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Gentrification as Anti-Local Economic Development: The Case of Boston, Massachusetts

James Jennings

Introduction

Activists and political leaders across the city of Boston are concerned that gentrification in the form of rapidly rising rents in low-income and the poorest areas are contributing to displacement of families and children. Rising home sale prices and an increasing number of development projects are feeding into this concern. There is also a growing wariness about the impact that this scenario can have on small and neighborhood-based businesses and microenterprises whose markets are represented by the kinds of households facing potential displacement. This potential side-effect suggests that gentrification could actually emerge as anti-local economic development in Boston. It can have negative effects on economic diversity, employment, education, and public health. And due to the continuing existence of racialized and structural inequality in this city, it could also serve to resegregate the city along racial, ethnic, and class dimensions. Thus, gentrification is not a panacea or silver bullet for urban revitalization as proposed or rationalized by some, but rather a process that can undermine local resources and human capital critical for holistic economic development. The processes associated with gentrification can run counter to comprehensive economic development that capitalizes on the city’s human capital, its neighborhood-based businesses, and the imperative to overcome a racialized inequality.

This essay has three objectives: first, it describes briefly some of the concerns of many of Boston’s residents regarding gentrification. Second, it presents a “gentrification vulnerability index” for identifying areas of Boston that are susceptible to gentrification, based on a range of measurable variables. And, finally, it offers a critique of the presentation of gentrification as urban salvation (my term), as argued by some scholars and journalists. The critique includes a
charge that gentrification as urban salvation represents a major challenge to the city’s economic well-being. The essay is based on select literature, census and business data, as well as participation in community meetings in some of Boston’s neighborhoods.

Community Concerns

Intense real estate and development activities are occurring in many places, including some of the low-income and working-class areas in Boston (Ross; Miller; Moore; Hofherr). This situation has led to growing angst and even anger about gentrification resulting in the displacement of low-income and working-class families from certain neighborhood areas, where these same families and households have resided for significant periods of time. Displacement is different than mobility; the latter is a natural development when individuals and families decide to seek different housing within and outside of Boston due to any number of factors. Displacement applies to those situations where individuals and families are forced to move due to speculative real estate activity that dislocates long-term residents and local businesses and replaces them with representatives of wealthier sectors, or makes particular urban spaces more appealing to the latter. Organizations in Roxbury, Jamaica Plain, East Boston, Mattapan, and other neighborhoods have been vociferous regarding what they see as displacement caused by real estate activities that squeeze lower-income families and households from their homes. On April 7, 2015 a range of community organizations from across the city packed a City Council hearing titled, “What Can Boston Do About the Housing Crisis?” This was the second and a heavily-attended public hearing on the topic of housing and gentrification.

The concern is evident internationally and in many U.S. cities where residents have pointed to racial and ethnic displacement by wealthier sectors now seeking to establish a presence in older and economically distressed areas (Sereno, 2015). Using Detroit as a case study, urban geographer Brian Doucet explains that gentrification “contributes to greater inequality and polarization, which are growing challenges for cities around the world,” and further, this process “does little to address poverty, unemployment and access to resources for the vast majority of the city’s residents.” (Doucet; Pogash, 2015). Some claim that the processes associated with gentrification are reviving the worst racial aspects of the earlier urban renewal period, sometimes described as “Negro Removal” because of the systematic destruction of working-class and middle-
class Black communities.

As noted by another writer, in many places there has been increasing activism “organizing residents, tenants, and small business owners to raise awareness about displacement associated with gentrification and to consider strategies and civic actions to reduce displacement.” The author adds that issues associated with earlier Negro Removal, such as “urban redevelopment, eminent domain and housing demolition” now also include other “political economic practices that disproportionately impact African American households and neighborhoods, especially the hyper-gentrification of fast growing cities and the criminal justice policies of mass incarceration in places with weak economies and high unemployment.” (Wagner, 2005, 8).

Despite these claims, some scholars and journalists proffer that gentrification, generally described in some media as the movement of higher income, white households into low-income areas, is positive because it helps to make a neighborhood prettier, or more stable, or improves the delivery of municipal services. And according to a review of some research done mostly by economists, John Buntin argues that gentrification is a myth, because in fact, people who are poor are not displaced when wealthier households move into low-income areas: “critics of gentrification decry a process that is largely imaginary…” (Buntin, 2014). In a special issue on gentrification in Governing magazine, the editor claimed that “gentrification is a problem cities ought to want to have.” (Funkhouser, 2025, 4). Recently, the argument was repeated by a columnist for the The Boston Globe who suggested, based on the same Governing issue, that gentrification is not a problem at all, since it rarely occurs and hardly displaces poor people (Horowitz, 2015).

