STUDYING INNER-CITY SOCIAL DISLOCATIONS:
THE CHALLENGE OF PUBLIC AGENDA RESEARCH

1990 Presidential Address

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Simplistic either/or notions of “culture versus social structure” have impeded the development of a broader theoretical context from which to examine questions raised by the continuing debate on the “ghetto underclass.” In this paper I present a framework that integrates social structural and cultural arguments. I hope elaboration of this framework can move social scientists beyond the narrow confines of the underclass debate in two ways: (1) by outlining empirical and theoretical issues that guide further research, and (2) by suggesting variables that have to be taken into account to arrive at a satisfactory explanation of one of the most important domestic problems in the last quarter of the twentieth century — the rise of social dislocations in inner-city ghettos.

Poverty, like other aspects of class inequality, is a consequence not only of differential distribution of economic and political privileges and resources, but of differential access to culture as well. In an industrial society groups are stratified in terms of the material assets or resources they control, the benefits and privileges they receive from these resources, the cultural experiences they have accumulated from historical and existing economic and political arrangements, and the influence they yield because of those arrangements. Accordingly, group variation in lifestyles, norms, and values is related to the variations in access to organizational channels of privilege and influence (Wilson 1987).

This fundamental argument links the structural and cultural aspects of life in poverty. Many current studies of poverty, however, fail to make this connection. Indeed, I believe that simplistic either/or notions of culture versus social structure have impeded the development of a broader theoretical context from which to examine questions raised by the continuing debate on the rise of inner-city social dislocations. In this presentation, I would like to address these questions using a framework that attempts to integrate social structural and cultural arguments. In the process I hope to move us beyond the narrow confines of this debate in two ways: (1) by outlining empirical and theoretical issues that guide further re-

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THE RISE OF GHETTO POVERTY

Poverty in the United States has become more urban, more concentrated, and more firmly implanted in large metropolises, particularly in the older industrial cities with immense and highly segregated black and Hispanic residents. For example, in Chicago, the poverty rates in the inner-city neighborhoods increased by an average of 12 percentage points from 1970 to 1980. In eight of the ten neighborhoods that represent the historic core of Chicago’s “Black Belt,” more than four families in ten were living in poverty by 1980 (Wacquant and Wilson 1989).

In attempts to examine this problem empirically, social scientists have tended to treat census tracts as a proxy for neighborhoods. They define ghettos as those areas with poverty rates of at least 40 percent. The ghetto poor are therefore designated as those among the poor who live in
these extreme poverty areas.¹

A recent study by Jargowsky and Bane (1990) shows that the proportion of the poor who live in ghettos also "varies dramatically by race." Whereas 21 percent of black poor and 16 percent of Hispanic poor lived in ghettos in 1980, only 2 percent of the non-Hispanic white poor resided there. And nearly a third of all poor blacks within metropolitan areas lived in a ghetto in 1980. Of the 2.4 million ghetto poor in the United States, 65 percent are black, 22 percent are Hispanic, and 13 percent are non-Hispanic and other races (Jargowsky and Bane 1990). Thus when one speaks of the ghetto poor in the United States, one is primarily referring to blacks and Hispanics. This is not only significant for descriptive purposes; as we shall soon see it also has theoretical significance.

It is also important to note that three-fourths (74 percent) of the total increase in ghetto poverty during the 1970s was accounted for by only 10 cities. One-third of the increase was accounted for by New York City alone, and one-half by New York and Chicago combined. When Philadelphia, Newark, and Detroit are added these five cities account for two-thirds of the total increase in ghetto poverty in the 1970s. The other five cities among the top ten in the rise of ghetto poverty were Columbus (Ohio), Atlanta, Baltimore, Buffalo, and Paterson (New Jersey). So, when one speaks of the rise of ghetto poverty in the United States one is focusing mainly of the industrial metropolises of the Northeast and Midwest regions of the country.

Indeed Jargowsky and Bane (1990) found that of the 195 standard metropolitan areas that recorded ghetto poverty in 1970, 88 actually experienced a decrease in the number of ghetto poor. Two types of cities account for the largest decreases in ghetto poverty in their study — Texas cities such as Brownsville, McAllen, Corpus Cristi, and San Antonio which experienced sharp drops in Hispanic ghetto poverty; and southern cities such as Shreveport, Charleston, Jackson (Mississippi), Memphis, New Orleans, and Columbus (Georgia) which recorded significant declines in ghetto poverty among blacks. These ten cities accounted for 46 percent of the total decrease in ghetto poverty during the 1970s. Accordingly, "the decreases were not nearly as localized in a few cities as the increases" (p. 40).

The focus of this presentation, however, is on the increase in ghetto poverty. The questions that concern me are why did this increase occur and why was most of it confined to the cities of the Northeast and Midwest.

We ought to be clear, however, about the nature of the problem. Because of the way poverty is defined by the United States Bureau of the Census, the official figures on concentrated poverty do not reflect the depth of the changes that have occurred. The poverty line represents arbitrary income thresholds established by the government. Anyone who lives in a family with an annual income below one of these thresholds is designated as poor. The thresholds vary with family size and are based on estimates of family needs. These estimates were calculated in 1963 using family consumption data from a survey conducted in 1955. Although the poverty thresholds are annually adjusted for inflation by the Census Bureau, the basic definition has never been updated to reflect changes in family need (Ruggles 1990).

