

RESEARCH BRIEF | SEPTEMBER 2015

# Black and Latino Segregation and Socioeconomic Outcomes

Between 1970 and 2010, the U.S. Latino population grew from eight million to more than 45 million, most of whom live in the nation's largest metropolitan areas. As this growth continues, Latinos seem to be inheriting the segregated urban structures experienced by African Americans. Despite this pattern, there is a scarcity of research on the effects of Latino segregation.

In a recent study, NYU Furman Center researchers analyzed the relationship between metropolitan area levels of segregation and socioeconomic outcomes for African Americans and Latinos. We find that segregation continues to be associated with significant reductions in educational attainment and labor market success for African Americans, and that the associations between segregation and outcomes for Latinos are at least as large as those for African Americans.

## 1. Findings

In cities across the country, whites consistently exhibit better socioeconomic outcomes than native-born Latinos and blacks: they are more likely to graduate from high school and college, more likely to be employed, and enjoy higher earnings. Importantly, however, our analyses suggest that these gaps are wider in metropolitan areas with higher levels of residential segregation.

### a. High School Graduation

Native-born Latinos and native-born African Americans are significantly less likely than whites to graduate from high school in more segregated metropolitan areas.

We find that segregation has no significant association with the probability of completing high school for whites, but both native-born Latinos and native-born African Americans are significantly less likely compared with whites to graduate



from high school in more segregated metropolitan areas. The association between segregation and the likelihood of completing high school is greater for Latinos than for African Americans.

For example, for African Americans, a move from Phoenix, a moderately segregated city with a black-white segregation score of 0.413, to a highly segregated city like New Orleans, with a black-white segregation score of 0.633, would be associated with a decreased likelihood of high school graduation compared with whites of roughly 2.4 percent. For Latinos, a move from moderately segregated Las Vegas, with a Latino-white segregation score of 0.420, to highly segregated Los Angeles, with a Latino-white segregation score of 0.622, would be associated with a decreased likelihood of high school graduation compared with whites of roughly 5.4 percent.

### b. College Graduation

Native-born Latinos and native-born African Americans in segregated metropolitan areas are less likely than whites to complete college.

For African Americans, the move from Phoenix to New Orleans would be associated with a 12 percentage-point widening in the gap with white college graduation rates. For Latinos, the move from Las Vegas to Los Angeles would be associated with a 10.8 percentage-point widening in the gap with white college graduation rates.

### c. Idleness (Neither Working Nor in School)

Native-born Latinos and native-born African Americans in segregated metropolitan areas are more likely than whites to be neither working nor in school.

The increase in black-white segregation from Phoenix to New Orleans is associated with a 3.2 percentage-point increase in the likelihood of idleness

for black 25–30 year olds relative to whites, while the increase in Latino-white segregation from Las Vegas to Los Angeles is associated with a 4.6 percentage-point increase in the likelihood of idleness for Latino 25–30 year olds relative to whites.

### d. Earnings

Higher levels of segregation are associated with dramatic reductions in earnings for both African Americans and Latinos relative to whites.

The increase in black-white segregation from Phoenix to New Orleans is associated with a 14.8 percent decline in black earnings relative to whites, whereas the increase in Latino-white segregation from Las Vegas to Los Angeles is associated with a 17.7 percent decline in Latino earnings relative to whites.

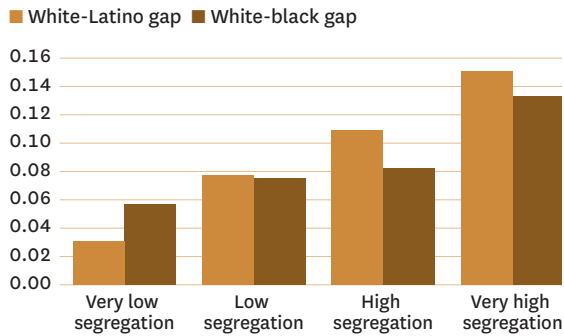
## 2. Explaining the Patterns

These findings suggest that metropolitan-area segregation levels continue to be associated with diminished educational attainment and employment success for African Americans. In addition, segregation is associated with negative outcomes for Latinos that are generally as large as or larger than those for blacks. This section summarizes potential mechanisms that could help to explain these patterns.

### a. Neighborhood Human Capital

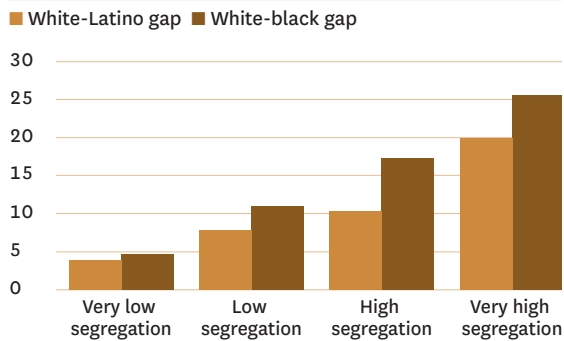
Residential segregation can lead to large disparities in neighborhood educational levels, which can shape young people's exposure to role models and access to social networks that facilitate social and economic advancement.

