

Commentary: 21st Century Gentrification

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The papers presented at the Research Symposium on Gentrification and Neighborhood Change, sponsored by the Federal Reserve Bank of Philadelphia and held in Philadelphia, Pennsylvania, on May 25, 2016, are indicative of a sea change in gentrification scholarship. In this commentary, I place the research presented at the research symposium and in the Symposium section of this issue of *Cityscape* into the context of earlier research on gentrification. In doing so, I aim to show how this scholarship complements our understanding of the process of gentrification and to also show how current efforts might be informed by understanding past scholarship.

The term *gentrification* was initially coined a half-century ago by the British sociologist Ruth Glass. She wrote, “One by one, many of the working class quarters have been invaded by the middle class—upper and lower.... Once this process of ‘gentrification’ starts in a district it goes on rapidly until all or most of the working class occupiers are displaced and the whole social character of the district is changed” (Glass, 1964: xvii).

Written at a time when central cities across much of Europe and the United States were nearing the nadir of their post-World War II decline, this apparently new type of neighborhood change caught many observers by surprise. Gentrification was perhaps all the more startling when observers across the Atlantic started to notice such changes happening in the United States. Central city decline was perhaps steeper and more troubling in the United States than anywhere else in the Western World.

This “return to the city” movement unsurprisingly captured significant scholarly attention. The first wave of gentrification scholarship attempted to document the amount of gentrification occurring in U.S. cities and its causes and consequences. Regarding the causes of gentrification, early scholarship pointed to many factors that mirror those presented in the studies presented at the research symposium. The Canadian geographer David Ley was perhaps the foremost proponent of changing tastes among the “new” middle class that led to preferences for central city living. This new middle class had tastes, born of their high levels of education and white-collar work, that drew them to authentic central city neighborhoods and the type of lifestyles they could create there (Ley, 1980).

The findings presented at the research symposium by Victor Couture and Jessie Handbury (2015), Nathaniel Baum-Snow and Daniel Hartley (2016), and Lena Edlund, Cecilia Machado, and Michela Sviatchi (2015) in many ways mirror those produced by the first generation of gentrification

scholars in the last decades of the 20th century. Like Ley, Couture and Handbury (2015) pointed to tastes, in particular, to young educated people's attraction to amenities like theaters and bars, as drivers of central city locational choices. Also echoing the "new middle class" thesis put forth by Ley (1980), Baum-Snow and Hartley (2016) found that it is young, highly educated White people who were responsible for much of the population growth near the central business district (CBD) from 2000 to 2010. Finally, Edlund, Machado, and Sviatchi (2015) identified consumption factors, specifically, being able to consume more leisure, as an important explanation for the 21st century gentrification. That these findings echo a central tenet of scholarship on gentrification during the 1970s and 1980s suggests choices and preferences of highly educated young adults were and continue to be an important explanation of gentrification.

The 21st century vintage of gentrification, however, contrasts in important ways from the gentrification that occurred decades earlier. It is perhaps most important to note that gentrification in the 1970s and 1980s appears to have happened on a much smaller scale. Indeed, Brian Berry would christen the early gentrification as "Islands of Renewal in Seas of Decay" (Berry, 1985). By contrast, Couture and Handbury (2015: 1) argued that "downtown areas experiencing urban revival are small in size, but the aggregate effects are large." Likewise, they found that the neighborhoods closest to the CBD grew the fastest from 2000 to 2010 in terms of population, White fraction, college fraction, and income of all CBD distance bands, and this pattern was not limited to a few select CBDs. Jackelyn Hwang and Jeffrey Lin (in this Symposium of *Cityscape*) draw similar conclusions: "[D]uring recent decades, an increase in SES near city centers has occurred along with an expansion of this pattern to more neighborhoods and more cities than before" (Hwang and Lin, 2016: 14). Thus, this latest wave of gentrification appears broader, affecting more cities and perhaps more neighborhoods within cities that are experiencing gentrification.

This latest wave of wave of gentrification may also be qualitatively different inasmuch as the 1970s-to-1980s gentrification was much more closely tied to the physical renovation of dilapidated housing. Indeed, news media in the late 1960s and 1970s often described young, White professionals who moved into poor inner-city neighborhoods as "brownstoners," because this movement almost always involved the renovation of older brownstones. An article published in 1971 in the *Wall Street Journal* highlighted the requisite of renovation describing gentrification as happening "... anywhere there are inner-city neighborhoods that have a stock of deteriorated but potentially fine old housing and a supply of young professional families eager to restore it" (Goldberger, 1971: 1).

The recent wave of gentrification, however, may be less attached to renovating older dilapidated housing. The studies in this *Cityscape* Symposium trace a general movement of the young and educated to the central city, without specifying whether these neighborhoods have architectural styles (for example, brownstones, old Victorian homes) that are especially attractive or offer impressive investment opportunities. It may be that after nearly a half century of gentrification there are few old distinctive houses in urban areas to be had for a steal. If this latest wave of gentrification has indeed uncoupled housing renovation from upper class movement into the inner city, this change may have implications for our understanding of gentrification. For example, the type of person drawn to renovating and restoring old, distinctive housing may be different from someone who wants to live in a highrise condominium with concierge service and proximity to his or her office job. Perhaps this is why explanations for gentrification offered in this *Cityscape* Symposium focus

more on practical concerns, such as proximity to work and availability of retail (Hwang and Lin, 2016), than older scholarship on gentrification, which often invoked explanations such as the search for “authentic” neighborhoods as being a motivation for the back-to-the-city movement.

