poverty and Public Policy**

Mary Jo Bane

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## **ABSTRACT**

Poverty rates in the United States vary dramatically by race and ethnicity, ranging from 24.3 percent for African-Americans to 8.2 percent for non-Hispanic Whites. This paper reports the contemporary data and explores the extent to which racial differences in poverty rates reflect differences in family structure and education. Finding residual differences, it the explores the importance of racial stigma, racial discrimination and racial segregation. It places these facts in the context of Catholic Social Teaching, and suggests directions for both government policy and the church.

Poverty rates in the contemporary United States vary dramatically by race and ethnicity. Table 1 tells the basic story, and poses the puzzle that I will examine in this paper.<sup>1</sup> (The poverty definition is the standard census bureau definition meant to express the minimum income that families need to live a decent life in the US. The poverty line varies by family size; the poverty line in 2003 for a family of three was set at \$14,680/year.<sup>2</sup> Racial and ethnic identifications are self reported.<sup>3</sup>) The table shows that poverty rates in 2003 for blacks and Hispanics were almost three times those for non-Hispanic whites. The task for this paper is to understand how and why these differences come about, how we should think about them in the context of Catholic social teachings, and what, if anything, might be done about them both through public policy and through our churches.

**Table 1: Poverty Rates by Race 2003**

Race	Poverty Rate	Percent of Population
All races	12.5%	
White, non-Hispanic	8.2%	62.8%
Black, alone and in combination	24.3%	13.1%
Asian, alone and in combination	11.8%	4.5%
Hispanic, all races	22.5%	14.1%

### **Understanding black and Hispanic poverty rates**

There has been a long and often acrimonious conversation in the social science and policy literature about the extent to which various aspects of black and Hispanic disadvantage

can be attributed to behavior or culture on the one hand or to structural barriers, discrimination or racism on the other. The first set of arguments tends to be characterized as conservative, the second liberal; or the first as “blaming the victim,” the second “politically correct.” These polarizations tend not to be particularly useful either for understanding the phenomena or for suggesting public or private action. I believe that both of them incorporate aspects of the truth, and that they inter-relate in complicated ways.

This paper proceeds by exploring two sets of correlates of poverty rates, family composition and education, which in one sense are behavioral choices and in another sense are conditioned by both culture and structure. It begins by focusing on family structure, especially on the differences in family structure between blacks and non-Hispanic whites. It then looks more briefly at differences in education among the different groups. These explorations lead to the conclusion that both of these correlates are important—which in itself suggests a complicated story—but also that racial and ethnic differences in poverty rates remain even when educational differences and family structure differences are set aside. The final section of the paper looks at racial stigma and segregation as possible explanations for the differences.

### **Female headed families: overall growth and racial disparities**

Table 2 compares racial and ethnic groups on selected family structure characteristics. It shows the proportions of the population by race and ethnicity that fall into five demographic/family structure groups—the elderly, non-elderly unrelated individuals, non-elderly persons in married couple families, male headed families and female headed families—and the poverty rates for the groups.

Table 2  
 Poverty Rates by Race /Ethnicity  
 And Selected Family Structure Characteristics<sup>4</sup>

	Non-Hispanic White	Black	Asian	Hispanic
Elderly				
Percent of group	14.6%	7.8%	8.3%	5.2%
Poverty rate	8.0%	23.5%	14.2%	19.5%
Non-elderly unrelated individuals and sub-families				
Percent of group	13.3%	14.1%	10.9%	10.8%
Poverty rate	18.3%	28.9%	24.3%	28.5%
Non-elderly persons in married-couple families				
Percent of group	61.6%	37.1%	67.1%	59.0%
Poverty rate	3.8%	8.3%	7.7%	17.0%
Non-elderly persons in male-headed families, no spouse				
Percent of group	3.3%	6.0%	5.1%	7.2%
Poverty rate	9.9%	23.9%	12.1%	18.6%
Non-elderly persons in female-headed families, no spouse				
Percent of group	8.8%	35.0%	8.6%	17.8%
Poverty rate	22.3%	39.6%	25.9%	39.3%

A number of findings are worth noting:

