

# Positive Homeownership Attitudes, Homeownership Behavior, and Neighborhood Ties in Poor Urban Neighborhoods

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Sandra L. Barnes  
Purdue University

## Abstract

*Individuals who live in poor urban neighborhoods are often characterized in monolithic ways that understate diverse responses to poverty. Using the Urban Poverty and Family Life Survey of Chicago and bivariate and multivariate statistical analysis techniques, this study examines the degree to which neighborhood poverty constraints, household economics, and demographic variables influence positive homeownership attitudes, homeownership behavior, and neighborhood ties. It documents the presence of attitudes and behavior associated with the middle class as well as social affiliations. The findings demonstrate the greater importance of household economic conditions over neighborhood effects. Results also show that some respondents have attitudes, behavior, and, to a lesser extent, neighborhood ties similar to those found in the larger society. This evidence of continuing diversity among residents of poor urban neighborhoods suggests the need for policies more specifically tailored to the existing strengths of these neighborhoods.*

According to early studies, residents in poor urban neighborhoods respond in a variety of ways to living in poverty (Drake and Cayton [1945] 1962; Hannerz, 1969; Williams, 1981). Researchers observed considerable heterogeneity in terms of socioeconomic class, race/ethnicity, attitudes, and behavior. Given the dramatic increases in the extent and severity of poverty since the 1970s, many urban scholars now primarily study the most economically disadvantaged urban residents. Although this attention to extreme poverty is clearly warranted, little research examines the diversity that continues to characterize the poor.

In addition, studies seldom examine more common patterns of socialization to determine the prevalence among the urban poor of particular attitudes and behavior commonly associated with the middle class. Given the effects of neighborhood poverty (Massey and Denton, 1993; Wilson, 1987, 1996), further studies are needed to measure its continued

influence and to test variations in commonly used poverty thresholds (Tigges, Browne, and Green, 1998). Research is also needed on the experiences of different racial/ethnic groups.

This study explores the degree to which poverty constraints, household economics, and other demographic factors affect the positive attitudes, behavior, and neighborhood ties of people who live in poor urban neighborhoods as well as what causes variation across these variables. In particular, the study examines the prevalence of (1) optimism about future homeownership, (2) actual homeownership, (3) saving and investing, and (4) neighborhood involvement. The findings may provide community groups, public service agencies, religious organizations, and other institutions with information about untapped resources in urban centers (Kretzmann and McKnight, 1993). In addition, the study results provide insight into the varied effects of poverty on daily experiences.

## Theoretical Framing: Neighborhood-Concentrated Poverty

This section includes the theoretical framework that guided the analysis as well as a summary of the literature germane to the topic of urban poverty.

Globalization, deindustrialization, relocation of businesses, out-migration of working-class and middle-class families, increased social isolation and unemployment, and discrimination have resulted in densely populated urban areas in which the vast majority of residents are poor (Aponte, 1991; Kasarda, 1985; Massey and Denton, 1993; Wilson, 1987). This concentrated poverty has been correlated with increases in welfare dependency, community deterioration, sociopsychological malaise, and the number of female-headed households. Wilson (1996) also argues that the negative effects of being poor are compounded for residents in poor neighborhoods. Jargowsky (1996) asserts that the spatial segregation of households by social class and its negative results have increased for Hispanics, Whites, and African Americans since the 1970s. However, he has also found hidden diversity in some impoverished urban areas.

Some studies show that a relationship exists between structural forces, such as racism and segregation and urban poverty (Squires, 1994; Logan and Molotch, 1987). Other studies suggest that impoverished conditions largely result from the poor choices that many residents make (Mead, 1992; Murray, 1984). Still other studies suggest that urban problems result from both macrolevel forces and individual behavior (Kasarda, 1985; Wilson, 1996). However, regardless of whether research focuses on specific racial/ethnic groups (Alex-Assensoh, 1995), gender issues (Pearce, 1983), network limitations (Tigges, Browne, and Green, 1998), welfare recipients (Edin and Lein, 1996), or ways in which urbanites are adaptive and resilient (Billingsley, 1992; Newman, 1999; Oliver, 1988), the literature basically suggests that many residents living in urban areas face a multitude of social problems that are linked to neighborhood-concentrated poverty. Furthermore, the effects of poverty are often posited to result in beliefs and behavior that differ from those typically associated with the middle class (Mead, 1992; Murray, 1984). Massey and Denton (1993) linked extreme spatial segregation and isolation to a “culture of segregation” in which people often reject sacrifice, hard work, self-efficacy, and values that aid in upward mobility. Such characterizations call into question earlier studies that showed the various responses to urban poverty while acknowledging its deleterious effects (Drake and Cayton [1945] 1962; Hannerz, 1969; Williams, 1981).

