

The Katrina Experiment



RICHARD A. BLOOM

THE HURRICANE SCATTERED A POOR, TIGHT-KNIT COMMUNITY IN NEW ORLEANS, AND MANY RESIDENTS WON'T RETURN. THAT MAY BE A POSITIVE DEVELOPMENT, ACCORDING TO SOCIAL SCIENTISTS.

ON THE MOVE:

Chonya Davis-Johnson left New Orleans to earn her family's first college degree. "I just had a sense that things could be better elsewhere," she says.

BY JULIE KOSTERLITZ ■

One of Chonya Davis-Johnson's sisters and two of her nieces rode Hurricane Katrina's floodwaters out of their ravaged New Orleans neighborhood by clinging to a box spring. For more than a month, the three evacuees were part of a shifting cast of 17 relatives from New Orleans who camped out in the suburban townhouse in Laurel, Md., where Davis-Johnson lives with her husband and toddler.

But in some respects, Chonya Davis-Johnson's own escape from New Orleans seven years before Katrina was no less miraculous. Raised, along with two sisters, by a working mom, she and her family scraped by in her grandfather's house hard by two sprawling public housing developments in the city's gritty 3rd Ward. Early on, she says, she figured out that education would be her lifeboat, and she took advantage of an outreach program to surmount the neighborhood's abysmal schools and its slide into crime and chaos. She snagged the family's first college diploma (from Southern University at New Orleans) and then a master's degree in political science from the University of Northern Iowa (Cedar Falls). She moved to Washington and served as a congressional aide. Now 31, she works for one of the city's public charter schools while pursuing a Ph.D. in education policy at the University of Maryland.

By contrast, the relatives who landed on her doorstep are mostly poor, some are plagued by disabilities, and all have had far narrower horizons.

Davis-Johnson doubts that she would have attained her middle-class lifestyle if she hadn't left a city of low wages and limited opportunities. "I just had a sense that things could be better elsewhere," she says. Now she is trying to help her sisters and cousin and their families do better for themselves as they begin settling into nearby housing.

Can being uprooted from a milieu of poverty in New Orleans and resettled in the middle-class suburbs of Maryland do for Davis-Johnson's relatives anything like what she has done for herself?

A growing number of social scientists, anti-poverty activists, and pundits are persuaded it can. Indeed, well before the

Category 4 juggernaut forced an unprecedented exodus of New Orleans's poor in late August, a core group of prominent academics and writers had concluded that the *only* way to end the persistent, concentrated poverty found in many American cities was to break up the communities themselves. The poor should be dispersed into economically mixed communities, they argue—into existing suburbs or newly reconstructed urban neighborhoods designed to attract the affluent. There, the theory goes, the poor will get the basic tools for self-improvement: safer streets, better schools, nearby jobs, and access to banks and stores. They'll also have more-successful role models and higher expectations.

Now Katrina has created the conditions for a test of the hypothesis on an unprecedented scale. Two months after the hurricane, more than half a million evacuees are still scattered through 44 other states—some 550,000 billeted in hotels or FEMA trailers, and untold thousands of others doubled up with friends or relatives. The prospect that many may not return recently prompted New Orleans Mayor Ray Nagin to importune evacuees to come back home to “the red beans and rice and gumbo”—and above-minimum wages fueled by a local labor shortage.

The academics and some pundits—a mix of liberals, centrists, and contrarians—are trying to seize the moment. “New Orleans has been declining for decades and was an impoverished place rife with dysfunction, violence, and bleak prospects for its poorest residents,” wrote Mark Alan Hughes, an urban policy expert who is a senior fellow at the University of Pennsylvania and a columnist for the *Philadelphia Daily News*, in that paper in mid-September. “Older American cities—and NOLA was one of the few in the Sun Belt—have become warehouses for people whose prospects would be brighter in other places. But immediate obligations, lack of resources and information, and plain old inertia anchor people in places that are declining.” Hughes wagers that those who take root elsewhere will have improved their lot, “earning more money in better jobs, with their kids attending better schools in safer neighborhoods than they were in New Orleans,” and wishes aloud that he had the budget to study this natural experiment.

