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Declining Neighborhoods: Problem or Opportunity?

By WILLIAM G. GRIGSBY and THOMAS C. CORL

ABSTRACT: Widespread deterioration and squalid living conditions in many older residential areas in the United States stand in dramatic contrast to the large, comfortable, and attractive residences in the suburbs. The disparity in living environment is not easily explainable in terms of differences in household incomes, since real incomes in many of our older and now unsightly central-city neighborhoods have been generally increasing, not falling. A variety of explanations, none very convincing, have been offered for the anomaly of rising income and expanding decay. Over the years, various remedies have been tried without particular success. The only real hope for reversing the process of decay lies in altering the expectations of those who live and work in the affected neighborhoods, but the prospects for this are not bright. In any event, suburbanization is likely to continue draining population from the urban core because most city dwellers still aspire to joining the movement outward, and the trend of rising income will allow them to achieve this goal.

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FOR nearly every metropolitan area in the United States, there is a remarkable range of houses and living environments. Widespread deterioration and squalid living conditions in many older residential areas stand in dramatic contrast to the large, comfortable, and beautifully landscaped residences of the new suburbs. This range and the contrasting segments within it begin to frame our understanding of housing problems. The housing market mirrors the nation's social structure. Those with higher incomes are consistently well housed. Those with the lowest incomes are generally poorly housed. While there are exceptions to this relationship, the overall pattern is clear enough. In this sense, the housing market works. It produces and distributes housing according to the capacity of occupants to buy or pay rent.

This is only half the story, however. If the immense variation in housing quality and living environments were entirely the consequence of the unequal distribution of income, an exploration into the question of what to do about substandard residential conditions would be either relatively simple or totally unnecessary. But more than income would appear to be involved. In few North American and Western European urban regions having income levels and distributions roughly comparable to those in this country are there the deplorable physical environments found here. The worst sections of Canadian cities are luxurious by comparison. Even Glasgow, once infamous for its horrible slums, has almost no neighborhoods as depressing as many of ours. And within the United States itself, the range of housing and neighborhood quality across cities

having similar income profiles is quite large.

Most housing and neighborhood programs designed to improve residential conditions in deteriorated areas emanate from the federal government. Though there have been temporary successes, these programs generally have not been able to alter the dynamics of inner-city decay permanently. A few programs are even alleged to have accelerated decay. As a consequence, such improvement in conditions as has occurred is frequently ascribed to rising incomes and housing programs for the population in general, rather than to efforts aimed directly at lower-income groups.

Complementing the top-down efforts of the federal government have been the steadily increasing activities of neighborhood organizations. Against formidable market forces and with limited governmental support, these organizations have won small but important victories. Anti-redlining campaigns, local credit unions, community development corporations, and political pressure have been used to good effect by many neighborhood groups. However, outward movement of stable households has adversely affected the capacity of many neighborhoods to attract capital to stabilize or improve their character.

Despite the mixed record of various remedial programs, it is widely felt that for a number of reasons, inner-city decline is in the process of being reversed and that stabilization and renewal will embrace an expanding portion of the central city. To facilitate renewal, more and more housing and community programs have a neighborhood focus. This article briefly explores the likely future of declining neighborhoods and the efficacy of policies to

revive them. It does so by approaching questions regarding neighborhood decline and revival within the larger context of current metropolitan social, economic, and political trends. City governments must understand these broad movements in order to get a sense of where history is taking their communities, whether today's problems are likely to abate or increase, and, therefore, what broad strategies might be successfully employed and what maximum gains can be expected. Since the trends themselves vary sharply across metropolitan areas, our observations are not equally applicable everywhere. They have most relevance for the large old urban centers in the northeast and midwest, especially those with significant concentrations of racial minorities. At least superficially, the neighborhood problems in newer, growing areas seem both less severe and, along some dimensions, different.

HOUSING CONDITIONS, NEEDS, AND PREFERENCES

There is not very good correspondence between the powerful impressions formed by observations of inner-city decay and the data used to document these conditions. In terms of traditional measures of housing conditions, such as lack of plumbing facilities and dilapidation, the U.S. housing stock has been steadily improving for many years and is of remarkably high quality. According to one complicated definition, less than 5 percent of the inventory is seriously substandard.¹ The

number of households with more than one person per room—another traditional indicator of housing conditions—is also under 5 percent, and much of this overcrowding is temporary in nature. Impressions of housing need, however, embrace more factors than quality and space. The cost of shelter, level and reliability of services, neighborhood conditions, and degree of locational choice are all perceived as important, and improvement has not been recorded on all these dimensions. Perhaps most important is the fact that needs are defined with reference to what most members of society can afford, not by comparing today's conditions with those of previous generations. So as rising real incomes yield correspondingly better housing, rising expectations partially nullify the sense of progress.

