

Theories of Neighborhood Change: Implications for Community Development Policy and Practice

INTRODUCTION

The field of community development in the United States emerged largely as a response to neighborhood decline and deterioration in cities, especially over the past 50 years, and federal government policies and programs have generated much of the impetus for community planning and development. The Housing Act of 1949 established the Urban Redevelopment Program, which generated slum clearance and resident relocation as a policy of "Urban Renewal" in U.S. cities (Halpern, 1995). In response to Urban Renewal, community activists highlighted the failings of top-down, comprehensive planning and called for the decentralization of neighborhood planning initiatives (Fainstein, 1990). Planners concerned about social and economic inequalities in cities began to view themselves as "advocates" rather than as mere technical experts, thus inspiring a generation of community development practitioners working with community residents to develop community-based solutions to neighborhood deterioration (Davidoff, 1965).

Throughout the 1970s and 1980s, federal impetus for neighborhood planning continued to decline, as funding was partitioned out in block grants and local governments were encouraged to stimulate private investment in neighborhoods. As part of this trend toward devolution, neighborhood programs have increasingly contained provisions for community participation in local planning processes. Intermediary nonprofit institutions, such as Community Development Corporations (CDCs), have increasingly become the locus of neighborhood planning and usually seek to garner community support for their community

building efforts (Bratt, 1990), and community organizing has been used by both CDCs and more radical protest groups to facilitate the involvement of local residents in planning processes (Fisher, 1994). Most recently, several scholars and community development practitioners have argued that the impact of these efforts to improve neighborhoods are limited unless they are linked to broader coalitions to improve social equity in larger cities and regions (Pastor et al., 2000; Peterman, 2000; Weir, 1999; Rusk, 1999).

In order to fully grasp the history of urban community development and its implications for urban planning and policy, it is important to first understand the dynamics of neighborhood change. Why do neighborhoods decline, improve, or remain stable over time? Following the taxonomy of Temkin and Rohe (1996), I survey three major schools of thought with regard to theoretical understanding of how and why neighborhoods change – ecological, subcultural, and political economy – and reflect on their implications for policy. These three schools have had varying levels of influence in policy and practice, as can be shown by paralleling them with the history of community development outlined above. The ecological school was most influential during the early decades of community development policy in relocation policies such as Urban Renewal. The subcultural approach was largely a reaction to the determinism of ecological urban theory, and its influence is evident in the various calls for more decentralized decision making and community participation in community development policy. Currently, the most influential of these three schools is clearly political economy, as reflected in two dominant areas of study in urban sociology, namely the growth machine and urban restructuring/global cities theses, that come from political economists. The most innovative approaches to community development, such as those calling for coalition-based approaches to neighborhood revitalization, come largely from those in the political economy school.

In this essay I briefly review ecological, subcultural, and political economy theories of neighborhood change and reflect on their implications for neighborhood development policy. I spend most time on the political economy approach, since it is currently the most influential and

where the greatest innovation is taking place. Next, I critique the three schools of thought, arguing for a “balanced” theory of neighborhood change that encompasses the best from each school. These guidelines for a more complete theory of neighborhood change come mostly from a political economy approach, but are blended with aspects of the ecological and subcultural schools of thought. In proposing a balanced approach, I hope to retain the ecologists’ interest in analytical consistency, the subculturists’ pleas for human agency and concern for the “micro,” and the political economists’ disposition toward analyzing the political, economic and social forces from various scales that impact neighborhoods,

THE THREE MAJOR SCHOOLS OF THOUGHT

Ecological

Based on the work of urban ecologists from the University of Chicago School of Sociology, ecological models tend to present neighborhood change as part of a natural, deterministic process based on rational, economic choice. Urban neighborhoods decline, improve, or remain the same due to structural forces – primarily economic and social – and their place in the urban hierarchy. There is very little room in ecological models for human agency. Neighborhood residents, therefore, are largely at the mercy of larger social and economic forces and can do little to alter the trajectory of their neighborhoods. Because ecologists see neighborhood change as a natural process, they have developed a series of models of how cities and neighborhoods change over time.

Burgess (1925), applying theories from plant ecology to urban growth, pioneered this modeling effort with his "invasion/succession" model, which portrays neighborhood change as an inevitable result of competition for space. The city, according to Burgess, is made up of six concentric rings: the innermost ring being the central business district (CBD, surrounded by the industrial sector, slum housing, working-class housing, higher-status dwellings and finally

commuter housing. As the city grows outward, each ring places pressure on the ring surrounding it to expand. In general, then, neighborhoods deteriorate as lower-income residents move into them and push the growth of the city outward. This is presented as a natural process of competition and selection, similar to theories of evolution in the biological sciences. Though later ecologists look beyond this corollary to the natural world, Burgess's model was fundamental for establishing neighborhood change as an inevitable, natural process.

