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Chapter 1

Diversity and Inequality: Recent Shocks and Continuing Trends

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What's happening? As America passed into the twenty-first century we were all aware of momentous events that changed our future. In the 1990s, we experienced the breakup of the Soviet bloc and a quick victory in a war with Iraq, and there were positive signs of declining federal deficits, improvements in the economy, and benefits from technological innovations. But we became aware of the dot-com bubble when average prices on the NASDAQ stock exchange—which had doubled from the previous year—peaked at \$5,500 in March 2000, then fell 80 percent to \$1,114 two and a half years later. (By 2010 it was still hovering only around \$2,300.) We also suffered the attacks on the World Trade Center and the Pentagon in 2001 that made national security and the war on terrorism continuous front-page news. In 2007–2008, the other big news was about the global financial crisis, the possibility of a collapse of major financial institutions, and eventually a jump in unemployment and home foreclosures that meant hard times for average Americans. It should be no surprise that both the Tea Party and the short-lived Occupy Wall Street movements rose up at this time when people could no longer take their futures for granted and it had become hard to have confidence in either the private sector or our political leadership.

Historians will be sorting out the details of these wars, collapses, and social and political movements for some time to come, helping us understand what happened, why, and with what consequences. This book deals with the same period but from a different perspective: here we ask about what's happening in terms of who we are and how we live together as a society. We do not address the full range of changes in American society. Some of these changes have been favorable, such as the increasing representation of women in the highest-ranking occupations, the continued fall in teenage fertility, great reductions in smoking, consistent declines in mortality rates for most groups, and the generally improving health and well-being of most of the retirement-age population. Our emphasis is on the growing diversity of American society, the divisions among us, and the extent to which we succeed in bridging those divides.

We have more information to work with now than in the past. The census conducted every ten years used to be the linchpin of demographic research. Once every decade we could get data from all Americans (on some topics) or very large samples of Americans (on other topics) and evaluate what had changed in the preceding decade. Now the census remains, but in 2010 it asked only ten questions. In its place, the American Community Survey (ACS) is conducted annually, though with a smaller sample, and our attention is drawn to changes from year to year. And because we are learning to settle for smaller samples, we are paying closer attention to other annual

surveys conducted by the U.S. Census Bureau, especially the Current Population Survey (CPS), which was always the basis for key indicators like unemployment. The US2010 Project, supported by the Russell Sage Foundation and Brown University, made it possible to recruit many of the top scholars around the country, a mix of economists and sociologists, to address many key topics. The studies reported here take us as far back as the 1960s, revealing a mix of long-term trends, upward and downward swings, and changes in direction in American society. We address patterns in the family, the labor market, housing and communities, immigration, and race and gender—the central features of society that we as social scientists can measure and try to interpret.

Big events are important to us because they often have effects, none more so than the combination of shifts that we now think of as the Great Recession. The deepest and most prolonged downturn since the depression of the 1930s, it has taken its toll on most Americans. Economists have a specialized definition that identifies a brief recession for eight months in 2001, then a deeper one from the end of 2007 through mid-2009. But the social effects of recession can last longer. As I write in 2014, it seems premature to declare the end of the Great Recession as a societal disaster. So this shock and related shifts that pushed society in an unexpected direction are part of our story.

Another part of the story is the longer-term and continuing trends that were already well established in the 1980s and 1990s. The recession and other events surely have had some connection with them, but in many respects what we now see happening is not very different from what we could have anticipated a decade ago. We should expect continuity and change to coexist. Scholars often use the term “social structure” to refer to the persistence of social groupings, formal and informal organizations, identities, and patterns of behavior and interaction. Daily life does not change quickly for many people. Sheer demographics provide some of this structure—it takes a long time for the population alive today to be fully replaced by new generations, and to a large extent the offspring reflect the composition of the parent generation. For this reason, despite the massive immigration of new Americans since the 1980s and the fact that new groups are younger and have more children than the natives of the previous era, non-Hispanic whites continue to be a majority of the population (over 60 percent), and projections indicate that they will continue to be a majority until sometime after 2040. Another source of persistence is that the same conditions that influenced trends in the past continue to hold, more or less. For example, immigrants continue to arrive in large numbers because the U.S. economy supports them (perhaps requires them) and public policy facilitates immigration. We cannot expect these conditions to change drastically in the near future, although the Great Recession reduced new entries from Latin America. Finally, patterns persist because people and organizations develop interests in them, count on them, and take action to reproduce them. Absent a substantial shift in the distribution of power and influence, for example, there are few grounds to think that the hierarchies of social classes, racial and ethnic groups, or communities will be much different in 2020 than they were in 2000. Advantaged groups defend their position, while disadvantaged groups have few chances to advance.

For these reasons, persistence and change are found together. The social structure and trends in place at one time impose considerable inertia, and yet things sometimes are turned around by new forces or unanticipated events. In a sense, perhaps, we should have expected the Great Recession or the bursting of the home finance bubble; they were built into the system. But we did not know when they would occur, how potent they would be, or how deeply they would affect our social structure. Mostly we understand them after the fact, and to understand them in hindsight is the main accomplishment of our project.

The research presented here provides some understanding and some interpretation of the shocks of the last decade. It is noticeable, however, how strongly the analyses presented here organize themselves around standard dimensions of social structure. The chapters in part I of

the book, while emphasizing change, all show how much the pattern of change was molded within existing and continuing social divisions (by race, class, generation, gender). The chapters in the second part, while documenting a continuation of long-standing trends, also comment on the effects on those trends of the specific conditions of the last decade.

DIVERSITY AND INEQUALITY

We probe two fundamental aspects of how our country organizes identities and resources: diversity and inequality. By diversity we refer especially to how our racial and ethnic composition has evolved as a result of the expanded immigration of Latinos and Asians. But another salient dimension is age or generation—the population is aging, and at the same time there are differences in the opportunities available to people who reached adulthood in one era (such as baby boomers like myself) or another (the Gen-Xers like my children). And there are gender differences that show up here as variations in how people start their lives (in schooling) and in their family responsibilities in later life (as grandparents). Diversity is a characteristic feature of American society. We are diverse on all these dimensions, and we are becoming more diverse over time. The question for social scientists is how we handle it.

By inequality we refer especially to people's position in the labor market, their income, and their wealth. I also have in mind how they fare with respect to where they live, how they are housed, and the opportunities that are available to them as individuals or as members of local communities. Inequality is linked to diversity because different groups have different opportunities. But while we have learned to take increasing diversity for granted (this was our heritage from the nineteenth and early twentieth centuries, which we are repeating today), it is not nearly so clear why inequality would rise or fall in a given period or whether the disparities between diverse categories of people would increase or diminish. The last decade is notable for increasing inequality. This is a reversal from the 1990s. It is not simply that times are getting harder in America. They are getting harder for many, but better for some. It is not an accident that this is the decade when the phrase "*We are the 99 percent*" emerged to emphasize the extreme wealth of the top 1 percent of the population. What's happening with inequality?

We deal with many dimensions of diversity and inequality, always looking for patterns and trends. My intention in this introductory chapter is to highlight some of the main findings and bring them together into a portrait of the nation. These observations are a preface to what readers will find in the detailed studies that follow.

