Drive about forty-five miles east of San Francisco, tracing a route across the Bay Bridge, through the Caldecott Tunnel outside Oakland, past the wealthy suburbs of central Contra Costa County, and along the California Delta Highway that eventually leads to the state’s Central Valley. There you find a series of communities in transition—from industrial cities to bedroom suburbs, from agricultural lands to residential havens, and from outposts of the middle class to symbols of modern American poverty.

In the 2000s, the number of people living in poverty in East Contra Costa County (“East County”) grew by more than 70 percent—a rapid increase for these relatively small places, but not an isolated one. From Cleveland’s long-struggling inner suburbs, to the immigrant portals south of Seattle, to aging communities surrounding Chicago, or the traditionally affluent Maryland suburbs of the nation’s capital—almost every major metropolitan area in the country has experienced rising...
poverty beyond its urban core. Despite the fact that “poverty in America” still conjures images of inner-city slums, the suburbanization of poverty has redrawn the contemporary American landscape. After decades of growth and change in suburbs, coupled with long-term economic restructuring and punctuated by the deepest U.S. economic downturn in seventy years, today more Americans live below the poverty line in suburbs than in the nation’s big cities.

Changing populations and shifting economics characterize the experience of suburban communities in East County. These places, which Alex Schafran dubs “Cities of Carquinez” after the nearby Carquinez Strait, were established in the mid- to late nineteenth century. Refineries, factories, mills, working ports, and train and ferry depots dotted the small cities of Pittsburg and Antioch, and unincorporated Bay Point, a century ago. Victorian and Craftsman homes still line the older streets in the portions of these communities near the coastline. Further inland, boomtowns like Brentwood and Oakley retain visible vestiges of their recent agricultural past, when they were western outposts of California’s Central Valley rather than eastern suburbs of the Bay Area.

As the Bay Area economy grew and changed in the late twentieth century, however, these East County cities began to shed their farming and industrial character, and exploded in population and new single-family suburban development. The boom was especially rapid in the early to mid-2000s, as a run-up in real estate values in closer-in Bay Area communities made many of these cities an “escape valve” for “drive ’til you qualify” middle-class families seeking affordable homeownership. While their economic heritage meant that these cities had long been home to diverse working-class populations, they also experienced a visible influx of new black and Hispanic residents during this period, most of whom commuted long distances back into the region’s core each day for work.

Even amid the relative boom of the early to mid-2000s, broader economic shifts saw the typical household’s income in these communities stagnate or fall and the poor population grow, as more residents made their living in quickly growing but lower-wage industries like construction, retail, and hospitality. When the housing market crashed in 2006, however, the economic bottom fell out of East County. Construction workers lost jobs. Families lost wage earners and found themselves slipping down the economic ladder. The subregion became the unofficial foreclosure capital of the Bay Area. At the same time, property investors unable to sell newly built homes recruited low-income renters with government-issued housing vouchers, which gave rise to new community
tensions. Local fiscal coffers that relied heavily on property taxes took a beating, even as demand for services skyrocketed. Whereas the poor population had grown more slowly in the earlier part of the decade, the number of people below the poverty line in these relatively small communities rose by nearly 10,000 in the span of just three years—double the increase of the early to mid-2000s.

Not only did these challenges far outstrip the capacity of a strained local public sector, but they also overwhelmed the area’s extremely thin nonprofit safety net. Small, local job training organizations could not keep pace with the demand from a burgeoning unemployed population. Foreclosure counselors were in short supply. Most philanthropic dollars in the region remained tethered to historically poor communities in Oakland, San Francisco, or other big cities. Compounding the challenge, the Cities of Carquinez were literally at the “end of the line” in the Bay Area, lacking proximity and transportation options that might help their residents access needed services.

While those eastern Bay Area communities have faced dramatic changes in recent years, their situation mirrors that of an increasing number of suburbs across the United States. This book explores the complicated changes occurring in suburban communities that for several decades defined the middle-class American dream. Why is poverty on the rise there? What are the consequences for those places and their residents? And what, if anything, should society do about it?

Poverty is a relatively new phenomenon in many suburbs, at least at these levels. As such, it upends deeply fixed notions of where poverty occurs and whom it affects. As poverty becomes increasingly regional in its scope and reach, it challenges conventional approaches that the nation has taken when dealing with poverty in place.

