

## "The Cost of Racial and Class Exclusion in the Inner City"

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### Editors' Introduction

William Julius Wilson is one of the leading black sociologists and one of the most influential thinkers on issues of urban poverty, race, and social policy in America. His first major contribution to the national debate on the status of African Americans in the U.S. was *The Declining Significance of Race* (University of Chicago Press, 1976) in which he argued that socioeconomic issues were superseding racial issues as the main problems confronting black urban America. He applied his ideas more specifically to the conditions of the urban black poor with his second book, *The Truly Disadvantaged: The Inner City, the Underclass, and Public Policy* (University of Chicago Press, 1987).

In *The Truly Disadvantaged*, Wilson argues that the black ghetto has become a much more dangerous, deprived and socially disorganized place across the course of the twentieth century. He begins with a discussion of the problem of labeling; the term "underclass" like the phrase "culture of poverty," has been used by political conservatives since the 1980s to blame the victims of urban poverty for their own plight. Wilson repudiates the arguments of political conservatives while challenging liberals to reestablish control of public discourse concerning the underclass. He analyzes the effect of structural economic change and the suburbanization of the black middle class in concentrating the problems of the black poor in the inner cities. He asserts that the urban black poor suffer from a "tangle of pathologies" and live in "social isolation" from the mainstream of social life in America. He also discusses the merits of social policies of universalism versus targeted income-tested or race-based programs to address the urban underclass.

In their co-written selection, Loïc Wacquant and William Wilson reiterate and reformulate some of the issues that Wilson initially addressed. They emphasize the dual importance of both class and racial dynamics in the exclusion of blacks in Chicago as a case study of national trends. The mass exodus of jobs and working families from the inner city, coupled with the growth of neoliberal policies of government privatization and reduction of public spending has triggered a process of "hyperghettoization," concentrating blacks in a crisis of joblessness and extreme poverty. They draw attention also to deindustrialization or structural shift in the economy, notably the decentralization of manufacturing employment from the inner city to the suburbs, Sunbelt states, and offshore locations in developing nations.

The decline of institutional structures in the ghetto, what Wilson in *The Truly Disadvantaged* called "social buffers," is described in this selection as the loss of the "pulpit and the press." The loss of the black leadership (such as teachers, clergy, journalists, lawyers, and businessmen) into the suburbs has left the inner city bereft of stable working families and resources for upward social mobility. Wacquant and Wilson describe the loss of educational resources in the hyperghetto, a situation that is all the more

stark because of the loss of manufacturing employment from the inner city. These factory jobs were often available for the previous generation without formal education, as work skills could often be acquired on-the-job. They also paid a living wage, unlike the service sector jobs that have replaced factory jobs, with the "runaway plant," and deindustrialization process in American cities. Contemporary residents of the hyperghetto are also poorly suited for employment in the new information and technology-based sectors of the postindustrial economy. John Kasarda has described this problem as "jobs-skills mismatch" in a variety of writings, including a chapter titled "Urban Industrial Transition and the Underclass," in William Wilson, editor, *The Ghetto Underclass: Social Science Perspectives* (Newbury Park, CA: Sage Publications, 1993).

Wacquant and Wilson also consider the growing feminization of poverty in the hyperghetto, as poor households are increasingly headed by single-women. They note the continuing erosion of financial resources for ghetto households, and the decline in homeownership. They note that the households left in the hyperghetto are bereft of links to solidarity groups, networks, and organizations, what the French sociologist Pierre Bourdieu calls "social capital" ("The Forms of Capital," in *Handbook of Theory and Research for the Sociology of Education*, edited by J. G. Richardson (New York: Greenwood Press, 1986)). The political scientist Robert Putnam has recently received national attention for his writings on the general decline of social capital and community networks as a general process in postwar U.S. society (*Bowling Alone: The Collapse and Revival of American Community* (New York: Simon and Schuster, 2000)).