- The nation has continued to grow more diverse in racial and ethnic composition, a result of the aging of the white and black populations that once dominated the total and the immigration and higher fertility of new, younger groups of Hispanics and Asians. The next generation of young adults is emerging, and it is different in composition from the one before.
- The gender revolution in the labor force has continued, so that the workforce that was increasingly first- and second-generation immigrant also became more female. At the same time, we may have come to the end of an era of growing cohabitation, single-parenthood, and divorce.
- There has also been a continuing reduction in Americans' geographic mobility, which suggests greater social stability, along with a slow reduction in African Americans' residential segregation from whites.

Some of these could be seen as positive trends, but they are connected with heightened inequalities and economic shocks from the Great Recession that make them more worrisome.

- Income inequality has grown, along with even larger disparities in wealth. And these differences clearly follow lines of race (to the advantage of whites and Asians), nativity (to the advantage of the U.S.-born), and generation (to the advantage of the middle-aged).
- The recession has substantially weakened the economic standing not only of the poor but also of the middle class, and especially of those groups that recently aspired to middle-class status.
- The Great Recession has changed the balance between local and longer-distance moves, and a greater share of local movers are adapting to the loss of a job or home, especially among minorities and young adults.
- The U.S. economy has continuing demand for low-skill immigrants, who are often undocumented, and new research shows that the disadvantages faced by their children and grandchildren—even if born in America—are severe. At the same time, very high shares of workers at the highest skill levels, especially in the science and technology fields, are immigrants, who are possibly crowding out native workers.
- Although black-white segregation is falling, Hispanics and Asians remain as segregated in 2010 as they were in 1980, and both blacks and Hispanics live in poorer neighborhoods than whites or Asians with comparable incomes. At the same time, reflecting income polarization, higher-income Americans are pulling away from others into separate and privileged neighborhoods and communities.
- The long-term trend of women's higher educational achievement compared to men gave women an edge in some occupations. The fact that they, like immigrants, could be employed with lower wages and less secure conditions also reduced job opportunities for men.
- Child poverty associated with unmarried parents continues to be a large part of the overall poverty picture. As the population ages, older women are increasingly available to provide family support for grandchildren, but the demands are greatest on minority women, who have the least resources.
- The latest generation of young adults is falling behind previous cohorts in homeownership, wealth acquisition, and even the launching of their own households.

THE SHOCKS OF THE LAST DECADE

I turn now to our detailed findings. The studies reported in part I focus on trends that appear to us as major departures, certainly departures from what many Americans were expecting. These are analyses of the shifts in the American class structure that accompanied the dislocations of the Great Recession, first in the labor market and class structure and then in housing and communities.

Changes in the Labor Market and Class Structure

Three chapters probe the changing position of Americans in the economy. In chapter 2, Harry J. Holzer and Marek Hlavac review shifts in the labor market since 1980. This very long time series demonstrates that economic cycles are a recurrent feature of the system. Four U.S. recessions have occurred since 1979. Dating them based on peaks and troughs in the unemployment rate, Holzer and Hlavac find that two were mild (1989–1992 and 2000–2003), while the other

two (1979–1982 and 2007–2010) were quite severe. The Great Recession can be seen as a shock rather than as just another in a series of recessions, for two reasons. First, it followed closely after the recession at the beginning of the decade, from which there had been only a weak recovery. One could think of the country as having been softened up by the first punch and then knocked hard by the next one. Second, the Great Recession was unusually severe, as measured by the drop between the labor market peak and trough. Mean durations of unemployment rose by half in the 2000–2003 recession (from fourteen to twenty-one weeks), while they nearly doubled in the Great Recession (from eighteen to thirty-five weeks). That is, the average duration of unemployment was already high in the prerecession “good” year of 2007, and it skyrocketed by 2010 (the labor market trough). In 2010, 46 percent of unemployed persons had been out of work for more than six months, compared to 25 percent at the last recession’s worst point. Holzer and Hlavac worry that high unemployment and underemployment will continue for years to come.

Another feature of the labor market trends is that they have affected major categories of the population in different ways. Holzer and Hlavac show that even in good times unemployment rates tend to be higher among blacks and among less-educated, younger, and Midwestern workers (relative to the unemployment rates of whites and more-educated, older workers in other regions). And these gaps widen during downturns. In particular, Holzer and Hlavac tell us, “during the Great Recession we have seen unprecedented increases in unemployment rates among men, less-educated workers, young workers, and minorities (with Hispanics as well as blacks being particularly hard hit this time).” The weaker position of minorities and workers with little education is familiar. But why men, and why younger people? We are accustomed to the notion that men are advantaged over women, and that age discrimination favors young adults over seniors.

In fact, women have higher education levels than men (as documented in the chapter by Thomas A. DiPrete and Claudia Buchmann), but at the same level of education they earn less. Because of this historical wage disadvantage, and because they can be hired on a temporary or part-time basis, women constitute an attractive labor force for employers. Partly for this reason, since 1979 they have been catching up to men in hourly wage rate and annual earnings. The gender differential in the growth of annual earnings has been especially apparent in the last decade. This makes sense only in a labor market that is demanding more part-time and temporary workers, with more flexible hours, fewer benefits, and lower pay. Women (like immigrants) fit the bill, while men are losing their advantage.

The problem for young adults is a combination of difficult entry into the labor force and stagnant wages for new workers. The rate of unemployment for those under age thirty-five in the “good year” of 2007 was nearly double that of those age thirty-five and over. And between the peak years of 2000 and 2007, median annual earnings actually fell for those under thirty-five, while increasing 1.4 percent per year for persons between the ages of fifty-five and sixty-nine. The next generation of American workers is hard-pressed to get a foothold in the job market during young adulthood.

Finally, Holzer and Hlavac point to the increase in overall earnings inequality, a trend that appears directly or indirectly in many studies in our project. Between peaks in the labor market in every period studied here—1979–1989, 1989–2000, and 2000–2007—annual growth in the median hourly wage was greater for those at the ninetieth or ninety-ninth percentile of earnings than for those at the tenth or fiftieth percentile. By this measure, earnings inequality has been on the rise for the last four decades, not just recently.

Edward N. Wolff shifts our attention in chapter 3 to the fate of the middle class—the traditional mainstay of American society that has included a majority of persons who either believe

that they are safely middle-class or that they can realistically aspire to it. Like Holzer and Hlavac, Wolff provides information over a long time span (as far back as 1962) in what he calls a trajectory from prosperity to hardship: in 2010 the wealth of the average person (the person at the fiftieth percentile of the wealth distribution) was at its lowest level since 1969.

For the study of wealth, the key element of the run-up to the Great Recession was the growing indebtedness of middle-class Americans. They relied on credit cards, student loans, and home mortgages to support a lifestyle that was otherwise beyond their means. Total consumer debt jumped 70 percent between 1989 and 2001, then another 17 percent through 2007. Debt seemed justified by the trajectory of home values (the chief component of middle-class wealth) and stock prices (more important for higher-income Americans). Total debt was equal to about 15 percent of total equity in 1983. It rose above 19 percent in the mid-1990s, and in 2007 it was 18 percent. But it had grown out of line with people's incomes (that is, their ability to pay). In 1983 total debt was equal to 68 percent of total income in 1983, but it was at 119 percent of total income in 2007.