There have been many changes in family consumption patterns since a family's basic needs

¹See Wacquant and Wilson (1990) and Jargowsky and Bane (1990). In discussing the extent to which extreme poverty census tracts correspond to ghetto neighborhoods in Chicago, Wacquant and Wilson (1990) state: "Extreme-poverty neighborhoods comprise tracts with at least 40 percent of their residents in poverty in 1980. These tracts make up the historic heart of Chicago's black ghetto: Over 82 percent of the respondents in this category inhabit the West and South sides of the city, in areas most of which have been all black for half a century and more, and an additional 13 percent live in immediately adjacent tracts. Thus when we counterpose extreme-poverty areas with low-poverty areas, we are in effect comparing ghetto neighborhoods with other black areas, most of which are moderately poor, that are not part of Chicago's traditional black belt" (p. 16). Using the same rationale on a national level, Jargowsky and Bane (1990) state: "Based on visits to several cities, we found that the 40 percent criterion came very close to identifying areas that looked like ghettos in terms of their housing conditions. Moreover, the areas selected by the 40 percent criterion corresponded rather closely with the judgments of city officials and local census bureau officials about which neighborhoods were ghettos" (pp. 8-9).

Of course not all the residents who live in ghettos are poor. In the ten largest American cities (as determined by the 1970 census) the number of black residents residing in ghetto areas doubled between 1970 and 1980; the number of Hispanics tripled. In 1980, 16.5 percent of Hispanics and 21 percent of blacks in these ten cities lived in ghetto areas, in contrast to only 1.7 percent of non-Hispanic whites (Wilson, Aponte, Kirschenman, and Wacquant 1988; Wacquant and Wilson 1989).
were last defined 35 years ago. Whereas the average family spent roughly 34 percent of its income on housing (including utilities) in 1955, today it spends 42 percent. Whereas relatively few children lived with only one parent in 1955, today a large number of children live with a sole parent and therefore many more parents have to pay for child care. As Ruggles (1990) has pointed out, “Increasing prices . . . are not the only source of changes in family needs. Family structures and resources, even the goods and services available, all change as well. All of these changes contribute to changes in minimum needs — especially over as much as 35 years” (p. A31).

The poverty threshold for a family of four was $12,092 in 1988. But, according to recent surveys, that threshold seems to be too low. In 1989, each month from July through October, the Gallup Poll presented the following question to a representative national sample of adult Americans: “People who have income below a certain level can be considered poor. That level is called the ‘poverty line.’ What amount of weekly income would you use as a poverty line for a family of four (husband, wife, and two children in this community)?” The average weekly income figure given by the respondents was converted to an annual amount and adjusted for inflation to make it comparable to the 1988 federal government poverty threshold for a family of four. The annual figure given by the Gallup Poll respondents was $15,017 or nearly $3000 (24 percent) above the official poverty line. If the public’s poverty threshold were used, “The number of Americans considered poor would be close to 45 million, instead of the nearly 32 million considered poor under the government measure” (O’Hare, Mann, Porter, and Greenstein 1990, p. vii).^2

Recent estimates by experts based on changes in housing and food expenditures would put the poverty threshold even higher than that indicated by the Gallup poll respondents. Such estimates “imply that today’s poverty line would have to be about 50 percent higher to be comparable, in terms of minimum consumption needs, to the standard established in 1963” (Ruggles 1990, p. A31). In other words, a family of four would need an income of at least $18,138 (in 1988 dollars) to meet basic needs, over $6,000 above the current poverty line.

If the official measure of poverty does not capture the real dimensions of hardship and deprivation, it also does not reflect the changing depth or severity of poverty. In recent years, the Census Bureau established what might be called “the poorest of the poor” category, that is, those individuals whose annual income falls at least 50 percent below the officially designated poverty line. In 1975, 30 percent of all the poor had incomes below 50 percent of the poverty level, in 1988 40 percent did so. Among blacks, the increase was even sharper, from 32 percent in 1975 to nearly half (48%) in 1988 (U.S. Bureau of the Census 1988).

Accordingly, when we focus on changes in ghetto poverty, it is quite clear that the real depths of these changes are not captured by the standard definition of poverty. It is reasonable to conclude that not only has the number of ghetto poor increased, but the severity of economic deprivation among the ghetto poor has risen as well.

In sum, the 1970s witnessed a sharp growth in ghetto poverty areas, an increased concentration of the poor in these areas, a substantial rise in the severity of economic hardship among the ghetto poor, and sharply divergent patterns of poverty.

[^2]: In their comprehensive analysis of the official measure of poverty, O’Hare, Mann, Porter, and Greenstein (1990) state that: “The survey question used in the Gallup poll was designed to show people’s perceptions of an appropriate poverty line varied according to where they lived. The question asked what level of income respondents would use as a poverty line in their community. The answers to the survey question varied according to which region of the country the respondents lived. Those living in metropolitan areas would set the poverty line at a higher level than those living in non-metropolitan areas. Those in the Western portion of the United States would set the highest regional poverty line, and those in the South and the Midwest would set the lowest regional poverty lines. In every area of the country, however, the survey respondents set the poverty line for their community at a higher level than the government’s poverty line.

