FR2.05.15 Income Inequality and Social Dynamics

Social Processes and Community Structure: Social Capital and Civic Engagement as Mediators of Inequality and Perceived Crime

Presenter: Charles Collins, University of Washington Bothell (crcolli3@uw.edu)
Authors: Charles Collins, University of Washington Bothell; Shelby Guidry, University of Washington Bothell

A sense of safety and security is of the utmost importance for most residents as it contributes to personal and collective well-being. However, that sense of safety may rest upon community structural factors, such as inequality, and social processes, such as social capital and civic engagement. In fact, these social processes may mediate the relationship between inequality and community outcomes or perceived crime and safety. As such, the purpose of this study is to investigate this process – the extent to which social capital and civic engagement partially mediates the relationship between economic inequality and perceived crime. Using Structural Equation Modeling (SEM), we found that indeed, social capital and civic engagement partially mediate the relationship between inequality and perceptions of crime. Specifically, residents in communities characterized by high levels of inequality also report greater levels of crime, diminished levels of social capital, but increased levels of civic engagement. However, those reporting higher levels of social capital and civic engagement also report lower levels of crime.

Urban Revitalization Policy as Shaped by Social Services Providers' Perceptions of State Responsibility

Presenter: Einat Lavee, University of Haifa (elavee@haifa.campus.ac.il)
Authors: Einat Lavee, University of Haifa; Nissim Cohen, University of Haifa

Do social services providers' perceptions regarding state responsibility in the context of urban revitalization influence policy design? Why?

Influenced by the withdrawal of the welfare state and the rise of neoliberal ideology in many Western countries, central and local urban revitalization public policies had significantly changed during last decades. Scholars argue that urban revitalization projects are reflecting this ideology, which provides legitimacy for central and local governments to reduce their responsibilities towards weaken populations living in revitalization areas. Scholars usually agree that current processes of urban revitalization reflect an aggressive ideology, and many times causes negative effects of exclusion and increased inequality (Lees, 2008).

The current research examines these arguments in the Israeli context. We argue that citizens' perceptions regarding state's responsibility should not be study only within the context of the interactions between politicians and the public. Rather, we suggest that such perceptions might also be considered as a significant factor in influencing social services providers day-to-day practices. Not only that, we cannot ignore social services providers self-perceptions regarding state's responsibility as well. Thus, when Social services providers experience dissonance resulting from a gap between both citizens' perceptions and their own perceptions towards state responsibility, and policy as designed, they will try to change the situation. They will do so by both assisting their citizens-clients and by trying to influence policy design.

The research is based on 40 in-depth interviews and 4 focus groups with social services providers and residents who live in urban revitalization areas. The analysis portrays the mechanism through which these perceptions are translated into political activity and operate to change revitalization public policy towards the inclusion and social mobility of weaken populations.

Measuring the Middle-Classness of U.S. Metropolitan Areas and its Relevance to Income Inequality
Presenter: Rosa Lee, George Washington University (rosahyunlee@gwu.edu)
Authors: Rosa Lee, George Washington University

The purpose of this paper is to examine variations in the size of the middle class and its income share across U.S. metropolitan areas and to provide an answer to the following question: what are the correlates of the size of the middle class in a region? The author measures a region's middle-classness by capturing the proportion of households categorized as middle-class across U.S. metropolitan statistical areas. Historical administrative data reveal the extent to which regional middle-classness has changed over time. The definition of middle class adopts an income-boundary approach, and such income data are adjusted to reflect different regional costs of living, based on Moody's analytics data. Once the sizes of the middle classes in the metropolitan areas have been captured for the four time periods (1980, 1990, 2000, and 2010), the regions in which the middle class has grown, shrunk, and not shown much variation will be identified. Then, the author will provide empirical results on the socio-economic correlates of the degree of middle-classness of metropolitan areas in 2010. The author reviewed a variety of variables to characterize the middle class, representing income inequality, demographic, economic, and industry structure characteristics and then conducts correlation analysis.The following variables are expected to be statistically significantly related to the degree of middle-classness in U.S. metropolitan areas: 1) the degree of inequality (measured by the metropolitan Gini coefficient or 90/10 ratio), 2) the number of owner-occupied housing units in region, 3) gross metropolitan product per capita, and 4) labor force participation rate. Lastly, the author presents a multivariate analysis, regressing the size of the middle class against all other variables. The estimation is not intended to be a causal analysis but aims to point out what factors correlate with the size of a region's middle class while controlling for other correlates.

Working Poverty in the Canadian Urban System: the Great Crisis and its Effect on Socio-spatial Inequality
Presenter: Xavier Leloup, Institut national de la recherche scientifique, Montréal (xavier.leloup@ucs.inrs.ca)
Authors: Xavier Leloup, Institut national de la recherche scientifique, Montréal; Damaris Rose, Institut national de la recherche scientifique, Montréal

The question of how macroeconomic forces and social welfare restructuring have affected the socioeconomic trajectories of urban neighbourhood is central to the work of the Neighbourhood Change Research Partnership–NCRP (http://neighbourhoodchange.ca/). The aim of this research initiative is to track and explain the long-term evolution of incomes at neighbourhood level in a large sample of Canadian metropolitan areas. One topic developed within this partnership is the question of working poverty. Previous studies showed that poorly-paid jobs were a strong factor in rising inequalities in Toronto and Montréal between 2001 and 2006, although this was a period of economic growth (Leloup and Rose, 2016; Stapleton et al., 2012). In this paper, we want to concentrate our analysis on the period

2006-2012, covering the last economic crisis and its aftermath, to see what kind of effects it had on working poverty as a whole and on its distribution at the neighbourhood level. To do this, we relied on a dataset using income tax returns information. This dataset was specifically built for the NCRP team and covers 12 census metropolitan areas, allowing for a national comparison. Using statistical and cartographic tools, we examined how working poverty intersects at the neighbourhood level with other factors, such as immigration flows, marital and family status, non-standard jobs. We found clear indications of the creation or consolidation of spatial over-representations of the post-Fordist or neoliberal ‘’precariat’’. We also show that working poverty is becoming a ‘’global’’ phenomenon, over-represented in neighbourhoods of larger metropolitan areas. Finally, we join other voices arguing that, on a global level, poverty is increasingly composed of people having a formal job, a result important to highlight in the current debates on minimum wages and policies aimed to reduce poverty (International Labour Organization, 2016).