William Wilson's *The Declining Significance of Race* was winner of the American Sociological Association's Sydney Spivack Award. *The Truly Disadvantaged* was selected by the editors of the *New York Times Book Review* as one of the 16 best books of 1987, and it also received the *Washington Monthly* Annual Book Award and the Society for the Study of Social Problems C. Wright Mills Award. *When Work Disappears: The World of the New Urban Poor* (New York: Alfred A. Knopf) was chosen as one of the notable books of 1996 by the editors of the *New York Times Book Review* and received the Sidney Hillman Foundation Award. He published *The Bridge over the Racial Divide: Rising Inequality and Coalition Politics* in 1999 (Berkeley, CA: University of California Press).

William Julius Wilson received his Ph.D. from Washington State University in 1966. He taught at the University of Massachusetts at Amherst before joining the University of Chicago faculty in 1972. In 1990 he became the director of the Center for the Study of Urban Inequality at the University of Chicago. In 1996, he moved to become the Lewis P. and Linda L. Geyser University Professor at Harvard University. Wilson is a past president of the American Sociological Association. He was a MacArthur Prize fellow from 1987 to 1992 and has been elected to the National Academy of Sciences, the American Academy of Arts and Sciences, the National Academy of Education, and the American Philosophical Society. In June 1996 he was selected by *Time* magazine as one of America's 25 Most Influential People. In 1998, he received the National Medal of Science, the highest scientific honor in the U.S.

Loïc Wacquant was a doctoral student at the University of Chicago, working as a research assistant at the Urban Poverty and Family Structure Project, when he and Wilson began the collaboration that led to this selection. Further biographical background on Wacquant is provided in the introduction to his selection on "Urban Outcasts: Stigma and Division in the Black American Ghetto and the French Urban Periphery."

After a long eclipse, the ghetto has made a stunning comeback into the collective consciousness of America. Not since the riots of the hot summers of 1966-68 have the black poor received so much attention in academic, activist, and policymaking quarters alike. Persistent and rising poverty, espe-

cially among children, mounting social disruptions, the continuing degradation of public housing and public schools, concern over the eroding tax base of cities plagued by large ghettos and by the dilemmas of gentrification, the disillusion of liberals over welfare have all combined to put the black

inner-city poor back in the spotlight. Owing in large part to the pervasive and ascendant influence of conservative ideology in the United States, however, recent discussions of the plight of ghetto blacks have typically been cast in individualistic and moralistic terms. The poor are presented as a mere aggregation of personal cases, each with its own logic and self-contained causes. Severed from the struggles and structural changes in the society, economy, and polity that in fact determine them, inner-city dislocations are then portrayed as a self-imposed, self-sustaining phenomenon. This vision of poverty has found perhaps its most vivid expression in the lurid descriptions of ghetto residents that have flourished in the pages of popular magazines and on televised programs devoted to the emerging underclass. Descriptions and explanations of the current predicament of inner-city blacks put the emphasis on individual attributes and the alleged grip of the so-called culture of poverty.

This chapter, in sharp contrast, draws attention to the specific features of the proximate social structure in which ghetto residents evolve and strive, against formidable odds, to survive and, whenever they can, escape its poverty and degradation. We provide this different perspective by profiling blacks who live in Chicago's inner city, contrasting the situation of those who dwell in low-poverty areas with residents of the city's ghetto neighborhoods. Beyond its sociographic focus, the central argument running through this article is that the interrelated set of phenomena captured by the term "underclass" is primarily social-structural and that the ghetto is experiencing a "crisis" not because a "welfare ethos" has mysteriously taken over its residents but because joblessness and economic exclusion, having reached dramatic proportions, have triggered a process of hyperghettoization.

Indeed, the urban black poor of today differ both from their counterparts of earlier years and from the white poor in that they are becoming increasingly concentrated in dilapidated territorial enclaves that epitomize acute social and economic marginalization.

[...]