- Poverty rates for the elderly are lower than overall poverty rates for non-Hispanic whites, blacks and Hispanics. These low poverty rates for the elderly largely reflect the success of the US Social Security system.
- Non-elderly unrelated individuals—people who live alone or with non-relatives—are an important segment of the poor, especially among whites. (Individuals in unrelated subfamilies, a very small group, are included in this category for the sake of completeness.) This segment of the poor is often ignored. The poverty rates of this group and of the elderly will not be explored further in this paper.
- Non-elderly persons living in married couple families have by far the lowest poverty rates of any family structure group, across all racial and ethnic groups. The double-digit poverty rate for Hispanics in married couple families reflects differences in work, earnings and education, which will be explored later in this paper.
- Poverty rates for male-headed families with no spouse present are higher than poverty rates for married couples, but considerably lower than poverty rates for female headed families in all racial/ethnic groups.
- Female-headed families with no spouse present have much higher poverty rates than other families.
- The largest differences between blacks and whites have to do with the much higher proportions of blacks who live in female headed families with children. These differences are the focus of this section.

Both the proportion of children born into and growing up in single-parent families, and the proportion of women who are unmarried mothers grew quite dramatically from the 1960s to the mid-1990s. Both the trends and the racial differences reflect a combination of declines in marriage and in marital fertility. Social scientists have been notably unsuccessful in explaining either the trends or the racial differences. There are some differences by education. Well-educated women are more likely to postpone or eschew both marriage and child-bearing; less-educated women are equally likely to postpone marriage but less likely to postpone childbearing. Large racial differences persist, however, within categories of education.<sup>5</sup>

A second possible explanation for the trends that has generated a good deal of research has to do with racial differences in the earnings prospects of men. The logic of the explanation is that young black men are less attractive marriage partners than young white men because of higher unemployment and incarceration rates and lower earnings. Young black women are unwilling to marry men who are unlikely to make much of a contribution to the household; they prefer to form and care for families on their own. This explanation has some empirical support, and suggests a direction for policy response.<sup>6</sup> However, racial differences in marriage rates occur even among well educated and employed men; differences in employment prospects explain only a small part of the overall racial differences.

A third well-researched set of explanations for the growth of female headed families looks at the income opportunities available to women, both through work and through public transfer programs.<sup>7</sup> It seems clear that when women are more able to support themselves, through either route, they are less likely to enter or to stay in marriages that for whatever reason they find unsatisfactory. But this explanation does not go very far in explaining either trends or racial disparities. One can note, for example, that the long decline in the real, inflation-adjusted value of typical welfare benefit packages from the mid 1970s to the mid 1990s was accompanied by an increase, not a decrease, in single parent families.

With none of the popular explanations proving to have much explanatory power, it is hard to avoid the hypothesis that different community norms govern marriage and fertility behavior in black and white communities: that unmarried childbearing is more acceptable, childlessness less acceptable, and marriage less important in black communities. The existence of communities segregated by race that develop different norms is, I believe, part of the legacy of

racial stigma and racial separation that comes to us ultimately from slavery. I return later in this paper to the questions of how we understand this legacy and what we might do about it.

It is worth remembering that there are two alternatives to out-of-wedlock childbearing: one is in-wedlock childbearing and the other is no childbearing. Educated women in the US and other developed countries have increasingly chosen the latter alternative, leading to fertility rates in some countries and some population segments in this country that are well below replacement levels. Demographer Samuel Preston says: “Without the out-of-wedlock childbearing that occurs in the United States, our fertility rates would be at their (Italy, Spain and Japan) approximate level, in a range of 1.4 births per women, rather than near the replacement level of 2.1 where it currently resides.”<sup>8</sup> One can ask whether the fertility decisions of educated women in these contexts should be thought of as responsible or as selfish. And one can ask whether out-of-wedlock childbearing is a responsible choice under certain circumstances, perhaps including that the woman is mature enough to assume the responsibility for care of the child, and that she has some ability to support the child, though perhaps not at the level of affluence that would be considered responsible in the white community.

Similar questions can be raised about marriage. There is general agreement that a happy two-parent family provides the best setting for healthy child development. The benefits of two-parent families include but are not limited to economic well being, health and school performance.<sup>9</sup> Most Americans believe, and most religious traditions teach, that good marriages are important building blocks of society. So both policy and preaching that encourages and supports marriage is generally approved of. But again we must ask, what are the alternatives? Is a conflict-filled or abusive marriage better for children than a single parent family? If a woman finds herself pregnant, is a shotgun marriage preferable to single motherhood? Is either better

than an abortion? Many women, especially African American women, decide or consent to have children, but also decide that they and their children are better off in a single parent family than in the marriage that is available to them. It is not clear that they are making irresponsible or harmful decisions that society should try to change.

