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Abstract

This research examines the significance of preexisting racial/ethnic composition on the likelihood of gentrification, the socioeconomic upgrading of poor neighborhoods. I use U.S. Census data for tracts in Chicago from 1980 to 2000. There is an extensive literature attempting to account for its causes, but it focuses almost exclusively on population and housing traits and locational attributes, largely omitting issues of race/ethnicity. This omission is significant because prior housing preference literature consistently reports an unwillingness of whites to move into neighborhoods with even relatively small African-American populations. The absence of race/ethnicity in the gentrification literature appears to have led to an undervaluing of its role in this type of inner city change. Using logistic regression, I measure the significance of the percent of non-Hispanic blacks in census tracts at risk of gentrification in 1980 on the odds of gentrification by 2000, while controlling for population and neighborhood characteristics as well as proximity variables. I hypothesize that a large African-American population decreases the likelihood of gentrification. In the initial analysis, the percent non-Hispanic black was not significant in the full model. However, after removing the black gentrified tracts, the tracts upgraded by middle class African-Americans, and running the same analyses again, the percent non-Hispanic black remains significant in each model. I draw from these results that the size of the African-American population influences a tract’s gentrification outcome. Further, black gentrification is the most likely means for poor census tracts with large African-American populations to gentrify.
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Introduction

In the spring of 1981, Chicago’s Mayor Jane Byrne moved into the Cabrini-Green public housing project located in Chicago’s Near North Side. So far that year, gunfire had wounded 37 residents and killed 10 others. Police recently confiscated 50 of the 2,000 guns believed to be hidden in the project. The median yearly income for Cabrini-Green families was $4,575 and a lone parent headed nearly 80% of these families (Time 1981). However, after only three weeks, Byrne and her husband moved out of Cabrini-Green and back into their high-rise apartment on Chicago’s Gold Coast. Byrne stated, “It would have been overkill to stay any longer.” She challenged critics who insisted that her stay in Cabrini-Green was a political strategy to “take the apartment next door” (Newsweek 1981).

The period when Mayor Byrne moved in and out of Cabrini-Green marked perhaps the modern low point for American cities and Chicago in particular. Given the violence and poverty in cities throughout the country, there was general agreement that the age of cities was over. However, beginning in the early 1980s, a few inner city neighborhoods experienced unanticipated investment and upgrading. City leaders, developers, and investors viewed these unique downtown neighborhoods as signs of economic viability and fiscal opportunity, while residents began to fear displacement and community destruction. In successive decades, more neighborhoods in cities throughout the country changed socioeconomic status, but this upgrading was sporadic and appeared idiosyncratic. Each city had numerous poor and disinvested
neighborhoods, but only a few actually exhibited the types of socioeconomic change now commonly associated with “gentrification.”

Gentrification is not large-scale urban upgrading, but rather it is a selective process. Previous research has found that such factors as proximity to housing projects and environmental amenities such as parks, the central business district (CBD), or a waterfront affect the likelihood that a neighborhood will experience gentrification (Patillo 2007; Smith 1996; Heidkamp and Lucas 2006; Hammel and Wyly 1996, Ley 1996; Smith 1996). In addition, neighborhood characteristics such as poverty level, degree of disinvestment, and housing stock are also significant predictors of gentrification (Smith 1996; Wyly and Hammel 1998, 1999; Heidkamp and Lucas 2006; Ley 1996; Betancur 2002, Glaster et al. 2003).

Despite the theoretical and empirical appeal of these factors, the literature has not given much attention to the effect of racial or ethnic composition as a determinant of gentrification. However, there are sound reasons to think that this composition matters greatly. Indeed, a large literature on neighborhood preferences consistently finds whites are unwilling to move into neighborhoods with even a small African American population (Bobo and Zubrinsky 1996; Clark 1992; Krysan and Bader 2002; Farley et al. 1978, 1993; Krysan and Farley 2002). It is somewhat surprising, therefore, that the gentrification literature has not thoroughly addressed race and ethnicity as factors that affect the sites of gentrification.

In this paper, I bring together the gentrification and housing preference literatures in order to determine the significance of racial composition on neighborhoods’ potential to change from poor to middle class over time. Using U.S. Census data for Chicago in 1980 and 2000, I test the hypothesis that a neighborhood’s racial composition significantly affects its probability of

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1 Gentrification has many connotations, including revitalization, upgrading, and displacement (Lees et al. 2008). However, for the purposes of this paper, I will simply refer to it as a rapid upgrading of the neighborhood in terms of socioeconomic status.
gentrifying, while controlling for other previously recognized factors. This analysis will contribute to the understanding of gentrification by highlighting the neglected role of racial composition. In so doing, I shift the focus from the traits of gentrifiers and neighborhood amenities to reveal the simultaneously overt and nuanced effects of race in determining neighborhood transformation.

Theoretical Background

Gentrification: How do you know it when you see it?

When it emerged, socioeconomic upgrading in the inner city was novel and unexpected by urban planners and historians. The improvement of rundown neighborhoods ran counter to previous urban theories, such as the Chicago School’s invasion and succession model of neighborhood change, the foundation for much of urban sociology (Park et al. 1967). The gentrification literature credits Glass (1964) with coining the term “gentrification” to describe the middle-class upgrading of working-class neighborhoods in London. In subsequent gentrification literature, Smith (1996) builds on Glass’s initial usage and captures the development of the term and the type of urban change it describes. Smith (1996:32) defines gentrification as

[T]he process… by which poor and working-class neighborhoods in the inner city are refurbished via an influx of private capital and middle-class homebuyers and renters – neighborhoods that had previously experienced disinvestment and a middle-class exodus. The poorest working-class neighborhoods are getting a remake…”

More recently, Lees, Slater, and Wyly (2008) offer a more concise yet broader definition. They claim that gentrification is “the transformation of a working-class or vacant area of the central city into middle-class residential and/or commercial use” (xv). Lees et al.’s (2008) definition reflects the changes in the perceived forms of gentrification that have occurred since its initial recognition by Glass (1964).
Over the last forty years, the essence of the concept has remained the same. At its core, gentrification is the process by which a poor and disinvested inner city neighborhood becomes middle-class through upgrading and investment. Thus, even though gentrification is also perceived as a cultural phenomenon (Zukin 1987, 1998, Lloyd 2006), this form of urban change is essentially fiscal. In this paper, I will focus on the socioeconomic changes that define gentrification rather than on the cultural or aesthetic components. I argue that considerations of economic opportunity and viability form the basis of the cultural aspects of gentrification.²

Theoretical Explanations for Gentrification

As a commodity, land is unique. Like labor, land is a fictitious or “pseudocommodity” (Storper and Walker 1983:43 in Logan and Molotch 1987:23). Unlike other commodities, land is a not product of labor, it is necessarily limited in quantity, it is indispensable and constantly changing, and each parcel is unique (Logan and Molotch 1987). The “expectations” about a place’s current and future prospects set its exchange value, which appears as rent (Dowall 1984: 111 in Logan and Molotch 1987:27). Thus, developers and consumers of gentrified areas believe the location will increase its exchange values in the future. Since land is not a discrete or finished product, it is through capital investment that land achieves a profitable return.