Another influential model in the ecological perspective of neighborhood change is the "filtering" model. Hoyt (1933) builds on Burgess's model by applying economic theory to argue that neighborhoods naturally decline as property owners invest less in aging properties due to rising maintenance costs and move to new housing on the periphery. He uses a similar concentric circle structure to Burgess but explains expansion outward as due to the attraction of new neighborhoods on the periphery, not as the result of a push mechanism from the inner circles as in the invasion/succession model. As Temkin and Rohe characterize the filtering model, "neighborhood decline, then is a function of the aging housing stock as well as the construction of more appealing housing on the periphery" (1996, p. 160). Smith (1963) expands on Hoyt's model, analyzing empirical data from Oakland neighborhoods to argue that other factors such as the existence of mortgage credit and immigration need to be added to the equation of filtering. A very well known application of the filtering model is "stage theories of growth," in which neighborhood decline is viewed as part of a linear, evolutionary process. According to Metzger (2000), this popular theory of neighborhood change was used by federal and local agencies such as the Regional Plan Association of New York, FHA and the Home Owners' Loan Corporation to justify discriminatory policies such as slum clearance and home mortgage redlining. Popularized by Anthony Downs, the life-cycle theory led to "triage planning" in which the worst neighborhoods were left to be abandoned because they were beyond repair (Metzger, 2000). For Birch (1971), this trajectory of decline is actually good for lower-income residents, as it "is a process which brings higher quality neighborhoods within their reach" (p.

86). HUD's (1975) very influential work on neighborhood change also employs this stage filtering approach, classifying neighborhoods as passing through 5 stages toward decline.

A final group of ecological models are those that focus on residential location decisions, predicting that households will move from small housing units in the central city to larger ones in the suburbs as their incomes rise. "Bid rent" and "border" models are well-known models in this category. According to the bid rent theory, urban residents make a trade off between being close to the city center – where housing costs are highest – and locating in a neighborhood with relatively affordable housing – i.e. farther from the center. Similar to other ecological models, the bid rent model helps explain the outward expansion of cities, positing a linear relationship between land costs and proximity to the center. As urban residents seek cheaper housing farther from the center, neighborhoods change naturally and evolve. Border or tipping models likewise focus on the locational decisions of residents but expand the explanatory variables beyond just housing costs, namely to social characteristics such as race. Proponents of these models contend that the racial transition of a neighborhood will have an impact on existing residents and increase out-migration. Moreover, these changes will affect how residents from surrounding areas perceive their own neighborhoods, especially along the "borders" of the neighborhoods (Leven et al., 1976).

The ecological perspective has had a vast influence on the way both scholars and policy makers understand neighborhood change. The determinism of ecologists has set the foundation for how many people have understood neighborhood change, as seen in the dominant stage theories of growth promoted by HUD in the 1970s. The basic assumption of filtering is inherent in many current debate over urban sprawl, as opponents to sprawl argue that the social and spatial mobility brought about by cheap housing and transportation on the urban fringe has contributed to the decline of neighborhoods in central cities. Furthermore, filtering models can help "justify supply-side initiatives to foster construction in any submarket will start a string of moves and eventually result in improving the housing consumption of all residents

within a metropolitan area" (Temkin and Rohe, 1996, p. 161). Because the ecologists see neighborhood change as a benign process, the goal of any neighborhood-related policy from their perspective should be to increase the mobility of residents so that they can naturally move to better neighborhoods as their income allows. For example, housing vouchers to increase individual mobility fall in line with ecological bid-rent models, as they permit low-income residents to move farther from concentrated poverty areas in the central city. Finally, the border or tipping model, which hypothesizes that racial transition affects neighborhood conditions, can lead to integration policies, such as giving incentives for current white residents to stay in neighborhoods into which racial minorities are moving.

Subcultural

Scholars in the subcultural school reacted to the ecological understanding of neighborhood change, critiquing three assumptions of the ecologists. First, they reject the economic determinism of the ecological models. Firey (1945), for example, argued even during the early dominance of the ecological school that there are non-economic factors, such as resident sentiment and symbolism, that are just as important in determining why and how residents live in certain parts of the city. Firey contends that "a different order of concepts, corresponding to the valuative, meaningful aspect of spatial adaptation, must supplement the prevailing economic concepts of ecology" (1945, p. 148). In other words, where people live can evoke sentimental ties that bind them to their neighborhoods, apart from simply economic factors. Therefore, concepts such as resident confidence, satisfaction, commitment and social networks are important for understanding neighborhood change from a subcultural framework.

As Ahlbrandt and Cunningham (1979) explain:

The ecological approach does not provide insights into the social fabric and social support networks of neighborhoods, and it does not relate differences in the internal dynamics of neighborhoods to their ability to retard or to assist the changes being observed. (p. 17).