When the bubble burst, Wolff shows that people's vulnerability varied by their position in different markets. Wealthy Americans suffered a tremendous loss in the stock market, but stocks were soon propped up by government policies that were legitimated by the perceived fragility of financial institutions (for example, the Federal Reserve's reduction of interest rates to nearly zero). The subsidized recovery of stock prices occurred quickly.

The housing market, more important to the average American, has been slow to recover. Its fall has affected different classes differently. Almost all people in the top wealth quintile were homeowners in 2010, but home equity was only about 30 percent of their wealth, so their total loss was minimized. People at the bottom of the wealth hierarchy also suffered in this period: Wolff shows that the bottom 40 percent of households actually had negative wealth by 2010. But these people mostly had been neither homeowners nor stock investors, and their situation was determined more by rising unemployment than by market losses. This leaves the middle class as the main losers on the equity front.

Wolff defines "middle-class" for this purpose as the middle three quintiles in the wealth distribution, a broad swath of people ranging from the twentieth to the eightieth percentile. In these middle quintiles, more than two-thirds were homeowners, and 67 percent of their assets were in their home. Hence, they were especially vulnerable to falling home prices. They were already deeply in debt in 2007, when their total debt was more than 50 percent greater than their total income (following more than two decades of rising indebtedness). And although they reacted to the Great Recession by shedding debt, paying off loans and losing homes to foreclosure, their debt was still 35 percent greater than their total income in 2010.

Further analyses show how this burden coincides with social divisions similar to those considered by Holzer and Hlavac, especially race-ethnicity and age. Differences between whites, blacks, and Hispanics have been extreme. Of course, their starting point is unequal. Nearly 75 percent of whites were homeowners in 2001, compared to 47 percent of blacks and 44 percent of Hispanics. The net worth of blacks averaged about \$80,000, and for Hispanics it was close to \$100,000, compared to nearly \$575,000 for whites; moreover, a much larger share of black and Hispanic wealth was in their homes. All three groups experienced gains through 2007. But from 2007 to 2010, when whites' drop in wealth averaged 13 percent, the average drop in wealth was 34 percent for blacks and a startling 50 percent for Hispanics. All groups suffered large increases in the percentage of homeowners with negative home equity (that is, who were "underwater"), from around 2 percent in 2007 to between 8 and 9 percent in 2010. But only about 3 percent of non-Hispanic white homeowners were delinquent on their mortgage in 2009, compared to 11 percent of blacks and 15 percent of Hispanics.

Wealth and loss of wealth in the Great Recession have also been closely tied to age. Again taking 2001 as a reference point, the net worth of young adults (under age thirty-five) was much lower than that of middle-aged persons nearing retirement (fifty-five to sixty-four)—under \$90,000, compared to \$870,000. Both age groups enjoyed gains (8 to 9 percent) through 2007. But the Great Recession devastated young adults, cutting their wealth by more than half, while the middle-aged lost only 12 percent. The difference in the effect of the recession was mainly due to the fact that young adults, like minorities, had disproportionate shares of their meager net assets in home equity in 2007. They stand out in terms of the high share of persons with negative home equity (jumping from under 6 percent in 2007 to over 16 percent in 2010) and the decline in average home equity during 2007–2010 (almost 60 percent). In contrast, only 5 percent of middle-aged persons had negative home equity, and their average loss of equity was only 14 percent. Young adults were, of course, least likely to own a home, but those who did were greatly affected by having bought more recently and at higher prices.

These uneven impacts of the Great Recession have led to a sharp rise in overall wealth inequality. Inequality of net worth, after almost two decades of little change (the Gini coefficient of wealth inequality was 0.832 in 1989 and 0.834 in 2007), jumped to 0.870 in 2010. Wealth inequality today is at unprecedented levels.

Chapter 4, the third chapter in part I, returns us to the question of how Americans' incomes have fared in this decade compared to the previous twenty years. An important feature of Richard V. Burkhauser and Jeff Larrimore's work is the care with which they measure income: using the annual Current Population Survey allows them to measure income before taxes but after in-cash government transfer payments, and to adjust by household size. By their reckoning, the average (median) American's income (which they refer to as the income of the middle class) has been generally on the rise since 1979, with declines during recessions—especially from 1979 to 1983, and now dropping even more sharply in the Great Recession. In these same decades, they show, income inequality has generally been on the rise, though actually most steeply in the earlier years. In the Great Recession, the top 5 percent of earners experienced an income decline along with other Americans, but inequality grew because the poor lost the most.

We learn more about the sources of change from their decomposition of the median income decline. In all four economic downturns since 1979, by their calculation, the most important factor in accounting for falling incomes was that male heads of households were less likely to be employed, and if they were working, they were earning less. What is unique about the Great Recession, besides its larger decline, is that unemployment was a greater problem than wage levels even for the median earner. Male unemployment for heads of households accounted for a 2.9 percent drop in median incomes as the share of full-time employed fell from 63 percent to 56 percent. The earnings of those still employed accounted for an additional 1.5 percent decline. There was a shift toward part-time work in the Great Recession, and average earnings of these part-timers dropped by 15 percent.

Female household heads have been engaged in a longer-term trend of increased labor force participation and increased earnings (most likely by working more hours). This long-term movement was large enough to offset the effects of most recessions, and both of these factors moderated average income losses during the recessions. At the time of the Great Recession, however, the movement of women into the labor force had slowed. Female heads lost jobs: the share of full-time workers among them fell from 41 percent to 38 percent. This shift added another 1.1 percent loss to median income.

Another contribution of Burkhauser and Larrimore's decomposition is to discover the substantial effect of increasing public transfers from 2007 to 2010, a policy impact that is largely attributable to the Obama administration's stimulus efforts. During previous recessions, aver-

age public transfer income increased in the range of 7 to 12 percent, partly offsetting losses in the private sector. During the 2007–2010 period, public transfers grew by 22 percent, especially owing to the extension of unemployment benefits. This aggressive public effort reduced overall income losses.

Finally, Burkhauser and Larrimore comment on the impact of continuing disparities in income by race-ethnicity and generation. The prospects for income growth beyond the current recession are reduced by the long-term replacement of whites in their prime earning ages by younger minorities in the coming decade. “The statistics,” they say, “foretell our society’s Sisyphean challenge: if we are unable to close the income gaps between retired and working-age Americans and between blacks/Hispanics and whites, how will we increase median income and reduce inequality in the coming decades?”

Changes in Housing and Communities

The shock of the last decade also shows up in housing and community life. In chapter 5, Michael A. Stoll shows that the Great Recession has accentuated a longer-term decline in long-distance migration and pushed up the volume of local moves within metropolitan areas. More important, he argues, is that the motives of moving have changed. Much residential mobility in the past reflected people’s ascent over the life course into better jobs, better housing, and better neighborhoods. He offers evidence that such mobility is being curtailed and that in fact the short-distance moves that became more typical in the latter half of the last decade represented people adapting to unemployment, home foreclosure, and limited economic prospects. Movers are now increasingly pressed by problems of affordability and job loss, and “moving up” is becoming less common.