Whatever the figures say, no one disputes the fact that serious housing problems do exist. They are largely concentrated in neighborhoods and among households plagued by other problems that make solutions to inadequate housing alone extremely difficult and sometimes irrelevant. In a complex milieu of adverse circumstances, housing is one important item on the agenda of lower-income families, but other conditions may be more threatening than substandard or insecure shelter. It is this overlapping but less than complete correspondence between housing and other personal problems, between housing problems and neighborhood problems, and between substandard housing and low income that has served to divide analysts on questions regarding which remedial strategies should be pursued and, therefore, which populations should receive priority for assistance.

1. Congressional Budget Office, U.S. Congress, *Federal Housing Policy and Recurring Issues* (Washington, DC: Government Printing Office, 1978), Table 1, p. 6.

INTRAMETROPOLITAN POPULATION
AND EMPLOYMENT TRENDS

Rising incomes do more than push up the standards against which housing adequacy is judged. They actually cause a great deal of perceived central-city decline by facilitating the so-called flight to the suburbs. Although most suburban growth has resulted simply from disappearance of buildable land inside central cities, it also reflects a long-standing preference for residential environments that central cities do not provide. A national survey by the Department of Housing and Urban Development (HUD) in 1978 on "The Quality of Community Life" found that people living in cities did not like city life as much as people living in suburbs and rural areas preferred those locations. In fact, almost half of the city dwellers wanted to live in suburbs and rural areas, while rural residence was the top choice among people in both suburbs and rural areas.² Not surprisingly, there has been a steady exodus of households from central cities as a larger and larger proportion of the urban population obtains the wherewithal to express its preference for the higher-quality, more expensive housing away from the metropolitan core. And as these groups have moved to the periphery, lower-income households have

spread outward behind them, creating a moving edge of real and apparent decline as well as abandonment of excess stock.

Thus cities are experiencing two apparently opposing trends with respect to population and housing. According to certain objective indicators of physical quality already described, housing conditions have been steadily improving for several decades. At the same time, however, as the total number of households in parts of the city declines, as the spread between city and suburban family income increases, and as the proportion of city households that have serious problems or that make problems for others increases, stable families see a worsening of housing and neighborhood quality.

It could be, of course, that the objective measures of quality either are inaccurate or do not sufficiently embrace downward trends. Or it could be that perceptions of residential decline in specific neighborhoods do not correctly describe the direction of change for a city as a whole. Regardless, it is clear that the continuing outward movement of households adds a special dimension to a city's housing and neighborhood problems beyond those associated with low income alone. It causes the city to suffer from, as well as be helped by, rising incomes. City strategies must be based, therefore, on judgments as to how long this thinning-out process will continue and on whether, realistically, very much can be done about it. If thinning-out has just about run its course, neighborhood stabilization and upgrading in still viable—however defined—neighborhoods should meet with more success than in the past. If, however, thinning is likely to continue, we can expect a repetition of program failures

2. Office of Policy Development and Research, U.S. Department of Housing and Urban Development, *A Survey of Citizens' Views and Concerns about Urban Life* (Washington, DC: U.S. Department of Housing and Urban Development, 1978), p. 17 and chapter 6. See also Office of Policy Development and Research, U.S. Department of Housing and Urban Development, *The 1978 Survey of the Quality of Community Life: A Data Book* (Washington, DC: U.S. Department of Housing and Urban Development, 1978).

except in neighborhoods with special locational advantages. And if a sizable net return of middle- and upper-class families to the central city is probable, greater frictions between income and racial groups may be forecast.

Interestingly, both more thinning-out and recentralization are predicted with equal vigor. Each view is premised on different explanations of why decentralization has occurred in the first place and of what forces are operating at the moment. For this reason, it is useful to make explicit our own assumptions about the dynamic factors at work, first looking backward in time and then projecting ahead to the year 2000.