“Those poll results can be used to determine the number of people who would be considered poor if the public’s poverty line were varied by geographic area. This is done by setting poverty lines for each area at the average levels that poll respondents from these areas said should be used to measure poverty in their communities. This approach provides a rough approximation of variations in the cost of living among different areas of the country. Using these geographically varied poverty lines, 44 million Americans would be considered poor. This is only slightly different from the 45 million said to be poor using the public’s poverty line without any geographical variations. The total number of people considered poor does not change very much because, when the poverty line is varied by geographical area, decreases in some areas are offset by increases in others. Fewer people are counted as
concentration between racial minorities and whites. It is clear, then, that one of the legacies of historic racial and class subjugation in America is a unique and growing concentration of minority residents in the most impoverished areas of large Northeastern and Midwestern central cities. This increase in poverty is associated with the rise of joblessness and other social dislocations that have received a good deal of attention in discussions that reflect the public agenda.

THE UNDERCLASS CONTROVERSY

In the aftermath of the controversy over the Moynihan Report (1965) on the black family scholarly studies of the inner-city ghetto ground to halt. However, in recent years empirical research on ghetto poverty and other social dislocations has increased sharply. Coincidentally, this renewed research activity is occurring during a period of heightened public interest in the growing problems of the ghetto spurred in large measure by media reports and public discussion of life in the inner cities, including debates in academic circles. Similar to the previous discussion of the causes and consequences of urban poverty in the late 1960s that focused on the Moynihan Report and on Lewis’s work on the culture of poverty (1959, 1961, 1966, 1968), much of this discussion is contentious and acrimonious.3 A poor under the lower poverty lines used in non-metropolitan areas, in the Midwest, and in the South, but these reductions are offset by increases in the number of people considered poor under the higher poverty lines in metropolitan areas and in the West” (p. viii).

Some analysts believe that certain noncash government benefits such as housing subsidies and food stamps ought to be included as income in estimates of the number of families in poverty. O’Hare, Mann, Porter, and Greenstein pursued this point and found that “even counting noncash benefits as income and using the public’s poverty line, the number of people considered poor would still be substantially higher than under the government’s poverty measure, which does not count noncash benefits. If food and housing benefits were counted as income, the number of Americans considered poor under the public’s poverty line would be about 43 million, or 18 percent of the American population. If medical benefits were also counted as income, the number of Americans considered poor would be 39 million, or 16 percent of the population” (1990, p. viii).

See Jencks and Edin (1990) for another comprehensive study of family income and consumption among the poor.

For a comparative discussion of these two controversies see Wilson (1988). See Rainwater and good deal of the debate has focused on the use or misuse of the concept “underclass.”

A spate of studies highly critical of the use of the term “underclass” has accompanied the increased research activity on the inner-city ghetto. The general view is that the term ought to be rejected because it has become a code word for inner-city blacks, has enabled journalists to focus on unflattering behavior in the ghetto, and has no scientific usefulness. Gans (1990) offers the most important, powerful, and representative critique of the use of the concept. He argues that while the term “underclass” can be “used as a graphic technical term for the growing number of persistently poor and jobless Americans, it is also a value-laden, increasingly pejorative term that seems to be becoming the newest buzzword for the undeserving poor” (p. 271).

Gans points out that when Myrdal coined the term “underclass” in his 1962 book, Challenge to Affluence, it was used to describe those who had been driven to extreme economic marginality because of changes in what is now called postindustrial society. Myrdal’s concern “was with re-forming the economy,” states Gans, “not with changing or punishing the people who were its victims” (1990, p. 271). Myrdal’s definition was used by other academics until the late 1970s when the focus tended to shift away from joblessness as the defining characteristic of the underclass to acute or persistent poverty.

However, another definition of the underclass surfaced at that time and has now, according to Gans, become the most widely used both inside and outside academia. This new definition, which Gans labels “dangerous,” adds a number of behavioral patterns to the economic definition. It has been prominently used by certain researchers to estimate the size of the underclass with location-based measures. “Underclass” neighborhoods are identified both by census tracts and by the degree of nonconforming behavior within those tracts. With these measures the researchers conclude that although the underclass is relatively small, it is growing (Ricketts and Sawhill 1986, Ricketts and Mincy 1986). In a critical reaction to these studies, Gans (1990) states that: “The researchers tend to assume that the behavior patterns they report are caused by norm violations on the part of area residents and not by the conditions under which they are living, or the behavioral choices open to them as a result of these conditions” (p. 272).

Yancey (1967) for a comprehensive discussion of the controversy over the Moynihan Report.
The various definitions of the underclass, argues Gans (1990), have been the subject of vigorous debates between those on the right who maintain that “the underclass is the product of the unwillingness of the black poor to adhere to the American work ethic, among other cultural deficiencies,” and those on the left who claim that “the underclass is a consequence of the development of post-industrial economy, which no longer needs the unskilled poor” (p. 272).

These debates have swirled around my book, *The Truly Disadvantaged* (Wilson 1987) in which, I assert, as Gans correctly observes, that “this underclass exists mainly because of large-scale and harmful changes in the labor market, and its resulting spatial concentration as well as the isolation of such areas from the more affluent parts of the black community” (Gans 1990, p. 272). Efforts by scholars to resolve the debate have been largely unsuccessful, argues Gans. Meanwhile the behavioral definition of the underclass has increased in the public discourse, especially among journalists.