In the years just before and then during the Great Recession, long-range moves declined but there was a jump in local moves. In 2010, 9 percent of Americans moved locally—the highest level in a decade. Meanwhile, fewer than 2 percent of Americans moved farther afield—the lowest level in this same period. People moved the most in metropolitan areas with the highest unemployment and the highest foreclosure rates—particularly in the West and South, areas hard hit by the Great Recession. Unlike past decades, when local movers were moving up economically—from an apartment to a house, from one house to a better one—these movers were moving down economically, seeking a cheaper home.

Stoll also draws on reports from the Current Population Survey about why people moved. Before the Great Recession, 41 percent of local movers said that they wanted to buy a home or live in a better neighborhood; for them the move signaled their improved economic status. During the recession, only 30 percent moved for this reason. Instead, a growing share moved to find cheaper housing or to “look for work.” Like the authors of the previous chapters, Stoll points out some social differentials in this trend. Local movers from 2000 to 2010 were significantly more likely to be young adults, poorly educated, and below the poverty line. Blacks and Latinos became more likely to make local moves as the decade progressed, but there was little change among whites and Asians. Traditional lines of inequality were displayed in the rates and reasons for moving.

Emily Rosenbaum calls our attention in chapter 6 to shifts in access to homeownership, which in the latter half of the twentieth century became a hallmark of success—a sign of making the transition into full adulthood and a step toward financial security. Homeownership recently has become more tenuous, though some of the change, like the decline in long-distance moves, predated the Great Recession but has been magnified in the last decade.

Rosenbaum focuses especially on the experiences of different cohorts of Americans, from “Depression Babies” (born between 1926 and 1935) to “Generation Y” (born 1976 to 1985).

This approach is useful because homeownership is so strongly associated with age. What she seeks to do is discover the rate of ownership achieved by a given cohort of persons (that is, persons born in different periods) at successive stages of their adulthood. There is growing evidence that more recent generations will fail to match their parents' achievement. By ages thirty-five to forty-four, the baby boom cohort had fallen behind the homeownership level of the "War Babies" (those born between 1936 and 1945) at the same point in their life cycle. Generation Y (persons now in the twenty-five-to-thirty-four age range), which Rosenbaum refers to as "the unfortunate cohort that entered adulthood during the worst economic crisis since the Depression," had a 2010 homeownership rate of only 41 percent, compared to 45 percent for "Generation X" (born 1966 to 1975) and the Late Baby Boomers (born 1956 to 1965) at the same age.

The housing market crash and the Great Recession had their greatest impact on African Americans and persons with lower education. Only 20 percent of blacks of Generation Y owned a home at age twenty-five to thirty-four in 2010, compared to 27 percent of black Gen-Xers at the same age a decade earlier. So, not only have blacks historically been less likely to own a home (their shares are only about half the rate for comparable whites), but young black adults are falling behind previous cohorts at a faster clip.

Trends by education level also show startling disparities. Among householders with a college degree, the newer cohorts are fully keeping up with the progress of previous cohorts at the same age. Among those with less than a high school diploma, every cohort is substantially behind the previous ones. Clearly the era when a majority of Americans at any education level can aspire to be a homeowner in middle age is at risk of ending. Seventy-five percent of Gen-Xers with a college degree owned a home by age thirty-five to forty-four, compared to less than 40 percent of those with less than a high school degree.

Rosenbaum points to another related trend for new generations: the failure to launch into independent households, whether owning or renting.¹ This change is more dramatic and possibly more revealing about how Americans are managing than the change in ownership. Among thirty-five- to forty-four-year-olds, only 20 percent of Late Baby Boomers were neither a household head nor the head's spouse or partner; in Generation Y the figure is 29 percent. Not only are adult children less likely to live apart from their parents, but there is more doubling up of other relatives and acquaintances.

The final chapter in part I brings together the threads of economic inequality and housing access in a study of increasing class segregation. We might think of the phenomenon of sorting people of different social classes into different neighborhoods as a natural consequence of unequal ability to pay for housing. And indeed, as Kendra Bischoff and Sean F. Reardon report in chapter 7, one of the best predictors of increasing class segregation is increasing income inequality. Their measure of separation controls, however, for the fact that income inequality was generally increasing in the last decade. This means that another factor has been at play—there is some other reason why lower-income people would increasingly be segregated into poor neighborhoods or that rich people would gravitate to rich enclaves.

Bischoff and Reardon document a steady decline in middle-income neighborhoods (defined as neighborhoods whose median income is between 80 and 125 percent of the metropolitan median) from 1970 through 2009. In 1970, 65 percent of families lived in such neighborhoods, but that figure had dropped to only 42 percent by 2009. By a more complex measure that they rely on, segregation increased in phases: it stayed about the same during the 1970s, increased in the 1980s, stabilized again in the 1990s, and then climbed once more in the last decade.

Decomposing the trend by race and ethnicity, Bischoff and Reardon find that growing class segregation is most pronounced among blacks and, to a lesser degree, Hispanics. They see an association between this change and wider residential opportunities for middle-class minorities.

The share of middle-income black families increased after 1970, and rather than staying restricted to black neighborhoods (which had had more mixed incomes as a result of their presence), these families increasingly left the ghetto behind. This spatial shift created a new level of separation between affluent and poor blacks (although affluent blacks still lived in poorer neighborhoods than working-class whites), and the impoverishment of the neighborhoods they left behind was a natural consequence.

Urban scholars argue that spatial segregation accentuates the handicaps created by inequalities in income and wealth, in part because so many resources are collective: people in the same community share resources such as the quality of schools, neighborhood safety, and environmental health. For disadvantaged Americans, separate neighborhoods are necessarily unequal neighborhoods. Bischoff and Reardon point out another factor: as affluent Americans increasingly live in separate communities, they become less aware and less concerned about the problems faced by others. Their social insulation can thus weaken support for redistributive social policies of all sorts.

PERSISTENT TRENDS

Although some of the patterns we have seen in the last decade have precedents in the not-too-distant past, and some may turn out to be cyclical (hence temporary) in nature, the changes have seemed abrupt. We did not anticipate in 2000 that we were on the verge of economic crises; a sharp rise in poverty, inequality, and class segregation; a weakening of the middle class; a transition in residential mobility, from taking a step ahead to falling behind; and a much tougher road to homeownership for young adults and minorities. Indeed, we might have thought that we were on the verge of good times and that long-standing disparities—such as the disadvantaged position of racial and ethnic minorities—had a prospect of easing. This is why I understand many recent changes as a shock to our social system. At the very least, they have been a shock to our expectations.

In some other respects, we have experienced fairly steady movements in familiar directions, and as time passes it becomes easier to understand the character and implications of these movements. Part II of this book addresses several of these trends. We begin with the family, both how families are established (usually in young adulthood) and how they are sustained through the life course. The recent acceptance of same-sex marriage in many states is an unexpected development, and we do not yet know how marriage will change people's relationships. We do know that marriage is being postponed, that the population is aging, and that patterns of intergenerational support (especially support by parents of their grown children and their children's families) are evolving. We then turn to immigration, taking stock of the continuing high-volume, post-1985 immigrant wave at both the high end of professionals on whom industry and services increasingly rely and the low end of unskilled and often undocumented persons on whom we rely equally as a low-wage workforce. A generally positive tendency has been the rise in education levels, though there are new questions about why men are not keeping pace with women. And as the population becomes more racially and ethnically diverse, there is increasing diversity in neighborhoods, even as the separation of blacks, Hispanics, and even Asians into minority neighborhoods remains high. In all of these dimensions, the country is moving on a well-established trajectory.