The first thing to emphasize with respect to historic decentralization trends is that the phrase "flight to suburbs" is a misleading notion. Outward movement in all metropolitan areas began long before central cities fell on such hard times and long before business and industry began to suburbanize. Several studies document that the thinning-out process began at least as far back as the 1890-1900 decade but was submerged from view because growth at the fringe was still largely inside city limits. It preceded the automobile, the Federal Housing Administration (FHA), and black immigration to central cities by many years.

The second point to stress is that although thinning-out was greatly accelerated by the emergence of the automobile society, the primary effect of the highway networks was to make it possible for development that would have occurred outside the city anyway to take place at lower densities than previously expected.

The final point to mention in our look to the past has to do with the

suburbanization of employment which occurred as manufacturers and wholesalers sought locations on or near major highway thoroughfares and as retailers and service industries moved closer to expanding residential markets. These movements served to reduce to a fairly low level the direct dependence of suburban households on central-city jobs and services. As long ago as the mid-1950s, about two-thirds of workers who lived in the suburbs also worked there. The long journey to work from suburb to city which planners frequently deplored was a myth even then. It was one of several wrong assumptions on which urban revival strategies were then based.

These dynamics of the thinning-out process were not well understood when urban renewal began in the 1950s. Efforts were based on explicit forecasts showing growing central-city populations and on associated worries about residential crowding. Nevertheless, worry was simultaneously being expressed about the loss of middle- and upper-income households to the suburbs. Well before 1960, however, planners, in response to these pessimistic pronouncements, were already noting that their urban renewal projects had precipitated a counterflow which, although still a trickle, would soon become a large stream. The residential renaissance of central business districts, already receiving widespread attention, was expected to spread to other parts of the city. But a return to the city could not reach appreciable proportions, because there were neither residential nor employment opportunities for households to return to, and such opportunities could be created only very slowly, if at all.

PREDICTIONS FOR
THE EIGHTIES

As the nation moves into the 1980s, it is confronted with conflicting predictions. One prescient group of commentators argues that the days of abandonment are drawing to a close. The forces of decentralization have played themselves out, and the rising cost of energy will, along with the changing age composition of the population and a rejection of suburban lifestyles, cause the trickle of middle-class families back to the city to become, at last, the large flow predicted over 20 years ago. After a critical mass of new middle-class residents has been created at the center, growth will feed on itself, and the expanding frontiers of decay which were characteristic of most of the postwar period will be replaced by a growing perimeter of renewal activity. One of the major impediments to central-city revival, urban crime, will be partially removed by a decline in the high-crime age group, 15-24. A second related barrier, inferior public education, will not be a concern to the increasing proportion of childless households, already over 60 percent nationwide and growing each year. The gentrification of neighborhoods encircling the downtown areas of our cities is cited as evidence that the return flow has already reached the proportions that were forecast.

Another group of urban futurologists with equally impressive credentials is less sanguine. If middle- and upper-income households had nothing to return to in 1960, they have even less to attract them back to central cities today. Two decades ago, the city was good but the suburbs were better. In the intervening years, the quality of city schools has declined, crime has

increased, an even smaller proportion of the city's housing stock can appeal to today's affluent suburbanites, and employment opportunities in the city have decreased. With declining racial prejudice and discrimination, cities are now losing large numbers of black residents as well as white. To the extent that the cost of energy is a factor, it favors a suburban location for the now 70-80 percent of the suburbanites who work there, and there is no indication yet that these costs are causing business and industry to rethink their suburban locations. Until employment recentralizes, households in large numbers will not. And until then, gentrification will remain confined almost entirely to areas immediately adjacent to downtown, or so it is argued. The large amount of suburban residential and non-residential development in slowly growing metropolitan areas would appear to support that argument.

So two movements in opposite directions may be observed—gentrification and suburbanization. Is the former steadily replacing the latter, or will the two continue in tandem, with thinning-out the dominant trend, though perhaps not to quite as great an extent as before? We opt for the thinning-out prognosis. Long-term trends do not suddenly abate and reverse themselves. The century-long outward tide is still clearly visible and for that reason alone could not be expected, barring an event of cataclysmic proportions, to lose its entire momentum in just a few years.

But there are less metaphysical reasons for not expecting decentralization to reverse itself soon. Numerous forecasts for a large number of metropolitan areas indicate only modest population and employment growth but a spectacu-

lar rise in real income. These two trends operating together argue for a continuing decline in central-city populations overall. Four-day work weeks, progress in telecommunications, smaller and more fuel-efficient automobiles, retrofitting of modern heating systems and, at worst, recapitalization of home values will more than counteract whatever weak recentralization tendencies result from rising energy costs. Moreover, not many households want to be urban pioneers, and not many can become pioneers without creating formidable political resistance by the city residents they would displace. A decline in the number of live births after 1985, stemming from the preceding decline that began in 1962, will contribute further to population loss in central cities.