Hector Tobar, writing in an op-ed in The New York Times titled, “Viva Gentrification!” makes reference to “urban dysfunction,” presumably more important than the institutional and policy history of racism and perpetuation of inequality (Tobar, 2015). He went further, as have others, to propose gentrification as a tool for racial desegregation. The latter occurs, according to the author, simply because there are more whites in neighborhoods that heretofore had fewer white residents. This view is actually a simplistic one regarding the meaning of desegregation. The article implies civic passivity on the part of longtime residents, but a near monopoly among gentrifiers on the desire for clean and healthy neighborhoods. Linda Sprague Martinez, a public health scholar at Boston University, commented on the article: “It is amazing how the idea of a nice community, which no one is against, is conflated with the term ‘gentrification.”’ I would add that this rosy, almost halcyon framing of gentrification as a benevolent force for positive change, or what I described earlier as urban salvation, is not based on the actual experiences of people on the
receiving end of the consequences and discounts the voices of gentrification’s victims.

Boston’s rich neighborhood history of struggle over the visioning and utilization of land and property counters claims of civic passivity or a sense of hopelessness on the part of low-income and working-class residents. Continual political fights waged by residents to reclaim land for equitable uses and improve living and housing conditions have resulted in some victories over several decades. These include the anti-displacement Demonstration Disposition Program that involved the rehabilitation of almost 2,000 housing units in Boston. It includes the work of such organizations as Dudley Street Neighborhood Initiative, Inquilinos Boricua en Acción (IBA), the Boston Tenants Organization, Right to the City, Union of Minority Neighborhoods, City Life/Vida Urbana, Chinese Progressive Association, and others in struggling to protect tenants and homeowners during the massive waves of foreclosures a few years ago. The civic work of these and other organizations and residents kept some neighborhood areas from hitting rock bottom during the Great Recession. Furthermore, various models for development without displacement emerged from these efforts, including cooperative housing and community land trusts; (expanding) linkage arrangements to ensure that externalities of development are paid for in a fair way; protecting affordable housing; and drafting neighborhood-based master plans to frame how development should take place.

Another defense of gentrification advanced by some observers, regardless of its effects of displacement, is that gentrification as “urban revival” is not displacing anyone because the wealthier, white newcomers are merely buying vacant or unused properties where longtime residents have rejected residences or businesses (Ehrenhalt, 2015, 26). Overwhelming testimony on the part of renters at many community meetings and news coverage of displacement in community newspapers in Boston belie this claim. The notion that this kind of migratory development is happenstance is inconsistent with the workings of the real estate market. As explained by Russell Williams, the Robert and Mary Prideman Brown ’43 Professor of Urban Planning and Environment at Wheaton College in Norton, Massachusetts, the claim “ignores entirely the role of people owning properties who consciously raise rents to force people out, and then renovate to attract the new gentry.” Williams adds that the assertion overlooks the “expiration of some housing development agreements in some cities (for example, New York City) which mandated that in return for tax breaks a certain number of units would be kept at affordable levels for certain number of years. After 2000, the time period expired, and the landlords who had entered into this agreement were allowed to raise their rents to market levels –thus again creating outflow of residents.”

2
The following map suggests that Boston renters in low-income neighborhood areas have a valid point. The map shows red shaded areas where the median income of new persons moving into the area from other parts of Suffolk County was reported to be at least $5,000 or higher than that of persons living in the same area. The map also shows the proportion of all movers within these areas with incomes of 149 percent of the official poverty level or lower. These data do not necessarily indicate whether low-income movers moved out or moved in, but given their economic status of near poverty, it is a valid assumption that they are looking for housing in a neighborhood they once could afford, but now see rent increases due to the influx of higher income persons.

Income Levels of Boston Residents on the Move
Defining and Measuring Gentrification

Proposing a measurable definition of gentrification is important within a Boston context for several reasons. First, the literature on gentrification is vast; there are historical accounts of gentrification, theoretical critiques of gentrification as neoliberalism and its role in protecting and expanding wealth and power, and gentrification as simply a planning issue (Smith; Freeman; Levy; Martin; Brown). Not defined or debated within a localized context, gentrification facilitates a conceptual appropriation as a societal good for urban revival and urban salvation. This is what urban geographer Tom Slater describes as a “tautological infatuation with how to define gentrification,” resulting in shifting “attention from its negative effects” and “without any mention of capital, disinvestment, displacement, power, working-class and so on.” (Slater, 2014; Douglas, 2013).