This growing social and spatial concentration of poverty creates a formidable and unprecedented set of obstacles for ghetto blacks. As we shall see, the

social structure of today's inner city has been radically altered by the mass exodus of jobs and working families and by the rapid deterioration of housing, schools, businesses, recreational facilities, and other community organizations, further exacerbated by government policies of industrial and urban laissez-faire that have channeled a disproportionate share of federal, state, and municipal resources to the more affluent. The economic and social buffer provided by a stable black working class and a visible, if small, black middle class that cushioned the impact of downswings in the economy and tied ghetto residents to the world of work has all but disappeared. Moreover, the social networks of parents, friends, and associates, as well as the nexus of local institutions, have seen their resources for economic stability progressively depleted. In sum, today's ghetto residents face a closed opportunity structure.

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#### DEINDUSTRIALIZATION AND HYPERGHETTOIZATION

Social conditions in the ghettos of Northern metropolises have never been enviable, but today they are scaling new heights in deprivation, oppression, and hardship. The situation of Chicago's black inner city is emblematic of the social changes that have sown despair and exclusion in these communities. An unprecedented tangle of social woes is gripping the black communities of the city's South Side and West Side. These racial enclaves have experienced rapid increases in the number and percentage of poor families, extensive out-migration of working- and middle-class households, stagnation – if not real regression – of income, and record levels of unemployment....

The single largest force behind this increasing social and economic marginalization of large numbers of inner-city blacks has been a set of mutually reinforcing spatial and industrial changes in the country's urban political economy that have converged to undermine the material foundations of the traditional ghetto. Among these structural shifts are the decentralization of industrial plants, which commenced at the time of World War I but accelerated sharply after 1950, and the flight of manufacturing jobs abroad, to the Sunbelt

states, or to the suburbs and exurbs at a time when blacks were continuing to migrate en masse to Rustbelt central cities; the general deconcentration of metropolitan economies and the turn toward service industries and occupations, promoted by the growing separation of banks and industry; and the emergence of post-Taylorist, so-called flexible forms of organizations and generalized corporate attacks on unions – expressed by, among other things, wage cutbacks and the spread of two-tier wage systems and labor contracting – which has intensified job competition and triggered an explosion of low-pay, part-time work. This means that even mild forms of racial discrimination – mild by historical standards – have a bigger impact on those at the bottom of the American class order. In the labor-surplus environment of the 1970s, the weakness of unions and the retrenchment of civil rights enforcement aggravated the structuring of unskilled labor markets along racial lines, marking large numbers of inner-city blacks with the stamp of economic redundancy.

In 1954, Chicago was still near the height of its industrial power. Over 10,000 manufacturing establishments operated within the city limits, employing a total of 616,000, including nearly half a million production workers. By 1982, the number of plants had been cut by half, providing a mere 277,000 jobs for fewer than 162,000 blue-collar employees – a loss of 63 percent, in sharp contrast with the overall growth of manufacturing employment in the country, which added almost 1 million production jobs in the quarter century starting in 1958. This crumbling of the city's industrial base was accompanied by substantial cuts in trade employment, with over 120,000 jobs lost in retail and wholesale from 1963 to 1982. The mild growth of services – which created an additional 57,000 jobs during the same period, excluding health, financial, and social services – came nowhere near to compensating for this collapse of Chicago's low-skilled employment pool. Because, traditionally, blacks have relied heavily on manufacturing and blue-collar employment for economic sustenance, the upshot of these structural economic changes for the inhabitants of the inner city has been a steep and accelerating rise in labor market exclusion. In the 1950s, ghetto blacks had roughly the same rate of employment as the

average Chicagoan, with some 6 adults in 10 working. While this ratio has not changed citywide over the ensuing three decades, nowadays most residents of the Black Belt cannot find gainful employment and must resort to welfare, to participation in the second economy, or to illegal activities in order to survive....

As the metropolitan economy moved away from smokestack industries and expanded outside of Chicago, emptying the Black Belt of most of its manufacturing jobs and employed residents, the gap between the ghetto and the rest of the city, not to mention its suburbs, widened dramatically. By 1980, median family income on the South and West sides had dropped to around one-third and one-half of the city average, respectively, compared with two-thirds and near parity thirty years earlier. Meanwhile, some of the city's white bourgeois neighborhoods and upper-class suburbs had reached over twice the citywide figure. Thus in 1980, half of the families of Oakland had to make do with less than \$5,500 a year, while half of the families of Highland Park incurred incomes in excess of \$43,000.