In raising these questions, it is important not to abandon or diminish the ideal of life-long, committed, mature marriage within which children are welcomed, cherished and raised to adulthood. Policy and preaching ought, I think, both articulate the ideal and support it in concrete ways. But a position that attempts to be both pro-life and pro-family will tread carefully so as not to make too quick or too easy judgments.

### **Poverty and single-parent families**

Female-headed families in the United States are much more likely to be poor than married-couple families. The disproportionate incidence of female-headed families and their high poverty rates are both important contributors to the higher overall poverty rates of blacks as compared to whites. On one level it is easy to understand why one-parent families have higher poverty rates than two-parent families: there is only one adult earner rather than two. But male-headed single parent families are much less likely to be poor than female headed single parent families. And even more interesting, single parent families in many European countries are much less likely to be poor than they are in the US. Using conceptually similar definitions of poverty (half the median income), Rainwater and Smeeding report poverty rates for children in single mother families of 51.4 percent in the US, 38.8 percent in the UK, 25.5 percent in the Netherlands, and 6.4 percent in Sweden.<sup>10</sup>

The differences in poverty rates, according to the analysis of Rainwater and Smeeding, result from differences both in earned income, particularly in wages (rather than overall employment or hours worked), and in transfer income. The earnings of single mothers in all countries tend to be low because they are women, because they tend to be somewhat less educated, and because they are mothers with child care responsibilities. Even within these categories, the earnings of blacks are lower than those of whites, a topic to which I will return.

In all the countries in Rainwater and Smeeding's analysis, most single parent families would be poor if earnings in the market were their only source of income. In the Nordic countries, 75 percent or more of the pre-transfer poor are moved out of poverty by transfers; in the US, only 25 percent are moved out of poverty by transfers.<sup>11</sup> Private transfers, largely child support payments, are important. Even more important are public transfers: children's allowances and parental insurance (for parental leaves) which are provided for all families with children, and means-tested cash and in-kind assistance, which are provided to poor families regardless of family structure.

There are some interesting policy differences between the US and the countries in which public transfers move more children out of poverty. First, some of their transfers, like children's allowances, are universal, going to all families regardless of income. These transfers, though generally relatively small, are important and politically popular, and carry no stigma.<sup>12</sup> Second, private transfers are expected, enforced and in some cases insured; i.e., single mothers are guaranteed support from the absent spouse, which the government both advances and collects. This too is usually a universal system, carrying no stigma. Third, means tested transfers tend to be available to all low income families regardless of family structure. In the US, the most controversial cash assistance program, AFDC now TANF, was established to provide support to

“children deprived of the support of a parent;” i.e., children in single parent families. The US has long worried about the possible incentive effects of a transfer program conditioned on single parent status, an issue which does not arise in other countries. This makes the program more contentious in the US than it is in Europe. Finally, public assistance in the US has long been perceived (to some extent correctly) as being disproportionately received by blacks. Thus the politics of public assistance are influenced by race and by racial stigma.<sup>13</sup>

A “pro-poor” stance would seem to require more generous assistance for poor families, including poor single parent families. Designing programs so that they are not only pro-poor but also pro-work and pro-family is the challenge. Welfare reform in the 1990s focused relentlessly on encouraging and requiring work, on the not unreasonable assumption that working to support children was both a moral requirement and a defining characteristic of participation in contemporary mainstream American society. It also attempted to encourage marriage, through rhetoric, new marriage encouragement programs of dubious effectiveness, and the extension of benefits to married families. Since 1996, welfare reform has been successful in dramatically reducing welfare rolls and in increasing employment of single mothers; it has been less successful in reducing poverty.<sup>14</sup>

Equally important but less noted and less controversial than welfare reform were the fairly dramatic expansions in supports for the working poor in the US during the 1990s. The Earned Income Tax Credit, an earnings supplement for low income families, expanded to become the largest federal cash assistance program. Federal spending on children’s health programs and on child care also rose.<sup>15</sup> These were important programs for all working families, including single parent families. Nonetheless, poverty rates for children, especially those living with single mothers, remained shamefully high.<sup>16</sup> The example of other countries suggests that

the US could in fact address this problem, if it chose to do so, through general policy supports for families with children.