Many of those approaches were shaped when President Lyndon B. Johnson declared a national War on Poverty in 1964. At that time, poor Americans were most likely to live in inner-city neighborhoods or sparsely populated rural areas. Fifty years later, public perception still largely casts poverty as an urban or rural phenomenon. Poverty rates do remain higher in cities and rural communities than elsewhere. But for three decades the poor population has grown fastest in suburbs. The especially rapid pace of growth in the 2000s saw suburbs ultimately outstrip other types of communities so that they now account for the largest poor population in the country. More types of people and places are being touched by economic hardship than in the past, including those that may have once seemed immune to such challenges.
The changing map of American poverty matters because place matters. It starts with the metropolitan areas, the regional economies that cut across city and suburban lines and drive the national economy. Place intersects with core policy issues central to the long-term health and stability of metropolitan areas and to the economic success of individuals and families—things like housing, transportation, economic and workforce development, and the provision of education, health, and other basic services. Where people live influences the kinds of educational and economic opportunities and the range of public services available to them, as well as what barriers to accessing those opportunities may exist. The country’s deep history of localism means that, within the same metropolitan area, a resident of one community will not necessarily have the same access to good jobs and quality schools, or even basic health and safety services, as a person in another community, whether across the region or right next door.

**Poverty’s Historic Homes**

For decades, experts have framed the debate around the intersection of poverty and place largely in an urban or rural context—for instance, the negative effects of living in an inner-city ghetto or barrio, or the challenges of rural isolation. Poverty rates in these types of communities remain much higher than for the nation as a whole, and for decades these areas have been home to significant portions of the nation’s poor, giving rise to an extensive literature that documents the trends and impacts of deep and entrenched poverty in both urban and rural America.

The problems of inner cities received wide attention beginning in the 1960s. In *Tally’s Corner*, ethnographer Elliot Liebow documented the lives of the urban poor in the Shaw neighborhood of Washington, D.C. Daniel Patrick Moynihan, a former assistant secretary of labor, issued a controversial report on black poverty arguing that “ghetto culture” and the decline of the nuclear family led to economic hardship. Ken Auletta, Nicholas Lemann, and others followed with portraits of urban “underclass” communities in the 1980s suffering from violent crime, out-of-wedlock childbearing, and eventually the crack cocaine epidemic. Much of this work focused on how the behaviors of poor residents contributed to the deep challenges facing their neighborhoods.

In the 1980s and 1990s, scholar William Julius Wilson posited that structural factors—including the decline of manufacturing jobs for lower-skilled city workers—led to a rise in joblessness that increased
poverty and ultimately affected cultural norms and behaviors in declining urban neighborhoods. He also argued that growing concentrations of poverty in predominantly minority, inner-city areas undermined community institutions and networks formerly maintained by middle-class and working-class families, and removed positive role models for children, helping to perpetuate the cycle of poverty. Douglas Massey and Nancy Denton explored how the legacy of racial segregation shaped contemporary urban poverty in the early 1990s.

Paul Jargowsky and others went on to document trends in concentrated poverty across the country, finding the largest concentrations of the poor in inner-city neighborhoods with much higher shares of minorities, single mothers, high school dropouts, and working-age men outside the labor force than in areas with less poverty. Others, including George Galster, examined the thresholds at which concentrations of poverty led to appreciable negative effects on residents, neighborhoods, and the larger region that housed them, including poorer health and educational outcomes, increased crime, and falling property values.

In a parallel vein over this same time period, rural poverty experts explored the persistence and depth of poverty in the nation’s wide-ranging and far-flung rural communities. These explorations focused on structural factors in the community as well as individual characteristics of the poor, including the decline of traditional industries, out-migration, and low educational levels. Janet Fitchen chronicled the persistence of generational poverty in rural households in upstate New York, finding that contemporary families were unable to adapt to economic shifts toward modern agriculture. Looking at Appalachia and the Mississippi Delta, Cynthia Duncan found that places with greater evidence of multigenerational poverty were also home to social structures that isolated people with lower incomes from better-off residents, inhibiting social mobility. Regardless of the mechanisms at play, poverty in rural communities and across generations has proven a seemingly intractable, and in fact growing, issue. Children in rural areas today are more likely than a generation ago to live in communities plagued by persistently high poverty over decades.

