

Land Policy, Land Markets and Urban Spatial Segregation

**Allegra Calder
and Rosalind Greenstein**

Is urban spatial segregation a consequence of the normal functioning of urban land markets, reflecting cumulative individual choices? Or, is it a result of the malfunctioning of urban land markets that privatize social benefits and socialize private costs? Is it the result of class bias, or racial bias, or both? Does public housing policy create ghettos? Or, do real estate agents and lending officers substitute personal bias for objective data, thereby creating and reinforcing stereotypes about fellow citizens and neighborhoods? Can changes in land policy lead to changes in intra-metropolitan settlement patterns? Or, do such changes come about only from deep social changes having to do with values such as tolerance, opportunity and human rights?

Thirty-seven practitioners and academics from thirteen countries struggled with these and other related questions at the Lincoln Institute's "International Seminar on Segregation in the City" in Cambridge last July. The seminar organizers, Francisco Sabatini of the Catholic University of Chile and Martim Smolka and Rosalind Greenstein of the Lincoln Institute, cast a wide net to explore the theoretical, historical and practical dimensions of segregation. Participants came from countries as diverse as Brazil, Israel, Kenya, the Netherlands, Northern Ireland and the U.S., and they brought to the discussion their training as lawyers, sociologists, economists, urban planners, regional scientists and geographers. As they attempted to come to terms with the meaning of segregation, the various forces that create and reinforce it, and possible policy responses, it became apparent that there are no simple answers and that many viewpoints contribute to the ongoing debate. This brief report on the seminar offers a taste of the far-reaching discussion.

What is Segregation and Why Is It Important?

Frederick Boal's (School of Geography, Queen's University, Belfast) work is informed by both the rich sociological literature on segregation and his own experience of living in the midst of the troubles between Catholics and Protestants in Northern Ireland. Boal suggested that segregation was best understood as part of a spectrum that ranged from the extreme approach of ethnic cleansing to the more idealistic one of assimilation (see Figure 1). As with so many policy issues, segregation will not be solved by viewing it as a dichotomy but rather as a continuum of degrees or levels of separateness, each with different spatial manifestations.

For Peter Marcuse (Graduate School of Architecture, Preservation and Planning, Columbia University, New York) segregation implies a lack of choice and/or the presence of coercion. When racial or ethnic groups choose to live together, he calls that clustering in enclaves. However, when groups are forced apart, either explicitly or through more subtle mechanisms, he calls that segregation in ghettos. It is the lack of choice that distinguishes these patterns and invites a public policy response.

The meaning and importance of segregation varies with the historical context. For William Harris (Department of Urban and Regional Planning, Jackson State University, Mississippi), who writes about spatial segregation in the U.S. South,

segregation can be neither understood nor addressed without fully appreciating the role that race has played and continues to play in American history and public policy. Flavio Villaça (School of Architecture and Urbanism, University of São Paulo, Brazil) understands segregation within a class framework, where income level and social status, not race, are the key factors influencing residential patterns. In Brazil and many other countries with long histories of authoritarian regimes, urban services are generally provided by the state. In these countries, urban residential patterns determine access to water and sewer facilities (and therefore health) as well as transportation, utility infrastructure and other urban services.

In many cases, Villaça and others assert, land market activity and urban codes and regulations have been used, both overtly and furtively, to create elite, well-served neighborhoods that segregate the upper classes from the rest of society, which is largely ignored. This view has parallels in the U.S., where access to high-quality schools and other valued amenities is largely determined by residential patterns that are closely associated with segregation by income level, ethnic background and other demographic characteristics. Seminar participants also cited the correlation between disadvantaged communities and the location of environmental hazards. People segregated into low-income ghettos or neighborhoods comprised primarily of people of color confront the downsides of modern urban living, such as hazardous waste sites and other locally unwanted land uses.

Ariel Espino (Department of Anthropology, Rice University, Texas) presented an analysis of how distance is used to reinforce social, political and economic inequality in housing. When social and economic differences are clear and understood, ruling elites tolerate physical proximity. For example, servants can live close to their employers, even in the same



LISA J. SILVA

house, because economic relations and behavioral norms dictate separation by class.

Why Does Segregation Persist?

