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## Essay

### DRIFTING APART: HOW WEALTH AND RACE SEGREGATION ARE RESHAPING THE AMERICAN DREAM

SHERYLL D. CASHIN\*

#### I. INTRODUCTION

SOMETIME after mid-century, no one racial or ethnic group will be in the majority in the United States. America therefore has two choices in terms of how it will respond to complex diversity. It can forge a new, exciting, multi-cultural identity. Or it can balkanize.

Unfortunately, much of my research indicates that we are taking the latter road. In this Essay, I present a brief overview of the research and arguments I intend to present in a book about race and class segregation in America.

I must begin with an important caveat. Unfortunately, much of the social science research on the census and demographic trends focuses on four broad categories of people: whites, blacks, Latinos and Asians—with much of the historical research emphasizing blacks and whites.<sup>1</sup> I recognize that the United States is infinitely more complex than this. The 2000 census was the first in U.S. history that allowed persons to designate themselves as more than one race. Our national rainbow is quickly adding spectra.

Because of the ability to define oneself in multi-race terms, a possible 126 combinations of race and ethnicity were available on the 2000 census form, up from just 6 in the past. Only 2.4% of census respondents, however, chose to define themselves as more than one race. That makes analy-

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This Essay embodies a keynote address given on January 25, 2002 on the occasion of the Villanova University School of Law's Commemoration of the Legacy of Dr. Martin Luther King, Jr. Professor Cashin is currently writing a book of the same title that will be published in 2003 by PublicAffairs.

1. See, e.g., Lewis Mumford Center for Comparative Urban and Regional Research, *Choosing Segregation: Racial Imbalance in American Public Schools, 1990-2000*, (Jan. 18, 2002) [hereinafter *Choosing Segregation*] (analyzing segregation among public elementary schools nationwide), available at <http://mumford1.dyndns.org/cen2000/SchoolPop/SPReport/SPReport.doc>; Lewis Mumford Center for Comparative Urban and Regional Research, *The New Ethnic Enclaves in America's Suburbs*, (July 9, 2001) (examining "trends in suburban racial-ethnic composition and segregation"), available at <http://mumford1.dyndns.org/cen2000/suburban/SuburbanReport/SubReport.doc>.

sis easier. But my caveat remains. Unfortunately, race relations are always more complicated than anyone who is trying to provide a synthesis can convey. But I believe there are important truths we can glean from the empirical research.

The story is complicated, but here is my essential argument: Segregation is the natural tendency in America. And segregation, both racial and economic, breeds inequality. It also breeds an indifference to “other” that inhibits us from meaningfully redressing inequality. So in a sense, we are stuck. Stuck with crumbling, underperforming schools in urban centers and a political context that prevents systemic change. Stuck with an increasingly “winner-take-all” system in which people fortunate to live in affluent environs fully live the American dream, protect their tax base and wall themselves off from social distress.

By secluding the primary determiners of America’s policy debates—white, suburban middle-class voters—from people who are different from themselves, we have created a political context in which it is very difficult to pursue any policy agenda that could be perceived as benefiting groups other than this dominant group. Worse, this political division occurs in an economic system that increasingly rewards this same affluent, professional, largely suburban class, creating gaps of opportunity that are unlikely ever to be closed.

## II. OVERVIEW OF CENSUS TRENDS

Currently, with each passing decade, we as a nation are becoming increasingly segregated by income. And our progress in racially integrating neighborhoods is proceeding at a glacial pace. Segregation persists at very high levels for African-Americans. The national index for segregation of blacks from whites is 65.<sup>2</sup> This index value, known by demographers as “dissimilarity”<sup>3</sup> is the percentage of one group that would have to move to achieve an even racial distribution. In other words, 65% of black people would have to move in order for them to be represented throughout America in proportions reflecting their percentage of the population. A dissimilarity value of 60 or above is considered by demographers as very high segregation. Values of 40 to 50 are considered moderate, while values of 30 or less are considered low. It is worth underscoring that 65 is the *national* index of segregation for African-Americans. One-half of all black

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2. See Lewis Mumford Center for Comparative Urban and Regional Research, *Sortable List of Dissimilarity Scores* [hereinafter *Sortable List of Dissimilarity Scores*] (summarizing “population counts and segregation scores for people of all ages in the 331 metropolitan areas in the 2000 Census”), available at [http://mumford1.dyndns.org/cen2000/WholePop/WPsort/sort\\_d1.html](http://mumford1.dyndns.org/cen2000/WholePop/WPsort/sort_d1.html).

