

URBAN POVERTY AND DEFENSIVE LOCALISM

The politics of race and poverty in the United States presents something of a paradox. Throughout the past decade and a half, the nation has been obsessed with the urban minority poor. Fears about the growth of a separate, violent, and immoral culture in our nation's cities appeared prominently in the popular media. At the same time, however, there was very little in the way of a sustained national response to the problems of the minority poor in cities. President Reagan's "War on Drugs" quickly fizzled, initial enthusiasm for the 1988 reform of welfare was short-lived, and specifically urban issues all but disappeared from the national agenda.

Underpinning this curious blend of attention and neglect were two prominent features of a new politics of race and poverty. The first was a spotlight on the "underclass," conceived in behavioral terms and tied specifically to racial minorities, rather than a focus on the poor or the needy, more broadly defined. The second was a politics of "defensive localism," which aimed to reduce domestic spending by the federal government, push responsibilities down to lower levels of government, and contain the social problems associated with poverty—and their costs—within defined spatial and political boundaries.

This new politics was not explicitly organized around race, but racial antipathies were nonetheless central to its success. A politics organized around defensive localism contests our claims to be a pluralistic society: spatial divisions make the experience of diversity less frequent, racial differences become territorial

and jurisdictional divisions. When combined with reduced national responsibility, spatial location becomes a key determinant of future life opportunities. The sharpening of spatial divisions and the withdrawal of the federal government thus ultimately challenge our notions of a common citizenship.

The Politics of the Underclass

The politics of the underclass in the 1980s was a stepchild of the politics of poverty that crystallized two decades earlier. The two are not identical: the War on Poverty emphasized opportunity and sought to prepare the poor to take advantage of economic prosperity. By contrast, during the 1980s, policy makers across the political spectrum emphasized the responsibilities of the poor, and the underclass became synonymous with the "undeserving poor." Two features of poverty policy in the 1960s paved the way for this transformation. The first was a concentration on the individual attributes of the poor rather than on the economy; the second was the focus on racial minorities.

The planners of the War on Poverty emphasized the personal attributes of the poor as the crux of the policy problem. The macroeconomists who designed the original poverty programs paid very little attention to the structure of the economy, and they fended off efforts to highlight problems of underemployment and low pay. Instead, they emphasized the need to prepare the poor to take

advantage of the opportunities that the economy, properly stimulated, would produce.

In addition, those who framed the War on Poverty had little sense of how to give the program an enduring political rationale. Historian Carl Brauer quotes one of the poverty planners as arguing, "The program ought to be presented quite frankly in terms of the obligations which a prosperous majority owes to a submerged and desperately poor minority."¹ Later, President Johnson tried to provide a strong rationale for special assistance to the African-American poor on the basis of past rights denied them. But the racial focus and the preoccupation with individual attributes proved to be a volatile mix. When poverty did not disappear within a few years, as the president initially promised, it became easy for opponents of his programs to blame the poor. Political support for expanding the War on Poverty never emerged, and, as riots shook major cities across the nation, support for existing programs began to unravel.

The legacy of the 1960s fed into the discussions of the 1980s in several ways. Most centrally, it disconnected the problems of the African-American poor from the problems of other sectors of society. In popular portrayals throughout the decade, stories about individual behavior overshadowed arguments about the effects of broader social or economic trends.

In addition, the focus on the underclass helped to stifle broader debates about poverty and growing economic inequalities throughout the eighties. Most attempts to estimate the size of the underclass found it to be less than 10 percent of the poor. Nonetheless, the biggest social policy debates of the decade focused on welfare reform; the broader issues of poverty and the working poor remained on the periphery of public attention. Academic discussion about growing wage inequality in the United States and the declining wages of men with low educational levels never commanded serious policy attention.

The politics of the underclass in the 1980s rested on a thinly veiled exploitation of racial fears and antipathies. Race was a critical "wedge" issue that Republicans relied on to split Democratic constituencies. Although the

concept of the underclass was ostensibly nonracial, in practice it was clearly identified with poor urban minorities. On occasion—most notably the use of the Willie Horton advertisement in the 1988 presidential campaign—political leaders sought explicitly to arouse racial fears. For the most part, however, direct references to race were not necessary. The very organization of American politics meant that simply withdrawing the federal government from many arenas of social and economic policy reinforced and deepened racial divisions.