If the poor do return, argued *New York Times* conservative columnist David Brooks around the same time, it must not be to the kind of poor neighborhoods they left behind. “Hurricane Katrina has given us an amazing chance to do something serious about urban poverty”—to rebuild New Orleans as a culturally more integrated city. “The only chance we have to break the cycle of poverty is to integrate people who lack middle-class skills into neighborhoods with people who possess these skills and who insist on certain standards of behavior,” Brooks wrote.

Now academics and think tanks are also weighing in with support for these ideas. A group of 176 anti-poverty experts, including such leaders in the field as Harvard's William Julius Wilson, Christopher Jencks, and former Clinton administration official David Ellwood, have signed a petition urging federal, state, and local officials to help impoverished New Orleans evacuees, most of them black, to “move to opportunity.” They want to use government housing aid and support services to help these people move to “lower-poverty, lower-risk neighborhoods and school districts,” which, they contend, research shows “can have significant positive effects on the well-being and economic opportunity of low-income children and their families.”

In October, the liberal Center for American Progress convened a group of low-income-housing experts from across the country who argued for a similar approach. Around the same time, two scholars from the center-left Brookings Institution's Metropolitan Policy Program, Alan Berube and Bruce Katz, put out a report with similar conclusions.

Governments—federal and local—already have the basic programs in place to make it happen, most of these experts say. For roughly the past decade, Uncle Sam and big cities



HOME NO MORE:

Half a million people are scattered throughout 44 states after Katrina. New Orleans's mayor fears many will not return.

AP/ROBERT E. BUKATY

have been conducting several experiments focused on breaking up clusters of poverty: In one approach, cities have gotten grants to tear down problem-plagued public housing and replace it with smaller-scale, mixed-income communities. These programs move the original residents to other housing, then bring some of them back to the rebuilt neighborhood. Another experiment known as “Moving to Opportunity” has been relocating very-low-income city residents to neighborhoods with less poverty and then studying the impact on these people's economic, social, and physical well-being.

All that's needed, say the advocates of “dispersion,” is the political will to expand these programs—first to Katrina's victims and then, they hope, to pockets of urban poverty around the nation. In New Orleans, which now starts with a fairly

blank slate, will local officials re-create public housing for its poor or, say, require developers eyeing prime real estate to include low-cost apartments? Will the federal government help underwrite the rental costs and support services for poor folks who want a fresh start elsewhere? Or will it re-create poor communities in “interim” trailer parks that become permanent enclaves?

Mustering political support and public funds for a vast social experiment rife with racial and class overtones, dispersion advocates acknowledge, will be a long-term challenge.

An equal, if less acknowledged, challenge they face is to prove that dispersing the poor actually makes them better off.

HOW WE GOT HERE

As radical as it may seem, the idea of dismantling poor neighborhoods to save their inhabitants has been a long time gestating, and boasts some unusual forebears.

The movement had its origins in the 1980s, when social scientists began noticing that, for the previous decade or so, poverty had become increasingly concentrated in inner cities. Between 1970 and 1990, the number of people living in high-poverty neighborhoods—those in which at least 40 percent of households had incomes below the federal poverty level—roughly doubled, to about 8 million people. Nearly half of the people in these neighborhoods were black. For all of this, scholars blamed the decline of low-skilled urban manufacturing jobs, federal policies that concentrated public housing projects in already-poor neighborhoods, and federal highway programs that helped pave the way for white flight to ever-more-distant suburbs.

As the crack-cocaine epidemic of the 1980s added a new level of chaos to poor urban neighborhoods, liberal social scientists began writing about the downward spiral. Harvard’s Wilson led the way, Berube says, “recognizing that inner cities were in crisis, that there were no jobs, high levels of crime; and noting the social and economic collapse of these areas.” Other studies and books, from Ken Auletta’s *The Underclass* (1982) to Alex Kotlowitz’s *There Are No Children Here* (1992), popularized the message.