3. See Abraham Bell & Gideon Parchomovsky, *The Integration Game*, 100 COLUM. L. REV. 1965, 1976 n.27 (2000) (explaining dissimilarity concept). “Essentially, the [dissimilarity] index gauges what proportion of the black population in a certain geographical area will have to move to accomplish equal racial distribution in that area.” *Id.*

people live in large metropolitan areas where the segregation index is 75 or higher.

The national dissimilarity index for segregation from whites is 52 for Latinos and 42 for Asians.<sup>4</sup> After an 8% decline in the 1970s, segregation levels for blacks have been declining by about 4% per decade. At this rate it would take another forty years to approach the level of moderately high segregation of Latinos today. Meanwhile, segregation levels for Latinos and Asians have remained essentially the same since 1980. Yet, because these groups are growing rapidly, the neighborhoods they live in are becoming more racially isolated.

The Latino population grew by 58% in the 1990s. Latinos have surpassed blacks as the largest minority group. At about 35 million people they are 12.5% of the population compared to African-Americans, who comprise 12.3% of the U.S. population.<sup>5</sup> The Asian population grew by 48% in the 1990s. At about 10 million people, they comprise 3.6% of the U.S. population. At the same time, the African-American population grew by 16% and the white population grew by 6%.<sup>6</sup>

So you have a white population that is growing slowly while people of color are surging in numbers. One might think that this would result in significantly more mixing of the races at the neighborhood level. But the consistent trend I see from the census data is one of entrenched segregation, and African-Americans bear its heaviest burdens. About 30% of black people are relegated to hypersegregated, extremely impoverished neighborhoods. According to Douglas Massey and Nancy Denton, no other racial or ethnic group lives in neighborhoods this isolated from the economic and social mainstream.<sup>7</sup>

Most of the improvement in racial integration is happening in high growth areas in the south and west. American Apartheid is not breaking down appreciably in the midwest and the northeast. In the large metropolitan areas where the vast majority of people of color live, the pattern is one of stasis or increased isolation. You have to go to areas that have only very small numbers of people of color to find impressive rates of increased integration.

The largest cities are much more segregated than the national segregation levels I have described. About half of the one-hundred largest metro areas became majority-minority in the 1990s, in no small part because of the widespread suburbanization of the white middle class. Many

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4. *See Sortable List of Dissimilarity Scores, supra* note 2 (setting forth dissimilarity scores for Latinos and Asians nationwide).

5. *See* Lewis Mumford Center for Comparative Urban and Regional Research, *2000 Census Data* (providing racial and ethnic changes among national population over 1980, 1990 and 2000 census), *available at* <http://mumford1.dyndns.org/cen2000/WholePop/WPdownload.html>.

6. *See id.*

7. *See* DOUGLAS S. MASSEY & NANCY A. DENTON, *AMERICAN APARTHEID: SEGREGATION AND THE MAKING OF THE UNDERCLASS* 77 (1993).

of these cities would have experienced a net decline in population were it not for a healthy influx of immigrants.

#### A. *Suburbanization*

All racial groups are rapidly moving to the suburbs. But there are tremendous differences. White America is largely a suburban nation: 71% of whites call a suburb home. Black America is still mainly an urban nation. Although the black middle class is suburbanizing rapidly, only 39% of blacks live in suburbia. Latinos are roughly evenly dispersed between cities and suburbs, while roughly 60% of Asians live in suburbs.

