

❧ CHAPTER 1 ❧

FROM SOCIAL ISOLATION TO SOCIAL ABANDONMENT

In 1987, William Julius Wilson's book on urban poverty, *The Truly Disadvantaged*, was released, bringing the terms "concentrated poverty" and "social isolation" into the lexicon of social scientists studying some of the most disadvantaged groups in the United States.¹ Using Chicago as his case study, Wilson argued that within central cities in poor, predominantly black neighborhoods lived certain individuals and families "whose behavior contrasts sharply with that of mainstream America."² These individuals were "socially isolated," meaning that they had limited contact with employed individuals, community organizations, and the institutions associated with the working and middle classes. Wilson contended that as job opportunities moved outside of the central city, and as housing discrimination lessened, the African American working and middle classes were able to move out as well. When they left, an important buffer for the poor was gone. No longer did the poor see people going to work each day, and an important source of information about potential jobs and how to navigate the world of work was lost. Institutions such as schools, churches, and community organizations were weakened with the departure of more stable residents.

Economic shifts, beyond the movement of jobs outside of central cities, also reinforced concentrated poverty and social isolation. Manufacturing jobs had provided African Americans with employment opportunities during the first part of the twentieth century, but the latter half of the century had been marked by deindustrial-

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ization as these jobs moved out of the country (or disappeared altogether through technological innovation). Taking advantage of changes brought about during the civil rights era and by the passage of antidiscrimination laws, some better-educated and middle-class African Americans were able to enter formerly segregated schools and occupations, including employment within the public sector and unionized jobs. As a result, Wilson argued, the condition of poor blacks “deteriorated during the very period in which the most sweeping antidiscrimination legislation and programs have been enacted and implemented. The net effect is a growing economic schism between poor and higher-income blacks.”³ Poor blacks were left behind in neighborhoods that would become characterized by concentrated poverty, joblessness, and other attendant problems, such as welfare “dependency,” criminal activity, and neighborhood deterioration.

Now more than twenty-five years have passed since the publication of *The Truly Disadvantaged*, and it remains one of the most highly cited and important works on poverty in the United States. Many of Wilson’s descriptions of the conditions and prospects of central city-dwelling African Americans still hold true—the unemployment rates of this group remain high, and mass incarceration, which was only just beginning when Wilson was writing, has affected too many African American men who have been imprisoned and, upon release, marked by a criminal record that makes it nearly impossible to find a job.⁴ Present-day Detroit bears striking similarities to Wilson’s Chicago of twenty-five years ago, albeit on a much larger scale. An estimated 40 percent of the city’s residents live in poverty, and in 2010 the official unemployment rate was 25 percent, although some, including city leaders, believed that, including all of those who had stopped searching for work, it was closer to 50 percent.⁵ Decades of white flight and, more recently, black departures left the city overwhelmingly African American, in stark contrast to the mostly white suburbs. By 2010, neighborhoods with poverty rates of 40 percent or higher were no longer scattered here and there throughout Detroit, as they were in 2000, but rather took up most of the city’s vast geographical space.⁶ Is Detroit, then, a city populated by the truly disadvantaged, its residents left be-

hind by the middle class of both races? The answer is not quite so simple, as I will argue.

Wilson had little to say about those who have left the central city – the workers, churchgoers, and businesspeople who make up the black middle class and whose departure contributed to the social isolation of those left behind. While antidiscrimination legislation has certainly opened up the residential real estate market for African Americans, segregation continues to exist. Middle-class and working-class African Americans may end up in close proximity to poor neighborhoods. Even then, the average black middle-class family typically lives in a neighborhood with lower income than the neighborhood of the average poor white family.⁷ And when black families start to integrate formerly white neighborhoods, white flight begins.⁸ Black middle-class families are also very likely to have strong ties to poorer relatives, meaning that perhaps the connections between the poor and the middle-class are not severed, as the term “social isolation” might imply.⁹ But middle-class status for blacks is tenuous; they are more likely than whites to experience downward mobility, and less likely to experience upward mobility.¹⁰ In a similar vein, Wilson was silent about people who stayed in the central city but had jobs and adhered to other norms that Wilson associated with the middle class, the so-called decent folk that Elijah Anderson describes in *Code of the Street*.¹¹ According to Anderson, these working-class families valued self-reliance, hard work, and sacrifice for the future.