In brief, the metropolitan environment within which today's housing problems are being tackled will not markedly change. Certainly it will not improve for central cities. If today's solutions for inner-city areas have been inadequate, tomorrow they will be so too. This does not mean better solutions are readily available. Indeed, it is now popular to argue that the public sector must be more realistic and lower its sights. Some problems are thought to be insoluble. Regardless of one's views about establishing more modest goals, it would seem wise to recognize the formidable forces that are creating the outcomes public policy is trying to alter.

THE CHANGING POLITICAL ENVIRONMENT WITHIN CITIES

While discussions of central-city housing problems frequently allude to the competing political interests between city and suburb and among

levels of government, some of the most visible conflicts occur within cities between housing program managers and housing activists. These conflicts have developed in part because emphasis on community development and citizen participation has broadened the base of participation in program implementation, if not policy formation. The Neighborhood Housing Services begun in 1973, the Community Development Block Grant program created in 1974, the Community Reinvestment Act of 1975, the National Neighborhood Policy Act of 1977, and the Neighborhood Self-Help Development Act of 1978 exemplify this trend.

The emphasis on neighborhood in general and on neighborhood-based organizations in particular derives in part from a sense that some of the desirable features of small-town living environments can be created in large cities through appropriately designed small-scale residential settings. Such settings provide opportunities for face-to-face contact and knowledge of neighbors. These opportunities, in turn, are thought to lead to the development of mutual support networks and political influence by residents on behalf of the neighborhood interests. Efforts to create physical environments that nurture support networks have had only marginal success in general. Strategies aimed at building neighborhood organizations have been more successful.

The major reason why neighborhood and community development issues are politically charged is that these matters are closely tied to the struggle for the empowerment of the poor, the minorities, and the disenfranchised who live in the city. The importance of neighborhood is closely linked to the idea of decen-

tralization of power to these groups. It is argued that if this were done, program effectiveness as well as individual satisfaction, self-esteem, and sense of belonging would be increased.

Cities vary substantially with respect to governmental decentralization. Seattle and Birmingham, to name two, have models of citizen participation in housing and community development programs that are highly regarded. Other cities maintain tight control in the mayor's office. No doubt part of the resistance to further decentralization of housing programs comes from elected politicians who fear a political structure that would parallel ward politics but be relatively independent and not directly responsive to elected officials. More generally, politicians and bureaucrats at all levels are likely to favor decentralization if it does not diminish their own power and authority. HUD policies, for example, tend to favor decentralization to neighborhood organizations that would entail a loss of authority for local officials but not federal officials.

An additional barrier to decentralization is lack of leadership and interest in many of the neighborhoods most in need of help. And since, as already suggested, many problems that manifest themselves in neighborhoods do not originate there and thus cannot be solved by neighborhood groups, even the strongest of such groups frequently become frustrated. For these reasons, decentralization unaccompanied by greater investment in comprehensive planning at the top would be a mixed blessing. Without a strong central planning function, shifting public power to quasi-governmental units at the neighborhood level is not likely to increase

either equity or program effectiveness.

The political effectiveness of many neighborhood organizations sometimes leads their members and leaders to believe that they should move into actual program management and resource allocation in a variety of areas from housing to economic development. A few have been successful at this, but most have been frustrated when understaffed agencies with democratic procedures flounder in the face of bureaucratic responsibilities and large-scale problems. One must have reservations, therefore, about the ability of neighborhood organizations and community development corporations to operate programs effectively. Neighborhood organizations may materially contribute to a sense of community, and they are often politically effective, but these contributions should not be confused with the capacity for management. The promising examples that are cited seem altogether too rare and special. More often, community groups have only enough power and resources to fail.

