The Stability of Neighborhood Racial/Ethnic Diversity in the United States, 1980-2000[1]

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Over the past several decades, metropolitan areas in the United States have become increasingly racially and ethnically diverse (Denton and Massey 1991; Frey and Farley 1996; Iceland 2003), and recent research indicates that diversity within neighborhoods may also be increasing in several U.S. cities (Alba et al. 1995; Fasenfest, Booza, and Metzger 2004; Rawlings et. al. 2004). These trends have sparked renewed optimism for the prospect that residential integration among diverse racial/ethnic groups is possible (e.g., McKnight Foundation 2004). In particular, researchers and urban planners are interested in the possibility that increasing diversity will be accompanied by increasing racial/ethnic stability, since the benefits of diversity may best be realized when the racial/ethnic mix of a neighborhood remains consistent over time. Stable racial/ethnic diversity may signal increasingly tolerant racial attitudes (Farley et al. 1994; Schuman et al. 1997), reduce racial/ethnic inequalities produced by high levels of segregation (Galster 1988; Massey and Denton 1993), and attract residents to urban areas, thus revitalizing deteriorated inner cities (Florida 2002; Jacobs 1961).

Although conventional social scientific wisdom suggests that neighborhood diversity is temporary and represents a transitional stage between two homogeneous racial/ethnic compositions (Aldrich 1975; Schwirian 1983), some recent research has challenged this assumption (Ellen 2000; Maly 2000). Moreover, there is much debate about *why* neighborhood racial/ethnic change occurs. One explanation proposes that as minorities move into previously all-white neighborhoods, whites' prejudice translates into unwillingness to live near minority neighbors, and whites thus exit the neighborhood. In contrast, another explanation asserts that socioeconomic differences between minorities and whites drive racial transition; that is, whites do not want to live with minorities who have less socioeconomic resources than themselves. A third explanation is that neither prejudice nor class explains racial transition. Instead, race-related signals of current and future neighborhood quality drive whites' decisions about neighborhood exit and entry. Empirical research evaluating these theories yields mixed conclusions.

A substantial body of work examines the dynamics of neighborhood racial stability and change in the 1960s and 1970s but less research explores this topic for successive decades (Ellen 2000). Additionally, most existing studies describe patterns of neighborhood change in a two-race (e.g. black and white) context and focus on whites' behaviors. However, increasing rates of Latino and Asian immigration to metropolitan areas in subsequent decades may have changed the dynamics of racial/ethnic transition. In light of the changing demographic and social character of many cities and changing racial attitudes, re-evaluation of prominent theories of racial/ethnic stability and change and consideration of the mobility patterns of diverse racial/ethnic groups are in order.

This paper investigates the prevalence and stability of racially/ethnically diverse neighborhoods in U.S. metropolitan areas from 1980 through 2000. It addresses three key questions. First, does the conventional wisdom that racial/ethnic diversity is simply a stage in racial transition hold up in the current racial/ethnic context? Specifically, has the recent increase in neighborhood racial/ethnic diversity been accompanied by an increase in racial/ethnic stability? Second, how well do the existing theories of racial/ethnic change outlined above explain patterns of stability and change in diverse neighborhoods across the past two decades? Third, to what extent are these theories applicable for neighborhoods with

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different racial/ethnic compositions (e.g. black-white neighborhoods versus white-Latino neighborhoods) and for residential mobility patterns of diverse racial/ethnic groups?

Data and Measures

This study utilizes data from the Neighborhood Change Data Base (NCDB), a dataset explicitly designed to study changes in metropolitan areas over time. The NCDB consists of selected long-form census data, including population and housing characteristics, from decennial U.S. censuses from 1970 through 2000. It was designed to facilitate tract-level comparisons over time by normalizing census tract boundaries from 1970 through 1990 to those used in 2000, using GIS software to adjust for boundary changes (for a complete discussion of the methodology used, see Tatian 2003). Without comparable tract boundaries, analysis would be extremely difficult because of the considerable boundary changes over time.

I follow previous research and approximate "neighborhoods" using census tracts. Census tracts were designed to approximate local neighborhoods and are used widely in neighborhood research. They are also the smallest geographic units available in the NCDB. I use data from census tracts within the full set of metropolitan areas (MAs) in the United States, including both Metropolitan Statistical Areas (MSAs) and Primary Metropolitan Statistical Areas (PMSAs). I omit six MAs because they had populations of less than 50,000 in 1980, which is one of the criteria for defining an area as an MA. I also omit census tracts that had no population in 1980, 1990, or 2000. The resulting analytic sample is 74,054 census tracts in 325 MAs.