The study described in this article adds to the literature by examining the prevalence of specific homeownership attitudes and behavior associated with the middle class among residents of poor urban neighborhoods, how neighborhood conditions affect homeownership attitudes and behavior, and how these insights might lead to strategies for socioeconomic empowerment (Grogan and Proscio, 2000; Kretzmann and McKnight, 1993). It

considers the following questions: How well are the positive attitudes, behavior, and neighborhood ties of people living in poor urban neighborhoods explained by neighborhood poverty indicators compared with other variables such as household economics, race/ethnicity, or religiosity? How can social policies and programs enhance existing positive traits?

## Data and Methodology

This section describes the secondary data file, the dependent and independent variables, and the statistical approach used in the analysis.

This study used data from the 1986 Urban Poverty and Family Life Survey of Chicago (Wilson et al., 1987), which was an indepth study of residents in poor urban neighborhoods that included attitudinal and behavioral variables at the neighborhood and household levels. The multistaged sample of 2,490 cases consisted of 364 non-Hispanic Whites, 1,183 African Americans, 489 Mexicans, and 454 Puerto Ricans, ages 18–44, who in 1986 lived in Chicago Census tracts in which at least 20 percent of the residents were below the poverty line in 1980. (See Barnes [1999, 2001, 2002, 2003] for additional information about the sample.)

## Dependent Variables

The dependent variables used in this study represented attitudes and behavior typically associated with the middle class, such as expecting to own a home, saving part of one's income, and developing ties to formal and informal networks that can provide or lead to resources.

**Homeownership Attitudes and Behavior.** Two dependent variables were developed based on the following question: “As things look to you today, what are the chances you will own your own home within the next 10 years? Would you say very likely, somewhat likely, rather unlikely, very unlikely, or do you own or are [you] buying a home now?” The first variable, *homeownership attitudes*, was coded based on the first four possible responses: (0) very unlikely, (1) rather unlikely, (2) somewhat likely, and (3) very likely. The second variable, *homeownership behavior*, a dummy variable that identified respondents who owned or were buying their home at the time of the interview, was coded based on the two possible responses to the final part of the survey question: (0) not buying or (1) own or buying home now. Homeownership was chosen as an indicator because it was considered a hallmark of the “American Dream” (Baritz, 1989), suggesting hope and optimism rather than the sense of malaise, angst, and hopelessness often associated with chronic poverty (Lewis, 1966; Mead, 1992). Anticipating future homeownership can also be an indication of a sense of hope and belief that one's situation will improve in the future. Thus the above indicators measured a certain degree of optimism.

**Saving Behavior.** The variable *saving*, developed using factor analysis, was based on the following questions: “Do you currently have: (1) a personal checking account, (2) an individual retirement account, (3) a pension plan, (4) money in stocks and bonds, (5) a personal savings account?” and “About how much do you have in your savings account—would you say less than \$200, between \$200 and \$500, between \$501 and \$1,000, or more than \$1,000?” Each of the first four responses was coded (0) no or (1) yes. The fifth item was coded “no” if a respondent did not have a savings account or “yes,” based on the amount in savings. A principal-components factor analysis (available from the author on request) suggested a single construct (Cronbach's  $\alpha = 0.63$ , percent of variation = 52.26, eigenvalue = 3.14, Kaiser-Meyer-Olkin measure of sampling adequacy = 0.74,  $N = 2,401$ ). Scores on this scale ranged from 0.00 to 1.37; high scores suggested that respondents exhibited these saving habits.

**Neighborhood Ties.** Granovetter (1973) suggests that informal associations typically yield a greater variety of resource networks than do formal ties. This study examined one continuous and one dichotomous dependent variable to assess particular types of informal neighborhood ties. The continuous variable, *neighborhood socializing*, which measured activity in political, social, and religious organizations in the neighborhood, was based on summing the “yes” responses to the following five-part question: “Please tell me if you attend these organizational meetings regularly: block clubs, political party, PTA or school groups, social clubs, or church-related groups? Yes or no.” The dichotomous variable, *neighborhood enrichment*, which focused on involvement in activities to improve the neighborhood, was based on the following question: “In the past year, have you worked for some group or organization to change something in your community (that is, registering voters, getting better city services, starting a block club)? Yes or no.” These indicators were directly correlated with neighborhood ties or with the types of social support needed to locate such resources. Although the variables did not fully measure the quality of neighborhood ties, they provided insight into important arenas for varying types of neighborhood ties. (Space constraints prohibit including findings from the research project’s analyses of friendship networks and attitudes about luck and ascription, which are available from the author on request.)