For all these reasons Gans joins a growing number of social scientists who believe “that the term underclass has taken on so many connotations of undeservingness and blameworthiness that it has become hopelessly polluted in meaning, ideological overtones, and implications, and should be dropped — with the issues involved studied via other concepts” (Gans 1990, p. 272).

Gans comments are thoughtful and sobering and should be taken seriously by those conducting research on the urban poor. Any student of the social sciences who has read recent media reports on the behavior of the underclass is fully aware of the pejorative and value-laden use of the term by some journalists and a few highly visible conservative intellectuals (e.g., Magnet 1987; Hamill 1988; and Murray 1990). But if there is a danger in the way the concept is now being used in many publications, there is also a potential danger for serious researchers from the fallout over the underclass debate. We only need to be reminded of what transpired following the controversy over the Moynihan Report on the black family in the late 1960s. The vitriolic attacks and acrimonious debate that characterized that controversy proved to be too intimidating to scholars, especially to liberal scholars. Indeed, in the aftermath of this controversy and in an effort to protect their work from the charge of racism or of “blaming the victim,” liberal social scientists tended to avoid describing any behavior that could be construed as unflattering or stigmatizing to racial minorities. Accordingly, for a period of several years and well after this controversy had subsided the growing problems of poverty concentration, joblessness, and other social dislocations in the inner-city ghetto did not attract serious research attention. Until the mid-1980s, the void was partially filled by journalists, and therefore conclusions about the behavior of inner-city residents were reached without the benefit of systematic empirical research or thoughtful theoretical arguments.

However, in the last few years researchers have once again begun to study problems such as poverty and joblessness in the ghetto. A significant number of research projects on aspects of inner-city poverty and related problems have been launched. Several more have been organized by the Social Science Research Council which has established a major research program on the urban underclass involving scholars from the disciplines of sociology, psychology, political science, economics, anthropology, education, and history. What effect the current controversy will have on this research agenda is difficult to determine. In some quarters there is a tendency to be critical of any social scientist who analyzes cultural traits and behavior in the inner-city ghetto, even one who attempts to explain them in terms of macrostructural constraints.

Given the research momentum that has been generated, the first-rate scholars from multiple disciplines who are conducting the research, and the support of foundations and other funding agencies, it is unlikely that the controversy will result in the kind of scholarly boycott of research on the ghetto that followed the controversy over the Moynihan Report. Nonetheless, some social scientists may simply decide that it is not worth the hassle and therefore may focus their research on less sensitive issues.

However, articles such as those written by Gans could actually defuse the controversy. After all Gans is not calling for a boycott of research on the inner-city ghetto. Rather he wants the concept of underclass to be dropped “with the issues involved studied via other concepts” (1990, p. 272). If researchers heed Gans’s suggestion there could follow a more concentrated focus on research and theoretical issues and less fixation on disputed concepts or labels.

But heeding Gans’s recommendation could lead to a negative consequence as well. To some extent the controversy over the underclass con-
cept has been productive. The debate has led to more precise specifications of empirical issues and more careful elaboration of theoretical arguments concerning life in the inner-city ghetto, actually providing meaningful direction for empirical research and theory construction. Accordingly, any crusade to abandon the concept underclass, however defined, could result in premature closure of ideas just as important new studies on the inner-city ghetto, including policy-oriented studies, are being generated.

The merits of focusing exclusively on the issues of research may be more important for the research community in the long run. Many of these issues have been obscured in the underclass debate. Gans points out that "[my] work has inspired a lot of new research not only about the underclass but about poverty in general" (1990, p. 272). I should therefore like, in the remainder of this presentation, to build on my previous work and put some of these issues in a broader theoretical context and move us away from the controversy over the concept underclass, including the simplistic either/or distinction between culture and social structure that has characterized so much of the debate. In order to keep us focused on research issues, I will substitute the term "ghetto poor" for the term "underclass" and hope that I will not lose any of the subtle theoretical meaning that the latter term has had in my writings.

A FRAMEWORK FOR THE ANALYSIS OF GHETTO SOCIAL DISLOCATIONS

I argue in *The Truly Disadvantaged* (Wilson 1987) that historic discrimination and a migration flow to large metropolitan areas that kept the minority population relatively young created a problem of weak labor-force attachment within this population, making it particularly vulnerable to the ongoing industrial and geographic changes in the economy since 1970. The shift from goods-producing to service-producing industries, increasing polarization of the labor market into low-wage and high-wage sectors, innovations in technology, relocation of manufacturing industries out of the central city, periodic recessions, and wage stagnation exacerbated the chronic problems of weak labor-force attachment among the urban minority poor. This resulted in accelerated increases in the rate of joblessness (unemployment and nonparticipation in the labor force) among urban blacks, despite the passage of antidiscrimination legislation and despite the creation of affirmative-action programs. The sharp climb in joblessness helped to trigger other problems such as the rise in concentrated urban poverty. However, what I did not make clear in my book is that the rise of ghetto poverty mainly occurred in only two regions of the country.