A recent ethnographic account by Arne Duncan on changes in North Kenwood, one of the poorest black sections on the city's South Side, vividly encapsulates the accelerated physical and social decay of the ghetto and is worth quoting at some length:

In the 1960's, 47th Street was still the social hub of the South Side black community. Sue's eyes light up when she describes how the street used to be filled with stores, theaters and night-clubs in which one could listen to jazz bands well into the evening. Sue remembers the street as "soulful." Today the street might be better characterized as soulless. Some stores, currency exchanges, bars and liquor stores continue to exist on 47th. Yet, as one walks down the street, one is struck more by the death of the street than by its life. Quite literally, the destruction of human life occurs frequently on 47th. In terms of physical structures, many stores are boarded up and abandoned. A few buildings have bars across the front and are closed to the public, but they are not empty. They are used, not so secretly, by people involved in illegal activities. Other stretches of the street are

simply barren, empty lots. Whatever buildings once stood on the lots are long gone. Nothing gets built on 47th... Over the years one apartment building after another has been condemned by the city and torn down. Today many blocks have the bombed-out look of Berlin after World War II. There are huge, barren areas of Kenwood, covered by weeds, bricks, and broken bottles.

Duncan reports how this disappearance of businesses and loss of housing have stimulated the influx of drugs and criminal activities to undermine the strong sense of solidarity that once permeated the community. With no activities or organizations left to bring them together or to represent them as a collectivity, with half the population gone in 15 years, the remaining residents, some of whom now refer to North Kenwood as the "Wild West," seem to be engaged in a perpetual *bellum omnium contra omnes* for sheer survival. One informant expresses this succinctly: "It's gotten worse. They tore down all the buildings, deterioratin' the neighborhood. All your friends have to leave. They are just spreading out your mellahs [close friends]. It's not no neighborhood anymore." With the ever present threat of gentrification – much of the area is prime lake-front property that would bring in huge profits if it could be turned over to upper-class condominiums and apartment complexes to cater to the needs of the higher-income clientele of Hyde Park, which lies just to the south – the future of the community appears gloomy. One resident explains: "They want to put all the blacks in the projects. They want to build buildings for the rich, and not us poor people. They are trying to move us all out. In four or five years we will all be gone."

Fundamental changes in the organization of America's advanced economy have thus unleashed irresistible centrifugal pressures that have broken down the previous structure of the ghetto and set off a process of hyperghettoization. By this, we mean that the ghetto has lost much of its organizational strength – the "pulpit and the press," for instance, have virtually collapsed as collective agencies – as it has become increasingly marginal economically; its activities are no longer structured around an internal and relatively autonomous social space that duplicates the institutional structure of the larger

society and provides basic minimal resources for social mobility, if only within a truncated black class structure. And the social ills that have long been associated with segregated poverty – violent crime, drugs, housing deterioration, family disruption, commercial blight, and educational failure – have reached qualitatively different proportions and have become articulated into a new configuration that endows each with a more deadly impact than before.

If the "organized," or institutional, ghetto of forty years ago described so graphically by Drake and Cayton imposed an enormous cost on blacks collectively, the "disorganized" ghetto, or hyperghetto, of today carries an even larger price. For now, not only are ghetto residents, as before, dependent on the will and decisions of outside forces that rule the field of power – the mostly white dominant class, corporations, realtors, politicians, and welfare agencies – they have no control over and are forced to rely on services and institutions that are massively inferior to those of the wider society. Today's ghetto inhabitants comprise almost exclusively the most marginal and oppressed sections of the black community. Having lost the economic underpinnings and much of the fine texture of organizations and patterned activities that allowed previous generations of urban blacks to sustain family, community, and collectivity even in the face of continued economic hardship and unflinching racial subordination, the inner-city now presents a picture of radical class and racial exclusion. It is to a sociographic assessment of the latter that we now turn.