## Independent Variables

**Poverty Indicators.** The poverty indicators used in this study were based on the official poverty line used by the U.S. Census Bureau and represented a rock-bottom food allowance based on family composition and area of residence. Two sets of neighborhood poverty indicators were tested: Wilson’s (1987) “ghetto poverty” and Tigges, Browne, and Green’s (1998) “tipping effects.” In Wilson’s theory, *low-poverty neighborhoods* are defined as tracts in which less than 20 percent of households live in poverty; *moderate-poverty neighborhoods* are defined as Census tracts in which 20–39 percent of households live in poverty; and *ghetto-poverty neighborhoods* are defined as Census tracts in which 40 percent or more of households live in poverty.<sup>1</sup> This approach to studying impoverished areas is widely used in research (Kasarda, 1985; Jargowsky, 1996; Wilson, 1996). However, dichotomous variables may mask differences. Tigges, Browne, and Green (1998) use more differentiated poverty groups to examine the tipping effects of gradually increasing poverty concentration. These researchers use 0-1 dummy variables for the following categories: 20–24 percent, 25–29 percent, 30–34 percent, 35–39 percent, and 40 percent or more of residents living in poverty.<sup>2</sup> Differences between results based on this more differentiated poverty schema and those based on the dichotomous variables would suggest that neighborhood poverty rates that differ from the commonly used criteria (40 percent or more living in poverty) influence the attitudes and behavior under study.

**Other Controls.** This study used additional control variables, including four race/ethnicity dummy variables—African American, Mexican, Puerto Rican, and non-Hispanic White (the reference variable). Employment status (works 30 hours or more weekly) was assessed as a dummy variable. A continuous variable for household income ranging from \$0 to \$45,000 was used. Income (ranging from \$0 to \$25,000) from informal jobs such as yard work, in-home salons, repair work, and temporary jobs in the last 6 months was also examined. Dummy variables were created to identify whether respondents had a running automobile, to determine their high school graduation status, and to distinguish Protestants from non-Protestants.

Frequency of attendance at religious services was examined using the following response categories: (1) never, (2) a few times a year, (3) approximately once a month, (4) approximately once a week, or (5) more than once a week. This variable assessed attendance at

religious services, not attendance at church-related organizational meetings (which was captured in the dependent variable *neighborhood socializing*).

A dummy variable to identify the respondent's gender; a continuous variable to identify age (18–44 years); and dummy variables to identify married respondents, respondents with jail time, and registered voters were also included. Self-described health status was assessed as (1) poor, (2) fair, (3) good, (4) very good, or (5) excellent. Finally, dummy variables were also used to identify the respondent's family, fictive kin, and friends in the neighborhood (survey questions will be provided by the author on request).

## Analyses

The five dependent variables were a series of factor scales or other measures used to evaluate homeownership expectations and behavior, saving behavior, and neighborhood ties. The independent variables were poverty indicators and control variables found to be both important in the literature on this topic and correlated with the dependent variables (correlations will be provided by the author on request). In each step the variables measuring attitudes, behavior, and neighborhood ties were regressed on the poverty indicators and the other controls. (For a justification of this causal ordering, see Barnes [1999].) Separate models were generated to test the two sets of neighborhood poverty variables.

Different regression methods were used based on the type of dependent variable under study. Because the dependent variable *homeownership attitudes* had ordered categorical measures, ordered logit models were used. Both homeownership behavior and neighborhood enrichment were examined using binary logistic regression analysis because these dependent variables considered two distinct outcomes. Based on the continuous range of possible numeric responses, multiple regression analysis was used to examine saving as well as neighborhood socialization. Models were weighted to adjust for the sampling routine. Positive attitudes and behavior were expected to vary directly with demographic variables such as employment, age, education, marital status, household income, income from informal jobs (Baritz, 1989; Drake and Cayton [1945] 1962; Edin and Lein, 1996), availability of reliable transportation (Kasarda, 1985; Jargowsky, 1996), religious involvement (Billingsley, 1992; Lincoln and Mamiya, 1990), voter registration status (Alex-Assensoh, 1995), and health status (Williams, 1981) and were expected to vary negatively with jail time (MacLeod, 1995). African Americans and Hispanics were expected to express optimism and exhibit such traits more than Whites (MacLeod, 1995; Newman, 1999; Wilson, 1996).