But moving to the suburbs is no guarantee of integration. On the contrary, the same pattern of segregation is being replicated in suburbs. Wherever people of color exist in large numbers in suburban communities, they tend to be segregated. Only those new suburban communities with a very small fraction of people of color experienced dramatic increases in integration in the 1990s.

#### B. *Children*

Children are more segregated than the population as a whole. As I noted, the national black-white segregation index is 65.<sup>8</sup> The national segregation index for black and white children is 68.<sup>9</sup> Black and Latino youth are now more segregated into high-poverty schools than at any time in the last thirty years. White students have also become more isolated, but in their case segregation means richer suburban schools that attract better teachers and superior resources. This trend is being fueled by the movement of white families with children to largely white suburban enclaves. The overlay of race and class for our children can be seen in the following national statistics for elementary school children in the 1999-2000 school year. These figures are based on the numbers of students who receive free or reduced lunch. Nationally, white elementary school students are in schools that are 30% poor.<sup>10</sup> Asian children are in schools that are 43% poor.<sup>11</sup> Black children are in schools that are 65% poor.<sup>12</sup> Latino children are in schools that are 66% poor.<sup>13</sup>

So racial segregation benefits white students by placing them in schools with very different environments and much less class disadvantage. Black and Latino children are the ones who are paying the real price of racial segregation. It is a fact that bedevils efforts to bring parity to the educational opportunities available to children of all races. I also think it does not augur well for race relations or our national economy. The grow-

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8. See *supra* note 2 and accompanying text.

9. See *Sortable List of Dissimilarity Scores*, *supra* note 2.

10. See *Choosing Segregation*, *supra* note 1.

11. *Id.*

12. *Id.*

13. *Id.*

ing separation of minority and white children into highly different educational realms and social milieu suggests that this strain of difference will continue to haunt us in future generations.

### C. *Economic Segregation*

Unfortunately, the government has not yet released the economic data from the 2000 census. But the schools data I just provided demonstrates the present effects of class separation. Previous censuses show that with each passing decade, both the affluent and the poor are becoming more segregated from the rest of society. Beyond the separation of the affluent and the poor, economic segregation has been increasing across the board. Most new residential developments in the United States are highly homogeneous by income. These twin forces—persistent racial segregation and rising economic segregation—are creating the new, winner-take-all system.

Segregation—both economic and racial—is structuring inequality into our system. Racially segregated neighborhoods, unless they are white ones, typically offer poorer schools, higher crime, higher taxes, and fewer jobs than the aspirational ideal most Americans (of all races) have in mind for themselves. In contemporary black suburbs, for example, there is a big difference in the residential returns for the black middle class, as compared to those enjoyed by their white suburban counterparts.<sup>14</sup>

### D. *Factors Contributing to Segregation*

There are at least two factors contributing to the persistence of racial segregation in housing. One is garden variety, rank discrimination. A black person who attempts to buy or rent a home has a 50% chance of being discriminated against; if the black mover deals with at least three agents she has a 90% chance of being discriminated against. Latinos attempting to access housing can expect to be discriminated against 43-35% of the time.<sup>15</sup>

The second is the personal preferences of the American people. According to social survey data, the majority of all races say they do not mind integration, so long as their *own* racial group is in the majority. No racial group wants to be vastly outnumbered by other races. And there is a consistent strain of antipathy on the part of whites, Latinos, and Asians toward integrating with blacks. These groups are highly uncomfortable with ma-

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14. For an analysis of the state of residential integration and the impact of racial segregation on the black middle class, see Sheryll D. Cashin, *Middle-Class Black Suburbs and the State of Integration: A Post-Integrationist Vision for Metropolitan America*, 86 CORNELL L. REV. 729 (2001).

15. See John Yinger, *Housing Discrimination Study: Incidence and Severity of Unfavorable Treatment* (prepared for the U.S. Dept. of Housing and Urban Development, Washington, D.C. (1991)); see also JOHN YINGER, *CLOSED DOORS, OPPORTUNITIES LOST: THE CONTINUING COSTS OF HOUSING DISCRIMINATION* (1995).

jority-black neighborhoods. African-Americans are the group with which they least prefer integrating.