Therefore, a second objection of the subculturalists to the ecological way of understanding neighborhood change is its almost exclusive focus on exogenous forces. Whereas the ecologists contend that rational, economic choices related to the metropolitan real estate market drive neighborhood change, the subculturalists add endogenous variables to the equation. For Ahlbrandt and Cunningham (1979), “neighborhoods are composed of people, and in the last analysis, it is the willingness of residents to remain in their neighborhood and to work to improve it that will determine the stability of the area” (p. 29). Whereas in many ecological models resident mobility and neighborhood decline are seen as inevitable, natural processes, subculturalists contend that neighborhoods can remain stable or even improve if the social structure is strong.

Finally, the subculturalists break from the ecological presupposition that neighborhoods are homogeneous, contending that there are many subcultures that vary across neighborhoods. This perspective comes primarily from scholars doing in-depth, ethnographic studies of neighborhoods. Gans (1962) and Suttles (1972), for example, emphasize the role of ethnic identity in helping stabilize neighborhoods. Other identity-based subcultures have also been shown to increase the potential of residents to defend their neighborhoods against outside threats (Godfrey, 1987; Stoecker, 1994).

The subculturalists’ introduction of endogenous social factors and the heterogeneity of urban neighborhoods have made important contributions to community development practice and urban policy. Subculturalists generally are not prone to developing complex models of neighborhood change, as are the ecologists, but their seemingly simple observations have spawned many neighborhood preservation and defense efforts. The subcultural perspective that neighborhood decline is not inevitable, and in fact can be fought off by the strength of social networks in the neighborhood, encourages neighborhood organizers to mobilize residents to assert their interests (Fisher, 1994). Therefore, current residents can come together to battle threats such as gentrification (Peterman, 2000). Most recently, a subcultural way of thinking

can be seen in the latest fads in community development practice, such as “asset-building” and “comprehensive community initiatives.” In asset-building strategies, practitioners seek to identify strengths already within neighborhoods (i.e. positive endogenous forces) and build on those assets to stabilize and improve the neighborhoods. Through the comprehensive community initiatives, policy makers assume that neighborhood revitalization is principally a matter of coordinating efforts. Inherent to both of these examples is the subculturalist assumption that the answer for stabilizing and neighborhoods can best be found from endogenous factors.

Political Economy

The third major school of thought with regard to neighborhood change is represented by a diverse collection of scholars grouped under the heading political economy. Encompassing disciplines such as Sociology, Geography, and Political Science, the political economy school has probably been the most influential in the area of urban studies over the past thirty years. While subculturalists have challenged the strict economistic determinism of the ecological school since the early years of its dominance, political economists have more recently developed a much more complete critique of the ecologists, recognizing fundamental changes in the urban structure and economy. Many of the early political economists were heavily influenced by Marxist analysis and used it to critique the ecologists. Neo-Marxists such as Harvey (1981) and Castells (1983) created a type of renaissance in urban studies:

the city was no longer to be interpreted as a social ecology, subject to natural forces inherent in the dynamics of population and space; it came to be viewed instead as a product of specifically social forces set in motion by capitalist relations of production. (Friedmann, 1986, p. 69)

The political economists retain the ecologists' interest in neighborhood change driven by economic relations and forces from outside the neighborhoods, but they focus more directly on the social relations of production and accumulation.

Whereas for ecologists urban development reflects market equilibrium, the political economists argue that it results from social, economic, and political conflict. This line of research has led to two influential streams of interest in urban studies: one focusing on the role of urban “growth machines” in urban and neighborhood change and another that recognizes that cities have undergone a “restructuring” process over the past thirty years as the world has become increasingly globalized.

The urban growth machine thesis – first formulated by Molotch (1976) and more fully developed by Logan and Molotch (1987) – holds that coalitions of urban elites seek to capture and retain economic power primarily by promoting real estate and population growth. Members of growth machines include people who directly benefit from increases in population and land values. Real estate entrepreneurs are clearly members of the growth bloc, but other members also include businesspersons, newspapers, labor unions, professional sports teams, universities and even religious groups. In contrast to the natural determinism of the ecologists, the growth machine theory posits a primary role for human agency in neighborhood change, as the active exploitation of the real estate market and political process by local elites – not a benign ecological process – drives urban development.¹

A fundamental component of the growth machine thesis in relation to neighborhood change is the distinction between exchange and use values. Logan and Molotch theorize place as a commodity, one that is socially constructed through competition between those who value the neighborhood for the “rent” they can gain from it (i.e. exchange value) and those who value it for non-economic reasons (i.e. use value) such as their attachment to it. For example, a real estate firm exhibits an exchange value toward a neighborhood in which it has holdings, while residents of that neighborhood are more concerned with its use value as a place to live, not

¹ In a recent reflection on Molotch’s contribution to urban sociology, Logan et al. (1999, p. 74) write, “He targeted the same key dependent variables as had ecological studies – the growth, changing composition, and land-use pattern of the city – and he argued that urban growth has to be understood not as a function of economic necessity but as the target of political action”

simply to make money. Growth machines seek to maximize the exchange value of urban space, often leading to land speculation and the encouragement of population growth to drive up property values and, accordingly, their return on rent. Neighborhood residents often try to resist this by asserting their use values, based on their social networks, sense of trust, and common identity.