### Racial differences and education

Racial differences in family formation and income differences by family structure do not exhaust the topic of poverty and race. Regardless of family structure, poverty rates reflect differences in employment and in earnings, which in turn reflect differences in education. Table 3 illustrates that story with data on the educational distribution within groups, the percentage working full year full time by race and education, and the median earnings for full year full time workers.<sup>17</sup>

Table 3  
Percent of Group, Percent Working Full Year Full Time  
And Median Earnings if FYFT for Persons Age 25-64  
By Race and Ethnicity 2003

	Non-Hispanic White	Black	Asian	Hispanic
Not HS graduate				
% of group	6.8%	14.9%	9.9%	39.4%
% FYFT	38.6%	34.8%	42.1%	48.7%
Median earnings FYFT	\$26,277	\$20,226	\$21,468	\$20,183
HS graduate				
% of group	31.3%	37.1%	19.7%	28.5%
% FYFT	57.6%	55.3%	58.7%	59.1%
Median earnings FYFT	\$32,142	\$26,402	\$26,232	\$26,281
Some college				
% of group	28.5%	29.2%	18.8%	19.6%
% FYFT	61.2%	50.7%	61.7%	62.7%
Median earnings FYFT	\$38,223	\$31,147	\$33,404	\$32,043
College grad +				
% of group	33.5%	18.8%	51.7%	12.5%
% FYFT	66.8%	73.4%	63.5%	66.5%
Median earnings FYFT	\$55,448	\$45,190	\$56,605	\$45,311

The table includes data on both men and women age 25-64. To some extent then, the differences in the percent working full year full time reflect differences in the extent to which women work. Nonetheless, there are some clear patterns:

- There are clear differences in the educational attainment of the four racial/ethnic groups. Whites and Asians are much more likely to be college graduates than either blacks or Hispanics; Hispanics are much less likely to have finished high school than any of the other groups. Educational differences, which partly reflect immigration status, go a long way toward explaining the lower income levels and higher poverty rates of Hispanics.
- Both the proportions working full year full time and median income for FYFT workers vary by level of education. College graduates are much more likely to work full year full time and to have higher incomes than other groups. Persons who have not finished high school are much less likely to work full year full time and tend to have lower incomes than others.
- Racial and ethnic differences in income persist, even among college graduates who are working full year full time.

It is important not to move too quickly or too easily to the simple rubric of “racial discrimination” as an explanation for these differences between blacks and whites. There are other differences in human capital between blacks and whites which could account for at least some of the differences. The most important of these may be differences in cognitive skills and academic achievement. These show up consistently in test score results, whether the test are designed to measure skills or knowledge. For example, the National Assessment of Educational Progress tests show that twelfth grade blacks (and Latinos) are on average four years behind their white and Asian classmates in reading and five years behind in math. Far higher proportions of blacks and Latinos score below the basic level of achievement on these tests than whites and Asians. Racial differences in test scores occur even in middle class communities, when income and educational levels of parents are controlled for. They almost certainly affect the employment and earnings potential of blacks.<sup>18</sup>

## **Racial discrimination**

Forty years after the civil rights movement and anti-discrimination legislation, straightforward racial discrimination—i.e., explicitly not hiring someone, or paying them less, or denying them credit simply because they are black—is much less of a problem than it was, and though there is still room for improvement in enforcement of anti-discrimination laws, the current problem is more complex and requires more subtle analysis and attention. More common now are situations in which employment decisions, to use the most relevant example to this paper, are made ostensibly, and probably actually, on the basis of characteristics that are relevant to work performance but that are to some extent correlated with race. Examples of these, in addition to cognitive skills and knowledge, are interpersonal skills in hierarchical multi-cultural situations, language abilities in standard English, predicted reliability on the job, criminal background and so on.

