Living in concentrated poverty

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Citation for published version (APA):
Summary

The social consequences of concentrated poverty are a recurring theme in urban policy throughout Europe and North America and have contributed to various social mixing and dispersal-of-poverty programs. A key concern of these policies is that being poor in a disadvantaged neighborhood context is worse than being poor elsewhere. In this debate, ‘worse’ not only refers to day-to-day livability problems and relatively high crime rates in these areas, but also to a long-term perspective of limited social mobility of residents. These negative consequences associated with living in neighborhoods of concentrated poverty have also received much attention in the academic world in the form of neighborhood effect studies. The basic premise in neighborhood effect research is that existing social inequalities resulting from macroeconomic, social and political configurations at a higher scale can be exacerbated at the neighborhood level as a result of unequal neighborhood conditions and resources.

The aim of this research was to contribute to the academic and political discussion about the negative relationship between living in a disadvantaged neighborhood context and the socio-economic prospects of residents. A review of Western European evidence for neighborhood effects on labor market participation reveals that living in a low-income neighborhood over longer periods of time has negative consequences for residents’ economic prospects, although the residential context does not equally affect all residents. However, it is generally acknowledged that a better understanding is needed of the specific processes within neighborhoods that, for better or worse, shape the socio-economic prospects and lives of residents. This dissertation therefore studies the causal pathways or mechanisms through which living in a low-income neighborhood restricts residents’ opportunities for social mobility. The central research question is how social processes relating to the population composition in low-income neighborhoods shape the socio-economic prospects of individual residents. A basic assumption is that unfavorable socio-economic outcomes over time in areas of concentrated poverty result from concrete economic actions of individual residents and that these actions are influenced by the actions and the social position of other residents.

The research uses an exploratory case study approach. The neighborhood of Transvaal-Noord in The Hague was selected as an extreme case and is compared to the adjacent socio-economically mixed neighborhood of Regentesse. The expectation was that, if neighborhood effects and their underlying social mechanisms occur anywhere in the Netherlands, the neighborhood of Transvaal-Noord might be a likely candidate. At the same time, it represents a mild case from an international perspective in terms of poverty concentration and can thus provide an interesting viewpoint on the question of how severe neighborhood conditions need to be to generate neighborhood effects. A combination of qualitative and quantitative methods was used to study potentially detrimental social processes at the local level: a survey on social networks (N=399) was carried out in the two neighborhoods and intensive qualitative fieldwork was conducted in Transvaal-Noord over a period of nine months in 2005 to study the job search strategies and work ethics of residents. The fieldwork
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The findings show that the short-term and long-term socio-economic prospects of individual residents are influenced by the actions and social position of other residents through mechanisms of social isolation, mechanisms of socialization, mechanisms of social disorganization and mechanisms relating to the formal social infrastructure in the area. These have been described in four empirical papers that have been submitted to international journals.

Social networks and informal job search strategies

A first explanation in the research literature for the relationship between concentrated poverty and individual labor market prospects is that the social networks of disadvantaged residents in low-income neighborhoods do not provide the necessary resources and support to ‘get ahead’ in life and improve one’s social position. This social isolation hypothesis was addressed by studying the job search strategies of social housing residents in the low-income neighborhood of Transvaal-Noord and the mixed neighborhood of Regentesse and by comparing the locality of, and resources in, their social networks. The findings indicate that local social contacts form a substantial share of respondents’ networks, particularly in the low income neighborhood. The two neighborhood groups have similar access to actual support to deal with problems of everyday life, but small differences exist in the socio-economic composition of their networks: the social networks of residents in the low income neighborhoods are more constricted in terms of socio-economic prestige.

The constricted localized social networks of social housing residents in the low-income neighborhood influence individual employment opportunities in two contradictory ways. On the one hand, informal job networks in the neighborhoods provide short-term access to work: social housing residents in Transvaal more frequently use informal contacts to find work than residents in Regentesse and these contacts more often live in the neighborhood. Informal job networks in Transvaal are thus essential in the short run when it comes to linking residents to unskilled or low-skilled jobs throughout the region: while employment opportunities themselves are not local, the information about work and the social connections which help people to find jobs are. On the other hand, the job opportunities through informal contacts are limited in scope due to the constricted nature of residents’ networks. This limits their chances in the long run to improve their employment situation. In short, processes of social isolation occur, but not to the degree that it leads to exclusion from the labor market altogether.