Another crucial element of the growth machine theory is that the elites who benefit from growth seek to create an ideology of growth. This ideological construct promotes the belief that growth will produce a common benefit for all, both residents and rentiers. In other words, the growth coalition seeks to create a consensus for growth that will “eliminate any alternative vision of the purpose of local government or the meaning of community” (Logan and Molotch, 1987, p. 51). As the editors of a recent collection of essays on the growth machine theory point out, “an important but often overlooked aspect of Molotch’s thesis was the claim that growth coalitions not only strive to create the material preconditions for growth but also to convince people of the importance of growth to their well-being” (Jonas and Wilson, 1999, p. 8). This is exemplified in the civic boosterism that has characterized so many attempts to promote economic development in U.S. cities (Logan and Molotch, 1987; Boyle, 1999). In Molotch’s most recent reflection on the growth machine thesis, he argues that the “pro-business” stance of many growth coalitions reflects a more sophisticated ideology:

Whereas nineteenth-century American town boosters operated in a rather amateur way, today’s boosters utilize professionalized ideology and cadres of consultants that rake off finders’ fees, travel expenses, and ‘research’ planning costs. (1999, p. 262)

Also reflecting on the legacy of the growth machine thesis, Logan – writing with two other authors – contends that even if growth coalitions do not have much success in effecting growth in cities, they generally are able to “bend the policy priorities of localities toward developmental rather than redistributive goals” (Logan et al., 1999, p. 75). This ideology of growth is a critical part of the growth coalition’s attempt to effect local policy and neighborhood development.

The growth machine's exploitation of exchange values and creation of a "value-free" growth ideology impacts neighborhoods in several ways, according to political economists working along this stream of thought. Most obvious is the negative impact that population growth and rising rents can have on neighborhood residents' use values. The growth coalition's behind-the-scenes maneuvers threaten the social benefits of residents' common identity:

For us, the major challenge to neighborhood, as a demographic-physical construct as well as a viable social network, comes from organizations and institutions (firms and bureaucracies) whose routine functioning reorganizes urban space. The stranger to fear may not be the man of different ethnicity on the street corner, but a bank president or property management executive of irrelevant ethnicity far from view. (Logan and Molotch, 1987, p. 111)

This can lead to the displacement of vulnerable populations in poor neighborhoods, as in the cases of "urban renewal" of the 1960s and gentrification today. It also means that "even the rich neighborhoods can decline as their function in the local urban system shifts" (Logan and Molotch, 1987, p. 121), as their exchange value overrides the use value to the growth machine. Institutions working in real estate, such as banks and realtors, are often complicit in this steering of certain people to certain neighborhoods – especially along racial lines – in order to serve the interests of the growth machine (Palm, 1985; Squires and Velez, 1987).

A second stream of the political economy understanding of neighborhood change is what is loosely referred to as "urban restructuring" or "globalization." According to political economists working in this vein, urban restructuring has been characterized by two interrelated developments. First of all, there has been a restructuring of capital, as seen in a concurrent process of globalization and corporate concentration. Since the 1960s, there has been a rise in the economic power of transnational corporations, "creating a more pronounced oligopolistic structure of world capitalist production" (Soja, et al., 1983, p. 200). This process has been hastened by new information and communication technologies that have made it possible for large, dominant firms to globalize production in "real time" (Borja and Castells, 1997). Financial markets now operate on a global – not simply national – scale, thus leading to the deregulation

of financial institutions to enhance their flexibility and ability to contend with foreign competition (Squires, 1992). These processes have led to a new urban hierarchy in which economic power is concentrated in "global" or "world" cities (Sassen, 2000).

In parallel with this restructuring of capital, there has been a general restructuring of labor. As production has been decentralized in a "flexible model," labor markets have likewise been globalized through mechanisms such as subcontracting and self-employment. Moreover, there has been a transformation of the economy from Fordist manufacturing as the prominent sector to service and high-technology industries as the primary source of employment. The relative decline of manufacturing as a source of employment in relation to other industries has been apparent in the U.S. since the 1920s (Mollenkopf, 1983), but this process has been especially acute since 1970 (Castells, 1996). Large industrial cities have borne the brunt of these transformations. From 1967 to 1987, cities such as Chicago, Detroit, New York City and Philadelphia lost more than half of their manufacturing jobs (Galster, et al., 1997). These economic changes have, in turn, shifted the spatial patterns of production, both regionally and within urban areas (Sassen, 1990).