Moreover, places also have material and psychological values to its residents. These “use values” are the primary consideration of existing residents. However, Cox (1981) maintains that when a neighborhood experiences disinvestment and downgrading, treating it as a commodity,

² According to Zukin (1987), much of the early research on inner city upgrading focused on documenting its extent, measuring neighborhood change, and considering its consequences for the immediate population and city. Later, Zukin (1998) highlights strategies of urban redevelopment such as entertainment retail stores, museums, and sports stadiums. Lay observers often equate a preponderance of these establishments with gentrification. I consider these more empirical or positivist approaches to gentrification, which are still commonly employed in urban planning literature as well as maintained through mainstream media, as focused on the cultural aspects of gentrification. In contrast, this work emphasizes the economic aspects of gentrification, including actual changes in neighborhood socioeconomic status as well as the small- and large-scale economic considerations that contribute to investment decisions.
and therefore emphasizing its potential *exchange* value, is the only means for it to survive at all (in Logan and Molotch 1987). Hence, much of the controversy surrounding gentrification is the result of the conflict between individual and corporate actors who promote a place’s exchange value and those who defend its use value. Through the transformation of community amenities into selling points, the neighborhood becomes a product, which can result in economic changes associated with gentrification.

*Supply-side explanations.* Two theories dominate much of the gentrification literature. Smith's (1996) rent gap theory is the most purely economic explanation for gentrification. The rent gap represents the supply-side explanation of gentrification. For Smith (1996), this theory explains neighborhood redevelopment and its movement through the “frontier of profitability” (p. 189). The rent gap exists when there is a notable disparity between the capitalized ground rent, the “claim made by landowners on users of their land,” and the potential ground rent, the amount that *could* be claimed by the landowner under the land's “highest and best use” (Smith 1996:62). Thus, a rent gap exists when a landowner is not maximizing the land’s exchange value.

The rent gap develops through the “rational” devalorization and deterioration of a location (Smith 1996). However, areas with the largest rent gap or the most disinvestment will not necessarily gentrify. According to Smith (1996:69), “too much goes into the immediate causes of gentrification in a particular neighborhood for it to be possible to correlate level of decline with propensity to gentrify.” As with much of the previous work on gentrification, Smith’s research begins with a gentrified or gentrifying neighborhood and works backward, laying out the factors that contributed to this outcome. While Smith provides a detailed description of the movement of the “gentrification frontier” from disinvestment to gradual reinvestment through tax arrears and speculation, he provides little detail about why
gentrification occurs initially in one disinvested neighborhood rather than another. Thus, this theory has questionable utility for predicting where and why gentrification occurs in the first place.

However, Wyly and Hammel (1998) and Heidkamp and Lucas (2006) effectively utilized this theoretical basis in their analyses of gentrification. The work of Wyly and Hammel (1998) has made significant contributions in the measurement of gentrification through combining neighborhood field surveys with U.S. Census data. This two-pronged approach enabled the measurement of demographic as well as aesthetic neighborhood change characteristics. In their four focal cities, Wyly and Hammel found the gentrifying neighborhoods to be sufficiently similar to each other to represent a coherent empirical movement of change in the inner city. Heidkamp and Lucas (2006) furthered this work by specifically measuring the affects of the existence of an amenity, a revitalized urban waterfront, on the location of the gentrification frontier. This work used a similar qualitative and quantitative approach as Wyly and Hammel (1998), but by focusing on the waterfront as an amenity in only one city, Heidkamp and Lucas (2006) emphasized the particular “localized nature of gentrification” (p. 122).

From the supply-side perspective, various organizations and governmental bodies play an important role in the location of gentrification. Together they make up the “growth machine,” an “apparatus of interlocking progrowth associations and governmental units” that encourage value-free and free market land development (Logan and Molotch 1987:32). The participation of the growth machine in gentrification takes the form of grants, eminent domain, and speculation. Smith (1996) documents the significance of state intervention and developer speculation as gentrification begins to intensify, but does not discuss the how these bodies select the site for redevelopment in the first place.
Demand-side explanations. Ley (1980) provides the counter theory to Smith’s supply-side argument. Ley’s (1980) theory of urban development emphasizes “consumption styles” rather than “production schedules” (p. 239). The gentrification literature considers this theory the demand-side explanation of gentrification. This theory focuses on gentrifiers as consumers of culture. Gentrifiers and gentrification are the result of advanced capitalism and a postindustrial society, characterized by the decline of unskilled labor and a shift towards the service sector, an increased role of government, and an emphasis on individuality and creativity (Ley 1980). From this perspective, consumers choose locations for gentrification because they have aspects, which are desirable and correspond with their lifestyle aspirations. Contrary to Smith’s (1996) rent gap theory, consumer demand, rather than availability, dictates the location of gentrification. According to Ley (1996), Smith’s (1996) specification that reinvestment will not necessarily occur where the rent gap is largest nullifies that theory altogether.

Ley (1996) tested a number of attributes of gentrified neighborhoods found in previous literature. According to Ley (1996), gentrifying neighborhoods are located near the central business district (CBD), “distinctive urban services,” an environmental amenity such as a waterfront, and established middle/upper middle-class areas (p. 104). Further, the presence of arts and artists, distinctive architecture, and less conventional households correspond with the incidence of gentrification. Corresponding with the focus on consumer demand, Ley (1996) found the expression of a particular lifestyle to be the guiding factor in the location of gentrification. Ley (1996) states, “an inner-city location is selected by a middle-class household because it advances practices, interests, and beliefs which are held dear in daily life” (166). Thus, because of their privileged class status, gentrifiers are choosing and creating a daily round (Logan and Molotch 1987), which fits their lifestyle ambitions.
Ley’s (1980, 1996) recognition of artists as an important force in the gentrification process is consistent with Florida’s (2002) discussion of the creative class as a new powerful social group. Similar to Ley (1996), Florida found members of this group, which includes artists, gays, and workers in high-tech fields, often choose their housing location less because of job market opportunities, but more because of lifestyle opportunities. Thus, Florida also perceives changes that take place in the urban environment as the result of lifestyle tastes and demands.

Similarly, Zukin (1998) emphasizes how gentrifiers’ housing decisions led to changes in “urban consumption” (p. 831). Gentrifiers initiated a self-reinforcing cycle where the initial move into a rundown neighborhood eventually changed the business environment in the neighborhood as well. Gentrifiers’ occupations as teachers, lawyers, managers, writers, and artists provided the “material base” in inner cities for “new cultural production and consumption” (Zukin 1998: 831). Thus, these changes established the foundation for later cohorts of urban in-movers of higher-class statuses and less avant-garde lifestyles. Whereby, the preexisting residents as well as the gentrifiers themselves were eventually priced out of the neighborhood.

Lloyd (2006) built upon the theoretical bases established by Ley (1996), Florida (2002), and Zukin (1998) in his examination of the Wicker Park neighborhood in Chicago. In his analysis, Lloyd (2006) connected gentrifiers’ behaviors to the history of bohemian movements. Thus, the lifestyle aspirations of the Wicker Park gentrifiers resulted not only from changes in the economy and labor market. They were also engaged in historic emulation, which in the postindustrial era was expressed through conspicuous residential consumption. Here, gentrification was associated with a desire for the authenticity provided by the urban
environment as opposed to the alienation and monotony of the suburbs (Lloyd 1998, Zukin 1998, Beauregard 2003).

Critiques of these Approaches

In more recent literature on gentrification, the debates between the supply-side and demand-side theories have receded. According to Hamnet (1991), the argument between these perspectives persisted because it echoed the classic sociological debate between structure and agency. Importantly, Hamnet (1991) maintained that these theoretical explanations of gentrification were partial and supply- and demand-side perspectives are “complementary rather than competing” (p. 175).