POSSIBLE DIRECTIONS FOR NEIGHBORHOOD STRATEGIES AND PROGRAMS

People who live in poor housing in undesirable locations also tend to have less education, more illness, higher unemployment, and lower-paying jobs. This fact begins to explain why housing programs have been expanded to deal with other kinds of problems that occur in neighborhoods with poor housing. In the past two decades various combinations of housing and nonhousing programs have been directed at these problems. The war on poverty conducted by the Office of Economic

Opportunity used the Community Action Program to foster community development. Similarly, Model Cities employed more social services than had been typical of previous HUD programs. Current activities, in addition to purely physical improvement programs, include everything from extra police protection to neighborhood festivals. Each of the programs and services was designed to address problems beyond the substandard housing conditions that occur in deteriorating neighborhoods. Consequently, while they do not serve directly to improve houses, they are intended to upgrade both the social and physical quality of the environment.

Failure of these programs to achieve greater success is frequently ascribed to the huge gap between available resources and those that are necessary to raise the quality of life in declining neighborhoods to an acceptable level. But before we ascribe too much of the problem to too few resources, it is worth bearing in mind that if neighborhood conditions in some cities are indeed worsening in tandem with rising incomes, inadequate resources are not the problem. Nor is it simply organizational or administrative inefficiency. Much of the difficulty is due to lack of understanding of the nature, magnitude, distribution, and causes of housing and neighborhood problems.

The need for better understanding can be seen most clearly by referring again to intrametropolitan trends, and in particular to the theoretical confusion caused by the ever-widening ring of social problems and physical blight associated with the outward movement of population. If this decentralization had been the consequence only of rising incomes, then neighborhood succes-

sion should not have been accompanied by decline, except in neighborhoods close to the very bottom of the distribution, where households still in poverty were able to inherit the homes of the upwardly mobile near-poor. Instead, however, despite a decreasing low-income population, many neighborhoods well above the bottom rung are experiencing social and economic problems.

Several theories have been advanced to explain this apparent anomaly of rising incomes and expanding decay. One is that mortgage lending practices and inadequate maintenance by landlords bring down the neighborhoods. But if the real income of neighborhood residents did not fall as neighborhoods filtered—and, as just noted, this generally appears to have been the case—then there would be no reason for housing suppliers and market intermediaries to alter their customary practices. Another explanation frequently offered is racial change, particularly if it is rapid. There may be special situations in which transition from white to black precipitates decline. Several studies have concluded, however, that racial change by itself has often brought neighborhood improvement. Still another popular theory emphasizes the intractable problems caused by large concentrations of lower-income households. These concentrations do appear to account for part of the severity and durability of poverty in urban areas, but they do not provide a very good explanation for the spread of neighborhood decay. Public policy itself is often blamed for the widening ring of blight and decay, though the precise reasons vary widely, ranging from charges of ineptitude to favoritism of suburbs and excessive investment in

highway infrastructure. Finally, the most durable myth of all is that houses simply deteriorate as they grow older today. If this were true, many of the nation's finest old houses would have been condemned and demolished long ago.

To explain neighborhood decline in the face of rising incomes, it is necessary to accept one or more of the following assumptions, and we are not sure ourselves which one or ones might be correct:

1. Physically and economically, most neighborhoods perceived to be in a process of decline are actually in better condition, in absolute terms, than they were in the past, but either rising standards of adequacy or increasing social problems explain perceptions of decline.

2. There is a confusing mixture of physical decline, caused by housing abandonment and the boarding-up of neighborhood commercial structures, and physical improvement, associated with rising real income.

3. The statistics on rising real incomes are misleading. A larger-than-average proportion of households that can afford to move into stable neighborhoods have various personal problems which draw their attention away from home maintenance or spill over into their neighborhoods.

4. Households are dispersing at such a high rate that prices have become depressed, enabling lower-income groups to migrate to neighborhoods somewhat distant from the boundaries of the old poverty areas.

Depending on which theory seems most plausible, an improved environment, in other than the very worst neighborhoods, might be achieved by (1) no appreciable change in present policy, (2) a shift in resources away from housing assistance to employment and social

service programs, (3) containment of the poor in the inner city through programs that would reduce incentives to outmigrate to still stable areas, or (4) more rapid removal of vacated structures accompanied by land reuse.

Ultimately, however, the creation and preservation of both decent housing and the physical structure of neighborhoods requires a favorable investment climate, broadly defined. Landlords have to expect to receive profits commensurate with those which can be obtained on investments of comparable risk elsewhere. Owner-occupants must anticipate that money spent on upgrading and maintenance will be recouped through a better living environment and stable property values. Merchants must be persuaded that modernization of storefronts will help sales. City government must feel confident that street signs that are repaired will not be immediately vandalized. Ordinarily citizens who sweep their streets or paint their walls or clear vacant lots must have similar confidence that their efforts will not be offset by youths who make graffiti or people who dump worn-out family belongings on the nearest available piece of open space.