There are at least five areas in which the restructuring process outlined above has had an impact on urban neighborhoods in the U.S. The first, and perhaps most obvious, is its impact on employment of neighborhood residents. With the transformation of the economy from manufacturing to services, there has been a "relocation of good blue-collar jobs from the inner city to the suburban fringe" (Dickens, 1999, p. 385), leading to what some have called a "spatial mismatch" between housing and jobs for residents of low-income neighborhoods. Therefore, unemployment is higher in poor neighborhoods, sometimes exceeding 25% (Dickens, 1999), and even those people who are employed tend to be in jobs in which earnings have declined in real terms (Sassen, 1990). This has led to increasing income inequality and polarization, creating a "dual-city" of professionals who are part of the new economy and low-wage workers who are not (Mollenkopf and Castells, 1991). Thus, restructuring has led to the growth of the

"underclass" or "working poor," who tend to be spatially concentrated in low-income neighborhoods.

A second arena in which urban restructuring has impacted urban neighborhoods is in the built environment. Paying for housing represents a higher proportion of disposable income, especially for low-income families, as wages have decreased in real terms and in relation to the cost of rent and real estate (Sassen, 1990). It has become difficult for many residents to qualify for mortgage loans that have become scarcer due to the deregulation of financial institutions and withdrawal of the federal government from supporting low-income housing (Squires, 1992). Moreover, globalization has brought about

the retreat of many real estate developers from the low- and medium-income housing market who are attracted to the rapidly expanding housing demand by the new highly paid professionals and the possibility for vast overpricing of this housing supply. (Sassen, 2000, p. 6)

The restructuring process has accentuated social and economic inequality in cities, meaning that residents of low-income neighborhoods have less access to affordable housing.

In addition to government retreat from supporting affordable housing, restructuring has had a role in shrinking public funding for social services. A series of fiscal crises brought about by economic restructuring have decreased public spending on social services, thus placing more strain on low-income residents of many inner-city neighborhoods (Fainstein and Fainstein, 1985). Because of the economic and political crisis of the early 1970s, "corporate leaders and New Right theoreticians launched a concerted ideological attack on the 'welfare state' of Keynesian economics" (Fisher, 1994, p. 134). According to a scholar of community development policy, "the restructuring of the economy has resulted in worsening social and economic conditions in neighborhoods throughout the United States," due to cuts in state and federal funding (Peterman, 2000, p.67). At the same time, corporate mergers resulting from the restructuring process shifted many company headquarters and prompted civic leaders in cities to abandon local philanthropy (Ferman, 1996; Weir, 1999). Residents of low-income

neighborhoods have obviously been hardest hit by these fiscal and philanthropic cutbacks, as schools, public hospitals, libraries, and social service centers in these areas have been defunded.

A fourth area of neighborhood-level impact has been the demographics of urban neighborhoods. Several studies have shown the uneven impacts of restructuring along racial lines. For example, in a study of 1980 and 1990 census data from throughout the U.S., Galster et al. (1997) found that restructuring has impacted the rise in poverty rates in predominantly black neighborhoods more than in white neighborhoods. This leads the authors to conclude that

racism is increasingly becoming placism, [as] economic restructuring has created a spatial pattern of increasingly dissimilar economic opportunities for blacks and whites, among and within metropolitan areas. (Galster et al., 1997).

With the globalization of the economy and need for low-wage workers, there has been a rapid influx of immigrant workers from Latin America and Asia during this restructuring period, helping break down the dominant black-white paradigm in understanding urban race relations. Thus, although some have found a persistence and deepening of black-white segregation in urban neighborhoods (Massey and Denton, 1993), there are growing numbers of neighborhoods in cities such as Los Angeles that display a "heterogeneous mosaic of new and old ethnicities" (Soja, 2000). Although the demographic impacts of restructuring are somewhat unclear, U.S. cities are in general becoming more ethnically diverse but minority groups remain largely marginalized. As Sassen concludes, "one particular instance of the increased inequality associated with urban restructuring is the disengagement of significant sectors of the minority population from mainstream economic and social institutions" (1990, p. 485).

A final area that has been impacted by urban restructuring is the social and political life of neighborhoods. As residents of low-income, minority neighborhoods become disengaged from social institutions, they do not – or are not able to – participate in the local political process.