The Dawn of the Modern Suburb

In contrast, suburbs have traditionally inhabited a very different popular narrative in American culture, one in which poverty generally does not feature (except perhaps to the extent that the rise of the suburbs

POVERTY AND THE SUBURBS 5
signaled—and even contributed to—urban decline. In many ways, suburbs have been central to the particular brand of the American dream that developed rapidly after World War II. Moving to suburbia signaled a step up—a house with a yard, a car to drive to work, good schools, and safe streets. As Bernadette Hanlon and her colleagues noted:

The very pursuit of happiness in post-war history was synonymous with the suburbs. A move to the suburbs symbolized many things in the American context. It was a move of social and economic mobility; a path that led away from the nation’s ailing central cities and to the emergent suburban frontier. The American Dream was realized in the nation’s nascent suburbs.16

Perhaps most emblematic of the fast-growing suburban communities that multiplied in the postwar era were the developments built by Abraham Levitt and his sons William and Alfred. In the Levittowns built on Long Island, and outside Philadelphia (in Bucks County, Pennsylvania, and Willingboro, New Jersey), Levitt and Sons honed their approach to suburban development, using a standardized housing design, preassembled parts, and vertical integration of suppliers to speed production. Regarding these cookie-cutter Cape Cods with a living room, a bathroom, two bedrooms, a kitchen, and a yard, Kenneth Jackson observed, “This early Levitt house was as basic to post World War II suburban development as the Model T had been to the automobile. In each case, the actual design features were less important than the fact that they were mass-produced and thus priced within reach of the middle class.”17 Jackson also noted that while Levitt did not invent many of the techniques he employed, the wide publicity of his developments served to popularize his approach. Large builders in metropolitan areas throughout the country—including developers in Boston, Chicago, Cleveland, Denver, Houston, Los Angeles, Phoenix, San Francisco, and Washington—adopted similar methods.18

The rapid build-out of the suburbs in that period reflected both the pull of and the push toward suburbia. William Lucy and David Phillips observed that “individual preferences provided the motivation, and development institutions and policies . . . provided the means” that drove suburban growth, often led by affluent households.19 Aging and declining urban infrastructure, pollution, poor schools, and perceptions of rising crime in central cities, coupled with the promise of new, single-family homes, clean air, and green spaces, made the burgeoning suburbs
all the more desirable. The draw of the suburbs reached across class lines, yet affluent households—especially those headed by middle- and upper-class whites—were able to act on those preferences more readily, particularly when aided by policies and institutions that paved the way (sometimes literally) for the move to the suburbs.

The “means” Lucy and Phillips refer to came from an array of programs and policies that enabled and encouraged large-scale suburbanization. According to Kevin Kruse and Thomas Sugrue:

Public policies, including federal housing and economic development subsidies, state and local land-use policies and environmental regulations, locally administered services and taxation policies, and locally controlled schools, all inexorably shaped the process of suburbanization in the postwar period. The division of metropolitan areas by race and class, a division that was reified and reinforced through the drawing of hard municipal boundaries, created a distinct form of spatialized inequality in the modern United States.

At the federal level, a range of programs and policies contributed to rapid suburbanization in this period, whether by encouraging and easing the way to homeownership or heavily subsidizing the roads and sewers needed to support “greenfield” development at the urban fringe. For prospective home buyers, insured mortgages through the Federal Housing Administration (FHA) and the GI Bill’s Veterans Affairs (VA) mortgage program freed up the flow of private capital for home loans. Further subsidies for homeowners came in the form of federal tax breaks, like the home mortgage interest deduction. The Federal-Aid Highway Act of 1956, which covered 90 percent of the cost of highway construction, set in motion the rapid development of the interstate highway system that not only connected major regions across the country but enabled suburban development to extend deeper into the countryside with the promise of easier commutes for would-be suburbanites.

In that same year, Congress enacted legislation to subsidize more than half the cost of new sewer treatment facilities, further facilitating the development of the infrastructure needed to support suburban growth.

As these federal investments drove the widespread suburbanization of a predominantly white middle class, other people and places faced disinvestment. For instance, the tax code provided an open-ended subsidy for homeowners but allowed no parallel housing benefit for renters. For homeowners, the most favorable home loans went to new construction,
while loans for improvements or rehabilitation were smaller and given for shorter durations. All of these factors favored suburban development over central cities. Moreover, federal loan insurance programs essentially codified the private market’s practice of redlining, curtailing lending to inner cities and minorities. From 1945 to 1959, approximately 90 percent of all FHA and VA mortgages were for suburban homes, yet fewer than 2 percent went to African Americans.26 At the same time, federal investments in roads enabled the rise of the auto-dependent suburbs rather than encouraging denser development around mass transit.27 Andres Duany and his colleagues observed that the nation’s suburban expansion lacked “incentives to integrate different housing types or incomes among the new construction. In a sense our government did half its job: it provided the means to escape the city—highways and cheap home loans—while neglecting to allocate those means fairly.”28