## Findings

This section includes a brief discussion of the study's bivariate results and modeling findings. For a discussion of complete empirical modeling findings, which are too extensive to present here, see Barnes (2001, 2003) and Barnes and Jaret (2003).

### Bivariate Results

Although African Americans tended to be more optimistic about owning a home (mean=2.01) than any other racial/ethnic group, only 15.6 percent, less than any other group, actually owned a home or were purchasing one at the time of the interview (exhibit 1). Non-Hispanic Whites, followed by Mexicans, were more likely to save part of their income than any other group; Puerto Ricans were the least likely. Slightly more than 50 percent of African Americans had developed the neighborhood ties examined in this study, but less than 25 percent of those in each group were taking part in neighborhood enrichment as defined here.

A review of the independent variables shows that at the time of the interview, African Americans and Puerto Ricans were living in neighborhoods with slightly higher poverty rates than their counterparts. The household income of each of these groups was also less than that of their counterparts. However, regardless of race/ethnicity, more than 75 percent of respondents were formally employed. Non-Hispanic Whites, followed by African Americans, earned more income from informal jobs than any other racial/ethnic group. High school graduation rates were lowest among Mexicans (17 percent), followed by Puerto Ricans (31 percent). The marriage rate for African Americans (38 percent) was lower than and significantly different from those of the other racial/ethnic groups.

## Exhibit 1

Selected Statistics From Urban Poverty and Family Life Survey, by Race/Ethnicity: 1986

Variable	African American	Non-Hispanic White	Mexican	Puerto Rican	Total
Homeownership attitude (mean score)	2.01 <sup>*(W,M,P)</sup> (1.09)	1.63 <sup>*(A)</sup> (1.19)	1.72 <sup>*(A,P)</sup> (1.06)	1.14 <sup>*(A,M)</sup> (1.14)	1.91 (1.13)
Homeownership behavior (%)	15.60 <sup>*(W,M,P)</sup>	28.27 <sup>*(A)</sup>	27.64 <sup>*(A)</sup>	23.00 <sup>*(A)</sup>	18.63
Saving (mean score)	0.26 <sup>*(W)</sup> (0.40)	0.47 <sup>*(A,M,P)</sup> (0.47)	0.28 <sup>*(W,P)</sup> (0.33)	0.22 <sup>*(W,M)</sup> (0.35)	0.27 (0.40)
Neighborhood socialization (%)	0.93 <sup>*(W,M,P)</sup>	0.71 <sup>*(A)</sup>	0.68 <sup>*(A)</sup>	0.65 <sup>*(A)</sup>	0.80
Neighborhood enrichment (% yes)	21.28 <sup>*(M,P)</sup>	22.31 <sup>*(M,P)</sup>	9.84 <sup>*(A,W,P)</sup>	15.27 <sup>*(A,W,M)</sup>	18.08
Neighborhood poverty (mean score)	35.84 <sup>*(W,M,P)</sup> (13.80)	27.66 <sup>*(A,P)</sup> (9.30)	28.29 <sup>*(A,P)</sup> (7.32)	31.06 <sup>*(A,W,M)</sup> (9.01)	34.04 (11.88)
Employed (%)	83.03 <sup>*(W,M)</sup>	94.20 <sup>*(A,M,P)</sup>	90.42 <sup>*(A,W,P)</sup>	78.70 <sup>*(W,M)</sup>	82.42
Household income (\$)	15,690 <sup>*(W)</sup> (484.82)	20,760 <sup>*(A,M,P)</sup> (695.46)	16,890 <sup>*(W,P)</sup> (385.09)	14,670 <sup>*(W,M)</sup> (375.52)	16,050.30 (474.83)
Informal income (\$)	383.98 <sup>*(M,P)</sup> (67.56)	458.13 <sup>*(M,P)</sup> (93.30)	153.88 <sup>*(A,W)</sup> (25.91)	187.17 <sup>*(A,W)</sup> (44.40)	344.00 (51.04)
Has car (%)	51.66 <sup>*(W,M,P)</sup>	74.04 <sup>*(A,P)</sup>	80.13 <sup>*(A,P)</sup>	62.41 <sup>*(A,W,M)</sup>	57.52
High school graduate (%)	57.10 <sup>*(M,P)</sup>	62.25 <sup>*(M,P)</sup>	17.00 <sup>*(A,W,P)</sup>	30.88 <sup>*(A,W,M)</sup>	50.19
Protestant (%)	80.60 <sup>*(W,M,P)</sup>	31.61 <sup>*(A,P)</sup>	8.59 <sup>*(A,P)</sup>	20.50 <sup>*(A,W,M)</sup>	64.27
Attends religious services (%)	2.51 <sup>*(W,M)</sup>	2.23 <sup>*(A,M,P)</sup>	3.14 <sup>*(A,W,P)</sup>	2.63 <sup>*(W,M)</sup>	2.61
Female (%)	57.70 <sup>*(P)</sup>	65.50 <sup>*(M)</sup>	53.20 <sup>*(W,P)</sup>	68.00 <sup>*(A,M)</sup>	58.11
Age (mean years)	30.99 <sup>*(W,M,P)</sup> (7.38)	34.01 <sup>*(A,M,P)</sup> (6.61)	32.39 <sup>*(A,W)</sup> (6.54)	32.35 <sup>*(A,W)</sup> (6.91)	31.43 (7.10)
Married (%)	38.1 <sup>*(W,M,P)</sup>	65.6 <sup>*(A,M,P)</sup>	84.1 <sup>*(A,W,P)</sup>	57.1 <sup>*(A,W,M)</sup>	47.20
Ever incarcerated (%)	12.99 <sup>*(M,P)</sup>	16.12 <sup>*(M,P)</sup>	6.15 <sup>*(A,W)</sup>	7.63 <sup>*(A,W)</sup>	11.88
Registered to vote (%)	90.52 <sup>*(W,M)</sup>	78.51 <sup>*(A,M,P)</sup>	21.46 <sup>*(A,W,P)</sup>	86.97 <sup>*(W,M)</sup>	79.97
Health rating (mean score)	3.70 <sup>*(M,P)</sup> (0.04)	3.75 <sup>*(M,P)</sup> (0.07)	3.20 <sup>*(A,W)</sup> (0.05)	3.19 <sup>*(A,W)</sup> (0.06)	3.60 (0.03)