Social scientists began to conclude that the growing concentration of the poor perpetuated and compounded their problems. Government programs, it seemed, were never sufficient to make even a dent in the problems, and sometimes made them worse. Over time, some observers began to theorize that “de-concentrating” the poor could improve their prospects. Berube says, “There was more recognition that getting people into the workforce, into good schools, into higher-quality, stable housing would require not just improving their skills, or teaching, but actually getting them into different neighborhoods.”

Although the intellectual origins of the dispersion strategy—which proponents prefer to call “residential mobility” or “mixed-income revitalization”—may have come from a somewhat left-listing ivory tower, it relies on Republican-inspired tools to carry itself out.

It was President Nixon who first pushed the idea that the government should help poor people get housing by giving them vouchers to subsidize their rent in privately owned properties, rather than underwriting construction of government-owned housing. President Reagan expanded on the idea. And it was President George H.W. Bush and his Housing and Urban Development Secretary Jack Kemp who proposed the Homeownership and Opportunity for People Everywhere program in late 1989, intended to transform



AFTER THE PROJECTS:

Huge housing projects such as Chicago’s Cabrini-Green have been replaced by lower-density, mixed housing. But people who had to move out may have done worse.

declining public housing into vibrant middle-class communities by helping low-income residents become owners. The Clinton administration expanded the concept into HOPE VI, to replace the worst public housing with mixed-income communities where some low-income former residents could become homeowners.

“Deconcentration” advocates discovered the potential of vouchers when they began studying an ad hoc social experiment known as the Gautreaux Program—named for the lead plaintiff in a successful, decade-long housing segregation class-action suit against the Chicago Housing Authority and HUD. To help settle the suit, the two government defendants agreed to provide housing vouchers to 7,100 black families from Chicago’s blighted public housing facilities if they agreed to move—with the help of housing counselors—to white or racially mixed neighborhoods.

The studies suggested that program participants who moved to more-integrated suburbs were more likely to be employed, and that their children were less likely to drop out of school and more likely to take college-track courses and attend a four-year college or get a full-time job.

For all its seeming promise, however, the Gautreaux experiment didn’t pass muster in many quarters as true social science. It hadn’t been designed as a controlled study, so it was impossible to know whether the gains made by those who had moved to the suburbs were caused by the change in locale, or by the initiative of those who agreed to move there.

By 1992, Congress was ready to test the mobility theory rigorously. Between 1994 and 1998, housing authorities in five cities recruited 4,600 very-low-income families for Moving to Opportunity demonstrations—still ongoing—intended to compare the outcomes in three groups of families. One group received regular Section 8 government housing vouchers, another group received more-prescriptive vouchers plus counseling, and a control group got no vouchers at all.

The HOPE VI program, despite some of its rhetoric, did not begin life as an anti-poverty program. Instead, it was designed to deal with deteriorating public housing—and its blight on cities. “It was more about neighborhood revitalization than deconcentration of poverty,” said John Weicher, a former Bush administration HUD official who is now at the conservative Hudson Institute.



RENEE V. HALBERN

Most advocates of deconcentration, however, have embraced it as a valuable tool for uplifting the poor. “In city after city—Pittsburgh, Seattle, Denver, Boston are examples—HOPE VI has helped transform the physical and social landscape of some of the nation’s toughest neighborhoods, creating markets where there were none,” wrote former Clinton HUD Secretary Henry Cisneros and Brookings’s Katz in an op-ed article last year. “Soviet-style subsidized apartment blocks have been replaced by walkable, diverse, livable communities. Public housing that isolated the poorest of the poor has given way to places where low-wage workers and families transitioning off welfare literally live next door to teachers, police officers, and other professionals.”

Advocates of deconcentration have played up their program’s free-market underpinnings, which are also a selling point for vouchers. In Atlanta, the city’s public housing CEO, Renee Glover, told the Center for American Progress that the city has used funds from HOPE VI and other federal public housing rehabilitation programs to attract private developers and investors who build mixed-use, mixed-income developments downtown. “We’re building healthy communities, rather than a nicer brand of affordable housing,” she said at the Center for American Progress forum. “We need communities designed to attract families from all walks of life,” which will in turn attract all the services and amenities—from schools to grocery stores—that government can’t create in poor neighborhoods. “We are creating market-rate communities with a seamless affordable component,” she said.