Beyond the federal actions (or inaction) that helped spur suburban development, state and local policies also created critical barriers to entry that increased inequality across metropolitan communities. Policy decisions at the state and local level around public housing, transportation, taxation, the provision of services, annexation, land use, and zoning made it possible for growing suburbs to exclude low-income and minority residents, widening the gap between lower-income cities and their more affluent suburban neighbors.29 Charles Tilly described this as “opportunity hoarding,” where suburban municipalities draw boundaries and incorporate in a way that perpetuates inequality through the differing levels of services they provide—and taxes they charge—to residents.30 Jonathan Rothwell and Douglas Massey found a strong relationship between density zoning in the suburbs and increased income segregation, suggesting that restrictive zoning practices exacerbate income and racial inequality within regions.31

That suburban narrative is the one most Americans are familiar with: the suburbs as middle- and upper-class bastions, built as predominantly white, well-off residents moved away from cities, leaving minority and lower-income populations to deal with growing urban problems and a shrinking tax base. These dynamics were indeed at play, but the history of suburban America remains more complex.

The Rise of Suburban Poverty

Suburbs have never been as monolithic as historical stereotypes would suggest. Suburbanization in the prewar period included residents of all
classes. Low-income residents have long been a part of suburban development, from those who were among the first to suburbanize more than a century ago in pursuit of cheaper land at the outskirts of urban areas, to members of emerging immigrant enclaves, to residents of blue-collar communities who went to work providing services in more affluent neighboring suburbs. While postwar policies created additional and significant barriers to entry for low-income residents in many growing suburbs, over time even the new postwar suburbs eventually saw their housing stock age, and some experienced broader economic decline as industries waned or moved out.

In the 1990s, researchers began to chronicle the diversity that exists across American suburbs, paying particular attention to older, declining suburbs. Lucy and Phillips found suburban decline to be most prevalent in post–World War II car-dependent suburbs with deteriorating modest single-family houses. These places also tended to have public and private institutions that lacked a sufficient commitment to reinvestment in private homes and public infrastructure. Similarly, Myron Orfield and Robert Puentes identified inner-ring “first” suburbs as places built early in or toward the middle of the twentieth century. While many of these communities continue to be healthy and stable, over time others became home to aging infrastructure and inadequate housing stock, as well as deteriorating schools and commercial corridors. Many of the most distressed first suburbs in midwestern and northeastern metropolitan areas—manufacturing-based, older industrial areas struggling with structural shifts and economic decline. These suburbs had lost population or had grown slowly, and were home not only to older housing stock but also to older and shrinking households. Orfield estimated that as many as 40 percent of residents in the nation’s largest metropolitan regions lived in “at-risk” older communities, typified by meager local resources, struggling commercial districts, and slow or no population growth.

These findings laid an important foundation for understanding the transitions and challenges facing suburban communities throughout the country. However, the magnitude and pace of growth in suburban poverty after 2000 far outstripped these earlier indications of inner-ring suburban economic decline. The first decade of the twenty-first century saw two recessions coupled with weak and jobless recoveries, as well as continued structural shifts in the economy that contributed to a shrinking middle class and falling income for the typical household. The economic tumult of the 2000s not only helped propel the size of America’s
poor population to record levels but also contributed to its broadening geographic reach. Rising poverty touched all kinds of communities around the country, moving well beyond the declining and at-risk suburbs chronicled in earlier research and reframing the challenges of poverty as regional issues.

Despite these trends, the public policy framework for addressing poverty in place in the United States remains largely urban-oriented and ill-equipped to address the geographic scale of today’s need. That need, of course, has not left urban areas but has grown well beyond their borders. Moreover, the problems of regionalizing poverty have been exacerbated by a weak economy and increasingly limited resources for nonprofits, philanthropies, and government at all levels.

At the same time, the unprecedented growth of unemployment and poverty in the suburbs during the 2000s reflects structural shifts in the economy that pose serious challenges for antipoverty policy. By 2010, one in three Americans was poor or near poor, meaning that 104 million people lived below twice the federal poverty line—23 million more than in 2000 (an increase almost the size of the population of Texas). With the U.S. population projected to grow to 400 million by 2050, even a return to prerecession trends would mean another 19 million people in or near poverty. Without a change in course, poverty is likely to reach deeper into the nation’s metropolitan regions, even as it continues to concentrate in distressed inner-city and suburban locales. Current systems for addressing poverty cannot simply be refined; they must be reformed and remade to respond to the realities of contemporary metropolitan America.