The familiar dimensions along which our society is structured are generation, family life cycle, nativity and legal status, skill and education, gender, and race and ethnicity, all of which we analyze here. These dimensions are evolving in ways that we need to be aware of, not least because the changes are so closely tied to the unequal distribution of opportunities that has been magnified in the beginning of this new century.

The Family

Zhenchao Qian reminds us in chapter 8 that the family has been in flux for several decades. Most of these changes continued after 2000. Young people delayed marriage longer than ever before, permanent singlehood increased, and divorce and remarriage continued to rise, though it appears that cohabitation may have reached a plateau. Qian's main emphasis is on how differently the family appears for Americans of different race-ethnicity, educational attainment, and nativity, and how these differences affect children's well-being. White people and Asians, partly because they are better educated and more economically secure, have much more stable family situations than blacks and Hispanics. As a result, about three out of four white and Asian children live in working father–nonworking mother or dual-earner families. Very few of these latter children, perhaps 10 percent, live in poverty. And even in the family situation where incomes are lowest—living with a never-married mother—fewer than half are below the poverty line.

African Americans have a strongly contrasting family pattern. (For those who remember the Moynihan [1965] report, the long duration of this difference is well known.) During the Great Recession, they became even less likely to have stable marital or cohabitation relationships, to the detriment of the economic position of their children. Fewer than 30 percent of non-immigrant black children live in two-parent families in which at least one parent works, and almost as many live in families with a mother who has never been married. This family configuration is much less common for Hispanics, but black and Hispanic children have similar poverty profiles within a given family status. In the most economically difficult case—living with a never-married mother—about 60 percent of these children are below the poverty line.

An intriguing observation is how immigration status is related to family patterns. Qian notes that the most “traditional” families with children are those of immigrants—and that, among blacks, those born abroad are much more likely than the U.S.-born to include two parents. In this respect, immigrants are more “American” than natives.

In chapter 9, Judith A. Seltzer and Jenjira J. Yahirun address intergenerational relations within families. The longevity of today's older adults offers extended opportunities for meaningful interactions with children and grandchildren, yet the strength of these ties has been tested by changes in the structure and composition of families of the sort examined by Qian. Seltzer and Yahirun point out that there is rapidly growing diversity among older Americans along the same social dimensions that distinguish groups with more stable family patterns from those with less stable family patterns. On average, the older generation has more resources than younger adults, though poverty increases with age among seniors and varies greatly by gender and race. Among whites, for example, the poverty rate among women rises from 7 percent at ages sixty-five to seventy-four to 12 percent at age eighty-five and older. Fully 26 percent of black women over eighty-five are poor, compared to 17 percent of black men of the same age. But the race differential outweighs the gender gap: whether young or old, black and Hispanic men are more likely to be poor than white women over eighty-five. Black and Hispanic elders are also more likely to suffer a disability than whites. These differences bear directly on whether the older generation is able to assist adult children financially (with college bills or home purchases, for example), and they also have an effect on parents' ability to help their children in other ways.

Seltzer and Yahirun offer a careful look at the role of grandparents in relation to grandchildren. They note that even at age thirty a majority of Americans still have a living grandparent, and by age fifty-five to sixty-four, more than three-quarters of women have at least one grandchild. Many have multiple sets of grandchildren. Recent data show that about two-thirds of Hispanics have two or more sets of grandchildren by age fifty-five to sixty-four, slightly more than African Americans have, and also more than whites (59 percent). And they provide assis-

tance to those children—for example, one estimate is that 30 percent of preschoolers are cared for by grandparents when parents are at work or school. African American and Hispanic women are also more likely to live in the same home as a grandchild (13 to 18 percent of those over age fifty-five versus only 4 percent for non-Hispanic whites), and African American coresiding grandmothers are especially likely (over 40 percent) to be the child's primary caretaker. Unfortunately, about 30 percent of black and Hispanic grandmothers in these latter cases fall below the poverty line.

The message here is that the growing older population continues to be a crucial element in the support system of their adult children and their grandchildren. Yet an increasing share of grandparents (and grandparents with caregiving responsibilities for children) are African American or Hispanic. Because both extended family composition and the distribution of family responsibilities are closely related to race and ethnicity, the greatest burdens are being placed on the older women who have the least resources to draw upon.

Immigration at the Top and the Bottom

Race and ethnicity, so much a part of the story about families, housing, income, and wealth, are also closely linked with immigration status. A majority of Asians in the United States are first-generation immigrants. Nearly half of immigrants are Hispanic, although Hispanic immigrants are outnumbered by Hispanics born in the United States. Non-Hispanic whites, who were a majority of the foreign-born population as recently as 1970, are now only a little more than 10 percent of the immigrant total. Most African Americans are U.S.-born, but the largest source of growth in the black population is due to immigration.

The studies presented here point out the duality of immigration streams. On the one hand, the United States is becoming increasingly dependent on highly educated immigrants to meet the demand for workers in the engineering and technology fields. These immigrants are relatively well paid, and their entry is highly regulated by formal visa policies. At the same time, a very large share of immigrants are relatively unskilled. They fill the demand for workers at the low end of the labor market, and it is in this sector that most undocumented immigrants are found. Both types of immigrants are growing rapidly in numbers, and a full understanding of immigration issues requires that we pay attention to each type.

John Bound and Sarah Turner offer a comprehensive description in chapter 10 of high-skill immigration: 20 percent of workers holding a doctoral degree in 1990 were immigrants, a figure that had jumped to 34 percent by 2010. Such immigrants stand out most among Ph.D.-level engineers: already a large share in 1990 (42 percent), they were 64 percent of the total in 2010. Bound and Turner point out that high-skill immigration has allowed the U.S. labor market to respond to changes in demand for workers in science and engineering resulting from shocks like changes in defense spending (both upward and downward), the doubling of the National Institutes of Health (NIH) budget at the end of the 1990s, and the information technology (IT) and Internet boom (and the contraction after the dot-com bubble). This flow is facilitated by the growth of postsecondary education in major sending countries, but constrained by government restrictions.

The availability of temporary visas (the H-1B visa reserved for high-skill workers) is a central issue in the current debates about immigration policy. Generally the high-tech sector favors expansion of the H-1B program so that it can more readily recruit abroad. A counterargument, however, is that immigrants depress the domestic labor supply by keeping wages lower than they might otherwise be and discouraging U.S.-born persons from entering these fields. Another mechanism for entry into the United States is the student visa, and, indeed, American

higher education increasingly turns to foreign students not only for undergraduate programs but especially to populate graduate degree programs in technical fields. The number of F1 student visas is not limited, although eventually foreign graduates of U.S. institutions typically need to compete for an H-1B visa in order to work for more than a year in the United States after graduation. Bound and Turner do not make recommendations about these policies (their view is that we do not know enough to make well-informed decisions), but their findings are relevant to the debate.