\* $p < .05$ , between-groups mean or percentage significantly different from non-Hispanic White (W), Mexican (M), Puerto Rican (P), or African American (A).

Notes: Standard deviations are in parentheses and are omitted for dichotomous variables.  $N=2,490$ .

Source: Wilson et al. (1987).

Although respondents live in similarly impoverished areas and initial findings show continued diversity, it remains to be seen whether these patterns are evident in more detailed tests (exhibit 2).

## Modeling Results

**Homeownership Attitudes and Behavior.** The majority of respondents believed that they would own a home in the future. Approximately 19 percent owned or were purchasing a home at the time of the interview (exhibit 1). Although this facet of the American Dream is typically associated with middle-class society, a substantial group of poor respondents have embraced it as well.

The greater importance of household economic indicators over neighborhood poverty indicators in explaining homeownership attitudes and behavior is one of the most important findings of this study. Neighborhood poverty was not directly related to optimism about homeownership, but ghetto poverty diminished homeownership and homebuying. In addition, tipping effects were evident in the model on homeownership behavior. Furthermore, the amount, not the source, of income significantly affected homeownership and homebuying. Having a running automobile, another marker of household economic status, was also positively correlated with both positive homeownership attitudes and behavior. African Americans continue to be more optimistic than non-Hispanic Whites about homeownership, all other variables being controlled. However, only Puerto Ricans were more likely than non-Hispanic Whites to buy or own a home. The most important variables that explained optimism concerning homeownership were race/ethnicity, formal employment, household income, and health status. However, homeownership behavior was most associated with economic indicators such as neighborhood poverty, household income, whether respondents had an automobile, and the demographic variables *age* and *marital status*.

**Saving Behavior.** Regardless of neighborhood or household poverty status, approximately 40 percent of respondents reported taking part in some type of saving identified in the survey. As expected, economic factors either constrained or facilitated saving and investing. Yet, even people from impoverished homes who were also living in poor neighborhoods exhibited such behavior. Frugality and delayed gratification have long been considered central components of Protestantism (Weber, 1930). A segment of respondents had these traits and engaged in a variety of activities to achieve their goals. Although none of the neighborhood poverty variables significantly affected saving, household economics had the strongest effect. Unlike the findings for homeownership behavior, both the source and the amount of income affected saving behavior, suggesting that people who are formally employed are more likely to save than those who receive public assistance. Although Puerto Ricans were more likely to buy or own a home than non-Hispanic Whites, they were less likely than non-Hispanic Whites to save and invest. In addition, Protestants were less apt than non-Protestants to save. On the whole, saving was most explained by factors such as formal employment, household income, high school graduation status, and age. These findings show that many of the indicators that influence saving tend to be the same types of factors that influence people who are not poor and those who do not live in poor urban areas.