In a paper prepared for Policy Link and the Brookings Institution, gentrification is defined as a “process of neighborhood change that results in the replacement of lower residents with higher income ones.” (Kennedy and Leonard, 2001). The essay by John Bartlett titled, “Malcolm X, Gentrification and Housing as a Human Right,” however, provides a more apt and fuller description of gentrification: “From the perspective of the community members, gentrification is the loss of community (and individual) control over the land they live on, a forced displacement of residents from their homes and their communities. It generally occurs in low-income neighborhoods in which people of color reside. Gentrification is not a haphazard process that happens by accident. It is systemic in nature…” (Barlett, 2015). As noted by urban scholar Jen Douglas, unless we approach gentrification as a process involving the interplay of the market, institutional factors, and race and class, it becomes easier to simply see this as a “natural” force (Douglas, 2013).

Gentrification has been associated with population and racial changes in a neighborhood and with disparities in the education, occupation, and income levels between older and newer residents. Reviewing the literature over a period of thirty years, Richard W. Martin identified nine related measures: “[(1) Black population share; (2) Percentage of all households that are white nonfamily households; (3) Percentage of residents aged 25 and over who have college degrees; (4) Percentage of employed residents who are either employed in professional or technical occupations or are employed as executives, managers, or administrative occupations; (5) Poverty rate; (6) Average family income; (7) Percentage of residents aged between 35 and 44; (8) The homeownership rate; (9) Percentage of housing units built in the last 10 years.]”(Martin, 2009). In addition to these, others include family/nonfamily household changes, changes in the size of families, increases in aggregate household income, changes in occupational categories, changes in average contract rent,
changes in housing and rental prices, increases in condo conversions, and racial changes in households that own or rent housing.

Based on some of these definitions and applying them to a Boston context, I propose the following description: gentrification is an economic, class, and racial dynamic in areas of the city that have experienced disinvestment—or lack of investment—or economic distress, but are nevertheless now experiencing significant (and even rapid…) increases in land and real estate values, at the same attracting at relatively significant levels new and wealthier renters and homeowners. These same areas may be witnessing a loss of lower-income individuals and families and long time residents.

In many urban areas, including Boston, gentrification contains a racial and ethnic dimension. Residents of neighborhood areas that were predominantly African-American, Black, Latino, or Asian find they are no longer able to afford to live in their old neighborhoods, or are actively being displaced through rapid and relatively high increases in housing costs and replaced with new white residents who can afford those higher costs (Moore, 2013).

I generated an index as a proxy for areas that could be vulnerable to gentrification based on variables suggested in the above description. Map 1 highlights areas of the city that stand out in terms of the bunching up of variables that might be associated with gentrification. To emphasize a point: this map and index do not identify areas that are experiencing gentrification, necessarily; this can be better accomplished via on-the-ground observations and by listening to and conversing with resident voices. This approach, however, can be useful in alerting residents about the potential for gentrification and hopefully trigger proactive civic discourse and even strategies against the possibility of displacement.

The following map of Boston’s planning districts and census tracts shows areas where there is a “high” score in terms of variables associated with gentrification being bunched up.
Boston Neighborhood Scores Related to Gentrification

Variables Associated with Gentrification based on Tracts:
- Index Ranking: 50 to 71 (44)
- Index Ranking: 52 to 59 (54)
- Index Ranking: 46 to 52 (84)
- Index Ranking: 35 to 46 (27)

Index is based on following variables:
- Average Mortgage Risk Index (STI)
- Number of Rentals with Price $1,500 or higher (ACS597-11)
- Number of One-Person Households Projected to 2018
- Change in % of Whites Between 2013 (Estimates) and 2018 (Projections)
- Inverse Per Capita Income by Tracts (ACS507-11)
- Number of Children 17 years and Under Care by Grandparents
- Inverse Average HHI Size Projected to 2018
- Number of Vacant Units (ACS507-11)
Some neighborhoods showing high index areas in Map 1 also report relatively high numbers of Boston Redevelopment Authority (BRA) development projects in 2015. For example, 44 projects were reported for South Boston and 24 for the South Boston Waterfront. Roxbury counted 24 development projects, the South End 23; Dorchester, 25; Brighton, 24, and Allston, 27. The neighborhoods of Jamaica Plain and East Boston each had 18 development projects in the works. These are areas where a confluence of factors justifiably raises concerns about the future of stable and affordable housing for low-income and working-class residents as well as for the vitality of neighborhood-based businesses.