Those worried about the growth of concentrated poverty were cheered when the 2000 census revealed that during the economic boom of the 1990s, the number of people in high-poverty neighborhoods fell by roughly a quarter. But, they say, some of the gains probably eroded during the subsequent recession and the problem remains as urgent as ever.

THE HARD SELL

Still, the science behind this new anti-poverty theory is far from settled. Results of both the HOPE VI and the Moving to Opportunity experiments are more mixed than their enthusiasts’ glowing portrayals imply.

The Gautreaux studies and preliminary findings from the Moving to Opportunity program, the social scientists wrote in their mid-September petition, “have documented sizable benefits in safety, health and mental health, education attainment, and other domains—making assisted housing mobility, as this approach is known, one of the nation’s most important and underutilized tools for closing the gap between the haves and the have-nots.”

The interim study of the Opportunity project, released in late 1993—when participants had been in the program for four to seven years—did show substantial improvements in neighborhood conditions, perceived safety, and quality of housing. Experimental and Section 8 participants also showed a substantially lower rate of adult obesity, and signs of lower psychological distress for adults and girls.

But few other notable improvements appeared, particularly on the incidence of poverty itself. “There is no convincing evidence of effects on educational performance; employ-

ment and earnings; or household income, food security, and self-sufficiency,” the report concluded.

And one unanticipated and troubling finding turned up: Although the move to low-poverty neighborhoods seemed to benefit adolescent girls—proportionately fewer of them were arrested for violent crimes, and fewer engaged in the risky behavior of smoking marijuana or tobacco—the opposite was true for adolescent boys. These boys reported *increases* in behavior problems and smoking, and, most worrisome, hefty increases in both the proportion arrested and the frequency of arrests for property crimes.

Designed with multiple ambitions, many of them vague, the HOPE VI program in its first decade hasn’t yielded any clear evidence about the specific benefits that mixed-income communities may bring to the lives of the poor, said a 2004 research review by researchers from the Brookings Institution and the Urban Institute. “Some people characterize it as a dramatic success, while others view it as a profound failure.”

The only real evidence that the research review reported about the impact on the poor concerned those who were not able to move back to the redeveloped mixed-income community—and it was not good. The report cited “substantial evidence that the original residents of HOPE VI projects have not always benefited from redevelopment,” because they were left out of the planning process and because authorities often dropped the ball when it came to helping them relocate, with the result that some participants “may live in equally or even more precarious circumstances today.”

Deconcentration advocates say that future programs can reduce this problem by coupling the HOPE VI approach with housing vouchers and support for those who are displaced. When Atlanta paired vouchers with several of its HOPE VI projects, Glover says, a study found that the public housing residents displaced by the projects improved their socioeconomic status after they moved to higher-quality neighborhoods.

Even if the research ultimately bears out social scientists’ optimism about the dispersion strategy, the approach still must gain political acceptance before it can be tried on a large scale.

Politically, however, the idea faces major obstacles. Affluent suburbs don’t typically want lots of poor, mostly black, inner-city families moving in. The families themselves may not want to leave their own communities. And engineering mixed-income communities is expensive.

At the federal level, for example, the current Bush administration has targeted the HOPE VI program for elimination, in what is variously described as a cost-cutting measure, a job at Clinton policies, a strike for smaller government, or uncompassionate conservatism. “It’s a very expensive way to get people into other neighborhoods,” says Hudson’s Weicher. But, precisely because it involves giving sizable federal grants to localities, it also has a bipartisan fan club, in Congress and among state and local officials, that is likely to protect at least a bit of its funding.

And although housing vouchers are, in theory, a conservative idea, the administration has, until this year, proposed to scale back the program and convert it to a grant to states. This year, Bush coupled the grant idea with a proposed funding increase. Congress, for its part, seems likely to continue rejecting the grant idea and approving funding increases for vouchers.