### THE COST OF LIVING IN THE GHETTO

Let us contrast the social structure of ghetto neighborhoods with that of low-poverty black areas of the city of Chicago. For purposes of this comparison, we have classified as low-poverty neighborhoods all those tracts with rates of poverty – as measured by the number of persons below the official poverty line between 20 and 30 percent as of the 1980 census. Given that the overall poverty rate among black families in the city is about one-third, these low-poverty areas can be considered as roughly representative of the average non-ghetto, non-middle-class, black

neighborhood of Chicago. In point of fact, nearly all – 97 percent – of the respondents in this category reside outside traditional ghetto areas. 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. Even though this comparison involves a truncated spectrum of types of neighborhoods, the contrasts it reveals between low-poverty and ghetto tracts are quite pronounced.

It should be noted that this distinction between low-poverty and ghetto neighborhoods is not merely analytical but captures differences that are clearly perceived by social agents themselves. First, the folk category of ghetto does, in Chicago, refer to the South Side and West Side, not just to any black area of the city; mundane usages of the term entail a social-historical and spatial referent rather than simply a racial dimension. Furthermore, blacks who live in extreme-poverty areas have a noticeably more negative opinion of their neighborhood. Only 16 percent rate it as a "good" to "very good" place to live in, compared to 41 percent among inhabitants of low-poverty tracts; almost 1 in 4 find their neighborhood "bad or very bad" compared to fewer than 1 in 10 among the latter. In short, the contrast between ghetto and non-ghetto poor areas is one that is socially meaningful to their residents.

### The black class structure in and out of the ghetto

The first major difference between low- and extreme-poverty areas has to do with their class structure. A sizable majority of blacks in low-poverty tracts are gainfully employed: two-thirds hold a job, including 11 percent with middle-class occupations and 55 percent with working-class jobs,

while one-third do not work. These proportions are exactly opposite in the ghetto, where fully 61 percent of adult residents do not work, one-third have working-class jobs and a mere 6 percent enjoy middle-class status. For those who reside in the urban core, then, being without a job is by far the most likely occurrence, while being employed is the exception. Controlling for gender does not affect this contrast, though it does reveal the greater economic vulnerability of women, who are twice as likely as men to be jobless. Men in both types of neighborhoods have a more favorable class mix resulting from their better rates of employment: 78 percent in low-poverty areas and 66 percent in the ghetto. If women are much less frequently employed – 42 percent in low-poverty areas and 69 percent in the ghetto do not work – they have comparable, that is, severely limited, overall access to middle-class status: in both types of neighborhood, only about 10 percent hold credentialed salaried positions or better.

These data are hardly surprising. They stand as a brutal reminder that joblessness and poverty are two sides of the same coin. The poorer the neighborhood, the more prevalent joblessness and the lower the class recruitment of its residents. But these results also reveal that the degree of economic exclusion observed in ghetto neighborhoods during the period of sluggish economic growth of the late 1970s is still very much with us nearly a decade later, in the midst of the most rapid expansion in recent American economic history.

As we would expect, there is a close association between class and educational credentials. Virtually every member of the middle class has at least graduated from high school; nearly two-thirds of working-class blacks have also completed secondary education; but less than half – 44 percent – of the jobless have a high school diploma or more. Looked at from another angle, 15 percent of our educated respondents – that is, high school graduates or better – have made it into the salaried middle class, half have become white-collar or blue-collar wage earners, and 36 percent are without a job. By comparison, those without a high school education are distributed as follows: 1.6 percent in the middle class, 37.9 percent in the working class, and a substantial majority of 60.5 percent in the jobless category. In other words, a high school degree is a *conditio sine qua non* for blacks

for entering the world of work, let alone that of the middle class. Not finishing secondary education is synonymous with economic redundancy.

Ghetto residents are, on the whole, less educated than the inhabitants of other black neighborhoods. This results in part from their lower class composition but also from the much more modest academic background of the jobless: fewer than 4 in 10 jobless persons on the city's South Side and West Side have graduated from high school, compared to nearly 6 in 10 in low-poverty areas. It should be pointed out that education is one of the few areas in which women do not fare worse than men: females are as likely to hold a high school diploma as males in the ghetto – 50 percent – and more likely to do so in low-poverty areas – 69 percent versus 62 percent.