Negative socialization

A second hypothesis in the research literature about the way in which living in concentrated poverty influences and individual socio-economic outcomes is that disadvantaged residents in low-income neighborhoods adopt deviant behavior and norms and values with respect to work because they have come to view such behaviors as normal through interaction with neighbors. In line with the research literature, the present study uncovered various forms of socialization amongst residents in the low-income neighborhood of Transvaal which are relevant for residents’ economic behavior.

Some occur within residents’ personal social networks, while others are associated with the public domain. Within local social networks mechanisms of socialization are sometimes directly related to work and induce residents to turn their backs on the labor market. In most cases, however, unemployment or underemployment are the indirect result of socialization within residents’ personal networks with respect to other domains of life such as family life, gender roles and reciprocity. Such forms of socialization are reinforced by high levels of social control and proximity serves to reinforce them simply because an individual’s behavior is visible to others. By contrast, negative socialization can also occur in the public domain through interaction with ‘strangers’ in the streets. Residents in Transvaal are particularly concerned that children will adopt attitudes and behavior that deviate from the norms and values that are upheld within their own social network. This may result from interaction with undisciplined peers, who are at best a nuisance to other residents and at worst a danger to public order and whose friendships can cause their children to drop out of school and/or become involved in anti-social behavior and criminal activities. Negative socialization also occurs through older role models.

Social disorganization and neighborhood disorder

A third explanation in the research literature for neighborhood effects focuses on neighborhood disorder and the lack of informal social control in public space, although this hypothesis is rarely explicitly linked to socio-economic outcomes. The present study reveals an indirect relationship between social disorganization in low income neighborhoods and long-term socio-economic prospects of individual residents. First, social disorganization is associated with higher levels of neighborhood disorder, including crime and violence. This causes residents to retreat within their own networks, reinforcing the intra-group processes of socialization and social isolation described above. In addition, problems with violence and crime can also lead to stress and lack of sleep which may influences residents’ educational and work performance. Second, a lot of residents in Transvaal referred explicitly to the lack of mutual trust and willingness to intervene in or correct other people’s and children’s behavior in public space for fear of conflict or retribution. Their withdrawal from the public domain has an impact on the range of behaviors that other residents and particularly children are exposed to and indirectly contributes to the previously described negative socialization mechanisms with respect to educational and work ethics in the public domain.

Employment opportunities through formal social infrastructure

Finally, living in a low-income neighborhood context can influence residents’ socio-economic prospects through mechanisms relating to the formal social infrastructure. Transvaal is characterized by a dense web of public institutions such as community centers, welfare organizations and youth centers as well as private, subsidized institutions such as cultural and religious centers. Formal social institutions can be a resource for residents in terms of support, education and training and they facilitate social interaction amongst residents. In addition, they form a familiar and accessible entrance to the labor market through various (un)skilled jobs, volunteer jobs and internships. Paradoxically, these jobs have few long-term prospects and also function to keep residents within
the neighborhood and their own social networks. Thus, similarly to the previously described informal job networks, the formal social infrastructure provides employment opportunities which paradoxically have unintended, negative consequences for residents’ social mobility in the long run. It should be noted that the role of local social institutions in shaping employment opportunities is very much context-dependent and related to the specific configuration of the Dutch welfare state, its strong presence at the local level and its long history of intervention in low-income neighborhoods.