Glenn Loury, an African American economist, has developed several important concepts in his search for explanations of differential characteristics and outcomes by race: self-reinforcing stereotypes; discrimination in contact; and racial stigma.<sup>19</sup>

**Self-reinforcing stereotypes.** The concept of self-reinforcing stereotypes is important because it recognizes that seemingly rational, not overtly discriminatory, behavior can be part of a vicious circle with discriminatory outcomes. Suppose, for example, that employers perceive on the basis of experience that urban young black men are on average somewhat less reliable in terms of absenteeism and punctuality than other groups; they factor this perception into their assessments of prospective employees and into their supervision of the performance of workers. The young men, in turn, recognize that their absences are being scrutinized more carefully than those of other workers, and that they are less likely to be given the benefit of the doubt if they are

absent or late. This can lead them to conclude that they cannot escape these negative judgments even if they are conscientious, and may therefore become less so, thus reinforcing the employer's stereotype. These dynamics can be easily imagined in other situations as well, for example in choices about how hard to work in school.

**Discrimination in contact.** Loury also develops the concept of discrimination in contact, which he distinguishes from discrimination in contract, which refers to unequal treatment in formal transactions such as purchasing goods, obtaining credit, or receiving services from public agencies. Discrimination in contact, according to Loury, “refers to the unequal treatment of persons on the basis of race in the associations and relationships that are formed among individuals in social life, including the choice of social intimates, neighbors, friends, heroes and villains. It involves discrimination in the informal, private sphere of life.”<sup>20</sup>

Choices of friends, marriage partners, neighbors, fellow church-goers and so on are much less amenable to public control than is discrimination in contract, and rightly so. But the networks developed through informal contacts are extremely important in either reinforcing or challenging racial stereotypes, and in providing or hindering developmental opportunities. For example, it is well known that most or at least many people find out about and get jobs through informal networks; that children (perhaps all of us) define themselves and model their language and their behavior in reference to the adults they come in contact with; and that all of us adjust our stereotypes on the basis of counter-examples of people we come in contact with. Because of the importance of these informal mechanisms in shaping economic opportunities, blacks disproportionately suffer from the fact that US neighborhoods remain highly segregated by race, that black-white inter-marriage rates are very low, and churches among other associations tend also to be highly segregated.

## **Racial stigma and racial segregation**

We come to the topics of racial stigma and racial segregation from several aspects of the discussion thus far. In exploring racial disadvantage overall, Loury asks why white Americans do not seek out the information that would lead them to challenge racial stereotypes, and why informal networks that include blacks and whites are so rare. He finds an answer in racial stigma, a legacy of slavery, when blacks were neither perceived nor treated as fully human. The legacy of racial stigma, according to Loury, provides one explanation of why racial stereotypes persist and reinforce themselves; i.e., that people do not seek out new information because the behavior they perceive is consistent with their expectations. And it has structured personal relations between the races over the years, subtly influencing people to see themselves as members of different communities, neither interacting with each other nor taking full responsibility for each other.

Racial stigma is both a product and a cause of racially segregated communities, within which different expectations and norms of behavior may develop, some of them self-destructive. Racially segregated poor communities, for example, shape norms about marriage, childbearing and family formation and through them the risks of poverty. These same communities can shelter gang and criminal activity among young people, feeding into the vicious circle of self-reinforcing stereotypes that Loury describes.

Racial segregation in housing, as measured by the standard measures of dissimilarity and isolation, decreased between 1990 and 2000, and indeed reached its lowest level since 1920. But despite this welcome change, the average black in 2000 lived in a census tract that was 51 percent black. The black-non-black index of dissimilarity for metropolitan residents in 2002 was

.65, meaning that 65 percent of the blacks in metropolitan areas would have to move in order to be evenly distributed among the whites in their metropolitan area.<sup>21</sup> Others estimates suggest that only 5-10 percent of Americans live in communities that could reasonably be described as stably integrated.<sup>22</sup>

Racial stigma, rooted in racial segregation, affects perceptions, values and norms; it limits networks; it poisons politics. Racially segregated communities make it much more difficult for people to move beyond racial stigma and racial stereotypes toward a more inclusive society. They make it hard to develop a stance that neither ignores nor excuses the behavioral contributors to disadvantage, that applies the same norms of responsibility for self and others to blacks as to whites, but that, as Loury says, “discuss(es) and react(s) to them as if we were talking about our own children, neighbors and friends.”<sup>23</sup> But these goals, I suspect, are what Catholic social teachings about race are really about.