In New Orleans in mid-September, President Bush vowed

that the rebuilt city would tackle the “persistent poverty” that had its roots “in a history of racial discrimination.” Since then, he has proposed what the advocates of mixed-income redevelopment consider shopworn, trickle-down policies of deregulation and tax subsidies for business and the affluent. More worrisome still, from their standpoint, is the intent of the administration and conservatives in Congress to finance much of the Gulf Coast aid from budget cuts in other programs for the poor.

After reducing its initial emphasis on building trailer camps, the administration has offered cash for rental subsidies to some Katrina evacuees. But the short-term cash grants may not do the trick. “No landlord on earth will rent to anyone with only cash in pocket for one month’s rent” and a damage deposit, said Ronald Utt, a senior research fellow at the conservative Heritage Foundation.

For the poor who want to return to New Orleans, Bush in late October redirected some already-appropriated emer-

gency funds to start repairing damaged public housing projects, to convert one project to a mixed-income development, and to launch an “urban homesteading” program that deeds federally owned foreclosed homes or vacant lots to low-income families or nonprofit groups that will repair or upgrade them. But deconcentration advocates say it will take much more federal money, accompanied by clear federal goals, to reweave the poor into the city’s social fabric. “The basic question of whether to rebuild in mixed-income neighborhoods ought not to be a local decision,” says Barbara Sard, director of housing policy at the liberal Center on Budget and Policy Priorities.

Elsewhere, deconcentration has tended to be popular with big-city officials, because it means inviting affluent residents to the inner city; and unpopular with those representing affluent suburbs, because it calls upon them to accept inner-city transplants.

Consider the experience of Maryland’s then-Senate Republican Leader Martin G. Madden in early 2000. Despite the racially tinged protests from the suburbs around Baltimore that followed the city’s selection in the mid-1990s as a Moving to Opportunity demonstration site, Madden, known as a leader in welfare reform, proposed a three-year, \$3.75 million plan to relocate 1,500 poor Baltimore families to the suburbs.

He proposed the measure, Madden said in an interview, because by the late 1990s, after years of innovative state welfare experiments and a stronger economy, “it became obvious that many of those who most easily find jobs had done so, and that those remaining [on the welfare rolls] were located long distances away from where the jobs were being created.”

But his idea, he says, proved “too controversial.” No sooner had his proposal been publicized in *The Baltimore Sun* than he began getting phone calls from colleagues of both parties, telling him this was one experiment too many. Although Madden says he intended the experiment as merely another way to help link welfare recipients with jobs, “I think some people perceived it as another tool” like the Moving to Opportunity program. Within a week, Madden dropped the proposal, saying it was going nowhere.

Later that same year, *Sun* columnist Dan Rodricks likewise got an earful from readers when he touted a similar idea. “Invite as many people from Section 8 housing to move in with you,” read one e-mail, “or, better yet, help them renovate or help finance a home next to yours. These fine people have a different schedule than you and me. Typically their jobs are somewhat out of the ordinary—working in the pharmaceutical industry at the street-corner distribution level, armed robbery, prostitution, and other interesting careers....”

Alexander Polikoff, lead attorney in the

POVERTY IN NEW ORLEANS

Poverty became more concentrated in New Orleans and other big cities between 1970 and 1990. The trend partly reversed by 2000, but New Orleans still had the nation’s second-highest rates of both poverty and concentrated poverty.



SOURCE: Bruton Center, University of Texas (Dallas)

Gautreaux case, argues that for a large-scale “dispersion” strategy to work, it must strictly limit the number of poor people exported to any one community in any given year. “The problem of NIMBY-ism [‘not in my backyard’] can’t be ignored,” he said at the Center for American Progress seminar.

There’s a challenge from the opposite perspective as well. Would poor communities voluntarily accept anything like the scale of displacement that Katrina wrought, or would large-scale dispersion inevitably require coercion?

Polikoff insists the large-scale deconcentration he supports would be voluntary, and others note that experiments such as Gautreaux have been swamped by would-be participants.