Further, the debate between the supply- and demand-side theories has fostered a false dichotomy between these factors. In actuality, developers respond to demand-side signals. It would not be an effective business practice for developers to invest time and money in upgrading a neighborhood without verifying the demand for their product. Accordingly, individual gentrifiers or later in-movers respond to supply-side-initiated development. Individual actors acknowledge and reinforce supply-side development by moving into previously rundown brownstones remodeled by developers or buy their own fixer-upper next to a recently opened condominium. Thus, there is no clear separation between these forces and they both play an integral role in gentrification.

Recent research on neighborhood change that would correspond with my working definition of gentrification has moved beyond the supply- or demand-side dichotomy. Galster et al. (2003) and Crowder and South (2005) are two examples of research that by moving beyond the separation between supply and demand are able to consider neighborhood upgrading in a more nuanced manner. These works also specifically consider the role of race and ethnicity in
neighborhood change.

Galster et al. (2003) do not explicitly measure the effects of race or ethnicity on gentrification or engage with the gentrification literature. Instead, this work examines which factors are associated with improved socioeconomic status in neighborhoods with different racial/ethnic compositions. Galaster et al. (2003) conclude that poor minority neighborhoods without a “concentration of the characteristics that have been associated with so-called ‘underclass’ communities” are more likely to experience a decline in poverty (p. 222).

Crowder and South (2005) engage more explicitly than Galaster et al. (2003) with the gentrification literature. However, this work does not look at the effect of race on gentrification, but rather they examine the levels and determinants of changes in the movement of both whites and blacks between poor and nonpoor neighborhoods. Crowder and South (2005) found lessening racial disparities in patterns of residential mobility between poor and nonpoor neighborhoods. In addition, they found whites of varying class statuses to be increasingly moving into poor neighborhoods. Crower and South (2005) conclude that this supports the perception of gentrification as an “important process shaping patterns of interneighborhood mobility” (1758).

Types of Gentrification

*New-build gentrification.* Since Glass (1964) first recognized gentrification, many related forms of urban upgrading have been deemed gentrification. These “new” forms of gentrification include rural gentrification, super-gentrification, studentification, and tourism gentrification (Lees et al. 2008). New-build gentrification is one particularly notable mutation of gentrification. This form of gentrification is primarily supply-side and takes place largely in the private market, since it requires a substantial initial investment. It involves the construction of residential
developments or buildings on reclaimed industrial land or otherwise available space for consumption by middle-class occupants (Lees et al. 2008). In new-build gentrification, place entrepreneurs (Logan and Molotch 1993) direct the growth machine. However, developers necessarily respond to demand-side signals, as discussed above. New-build gentrification can only occur after place entrepreneurs recognize a dependable consumer demand and receive public and/or private investment.

The multimillion-dollar investments required to build luxury high-rise condominiums, which are indicative of this type of gentrification, highlight the deliberate financial calculations at the heart of gentrification. Location is clearly a fundamental consideration in any investment in a place. Notably, the increasing prevalence of new-build gentrification has led urban scholars to consider new-build gentrification using the same approaches they use to consider other forms of gentrification (Smith 1996).

Classical gentrification. Gentrification researchers compare any newly “discovered” mutations of gentrification with Glass’s (1964) early observation, which is now considered “classical gentrification” (Lees et al. 2008). In this form of gentrification, middle-class individuals move into a neighborhood and renovate houses for their own use. These actions then bring about the class enhancement of the neighborhood as a whole. Classical gentrification primarily is a demand-side process. Consumers desire use values that match their specific tastes. This was the course taken by the United States’ quintessential gentrified neighborhood, the Lower East Side in New York City as described by Mele (2000). In Mele’s narrative, this influx of counterculture types facilitated the movement of investment capital into the neighborhood, eventually changing the Lower East Side from a Puerto Rican and Eastern European neighborhood into a trendy, white, upscale playground. Chicago’s Wicker Park neighborhood is
also an example of classical gentrification that followed a similar trajectory in the 1980s (Lloyd 2006; Betancur 2002).

“*Black gentrification.*” The classical conceptualization of gentrification described above is rare, even though white members of the creative class (Florida 2002) are still the most common gentrifier image. In contrast, black middle-class homebuyers and developers have been documented as engaging in urban upgrading similar to the classical gentrification. Black gentrification, the gentrification of predominantly black neighborhoods by black middle-class gentrifiers, has received increasing attention in the gentrification, neighborhood change, and African American studies literatures. Recent research has profiled the black gentrification of the Bronzeville neighborhood in Chicago (Pattillo 2003; Boyd 2000; Hyra 2006) and Harlem in New York City (Smith 1996; Hyra 2006; Freeman 2006).

Because of the traumatic history of deliberate destruction and displacement that resulted from postwar urban renewal and slum clearance programs, inner city African American communities often fear present day gentrification or urban upgrading will destroy their current communities (Pattillo 2003; Boyd 2008). For example, Pattillo (2007:301) quotes the response of a resident from a predominantly African American neighborhood in Chicago to the prospect of having white neighbors, “Honey, naturally they [whites] want to get back here.” This quote exemplifies the concern these communities and their residents have that changes in the urban environment will ultimately come at their expense. However, on a whole, these anxieties have been unwarranted. According to Pattillo (2007), in 1990, this resident’s neighborhood was 1.0 percent white and by 2000 it increased to 1.2 percent.

Beyond the overt racial difference between black and, presumably white, classical gentrification, researchers of this phenomenon have documented more location specific
differences. As indicated by Patillio (2007), the black middle-class maintains a “deep sense of racial responsibility,” which distinguishes the activities of black gentrifiers (p. 301). As a result, this process is not solely about capital, but also about “racial uplift” (Boyd 2000). Additionally, Harlem and Bronzeville are conceivably the most historic and recognized black neighborhoods in the United States (Hyra 2006). The celebrated role of these particular neighborhoods makes them uniquely desirable to middle-class African Americans. Hyra (2008) states, “Harlem and Bronzeville are not just geographic communities: they are symbols of the black experience in urban America” (p. 7).

However, while the gentrification of predominantly African American neighborhoods is noteworthy, these instances are the exception rather than the norm (Wyly and Hammel 1999). Thus, Smith’s (1996) prediction that the gentrification of predominately African American neighborhoods would be the future of gentrification largely has not come to fruition.

From my overview of the gentrification literature, the research on black gentrification provides the most extensive analysis of the role of race in gentrification. The more general gentrification research omits discussions of race altogether or only considers race as a demographic characteristic, rather than as a significant contributor to gentrification outcomes. Next, I provide a brief overview of the findings from the housing preference literature about the affects of race and ethnicity. I conclude this section by describing how this literature’s findings can further the understanding of where gentrification occurs and why.

*Neighborhood Racial Composition and Neighborhood Preferences*

Although often unstated in the gentrification literature, the assumption is that gentrifiers are white or “assumed to be race-less” (Bader 2009:6). Lees et al. (2008) describe the stereotype of “white yuppie ‘pioneers’ moving into low-income neighborhoods with dense concentrations
of ethnic minorities” (p. 108). Importantly, the gentrification literature has not tested the accuracy of this popular assumption. While it seems likely that the majority of actors involved in gentrification are white because of the concentrations of wealth and power among whites in the United States, this has not been assessed. The omission of a detailed analysis of the role of race and ethnicity in this process is particularly notable considering the history of race-based housing practices and policies as well as enduring residential segregation in the United States (Massey and Denton 1993).

