

# The Complexity of Segregation: Why it Continues 30 Years After the Enactment of the Fair Housing Act

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This year marks the 30th anniversary of the Fair Housing Act of 1968, a law of critical importance to eliminating segregation in housing. To better explain the progress that has been made with respect to the issue of segregation, it is useful to place the Fair Housing Act in the context of other 1968 events including the release of the Kerner Commission report on race relations in the United States and Stanley Kubrick's science fiction movie, *2001: A Space Odyssey*.

How does the movie *2001* relate to fair housing or race relations? Those who saw *2001* when it opened three decades ago were amazed that the spaceship's computer could receive voice commands, talk, and even learn. Many thought the technology presented in that movie was pure imagination and would never be achievable. Although computers still lack the personality of HAL and space flight remains rudimentary compared with that in the film, our technology far surpasses that of 1968. Today, we have telescopes that enable us to peer millions of light years into space and to see the formation of whole new galaxies. Millions of pieces of information are carried at the speed of light on cables the size of a human hair.

We are engaged in a project to map the entire human genome with the prospect that, one day, human beings might literally be customized in terms of their height, muscle structure, hair and eye color, resistance to diseases, and even basic behavioral patterns.

Beyond voice-controlled computers, sophisticated experimental software now enables a user to give commands to a computer by "thinking" them. And even more unbelievable is the fact that scientists have already begun to create life from inanimate objects! Thus we have achieved scientific advancements far beyond those imagined in the 1960s.

How ironic that we have mastered technological advancements that seemed impossible only 30 years ago, but we still have so much difficulty dealing with one another as equal human beings.

It is ironic because at the time of the Kerner Commission's insightful report in the 1960s, which both frightened and inspired the Nation to action, the Fair Housing Act was only one of the many initiatives launched with the realistic, foreseeable goal of ending historic and entrenched segregation. Yet despite all the money spent and laws passed during the past three decades, racial segregation remains a firmly rooted fixture of our social landscape.

Certainly, we have made important progress in reducing segregation in the United States. But segregation is a complex issue that does not lend itself to simplistic analyses and easy solutions. As a result, further progress in eliminating segregation—particularly in those circumstances where it is most entrenched—will require more than just the elimination of discrimination. Here, I will argue three points:

- The Fair Housing Act was not designed to address segregation directly, so its ability to further promote integration, particularly where it is most intransigent, is limited.
- Current Federal housing programs aimed at reducing segregation have had only modest influence on segregation. Yet even if Federal housing subsidies were redirected to help low-income minority households move to non-Hispanic White communities, those programs still would not have a significant effect on segregation.
- Government-supported initiatives to reduce segregation must address segregation directly, and not just discrimination.

## Segregation Is a Complex Issue

There are many ways to measure segregation, including measures of the evenness of segregation, measures of exposure, measures of concentration, measures of centralization, and measures of clustering. These measures address geography only, and they do not address the social dimension of segregation.

Without a social context, the terms *segregation* and *integration* lose much of their meaning. For example, if segregation were solely a geographical issue, the Deep South during the period of slavery could be considered a place of significant integration. Yet few of us would consider slaves on a plantation as an integrated living arrangement. Therefore, we need a measure of segregation that captures social interaction so that we can better distinguish between communities undergoing integration and communities in transition to resegregation.

In years, racial segregation has been accompanied by significant levels of concentrated poverty. The combination of concentration of the poor and racial segregation is associated with a variety of severe negative social pathologies, including high rates of violent crime, drug abuse, incidence of high school dropouts, and teen pregnancy.

These problems greatly compound the difficulties of promoting integration because they fuel the negative stereotypes of the larger society toward Blacks and further reinforce the desire of Whites to remain segregated. Therefore, our measures of segregation should also reflect this concentrated-poverty aspect of segregation.