The relationship between mechanisms

The described causal pathways through which living in a disadvantaged neighborhood context impacts residents’ economic prospects are related in significant ways. On the one hand, the processes relating to social disorganization, socialization, social isolation and the formal social infrastructure sometimes interact and cumulatively contribute to negative outcomes. For example, the fact that the social networks of residents in Transvaal are constricted can at least in part be explained by the fact that processes of socialization amongst residents limit their willingness and possibilities to interact with people outside their ‘own’ group and to venture outside their own social network. Geographical proximity strengthens the ties and facilitates high levels of social control in these networks, which further restricts residents’ relationships. Similarly, processes of social disorganization and negative socialization in the public domain reinforce processes of socialization and social isolation within existing social structures by causing people to withdraw in their own networks. On the other hand, certain mechanisms have contradictory consequences. For example, while meaningful local social relations form an important resource when it comes to protecting residents from harmful elements in the public domain, these same social relations can limit opportunities on the labor market through processes of direct or indirect socialization and informal job networks. This shows how local social relations can have contradictory implications for individual residents.

Differential effects and selective mechanisms

The described mechanisms of social isolation, negative socialization, social disorganization and mechanisms relating to the formal social infrastructure are not as pervasive as is sometimes suggested in the literature on neighborhood effects: they are selective rather than generic. As a number of European, quantitative studies on neighborhood effects have shown, living in a low-income neighborhood does not affect all residents to the same degree. One explanation for such differential neighborhood effects is the selective nature of the described local social processes. First, mechanisms of socialization and social isolation do not affect all residents in the same way because they are part of different informal social structures based on social distinctions such as socio-economic backgrounds, ethnicity, gender, religious differences and differences in geographical background. These informal social structures operate on the basis of different sets of norms, values and rules of conduct and contain different types of informal social resources. As a result, residents are affected differently by previously described processes: for some residents deviant social norms with respect to work are helpful in understanding their employment situation (or lack thereof), while other residents are hampered more by mechanisms of social isolation when it comes to finding work. Second, residents are also differentially affected by the resources, opportunities and restrictions associated with the formal social infrastructure. Whether residents benefit to the same degree from the resources or employment opportunities provided through local social institutions depends on factors such as the length of residence, residents’ Dutch language skills, the amount of alternative social support and opportunities provided by their own network and other background characteristics such as ethnicity or gender. Third, differential neighborhood effects can also be explained by the fact that neighborhood does not simply imprint itself on residents. Residents develop a variety of strategies to distance themselves and their children from what they consider to be negative social influences at the neighborhood level. However, there is considerable variation in the type of strategy that they might use and the degree to which they are effective in shielding themselves and their children from other ‘undisciplined’ or ‘dangerous’ residents. As residents’ responses to the neighborhood context vary depending on their perceptions of neighborhood risks, their own time and resources and the support of others in monitoring their children, some families moderate and others mediate the role that neighborhood processes play in shaping individual opportunities.

Conclusion

It has often been suggested that the relatively heterogeneous population composition in low-income neighborhoods in European cities and the living conditions in these neighborhoods might not reach the necessary thresholds of concentrated poverty to evoke neighborhood effects and their underlying mechanisms. This argument is thought to be particularly relevant for comprehensive welfare states such as the Netherlands that aim to reduce inequalities between people and between neighborhoods through a wide range of national and local welfare arrangements. Nevertheless, this case study indicates that – even in relatively fragmented and heterogeneous low-income neighborhoods such as Transvaal – mechanisms of socialization, social isolation and social disorganization, and mechanisms related to the formal social infrastructure can restrict residents’ long-term economic opportunities by influencing their job search strategies and work ethics. However, living in a low-income neighborhood context is rarely the cause of unemployment or limited social mobility. Rather, neighborhood-based processes reproduce already existing inequalities: the described mechanisms differentially influence residents’ socio-economic prospects in sometimes contradictory ways. Depending on their social identity and family context residents differ in the degree to which they want, and are able, to distance themselves from negative influences at the neighborhood level. This also means that they cannot be viewed simply as ‘victims’. They develop a variety of strategies to negotiate their way around the neighborhood and create linkages to the labor market. They build meaningful relations with other residents. Many feel at home in the neighborhood and do not want to move. Clearly, life in disadvantaged neighborhoods such as Transvaal is not all bad. Unfortunately, this complex and differentiated perspective on social life in disadvantaged neighborhoods is often lost, not just in policy practice but also in academic research. One way in which researchers might put such negative representations into perspective is by studying whether and how neighborhoods of concentrated poverty form meaningful contexts for the people who live there.