Moreover, ghetto residents have lower class origins, if one judges from the economic assets of their family of orientation. Fewer than 4 ghetto dwellers in 10 come from a family that owned its home and 6 in 10 have parents who owned nothing, that is, no home, business, or land. In low-poverty areas, 55 percent of the inhabitants are from a home-owning family while only 40 percent had no assets at all a generation ago. Women, both in and out of the ghetto, are least likely to come from a family with a home or any other asset – 46 percent and 37 percent, respectively. This difference in class origins is also captured by differential rates of welfare receipt during childhood: the proportion of respondents whose parents were on public aid at some time when they were growing up is 30 percent in low-poverty tracts and 41 percent in the ghetto. Women in extreme-poverty areas are by far the most likely to come from a family with a welfare record.

### Class, gender, and welfare trajectories in low- and extreme-poverty areas

If they are more likely to have been raised in a household that drew public assistance in the past, ghetto dwellers are also much more likely to have been or to be currently on welfare themselves. Differences in class, gender, and neighborhood cumulate at each juncture of the welfare trajectory to produce much higher levels of welfare attachments among the ghetto population.

In low-poverty areas, only one resident in four are currently on aid while almost half have never personally received assistance. In the ghetto, by contrast, over half the residents are current welfare recipients, and only one in five have never been on aid. These differences are consistent with what we know from censuses and other studies: in 1980, about half of the black population of most community areas on the South Side and West Side was officially receiving public assistance, while working- and middle-class black neighborhoods of the far South Side, such as South Shore, Chatham, or Roseland, had rates of welfare receipt ranging between one-fifth and one-fourth.

None of the middle-class respondents who live in low-poverty tracts were on welfare at the time they were interviewed, and only one in five had ever been on aid in their lives. Among working-class residents, a mere 7 percent were on welfare and just over one-half had never had any welfare experience. This same relationship between class and welfare receipt is found among residents of extreme-poverty tracts, but with significantly higher rates of welfare receipt at all class levels: there, 12 percent of working-class residents are presently on aid and 39 percent received welfare before; even a few middle-class blacks – 9 percent – are drawing public assistance and only one-third of them have never received any aid, instead of three-quarters in low-poverty tracts. But it is among the jobless that the difference between low- and extreme-poverty areas is the largest: fully 86 percent of those in ghetto tracts are currently on welfare and only 7 percent have never had recourse to public aid, compared with 62 percent and 20 percent, respectively, among those who live outside the ghetto.

Neighborhood differences in patterns of welfare receipt are robust across genders, with women exhibiting noticeably higher rates than men in both types of areas and at all class levels. The handful of black middle-class women who reside in the ghetto are much more likely to admit to having received aid in the past than their male counterparts: one-third versus one-tenth. Among working-class respondents, levels of current welfare receipt are similar for both sexes – 5.0 percent and 8.5 percent, respectively – while levels of past receipt again display the greater economic vulnerability of women: one in two received aid before as against one male in five. This gender differential is

somewhat attenuated in extreme-poverty areas by the general prevalence of welfare receipt, with two-thirds of all jobless males and 9 in 10 jobless women presently receiving public assistance.

The high incidence and persistence of joblessness and welfare in ghetto neighborhoods, reflecting the paucity of viable options for stable employment, take a heavy toll on those who are on aid by significantly depressing their expectations of finding a route to economic self-sufficiency. While a slim majority of welfare recipients living in low-poverty tracts expect to be self-supportive within a year and only a small minority anticipate receiving aid for longer than five years, in ghetto neighborhoods, by contrast, fewer than 1 in 3 public-aid recipients expect to be welfare-free within a year and fully 1 in 5 anticipate needing assistance for more than five years. This difference of expectations increases among the jobless of both genders. For instance, unemployed women in the ghetto are twice as likely as unemployed women in low-poverty areas to think that they will remain on aid for more than five years and half as likely to anticipate getting off the rolls within a year.