The role of crime is also perhaps different in the 21st century wave of gentrification. In another paper presented at the research symposium, Ingrid Gould Ellen, Keren Horn, and Davin Reed (2016) found evidence that crime does matter in terms of the level of gentrification experienced by a city and where gentrification occurs. Cities experiencing greater declines in their crime rate experienced an increased probability of “high-income, college-educated, and white households choosing to move into both central city low-income and central city high-income neighborhoods” and, in select cities, “households are especially likely to move into the central city neighborhoods where crime is lowest” (Ellen, Horn, and Reed, 2016). During the first wave of gentrification, however, crime seemed to play a smaller role. Indeed, the gentrifiers, or brownstoners, seemed to embrace the risk and grit associated with inner-city living. As one early gentrifier in Boston reported: “We don’t want to make the South End another Georgetown. Not at all. I wouldn’t deny that there are problems living here. It’s dirty and risky. Gordon [her husband] got mugged last fall. You almost have to expect that” (Goodman, 1969: 33).

The articles presented in this Symposium section of *Cityscape* also greatly advance our understanding of the impacts of gentrification on the communities undergoing gentrification. Although scholars long debated how gentrification impacted residents in communities undergoing this type of neighborhood change, data limitations made it difficult to resolve competing claims. In today’s era of “big data,” it is perhaps not surprising that data can also help us understand the impact of gentrification. Using a relatively novel data set based on credit scores, Lei Ding and Jackelyn Hwang (2016) show the economic impact of gentrification is mixed. Those able to stay may benefit, but those who leave gentrifying neighborhoods seem worse off. These findings represent some of the first to document the economic fortunes of those affected by gentrification. Samuel Dastrup and Ingrid Gould Ellen’s (2016) article tells a similar story. Public housing residents, who are able to stay in gentrifying neighborhoods because the rent is subsidized, are more likely to be employed and have modestly higher earnings than their counterparts living in public housing where the surrounding neighborhoods are not gentrifying.

Research presented in this *Cityscape* Symposium also sheds light on a relatively understudied aspect of the effects of gentrification—those on local businesses. Using the National Establishment Time-Series Database, Rachel Meltzer (2016) finds mixed evidence on the impacts of gentrification on small business. At a minimum, gentrification does not appear to result in the wholesale displacement of local businesses—as many fear it does. Using a qualitative approach, Nathaniel Parker’s (2016) paper presented at the research symposium showed that business owners’ reactions to gentrification are conditioned on how they perceive this type of neighborhood change.

The studies by Meltzer and Parker thus expand our understanding of gentrification’s impacts beyond those felt by individuals and households. The retail sector is an important component of a community’s fabric, and community activists, policymakers, and scholars alike have debated the rewards and risks gentrification poses for small businesses. The research presented by Meltzer and Parker will go far in helping to inform this debate.

The final important dimension of the research presented in this Symposium section of *Cityscape* is in the policy arena. The breadth and depth of the policy options discussed in this *Cityscape* Symposium also represent a sea change in the way policymakers are thinking about gentrification. This sea change appears to be driven by the increasing prevalence of gentrification, rendering the problems associated with gentrification more visible and the increasing availability of data that can inform efforts to address the negative consequences of gentrification. Jeffrey Lubell's article in this *Cityscape* Symposium thus discusses a wide range of policy tools, many of which were only beginning to be thought of in the 1970s and 1980s as possible tools to address gentrification (Lubell, 2016). Moreover, the policies and tools described in this *Cityscape* Symposium by Karen Chapple and Miriam Zuk, such as Home Mortgage Disclosure Act data, property sales data, and Geographic Information Systems were not readily available or were only in their infancy when policymakers began reacting to gentrification in the late 1970s (Chapple and Zuk, 2016). HUD Assistant Secretary for Policy Development and Research, Katherine M. O'Regan, also describes efforts by HUD to address affordability problems related to gentrification (O'Regan, 2016).

Although policymakers were cognizant of the pitfalls of gentrification when it first captured observers' attention in the 1970s, the overall policy reaction was often muted. For example, the then-Deputy Director for Community Conservation Research at HUD would write in 1979 with regard to displacement, "...given the current state of knowledge about displacement, calls for a broad and far-reaching national policy appear to be premature." Given the prevailing trends of central city depopulation, he cautioned that "[i]ndiscriminate policies to stem displacement may slow or erase the trickle of middle class movement back to the central city. Keeping in mind that these families may help restore some fiscal balance to urban economies..." (Sumka, 1979: 486). As documented in Ingrid Gould Ellen and Lei Ding's guest editors' introduction to this *Cityscape* Symposium, gentrification is indeed growing more common in low-income urban neighborhoods in the 2000s than it did in the 1980s and 1990s. Gentrifying neighborhoods experienced much larger socioeconomic changes, namely in race, educational attainment, and rents, in the 2000s.

The contrast in the comments from these two HUD officials highlights the changing nature of gentrification over the course of several decades. Whereas, in the 1970s and even 1980s, concerns about gentrification could be considered a localized matter dwarfed by the more pressing issues related to central city decline, by 2016, gentrification had become a common concern across much of the nation.

The articles presented in the Symposium section of this issue of *Cityscape* thus represent a new chapter on gentrification scholarship. Changes in patterns of gentrification make this *Cityscape* Symposium a timely contribution to our understanding of gentrification.

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