Gentrification as Anti-Local Economic Development

As the sociologist Loiic Wacquant put it recently, the debate about gentrification has become gentrified (Wacquant, 2014). His statement suggests that gentrification has been presented by some scholars and journalists as socially, economically, and politically beneficial in that blighted neighborhoods are being eliminated, and their residents, presumed to have low levels of social capital, are finally deconcentrated to other places.

To reiterate this dominant perspective: significant movement of wealthier households—and typically overwhelmingly White—into older and economically distressed urban areas, with relatively high levels of poverty, is an urban blessing. According to this proposition, gentrification creates mixed-income communities, elevates the stock of social capital, encourages better municipal services, increases tax revenue, and improves public schools due to an influx of new and higher-income and middle-class parents. And, by the way, there is a presumption that gentrification, as a process for “deconcentrating’ masses of low-income and working class families, will improve the lives of these families because their children will learn good behavior and in good places and thereby realize social and economic mobility.

There are several critiques to this framework as far as Boston is concerned. First, it should be noted that this is not a new development. Miren Uriarte, a sociologist at the University of Massachusetts Boston, and member of the Boston School Committee, noted that gentrification as displacement in favor of the wealthy has a long history in Boston. She reminds us that gentrification took the form of disinvestment, and then when the “right” groups arrive, reinvestment occurred in the West End neighborhood, but also in the South End, Charlestown, Mission Hill, and Jamaica Plain. Gentrification as displacement, furthermore, contributes to racial and
spatial inequality in Boston. Gentrification merely moves low-income renters facing the need for adequate, decent, and affordable housing to other places, and it does not solve the affordable housing crisis, but makes it worse. Gentrification contributes to overcrowding because low-income renters have to continually move to find affordable and decent housing in the diminishing number of places they can afford.

It is important to emphasize that in the rationalizations for gentrification as good for inner city neighborhoods, the voices of residents are seldom included. The voices of people who have been displaced generally are not heard in this literature, as if they did not exist or simply had nothing to say about the pros or cons associated with gentrification. But the rationalizations also overlook public health and public education dimensions: displacement and rapid changes of communities can be harmful to people and families being displaced (Lopez, 2014). The rationalizations overlook the fact that family moves due to increasing rents can have a deleterious effect on the learning experiences of children, because it is harder for children to remain in stable learning situations when their home addresses are continually changing (Desena, 2006; Formoso, et al., 2010).

Gentrification as urban salvation dismisses small and neighborhood businesses that have long been part of a community’s cultural and economic infrastructure. This idea ignores the assets and resources in even the most economically distressed communities, and overlooks the consumer markets of ethnic, neighborhood, and immigrant-based businesses. Yet these represent an important sector in Boston’s small businesses and play a crucial role in Boston’s economic well-being.

Small businesses and microenterprises in neighborhoods are quite significant in terms of economic activities in this city. According to data compiled from the InfoUSA business data base, the Bureau of Labor Statistics, and U.S. Census County Business Patterns, there were 37,805 business establishments in this city as of 2013. The majority of these businesses were in services (58 percent), followed by retail trade (15 percent), and finance, insurance and real estate, or FIRE (12 percent). Approximately 2 percent of these establishments were in manufacturing. These businesses employed 315,298 workers in services; 95,532 workers in FIRE; 73,594 in retail trade; and 23,215 in manufacturing. It should be noted— and emphatically—that more than two-thirds (66 percent), or 25,071, of these businesses were very “small” and employed between one and four employees. These numbers suggest that smaller businesses are a major component of Boston’s future economic development, and a key factor in ensuring that neighborhoods are linked to the city’s overall economic progress, but they are precisely the enterprises gentrification threatens to weaken.
Smaller neighborhood-based businesses not only generate wealth but keep it in circulation longer at the local level. Many owners of smaller businesses see themselves as part of a community. This is the sector that employs local residents and youth, and thereby contributes to family stability. They have partnered with nonprofits and community-based organizations in many ways and on a range of issues. This is a sector that cannot just get up and leave to pursue a cheaper workforce in another part of the world. And they don’t want to because they understand that their economic well-being is directly linked to stable and vibrant neighborhoods. Many small businesses are hurt, or may have to close, when their longtime clienteles are displaced from their homes and communities.