The Politics of Defensive Localism

The second major feature of the politics of race and poverty is "defensive localism." Changes in politics and policy during the 1980s worked to concentrate social problems within particular areas, limiting the responsibilities of more broadly charged public agencies. These changes increased the importance of local political boundaries by sharpening inequalities in public services and quality of life across jurisdictions. The clearest indicator of this politics was the abandonment of a national urban policy during the 1980s.

The politics of defensive localism, which makes localities responsible for the problems that occur within their jurisdiction, creates a self-reinforcing dynamic. As poor localities become less attractive, those who can exit do, further diminishing the pool of common resources. In this segmented world, the urban poor grow increasingly distant from the suburban majority. Not surprisingly, it becomes harder to build political support for policies that address urban poverty: the problems of the urban poor not only appear intractable, they are now fundamentally unimaginable to most Americans.

Although defensive localism has achieved a new prominence, it draws strength from features deeply embedded in American politics. Two features of American politics, in particular, tend to fragment the public sphere. The first is the power of local government; the second is the organization of social policy,

Poverty and Defensive Localism

which devolves considerable power to states and localities.

Although municipalities in the United States lack formal constitutional recognition—they exist at the discretion of state governments—they exercise substantial powers. Among the most important is control over land use. Through zoning and other measures formally meant to ensure local health and safety, localities determine what kinds of people can live and what kinds of businesses can operate within their borders.

Not only are municipalities powerful, they are relatively easy to form. Areas often split away from existing jurisdictions to form new ones. Expanding existing jurisdictions, by way of annexation or consolidation, is usually much more difficult. And chief among the many incentives to form separate political jurisdictions is the key role of local property taxes in financing public schools.

These features of American local political organization, often praised as the essence of American democracy, provide powerful incentives for well-off citizens to form separate political jurisdictions, thus shielding themselves from the economic costs and political dangers of coping with the less well-off. The impulse to separate is especially driven by racial and ethnic antipathies. Of these, racial antipathies have been by far the most durable, leading to what Douglas Massey and Nancy Denton have called “American apartheid.”² In the postwar era, these divisions have taken their most vivid form in the split between cities and suburbs.

The incentives to fragment political jurisdictions are reinforced by the organization of social policy. Critical areas of social policy—most important, housing and education—remain strongly tied to local prerogatives and capacities.

American housing policies not only failed to provide much support for city residents, they also reinforced the divisions between city and suburb. The centerpiece of housing policy, the tax deduction for interest on home mortgages, was of little use to the majority of poor urban dwellers. Perhaps most crucially, the construction of public housing remained contingent on

local acceptance; middle-class communities could and did reject publicly subsidized low-cost housing across the United States from the 1930s on.

The local provision of public education has been a cornerstone of American democracy. The quality of education remains deeply connected to local financing despite considerable expansion of state funding for education since the 1960s. As metropolitan areas have segmented by income, deep inequalities in the provision of education have emerged.

The federal government has played a dual role in the creation of defensive localism. Many of the policies enacted after World War II spurred the fragmentation of metropolitan areas and the division of citizens by income and race. At the same time, however, the federal government put into place compensatory policies to cushion the differences in resources across local political boundaries.

Washington supported suburban life by building highways, promoting automobile use, and subsidizing private homeownership, especially through the favorable tax treatment of mortgages. It also engaged in practices that encouraged racial exclusion. Most significantly, until the late 1960s, the federal government sanctioned discrimination in housing markets through rules that made it difficult to obtain federally insured mortgages in racially mixed neighborhoods. Moreover, geographic discrimination or “redlining” sent the overwhelming majority of federal home loan guarantees to the white suburbs, rather than to urban neighborhoods.

Similarly, the federal government bowed to local opposition to subsidized housing that might have promoted integration. Public housing, launched during the 1930s, remained a small program targeted to the very poor.³ Subsidized housing still comprises only about 4 percent of the American housing stock. The opposition of the building industry to public spending in this area and the local option to accept or reject subsidized housing kept it in the cities—and out of the suburbs. Moreover, localities that did build public housing repro-

duced the existing segregated housing patterns, ensuring that public housing for African Americans would be located in the already crowded and deteriorating inner city.