At the same time African-American enthusiasm for integration appears to be waning. When confronted with the option of integrating with whites, blacks now most favor a heavily black neighborhood—one that is three-quarters black. In the idealistic 1970s, blacks most preferred a neighborhood that was one-half black and one-half white. Latinos and Asians, by contrast, currently prefer fifty-fifty integration with whites to a neighborhood in which their group overwhelmingly dominates. The consistent trend in suburbanization of minorities, then, has been one of enclave formation. Even those who want to live in an integrated neighborhood have a harder time than they might imagine finding one. Often the choice for a minority suburban mover is between an overwhelmingly white area or a minority enclave.

So if we think about where America is headed in the 21st century, if current trends are any guide it is decidedly not in the direction of mixed-income neighborhoods. And for most Americans, it is not in the direction of mixed-race neighborhoods. The issue to which I will devote the remainder of this Essay is the degree to which geographic separation of races and classes influences public policy choices.

### III. PUBLIC POLICY CHOICES

In my forthcoming book I argue that physical separation begets a politics of parochial self-interest. Once homogeneity is achieved, any policy proposal that threatens to undermine that homogeneity—like affordable housing—is likely to meet with virulent resistance.

Citizens in their individual localities are rationally motivated to maximize benefits for their own community and to limit fiscal burdens by denying access to populations and land uses that they perceive as undesirable. This often happens in new suburbs, which are home to most new gated and private communities, contributing to a phenomenon that former Labor Secretary Robert Reich coined “the secession of the successful.”<sup>16</sup>

A metropolitan divide has begun with a phenomenon that I have referred to in my writing as “the tyranny of the favored quarter.”<sup>17</sup> In most metropolitan areas there is a quadrant where only about 25% of the regional population lives, but this quadrant garners the majority of public infrastructure investments that fuel growth. In addition, it garners the vast majority of the job growth in the region. But, through the retention of local municipal powers, this favored quarter is able to wall itself off from all of the region’s social service burdens. It typically has no affordable housing, few apartment complexes and very few poor children in its

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16. Robert B. Reich, *Secession of the Successful*, N.Y. TIMES, Jan. 20, 1991, § 6 (Magazine), at 16.

17. Sheryll D. Cashin, *Localism, Self-Interest, and the Tyranny of the Favored Quarter: Addressing the Barriers to New Regionalism*, 88 GEO. L.J. 1985, 2003 (2000).

schools. Sometimes these quadrants refuse or resist participating in metropolitan public transportation.

The disaggregation of the wealth and tax base from disadvantaged populations and from more general government service burdens raises certain philosophical and moral questions. The social contract in metropolitan regions is being eroded.

We have a segmentation of society where one group gets the best of everything and everyone else—the two-thirds of the regional population that lives in the central city and first ring of older suburbs—is frequently saddled with shrinking tax bases, increasing service demands, underperforming schools, and the like.

Suburbanization, and the attendant proliferation of new, homogeneous localities, has also had consequences for state and national politics. In state politics, an increase in redistributive spending is tantamount to political suicide for a governor.

Former governor Jim Florio of New Jersey experienced this first hand in 1990 when he proposed a tax increase on those earning over \$100,000 in order to pay for increased state aid to woefully underfunded poor school districts. His popularity ratings promptly crashed by 19% and he lost his re-election bid to an opponent, Christine Todd Whitman, who promised a 30% cut in income tax rates.

Florio was punished for boldly saying to affluent people that their state could not succeed fiscally and socially without them paying a fairer share of taxes. But this goes deeply against the grain of voter expectations. Indeed, the outcome of most fiscal debates in state legislatures tends to be determined by the desires of middle class suburban voters.

This dominance is most pronounced in the context of school finance reform. For three decades civil rights lawyers have been fighting a battle in state courts to equalize funding between rich and poor school districts. That some school districts enjoy a magnificent and growing tax base and others do not leads to funding inequalities, which most state governments now redress to a degree with state equalization grants.