Thus if the likelihood of being on welfare increases sharply as one crosses the line between the employed and the jobless, it remains that, at each level of the class structure, welfare receipt is notably more frequent in extreme-poverty neighborhoods, especially among the unemployed, and among women.

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### Differences in economic and financial capital

A quick survey of the economic and financial assets of the residents of Chicago's poor black neighborhoods reveals the appalling degree of economic hardship, insecurity, and deprivation that they must confront day in and day out. The picture in low-poverty areas is grim; that in the ghetto is one of near-total destitution.

In 1986, the median family income for blacks nationally was pegged at \$18,000, compared to \$31,000 for white families. Black households in Chicago's low-poverty areas have roughly equivalent incomes, with 52 percent declaring over \$20,000 annually. Those living in Chicago's

ghetto, by contrast, command but a fraction of this figure: half of all ghetto respondents live in households that dispose of less than \$7500 annually, twice the rate among residents of low-poverty neighborhoods. Women assign their households to much lower income brackets in both areas, with fewer than 1 in 3 in low-poverty areas and 1 in 10 in extreme-poverty areas enjoying more than \$25,000 annually. Even those who work report smaller incomes in the ghetto: the proportion of working-class and middle-class households falling under the \$7500 mark on the South and West sides – 12.5 percent and 6.5 percent, respectively – is double that of other black neighborhoods, while fully one-half of jobless respondents in extreme-poverty tracts do not reach the \$5000 line. It is not surprising that ghetto dwellers also less frequently report an improvement of the financial situation of their household, with women again in the least enviable position. This reflects sharp class differences: 42 percent of our middle-class respondents and 36 percent of working-class blacks register a financial amelioration as against 13 percent of the jobless.

Due to meager and irregular income, those financial and banking services that most members of the larger society take for granted are, to put it mildly, not of obvious access to the black poor. Barely one-third of the residents of low-poverty areas maintain a personal checking account; only one in nine manage to do so in the ghetto, where nearly three of every four persons report no financial asset whatsoever from a possible list of six and only 8 percent have at least three of those six assets. Here, again, class and neighborhood lines are sharply drawn: in low-poverty areas, 10 percent of the jobless and 48 percent of working-class blacks have a personal checking account compared to 3 percent and 37 percent, respectively, in the ghetto; the proportion for members of the middle class is similar – 63 percent – in both areas.

The American dream of owning one's home remains well out of reach for a large majority of our black respondents, especially those in the ghetto, where barely 1 person in 10 belong to a home-owning household, compared to over 4 in 10 in low-poverty areas, a difference that is just as pronounced within each gender. The considerably more modest dream of owning an automobile is likewise one that has yet to materialize for ghetto residents, of which only one-third live in households

with a car that runs. Again, this is due to a cumulation of sharp class and neighborhood differences: 79 percent of middle-class respondents and 62 percent of working-class blacks have an automobile in their household, contrasted with merely 28 percent of the jobless. But, in ghetto tracts, only 18 percent of the jobless have domestic access to a car – 34 percent for men and 13 percent for women.

The social consequences of such a paucity of income and assets as suffered by ghetto blacks cannot be overemphasized. For just as the lack of financial resources or possession of a home represents a critical handicap when one can only find low-paying and casual employment or when one loses one's job, in that it literally forces one to go on the welfare rolls, not owning a car severely curtails one's chances of competing for available jobs that are not located nearby or that are not readily accessible by public transportation.

### Social capital and poverty concentration

Among the resources that individuals can draw upon to implement strategies of social mobility are those potentially provided by their lovers, kin, and friends and by the contacts they develop within the formal associations to which they belong – in sum, the resources they have access to by virtue of being socially integrated into solidarity groups, networks, or organizations, what Bourdieu calls "social capital." Our data indicate that not only do residents of extreme-poverty areas have fewer social ties but also that they tend to have ties of lesser social worth, as measured by the social position of their partners, parents, siblings, and best friends, for instance. In short, they possess lower volumes of social capital.