Their key finding concerns the relationship between immigration and salaries for high-skill workers. They point out that the payoff to a college degree (the difference in expected earnings between a person with a degree and a person without a degree) has increased in recent years. We might therefore expect that in the science and technology fields there would be an even greater increase in the premium for a degree. Such an increase has not occurred. At the bachelor's level, an entry-level engineer earned over \$50,000 in 1974 and about \$45,000 in 2006 (in constant dollars); computer scientists earned about \$40,000 in both years. At the doctoral level, of course, earnings are higher: in 1974 the average for those in their first ten years of work in the physical sciences was at a level equal to the eighty-fifth percentile of earnings of the average B.A. recipient in all fields. Relative to that, they had fallen more than 15 percent by 2006. These data do not demonstrate that the rising reliance on foreign-born workers in these jobs was the cause of the relative stagnation or decline in salaries, but they are consistent with that conclusion. What we know for sure is that the top end of the science and technology fields in the United States has come to rely on talent from abroad, a trend that was clearly in place a decade ago and has become more pronounced today.

In chapter 11, Frank D. Bean, James D. Bachmeier, Susan K. Brown, Jennifer Van Hook, and Mark A. Leach examine immigrants at the other end of the skill distribution. Much prior research has focused on the impact of this immigration stream on local labor markets, and especially on the possibility that it reduces job opportunities for citizens or depresses wages for low-skill workers. The authors note that there are labor market effects, but that these are mainly felt by immigrants who arrived earlier, not by natives. So, for these researchers, the greater concern is the marginality of new arrivals. They analyze the sources of unauthorized Mexican immigration to the United States, the disadvantages faced by unauthorized immigrants in the labor market, and especially the long-term impact of undocumented status on educational achievement by their U.S.-born children and grandchildren.

There are many low-skill immigrants, and their number has been rising, though the momentum of that increase has been affected by the national economic downturn. Very few Mexicans receive the H-1B visas reserved for skilled workers (about 20,000 annually through the last decade), but many more received temporary admission for seasonal work. In agriculture, the number actually rose sharply in the last decade despite the recession: it is now close to 180,000 per year. The United States added about 60,000 legal permanent residents from Mexico in 1990. This annual number peaked at about 200,000 in 2001, then fell to the current level of about 120,000 per year. The number of unauthorized Mexican immigrants in the United States grew steadily toward a high point of about 7 million at the beginning of the Great Recession and now is closer to 6 million. Bean and his colleagues point out that this high volume responds to a demand for workers in this country that is accentuated by the aging of Americans, the steady drop in our fertility rate, and the rise in our education levels; all of these factors cut the supply of new low-skill workers, who must now be recruited, especially for service jobs.

This immigration stream fosters a social divide that has parallels with previous eras of high-volume immigration, when first the Irish and then Italians and Slavs entered the low end of a labor market that offered few opportunities for advancement in their lifetimes. These earlier

groups did eventually become more fully incorporated into the mainstream, though it took two or more generations. The case of today's Mexican immigrants (and many others from Latin America and Asia) is distinctive because of the undocumented status of many of them. Bean and his colleagues provide evidence that one consequence is to undermine the advancement of the next generation—the children born in the United States—through education. Nearly 4 million children of Mexican immigrants live in this country, and most of them were born here. Based on a large-scale survey of second-generation Mexican young adults in Los Angeles, the work of Bean and his colleagues shows that those whose mothers were authorized immigrants or U.S. citizens averaged more than two years more schooling than those whose mothers entered the country illegally. This is the equivalent of the difference between having some college and not finishing high school. They estimate that more than one-third of the education gap between third-generation Mexicans (that is, the grandchildren of Mexican immigrants) and native whites is attributable to the legacy effects of grandparents' unauthorized status.

The much-discussed DREAM (Development, Relief, and Education for Alien Minors) Act, which would regularize the status of certain immigrants who arrived here as children (still not enacted at the time of this writing), is an acknowledgment of how unauthorized status blocks progress by many children who arrive as immigrants. An important contribution of this study is to show that the lack of a path to legal status for adults diminishes the chances even for children and grandchildren born in the United States, who have all the formal rights of citizenship.

Education and Gender

The rising level of education in this country and its increasing importance for success in the labor market is the starting point for the study by Thomas A. DiPrete and Claudia Buchmann. Fewer than 5 percent of Americans over age twenty-five had a college degree in 1940; that figure rose to more than 10 percent by 1970, more than 20 percent by 1990, and more than 30 percent today. Less widely known is that women in every major racial-ethnic group in the United States are more likely than men to complete college. And this is a global phenomenon. Among the member nations of the Organization for Economic Cooperation and Development (OECD), the gender gap that once favored men has disappeared in all but four countries. This pattern is the focus of the research reported by DiPrete and Buchmann in chapter 12.

In this country, the crossover occurred among young people born just after 1960. When these Americans reached ages twenty-six to twenty-eight, equal shares of men and women (just over 20 percent) had attained a bachelor's degree. For men born after that time, there has been only slow growth in degree attainment, while women have continued a rapid rise in college education.

The African American pattern deserves particular attention. As early as 1940, when fewer than 2 percent of blacks earned a college degree by age twenty-six to twenty-eight, black women were more likely than black men to be college graduates. By 2010, 66 percent of all bachelor's degrees awarded to African Americans were earned by women. One reason for this discrepancy is that black men have tended to delay higher education. Among blacks born in 1938, for example, there was a very large gender imbalance for twenty-two-year-olds, but by age twenty-eight men had caught up with women. Today black men are reducing the gender gap at older ages, but not nearly catching up.

One reason, which applies to all groups but perhaps more to blacks than to whites, is the nature of the labor market. A wide range of occupations that reward higher education has opened up for women in recent decades, and they are taking advantage of this opportunity. "For African Americans," DiPrete and Buchmann argue, "legal and de facto discrimination and seg-

regation muted the impact of these labor market shifts.” Another factor that particularly affects black men is incarceration. There is incomplete evidence on whether spending time in jail reduces black men’s chances of eventually getting higher education. However, if incarcerated persons are taken into account, the gender gap among blacks is much larger than shown in the figures cited here. It is likely that the set of choices made by African American men and women in early adolescence is conditioned by expectations for the future (such as the belief that education can lead to a better job) and at the same time has a considerable effect on their outcomes.

DiPrete and Buchmann apply this line of thinking more generally to the higher education gender gap. They consider both the range of job opportunities available to men (historically biased toward gender stereotypes of “men’s work” and skills learned on the job rather than in school) compared to those available to women and the early socialization of boys and girls. Masculine identity, lower expressive attachment to school, and unrealistic expectations about how to get ahead all play a part in their interpretation. If these authors are right, what is surprising is the persistence of the gender differences in American culture and how strongly they continue to affect major life choices.