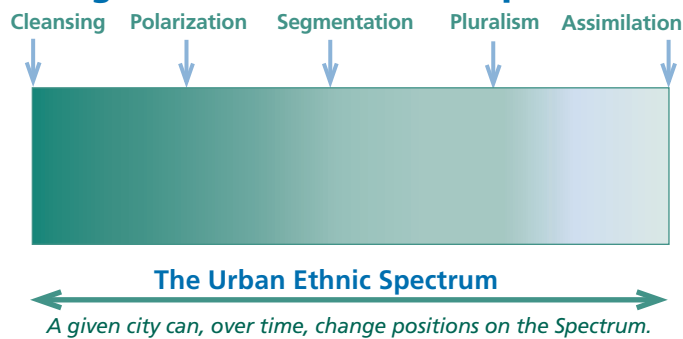
Prevalent throughout the seminar was an assumption that all residents of the city (i.e., citizens) ought to have access to urban services, at least to a minimum level of services. However, Peter Marcuse challenged the participants to think beyond a minimum level and to consider access to urban amenities in the context of rights. He questioned whether wealth or family heritage or skin color or ethnic identity ought to determine one's access to public goods—not only education, health and shelter, but also other amenities directly related to physical location. In language reminiscent of Henry George's views on common property in the late-nineteenth century, Marcuse asked whether it was fair or right, for example, for the rich to enjoy the best ocean views or river frontage or other endowments of nature while the poor are often relegated to the least attractive areas.

Robert Wassmer (Department of Public Policy and Administration, California State University) described the economic processes involved in residential location, as they are understood by public choice economists. In this view, house buyers do not choose to buy only a house and a lot; they consider a diverse set of amenities that vary from place to place. Some buyers may choose an amenity bundle that includes more public transit and less lakefront, while others may choose greater access to highways and higher-quality public education. However, not all citizens have equal opportunities to make such choices. Several seminar participants added that this debate is part of a larger conversation about access and choice in society, since nearly all choices are constrained to some extent, and many constraints vary systematically across social groups.

Other participants drew attention to the ways that government policy (e.g., tax codes, housing legislation) and private institutions (e.g., real estate agents, lending institutions) interact to influence the behavior of land markets, and thus the effects of land policies on public and private actions. Greg Squires (Department of Sociology, George Washington University) reported on a study of the house-hunting process

in Washington, DC. His research findings emphasize the role of real estate agents in steering buyers and renters into same-race neighborhoods. As a consequence, blacks simply do not enjoy the same opportunities as whites and are far less likely to obtain their first choice of housing, thus challenging the public choice model. Squires also

Figure 1: Boal's Scenarios Spectrum



found that housing choice is determined by social or economic status. For example, priorities for neighborhood amenities among black house-hunters tended to differ from those of whites, in part because they had fewer private resources (such as an automobile) and were more dependent on a house location that provided centralized services such as public transportation.

John Metzger (Urban and Regional Planning Program, Michigan State University) examined the role of the private market in perpetuating segregation. He presented research on the demographic cluster profiles that companies like Claritas and CACI Marketing Systems use to characterize neighborhoods. These profiles are sold to a range of industries, including real estate and finance, as well as to public entities. The real estate industry uses the profiles to inform retailing, planning and investment decisions, and, Metzger argues, to encourage racial steering and the persistence of segregation. Mortgage lenders use profiles to measure consumer demand. Urban planners—both private consultants and those in the public sector—use profiles to determine future land uses for long-range planning and to guide planning and investment for central business districts. Real estate developers use profiles to define their markets and demonstrate pent-up demand for their products. The profiles themselves are often based on racial and ethnic stereotypes and in turn reinforce the separation of racial and ethnic groups within regional real estate markets.

Xavier de Souza Briggs (John F. Kennedy

School of Government, Harvard University) brought the idea of “social capital” to the discussion. As the term is being used today by sociologists and social theorists, social capital embodies the social networks and social trust within communities that can be harnessed to achieve individual and group goals. Briggs argued that social capital is both a cause and an effect of segregation in the U.S., but it can be leveraged to create positive change. Others challenged the extent to which social capital theory and research helps to address urban spatial segregation. These participants argued that it tended to frame the policy question as “How do we improve poor people?” rather than addressing the structural and institutional

mechanisms that contribute to residential segregation and income inequality. Yet, the sociologists' view is that social capital is the very element that communities need to exert some element of control over their immediate environments, rather than to be simply the recipients of the intended and unintended consequences of the political economy.

Social Justice and Land Policy

Seminar participants from around the world shared examples of spatial segregation enforced as a political strategy through the power of the state.