**Figure 1: Racial Gaps in Exposure to Neighborhood Residents with B.A. Based on Segregation Levels**



Sources: *The Neighborhood Change Database, NYU Furman Center*

**Figure 2: Racial Gaps in School Proficiency Rankings Based on Segregation Levels**



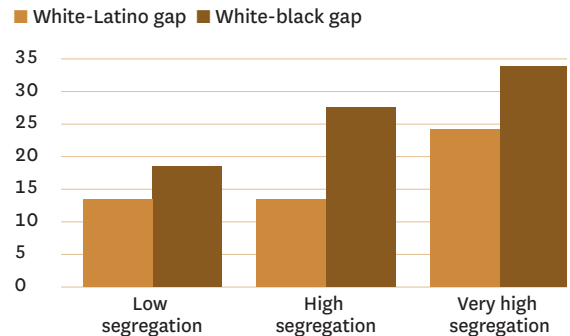
Sources: *The Neighborhood Change Database, NYU Furman Center*

Figure 1 illustrates that the white-Latino and white-black gaps in exposure to neighborhood residents with college degrees increase as segregation levels increase, especially the white-Latino gaps. This pattern suggests that the significant association between segregation and racial disparities in outcomes could be attributable in part to differences in exposure to more educated neighbors.

### b. Public Services

Residential segregation may affect socioeconomic outcomes by contributing to unequal access to crucial municipal services, like public schools. As a proxy for the quality of neighborhood public services, we examine differences in the test scores of elementary schools to which children from different backgrounds have access in metropolitan

**Figure 3: Racial Gaps in Exposure to Violence Based on Segregation Levels**



Sources: *The Neighborhood Change Database, NYU Furman Center*

areas with different levels of segregation. Figure 2 illustrates that the white-black and white-Latino gaps in the exposure to neighborhood school proficiency increase consistently with segregation. These results suggest that school quality may also be an important mechanism through which segregation operates.

### c. Violence

Research has shown that exposure to neighborhood violence powerfully affects children and shapes their academic trajectories. Our research finds that for both blacks and Latinos, the gap with whites in exposure to violent crime increases relatively consistently with levels of segregation. Most of that gap, however, is driven by the dramatic reduction in white exposure to neighborhood violent crime as both white-black and white-Latino segregation increases. It appears that segregation may enable whites to cluster in neighborhoods that are insulated from violence, perhaps through public or private security investments.

Black and Latino exposure to neighborhood violent crime, by contrast, remains relatively similar even as segregation increases, as seen in Figure 3. Both the magnitude of the gaps and their association with segregation are particularly striking for African Americans.

### 3. Conclusion

This research finds that segregation continues to be associated with significant reductions in educational attainment and labor market success for African Americans, and that the associations between segregation and outcomes for Latinos are at least as large as those for African Americans. These findings are somewhat unanticipated given the long history of intense black-white segregation and the systematic disinvestment in black neighborhoods through much of the last century, when compared to the historically more moderate levels of Latino-white segregation.

These findings suggest that segregation is shaping—and constraining—the social and economic mobility of African Americans and Latinos. The research reported here suggests that segregation may have as negative effects for Latinos as it does for African Americans. Thus, persistent Latino-white segregation is of serious concern as the nation’s metropolitan areas continue to become more diverse.

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*The full paper, **Desvinculado y Desigual: Is Segregation Harmful to Latinos?**, by Justin Steil, Jorge De La Roca, and Ingrid Gould Ellen, was published in The Annals of the American Academy of Political and Social Science July 2015 vol. 660 no. 1 57-76. A full working paper can be found [HERE](#).*

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**The NYU Furman Center** advances research and debate on housing, neighborhoods, and urban policy. Established in 1995, it is a joint center of the New York University School of Law and the Wagner Graduate School of Public Service. More information about the Furman Center can be found at [www.furmancenter.org](http://www.furmancenter.org).

### Endnotes on Methodology

This study relies primarily on the dissimilarity index to capture segregation. The dissimilarity index, which is the most commonly used measure of segregation, quantifies the unevenness with which two different groups (e.g., whites and Latinos) are distributed across neighborhoods within a metropolitan area.

Data sources: U.S. Census Bureau, IPUMS-USA (University of Minnesota Population Center), Neighborhood Change Database (GeoLytics & the Urban Institute), U.S. Department of Education, National Neighborhood Crime Study, NYU Furman Center.