Living in the ghetto means being more socially isolated: nearly half of the residents of extreme-poverty tracts have no current partner – defined here as a person they are married to, live with, or are dating steadily – and one in five admit to having no one who would qualify as a best friend, compared to 32 percent and 12 percent, respectively, in low-poverty areas. It also means that intact marriages are less frequent. Jobless men are much less likely than working males to have current partners in both types of neighborhoods: 62 percent

in low-poverty neighborhoods and 44 percent in extreme-poverty areas. Black women have a slightly better chance of having a partner if they live in a low-poverty area, and this partner is also more likely to have completed high school and to work steadily; for ghetto residence further affects the labor-market standing of the latter. The partners of women living in extreme-poverty areas are less stably employed than those of female respondents from low-poverty neighborhoods: 62 percent in extreme-poverty areas work regularly as compared to 84 percent in low-poverty areas.

Friends often play a crucial role in life in that they provide emotional and material support, help construct one's identity, and often open up opportunities that one would not have without them – particularly in the area of jobs. We have seen that ghetto residents are more likely than other black Chicagoans to have no close friend. If they have a best friend, furthermore, he or she is less likely to work, is less educated, and twice as likely to be on aid. Because friendships tend to develop primarily within genders and women have much higher rates of economic exclusion, female respondents are much more likely than men to have a best friend who does not work and who receives welfare assistance. Both of these characteristics, in turn, tend to be more prevalent among ghetto females.

Such differences in social capital are also evidenced by different rates and patterns of organizational participation. While being part of a formal organization, such as a block club or a community organization, a political party, a school-related association, or a sports, fraternal, or other social group, is a rare occurrence as a rule – with the notable exception of middle-class blacks, two-thirds of whom belong to at least one such group – it is more common for ghetto residents – 64 percent, versus 50 percent in low-poverty tracts – especially females – 64 percent, versus 46 percent in low-poverty areas – to belong to no organization. As for church membership, the small minority who profess to be, in Weber's felicitous expression, "religiously unmusical" is twice as large in the ghetto as outside: 12 percent versus 5 percent. For those with a religion, ghetto residence tends to depress church attendance slightly – 29 percent of ghetto inhabitants attend service at least once a week compared to 37 percent of respondents from low-poverty

tracts – even though women tend to attend more regularly than men in both types of areas. Finally, black women who inhabit the ghetto are also slightly less likely to know most of their neighbors than their counterparts from low-poverty areas. All in all, then, poverty concentration has the effect of devaluing the social capital of those who live in its midst.

### CONCLUSION: THE SOCIAL STRUCTURING OF GHETTO POVERTY

The extraordinary levels of economic hardship plaguing Chicago's inner city in the 1970s have not abated, and the ghetto seems to have gone unaffected by the economic boom of the past five years. If anything, conditions have continued to worsen. This points to the asymmetric causality between the economy and ghetto poverty and to the urgent need to study the social and political structures that mediate their relationship. The significant differences we have uncovered between low-poverty and extreme-poverty areas in Chicago are essentially a reflection of their different class mix and of the prevalence of economic exclusion in the ghetto.

Our conclusion, then, is that social analysts must pay more attention to the extreme levels of economic deprivation and social marginalization as

uncovered in this article before they further entertain and spread so-called theories about the potency of a ghetto culture of poverty that has yet to receive rigorous empirical elaboration. Those who have been pushing moral-cultural or individualistic – behavioral explanations of the social dislocations that have swept through the inner city in recent years have created a fictitious normative divide between urban blacks that, no matter its reality – which has yet to be ascertained – cannot but pale when compared to the objective structural cleavage that separates ghetto residents from the larger society and to the collective material constraints that bear on them. It is the cumulative structural entrapment and forcible socioeconomic marginalization resulting from the historically evolving interplay of class, racial, and gender domination, together with sea changes in the organization of American capitalism and failed urban and social policies, not a "welfare ethos," that explain the plight of today's ghetto blacks. Thus, if the concept of underclass is used, it must be a structural concept: it must denote a new sociospatial patterning of class and racial domination, recognizable by the unprecedented concentration of the most socially excluded and economically marginal members of the dominated racial and economic group. It should not be used as a label to designate a new breed of individuals molded freely by a mythical and all-powerful culture of poverty.