Increasing social polarization leads to a dualization of the political life of the city: residents of affluent, predominantly white neighborhoods have access to political power, while low-income residents do not. As Borja and Castells (1997, p. 120) argue, planners are often complicit in this dualization: "part of the city is sold, while the rest is hidden away and abandoned." In light of this lack of power and a perception of their neighborhoods as "under siege," low-income residents can easily develop what Ferman (1996) calls an "us versus them mentality" or what Plotkin (1990) calls an "enclave consciousness," thus limiting the ability of neighborhood groups to build political alliances outside their neighborhoods.

The political economy analyses of urban and neighborhood change are currently the most influential, at least in the academic and policy realm. While the subculturalist self-help doctrine still holds sway in much of community development practice, political economy's emphasis on the external forces that shape how neighborhoods decline or improve is assumed by many policy makers and urban scholars. As political economists contend that neighborhood decline is not an inevitable process due to a properly functioning real estate market – as do the ecologists – but rather a matter of externalities created by institutional actors, policy makers are justified under this model to correct market failings. According to this view, neighborhood decline can result from the exploitation of exchange values by the growth machine or the restructuring of economic conditions. In either case, intervention is necessary to mitigate the negative effects. For example, research on the abandonment of low-income, minority neighborhoods by financial institutions led to Fair Housing laws and the Community Reinvestment legislation during the 1970s (Wyly and Holloway, 1999). Job training and workforce development programs are promoted to transition former manufacturing workers into high-tech, service industries. These interventions, political economists argue, are necessary for correcting inequities in the political and economic system.

TOWARD A BALANCED MODEL OF NEIGHBORHOOD CHANGE

The three schools of thought regarding neighborhood change outlined above currently have varying degrees of acceptance in community development research and practice. While the assumptions of social ecology have been discredited by both the subcultural and political economy approaches, the influence of the ecological understanding of neighborhood change as a natural, inevitable process is still visible in many popular perceptions of neighborhood decline. This is especially true among political conservatives in the U.S. who view the decline of neighborhoods as an inevitable, benign process that does not necessitate any government regulation or intervention. The subculturalist ethic is evident in much of current community development practice, in which neighborhood organizers, community development corporations, and other nonprofit organizations look to involve neighborhood residents in stabilizing and improving their quality of life. The political economy school tends to be favored by policy makers and community advocates to the left of the political spectrum who seek to place reins on the powerful local and global forces that negatively impact certain neighborhoods. In some cases, the political economy approach may be combined with the subcultural sensibility to argue for the mobilization of neighborhood social movements that build coalitions outside the immediate neighborhood (Castells, 1997; Peterman, 2000).

As might be expected, all of these theories of neighborhood change have strengths and weaknesses. I find none of them completely satisfactory and critique them in three areas. First of all, they each tend to be rather simplistic and assume a level of homogeneity in neighborhood change. Perhaps this is due to the limitations inherent in any attempt to model something as nuanced and complex as how urban neighborhoods change. As Goetze and Colton (1980, p. 185) contend, “rather than relying on any one causal force...the dynamics of cities evolve around a combination of influences,” and it is this dynamism that eludes those who would fit urban processes into a model. The ecological approach assumes a natural, sometimes linear, trajectory in neighborhood change; but urbanization patterns – especially recently in western

cities like Los Angeles – do not necessarily follow a simple concentric circle or bid rent pattern with regard to land use. Spatial dynamics are much more complex than the ecological models present them. While the ecological models may have fit Chicago in the early part of the 20th century, when there was a steady period of population and housing growth, they are not as acceptable for analyzing more recent dynamics in which there is a disconnect between housing supply and demand (Goetze and Colton, 1980, p. 191).

Although the subculturalist perspective breaks from the determinism of ecology, it can likewise be critiqued for its simplistic modeling of how and why neighborhoods change. By focusing exclusively on the endogenous forces that impact neighborhoods, the subculturalists assert that neighborhoods can improve if residents come together to improve their lot together. It is naïve to think that a neighborhood changes only through the decisions and actions of its residents; certainly forces beyond the control of residents also play a role. This idealistic outlook leaves the subculturalists open to what Logan and Molotch (1987, p. 136) refer to as the paradox of community organization: “the neighborhoods with the most serious need for community organizations are those with the least capacity to create and sustain them.” The process of neighborhood change and improvement is more complex than the subculturalists’ exclusive plea for human agency.

The political economy approach also tends to see neighborhood change as a rather simple process. For example, the growth machine thesis reduces the cause of neighborhood change to property relations alone and misses the nuances of these relations. Reflecting on the legacy of the influential thesis he developed twenty years earlier with Molotch, Logan admits, “the real world of politics is more dynamic than implied in the growth machine model” (Logan et al., 1999, p. 90). Feminists critique the growth machine thesis as assuming a simplistic, homogenous view of neighborhoods, ignoring the complex, contentious nature of community and place (Gilbert, 1999). The urban restructuring and globalization thesis advanced by political economists likewise comes under fire for sometimes presenting an economic determinism:

All too often this literature has represented markets as natural forces, separable from public policies, and portrayed economic restructuring as a unified global process....Markets are always embedded in particular social and political relations; economic restructuring is not a single, global process. (Logan and Swanstrom, 1990, p. 5)

The political economy approach tends to present a simplistic model of neighborhood change, though not to the extent that the ecological and subcultural theories do.