We generally think of segregation as an outcome of discrimination. But while discrimination promotes segregation, segregation also promotes discrimination. Policies that aim only to end current discriminatory actions will not fully end segregation. As long as people are motivated to segregate, they will find ways to achieve their goal.

Although discrimination plays an important role in supporting segregation, discrimination does not have to be overt or blatant to produce segregated outcomes. This situation occurs

in part because discrimination can become institutionalized in policies, practices, and procedures and continue long after the desire or motivation to discriminate has faded. This aspect of discrimination makes both discrimination and segregation difficult to tackle because the discriminatory actions may not be explicit or intentional; that is, individuals are not necessarily aware that their actions are discriminatory.

Because the term *discrimination* is so strongly associated with overt, blatant, and intentional actions, the mere suggestion that discrimination might exist in an institution's practices, policies, or procedures can generate enormous animosity, if not open hostility. The difficulty of even broaching the subject of discrimination can greatly inhibit productive conversations on ways to eliminate both discrimination and segregation.

Understanding people's perceptions about segregation and integration is critical to understanding how best to achieve integrated communities. But perceptions are dynamic, and they need to be examined from a variety of angles. A single question may miss critical information. Several recent attitude surveys suggest that White perceptions about living in integrated neighborhoods have improved significantly during the last three decades. For example, a 1992 study (Farley et al., 1993) indicated that only 4 percent of Whites surveyed said they would move out of a neighborhood that was 7 percent Black. That proportion jumped only to 15 percent when Whites were asked if they would move out if the neighborhood became 20 percent Black.

This positive finding was reversed, however, when the question was asked from a slightly different perspective. When White households were asked if they would move into a neighborhood that was as little as 7 percent Black, more than a one-fourth said no. And more than one-half said they would not move into a neighborhood that was 20 percent Black. The critical finding is that only 15 percent would move out if the community became 20 percent Black, but more than one-half said they would not move in if the community was 20 percent Black. If White households are unwilling to move to integrating or integrated communities, those communities will re-segregate over time. The concern by White households not to be outnumbered by Blacks greatly complicates integration initiatives.

In fact, this fear can lead to perverse outcomes in pro-integration initiatives. For example, the more successful a program is in helping minority households move to White or integrated neighborhoods, the more likely it is that those predominantly White neighborhoods will "flip" and become predominantly minority or re-segregated.

There is some debate as to whether segregation is by definition a negative outcome that should be eliminated in every case. One reason for this lack of consensus is that not all segregated living arrangements are bad. In many circumstances racially or ethnically separate living arrangements are very positive environments for residents and have no meaningful negative spillover effects on individuals outside those segregated communities.

Segregation can reinforce close-knit societies and provide a supportive environment to residents. It can help preserve cultural heritage and build children's sense of self-respect and dignity. In many communities, particularly in ethnic enclaves, it can reduce such challenges as language barriers and provide a social network for people to find jobs, acceptance, and responsibility.

Failure to recognize the diverse forms of segregation can result in miscommunication. In this case, individuals who are focused on the positive aspects of some manifestations of segregation may implicitly endorse all forms of segregation, even that which results from the use of discriminatory practices or causes an inequitable distribution of public goods.

## Some Improvements Have Been Made

Dissimilarity measures are a form of evenness measure and are the most commonly used measures of segregation in the United States. Dissimilarity indices measure the proportion of minority group members who would have to relocate to achieve an even racial or ethnic distribution of households across a metropolitan area. The higher the measure, the greater the degree of segregation.

At the time the 1968 Fair Housing Act was passed, virtually every major U.S. city had a dissimilarity measure of 85 or more with the measure of 100 being complete segregation and 0 being complete integration. By 1990, that number had fallen to 69, but this improvement has not been shared equally across all metropolitan areas. Larger metropolitan areas have higher levels of dissimilarity than do smaller ones. For areas of more than 1 million in population, the index in 1990 averaged 72. For areas of less than 500,000, it averaged 54. And for areas between 500,000 and 1 million, it averaged 64.