Critics on both the right and the left aren’t persuaded. Heritage’s Utt prefers vouchers to mixed-income redevelopment because they’re cheaper and they foster individual choice—unless voucher programs start dictating where people move. “Then you’re taking away free choice, and becoming engaged in a massive program of social engineering” that hasn’t been proven to work, he said. Subsidizing the poor in nicer neighborhoods could arguably *lessen* their incentives to improve their own circumstances, he adds.

To Toni Atkins, the Democratic deputy mayor of San Diego, who spent her childhood in Appalachia, the issue of free choice is critical. “As a person who grew up in poor circumstances, I find it offensive,” she says, when asked about the idea of helping people exit poverty by helping them exit poor communities. “I don’t think people should be kept from opportunities. Vouchers that give people opportunities to shift and change locations, should they choose to, are worth looking at. But the bottom line,” she argues, “is [that] people have to have the opportunity to choose.”

Atkins, who spent her first seven years in a small cabin without running water in rural Wythe County, Va., concedes that her life chances improved when her father left coal mining for construction work, moving the family to Roanoke. But the pain of that first relocation lurks just below the surface, along with the faint Appalachian diphthong. “People need not to be forced out of their communities,” she says. “It is a fearful thing, to leave what one is used to. I know what it’s like not to fit in, to be looked down upon.”

Outsiders are too quick to miss or dismiss the value that the poor find in their communities, Atkins and others say. A 2003 report by the Center for Community Change found that after public housing developments were demolished under HOPE IV, residents mourned the loss of community or the breakup of extended-family networks. And New Orleans has seen this happen before.

“Let me tell you something: When we were in St. Thomas, we were like a family,” former New Orleans public housing tenant and activist Barbara Jackson told *National Journal* earlier this year. She was lamenting the loss of community in the

old public housing complex that was demolished to make way for the mixed-income River Garden development in the city.

Even champions of deconcentration acknowledged that poor African-Americans could lose something else through dispersion: voting strength. “We still live in a country where [racial and ethnic minorities] need to have the ability to have their representatives representing them, whether in City Hall or in the Congress,” said Angela Glover Blackwell, head of PolicyLink, a nonprofit group that pushes policy makers to include low-income and minority perspectives in a wide range of urban planning and social services policies. “We’ve been able to achieve that because people have been living in communities based on race, ethnicity, and income,” she said, and she admits it’s a concern that will have to be addressed.

Already, political pundits have observed that the dispersal of New Orleans’s black population may cost Democrats votes in the next election. The talk among political insiders soon after Katrina, Utt told *The Washington Post*, was that the Democrats’ Louisiana “margin of victory was living in the Astrodome in Houston.”

LIVING RESEARCH

The post-Katrina experiment in deconcentration will invariably be full of lessons, even if it is a decidedly “uncontrolled” study that lacks a coherent philosophy and gets only spotty government support. Already, a few social scientists are scrambling to figure out ways to study how displacement is affecting New Orleans’s displaced poor—although at present, it’s tough even to find many of them.

In the meantime, Davis-Johnson is trying to do for her sisters and cousin much of what social scientists have

been hoping government will someday do for more of the nation’s poor. She has helped them to find housing within 15 miles of her home, urged them on in their search for work, and helped them enroll their children in local Boys & Girls Club programs—a new experience for them. “I have to remind them of getting out being an opportunity,” she says.

As she contemplates their prospects, she hedges her bets about whether it’s character or environment that matters more, echoing an age-old debate. Already, she says, the new environment has exposed her relatives to “a different mind-set. They see my aristocrat friends and how they live, and they see that to get these things, they need to be hardworking and get an education. It’s paying off for the children.”

At the same time, she says, “I think the individual’s qualities are the key.... I strongly believe [success] depends on the will of the person to rise above discrimination and other obstacles.” ■

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ZUMA PRESSE/ARL CRYER



COAL MINER'S GIRL:

San Diego Deputy Mayor Toni Atkins sometimes misses Appalachia. “It is a fearful thing, to leave what one is used to,” she says.