In this book, I focus on a group I call “strivers.” They are Detroit-area residents whom Wilson might have called the “middle class,” or Anderson “decent” families. They work, attend postsecondary institutions, and are or aspire to be homeowners. Yet, despite their efforts in striving for middle-class status, they remain poor, near-poor, or precariously clinging to a middle-class status that could easily be lost. Ongoing residential segregation and continued labor market discrimination certainly account for their struggles, but there is another set of factors at work as well. Building upon Wilson’s concept of *social isolation*, I argue that these families have been *socially abandoned*. Their social abandonment has come about from economic and policy changes as well as political choices that have

altered the structures of opportunity in a way that goes well beyond the social isolation experienced by the urban poor living in high-poverty neighborhoods. It is a result of a new set of social transformations that affect the poor, the near-poor, and the struggling middle class.

The New Social Transformation and Social Abandonment

By social abandonment I mean that, at a basic level, striving families have been abandoned by institutions that traditionally promoted inclusion and upward mobility. Social abandonment is produced via two mechanisms. First, social abandonment consigns striving families to separate, unequal, and segregated labor, post-secondary, and housing markets that do not offer the same opportunities for advancement and wealth-building that are available to others. Second, protections that were once in place, whether through regulations, social programs, or more informal systems, have been stripped away, leaving families exposed to great financial risk. In the end, not only are striving families unable to move up economically, but they are left in debt from both their investments in the future and their struggles to make ends meet.

The deindustrialization that Wilson documented is now nearly complete. The good manufacturing jobs for less-educated workers in places like Detroit are few and far between. The public-sector jobs that once served as a pathway to the middle class for African Americans are disappearing as well.¹² Instead, job growth has been concentrated in the low-paying service sector. The low-wage labor market grew in the late 1990s and continued to expand into the 2000s. The labor market facing many less-educated workers may offer more job opportunities, but the quality of the jobs may be poor. Studies of low-wage workplaces have documented the challenges of trying to survive economically on these low-paying and irregularly scheduled jobs. Workers who may be classified as full-time find themselves scheduled for very few hours one week, but for many more the next; they may come to work but then be sent home because of a low volume of work.¹³ These types of workplace

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conditions can lead to great instability in earnings, making it difficult to pay bills, as well as challenges in balancing work and family responsibilities and finding child care when schedules are so erratic.¹⁴

According to Wilson, employment is a mechanism for inclusion in the larger society and stability in one's life. Low pay and erratic scheduling suggest that some workers are not experiencing the full benefits of work that Wilson envisioned. Jobs are increasingly either low-paying or high-paying, with relatively few so-called middle-skill jobs available.¹⁵ But there have been other, less-documented changes in the structure of work that call into question how well employment brings stability into people's lives. I show that strivers often work alone, may never see their employers, and often see coworkers only when they pass them at shift changes. Why does this type of isolation matter? Accompanying the decline of manufacturing has been the erosion of union power, which has left employees with little say about workplace conditions and practices and little protection against workplace abuses. Many of the striving class work for employers that operate outside of the laws and regulations intended to protect workers; as such, they are vulnerable to being fired or feeling compelled to quit before they are dismissed. Moreover, isolation on the job leaves strivers lacking opportunities to build networks that could provide support when they face workplace problems or help when they are looking for a new job. This is the separate and unequal labor market in which strivers work.

Homeownership and a college education are heralded as sure pathways to prosperity in this country. Historically, discriminatory legislation, policies, and practices kept African Americans locked out of the dream of homeownership and confined to segregated neighborhoods.¹⁶ For example, federal housing policies concentrated African Americans in public housing, and racist lending guidelines kept families from securing mortgages. Local zoning ordinances could keep lower-income families out of certain neighborhoods by prohibiting the development of multi-unit housing. And real estate agents steered blacks away from white neighborhoods and did not show them homes there.¹⁷ Although more African

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Americans have many more opportunities for homeownership today, the legacy of those policies continues to produce residential segregation. Likewise, outside of the historically black colleges and universities, the doors to higher education were closed to all but a select few African Americans until desegregation efforts started in earnest in the 1960s and the civil rights movement challenged discrimination in university admissions.

Now, not only do striving families continue to face the challenge of residential segregation, but owning their own home is a gamble as opposed to a sure path to upward mobility; families striving for middle-class status may become trapped holding underwater mortgages for a home located in a depopulated neighborhood of foreclosed houses and concentrated poverty. Additionally, deregulation of the financial services sector allowed for the development of high-cost, high-fee mortgages that were targeted to communities of color—a separate and unequal financial product. These mortgages put many families at risk of losing their home altogether. Meanwhile, college enrollment rates have gone up across the board, but changes in the delivery of higher education have led to the expansion of a secondary track of degree acquisition. “Going to school” occurs within a stratified and indeed segregated educational system, one that relegates strivers to online course work, for-profit institutions, and community colleges that provide little in the way of assistance. Obtaining more education in this way can be a long process, resulting in debt from student loans more often than in a degree, and even when a degree is obtained, the payoff is weak. For these families, the promise of homeownership and education as tools for achieving upward mobility has been broken.