**Neighborhood Ties: Socialization and Enrichment.** Only 20 percent of respondents reported having the neighborhood associations examined in the study. Approximately 12 percent of people had a few neighborhood ties. These types of associations were less prevalent than the attitudes and behavior investigated earlier. These findings support the

## Exhibit 2

### Summary of Modeling Results for Positive Attitudes, Behavior, and Social Resources by Independent Variables

Variable	Homeownership Attitudes	Homeownership Behavior	Saving Behavior	Neighborhood Socialization	Neighborhood Enrichment
<b>Neighborhood poverty</b>					
Wilson test	Insignificant	Ghetto poverty* –	Insignificant	Insignificant	Insignificant
Tipping effects	Insignificant	Higher poverty* –	Insignificant	NA	NA
<b>Household economics</b>	Formal job* +	Household income* (not source) +	Formal job* +	Formal job +	Formal job +
	Household income* +		Income* +	Household income +	Household income +
	Car +	Car* +	Car +	Informal job* +	Informal job* +
<b>Race/ethnicity</b>	African Americans* >	Puerto Ricans >	Puerto Ricans <	Non-Whites* >	Non-Whites >
	Whites	Whites	Whites	Whites	Whites
<b>Religion</b>	Religious attendance +	Insignificant	Protestants < non-Protestants	Religious attendance* +	Religious attendance* +
<b>Other significant controls</b>	Female +	Age* +	Diploma* +	Diploma +	Diploma* +
	Age –	Married* +	Age* +	Female +	Female +
	Married +		Health +	Age +	Age* +
	Jail –			Children +	Children +
	Voter +			Household size –	Household size –
	Health* +			Family ties +	Friendship ties* in area +
				Friendship ties* in area +	Neighborhood ties* in area +

\*Most significant variables ( $p < .05$ ).

NA = not used in the models but predictive in preliminary models, + = variable increases attitude/behavior, – = variable decreases attitude/behavior.

Notes: Each column is a summary of two separate modeling tests (one for Wilson's poverty groups and another for tipping effects). Variables in each column are significant across the two tests. Insignificant poverty variables are included because of their centrality to the project.

Sources: For additional information see Barnes (2001, 2003) and Barnes and Jarret (2003).



findings of earlier studies on social and physical isolation in poor urban areas and their potentially dire consequences (Massey and Denton, 1993).

Unlike the race/ethnicity effects shown in the earlier tests on homeownership attitudes and behavior and savings behavior, race/ethnicity was more positively correlated with neighborhood socialization for non-Whites than for Whites. Residence in nonpoor, moderately poor, or ghetto-poor neighborhoods or more detailed poverty indicators (for tipping effects) did not significantly affect socialization. Religious service attendance, however, was of central importance in explaining such involvement. In addition, respondents who held informal jobs were more apt to have such resources than those who were not employed informally. Neighborhood friendship and family ties increased the tendency for neighborhood socialization regardless of the type of neighborhood in which one was living.

The most important indicators of whether respondents took part in neighborhood socializing were race/ethnicity, religious attendance, friendship and family ties, and informal employment. African Americans and Mexicans tended to be more likely than non-Hispanic Whites to be involved in neighborhood enrichment activities. Neighborhood poverty concentration effects were not evident. However, household economics, as gauged by both formal and informal employment, increased the likelihood of neighborhood enrichment, as did religious service attendance. Although family ties were not crucial, respondents who had more acquaintances in their neighborhoods were more likely to engage in neighborhood enrichment. The most important indicators of neighborhood enrichment were high school graduation, age, neighborhood ties, religious service attendance, and informal employment.

## Summary of Findings From Research Dissertation Project

The findings from the research project as a whole lead to the following conclusions:

- Household economic context (for example, income level) usually plays a more important role than neighborhood context (for example, moderate- versus ghetto-poverty rate) in explaining the variables of interest.
- In general, the amount of household income tends to be of greater importance than income source.
- Differences between the influences of moderate neighborhood poverty and ghetto neighborhood poverty on saving behavior or neighborhood ties may be nonexistent. However, some tipping effects were apparent in the homeownership tests, suggesting the need for further studies using more detailed neighborhood poverty classifications.
- The effects of religion can be positive or negative depending on the specific religion variable under consideration (for example, frequent religious service attendance directly affected positive attitudes about homeownership and neighborhood ties, but Protestants were less likely to engage in saving behavior).
- Religion is just as important for non-African Americans as it is for African Americans. In most tests, the religion variables (*religious attendance* and *Protestantism*) remained consistently significant after race/ethnicity was controlled.
- Respondents' neighborhood ties can take a variety of forms, such as enrichment, registering to vote, or taking part in the informal job sector.
- Some attitudes, behavior, and neighborhood ties can be explained through the use of nontraditional attitudinal and behavioral variables. These often overlooked indicators are crucial for a comprehensive study of the urban experience.