There are two partially overlapping prerequisites to a favorable investment climate (1) adequate current and expected resident income and (2) desire by residents and government to commit resources to home and neighborhood. The income prerequisite is universally recognized. But, as already mentioned, if income were the only factor, we would be at a loss to explain why average real income in many neighborhoods that are thought to be deteriorating is the same or higher today than 30 years ago, when the

neighborhoods were regarded as stable middle-class communities. Missing in these neighborhoods is the necessary willingness to care for and invest in the physical environment.

Why this is so is not well understood, but public policy may in some respects have aggravated the problem. Rather than working to improve the inner-city investment climate, government for more than a decade has simply viewed the private inner-city investor as the enemy. While officials, for example, ascribe intolerable conditions in some of the public housing projects to poor building design, or a non-middle-class clientele, or the failure of the federal government to provide sufficient funds for building maintenance and social services, the same conditions in the private sector are said to be caused by slumlords trying to make excessive profits. Landlords who fail to pay real estate taxes, usually on overassessed properties, in order to keep their dwellings in use are publicized as tax dodgers. If they abandon their properties because they cannot maintain them in decent condition and earn a profit, they are similarly chastized. While slumlords do exist, present approaches to the problem do nothing to improve the desire of people to live or invest in the inner city, and it creates an atmosphere not conducive to reasoned exploration of inner-city problems.

Lip service not to the contrary, there is no housing or neighborhood strategy either in existence or proposed that would appreciably improve the investment climate in the inner city. Modest rehabilitation is not such a strategy. Indeed, it is not a strategy at all; it is simply an objective, one which by itself does almost nothing to improve the

investment climate. Maximum rehabilitation is alleged to be a strategy that improves investor confidence by removing visible signs of blight. Investors, however, are not so naive.

What about neighborhood economic development, including enterprise zones? This approach could be aimed at only a few neighborhoods. Moreover, most household heads who are in poverty are either not potentially in the labor force or already employed full-time. They are elderly, handicapped, required to be at home to care for children, or are the breadwinners for a large number of dependents. As for nonheads who are unemployed or underemployed, particularly teenagers, experience has shown that even very large businesses provided with considerable financial incentive to create jobs are able to absorb only a small number of unskilled workers into their organizations. Experience in Third World squatter neighborhoods has taught us that it is exportable skills of the residents, together with social networks within the neighborhoods, that foster prosperity and upward mobility.

What, then, about the drive to grant broader decision-making powers to neighborhood groups? Certainly, this would seem to be a desirable objective in its own right. If towns of 10,000 to 50,000 population can have a measure of self-rule, why not neighborhoods of comparable size in large cities? Yet one should be cautious about assuming that just because neighborhood residents recognize symptoms of illness they can also correctly diagnose and treat the problem.

Finally, what about opening up the suburbs, or at least making a greater effort to enable subsidized

households to disperse out of the inner city? In the short run, this obviously does not contribute to either a stable investment climate or a better social climate in the neighborhoods from which the assisted families depart. Over the longer term, perhaps greater stability is achieved throughout the metropolitan area, but greater stability can be approached in other ways as well.

Are we to conclude, then, that there is no short- or medium-term solution to neighborhood decline? A number of astute observers of the urban scene have come to such a conclusion, not with respect to central cities generally, but certainly with respect to many of the nation's large, old cities. Yet between now and the year 2000, several billions of dollars will be spent by the public sector to improve the living conditions in less desirable neighborhoods. Even today a billion dollars is not a small sum of money. Is it difficult to believe that proper planning of such a high expenditure of funds cannot attract private investment of several times that amount and produce

a residential environment substantially superior to those which exist today.

Whether federal, state, and local governments have the will, knowledge, and understanding necessary to develop such plans and implement them is the question. On the whole, we think they do not have these qualities at the present time. With public resources increasingly constrained, however, rhetoric as a basis for planning is gradually being replaced by thoughtful inquiry and recognition of better ways to mediate conflicting local interests. Without, therefore, being able to suggest specifically in what direction policies to improve neighborhoods should head, we are somewhat hopeful that out of the present confusion of ideas, new organizational arrangements between city government and neighborhood groups will emerge, and that these arrangements will provide the opportunity for the creation of more coherent and efficacious neighborhood physical and social programs than now exist.