**The Economy and Weak Labor-Force Attachment in the Inner-City Ghetto**

The ten cities that accounted for three-fourths of the increase in ghetto poverty in the United States during the 1970s have two things in common — they are all industrial centers and, except for Atlanta which recorded a relatively slight increase in the number of ghetto poor, they are all located in the Northeast and Midwest regions of the United States. Cities in the sunbelt regions of the country tended to experience job growth in all major sectors of the economy (manufacturing, retail/wholesale, white-collar and blue-collar services) between 1970 and 1986. However, as the recent research of John Kasarda so clearly shows (1989, 1990a, 1990b), the cities in the frostbelt experienced massive industrial restructuring and a loss of blue-collar jobs. These cities suffered overall employment decline because "growth in their predominantly information-processing industries could not numerically compensate for substantial losses in their more traditional industrial sectors, especially manufacturing" (Kasarda 1990a, p. 241). One result of these changes for many urban blacks has been an increase in the problem of spatial mismatch between central-city residence and the location of employment.

Although studies using data collected up to 1970 failed to demonstrate convincingly that spatial mismatch affects employment for blacks (see, e.g., Ellwood 1986), data since 1970 shows clearly "that the employment of central-city blacks relative to suburban ones has deteriorated" (Holzer 1990, p. 23). Recent research conducted mainly by labor and urban economists strongly support the notions that the decentralization of employment continues in the United States and that manufacturing employment, of which more than half is already suburbanized, has been declining in central-city areas, particularly in the Midwest and Northeast regions of the country; that central-city blacks have less access to employment in terms of the ratio of jobs to people and of average travel time to and from work than do central-city whites; that unlike most
other groups of workers, less-educated blacks receive lower wages in the central city than their counterparts in the suburbs, and that the decline in earnings of central-city blacks is positively associated with the extent of job decentralization in the metropolitan area (Holzer 1990).

Are the differences in employment between suburban blacks and central-city blacks mainly a reflection of changes in the spatial location of jobs? It is possible, as Jencks and Mayer (1989b, p. 34) have pointed out, that in recent years black migration from the central city to the suburbs has become much more selective than it had been previously, so much so that the changes attributed to the spatial location of jobs are really due to selective black suburban migration. The pattern of black migration to the suburbs in the 1970s resembled the pattern of white migration to the suburbs during the 1950s and 1960s in the sense that it was concentrated among the younger and more educated residents of the central city (Frey 1985; Grier and Grier 1988). However, in the 1970s this was less true for whites than for blacks and therefore the education and income gaps between central-city and suburban blacks seemed to widen while gaps between central-city and suburban whites seemed to diminish (Holzer 1990). How much of the central-city/suburban employment gap would remain if one were able to control for personal and family characteristics?

This very question was addressed by Rosenbaum and Popkin (1989) in a recent study of the Gautreaux program in Chicago. This program, which began in 1976, is designed to help low-income public housing project black families move into private market housing in the Chicago metropolitan area. The program locates available apartments and arranges for participants to receive Section 8 federal housing subsidies. The design of the program permitted Rosenbaum and Popkin to compare systematically the employment experiences of a group of low-income blacks who were assigned private apartments in the suburbs to those of a control group with similar demographic characteristics and employment histories who were assigned private apartments in the city.3 Their results support the spatial mis-

3 Rosenbaum and Popkin (1989) surveyed a random sample of 342 female heads of households that included 224 in the suburbs and 108 in the city. They pointed out that: “Since participants usually took the first apartment the program offered, and unit availability often permitted no choice of location, there should be few differences between city and suburban movers. In fact, our analyses find no initial differenc-
cade of the 1970s (Levy 1988). Freeman (1989) provided a unique test of the argument that many of the problems of joblessness among disadvantaged youth in “the inner city are the direct result of the loss of jobs in local labor markets” (p. 2). He compared the employment situation of disadvantaged blacks youths from 1983 to 1987 in metropolitan areas that had the tightest labor markets in 1987. Based on annual merged data from two surveys, the Current Population Survey (CPS) and the National Longitudinal Survey (NLSY), Freeman showed that despite the social problems that “plagued disadvantaged youths, particularly less educated black youths, and despite the 1980s twist in the American labor market against the less skilled, tight labor markets substantially improved the economic position of these workers” (1989, p. 2). Although jobless rates among disadvantaged young blacks remain high, dramatic progress occurred during the recent economic recovery period in the metropolitan areas with the tightest labor markets.

However, arguments demonstrating the impact of recent on-going geographic, industrial, and other shifts in the economy on poor urban blacks have been criticized in some quarters. Some think that the focus on impersonal economic forces overlooks willful acts of racial discrimination on the part of individuals, organizations, and institutions that effectively create employment problems for urban blacks (Bailey 1989). Although empirical studies on these issues are limited, research from the UPFLS’s survey of employers in Chicago suggests that inner-city blacks, particularly black males, face a major problem of employer attitudes toward and perception of black workers. Indeed, interviews of a representative sample of Chicago-area businessmen indicate that many consider inner-city workers — especially young black males — to be uneducated, unstable, uncooperative, and dishonest. Furthermore, racial stereotyping is greater among those employers with lower proportions of blacks in their workforce, especially the blue-collar employers who tend to stress the importance of unobservable qualities such as work attitudes (Neckerman and Kirschenman 1990).