In contrast to other large minority groups, African Americans continue to experience nearly complete residential segregation. In the United States, there are numerous hypersegregated African American neighborhoods (Massey and Denton 1993). These neighborhoods are isolated, clustered, concentrated, centralized, and disproportionately populated only by African Americans. In 1990, African Americans were hypersegregated in 29 metropolitan areas (MA); these MAs contained 40% of the total African American population (Denton 1994). Neighborhoods with high proportions of African American residents have lower property values (Harris 1999) and the homeowners in these neighborhoods are less affluent (Alba et al. 2000).

Importantly, the research findings on housing preference have remained largely consistent in their explanations for continued racial and ethnic segregation. Unfailingly, whites prefer neighborhoods that are at least 70% white (Clark 1992). Moreover, because of consistent segregation, 90% of whites could live in this type of neighborhood. Correspondingly, studies have found 40% of whites would try to leave a neighborhood once it became 1/3 African American and almost no whites would choose neighborhoods with African American populations larger than 15% (Farley et al. 1978, 1993). According to Clark (1992), in-group preference or
attachment maintains the residential segregation of whites from blacks. From this perspective, ethnocentrism or personal choice sustain segregation. From the opposite perspective, out-group avoidance or fear of the ‘other’ could maintain segregation (Bobo and Zubrinsky 1996; Clark 1992; Krysan and Bader 2002). It may be the avoidance of a minority or majority group that guides exclusive or evasive housing patterns.

In contrast, this literature has also found African Americans prefer neighborhoods evenly integrated with white and African American residents (Farley et al. 1978, 1993; Krysan and Farley 2002; Clark 1992), but only 7% of African Americans could actually live in this type of neighborhood because of the rarity of this degree of integration (Clark 1992). While Harris (1999, 2001) has controversially asserted that both whites and minority groups prefer to live among whites because predominantly white neighborhoods consistently have better properties, less crime, and more affluent populations, much subsequent research has disproved Harris’s racial proxy theory. Instead, race does not stand in for other neighborhood or housing issues. Racial stereotypes and prejudices really are the cause of continued segregation (Farley et al. 1978; Timberlake 2000; Krysan, Farley, and Couper 2008).

Notably, the housing preference literature has also found all racial and ethnic groups say they prefer integrated neighborhoods (Charles 2000). While this finding is somewhat optimistic, there is still a hierarchy of neighborhood preferences, which mirror the social standings of these racial and ethnic groups in society (Charles 2000). Further, even though respondents may claim to prefer integrated neighborhoods, housing trends do not correspond with these opinions. In a unique study, Krysan and Bader (2008) found a significant link between whites’ neighborhood evaluations and the race of residents they saw in a neighborhood. According to this work,
persistent residential segregation is based on racialized stereotypes of its residents and not on the features of the neighborhood (Krysan and Bader 2008).

The findings discussed above are important because race and ethnicity not only guide the housing choices of potential gentrifiers, but these patterns also direct the choices of developers. Because of the investment risks discussed previously, developers will not acquire or renovate a property or location for which they think there is little demand. Thus, with the clear connection between housing choices and race, it seems obvious to consider the effect of race on the location of gentrification.

Hypotheses

Although the housing preference literature has remained consistent, research on patterns of gentrification have not utilized these findings to understand the location of gentrification or the potential gentrification outcomes for a particular neighborhood. Thus, the perception of gentrification as a process where middle-class whites move into predominately African American neighborhoods has persisted, even though the above literature finds whites in most cases will avoid living among other racial or ethnic groups. This current work hopes to bridge this gap by applying the housing preference findings to gentrification. In this paper, I test the following three hypotheses.

First, in accordance with the findings from the housing preference literature that whites do not want majority African American neighborhoods, I hypothesize that the percent of black residents in a neighborhood will be negatively associated with the probability of the neighborhood being gentrified.3

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3 As noted above, this proposed relationship could be due to avoidance on the part of white residents or developers, based on developers’ understanding of white preferences.
Second, I hypothesize that controlling for aspects of the neighborhood’s population and housing characteristics as well as its proximity to significant features will attenuate the effect of race on the location of gentrification.

Finally, based upon the findings regarding black gentrification, where a longstanding presence of African Americans in a neighborhood will encourage upgrading by middle class African Americans, I hypothesize that removing the “black gentrified tracts” from the analysis will intensify the effect of race.

In the following sections, I present the data and methods used to assess this relationship. I then present my findings and discuss the implications of this work for understanding socioeconomic change in the inner city.

Data, Measures, and Methods

Data

The majority of the data for this analysis come from the National Change Database (NCDB), a concatenation of summary tape file data from the last three U.S. Censuses. The chief advantage of the NCDB is that neighborhood (i.e., census tract) boundaries from 1980 and 1990 are matched to consistent 2000 boundaries, meaning changes in population characteristics over time cannot be due to changing tract boundaries, but rather to real population shifts. Further data come from the 1982 Chicago Housing Authority Statistical Report (Chicago Housing Authority, August 1982) as well as from my own mapping of the distance from each census tract to sites pertinent to this analysis.

Data limitations. Previous research has argued that census data are not ideal for assessing gentrification (Heidkamp and Lucas 2006; Hammel and Wyly 1996; Smith 1996). The most
apparent drawback is the lack of correspondence between traditional neighborhood boundaries and census tracts. In the city of Chicago, there are 77 community areas recognized by the city government, which roughly corresponds to established neighborhoods, but there are 837 census tracts. However, through a combination of qualitative (field surveys) and quantitative (stepwise discriminant analysis of tract-level census data) methods of assessing gentrification, Hammel and Wyly (1998) found similar changes in socioeconomic status among neighborhoods across metropolitan areas. Based upon these findings, it is feasible to extrapolate to recognized neighborhoods the findings from analyses of census tract data. Further, since in this work I conceptualize gentrification as the substantial increase in neighborhood socioeconomic status, I am not concerned about the visual indicators.

*Measures*

The dependent variable is a dummy variable, coded ‘1’ if a census tract at risk of gentrifying actually gentrified and ‘0’ if it did not. To construct this variable, I first generated a scale of *neighborhood advantage*, measured for 1980 and 2000 (See Table 1). The scale comprised four items: (1) percentage over age 25 with greater than a high school degree, (2) percentage employed in professional or technical occupations, (3) average family income, and (4) average owner-occupied home value. Cronbach’s alpha for this scale was 0.88 in 1980 and 0.91 in 2000. In both 1980 and 2000 I divided the neighborhood advantage scale into quintiles. This enabled me to assess whether tracts moved substantially up in socioeconomic status, which would indicate gentrification. Thus, if a tract moved from the lower two quintiles to the upper two quintiles between 1980 and 2000 in the *neighborhood advantage* scale, I consider this tract to have gentrified.

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4 Of the 837 census tracts in the Chicago central city, 21 were missing data for at least one of the target censal years, 1980 and/or 2000, in at least one of these scale items. As a result, this analysis included 818 census tracts.
Some results from this transition analysis are shown in Table 1. This table shows that the tracts in rows 1 and 2 were at risk of gentrification in 1980 (n=326). In other words, tracts could only have gentrified by 2000 if they were relatively poor in 1980. The tracts in rows 1 and 2 as well as columns 4 and 5 (the bolded and outlined area) increased substantially in socioeconomic status by 2000, and therefore were coded as gentrified by 2000 (n=43). These 326 tracts make up my Gentrification dummy variable, which serves as the dependent variable in the logistic regression analysis described below.