Striving families have also been abandoned by the institutions and regulations that are supposed to protect them during difficult times. Specifically, the great difficulties that vulnerable families face in accessing an already stingy safety net leave them exposed to hardship. Retrenchments in the social safety net, most notably welfare reform, have made access to some public assistance benefits much more difficult. Although the welfare recipients interviewed by Kathryn Edin and Laura Lein pre-reform could not make ends meet on a welfare check alone, they at least had a stable monthly

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benefit upon which to build.¹⁸ Striving families, who often need benefits because their wages are so low, do not receive them in a timely fashion. People who lose jobs may wait weeks, months, or even years to receive the benefits to which they are entitled. An outdated Unemployment Insurance (UI) system favors those who have lost a full-time, year-round job through layoff, even though employment is increasingly irregular and unstable.

When assistance from the safety net is not available, families take on debt (perhaps in addition to the mortgages and student loans they already carry). However, the financial products (including mortgages) they are offered frequently have bad terms, such as high interest rates and penalties. Deregulation of the financial sector has opened access to credit for people with low income, but the dark side of easy credit is the predatory nature of those products. Families can find themselves trapped in a cycle of debt, never able to pay down balances, let alone make a dent in the debt they might have accrued in the past. These striving families have become modern-day sharecroppers, always owing someone and never able to fully “settle up.” Problems making payments may also lead to a low credit score. In addition to the continued financial repercussions of a low score (for example, being unable to get additional credit or credit with good terms), credit scores can be used by employers in making hiring decisions and landlords when they are screening applicants; strivers “marked” by very low credit scores are thus hurt in other markets. Holding debt also puts families at risk of having their wages or tax refunds garnished by creditors, a practice that disrupts the already fragile financial situation of families in debt.

Finally, carrying debt negatively affects the ability of striving families to accumulate and build wealth. To build wealth, one does not need to be debt-free; however, it is almost impossible for families striving to reach the middle class to get out from under debt, especially when the debt they have taken on for purposes of investment has proved worthless. For other families, taking out loans for college or a mortgage on a home might be significant drivers in building wealth; the cost of student loans might be more than repaid through higher future earnings. For many striving families,

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however, the debts that might otherwise translate into investments instead become mechanisms of wealth-stripping. In short, these striving families are left to become abandoned families.

Social abandonment can also help explain the maintenance and growth of income and wealth inequality between blacks and whites. In 2007, for example, blacks' median income was \$41,400, whereas for whites it was \$58,200. Differences are even more stark when we examine net worth (the difference between assets and debts): median assets among blacks amounted to \$31,800, while for whites the figure was \$192,800—six times the median net worth of blacks.¹⁹ Further, a college-educated African American has only one-third as much wealth as a white high school dropout.²⁰ Social abandonment may also help explain low rates of intergenerational mobility. Two-thirds of black families living in the poorest neighborhoods will continue to do so a generation later. This generational experience is much less common among whites, and far fewer whites ever live in the poorest neighborhoods, making this intergenerational transmission of neighborhood poverty a phenomenon that disproportionately affects blacks.²¹

The struggles faced by striving families in trying to achieve upward mobility demonstrate how difficult it is and how difficult building wealth can be. Their jobs give them few opportunities to move up, whether because of the lack of career ladders or because of workplace isolation; their homes are worth less than they owe on them; and their college education, if they are even able to complete a degree, leaves them in debt and usually with a job that does not pay much better. Poor children tend to fare better in places that have more integrated neighborhoods, but many poor families find it too expensive to live in such a neighborhood.²² And striving families who do move to such neighborhoods may find themselves isolated from the rest of the community.

In discussing social abandonment, I use terms such as “separate and unequal,” “segregated,” and “sharecropping” very deliberately because, as I argue, social abandonment represents the latest set of policy choices and institutional changes that serve to perpetuate racial inequality. Poor and lower-income whites have been affected by social abandonment, but fundamentally social abandon-

ment is tied to past and ongoing discrimination as well as racial residential segregation and the predatory lending practices that are deployed much more frequently against people of color.