Together, the power of local governments and the federal underwriting of decentralization carved metropolitan areas into distinct jurisdictions defined by income and race. Cities were left to shoulder the burden of metropolitan poverty. In addition, fragmentation spurred competition to attract well-off populations and business. Cities, increasingly, were the losers in these contests.

However, several federal government programs cushioned the spatial inequalities that accompanied the suburban exodus. The urban renewal program helped local governments underwrite major physical renewals of their central business districts. In the 1960s, Democrats undertook new programs, such as Model Cities, that sought to improve the quality of life for poor urban residents. The creation of the Department of Housing and Urban Development in 1965 signaled the special place that urban aid would have at the federal level. Even with the election of Richard Nixon in 1968, federal assistance for poor localities continued. No-strings-attached revenue sharing and Community Development Block Grants enacted under Nixon used different approaches but reflected a similar sense that localities, and especially cities, required special aid from the federal government.

For Democratic presidents, helping cities was good politics. The urban vote—together with the solid South—had made up the electoral core of the national Democratic party since the New Deal. The urban vote was even more important than its size would suggest because it was an organized bloc vote that could be “delivered” by local politicians. The significance of urban interests within the party as a whole was clear in Congress, where Democrats from suburban areas in the North voted heavily in favor of aid to cities.

Demographic shifts during the 1980s contributed to the political eclipse of cities, however. In 1960 the nation’s population was evenly divided among cities, suburbs, and rural areas. By 1990, both urban and rural popula-

tions had declined, with cities becoming poorer and more minority. Nearly half the nation lived in the suburbs. The terms of partisan competition did not take long to register these changes. Republicans mobilized a distinctive suburban political identity. During the 1960s and 1970s central cities and suburbs in the North and Midwest tended to vote in similar directions; by 1980 the suburban and urban vote had split sharply, with cities remaining the only Democratic stronghold.

Policy changes in the 1980s drove deeper wedges between cities and suburbs and made it increasingly difficult for cities to address the deepening poverty within their borders. Such city-suburb splits were particularly sharp in the Northeast and Midwest, where city boundaries had been essentially fixed in the early decades of the century. But even in the more “elastic” cities of the Sunbelt, city-suburban divisions emerged in the wake of immigration by poor Hispanics and economic recession.⁴

The declining political importance of cities was reflected in the abandonment of many federal urban programs. The only programs totally eliminated during the 1980s were those that particularly benefited cities. In 1981 Congress ended the Comprehensive Employment and Training Act, which cities had used (unofficially) to bolster the ranks of their employees. General revenue sharing, which provided extra funds for localities, ended in 1986. Urban Development Action Grants were all but eliminated and subsidized housing severely cut. Overall, grants for cities were cut almost in half.

Cities fared only slightly better at the hands of the states. Long dominated by rural interests, state governments instituted reforms during the 1960s and 1970s that gave urban areas more equal representation. But by that time, suburban influence overshadowed the cities in many statehouses. Although some states compensated cities for the withdrawal of federal aid in the 1980s, others took only limited steps or actually worsened cities’ problems. State legislatures often rejected urban efforts to raise local taxes. States did

little to guide the development that continued to spur the exodus from the cities, nor did they do much to improve possibilities for cooperation across city-suburban boundaries. Toward the end of the decade, recession-strained state budgets were simply unable to provide significant aid.

Cities were left alone to shoulder the twin burden of needy populations and a precarious economic base. To attract private development, urban leaders offered tax abatements and other incentives, in the process heightening inter-jurisdictional competition, draining future tax revenues, and reducing the scope for local public action. Other strategies, such as forming special taxing authorities within cities (with a variety of names such as Business Improvement Districts), further fragmented the public tax base.

The intergovernmental transfers that had helped sustain cities during the 1960s and 1970s represented a national recognition of the special fiscal burden cities carried because of the concentrations of poor within their borders. For the most part, the transfers did not directly serve the urban poor, or even appreciably stem the flight to the suburbs, but they did provide a cushion that allowed for higher levels of public services such as libraries, police protection, and infrastructural maintenance to improve the quality of urban life. As these funds dried up, cities compensated by seeking private investment, often relying on tax abatements. This strategy increased private wealth in cities, but it precipitated a deterioration of urban public services, undermining efforts to rebuild an urban middle class and stem the further decline of the poor.