(Table 1 about here)

The primary independent variable of interest is the percentage of non-Hispanic black residents in each tract in 1980. As discussed above, I predict that the percentage of African Americans in a neighborhood significantly reduces its desirability to potential white gentrifiers (Bobo and Zubrinsky 1996; Clark 1992; Krysan and Bader 2002; Farley et al. 1978, 1993; Krysan and Farley 2002). I predict that an increase in the percent of non-Hispanic blacks will decrease the odds of gentrification. The percent non-Hispanic black could be affecting a neighborhood’s gentrification potential in one of two ways. This outcome could be the result of preferences for mono-racial neighborhoods, in-group attachment (Clark 1992), or because of out-group avoidance (Bobo and Zubrinsky 1996; Clark 1992; Krysan and Bader 2002; Harris 1999, 2001; Farley et al. 1978; Timberlake 2000; Krysan, Farley, and Couper 2008).

In accordance with previous gentrification research, I also include a number of control variables that previous literature recognizes as having significant effects on gentrification. Unless otherwise indicated, all control variables come from 1980 Chicago census data.

The first set of control variables account for the population characteristics of the census tract in 1980. Numerous researchers emphasize the importance of age or the position in the life
cycle on gentrification (Heidkamp and Lucas 2006; Hammel and Wyly 1996; Ley 1996). Ley (1996) specifically indicates the importance of having a population between the ages of 25 and 45 as well as those living in a “less conventional form than the nuclear family” (p. 105). I control for the percent of the population who are children (under the age of 18) as well as the percent of the population who are elderly (over 65). According to Galster et al.’s (2003) finding that minority neighborhoods are more likely to decrease in poverty if they do not exhibit typical “underclass” features, I control for two possible aspects of an “underclass” population. First, I control for the percentage of female-headed households. Second, I control for the percent of the population who lived in the same house in 1980 as they did during the previous year, indicating a more stable, or less transient population.

My second set of control variables accounts for the housing characteristics of neighborhoods in 1980. The percentage of single-family homes and older structures are two frequently noted housing stock characteristics (Ley 1996; Betancur 2002; Glaster et al. 2003). Accordingly, I include the percentage of detached single-family homes as well as the percentage of housing stock built before 1949 (the cutoff year for the census) as controls. As discussed earlier, for an area to gentrify, it must be poor, but it also must have housing available for purchase and upgrading. According to Smith’s (1996) rent gap theory, more buildings that are vacant are indicative of the beginning stages of the cycle of disinvestment that ultimately leads to gentrification. For this reason, I include the percentage of vacant housing in the tract. Galster et al. (2003) found a greater percentage of occupied apartments to be associated with a greater likelihood of increasing poverty rather than improvement in socioeconomic status. Hence, I also control the percentage of apartments.
In many cities in the 1980s, large high-rise housing projects were a defining feature of the skyline. This was particularly true in Chicago. According to Pattillo (2007) and Smith (1996), the presence of high-rise projects in a neighborhood decreases the probability of gentrification because they are unappealing structures as well as widely viewed as a proxy for crime and disorder. The data on Chicago’s public housing projects in 1980 come from 1982 Chicago Housing Authority Statistical Report (Chicago Housing Authority 1982). This report provided the address, date of occupation, total number of residents, type of residents (families or elderly), and if it was a single site or scattered site project. Since the existing literature particularly indicated the importance of large-scale housing projects and did not discuss spread out public housing, I only used the single site housing projects. Additionally, public housing that primarily cater to the elderly are much smaller and are not associated with the common negative aspects associated with public housing that primarily house families. Therefore, I did not include public housing restricted to the elderly either. Thus, the public housing variable controls for the percent of public housing in a given tract consisting of mostly family units, located at a single site.

Much of the gentrification literature discusses the significance of *proximity* to environmental amenities. The literature frequently identifies close proximity to the CBD as affecting the location of gentrification (Smith 1996; Ley 1996; Hammel and Wyly 1996). The literature also discusses the significance of other generally desirable features that are geographically distinct (Heidkamp and Lucas 2006; Hammel and Wyly 1996; Ley 1996; Smith 1996). For the city of Chicago, in addition to proximity to the CBD, I also control for the proximity of the tract to the Lake Michigan waterfront and the proximity to the nearest elevated train (El) public transportation stop. I calculated the proximity controls by using GoogleMaps to map the distance from the southeast corner of each census tract to the particular environmental
amenity. The intersection of State and Madison Streets represented the CBD. For the lakefront, I mapped the distance from the tract due East to the lakefront.

Methods

My analysis proceeds in several steps. First, I compute the descriptive statistics for the neighborhood advantage matrix, which serves as my criterion for gentrification. I also compute descriptive statistics for my focal and control independent variables. Then, I run a logistic regression of the probability of gentrification by year 2000 on 1980 tract characteristics. Finally, given the work on black gentrification in Chicago (Pattillo 2003; Boyd 2000; Hyra 2006), I run a logistic regression of the probability of gentrification by year 2000 on 1980 tract characteristics, excluding "Black Gentrified" tracts, defined as tracts with non-Hispanic black populations greater than 90% in 1980 that gentrified by 2000; that is, that moved from one of the bottom two quintiles of the neighborhood advantage index in 1980 to one of the top two quintiles by 2000.

Findings

Table 2 presents the tract averages in 1980 and 2000 by the items used in the neighborhood advantage matrix, as well as race and ethnicity. These averages are also separated into the tracts that could have gentrified, but did not (n=283) and the tracts that gentrified (n=43) by 2000. Since all of these tracts had low socioeconomic statuses in 1980, by definition, they were at risk of gentrification. Thus, the averages for these two groups are very similar in 1980 on the percent college educated and employed in professional technical occupations as well as the average family incomes and home values. Comparing these averages with the 2000 averages starkly reveals the different trajectories of these groups of neighborhoods. For example, while the tracts that could have gentrified increased in average home values from $49,614 to $100,715 between
1980 and 2000, the tracts that gentrified increased from $49,954 to $295,061 (inflated to constant 2000 dollars).

(Table 2 about here)

Importantly, of the 43 tracts that gentrified by 2000, 12 had populations more than 90% non-Hispanic black in 1980. The percent non-Hispanic black in these tracts remained larger than 90% in 2000 as well. This evidence and the fact that seven of these tracts are located in around the Bronzeville neighborhood, led me to believe that these tracts may be examples of black gentrification, the gentrification of predominately black neighborhoods by black middle-class homebuyers, discussed above (Patillo 2007; Boyd 2008). Therefore, these 12 tracts appear to represent a distinct form of socioeconomic upgrading, where a large percent of non-Hispanic black residents actually increases the odds of gentrification. This represents a particular racial effect that I believe is notable, but unique. Nonetheless, black gentrification is a form of “classical gentrification” in that individuals making small-scale investments direct the process.

In order to show the more typical racial housing patterns based upon the findings from the housing preference literature, the last column of Table 2 presents the tract averages in 1980 and 2000 by the items indicative of gentrification used in the advantage matrix as well as race and ethnicity, but excluding the 12 black gentrified tracts. These averages are also separated into tracts that could have gentrified but did not (n=283) and the tracts that gentrified, through a form of neighborhood change aside from black gentrification (n=31) by 2000. When the black gentrified tracts are excluded, the 1980 averages for the neighborhood advantage scale indicators remain comparable with the ‘did not gentrify’ tracts as well as the averages of all the tracts that gentrified in Table 2.
Interestingly, there are large differences in the averages for the indicators between the all of the gentrified tracts and the gentrified tracts, excluding black gentrification. All of the neighborhood advantage scale indicators, except percentage employed in professional/technical occupations, are higher for the averages without black gentrification. The average family income for these tracts is over $10,000 higher and the average home value is nearly $25,000 higher. Given the consistent income and material differences in the United States between whites and African Americans at all class levels, these disparities are not surprising.