In addition, there were significant variations by city. For example, Detroit had a measure of 88, Chicago 86, and Milwaukee 83. At the same time, Orlando, San Diego and Phoenix had measures of 60, 58, and 50, respectively. Although size did count, it was not always the determining factor of the level of segregation: New York had a dissimilarity measure of 82 while Los Angeles had a measure of 73.

With the significant removal of discrimination from the housing markets, two factors appear to lead the way toward promoting higher levels of integration: (1) a metropolitan area's growth rate and (2) the number, size, and location of its older, established communities.

Rapid population growth creates the development of many new communities that do not have entrenched exclusionary views toward minority residents. Moreover, rapid growth creates an atmosphere of change and makes small numbers of minorities in a community less of a concern to White households.

Conversely, established White enclaves tend to have well-defined borders, and their residents may feel a stronger sense of loyalty to their neighbors. The result is that in the event they sell their homes, they may be more willing to engage in discrimination to protect their former community from the perceived threats to its stability by minority households.

Moreover, older, entrenched White neighborhoods that border segregated Black communities also tend to reinforce segregation because Black households are forced to move significantly further away from their current communities to achieve integration.

The size of an area's minority population also has a powerful influence on segregation. A relatively small minority population poses less of a perceived threat to primarily non-Hispanic White communities experiencing in-migration of Black households. And because in such a community a stream of Black households is less likely to follow initial minority pioneers, White households are less likely to flee the area as it receives its first minority households. The result is more integrated areas.

## The Impact of Federal Programs on Segregation

Neither subsidies to individuals to offset the cost of rent nor grants and loans to construct low-income housing units have had much success in eliminating segregation. To the contrary, a common critique of virtually all Federal low-income housing production programs is that they have promoted segregation and concentrated poverty. Public housing, in particular, has concentrated and isolated the poorest of the poor in many of the Nation's most racially segregated and economically disenfranchised communities.

The movement of many public housing authorities away from large, concentrated public housing developments toward smaller scale developments scattered across a city or metropolitan area is one way in which integration is being attempted today. Unfortunately, many areas, particularly suburban communities, remain hostile to public housing. These communities are generally able to stifle attempts at integration through a variety of land use and regulatory measures. In addition, very few dollars are available for new construction of any type of unit.

The primary program that provides vouchers to low-income households to secure shelter in private-market rental housing is the Section 8 program. Section 8 has had only limited, if any, success in promoting integration. To the extent that Section 8 recipients must rely on the private market for eligible units, Section 8 tenants are no more likely than nonsubsidized households to penetrate discriminatory market barriers and find rental accommodations in integrated living environments. In fact, given the many rules related to landlord participation in the Section 8 program, subsidized households are less likely to find integrated living accommodations than those who can pay their own way.

## Mobility Programs To Achieve Integration

A number of initiatives have been launched during the past several years to promote integrated living environments for low-income minority households. Known generally as mobility programs, these efforts facilitate the relocation of residents of highly segregated minority communities to nonminority neighborhoods.

The oldest and best known of these mobility efforts is the Gautreaux Program. It provides relocation assistance to minority public housing residents to move to communities that are predominantly non-Hispanic White. The program also provides them with a variety of social services to facilitate their transition to new communities. Studies show that minority households that participate in mobility programs experience an improved quality of life, including better access to jobs and higher quality schools. Unfortunately, their newly integrated neighborhoods tend to eventually resegregate, or flip to majority-minority.

Mobility programs face other obstacles as well, including their small size compared with the need. In addition, they are generally created by court order and deal with lower income households with low levels of educational attainment. This latter point is significant with respect to pro-integration strategies. Even White households that support integration strongly prefer that their minority neighbors have roughly the same income and education levels as their own.