Race and Ethnicity

The final contribution is Barrett A. Lee, John Iceland, and Chad R. Farrell’s study of changes in the racial and ethnic diversity of American communities. Like other trends discussed in part II of this book, these changes have been in the making for decades. Most Americans are aware of the growth of minority populations and the projections that non-Hispanic whites will become a population minority before long. Hispanics, who have outnumbered African Americans since 2000, are highly visible in much of the country, and the Asian population is growing equally quickly through immigration. Differences by race and ethnicity are so profound that most of the analyses presented in this book have highlighted how they come into play in specific subject areas. Standard categories of race are in flux, with a small but growing share of children identified by their parents as mixed-race, and even the Census Bureau is caught up in the debate about whether Hispanics can identify themselves as Hispanic by race or must place themselves in the traditional categories.

In chapter 13, Lee and his colleagues examine how the national shift in the relative size of these groups is showing up at the community and neighborhood levels. In this country, minority groups, especially new arrivals, have typically been residentially segregated in the beginning, and social scientists use this spatial separation as a key indicator of the nature of intergroup relations. Just as intermarriage across groups is a measure of the social boundaries between them, so also is residence in the same place.

A strong trend toward greater diversity has been under way across metropolitan areas since 1980, fueled by Hispanic and Asian growth. The trend is nationwide, but it appears most strongly in places that researchers call “gateways”: regions that have historically had large foreign-born populations. In gateway areas, the share of non-Hispanic whites has dropped from an average of almost 70 percent in 1980 to 45 percent in 2010. While the black percentage remained constant, Hispanics jumped from 20 to 38 percent, and Asians from 3 to 7 percent. As a metropolitan region becomes more diverse, the changes spill over into the individual areas (cities, towns, villages) within them. In gateway metropolitan areas, whites are a majority in most of these areas, but in a growing proportion of them whites share the community with a substantial minority of other groups.

Naturally, because there is segregation across neighborhoods within these places, those neighborhoods (which researchers define as “census tracts,” areas that typically have 3,000 to

5,000 residents) are less diverse. Nevertheless, diversity is working its way down to finer scales, and census tracts are becoming more racially and ethnically diverse in most parts of the country. A majority of census tracts that were more than 90 percent white in 1980 (termed “white dominant” in this study) had fallen to the 50 to 90 percent range by 2010 (“white shared”). More than four times as many tracts had no group in a majority in 2010 compared to 1980. At the same time, however, most tracts with a black or Hispanic majority in 1980 retained that majority in 2010.²

Lee and his colleagues also present results for the most commonly used measure of segregation, the index of dissimilarity (D), which controls for overall changes in a region’s racial-ethnic distribution. Given the relative size of each group at a given time, this measure asks how a group’s distribution among neighborhoods compares to that of nongroup members. Measured this way, whites and blacks became less segregated from other groups between 1980 and 2010, but there has been less change for Hispanics and actually an increase in the segregation of Asians.³ Blacks remain the most highly segregated group by this measure, however, and some specific Hispanic and Asian national-origin groups (for example, Dominicans and Vietnamese) remain more segregated than others.

Lee and his colleagues conclude that the overall pattern suggests that people from different racial-ethnic backgrounds are becoming more exposed to one another at the community and neighborhood levels as the nation becomes more diverse. Barriers to residential integration apparently remain, however, especially for blacks, and there is some evidence of whites choosing to leave mixed neighborhoods. In the gateway metropolitan regions, which have the greatest diversity, declines in segregation have been more modest than in regions where minorities are less numerous.

CONCLUSION

The many scholars who collaborated on the US2010 Project made no effort as the work progressed to create a single overall point of view on what is happening in this country, though we did meet twice in person and several authors submitted preliminary reports that we circulated to the whole team. Here, then, I draw my own conclusions about how the results fit together, the overall story they tell, and where that leaves us as a society.

My emphasis here is on signs of trouble. The situation is worse than I had realized with respect to inequality and the effects of the recessions that we experienced twice in the last decade. Of course, the media have repeatedly covered reports about widening income and wealth inequality, and one had to assume that the foreclosure crisis and rising unemployment would hit already disadvantaged categories of Americans the hardest. What the studies reported here brought home to me is that the shocks have been harsher than I realized, and have extended further into the middle class and disrupted young adulthood more than I imagined.

I repeat some indicators of harshness. In 2010, 46 percent of unemployed persons had been out of work for more than six months, compared to 25 percent at the last recession’s worst point. People were not cycling in and out of unemployment—they were stuck without a job. The average person’s income dropped more in the Great Recession than in any previous recession since 1979. By 2010, a larger share of America’s movers were moving locally than ever before since 1981, and a growing share of them were moving to find cheaper housing or to “look for work,” not because they were climbing the mobility ladder. Homeownership declined with increasing foreclosures and tougher standards to qualify for a mortgage.

Some of the usual disadvantaged groups have been hardest hit. Unemployment has jumped especially for less-educated workers as well as for African Americans and Hispanics. Net wealth

dropped by one-third for blacks and was cut in half for Hispanics. The shift to local moves was found only among blacks and Hispanics.

More surprising is the hit taken by the middle class. People at the middle of the income distribution already had a total debt that was 50 percent greater than their total income in 2007 when the housing bubble burst, and by cutting back since then, they have made only a small dent in that debt load. The middle class, because they had some wealth at stake and most of it was in their homes, were hit hardest by the bursting of the housing market bubble. Wages have risen for people at the ninetieth or ninety-ninth percentile of earnings more than for those at the tenth (the bottom) or the fiftieth (the middle). And class segregation across neighborhoods has been driven not by increasing exclusion of poor people but from the fact that the rich are separating out from both the middle class and the poor.

It is also disturbing that the losses have so clearly targeted the younger generation. We are used to the notion that young adults have lower earnings and less stable jobs at the beginning of their careers and then tend to advance with time and age. The Great Recession has disrupted this process so much that it is very much in doubt that they will advance. During the relatively “good” years from 2000 to 2007, median earnings for those under thirty-five actually fell, and the subsequent increase in unemployment among young workers during the Great Recession is described as unprecedented. The net worth of young adults was cut by more than half after 2007. Generation Y persons (those age twenty-five to thirty-four in 2010) have a homeownership rate of only 41 percent, compared to 45 percent for people at the same age a decade earlier. Gen-Yers were even more delayed in launching independent households. By age twenty-five to thirty-four, only 71 percent of Generation Y were household heads or partners of heads, compared to 80 percent among Late Baby Boomers at the same age. For decades Americans have expected their children to grow up and do as well as they have or to outdo them by getting a higher education and a more professional job. Younger generations are getting more education, but otherwise they seem to be falling behind.

We cannot predict whether these “surprises” will become the new standard or turn out to be temporary disruptions. Some actually have deep roots or precedents. For example, the top 1 percent and top 10 percent of earners have been outpacing the rest for four decades, and income inequality increased fastest in the early 1980s. Residential segregation between high-income and lower-income families increased more in the 1980s than in the last decade. Total consumer debt, especially in mortgages and home equity loans, rose more in the 1990s than after 2000. Americans have become steadily less residentially mobile since the mid-1980s. Contrasts with earlier generations began to appear at least with the baby boomers, who were slower to become homeowners, took on more housing debt, and were more vulnerable to price fluctuations than the War Babies who preceded them. These observations lead me to expect recent shifts to be more long-lasting, even if overall economic conditions are likely to improve somewhat as the Great Recession comes to a close. The harshness of the Great Recession has made us look more closely at continuing grim realities, and we are surprised by facts that we could have been familiar with before.