Finally, what is ignored in the rationalizations for gentrification—and what is very important to include in the discourse and debates—is precisely how low-income and working-class families are actually subsidizing gentrification in many places. Areas experiencing increasing real estate values, but not as high as the very “hot” markets, become the targets of new investors. According to Robert Terrell, a longtime housing and transportation activist, and executive director of Boston’s Fair Housing Commission, the presence of low-income and working-class people have kept the space “warm” for gentrifiers, in a sense, while longtime residents were experiencing disinvestment and lax government services.7 An editorial in the Our Streets, Our Stories: Learn 2 Listen Media Project describes this same process in the following way:

Imagine a large working-class family, who’ve been renting a home for decades. It’s a few rooms too small for them to live comfortably but they try to respect each other’s privacy. The parents work 40 hours a week, sometimes putting in a few hours of overtime, and still they struggle to live a respectable existence, capable of only making ends meet, trying to provide a good life for their children. Now imagine a developer who is looking to make profit from the same community, a community that has been disinvested from and ignored for decades by landlords...as well as the majority of the affluent class – but not by its residents.8

The next step is for landlords to increase rents, or build luxury housing resulting in displacement of residents who, as Terrell explains above, have been keeping the land and space warm for those who can pay the higher rents.

The negative aspects of gentrification as urban salvation cannot be ignored in a city that is beginning to acknowledge its racist history shaped by structural and racialized inequality. Gentrification as real, not imagined, displacement will contribute to conflict between older and newer residents. It will diminish neighborhood-based civic participation and cooperative action to improve living conditions in Boston. Gentrification as urban salvation is a myth, the glitter of
gold, and it won’t strengthen this city economically, but actually weaken its local resources and future economic well-being.
REFERENCES


NOTES

1 Email correspondence, April 7, 2015
2 Email correspondence, April 4, 2015
3 The approach is similar to one I used to generate “neighborhood distress” scores in a research report prepared for the Barr Foundation, “Community-based Nonprofits and Neighborhood Distress in Boston, Massachusetts (February 2009); also see, James Jennings, “Measuring Neighborhood Distress: A Tool for Place-based Urban Revitalization Strategies” Community Development Journal, vol. 43, no. 4 (October 2012), 465-474; and, Erin Heacock and Justin Hollander, “A grounded theory approach to development suitability analysis,” Landscape and Urban Planning, vol. 100 (2011), 109-116, where the authors construct a “development likelihood” index as a tool for identifying waterfront areas most susceptible to development; and as a tool to enhance community awareness and participation in civic discourses.
4 The maps were generated based on variables discussed at the Dudley Street Neighborhood Initiative in the Fall 2013, and reported in a DSNI Research Brief, “Development without Displacement: The Spatial Face of Potential Gentrification in Boston, Massachusetts” (June 2014). I also looked briefly at the literature regarding measurable variables associated with discussions about gentrification. The index shows how certain of these variables are bunched up in some places. I selected variables which tend to indicate change in residential patterns: declining average household size; racial changes; high growth of one person, nonfamily, households. I also utilized variables that indicate low income status; relatively large numbers of vacant units (these could be on or off the market), and other variables indicating economic vulnerability for long-time residents. In addition to these variables there may be others that are associated with gentrification, of course. In order to capture economic or housing vulnerability I added into the index the number of children who are being raised by grandparents. Based on informal discussions with people working in community settings I suspect that higher numbers of children living with grandparents might be associated with neighborhood areas experiencing economic distress. A variable that should be used in assessing how the utilization of land is changing are condo conversions and sales over various periods of time; this kind of data was not used only due to costs in obtaining the data. How an index is utilized to show a relatively high category, versus a lower category in terms of scores is important; categorization and use of specific colors in maps can reflect bias. To avoid this kind of bias I relied on “Natural Breaks” methodology --which is generated by MapInfo GIS software in the creation of thematic maps-- to assure that the values in the categories (in this case 4 categories) are as close to the average of the category as possible.
5 See, BRA Development Projects, www.bostonredevelopmentauthority.org/; the BRA reports that Development Projects can be in any of the following stages: letter of intent; under review; board approval; construction started; and construction complete; accessed July 12, 2015.
6 Email correspondence, April 4, 2015
7 Interview with Robert Terrell, executive director of Fair Housing Commission of Greater Boston, May 17, 2015
8 Our Streets, Our Stories: Learn to Listen Media Project, July 28, 2015; accessed at https://solstreetsorganizingforliberation.wordpress.com/about-2/