I construct a categorical typology of racial/ethnic diversity based on the proportions of non-Hispanic whites, non-Hispanic African Americans, Latinos, and non-Hispanic others present in neighborhoods.[2] The first four categories in the typology are neighborhoods I consider one-group neighborhoods: *mostly White, mostly African American, mostly Latino,* and *mostly other-race*. A neighborhood falls into one of these categories when it has greater than 90 percent of a single group or no other group is present in more than 10 percent. The next categories in the typology are those in which two groups are present in considerable proportions. These neighborhoods are *White/Latino, African American/White, African American/Latino, white/other, Latino/other,* and *African American/other*. In these neighborhoods, each of the two groups has a proportion of greater than 10 percent and less than 90 percent. In addition, no other group is present in a proportion of greater than 10 percent. *White/ African American/Latino, White/African American/other, White/Latino/other,* and *African American/Latino/other* neighborhoods are those in which each of these three groups has a proportion of 10 percent and non-Hispanic others are less than 10 percent. Finally, the *multiethnic* neighborhoods are those neighborhoods where whites, African Americans, Latinos, and non-Hispanic others are all present in significant proportions, each over ten percent. These categories allow for a broad definition of "diversity;" therefore, I will also conduct analysis to assess the sensitivity of the results to more narrow definitions.

Initial Results

Table 1 shows the prevalence of racially/ethnically diverse census tracts by racial/ethnic mix across census years. The proportion of integrated neighborhoods—those that are not characterized by a single

[2] I follow the NCDB research team's strategy for bridging definitions of race/ethnicity for the Census 2000. Individuals reporting more than one race were assigned to a single race based on the descending order of priority: black + other are assigned as black, Asian + other are assigned as Asian, Native Hawaiian or Pacific Islander + other are assigned as Native Hawaiian or Pacific Islander, white + other are assigned as white, and Native American or Alaskan Native + other are assigned as Native American or Alaskan Native. For more details, please refer to Tatian (2003). For the purposes of this analysis, Asians, Native Hawaiians and Pacific Islanders, Native Americans and Alaskan Natives, and others are all combined into an "other race" category. Individuals reporting Hispanic ethnicity or origin are categorized as Latino.

race—was about 30 percent in 1980, slightly under 40 percent in 1990, and over half of all census tracts in 2000. The share of predominantly one-group neighborhoods (e.g. predominantly white, African American, Latino, and other race) declined from 1980 (approximately 66 percent of neighborhoods) to 2000 (approximately 44 percent of neighborhoods). This decline is driven by the decreasing share of predominantly white neighborhoods; in contrast, the proportion of predominantly African American, Latino, and other race neighborhoods remained the same or increased across census years. The proportion of racially/ethnically diverse neighborhoods—those with significant proportions of two, three, or four racial/ethnic groups—increased from 1980 to 2000. Out of the two-group neighborhoods, the share of white-Latino and white-African American neighborhoods (the most prevalent of the two-group neighborhood types) remained consistent over time. The share of African American-Latino neighborhoods doubled over 1980 to 2000, and the share of white-other neighborhoods increased even more, from 1.2 percent of neighborhoods in 1980 to 7.6 percent in 2000. The proportion of three-group neighborhoods increased dramatically, from about 6 percent in 1980 to 16.5 percent in 2000, in keeping with previous research that has documented the rise in multiethnic neighborhoods (Denton and Massey 1991; Alba et al. 1995). Each of the three-group neighborhood types increased, with White/Latino/Other neighborhoods showing the largest increases. Finally, neighborhoods with all four groups also increased substantially, from .5 percent in 1980 to 4.0 percent in 2000. Still, despite these overall trends towards increases in racially/ethnically diverse neighborhoods, the total share of each type of diverse neighborhood is small.

[Table 1 about here].

The results presented in Table 1 do not account for the stability of racial/ethnic diversity, overlooking the possibility that neighborhood diversity is increasing over time simply because more neighborhoods are undergoing transition between homogeneous racial/ethnic compositions. Table 2 provides an initial look at the stability of diversity, as well as patterns of neighborhood racial/ethnic transition for 1980-2000 by cross-classifying neighborhoods' racial/ethnic compositions in 1980 and 2000. The transition matrix shows that succession to single-race neighborhoods, or "tipping," does not seem to accurately describe patterns of transition in the 1980s and 1990s. Instead, two-group integrated neighborhoods were more likely to transition to multiple-group neighborhoods. About 14 percent of tracts that were two-group tracts in 1980 changed to one-group tracts in 2000, but double that proportion changed to three-group tracts. Neighborhoods that were initially diverse but later transitioned were unlikely to gain back white population. Finally, it appears that white/Latino and white/other neighborhoods were hospitable places for other non-black minorities or immigrants, since a high proportion of white/Latino neighborhoods transitioned to white-Latino-other neighborhoods and a high proportion of white/other neighborhoods transitioned to white-Latino-other neighborhoods as well. Further analysis will examine patterns of transition over successive ten-year periods (e.g. 1980 to 1990 and 1990 to 2000) to assess whether these patterns are different over time.

[Table 2 about here].

Analytic Plans

The descriptive statistics suggest that although diverse neighborhoods are less stable than homogeneous neighborhoods, patterns of transition are different than those predicted by conventional models (e.g. racial turnover from one group to another). The planned multivariate analysis will examine how well the three theories of racial change outlined above (e.g. racial prejudice, socioeconomic differences, and race-based neighborhood stereotyping) explain these different patterns of transition. I will estimate multilevel models to assess how both metropolitan area- and tract-level effects influence changes in the proportion of whites, blacks, Latinos, and non-Hispanic others in neighborhoods, and how these changes predict stable racial/ethnic diversity. Key predictors of interest include the proportion of different racial/ethnic groups in a neighborhood, the socioeconomic status of these groups, the neighborhood's history of racial change, and the racial and socioeconomic composition of the metropolitan area.