To date, about twenty state supreme courts have declared their state's system of school finance unconstitutional under state constitution education clauses and have ordered remedies.<sup>18</sup> A number of state legislatures

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18. *See, e.g.*, Opinion of the Justices, 624 So. 2d 107, 111 (Ala. 1993); *Roosevelt Elementary Sch. Dist. No. 66 v. Bishop*, 877 P.2d 806, 815-16 (Ariz. 1994); *DuPree v. Alma Sch. Dist. No. 30*, 651 S.W.2d 90, 93 (Ark. 1983); *Serrano v. Priest*, 557 P.2d 929, 952 (Cal. 1976); *Horton v. Meskill*, 376 A.2d 359, 374 (Conn. 1977); *Rose v. Council for Better Educ., Inc.*, 790 S.W.2d 186, 213 (Ky. 1989); *McDuffy v. Sec'y of Executive Office of Educ.*, 615 N.E.2d 516, 552 (Mass. 1993); *Helena Elementary Sch. Dist. No. 1 v. State*, 769 P.2d 684, 690 (Mont. 1989); *Claremont Sch. Dist. v. Governor*, 703 A.2d 1353, 1357 (N.H. 1997); *Robinson v. Cahill*, 303 A.2d 273, 295 (N.J. 1973); *DeRolph v. State*, 677 N.E.2d 733, 740 (Ohio 1997); *Tenn. Small Sch. Sys. v. McWherter*, 851 S.W.2d 139, 155 (Tenn. 1993); *Edgewood Indep. Sch. Dist. v. Kirby*, 804 S.W.2d 491, 498 (Tex. 1991); *Brigham v. State*, 692 A.2d 384, 395 (Vt. 1997); *Seattle Sch. Dist. No. 1 v. State*, 585 P.2d 71, 104 (Wash.



have also taken on school finance reform, even in the absence of a court mandate. One study comparing the outcomes of court-ordered and voluntary legislative reforms offered a unique opportunity to test the limits of political will on equity funding for schools. The study concluded that only when a state court ordered a specific remedy did state legislatures effectively close the gap in funding between poor and affluent school districts. In the absence of a court order, school finance reforms enacted by state legislatures did not equalize funding between such districts *and sometimes they actually left poor school districts worse off*. Instead, middle class suburban school districts typically benefited most under any voluntary school finance reform. In other words, state legislatures were incapable of developing an effective *political* solution to the problem of school inequality, and suburban voters were the chief obstacle.<sup>19</sup>

Thus, race and class segregation alters not just opportunity in America; it alters politics. Embedded in our political culture is a bias—a set of institutional rules of the game—which frequently benefits middle class suburbanites at the expense of others.

In the 1992, 1996 and 2000 presidential elections, the nation witnessed increasing political competition for the votes of the suburban middle class. One manifestation of this competition, in my view, was the pursuit of punitive policies toward the most disenfranchised. In 1992, then-candidate Bill Clinton established his bona fides with suburban voters, *inter alia*, by supporting the death penalty and promising to “end welfare as we know it.”<sup>20</sup> In anticipation of his 1996 bid for re-election, President Clinton signed a welfare reform law that many of his own policy advisors believed was unnecessarily punitive toward the poor.<sup>21</sup> In addition, during his eight years in office, President Clinton oversaw the addition of fifty new death penalties to the federal penal code and the largest expansion of the prison population in American history. While Clinton was touted by Toni Morrison as “the first black President,”<sup>22</sup> a disproportionate number of these new prisoners were African-Americans.

Without question, the poor and racial minorities benefited from numerous Clinton Administration policies. My point is that Clinton felt compelled to pursue other, more punitive policies that clearly signaled to suburban voters—namely whites—that he was a Democrat who could be trusted to govern. President George W. Bush’s pursuit of tax policies that

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1978); *Pauley v. Kelly*, 255 S.E.2d 859, 884 (W. Va. 1979); *Washakie County Sch. Dist. No. 1 v. Herschler*, 606 P.2d 310, 335 (Wyo. 1980).