As the nation struggles to find its footing in the emerging economic recovery, it has the opportunity (and the imperative) to avoid repeating the mistakes of the last boom-and-bust cycle that left so many Americans behind in the 2000s, eroding middle-wage jobs and fueling rising inequality. Making progress against poverty means crafting policies and programs that connect residents to the kinds of educational, job, and housing opportunities that can help them better their economic situations. In turn, metropolitan areas benefit in the long run when they forge those kinds of connections and help build a diverse, educated, and skilled workforce.

To ensure that the next economy this country builds is an opportunity-rich economy, a reformed and remade antipoverty framework must be flexible and built to the scale of the challenge. Suburbs offer, in a way, a “clean slate” upon which to design a new and more effective approach to promoting opportunity. Implementing a place-based policy agenda
and infrastructure built to work in the suburbs does not mean turning away from the significant need that persists in urban and rural America. Rather, such a framework has the potential to better alleviate poverty and increase access to opportunity throughout the country, with improvements in flexibility and efficiency accruing not just to the suburbs, but to the urban and rural poor as well.

This book provides the foundation for a twenty-first-century metropolitan opportunity agenda. Much of the research presented here originated with the Brookings Metropolitan Opportunity Series, a research series funded by the Ford Foundation and the Annie E. Casey Foundation that since 2009 has documented city and suburban poverty trends and analyzed the drivers and implications of the shifting geography of poverty and opportunity. A number of Brookings researchers and partners have contributed publications to the series over the years, all of which are available on the Brookings website and offer detailed findings on the trends, causes, and challenges related to the suburbanization of poverty. This book updates and extends that research, most notably by describing the experiences of a range of suburban areas across the country that we visited during 2011 and 2012, interviewing local leaders and practitioners about the causes and consequences of growing poverty in their communities.

The following three chapters map the diverse ways in which the growth of suburban poverty has occurred across the nation’s largest metropolitan regions and examines the implications for families and communities:

—Chapter 2 documents shifts in poverty within and across the cities and suburbs in the nation’s largest metropolitan areas and across different racial and ethnic groups. It also examines the similarities and differences among poor residents in cities and suburbs, across an array of demographic and economic characteristics.

—Chapter 3 turns to drivers of the suburbanization of poverty in the 2000s. How did economic factors, employment location, population and immigration trends, and housing help shape suburban poverty’s rise? We draw on a combination of quantitative research and qualitative examples from site visits in diverse metropolitan areas to answer these questions.

—Chapter 4 details the impact of growing suburban poverty—from challenges related to accessing transportation and employment to the increased strain on a patchy and thin safety net, to the experience of schools—on different regions and kinds of places. We group the diverse
array of suburbs experiencing growing poverty into community types in ways that could guide policy responses.

The final three chapters of the book turn to the policy outlook in the context of regionalizing poverty:
—Chapter 5 details the limits of existing policy, as well as the challenges and barriers that complicate the effective extension of the current policy framework into suburbia.
—Chapter 6 presents lessons learned from a network of leaders operating in regions throughout the country. These innovators have found ways to work within (and often around) the current framework, overcoming shortcomings in the system to deliver services and policy interventions more effectively. These lessons help lay the foundation for a new direction in policy and practice.
—Chapter 7, the final chapter, outlines a next-generation agenda for enhancing opportunity within metropolitan America. It offers a series of short- and long-term recommendations for federal, state, and local policymakers, as well as business, philanthropic, and nonprofit leaders grappling with the new realities of suburban poverty.

A final introductory note: In Confronting Suburban Poverty, we do not take the view that poverty in the suburbs is necessarily better or worse for families or for society than in other locales. Instead, we aim to understand how it is different in its origins, its consequences, and its implications for policy. As this book shows, many low-income families in suburbs—whether recent arrivals or long-time residents—are living in safer neighborhoods with access to higher-quality schools than their counterparts in poor inner-city neighborhoods. But as many low-income residents of Oakland and Richmond, California, discovered when they moved to the Cities of Carquinez (profiled at the beginning of this chapter), suburban life can also mean greater isolation from transportation, social services, employment, and community support.

We believe that the goal of public policy must be to provide all families with access to communities, whether in cities or suburbs, that offer a high quality of life and solid platform for upward mobility over time. Understanding the new reality of poverty in metropolitan America is a critical step toward realizing that goal.