Changes in industrial structure and the location of industry also exacerbated the economic burden and political isolation of cities. The lack of metropolitan planning in the United States meant that the revolution in information technologies resulted in an extreme form of suburban sprawl. As new businesses and commercial centers appeared in suburban "edge cities," the connections between city and suburb further attenuated. In a 1991 poll, 51 percent of metropolitan New Yorkers said that events in the city had hardly any effect on

their lives (*New York Times*, December 1, 1992 and January 2, 1992).

The story of social policy decentralization, the reduction of federal aid to cities, and the divisions between cities and suburbs can all be told without mentioning race. But racial fears and antagonisms form the subtext to each of these developments. Moreover, the concentrations of poor minorities in cities meant that each of these policy decisions had devastating consequences for the largely minority urban poor. It also meant that racial concerns would affect the fate of any proposed solutions to cope with urban poverty.

The Road Ahead

Location has always been important in the United States, with its history of states' rights and a weak federal government. But we think of the period since the New Deal as an era of national policy, which created a foothold for universal social policies and sanctioned a range of federal actions that cushioned local economic differences. The spatial divisions created since the war have worked against this equalizing thrust by nurturing localistic challenges to nationalization and weakening universalizing impulses in social policy.

The sharp spatial differences we have created in the past forty years have segmented American citizenship. Thus, sixty years after the New Deal, the kind of housing, health care, education, level of personal safety, and public amenities available to citizens are highly variable across space. These basics of life are obviously of special importance in creating opportunities for young people. Our failure to remedy spatial divisions ensures the persistence of poverty across generations.

Policy debates often divide those who prefer local empowerment and those who advocate universal programs. But spatial divides ultimately frustrate both policy strategies. In a spatial context segregated by race and income, local empowerment can become a very conservative goal that allows the broader political community to concentrate social and economic problems in particular places and refuse to take responsibility for those problems. On the other

Poverty and Defensive Localism

hand, universal programs that involve more than checkwriting (as do such critical areas as health care and employment) are likely to be very uneven across place. Unless variations in resources and needs are remedied, policies will not be truly universal.

What, then, do these spatial divisions suggest for politics and policy? One option, metropolitan centralization—uniting cities and suburbs in a single jurisdiction—can be dismissed at the outset. Politically, it is a nonstarter. Moreover, large political jurisdictions, such as those found in many Sunbelt cities, are no guarantee that the interests of the poor will be addressed. In many instances smaller jurisdictions have more readily represented the interests of the minority poor. Although we might resist further fragmentation of metropolitan areas, the difficulties associated with centralization make it an unattractive strategy. Rather than seeking to erase existing jurisdictional boundaries, we should aim to create economic and social links across jurisdictions, so that boundary lines become less salient.

The goal should be to reduce the great differences in quality of life and life opportunities across place. The policy debate often frames this as a choice between assisting people or places. This is a false opposition. Reducing spatial differences entails mixing

people up more by jurisdiction and strengthening the poor communities that now exist. But it also requires a third strategy: the need to build a variety of links among different communities.

We need to build more connections across place to reduce isolation and expand opportunities open to the minority poor, even as we use universal policies and community strengthening to reduce the salience of place, creating the “weak ties” that provide a culturally diverse society with some coherence. This goal has implications for how we design policies: job training should encourage crossing current spatial divisions; community development should not aim for “self-sufficiency” but should deliberately link inner-city entrepreneurs with wider markets; transportation and job information systems must reconnect cities and suburbs.

Such measures will not by themselves end poverty or transform racial problems. But they do interrupt the logic of defensive localism, which has simultaneously increased the isolation of the poor and frustrated policy efforts to address urban poverty. We need to change the way Americans talk and think about the needs of the minority poor; rekindling the nation’s will to address urban poverty will not only help the poor, it is also an essential part of rebuilding the sense of national community and public purpose that is now deeply eroded. □

Notes

¹ Carl M. Brauer, “Kennedy, Johnson and the War on Poverty,” *Journal of American History* 69 (June 1982):110.

² Douglas Massey and Nancy A. Denton, *American Apartheid* (Cambridge, Mass: Harvard University Press, 1993).

³ There were some exceptions, where state governments

supplemented the federal program. The most outstanding case is New York, where public housing accommodates a sizable working-class population.

⁴ Elastic cities is the term used by David Rusk, *Cities without Suburbs* (Baltimore, Md.: Johns Hopkins Press, 1993).