The second area in which the traditional approaches can be critiqued is in how they view the causes of neighborhood change, specifically whether they see them as external or internal to the neighborhood. For the ecologists, neighborhood change results entirely from external forces, namely the urban real estate market. Residents can do little, if anything, to alter the processes of change in their neighborhoods, because these are part of a larger ecological process in the larger metropolitan area. Scholars from the subcultural school obviously provide a vivid critique of this aspect of the ecological approach, pointing out that forces within neighborhoods – such as social networks and residents' own attachment – play an important role in neighborhood change. In their almost exclusive focus on endogenous forces, however, the subculturalists do not acknowledge the impact that larger social, economic and political forces have on neighborhoods. Political economists take up this challenge, demonstrating how institutions and power structures from the local to the global levels have vast impacts on neighborhoods. Some scholars in this tradition acknowledge the role of internal factors in this process, but on the whole political economists tend to focus on exogenous factors, barely, if at all, mentioning endogenous factors.

The final area of critique is in the geographic scale on which the various theories of neighborhood change focus. The ecologists tend to focus their analysis of neighborhood change on metropolitan areas, looking at neighborhood succession within the context of the urban structure. They assume a general homogeneity within neighborhoods and are not sensitive to the diversity within neighborhoods. In effect, therefore, although they are interested

in how neighborhoods change, their unit of analysis is the urban area as a whole.

Subculturalists, on the other hand, focus on the neighborhood as their basic unit of analysis, uncovering the diversity and conflict within neighborhoods and how these dynamics effect change (Ahlbrandt and Cunningham, 1979). This exclusive focus on the “micro” level limits the usefulness of the subcultural approach and makes it difficult to generalize the findings from these studies to other neighborhoods and other cities.

Despite some attempts by political economists to blend the “macro” and “micro” geographic scales in their theories of neighborhood and urban change, for the most part the political economy approach tends to project a “macro” scale. With regard to the growth machine thesis, Davis (1991) contends:

Although Logan and Molotch go further than most students of neighborhood activism in looking to 'urban property relations' for an explanation of urban political action, their analysis is less appropriate to the politics of the homeplace than to larger, citywide phenomena like urban development, urban renewal, and the stratification of urban neighborhoods. Questions pitched to a more 'micro' level of analysis such as how and why groups might form, or groups might act, or groups might collude (or clash) *within* these neighborhoods are barely addressed. (p. 9)

For another scholar studying challenges to growth coalitions in two major U.S. cities, the growth machine literature tends to focus too much on the pro-growth elites working to develop the central business district and not enough on the social and political functions of neighborhoods themselves (Ferman, 1996). Molotch himself has acknowledged this weakness in the growth machine literature and has recently stressed the "down-link" of the thesis: “What does the growth machine process have to do with the lives of folks in the neighborhoods, particularly those often excluded: the poor, women, and minorities” (Molotch, 1999, p. 255)? As alluded to above, the restructuring and globalization literature generally has very little to say directly about the micro, neighborhood scale. I have suggested several areas in which there might be some impact on neighborhoods from restructuring, but this is not a theme that is well developed in the literature. Perhaps the only attempt is the “global-local” literature in which scholars are looking

at the local impacts of globalization, but as one observer notes, this literature is “built upon a shaky and under-theorized conceptual foundation” (Beauregard, 1995, p. 243).

Due to the weaknesses in each model, there have recently been several attempts to bridge these varying perspectives into a more holistic model. Varady (1986) adds a series of social factors that might help predict neighborhood stability to more ecological factors such as race and income. Grigsby et al. (1987) present a model in which socioeconomic changes impact the decisions of individuals in neighborhoods, thus changing the conditions of neighborhoods. Temkin and Rohe attempt to take the best from each of the three major models, thus outlining "a complex process in which neighborhoods are involved in a competition for scarce resources necessary to promote neighborhood stability bounded by the political and social environment of the metropolitan area" (1996, pp. 165-6). More recently, they have framed this as a "social capital model of neighborhood change" (Temkin and Rohe, 1998).

While these efforts each have merit and indeed improve on the traditional models, they have not been tested in any systematic fashion. It is not within the scope of this essay to test these models – at least in an empirical sense – but, following up on the critiques of the traditional schools of thought, I conclude by proposing three guidelines to keep in mind for developing a more balanced understanding of neighborhood change.