- Results from models that include interaction terms (not shown in this article) suggest that household economic stability tends to have a stronger positive impact on homeownership attitudes, homeownership behavior, and neighborhood ties in impoverished neighborhoods than in less impoverished and nonpoor neighborhoods.

## Discussion

This section describes the implications of race/ethnicity, the role of religion in urban empowerment, the implications of neighborhood and household effects, and the situational adaptivity of residents living in poverty.

### Implications of Race/Ethnicity

The findings of this study provide a strong case against monolithic views and prevailing negative stereotypes of residents in poor urban areas, in general, and poor racial/ethnic minority residents, in particular. In some instances non-Whites may be more likely to engage in these positive beliefs and behavior. Specific differences also emerge among different minority groups. Furthermore, in some instances common attitudes and behavior may exist regardless of race/ethnicity.

### Role of Religion in Urban Empowerment

In this study variables that identify religious affiliation and attendance at religious services consistently predict patterns of positive homeownership attitudes and behavior. Other studies show that religion can provide hope for people and enable believers to make sense in a seemingly senseless world. These findings suggest more practical benefits as well. Formal religion has been linked to instilling common values and beliefs such as the importance of hard work, frugality, and abstinence from drinking and drugs. Churches are also known as institutions through which members can obtain training, establish networks, and create business alliances (Lincoln and Mamiya, 1990). Churches can socialize members in poor urban areas in ways that are similar to those used in other locales. Given research on the importance of the Black Church to African Americans and of Catholicism to Mexican immigrants (Hondegneu-Sotelo, 1995), these results suggest that religion can be important to White and Puerto Rican respondents as well.

### Implications of Neighborhood and Household Effects

The lack of consistent, significant neighborhood effects is an important finding in this project. Few would argue the existence of neighborhood-concentrated poverty effects, but the implications of what this study calls individual-level or household effects should also be considered. The findings of this study do not negate those of previous studies on neighborhood effects (it is known, for example, that increased numbers of poor households in a given Census tract translate to increased neighborhood poverty). Rather, they suggest possible hidden strengths among residents in such neighborhoods.

Household effects may counteract the full impact of negative conditions by acting as a buffer against many of the harsher realities of neighborhood poverty (Billingsley, 1992). Religious involvement, neighborhood ties, or choosing to work informally may also act as buffers. Other possible buffers against negative neighborhood effects include the ability to take part in activities associated with the middle class such as saving, anticipating homeownership, and participating in neighborhood projects. Such activities can provide practical and psychological benefits because they may reinforce a sense of connectedness to the community and the larger society as well as foster a sense of self-efficacy. For example, people whose income may lie below the official poverty threshold but who are nonetheless able to engage in activities or possess certain positive beliefs may not *consid-*

er themselves impoverished or trapped in poverty. They may continue to work hard, seek education, and remain optimistic about their prospects. It is important for an understanding of poverty to guard against letting neighborhood effects, which are essentially static indicators, completely overshadow the dynamic quality of individual-level experiences.

### Situational Adaptivity

The findings reported here also provide indications of *situational adaptivity*—the ability of poor people to respond to poverty in a positive manner. Although episodic employment and job insecurity may hinder economic stability (Wilson, 1987, 1996), they may also indirectly foster the acquisition of other resources, such as those gained through informal employment. These findings suggest that informal jobs may provide some degree of economic and noneconomic benefit to people in poor neighborhoods. Studies on urban poverty seldom note the role of informal employment, but the results of this study suggest that researchers should reevaluate how informal jobs have been viewed in the past to better understand how activities that may be considered negative in more economically stable areas are used productively in poor areas.

Finally, although studies show the importance of more traditional social ties, it is likely that some residents in poor urban areas develop various nontraditional, alternative relationships and substitute alliances for those that are unavailable, limited, or outside their immediate locale. These substitutes may not be completely effective, but they represent survival strategies to help negotiate neighborhood and household challenges.

### Conclusions and Implications

This section suggests some of the implications of this research for institutions concerned with poverty. The findings reported here suggest that some residents in poor urban neighborhoods may exhibit the positive attitudes and behavior typically associated with middle-class society. A smaller percentage of these residents may also have neighborhood ties. Several indicators are important in explaining these characteristics, lending support to a picture of diversity among residents of poor neighborhoods.