Accordingly, a number of employers practice what economists call “statistical discrimination” whereby judgments about a job applicant’s productivity, which is often too expensive or too difficult to measure, are based on his or her group membership (Kirshenman and Neckerman 1989; Neckerman and Kirschenman 1990). Although an overwhelming majority of the UPFLS’s survey respondents did not express overt racist attitudes or a categorical dislike of blacks when explaining their hiring practices, the data strongly suggest that many did, in fact, practice statistical discrimination by screening out black applicants very early in the hiring process because of their inner-city residence, their class background, and their public school education. These factors were used as proxies for judgments about worker productivity. However, Freeman’s research (1989) leads one to believe that the practice of statistical discrimination will vary depending on the tightness of the labor market and therefore ought not be analyzed without reference to the overall state of the local or national economy.

In a tight labor market, job vacancies are numerous, unemployment is of short duration, and wages are higher. Moreover, in a tight labor market the labor force expands because increased job opportunities not only reduce unemployment but also draw into the labor force those workers who, in periods when the labor market is slack, respond to fading job prospects by dropping out of the labor force altogether. Accordingly, in a tight labor market the status of disadvantaged minorities improves because unemployment is reduced, wages are higher, and better jobs are available. In contrast, in a slack labor market employers are — and indeed, can afford to be — more selective in recruiting and in granting promotions. They overemphasize job prerequisites and exaggerate experience. In such an economic climate, disadvantaged minorities suffer disproportionately and the level of employer discrimination rises (Tobin 1965).

In sum, basic economic shifts and transformations are important for understanding the changes in the life experiences of poor urban minorities. I have maintained that one of the major factors involved in the growth of ghetto poverty is industrial restructuring and labor-market swings in the Northeast and Midwest metropolitan areas. Another factor, argued in The Truly Disadvantaged (Wilson 1987), is the outmigration of higher income residents from certain parts of the inner city, resulting in a higher concentration of residents in extreme poverty or ghetto neighborhoods.

This thesis has been the subject of controversy. Research by Massey and Eggers (1990), for instance, found that although levels of interclass segregation among blacks increased during the 1970s, it was not sufficient to account for the rising concentration of urban black poverty. They argue that because of persisting segregation, higher income blacks “are less able to separate
themselves from the poor than the privileged of other groups” (Massey and Eggers 1990, p. 1186). Thus an increase in the poverty rate of a highly segregated group will automatically lead to an increase in the concentration of poverty. However, analyzing a different data set, Jargowsky and Bane (1990) reject the hypothesis that “poverty rate changes alone explain changes in ghetto poverty” (p. 48). The conflicting findings and conclusions are associated with the use of different measures of concentrated poverty.

Massey and Eggers (1990) use a segregation index to calculate the probability of intraclass contact among metropolitan groups. Although this measure allows for the description of the overall level of concentrated poverty in Standard Metropolitan Statistical Areas (SMSA), as Jargowsky and Bane (1990) appropriately point out, it does not “identify specific neighborhoods that are ghettos and others that are not” (p. 6).

As indicated previously, Jargowsky and Bane (1990) identify ghetto and nonghetto neighborhoods. Focusing specifically on the cities of Philadelphia, Milwaukee, Cleveland, and Memphis, they found a significant geographical spreading of ghetto neighborhoods between 1970 and 1980. Areas that had become ghettos during that decade “were mixed income tracts in 1970 that were contiguous to the 1970 ghetto areas” (p. 53). Their findings clearly support the hypothesis that a major factor in the increase of ghetto poverty since 1970 has been the outmigration of nonpoor from mixed income areas. Jargowsky and Bane (1990) report that “the poor were leaving as well, but the nonpoor left faster, leaving behind a group of people in 1980 that was poorer than in 1970” (p. 56). As the population spread out from mixed income areas in 1970 to other areas, the next “ring” of areas that were mostly white and not poor became the home of a “larger proportion of the black and poor population. The white nonpoor left these areas, which also lost population overall” (pp. 56-7). Thus, the black middle class exodus from inner-city areas that later became ghettos was not followed by a significant increase of interclass segregation among blacks in other neighborhoods. Unfortunately, the important process involving the geographical spread of ghetto poverty is not captured in studies that focus on the concentration of poverty in SMSAs using a segregation index (cf. Farley 1989). Although such studies are important for understanding the role of racial segrega-

6 For a comprehensive study that presents similar findings, see Coulton, Chow, and Pandey (1990).

tion in explaining changes in the level of metropolitan poverty concentration, the data they yield do not provide an appropriate test of the hypothesis that associates the increase of ghetto poverty with the higher-income black exodus from certain inner-city neighborhoods.

The significance of the higher-income black exodus, however, is not only that it was a factor in the growth of ghetto poverty, but also that the declining presence of working- and middle-class blacks deprives ghetto neighborhoods of key resources, including structural resources such as a social buffer to minimize the effects of growing joblessness and cultural resources such as conventional role models for neighborhood children. The economic marginality of the ghetto poor is strengthened, therefore, by conditions in the neighborhoods in which they live, a subject to which I now turn.