- *Acknowledge the complexity of urban life, economic conditions, and social relations.*

A balanced theory should avoid simplistic interpretations of how and why neighborhoods change. While models can be helpful in articulating the various causes and indicators of change, they should not be presented as comprehensive and as ends in themselves. Any theory of neighborhood change in the U.S. should acknowledge the diversity of residents, urban form, real estate markets, and consumer attitudes and preferences across neighborhoods and cities. One theory is clearly not going to account for all change in all contexts at all times. Furthermore, as Davis (1991) demonstrates in a vivid study of neighborhood politics,

If it is imprudent and impractical to assume only two sets of interests in the urban neighborhood, as many neo-Marxist and "growth coalition" theorists do, it is even more simplistic and ineffective to assume only one set. It is not uncommon, however, to find municipal planners and social reformers pursuing strategies of neighborhood planning and community development that make precisely this assumption of a single neighborhood interest. These practitioners act as if the only barriers to political consensus and common action in a given neighborhood were the lack of coordination among various public and private parties and the lack of rational design in the delivery of various public or private services. (pp. 311-2)

Neighborhoods themselves are complex entities with multiple interests. Therefore, a balanced theory of neighborhood change needs to be flexible and open for testing and development.

Economic conditions are clearly an important component of why people live where they do, but a balanced approach has to also take social and political factors – such as social networks, resident preferences and attachments, and growth and anti-growth ideology – into account.

- *Recognize forces from both within and outside of neighborhoods*

Theories from the traditional approaches tend to view neighborhood change as occurring as a result of either internal or external forces. A balanced perspective would include both in the analysis of why neighborhoods change. External forces identified by the ecologists – namely the metropolitan real estate market – as well as those highlighted by political economists – such as pro-growth coalitions, politicians, banks, and multinational corporations – can all potentially impact the makeup and conditions of neighborhoods. Factors in neighborhoods themselves, such as resident attachment and social networks, can likewise play an important role in determining whether neighborhoods decline, improve or remain stable. Urban analysts, especially those from a political economy approach, need to be open to considering the impact of endogenous forces in neighborhood change. Community development practitioners need to step outside the neighborhoods in which they work and

reflect on the impact of larger economic, political and social factors that impact conditions in those neighborhoods.

- *Analyze change at multiple geographic scales, taking into account both micro and macro dynamics, and recognize how conception of community is changing.*

The geographic scale of analysis for assessing neighborhood change is an issue that is surprisingly absent from many discussions of neighborhood change. In more “macro” theories, such as many ecological models and political economy analyses, neighborhoods appear to be just an abstract concept, without much reflection on how change impacts the daily lives of residents. Subcultural studies tend to be stronger on uncovering the micro impacts but rarely link these dynamics to larger economic or social shifts. As one critic of the growth machine thesis notes,

the lack of analysis of geographic scale results in daily life being conceptualized at the scale of the neighborhood and the assumption that people's construction of community exists at the scale of neighborhood. (Gilbert, 1999, p. 103)

Neighborhoods undoubtedly provide a sense of community to many people; but in a more mobile society, the notion of community is even changing. Communities of interest are becoming as important to many people as geographic communities. Therefore, the scale of analysis for understanding neighborhood change needs to be flexible, moving between macro and micro geographic scales but also incorporating how the various interests people have impact their ties to their areas of residence. As a longtime advocate of more micro analysis and intervention has recently reflected,

Neighborhood planning certainly should not be about creating isolated, independent, self-sufficient villages in the city. Rather, it should be about building community, and doing this involves identifying not only the local needs but also identifying the ways in which people in neighborhoods link with communities beyond some limited and artificial boundary. (Peterman, 2000, p. 22)

CONCLUSION

In this essay I have surveyed the three major schools of thought regarding neighborhood change and critiqued them in order to propose guidelines for a more balanced theory of neighborhood change. Ecological theories were dominant for much of the 20th century but have largely been discredited for their deterministic assumptions. The subcultural approach provided an important challenge to ecology and asserted human agency in the process of neighborhood change. It was often naïve, though, toward important political and economic forces that impact neighborhoods, and political economists filled this gap with important analyses of urban growth machines and the restructuring/globalization process.

In general, I find the political economy approach the most convincing of the three schools of thought. It accounts for the social, political and economic conditions that impact neighborhoods, though not in the deterministic fashion of the ecologists. Moreover, it leaves room for human agency in determining the trajectory of neighborhoods, though perhaps often in a superficial way. I believe that a balanced theory of neighborhood change should start with the political economy analysis and cover its weaknesses with parts of the other major schools of thought. Specifically, this type of approach must recognize its limitations and strive toward striking a balance between the endogenous and exogenous, between the micro and the macro. If theorists of neighborhood change seek to develop a more holistic view of how neighborhoods change, they need to understand the theories of the past but be open to new methods and ways of understanding to meet the changing conditions that impact neighborhoods today.

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