

Session 6: Immigrant ghettos and policy

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Outline

- Ghettos and market failure
- Ghettos and equity
- Policy options

Market failure

- Externalities
 - Positive: enclaves appear to impart positive effects on first-generation and second-generation immigrants, at least in some circumstances.
 - Negative: particularly for less-skilled groups, the impacts (especially for second generation) may be negative.
- Better evidence on second-generation effects could be quite useful.

Equity

- Marcuse's arguments:
 - First, needs to define 20 different terms to begin the discussion.
 - Segregation is acceptable when it is “voluntary” and “non-hierarchical,” but not when it is “involuntary” or “hierarchical.”
 - What about voluntary hierarchical ghettos (e.g., less-educated immigrants appear to benefit from enclave residence, even though it implies a hierarchical arrangement)? A very large grey area.

Policy options

- The following policies have been associated with preserving segregation... not all are feasible in modern society:
 - Explicit zoning/settlement rules (e.g. West Bank)
 - Deed restrictions on occupancy
 - Strategic placement of public works (e.g. Dan Ryan expressway in Chicago)
 - Incorporation of race/ethnicity into mortgage underwriting standards.

Policy options

- What if we want to disperse immigrants?
 - Explicit placement programs as in Denmark and Sweden.
 - Strategic location of public works – following a different strategy!
 - Strategic location of social housing
 - Incentives to localities to approve more socioeconomically inclusive development.
 - Marcuse has many other suggestions, though it's not clear how all of them would work.

Policy options

- If the concern is not ghettoization *per se*, but rather cultural integration, then perhaps leave the enclaves alone and pursue other policies to encourage assimilation.
 - School assignment policies that provide children an integrated learning environment.
 - Incentives for language learning, advancement toward citizenship.