The Study

I did not start out intending to study social abandonment. The conclusions I draw come from analyzing interview data and placing those findings in the context of larger social trends and the findings of other studies. I interviewed forty-five women living in the Detroit metropolitan area. With a couple of exceptions, each woman was interviewed yearly between 2006 and 2011, for a total of six interviews. The sample includes women from a range of socioeconomic positions (but including more poor and near-poor families), from families both with and without minor-aged children (but more with minor-aged children), and from a mix of races and ethnicities. The resulting sample is predominantly African American (thirty-eight women), with four non-Hispanic white women, one Latina, and two Arab American immigrants. (See the methodological appendix for more detail about the study design, sample, and interview questions.)

Originally, I was interested in understanding how economically vulnerable families were faring during the first significant economic downturn since a number of major social policy changes had been implemented, most notably welfare reform and the expansion of the Earned Income Tax Credit (EITC), policies that mandated and rewarded work, respectively. Once in the field, however, it quickly became clear to me that welfare reform and the EITC were very small parts of a larger story. I also soon realized that my purposeful focus on women was not necessarily detrimental: women, particularly women of color, were more likely to be targets for subprime housing loans, and among African Americans, enrollment in postsecondary education was higher for women than for men.²³

With the exception of a few women who were struggling with severe health problems, one trait shared by these women quickly became apparent: they were all trying hard to improve their situa-

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tion. They were holding down jobs, going to school, and buying and keeping up homes. They did not have outsized ambitions or plans; rather, they wanted better jobs (to be a nurse instead of a home health aide, for instance), to live in a nicer neighborhood, to maybe take a vacation with their kids. They were striving for something better. Yet, six years after the study began, the majority of these women still had incomes around or below the federal poverty line, and even those with higher incomes were struggling to maintain their economic position. This stasis led me to ask: What is it about the jobs that these striving individuals hold, their higher educational pursuits, and the neighborhoods in which they live that might explain their difficulties moving up? What happens to striving families that they are not able to realize their dreams, despite their attempts to follow the same paths that for decades have produced upward mobility for others?

Through the experiences of these women in Detroit, we can see how those striving for upward mobility are abandoned at various turns by the systems and institutions that should have assisted them in their quest for better lives. Among these striving women was Geneva, who lost her job when she was injured at work. Her employer faced no penalties but instead contested her claim for public benefits, making her go months without any cash coming into her household. Geneva sought to better her situation by returning to school, but when she finished she was unable to find a job in the field for which she was trained. She was saddled with large student loans she took out to finance her education at a for-profit institution. Geneva had once been married and had considered herself middle-class, but job loss, health problems, and divorce left her with income barely above the federal poverty line and a home that was in foreclosure. Another woman at the head of an abandoned family was Yvette, a steadily employed telecommunications worker and a single mother. She had significant student loan debt from an online school through which she had earned a degree that, as she said, only allowed her to get a job one step above fast-food work. She held a mortgage on her home on Detroit's east side that was much greater than the house's value. And Yvette had thousands of dollars of credit card debt from trying to make ends

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meet. No matter how much she paid, the balance never seemed to go down.

Finally, social abandonment hits the poorest families particularly hard. These women may have once been strivers, but serious health problems kept them out of the labor market, out of school, and sometimes unable to hang on to their homes. Their nonexistent credit scores kept them from securing any type of financial products. Relegated to the very fringes, they were given disability payments but otherwise left on their own to manage their various problems.

It is worth noting that data collection for this project covers the period of the Great Recession and the subsequent slow recovery. Plausibly, what I am observing could simply be the effect of the recession rather than what I am calling social abandonment. However, the recession served more as a backdrop than as an actor in these women's stories. Most of them, when asked how the recession was affecting them, could point to a few friends and family members who had been laid off, and there was a general sense that it was difficult to find jobs, but only a couple of women saw themselves as being affected by the recession. In fact, employment rates among the women peaked at about 75 percent in 2008 and 2009, at the height of the Great Recession. Certainly the subprime mortgage crisis and bursting of the housing bubble played a role in draining these families of any wealth they had hoped to accrue through homeownership; in other parts of the country, however, housing prices have been climbing back to pre-recession values, while in Detroit, as in other predominantly African American communities, the recovery has not happened.

Is social abandonment merely a story about families in Detroit? Again, I argue no. The data on homeownership, college enrollment and student loan debt, predatory lending, and other trends lend credence to the argument that this is a national phenomenon that is helping to reproduce and maintain racial inequalities. The experiences of the Detroit-area women in this study illustrate how social abandonment occurs across the country.