The Social Environment in the Inner-City Ghetto and Weak Labor-Force Attachment

In The Truly Disadvantaged (Wilson 1987), I focus on the growing concentration of urban poverty and argue that the central predicament of inner-city ghetto residents is joblessness reinforced by a growing social isolation in impoverished neighborhoods, as reflected, for example, in the rapidly decreasing access to job information network systems. In an important conceptual paper, Van Haitsma (1989) has more sharply delineated the connection between involvement in the labor market and the social environment by identifying those persons with weak attachment to the labor force and “whose social context tends to maintain or further weaken this attachment” (p. 28). I would like to incorporate this more explicit notion into my framework by equating the “social context” with the neighborhood.

“Weak labor-force attachment,” a concept that initially received systematic attention in the work of McLanahan and Garfinkel (1989), does not refer in this context to a willingness or desire to work (cf. Tienda and Stier 1989). Rather “weak labor-force attachment” is used here as a structural concept embedded in a theoretical framework that explains why some groups are more vulnerable to joblessness than others. In other words, weak labor-force attachment refers to the marginal economic position of some people in the labor force because of structural constraints or limited opportunities, including constraints or opportunities in their immediate environment — for example, lack of access to informal job net-
work systems. The key theoretical distinction I am trying to make here is that there are two major sources of weak labor-force attachment — one derives from macro-structural changes in the broader society, most notably the economy, the other from the individual’s social milieu. I have discussed the former; now let me briefly discuss the latter.

In order to understand the unique position of inner-city ghetto residents it is important to emphasize the association between attachment to the labor force and the social environment (neighborhood). A key hypothesis is that “environments with low opportunity for stable and legitimate employment and high opportunity for alternative income-generating activities, particularly those which are incompatible with regular employment,” are those which perpetuate weak labor-force attachment over time (Van Haitsma 1989, p. 7).

Poor individuals who live in a social context that fosters or enhances strong labor-force attachment are less likely to experience persistent poverty than are those living in a social context that reinforces weak labor-force attachment. In other words, poor individuals with similar educational and occupational skills confront different risks of persistent poverty depending on the neighborhoods they reside in, as embodied in the formal and informal networks to which they have access, their prospects of marriage or remarriage to a stably employed mate, and the families or households to which they belong. Moreover, a social context that includes poor schools, inadequate job information networks, and a lack of legitimate employment opportunities not only gives rise to weak labor-force attachment, but increases the probability that individuals will be constrained to seek income derived from illegal or deviant activities. This weakens their attachment to the legitimate labor market even further.

Furthermore, the social context has significant implications for the socialization of youth with respect to their future attachment to the labor force. For example, a youngster who grows up in a family with a steady breadwinner and in a neighborhood in which most of the adults are employed will tend to develop some of the disciplined habits associated with stable or steady employment — habits that are reflected in the behavior of his or her parents and of other neighborhood adults. Accordingly, when this youngster enters the labor market, he or she has a distinct advantage over the youngsters who grow up in households without a steady breadwinner and in neighborhoods that are not organized around work — in other words, a milieu in which one is more exposed to the less disciplined habits associated with casual or infrequent work.

By observing the temporal organization of the life of the same individuals before and after they become jobless, Bourdieu (1965) pointed out in his study of work and workers in Algeria that work is not simply a means of making a living and supporting one’s family. It also constitutes the framework for daily behavior and patterns of interaction because of the disciplines and regularities it imposes. Thus in the absence of regular employment, what is lacking is not only a place in which to work and the receipt of regular income, but also a coherent organization of the present, that is, a system of concrete expectations and goals. Regular employment provides the anchor for the temporal and spatial aspects of daily life. In the absence of regular employment, life, including family life, becomes more incoherent. Unemployment and irregular employment, argues Bourdieu, preclude the elaboration of a rational planning of life, the necessary condition of adaptation to an industrial economy. This problem is most severe for jobless individuals and families in neighborhoods with low rates of employment. And the relative absence of rational planning in a jobless family is reinforced by the similar condition of other families in the neighborhood.

Indeed, I believe that there is a difference, on the one hand, between a jobless family whose mobility is impeded by the macrostructural constraints in the economy and the larger society but nonetheless lives in an area with a relatively low rate of poverty, and on the other hand, a jobless family that lives in an inner-city ghetto neighborhood that is not only influenced by these same constraints but also by the behavior of other jobless families in the neighborhood. The latter influence is one of culture — that is, the extent to which individuals follow their inclinations as they have been developed by learning or influence from other members of the community (Hannerz 1969). In other words, it is not sufficient to recognize the importance of macrostructural constraints; it is also imperative to see “the merits of a more subtle kind of cultural analysis of life in poverty” (p. 182).

Let me briefly elaborate this point with a different example of the kind of cultural analysis I

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7 I am indebted to Loic J. D. Wacquant for his translation of a part of Bourdieu’s (1965) study. It is not yet available in English.
am trying to convey. Joblessness, especially pro-
longed joblessness, is likely to be associated with
or produce feelings of low perceived self-efficacy.
In social cognitive theory (Bandura 1986),
perceived self-efficacy refers to self-beliefs in
one’s ability to take the steps or courses of action
necessary to achieve the goals required in a given
situation. Such beliefs affect the level of chal-
lenge that is pursued, the amount of effort ex-
pended in a given venture, and the degree of
perseverance when confronting difficulties. As
Bandura (1982) has put it: “Inability to influence
events and social conditions that significantly af-
fect one’s life can give rise to feelings of futility
and despondency as well as to anxiety” (p. 140).
Two sources of perceived futility are distin-
guished in self-efficacy theory. People may seri-
ously doubt that they can do or accomplish what
is expected, or they may feel confident of their
abilities but nonetheless give up trying because
they believe that their efforts will ultimately be
futile due to an environment that is unrespon-
sive, discriminatory, or punitive. “The type of
outcomes people expect depend largely on their
judgments of how well they will be able to per-
form in given situations” (p. 140).