### **The challenge of racial integration**

Racial integration is not a popular cause these days. Many blacks are weary of the struggle, and resigned to accepting “separate” if it could in fact be “equal.”<sup>24</sup> They are less interested in integrating schools than in improving their quality. They are pleased with living in middle class black suburbs, where they can afford the houses and avoid the hostility or suspicion of white neighbors. Whites by and large support integration in principle, but in fact live in racially homogeneous communities. Families with children find that a search for neighborhoods with good schools and safe streets leads them to all white communities, a result which they accept. But the acceptance of segregation, while understandable, has unfortunate consequences for society, as suggested above.

Racial integration has occurred successfully in some settings. The US Armed Forces are perhaps the best example: committed to integration as a matter of necessity, they invested serious time, resources and authority into making it work. Some workplaces and universities have also successfully integrated. There are a few noteworthy communities that are stably integrated, for example, West Mount Airy in Pennsylvania and Shaker Heights Ohio.<sup>25</sup> But elementary and secondary schooling remains highly segregated. In 2001-2002, total public school enrollments in the US were 60 percent white, 17 percent black, 17 percent Latino, 4 percent Asian and 1 percent Native American. At the same time, the average white child attended a school that was 80 percent white; the average black child attended a school that was 54 percent black, 31 percent white, and 15 percent Latino and Asian; the average Latino child attended a school that was 54 percent Latino, 28 percent white and 12 percent black.<sup>26</sup> The school enrollment patterns reflect racial and economic segregation in neighborhoods. The fact that one can name the stable integrated communities suggests how rare they are.

Neighborhood racial segregation is partly a product of historical and continuing racial discrimination in housing. HUD has done studies in 1977, 1989 and 2000 of discrimination in metropolitan housing markets, conducted by sending out pairs of testers into the sales and rental markets. The testers are matched on relevant income and social characteristics but are different in race. The most recent study found lower levels of discrimination than were found in 1989. But it also found that whites were favored over blacks in 21.6 percent of the tests in rental markets; they were more likely to receive information about and be invited to inspect available units. Non-Hispanic whites were favored over Hispanics in 25.7 percent of the tests using these pairs. In tests in housing sales markets, white prospective homebuyers were favored over blacks in 17 percent of the tests; non-Hispanics over Hispanics in 19.7 percent of the tests.<sup>27</sup> The good

news is that four fifths of minority housing-seekers are apparently treated fairly. The bad news is that, especially in some metropolitan areas, discrimination in housing is still relatively common. These findings suggest that firm enforcement of housing discrimination laws remains important and that there is room for improvement.

The findings also suggest, however, that neighborhood segregation is mostly not a problem of overt racial discrimination. Mostly, it seems to come about through a combination of market sorting and perceptions of the quality of neighborhoods based on race. Upwardly mobile and middle class whites, especially when they have children, look for safe neighborhoods with good schools where they can expect their property to increase in or at least not lose value; these neighborhoods are mostly white. Middle class blacks, who aspire to the same neighborhood characteristics, find that housing costs less in black neighborhoods and that they feel more comfortable and at home in them, and can avoid white hostility and fear. Middle class whites are reluctant to move into middle class black neighborhoods not only because they feel less comfortable, but also because they perceive, to some extent correctly, that such neighborhoods are in danger of turning into less economically viable, more dangerous places. Integration can happen when some families are very brave and adventuresome, or where communities put a great deal of effort into creating stable but diverse neighborhoods. (Sheryll Cashin gives an excellent description of these processes.)

There are some policy actions that could be taken to encourage integration, for example, the siting of affordable housing in homogenous middle class communities, and the provision of housing vouchers to enable financially constrained families to move. These are important policy actions, and could make a significant difference. But change is not likely to occur unless and

until ordinary families are convinced that integration will bring benefits and not impose intolerable costs, especially on their children.

Perceptions and reality are tightly intertwined here. If healthy and concerned families believe neighborhoods will be or stay safe and stable, they will stay in, or move into, the neighborhoods, which will indeed be safe and stable. If they believe the schools will serve their children, they will work to make that happen. If they believe their neighborhood is about to change in ways that will affect the value of their property or the safety of their children, they will move, thus contributing to a process of change that will confirm their fears. What this means is that neighborhoods can to some extent create perceptions that will shape reality. The few stably integrated communities that have systematically worked to become and remain so show that shaping reality is possible, but also that it is a product of consistent hard work.