Another part of this puzzle arises because inequalities are so tightly connected with key dimensions of diversity in the American population, and the population composition is changing. As noted above, Burkhauser and Larrimore make an acute observation about how earnings decline and income inequality intersect with the retirement of the baby boom generation and the growth of the black and Hispanic populations. A parallel observation could apply to other aspects of diversity (immigration, gender) and to other outcomes that we study here (wealth, mobility, household formation, family composition and the welfare of children, education). All

these aspects of American society are in play in our analyses, and it is challenging to keep them all in mind.

I take as an illustration our many findings related to gender. In this case what is changing is not the overall composition of the population—the share of women in the population and the increase of this share with age because of longevity differentials are quite stable. What changes is the position of women in our society. We find the evidence in these studies that women increasingly surpass men in their level of education. They nevertheless lag behind men in earnings and work hours, and they seem to play the same role as immigrants in being the workers of choice to fill the growing demand for temporary, part-time, lower-paying jobs—especially in periods of recession, when overall labor demand is weaker. They are increasingly called on to be heads of households with children, even when working. And they play the key role in intergenerational support to children and grandchildren, even when the greatest needs (in black and Hispanic families) are combined with the least resources in the older generation. Almost certainly the Great Recession has intensified these pressures on women, but we have not put all these pieces together in a coherent story.

In the face of all these problems, the trend in neighborhood diversity and particularly in the residential segregation of African Americans seems to offer some sense of progress. Blacks are certainly a bit less segregated from whites today than they were in 2000, and measured against the 1960s or 1970s, the progress is more striking. As the nation's gradually increasing racial and ethnic diversity filters down to cities and towns in most parts of the country, neighborhoods in metropolitan areas are becoming more diverse. There are some signs that these trends are linked. Another report for the US2010 Project not included in this volume shows that blacks have tended to enter neighborhoods with whites most often when Asians or Hispanics have already moved in (Logan and Zhang 2011). These “global neighborhoods” now include close to half of residents from each of these major racial-ethnic groups in the nation's most multiethnic metropolitan regions.

I am cautious, however, about the interpretation of these findings. In other respects, the studies presented here show particular disadvantage for both blacks and Hispanics. Although African Americans increasingly live in racially mixed neighborhoods, the share of blacks who live in all-minority neighborhoods is also growing. And even affluent blacks and Hispanics still live in poorer neighborhoods than poor whites.⁴ Progress for these minorities—in terms of the neighborhoods where they live and the kinds of schools their children attend—is minimal.

Where does this leave us, and what is to be done? My view is that the nation is moving down a path that Americans will not tolerate in the long run. In the short run, I expect continuing advantage for those segments of the population who have been doing better, who rode out the Great Recession in good shape and have been separating themselves from other Americans in their income, wealth, and community location. In the longer term, this status quo is problematic. The middle class is not the safe haven that it seemed to be in the past. Homeownership is uncertain, and higher education does not necessarily lead to stable career paths. African Americans and Hispanics who have established themselves in this middle class are noticing that their status is tenuous. Women are taking on increasing responsibilities without increasing support, and many are relying on intergenerational support that may prove hard to maintain. Men are losing historic gender advantages and may find themselves increasingly competing for less desirable jobs, without the educational credentials that are growing more important. And a large segment at the bottom of our class structure, facing long-term unemployment and poverty even if on average the economy improves, is excluded from any immediate prospect of improvement in their own lives.

With distress reaching so widely across social groups, how are we to understand the fact that the main social mobilization of the last decade has come from the conservative side of the political spectrum? The Tea Party prescription is to cut taxes, reduce services and safety net benefits, protect and even subsidize investors, and oppose efforts to move health care delivery from emergency rooms to doctors' offices. There is much resistance to shifting the tax burden away from corporations and wealthy Americans, increasing the minimum wage and earned income tax credits to establish a living wage, providing incentives to firms that hire more workers, and investing in public education for the minority children who are our future workforce.

Demographic changes do not in themselves provide much insight into these political realities. One might expect that racial and ethnic shifts—and, probably with more delay, the weakening of the middle class—would have direct effects on party alignments, and very likely that has happened at the national level. Indeed, there was much media speculation during and after the 2012 presidential campaign about Republicans' difficulty in attracting Hispanic voters and the Democrats' apparent lock on the African American vote. Social science research gives some clues to why changing populations do not quickly or necessarily sway elections. Electoral representation typically lags a generation behind population changes. Many Hispanics, for instance, are not eligible to vote because they are not citizens or they are younger than eighteen. Growth in the Hispanic population remains highly concentrated in congressional districts that already have a Hispanic representative, and few districts are receiving enough new Hispanic residents to constitute a real electoral force (Logan, Oh, and Darrah 2009). Second, low levels of education and limited English language skills depress Hispanic voter registration and election turnout, and new restrictions (such as voter ID requirements) reduce the participation of all groups, with special impact on minorities, poor people, and older persons (Logan, Darrah, and Oh 2012). It also takes time for politicians to make room for representatives of new groups. The old-fashioned politics of drawing electoral district lines continues to protect incumbents at all governmental scales, from local city council districts to congressional districts, regardless of political party.

There is also a considerable gulf between electoral politics and actual legislation. Americans pay more attention to elections and quite naturally know much less about real politics. Winning elections is one matter, but it is quite a different matter to get legislation through a committee, to get it onto the floor for a vote, and finally to have a majority, and then still to run the gauntlet of administrative rule-making and enforcement. Most progressive measures are supported only when they recruit elite supporters: health care reform has to add subscribers to insurance companies, immigration reform has to increase visas for high-technology companies, school reform has to expand contracts for private corporations in the charter school business, and affordable housing has to provide tax credits to high-income investors.

The studies presented in this book sometimes draw critical conclusions about government policy or about the implications of findings for policymakers. Yet what we do best, because we know how to marshal the data, is to describe what's happening. We count on readers to think about the patterns and trends that are documented here, evaluate how they add up, and decide what is to be done.

NOTES

1. Trends in age at marriage affect these differences, but they are also partly a source of differences. Rosenbaum controls for marital status in her multivariate models. Zhenchao Qian (2012) studied this issue at greater length in a census brief that he prepared for the US2010 Project, "During the Great Recession, More Young Adults Lived with Parents."

2. This finding is consistent with another study conducted for the US2010 Project. Logan and Zhang (2011) show that increasing shares of every racial-ethnic group now live in mixed neighborhoods, but that, in a countertrend, whites continue abandoning such neighborhoods.
3. Logan and Stults (2011) find that black segregation from non-Hispanic whites has declined more slowly than black segregation from nonblacks. There is unchanging exposure of blacks to whites in their neighborhoods, but increasing contact with Hispanics and Asians. Hispanics and Asians remain as segregated from non-Hispanic whites in 2010 as they were in 1980.
4. Black families earning over \$75,000 a year in the 2005–2009 American Community Survey lived in neighborhoods that averaged 13.9 percent poor. Affluent Hispanics' neighborhoods averaged 13.0 percent poor. For white families earning less than \$40,000, the average neighborhood poverty rate was 12.9 percent (Logan 2011).

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