Weak labor-force attachment, I would hypo-
thesize, will tend to lower one’s perceived self effi-
cacy. I would therefore expect lower levels of
perceived self-efficacy in ghetto neighborhoods
—plagued by underemployment, unemployment
and labor-force nonparticipation — than in less
impoverished neighborhoods. Considering the
importance of cultural learning and influence, I
would also expect that perceived self-efficacy is
higher among those who are weakly attached to
the labor force in nonghetto neighborhoods than
among their counterparts in ghetto neighborhoods.

In the more socially isolated ghetto neighbor-
hoods, networks of kin, friends, and associates
are more likely to include a higher proportion of
individuals who, because of their experiences with
extreme economic marginality, tend to doubt that
they can achieve approved societal goals. The
self-doubts may exist either because of questions
concerning their own capabilities or prepared-
ness, or because they perceive severe restrictions
imposed by a hostile environment. The central
hypothesis is that an individual’s feelings of low
self-efficacy grow out of weak labor-force at-
tachment and they are reinforced or strengthened
by the feelings and views of others in his or her
neighborhood who are similarly situated and have
similar self-beliefs. The end result, to use a term
from Bandura’s (1982) work, is lower collective
efficacy in the inner-city ghetto. Research on the
transmission of such views and feelings would
represent a cultural analysis of life in poverty.
The psychological self-efficacy theory is used
here not in isolation but in relation to the structural
problem of weak labor-force attachment and the
cultural problem of the transmission of self and
collective beliefs in the neighborhood.

The transmission of such beliefs are part of
what I have called “concentration effects,” that is
the effects of living in a neighborhood that is
overwhelmingly impoverished (Wilson 1987). I
argue that these concentration effects, reflected
in a range of outcomes from degree of labor force
attachment to social dispositions, are created by
the constraints and opportunities that the resi-
dents of the inner-city neighborhoods face in
terms of access to jobs and job networks, in-
volve in quality schools, availability of marriageable partners, and exposure to conven-
tional role models.

Although earlier studies cast doubt on the im-
portance of neighborhood residence on social
outcomes (cf. Jencks and Mayer 1989a), several
more recent studies present evidence that neigh-
borhood effects do exist for teenage childbear-
ing, school dropout rates, and welfare use (Crane
1989; Mayer 1989; Osterman 1990). These studi-
es use a variety of different measures, including
those that deal with the thorny problems of selec-
tion processes outlined in an important paper by
Tienda (1989). A number of new studies on
concentration effects are currently being con-
ducted.

CONCLUSION

I have presented a framework that links structur-
al and cultural arguments on inner-city social
dislocations without using the concept of “un-
derclass.” Hoping that I would not lose any of
the subtle theoretical meaning that this concept
has had in my writing, and to focus our attention
less on controversy and more on research and
theoretical issues, I have substituted the term
“ghetto poor.” There is a certain risk involved
here because the concept “underclass” derives

8On this point, Tienda (1989) states: “If systematic
selection processes are the primary mechanism bring-
ting together individuals with similar socioeconomic
characteristics and behavioral dispositions within spa-
tially bounded areas, then selection processes will be
confused with neighborhood effects unless one can
show that concentration itself accentuates the manifes-
tation and ramification of particular behaviors” (p. 21).
its meaning from this framework, not from an isolated or arbitrary definition. The issue is not simply that the underclass or ghetto poor have a marginal position in the labor market similar to that of other disadvantaged groups, it is also that their economic position is uniquely reinforced by their social milieu. The concept “underclass” or “ghetto poor” can be theoretically applied to all racial and ethnic groups, and to different societies if the conditions specified in the theory are met. In studies in the United States, the concept will more often refer to minorities because the white poor seldom live in ghettos or extreme urban poverty areas.

However, if ghetto areas continue to be empirically defined on the basis of the current definition of poverty, empirical estimates of the size of the underclass or ghetto poor will invariably be too low. As I stated above, the official poverty line, although annually adjusted for inflation, has not been revised upward to reflect changes in family consumption patterns. Accordingly, to get a real idea of the dimensions of ghetto poverty, empirical definitions of the underclass or ghetto poor, based on the fundamental theoretical assumptions outlined here, will have to be applied to redefined areas — areas designated as ghettos on the basis of revised measures of poverty that reflect real changes in minimum family needs.

Fortunately, the underclass controversy has not diminished the enthusiasm for research on these issues. There exists now a climate for research in which many of the macrostructural and cultural issues discussed in this presentation are being pursued. With the reemergence of poverty on the nation’s public agenda, researchers have to recognize that they have the political and social responsibility as social scientists to ensure that their findings and theories are interpreted accurately by those in the public who use their ideas. They also have the intellectual responsibility to do more than simply react to trends or currents of public thinking. They have to provide intellectual leadership with arguments based on systematic research and theoretical analyses that confront ideologically driven and short-sighted public views.

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