

A. What are Ghettos and Why Focus on Them?

1. Race and class aspects
  - a. Ghettos = concentrated spatial distribution of urban populations by race/income; brings geography into the picture
  - b. Geography matters in economics/sociology because of *externalities* and *transportation costs*
  - c. A key question is whether, or to what extent, spatial concentration is *voluntary* vs. *enforced*. When people are free to move, location choice implies “selection effects.”
    1. Importance of Gautreaux experiment; and Move-To-Opportunity demonstration project
    2. Note: *some isolation* may be due to selective out-migration of upwardly mobile blacks
    3. Note: *tipping phenomenon* (Schelling) – individual choices affect aggregate outcomes
2. History of race segregation in American cities dates to early 20<sup>th</sup> century, tracks large black migration from rural South (see Cutler and Glaeser data and Massey data)
  - a. pattern = sharp increase in urban racial segregation from 1900 through 1970, decline since
  - b. increase spurred by faster arrival of blacks
  - c. large cities, and those in North/Midwest most segregated
  - d. initially segregation enforced through exclusion of Bs; recently through avoidance by Ws
  - e. note: government at all levels also played critical role in creation/maintenance of ghettos
    1. redlining in mortgages, including federally provided (Harmon/Levine book on Boston)
    2. urban renewal, public housing, and highway construction decisions
    3. zoning laws; restrictive covenants
3. Where social capital/peer effects important, geography matters for understanding inequality
  - a. General issue of environmental influences (measurement hard due to endogenous locations)
  - b. Traub article illustrates why environmental influences important to consider
  - c. One consequence: re-thinking true meaning of “equal opportunity”;
  - d. conflict between *equal opportunity* and *family/community autonomy* (zoning laws; fights over location of low-income housing; *Milliken v. Bradley*-type court rulings re. school integration)

B. Basic Questions to ask about racial residential segregation

1. How Much?
2. What is the Trend?
3. Why Does It Happen?
4. What Are Its Consequences?
5. What Can/Should Be Done About It?

C. Work of William J. Wilson relevant to the issues here:

1. From *The Declining Significance of Race* ('78) to *The Truly Disadvantaged* (1987) to *When Work Disappears* ('96)
2. Alternative research methods: ethnographic vs. representative sample/statistical analysis
3. *Structuralist* as distinct from *cultural* or *incentive*-based arguments
  - a. Murray's *Losing Ground* hypothesis
  - b. The *culture of poverty* hypothesis
  - c. Contrast these with Wilson's “marriageable pool” and “spatial mismatch” hypotheses
4. Difficulties inferring causality in this kind of work