## Housing Discrimination Remains a Problem

Although we have made important strides in knocking down discriminatory barriers to housing, discrimination still exists. The Fair Housing Council of Washington, D.C., for example, recently released a study on lending discrimination in the Washington metropolitan area. Using paired testers of individuals who were equal in all respects except their race or ethnicity, they found that Blacks and Hispanics were discriminated against in more than 40 percent of their encounters with mortgage loan officers.

What type of discrimination did they encounter? According to the Fair Housing Council's report, African-American and Hispanic households were provided less—or inaccurate—information or quoted higher mortgage processing fees than were their non-Hispanic White counterparts. In one case an African-American tester was told that the lender did not offer loans to first-time borrowers, but a White tester was told they did provide such loans. Another minority tester was advised that he needed to pay \$788 in loan preparation fees, while a White tester was charged only \$363.

The bottom line: Discrimination exists. It can and does significantly influence where people live. And discrimination has a financial cost—in this case a difference of \$425 just to start the application process. That's a difference of more than 100 percent.

Because Black and Hispanic households have, on average, less income than non-Hispanic Whites, minority households are hit with a twofold punch: They are charged more but have less money to spend.

While the report cited here focuses on discriminatory behavior in the Washington area, lenders in the District of Columbia and its neighboring Virginia and Maryland suburbs are not alone in their biased treatment of minorities. Similar studies conducted in other cities across the country have repeatedly documented similar disparate treatment.

## Programs Aimed at Segregation

Initiatives that address segregation should not be limited to low-income households that receive housing subsidies. For African-Americans, segregation is common at all levels of household income. As a result, initiatives aimed only at subsidized households will have only a modest effect on segregation, even if funding for subsidized mobility programs were to be significantly increased.

Initiatives aimed at changing perceptions that fuel the desire to segregate will have a broader impact on reducing or eliminating segregation. In a recent study, Syracuse professor John Yinger (1995) highlighted elements of pro-integration strategies that have succeeded in sustaining integration. Those initiatives rely on a wide range of programs, most of which improve the flow of housing market information and encourage homeseekers to consider alternate neighborhoods where their own race is not concentrated. In addition to improving the availability of this information, boosting neighborhood quality through strict code enforcement or improving city services (such as schools or infrastructure maintenance) has shown promise in promoting integration. These programs combat the perception that neighborhoods decline when racial or ethnic transition occurs.

Another successful initiative aims at preventing behavior that fosters neighborhood transition, such as racial and ethnic steering. Steering occurs when real estate sales or rental agents encourage, or steer, prospective homebuyers and renters to communities that have their same race or ethnic concentration. This practice is one of the most powerful influences in promoting segregation. Eliminating steering would go a long way toward promoting integrated communities.

These are merely a few initiatives that communities can pursue to promote racial integration. Rather than focusing only on discrimination, these programs also tackle segregation directly.

Finally, despite their shortcomings, programs that offer subsidized housing with greater mobility options should be continued and enhanced. These programs have been shown to greatly improve the quality of life of Black movers. Even modest success is better than the status quo.

## Understanding the Costs of Discrimination and Segregation to Society

President Clinton's year-long Initiative on Race focused on starting a dialogue to examine the current state of race relations in the United States. That dialogue could be enhanced by documenting the real harm segregation causes and measuring what it costs society, our

cities, and our Nation. We need to understand the role segregation plays in perpetuating stereotypes, discrimination, and interracial conflict.

We also need to know what factors contribute to segregation in our markets and institutions. And, most important, we need to identify promising ways to promote integration while attacking discrimination. We need to identify the conditions under which integration will flourish.

## Conclusion

As Thurgood Marshall stated in his last public remarks before his death, “The legal system can force open doors, and sometimes even knock down walls, but it cannot build bridges. That job belongs to you and me.” The Fair Housing Act began the difficult process of opening doors and even knocking down walls. But the job of building bridges has barely begun. As we move toward the next millennium, let the bridge we cross into the next century be the bridge to better understanding of one another as equal human beings.

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