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Table 1. Prevalence of Racially/Ethnically Integrated Census Tracts, 1980-2000: NCDB

	1980		1990		2000	
Neighborhood Racial Composition	Frequency	Percent	Frequency	Percent	Frequency	Percent
Greater than 90% White	45,493	60.6	38,142	50.8	27,783	37.0
Greater than 90% Black	3,530	4.7	3,837	5.1	4,041	5.4
Greater than 90% Latino	400	0.5	856	1.1	1,303	1.7
Greater than 90% Other	42	0.1	42	0.1	157	0.2
Subtotal Single-Race Tracts	49,465	65.9	42,877	57.1	33,284	44.3
10-90% White & Latino	8,743	11.6	9,224	12.3	8,661	11.5
10-90% White & Black	8,965	11.9	9,397	12.5	8,206	10.9
10-90% Latino & Black	1,120	1.5	1,743	2.3	2,255	3.0
10-90% White & Other	872	1.2	2,350	3.1	5,678	7.6
10-90% Latino & Other	50	0.1	185	0.2	466	0.6
10-90% Black & Other	23	0.0	41	0.1	103	0.1
Subtotal Two-Race Tracts	19,773	26.3	22,940	30.6	25,369	33.8
10-90% White, Black, & Latino	2,800	3.7	3,578	4.8	4,440	5.9
10-90% White, Black, & Other	290	0.4	640	0.9	1,663	2.2
10-90% Black, Latino, & Other	33	0.0	127	0.2	457	0.6
10-90% White, Latino, & Other	1,315	1.8	2,892	3.9	5,849	7.8
Subotal Three-Group Tracts	4,438	5.9	7,237	9.6	12,409	16.5
At least 10% All Groups	378	0.5	1,000	1.3	2,992	4.0
Total	75,054	100.0	75,054	100.0	75,054	100.0

Source: Neighborhood Change Data Base

Table 2. Transition Matrix of Neighborhoods, 1980-2000: NCDB

	2000 Neighborhood Racial Composition															
1980 Neighborhood Racial Composition	**(1)**	**(2)**	**(3)**	**(4)**	**(5)**	**(6)**	**(7)**	**(8)**	**(9)**	**(10)**	**(11)**	**(12)**	**(13)**	**(14)**	**(15)**	Row Total
(1) Greater than 90% White	.59	.00	.00	.00	.10	.07	.00	.11	.00	.00	.03	.02	.00	.05	.02	45,493
(2) Greater than 90% Black	.00	.80	.00	.00	.00	.03	.13	.00	.00	.01	.01	.00	.01	.00	.00	3,530
(3) Greater than 90% Latino	.00	.00	.89	.00	.03	.00	.03	.01	.02	.01	.01	.01	.00	.01	.00	400
(4) Greater than 90% Other	.00	.00	.02	.83	.00	.00	.00	.07	.02	.00	.02	.00	.00	.02	.00	42
(5) 10-90% White & Latino	.02	.00	.09	.00	.45	.00	.01	.01	.02	.00	.07	.00	.01	.25	.06	8,743
(6) 10-90% White & Black	.06	.12	.00	.00	.01	.52	.02	.01	.00	.00	.13	.07	.00	.00	.05	8,965
(7) 10-90% Latino & Black	.00	.04	.04	.00	.00	.00	.83	.00	.00	.00	.03	.00	.05	.00	.00	1,120
(8) 10-90% White & Other	.02	.00	.00	.09	.01	.01	.00	.56	.00	.00	.00	.06	.00	.14	.10	872
(9) 10-90% Latino & Other	.00	.00	.04	.08	.00	.00	.00	.00	.84	.00	.00	.00	.00	.04	.00	50
(10) 10-90% Black & Other	.00	.17	.09	.00	.00	.00	.17	.00	.00	.22	.00	.00	.35	.00	.00	23
(11) 10-90% White, Black, & Latino	.01	.02	.03	.00	.06	.01	.21	.01	.01	.00	.37	.01	.06	.03	.17	2,800
(12) 10-90% White, Black, & Other	.02	.00	.00	.01	.00	.04	.00	.08	.01	.03	.01	.41	.02	.04	.33	290
(13) 10-90% Black, Latino, & Other	.00	.00	.12	.00	.00	.00	.18	.00	.06	.00	.06	.00	.55	.00	.03	33
(14) 10-90% White, Latino, & Other	.01	.00	.02	.03	.04	.01	.01	.06	.13	.00	.00	.00	.01	.65	.05	1,315
(15) At least 10% All Groups	.01	.01	.01	.01	.00	.00	.01	.03	.12	.00	.03	.03	.18	.21	.36	378

Source: Neighborhood Change Data Base

Note: Proportions reported are row proportions