The differences the in racial and ethnic tract averages without black gentrification are more informative. In 1980, these tracts had on average 24.6% and 10.9% more non-Hispanic white residents than the “did not” tracts and the gentrified tracts, respectively. This percentage increased by 2000 to an average of 50.1%, which is 13.9% larger than the average for all of the gentrified tracts.

The tract average difference in percentage non-Hispanic black without black gentrification is particularly revealing. In 1980, these tracts had on average 44.3% and 22.1% less non-Hispanic black residents than the “did not” tracts and the gentrified tracts, respectively. This percentage decreased by 2000 to an average of 15.9%, which is 23.1% smaller than the average for all of the gentrified tracts. Interestingly, the average percentage Hispanic in the tracts without black gentrification in 1980, 38.7%, was 18.3% larger than the “did not” tracts and 10.6% larger than the gentrified tracts. However, in 2000, the average percentage Hispanic in these tracts, 27.1%, was less similar to all the gentrified tracts, 19.7%, but almost the same as the “did not” average, 26.3%. These statistics reveal that the 12 tracts excluded as black gentrified represent a distinctive and somewhat atypical phenomenon.
Table 3 presents the descriptive statistics of the independent variables used in the analysis as well as the racial make-up in 1980. First, the statistics are presented for all of the usable census tracts in Chicago (n=818). Then, means are presented for the tracts at risk of gentrifying in 1980, broken down by tracts that did not gentrify (n=283) and tracts that gentrified (n=43) by 2000. Finally, the means are presented for the tracts that gentrified, excluding black gentrification (n=31).

(Table 3 about here)

The minimum and maximum values for the three largest race/ethnicity groups in Chicago illustrate the racial/ethnic segregation in the city in 1980. For all three groups, at least one census tract contained no residents from that group. Similarly, there were tracts with only non-Hispanic white residents or only non-Hispanic black residents. While there were no census tracts with only Hispanic residents (93.0%), these values still depict the extent of Chicago’s residential segregation. The average percent non-Hispanic black in the city of Chicago was 38.9% in 1980 compared with 63.8% in the tracts that did not gentrify, 41.6% in all the tracts that gentrified, and 19.5% in the tracts, excluding black gentrification.

While controlling for preexisting tract population and housing characteristics as well proximity variables, I ran a logistic regression of the Gentrification dummy variable on the percent non-Hispanic Black in 1980 in each tract at risk of gentrifying. Model 1 in Table 4 presents the odds that a tract will gentrify by 2000 given the percent non-Hispanic black in 1980. For each one-percentage increase in non-Hispanic blacks in 1980, the odds of a tract being gentrified decrease by 1.10% (p ≤ .01). Model 2 includes the control variables for the population characteristics of the tract. With the addition of these variables, none of the variables in the model are significant to the odds of gentrification. However, according to the Wald test, the
addition of this block of variables does significantly improve the fit of the model at \( p \leq .05 \) (.011), but the sample size should be taken into account \((n=326)\).

With the addition of the control variables for housing characteristics in Model 3, the percent non-Hispanic black again becomes slightly significant \((p \leq .10)\). Thus, while controlling for population and housing characteristics, the odds of gentrification decrease 1.2\% with each one-percent increase in non-Hispanic blacks. The addition of these variables also significantly improves the fit of the model at \( p \leq .05 \) (.038). Model 4 presents the full model with the inclusion of the proximity control variables. With the addition of these controls, most of the other variables, including percent non-Hispanic black are no longer significant. The only significant variables are the distances to the CBD and the Lakefront, meaning that with each mile increase in distance from these features, the odds of gentrification decrease by 60.7\% and 94.8\% respectively \((p \leq .001)\). The Wald test reveals that the addition of this block of variables considerably improves the fit of the model at \( p \leq .05 \) (.000). Model 4 also has the largest pseudo \( R^2 \) (.390) indicating a greater correlation between the predicted and actual values.

The full model of this analysis does not support my hypothesis. However, given the large differences between the averages presented for the gentrified tracts in Table 2, between all of the gentrified tracts and the gentrified tracts excluding black gentrification, it is important to remove the black gentrified tracts in order to test the full effects of percentage non-Hispanic black found in the housing preference literature.

(Table 4 about here)

In order to assess the effect of the percent non-Hispanic black residents in 1980 on gentrification, excluding black gentrified tracts, I ran logistic regressions of the \textit{Gentrification} dummy variable on the percent non-Hispanic Black in 1980 again, while controlling for
preexisting tract population and housing characteristics as well proximity variables. Model 1 in Table 5 presents the odds that a tract will gentrify by 2000 given the percent non-Hispanic black in 1980, excluding the black gentrified tracts. For each one-percentage increase in non-Hispanic blacks in 1980, the odds of a tract being gentrified decrease by 2.4% (p ≤ .001).

Model 2 includes the control variables for population characteristics. With the addition of these variables, the percent non-Hispanic black remains significant, but less so. In this model, with each one-percent increase in non-Hispanic blacks, there is a 2.0% decrease in the odds of gentrification (p ≤ .05). The percent over age 65 is also slightly significant in this model, but in the opposite direction predicted. According to the Wald test, the addition of this block of variables no longer significantly improves the fit of the model at p ≤ .05 (.057). However, the small sample size (n=314) must be taken into account.

With the addition of the control variables for housing characteristics in Model 3, the odds of gentrification decrease 3.1% with each one-percent increase in non-Hispanic blacks (p ≤ .01), but none of the control variables are significant. The addition of these variables more significantly improves the fit of the model than in the previous analysis in Table 5 (.008). Model 4 presents the full model with the inclusion of the proximity control variables. With the addition of these controls, the coefficient for the percent non-Hispanic black is extremely significant. In this model, the odds of gentrification decrease 4.2% with each one-percent increase in non-Hispanic blacks (p ≤ .001). The only other significant variables are the distances to the CBD and the Lakefront meaning with each a mile increase in distance to these features, the odds of gentrification decrease by 33.6% (p ≤ .001) and 41.3% (p ≤ .01) respectively. Again the addition of this block of variables is very significant to the fit of the model at p ≤ .05 (.000). Additionally, Model 4 has the largest pseudo $r^2$ (.621) indicating a greater correlation between the predicted
and actual values. Further, the pseudo $r^2$’s throughout this analysis have been larger than the $r^2$’s presented in Table 4. This indicates consistently greater correlations between the predicted and actual values.

(Table 5 about here)

Figure 1 presents the effects of percentage non-Hispanic black on the probability of gentrification comparing all the tracts at risk of gentrification ($n=326$) and all tracts at risk, excluding the 12 black gentrified tracts, the tracts with less than 90% non-Hispanic black populations in 2000 at risk of gentrification ($n=314$). The sample without the black gentrified tracts exhibits a higher probability of gentrification when there are no non-Hispanic black residents. Interestingly, this sample’s probability of gentrification sharply drops below the sample with all of the tracts at risk of gentrification as the percent of non-Hispanic blacks increases, such that when a tract’s population is 70% non-Hispanic black or greater, the probability of gentrification is between 0 and 5 percent. The probability of gentrification illustrated for the tracts without the black gentrified tracts corresponds with the findings from the housing preference literature, which reveal a threshold affect whereby once a neighborhood reaches a certain non-Hispanic black population white homebuyers no longer perceive it to be desirable.