Government cannot be the only vehicle through which perceptions are shaped and integrated neighborhoods created and stabilized. Community organizations, including most especially churches, are in a good position to complement government policy. They can preach about brotherhood and sisterhood, and humanity created in the image of God, of course. They can also model the process of functioning as an integrated community, if they are integrated, or of attempting to become so, if they are not; they can model processes of working across denominational and class lines. They can provide forums through which a community comes together to articulate a vision for itself, and to work out processes of collective action through which their vision can be achieved. They can motivate and facilitate an educational process through which people come to understand how collective action and smart local policy can be formulated and put into effect.

This will be slow, unglamorous work, carried on mostly at the local level. It will be hard. And there will be no quick or easy victories. But this kind of work at the local level may provide the only route to a more inclusive and a more just society.

### **Beyond Black and White**

Thus far, I have talked about the issues of stigma and segregation only in terms of blacks and whites. But this is no longer an accurate description of America. By 2000, non-Hispanic whites were down to 72 percent of the American population, blacks and Hispanics were about 12 percent each, Asians were about 4 percent. About 10 percent of the population was foreign born. Among children, only about 60 percent of the population was non-Hispanic white. Obviously the American population will continue to become more diverse.

This diversity may make neighborhood integration both more necessary and more possible. Although Latinos and some groups of Asian immigrants are disproportionately poor, they do not carry the same stigma and history as black Americans. Latinos and Asians are much less geographically segregated than blacks, and are much more likely to intermarry with whites and with each other. The decade from 1990 to 2000 saw a decline in the proportion of census tracts that were homogeneously white, replaced largely by mixed race (i.e., not black-white) tracts. Since many metropolitan areas correctly see immigration as the mechanism through which their region will grow and thrive, they may be more open to integration efforts that encompass the entire range of diversity, not just the black-white. And the local organizations that I believe must be the prime drivers of integration may also find it easier to cope with a wider range of diversity than black-white.

## **Poverty and race**

This paper has moved, somewhat logically I hope, from a discussion of poverty to a discussion of racial and ethnic diversity. It may be worth suggesting here at the end that the problem of poverty and the problem of race, though related, are distinct. Poverty is not a condition that affects only racial minorities. And racial segregation is a legacy that our society ought to be working to overcome even if it were not causally implicated in poverty. It may also be worth noting that both problems have complex roots and that neither is amenable to easy solution. But the first step is to understand the facts, the history and the challenge and to bring our analyses and the resources of our tradition together in a commitment to work for a more inclusive and just society.

## ENDNOTES

<sup>1</sup> Table 1 reports data from the US Current Population Survey, the standard source for poverty data in the US, for 2003, the most recent year for which data are currently available. Source: U.S. Census Bureau, Current Population Survey, 2004 Annual Social and Economic Supplement. Detailed tabulations from the CPS are available on line, and are the source for the tables in this paper. <http://pubdb3.census.gov/macro/032004/pov/toc.htm>. The data in Table 1 are from Detailed Tables POV01

<sup>2</sup> Detailed Tables POV35. This is about \$13/person /day. To describe poverty in developing and transitional countries, the World Bank uses a poverty line of \$1 or \$2/person/day. I mention this to avoid confusion about the equivalence of the two lines. The poverty definition can be and has been criticized, rightly, along a number of dimensions but there is no clearly better alternative that is easy to use and allows comparability over time.

<sup>3</sup> Beginning in 2000, the Census allowed people to choose more than one racial identification. Hispanic origin is self-reported independent of race. I have chosen a set of categories which are as close as one can get to being both exclusive and inclusive: white, no other race listed, non-Hispanic; black alone or in combination; Asian alone or in combination; Hispanic of any race. (Nearly all Hispanics report themselves as either white or other race, but there is a bit of double counting of black Hispanics. This is also a bit of double counting of people who describe themselves as both black and Asian.)

<sup>4</sup> Table 2 is constructed from the data in Detailed Tables POV01 and POV02.

<sup>5</sup> David T. Ellwood and Christopher Jencks, "The Spread of Single-Parent Families in the United States Since 1960," in Daniel P. Moynihan, Timothy M. Smeeding and Lee Rainwater, editors, The Future of the Family, Russell Sage Foundation, 2004, pp. 25-65.