- The British colonial government in Kenya employed planning laws and exclusionary zoning to separate native Africans from the British, and those residential patterns established almost a century ago are reflected in Nairobi today.
- The military government at the time of the British mandate in Palestine forced the Arab Palestinians to reside in only one sector of the city of Lod, facilitating the transformation of this once Arab city in what is now Israel.
- The military regime of Augusto Pinochet evicted thousands of working-class Chileans from certain sectors of their cities to make way for small, elite middle- and upper-class settlements.
- The Apartheid regime of South Africa created separate residential sectors based on race and systematically kept groups isolated in virtually all aspects of society.

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The connections between these extreme forms of spatial segregation and the land policies and market forces at work in most cities today are complex and challenging to articulate. One link is in the ways that land policies and the institutions that support land markets continue to be used to legitimize discriminatory practices.

By envisioning cities where citizens have real freedom to choose their residential locations, the planners in the seminar focused on government policies and programs to facilitate integration, such as the U.S. Department of Housing and Urban Development's Moving to Opportunity Program. However, Stephen Ross (Department of Economics, University of Connecticut) questioned the assumed benefits of resettlement or integration policies by asking, "What if you dispersed high-income

people across the city? What would change? Does this idea help us to think more carefully about why space matters?"

Another query from Xavier Briggs challenged participants to think about where the most meaningful social interactions actually occur. Specifically, what needs to happen, and in what circumstances, to move from the extreme of ethnic cleansing on Boal's urban ethnic spectrum toward assimilation? Briggs suggested that institutions such as schools and workplaces might be better suited to foster more diversity in social interactions than are residential neighborhoods.

Ultimately, the urban planners wanted the tools of their trade to be used for shaping a city that offered justice for all. Haim Yacobi (Department of Geography, Ben-Gurion University, Israel), while referring to the status of the Arab citizens in the mixed city of Lod, touched the foundations of western democratic ideals when he asked,

"If a citizen does not have full access to the city, if a citizen is not a full participant in the life of the city, is he or she living in a true city?" **L**

Allegra Calder is a research assistant at the Lincoln Institute and **Rosalind Greenstein** is a senior fellow and cochairman of the Institute's Department of Planning and Development. Contact: rgreenstein@lincolninst.edu.

The papers presented by all participants in this seminar are posted on the Lincoln Institute website (www.lincolninst.edu). Go the "Home" page or the "What's New" page, click on "Past Course Materials," and then click on "International Seminar on Segregation in the City."

Audio Conference Series for Planning Officials

Again this year the American Planning Association (APA) and the Lincoln Institute are presenting a series of audio conference training programs on community planning. The audio conferences are delivered live over a speaker telephone to a group of any size. All programs are one hour in length and are held on Wednesdays at 4:00pm E.T. Each registration site receives reading materials, an agenda and instructions on joining the program and asking questions of the speakers.

Tear Downs, Monster Homes and Appropriate Infill

December 5, 2001

If monster homes have begun to appear in your community, now is the time to hear what other communities are doing to accommodate appropriate change. Learn how to maintain reasonable residential scale, character and green space, as well as to encourage new forms of infill that enhance community viability. Find out what

approaches and planning tools are brought to bear on out-of-scale new homes in established neighborhoods, and examine intriguing case studies of new infill.

Context-Sensitive Signs

February 6, 2002

Creating context-sensitive signs is one of the toughest and most persistent problems communities face. Explore how communities decide upon the right level and type of control based on findings from APA's new Planning Advisory Service Report. Examine case studies of how signs have been created to blend visually with other aspects of design, hear the legal requirements of constitutionally sound sign ordinances, explore opportunities and limitations of regulating signage, and make certain you understand the valuable roles signs play in a community. This program provides an update on the ever-changing legal framework for sign regulation and provides tips on how communities can work effectively with the sign industry.

Preserving Community Retail

May 22, 2002

Economic analysts assert that America has overbuilt for retail, as evidenced by the many retail businesses that move or go out of business annually. This situation can be very disruptive for a community and can seriously alter the viability of a neighborhood. The community's retail sector provides not only valuable services, but anchors the community's downtown, neighborhood shopping areas and retail corridors, and it provides economic stability. Learn what communities can do to preserve or attract new retail, explore new options such as ethnically oriented businesses, and find out how to help new entrepreneurs and sustain mature businesses.

For more information and to register, contact the American Planning Association (APA): Angela Lawson, 312/431-9100, alawson@planning.org, or www.planning.org/educ/audiocon.htm.