**Conclusion**

For much of the latter half of the last century, the dual processes of deindustrialization and suburbanization created inner cities with primarily poor minority residents and downtowns vacant after six each evening. However, beginning in the 1970s and continuing in successive decades, the socioeconomic upgrading of a few inner city neighborhoods provided glimmers of
hope for the future of American cities. As one of the most devastated cities in the country, observers considered the gentrification that took place in Chicago extraordinary. However, these were not wholesale changes; not all of Chicago’s poor neighborhoods improved.

Previous research has not looked at whole cities and determined what made the gentrified neighborhoods appear as viable investments. Instead, gentrification theorists tried to explain the changes taking place in American cities by attempting to tell the neighborhood’s story in reverse. These researchers chose a gentrified neighborhood and then tried to explain what led to this change by focusing on the housing stock or the people moving into these neighborhoods. While compelling, these case studies did not provide many generalizable findings.

In this paper, I moved beyond this neighborhood case study format. Instead, by focusing on the whole city of Chicago, I attempted to determine what was unique about its gentrified neighborhoods. What made these neighborhoods move from “hopeless” in 1980 to “desirable” in 2000? I based this work on the housing preference literature’s consistent finding that as the percentage of non-Hispanic blacks in a neighborhood increases, the neighborhood’s desirability decreases. While controlling for other previously determined factors, I tested the significance of a tract’s African American population in 1980 to its gentrification outcome.

This work contributes a great deal to the neighborhood change and gentrification literatures. First, the percent of non-Hispanic black residents present in a poor census tract is negatively associated with gentrification, but only if the black gentrified tracts are removed. When looking at all forms of gentrification that took place in Chicago between 1980 and 2000, inclusion of the black gentrified tracts was not significant. However, by separating out the black gentrified tracts, the percent of African Americans in a poor tract significantly decreases the probability that a tract will gentrify. This finding is supported by the housing preference
literature. It is apparent that the presence of a large African American population in a poor neighborhood serves as a deterrent to investment in the neighborhood by non-black homebuyers.

However, this finding could also be read in another way. Rather, than considering a substantial African American neighborhood population to be negatively associated with most forms of gentrification, it could be that the presence of a large white population in a poor neighborhood promotes the types of investments that lead to gentrification. Accordingly, further research is needed to consider the significance of other races and ethnicities to neighborhood gentrification outcomes. However, whether it is the presence or absence of African Americans in a neighborhood, which attributes to its gentrification outcome, future research on gentrification and socioeconomic change in inner cities must consider a location’s race and ethnicity. The existing population’s race and ethnicity is not simply a notable demographic feature, but rather it is a determinant variable.

Importantly, this work also finds black gentrification to be a notable form of neighborhood change, which is distinct from other forms of gentrification and not as widespread as these other forms. Therefore, a large non-Hispanic black population is significant to a neighborhood’s gentrification outcome in two different ways: 1) as a deterrent or 2) as a stimulus. However, determining when the percentage non-Hispanic black will stimulate gentrification is more difficult. As noted previously, seven of the tracts I designate as black gentrified were in or around the historic Bronzeville neighborhood. However, five census tracts that maintained large African American populations as the socioeconomic status improved were located elsewhere in the city of Chicago. More research is needed on black gentrification that moves beyond the neighborhood case study method and looks more closely at the kinds of predominantly African American areas that are improving in socioeconomic status. These
variances and others could be measured through the inclusion of other control variables in future research, such as the attainment of government grants for redevelopment or the presentation of a redevelopment designation as well as when and where zoning changes occur that designate a previously commercial or industrial area as residential.

Through this work, I have attempted to add a crucial missing piece to the research on gentrification. Research on inner city socioeconomic changes needs to look more closely at all of the mechanisms affecting housing patterns. In order to understand the phenomena commonly referred to as gentrification, research must move away from analysis that is more superficial. In the planning and sociological literatures as well as the popular consciousness, gentrification has become an event seen in every metropolitan area. There are countless anecdotal accounts of a street or neighborhood that is now “gentrified.” This term is commonly used to describe the look or feel of an area, but this colloquial usage masks if real socioeconomic change has occurred. Because of the diverse operationalizations of the term gentrification, this concept has been stretched too thin. It is largely inadequate to convey the complex mechanisms that create inner city changes.

However, clearly in this work, I have chosen to retain the term gentrification, but I have done so in order to maintain a connection with the previous gentrification literature. As the changes in inner cities continue to oscillate between confirming older theories and defying all predictions, urban sociologists need more terms and conceptualizations to describe the complexity of American cities. Importantly, as the changes taking place in urban areas continue to appear increasingly fluid and contradict expectations, the history of racial and ethnic discrimination and residential segregation does not change. The effects of this history are evident by simply walking through any of Chicago’s neighborhoods. Even as racial and ethnic
integration increases, Chicago remains a segregated city. Thus, researchers must retain race and ethnicity as necessary factors to consider in any work on cities and this city in particular.
References


Pattillo, Mary. “Negotiating Blackness, For Richer or for Poorer.” *Ethnography* 4: 61-93.


Table 1. Tract advantage quintile transition matrix, 1980 to 2000

<table>
<thead>
<tr>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>Total</th>
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<td>24</td>
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<td>9</td>
<td>162</td>
</tr>
<tr>
<td>51.2%</td>
<td>24.7%</td>
<td>14.8%</td>
<td>3.7%</td>
<td>5.6%</td>
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<td>58</td>
<td>49</td>
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<td>17</td>
<td>11</td>
<td>164</td>
</tr>
<tr>
<td>35.4%</td>
<td>29.9%</td>
<td>17.7%</td>
<td>10.4%</td>
<td>6.7%</td>
<td>100%</td>
</tr>
<tr>
<td>21</td>
<td>63</td>
<td>41</td>
<td>22</td>
<td>18</td>
<td>165</td>
</tr>
<tr>
<td>12.7%</td>
<td>38.2%</td>
<td>24.9%</td>
<td>13.3%</td>
<td>10.9%</td>
<td>100%</td>
</tr>
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<td>0</td>
<td>11</td>
<td>68</td>
<td>59</td>
<td>27</td>
<td>165</td>
</tr>
<tr>
<td>0.0%</td>
<td>6.7%</td>
<td>41.2%</td>
<td>35.8%</td>
<td>16.4%</td>
<td>100%</td>
</tr>
<tr>
<td>2</td>
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<td>4</td>
<td>58</td>
<td>97</td>
<td>162</td>
</tr>
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<td>1.2%</td>
<td>0.6%</td>
<td>2.5%</td>
<td>35.8%</td>
<td>59.9%</td>
<td>100%</td>
</tr>
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<td>164</td>
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<td>162</td>
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<tr>
<td>20.1%</td>
<td>20.1%</td>
<td>20.3%</td>
<td>19.8%</td>
<td>19.8%</td>
<td>100%</td>
</tr>
</tbody>
</table>

*Notes*: The shaded area indicates tracts at risk of gentrification in 1980, n=326. The bold outlined section indicates tracts that gentrified by 2000, n=43.
Table 2. 1980 and 2000 tract averages of components of neighborhood advantage scale and racial/ethnic composition by gentrification outcomes