<sup>6</sup> William Julius Wilson, The Truly Disadvantaged, University of Chicago Press, 1987; and When Work Disappears, New York: Knopf, 1996.

<sup>7</sup> Ellwood and Jencks, pp. 44-47.

<sup>8</sup> Samuel H. Preston, "The Value of Children," in Moynihan, Smeeding and Rainwater, 2004, pp 264-265.

<sup>9</sup> Wendy Sigle-Rushton and Sara McLanahan, "Father Absence and Child Well-Being: A Critical Review," in Moynihan, Smeeding and Rainwater, 2004, pp. 116-155.

<sup>10</sup> Lee Rainwater and Timothy M. Smeeding, "Single-Parent Poverty, Inequality, and the Welfare States," in Moynihan, Smeeding and Rainwater, 2004, pp. 96-115, Table 4.1, p. 98.

<sup>11</sup> Rainwater and Smeeding, p. 105.

<sup>12</sup> The political advantages of universal programs have been well discussed by Theda Skocpol. See Protecting Soldiers and Mothers, Belknap Press of Harvard University Press, 1992, and Social Policy in the United States: Future Possibilities in Historical Perspective, Princeton University Press, 1995.

<sup>13</sup> Martin Gilens, Why Americans Hate Welfare: Race, Media, and the Politics of Antipoverty Policy, University of Chicago Press, 1999.

<sup>14</sup> For an excellent analysis of the political and policy debates over welfare reform, see R. Kent Weaver, Ending Welfare as We Know It, Brookings Institution Press, 2000. For a balanced discussion of the effects of the 1996 welfare reform legislation see Rebecca Blank and Ron Haskins, editors, The New World of Welfare, Brookings Institution Press, 2001.

<sup>15</sup> See Charles Michalopoulos and Gordon Berlin, “Financial Work Incentives for Low-Wage Workers,” in Blank and Haskins, 2004, pp. 270-290, and Robert Greenstein and Jocelyn Guyer, “Supporting Work through Medicaid and Food Stamps,” also in Blank and Haskins, 2004, pp. 335-368.

<sup>16</sup> The poverty rate in 2003 for children was 17.2 percent; for children in female-headed families 41.7 percent and for black children in female-headed families 49.1 percent. Detailed Tables POV02.

<sup>17</sup> Table 3 is calculated from data in the detailed income tables from the Current Population Survey <http://pubdb3.census.gov/macro/032004/perinc/toc.htm> These data are from Table PINC03.

<sup>18</sup> Good discussions of these issues appear in Christopher Jencks and Meredith Phillips, editors, The Black-White Test Score Gap, Brookings Institution Press, 1998; and in Stephan Thernstrom and Abigail Thernstrom, America in Black and White, Simon and Schuster, 1997, and No Excuses: Closing the Racial Gap in Learning, Simon and Schuster, 2003.

<sup>19</sup> Glenn C. Loury, The Anatomy of Racial Inequality, Harvard University Press, 2002.

<sup>20</sup> Loury 2002 pp. 95-96.

<sup>21</sup> Edward L. Glaeser and Jacob L. Vigdor, “Racial Segregation in the 2000 Census: Promising News,” Survey Series, Center on Urban and Metropolitan Policy, The Brookings Institution, 2001. <http://www.brookings.edu/es/urban/census/glaeser.pdf>

<sup>22</sup> Sheryll Cashin, The Failures of Integration: How Race and Class are Undermining the American Dream, New York: Public Affairs Press, 2004.

<sup>23</sup> Loury 2002, p. 105.

<sup>24</sup> This discussion draws extensively from Cashion, 2004.

<sup>25</sup> Cashion, 4004, chpt. 2.

<sup>26</sup> Gary Orfield and Chungmei Lee, “Brown at 50: King’s Dream or Plessy’s Nightmare?” The Civil Rights Project, Harvard University, 2004, pp. 14 and 17.

<http://www.civilrightsproject.harvard.edu/research/reseg04/brown50.pdf>

<sup>27</sup> Margaret Austin Turner et. al., “Discrimination in Metropolitan Housing Markets: National Results from Phase 1 HDS 2000,” final report to US Department of Housing and Urban Development, prepared by the Urban Institute, 2002.

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