Thus this study has important implications for institutions that attempt to mediate existing assets in poor urban areas (see Grogan and Proscio, 2000). The findings of continued social differentiation suggest the possibilities of more effectively harnessing the positive attitudes and behavior that characterize poor urban residents to increase tangible benefits for these residents.

This study supports the contention of Kretzmann and McKnight (1993) that urban areas contain untapped economic and noneconomic resources that could be combined with private-sector support for urban improvements. This view suggests that alliances could be fostered between local businesses, churches, and other local groups. Community Development Credit Unions (CDCUs) and Community Development Loan Funds (CDLFs), for example, have been shown to generate economic resources within and attract outside capital to communities. CDCUs can be established through institutions such as local churches and grassroots organizations and are typically funded by banks, foundations, religious organizations, public institutions, and individual investors interested in taking part in community development.<sup>3</sup>

This study's findings on the importance of optimism, religion, thrift, and household context suggest hidden resources for establishing urban businesses (for example, making church space available for small startup businesses or low-cost childcare) and creative ways to secure homes. Other possibilities include charitable choice ventures, alliances

between churches and the Habitat for Humanity, interfaith coalitions, and church-YMCA/YWCA partnerships.<sup>4</sup> To this end, agencies such as the U.S. Department of Housing and Urban Development (HUD) can organize information clearinghouses, sponsor workshops on establishing these types of alliances, facilitate access to resources for urban dwellers, and possibly serve as an initial liaison between small local groups and private enterprise. In addition, HUD could serve as a policy advocate or help champion legislation for greater startup incentives and perks for residents, established small businesses, and private enterprises that take part in alliances and ventures in poor urban areas.

Several challenges are inherent in these efforts. These include developing public-private sector and cross-racial alliances, establishing trust given previous periods of exploitation of urban spaces, and negotiating the difficulties associated with maintaining stable grassroots organizations in and near poor areas (Grogan and Proscio, 2000). It is also important to establish appropriate models to gauge collective and individual improvement, because such improvement tends to occur gradually and initially manifests itself in subtle quality-of-life changes rather than more noticeable macrolevel improvements.

The findings of this study show that positive attitudes and behavior characterize residents in poor urban places. The overarching challenge is to continue to convert these resources into more tangible assets to benefit poor urban neighborhoods and the people who live there.

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### *Author*

*Sandra L. Barnes is an assistant professor in the sociology and anthropology department and the African-American Studies Research Center at Purdue University. Her research areas include urban sociology, African-American studies, statistics and methodology, and the sociology of religion. Her publications include An Analysis of Priestly and Prophetic Influences on Black Church Social Services (forthcoming), The Ebonics Enigma: Attitudes on a College Campus, and Welfare and Women in Poor Urban Neighborhoods: The Effect of Dependency on Attitudinal Indicators. She received her Ph.D. in sociology from Georgia State University in Atlanta, Georgia.*

### *Notes*

1. The actual intervals are 0.00–19.99, 20.00–39.99, and 40.00+, respectively.
2. The actual intervals are 0.00–24.99, 25.00–29.99, 30.00–34.99, and 40.00+, respectively.
3. CDCUs provide traditional banking services in addition to lending opportunities for those deemed credit risks by most banks, improve quality of life in impoverished areas, and help to reclaim abandoned spaces.

4. The following real-world examples illustrate the relationship between positive attitudes and behavior, public initiative, and strategic alliances to improve urban conditions for residents and stimulate local economic growth (Kretzmann and McKnight, 1993):
- Housing development residents worked with citywide agencies to obtain contracts to maintain their own neighborhood housing.
  - A church united with seven community groups and formed a CDCU to invest in community-based projects.
  - A local hospital established a community development corporation (CDC) with 40 neighborhood groups to redevelop 700 abandoned houses.
  - A CDC was able to purchase abandoned property from the city, renovate it, and subsequently attract a major supermarket chain to locate on the site.
  - A CDCU made a \$750 loan to a welfare mother to purchase furniture for a daycare center that currently bills more than \$60,000 annually in childcare services. The mother was unable to secure the loan through any other financial institution.
  - A CDLF provided a \$40,000 loan amortized over a 5-year period to a cooperative grocer to expand his neighborhood business. The grocer had been unable to secure funds through traditional banking sources.
  - Alliances between a local bank, a community college, and a grassroots group provided small commercial loans to graduates of a self-employment program for business startups.

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