The final issue to consider is marriage. The majority, although not all, of the women in this study were single mothers, and seven-

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teen had never been married. More than 30 percent of single-mother households are poor, compared to about 6 percent of married-parent families.²⁴ Achieving middle-class status can be much easier with two incomes compared to one. The families in Karyn Lacy's study of the black upper-middle class were all married couples.²⁵ Wilson devotes considerable attention to rising rates of births outside of marriage and female-headed households in the central city; however, his analysis focuses on changes in larger social values, such as the increasing acceptance of divorce and single-parenting, as well as labor market changes that gave women increasing economic independence from men. With other social commentators focused on the availability of welfare payments as the explanation for declines in marriage among the poor, Wilson argues that male joblessness is the primary obstacle to marriage. Quite simply, there are not enough "marriageable men" (his term) within central cities for women to consider marriage.²⁶ More recent studies find that poor men and women indeed value marriage as an institution, but believe that they need to be financially secure before they take this step. This requirement is not in place for childbearing, researchers Kathryn Edin and Maria Kefalas argue, because parenthood is one of the few positive identities available to poor people, given their meager labor market prospects.²⁷ A large literature has taken on the challenge of understanding increases in childbearing outside of marriage and in single-parenting. Nevertheless, by the mid-2000s single motherhood could hardly be called an aberrant behavior. Just under one-quarter of all children and half of African American children lived with a single mother, while fewer than half of all children lived in the so-called traditional family with two married, heterosexual parents in their first marriage.²⁸

Would the women in this study have been better off financially if they had been married? Perhaps. Those with the highest household incomes — Lisa, Gwen, and Leah — were all married, but they faced the struggles of underwater mortgages and high levels of debt. Marriage did not boost the economic prospects of Sandra and Cynthia, whose husbands were frequently out of work. Marriage, it seems, is not a protective factor against social abandonment.

An Outline of the Book

The next chapter orients the reader to the location of the study—Detroit, the poster child for social abandonment. Once one of the largest cities in the country and a center of manufacturing, the city is now depopulated, filled with vacant properties, and lacking in money to properly fund city services. Some might argue that Detroit is a city with unique challenges and that the issues faced by its residents cannot be generalized beyond the city limits (or at least Michigan). Although Detroit is the first major U.S. city to file for bankruptcy, many other cities around the country are “financially distressed,” including not only other former industrial cities, like Syracuse, New York, and Reading, Pennsylvania, but also places perceived to be wealthier, like Miami and the greater Los Angeles metropolitan area.

The next three chapters focus on the spheres in which social abandonment occurs. Chapter 3 discusses social abandonment in the workplace, where it thwarts the promise of social integration that work is supposed to provide. Low-paying service-sector jobs have been growing the fastest. They do not pay well, they offer few if any benefits, and they are highly unstable. In these jobs, much of an employee’s work is performed in isolation from coworkers, or apart from any meaningful contact with supervisors. The repercussion of lack of connections to others in the workplace, coupled with low pay and other workplace conditions, is to maintain and exacerbate social isolation.

Chapter 4 discusses the role of social abandonment in shutting out individuals and families from the promise of upward mobility that higher education and homeownership once offered. College enrollment rates have risen over time, yet those in abandoned families who enroll in college may get a degree from an online program or a for-profit school that leaves them deep in debt and with no chance at a better job. Or they may go to an understaffed and under-resourced community college, working for years toward a degree they may never obtain.

Social abandonment also plays out in our public safety net system. Chapter 5 documents these women’s experiences with trying

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to secure benefits when they lost jobs and to maintain those benefits once approved. Those who are abandoned by the safety net often must fight for those benefits for months or even years.

Social abandonment results in debt, the subject of chapter 6. Families are mired in debt, with little hope of escaping. They go into debt when the safety net fails them, they go into debt when their jobs fail them, and they go into debt trying to better their situations. They are caught in a cycle of perpetually owing money. Social abandonment is like sharecropping in that it keeps people from getting ahead and keeps them forever in debt.

The book concludes with recommendations for addressing social abandonment and undoing the harms it has caused. In the current political climate, some of these suggestions may seem like pie in the sky, but the consequences of social abandonment for those who experience it are too dire to ignore.

Finally, while the story about social abandonment told here is one of structural impediments to upward mobility, as seen through a decidedly racial lens, I do not at all want to suggest that individual agency plays no role. The women profiled here are not passive victims. They are smart and savvy and have weathered circumstances that would have immobilized others. But like all of us, they have sometimes made choices that some people may find questionable and that even they themselves sometimes later regretted. We must remember, however, that they made their decisions within a system that stacks formidable odds against their upward mobility.