19. See William N. Evans et al., *Schoolhouses, Courthouses, and Statehouses After Serrano*, 16 J. POL’Y ANALYSIS & MGMT. 10 (1997).

20. *In Their Own Words*, N.Y. TIMES, July 17, 1992, at A14 (transcript of speech by Clinton accepting 1992 Democratic presidential nomination).

21. Personal Responsibility and Work Opportunity Reconciliation Act of 1996, 42 U.S.C. §§ 601-1778 (1996).

22. Toni Morrison, *The Talk of the Town*, NEW YORKER, Oct. 5, 1998, at 32.

greatly favor affluent voters is less obviously tied to the suburbanization of the electorate, although I believe this case can be made.

#### IV. PROPOSALS

If at the dawn of the 21st century a color line still haunts America and an economic line looms even larger, what should we, what *can* we do about it? Answering that question is the chief struggle of my forthcoming book.

First, we should recommit ourselves to the fundamentally American value of opportunity for all. We should prosecute anti-discrimination and civil rights laws with renewed vigor. Eradicating discrimination, as much as possible, from real estate markets will help accelerate the trend of modest declines in racial segregation. As we achieve more racial integration, we will reduce disparities of opportunity. The ideal would be perfect integration of the races and classes—a world where poor and working class people of all races are equally dispersed among all communities. This is close to the reality for poor whites. A poor white person is more likely to live in a middle-class, suburban setting than in an area of concentrated poverty.

But a degree of segregation, like racism, seems inevitable in America. Racial integration is very difficult to sustain, in part because whites typically flee whenever blacks reach a critical mass in their neighborhood.

Thus, second, we must acknowledge that we are a segregated society and attack the inequalities that flow from our fragmented condition. This will be very difficult because race and class separation creates not just physical distance but often vast social distance. But certain strategies and certain rhetoric could make a difference.

I believe that equal opportunity rhetoric offers a context for attracting the broadest possible coalition to a progressive agenda. Most Americans believe that everyone should have a fair chance to prosper and understand that such broad opportunity is necessary to ensure our nation's long-term prosperity. But appropriate political rhetoric, while necessary, will not change the status quo. As Frederick Douglass, one of my personal heroes, once said: "Power concedes nothing without a demand. It never did and it never will."<sup>23</sup>

No fundamental change to our current system of differential opportunity and entrenched advantage will occur without an unprecedented activism on the part of those who currently suffer its effects. Anyone who thinks otherwise is kidding herself. Far too many people and interests, wittingly or unwittingly, benefit from our fragmented condition.

It will take a great deal of civic education and engagement for a principle of equal opportunity to take root in a fragmented America. Powerful

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23. Frederick Douglass, Speech Before the West Indian Emancipation Society (Aug. 4, 1857), in 2 PHILIP S. FONER, *THE LIFE AND WRITINGS OF FREDERICK DOUGLASS* 437, 437 (1950).

new coalitions among interests that currently do not see themselves as allies will have to be formed.

#### V. CONCLUSION

In the end, I argue that our nation should focus on improving basic mobility and opportunity for all Americans, regardless of where they live. I call for dramatic improvements in educational opportunity, including universal child care, public pre-school, and opportunity or mobility grants for those children relegated to high-poverty schools. If any such policies are to become a reality, however, the great American majority must recognize that this is in their enlightened self-interest. We must acknowledge that children in some neighborhoods have mountains to ascend with no appropriate guides, while children in others are essentially being led along a well-paved path. We must also understand that, despite our segregated state, the fragments are very inter-dependent. Our long-term economic competitiveness will suffer in a climate where only some communities and some students are able to develop to their full potential. Imagine an America with a starker failure than we have now and you will appreciate the risks for the future. An equal opportunity agenda will take root only with a renewed activism around issues of basic fairness and our mutual interdependence. Currently there is much that is unfair about America, and far too few people are willing to own up to it.