<table>
<thead>
<tr>
<th></th>
<th>Did not gentrify (n = 283)</th>
<th>All (n = 43)</th>
<th>Excluding &quot;black gentrified&quot; tracts (n = 31)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Neighborhood advantage scale</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% College educated</td>
<td>3.2</td>
<td>10.9</td>
<td>4.6</td>
</tr>
<tr>
<td>% Employed in professional/technical occupations</td>
<td>6.7</td>
<td>10.5</td>
<td>6.8</td>
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<tr>
<td>Average family income(^a)</td>
<td>$30,304</td>
<td>$35,202</td>
<td>$30,162</td>
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<tr>
<td>Average home value(^a)</td>
<td>$49,614</td>
<td>$100,715</td>
<td>$45,954</td>
</tr>
<tr>
<td>Race/Ethnicity</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% Non-Hispanic white</td>
<td>14.9</td>
<td>5.7</td>
<td>28.6</td>
</tr>
<tr>
<td>% Non-Hispanic black</td>
<td>63.8</td>
<td>66.3</td>
<td>41.6</td>
</tr>
<tr>
<td>% Hispanic</td>
<td>20.4</td>
<td>26.3</td>
<td>28.1</td>
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</table>

\(^a\) 1980s averages inflated to year 2000 dollars
Table 3.  Descriptive statistics of total sample and means by gentrification outcome, 1980

<table>
<thead>
<tr>
<th>Independent variables</th>
<th>Total Sample, 1980</th>
<th>Means by gentrification outcome, for tracts at risk of gentrifying in 1980</th>
<th>Excl. &quot;black gentrified&quot; tracts</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Mean</td>
<td>Std. Dev</td>
<td>Min.</td>
</tr>
<tr>
<td>Race/ethnicity</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>% Non-Hispanic white</td>
<td>43.0</td>
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<tr>
<td>% Non-Hispanic black</td>
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<tr>
<td>% Hispanic</td>
<td>15.3</td>
<td>22.3</td>
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<tr>
<td>Population characteristics</td>
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<tr>
<td>% Under 18</td>
<td>28.0</td>
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<tr>
<td>% Over 65</td>
<td>11.5</td>
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</tr>
<tr>
<td>% Same house 5 years ago</td>
<td>57.8</td>
<td>16.1</td>
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<tr>
<td>% Female-headed</td>
<td>14.8</td>
<td>14.5</td>
<td>0</td>
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<tr>
<td>Housing characteristics</td>
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<td></td>
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<tr>
<td>% Vacant homes</td>
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<tr>
<td>% Detached single-family</td>
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<tr>
<td>% Apartments</td>
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<tr>
<td>% Built Before 1949</td>
<td>71.2</td>
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<tr>
<td>% Public housing units</td>
<td>5.0</td>
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</tr>
<tr>
<td>Proximity in miles to:^a</td>
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<tr>
<td>Central Business District^b</td>
<td>2.51</td>
<td>3.63</td>
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<tr>
<td>Lakefront</td>
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<tr>
<td>Nearest &quot;EL&quot; stop</td>
<td>0.33</td>
<td>0.72</td>
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</tbody>
</table>

Notes: n = 818 tracts in city of Chicago; n = 326 tracts at risk of gentrifying; n = 314 tracts at risk of gentrifying, excluding black gentrified tracts.
^a Distance in miles from each tract's southeast corner to location.
^b The intersection of State and Madison streets.
Table 4. Coefficients and standard errors from logistic regressions of the probability of gentrification by year 2000 on 1980 tract characteristics

<table>
<thead>
<tr>
<th>Independent variables</th>
<th>Model 1</th>
<th>Model 2</th>
<th>Model 3</th>
<th>Model 4</th>
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<td>Coeff.</td>
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<td>Coeff.</td>
<td>SE</td>
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<tr>
<td>% Non-Hispanic black</td>
<td>-0.011</td>
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<td>-0.006</td>
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<tr>
<td>Population characteristics</td>
<td></td>
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<tr>
<td>% Under 18</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>% Over 65</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>% Same house 5 years ago</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% Female-headed</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Housing characteristics</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>% Vacant homes</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% Detached single-family</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% Apartments</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% Built Before 1949</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% Public housing units</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Proximity in miles to: *a</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Central Business District b</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lakefront</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nearest &quot;El&quot; stop</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Constant</td>
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<td>0.232</td>
<td>-0.952</td>
<td>1.344</td>
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<tr>
<td>Pseudo $R^2$</td>
<td>0.035</td>
<td>0.088</td>
<td>0.142</td>
<td>0.390</td>
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<td>Log likelihood</td>
<td>-122.722</td>
<td>-115.898</td>
<td>-109.125</td>
<td>-77.558</td>
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</table>

Notes: n=326. Analysis only includes tracts at risk of gentrifying in 1980. *** $p \leq .001$ ** $p \leq .01$ * $p \leq .05$ + $p \leq .10$.

*a Negative coefficients indicate that increases in distance from the CBD, lake, or El stop decrease the odds of gentrification.
Table 5. Coefficients and standard errors from logistic regressions of the probability of gentrification by year 2000 on 1980 tract characteristics, excluding "black gentrified" tracts

<table>
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<tr>
<th>Independent variables</th>
<th>Model</th>
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<td>SE</td>
<td>Coeff.</td>
<td>SE</td>
<td>Coeff.</td>
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<tr>
<td>% Non-Hispanic black</td>
<td>-0.024***</td>
<td>0.005</td>
<td>-0.020*</td>
<td>0.008</td>
<td>-0.031**</td>
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<tr>
<td>Population characteristics</td>
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<tr>
<td>% Under 18</td>
<td>—</td>
<td>—</td>
<td>0.023</td>
<td>0.038</td>
<td>0.039</td>
</tr>
<tr>
<td>% Over 65</td>
<td>—</td>
<td>—</td>
<td>0.077†</td>
<td>0.044</td>
<td>0.045</td>
</tr>
<tr>
<td>% Same house 5 years ago</td>
<td>—</td>
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<td>-0.006</td>
<td>0.015</td>
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<tr>
<td>% Female-headed</td>
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<td>-0.034</td>
<td>0.033</td>
<td>-0.062</td>
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<tr>
<td>Housing characteristics</td>
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<td></td>
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</tr>
<tr>
<td>% Vacant homes</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>% Detached single-family</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>% Apartments</td>
<td>—</td>
<td>—</td>
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<td>—</td>
<td>—</td>
</tr>
<tr>
<td>% Built Before 1949</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>% Public housing units</td>
<td>—</td>
<td>—</td>
<td>—</td>
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<td>—</td>
</tr>
<tr>
<td>Proximity in miles to:*</td>
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<tr>
<td>Central Business Districtb</td>
<td>—</td>
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<td>—</td>
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<tr>
<td>Lakefront</td>
<td>—</td>
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</tr>
<tr>
<td>Nearest &quot;El&quot; stop</td>
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<td>Constant</td>
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<td>-83.156</td>
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<td>-73.353</td>
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</table>

Notes: n=314. Analysis only includes tracts at risk of gentrifying in 1980, excluding "black gentrified" tracts. *** p ≤ .001 ** p ≤ .01 * p ≤ .05 + p ≤ .10.

* Negative coefficients indicate that increases in distance from the CBD, lake, or El stop decrease the odds of gentrification.
Figure 1. Effects of percent non-Hispanic Black in 1980 on the probability of gentrification in 2000

Note: "All tracts" n = 326 tracts at risk of gentrifying in 1980; "Excluding 'black gentrified' tracts" n = 314.