RESIDENTIAL SEGREGATION
A TRANS ATLANTIC ANALYSIS

By John Iceland
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Executive Summary

Residential segregation is one of the most visible and potentially troubling side effects of urbanization and large-scale immigration. While segregation in the form of ethnic enclaves can provide important social and economic resources for newcomers, it can become problematic if it is associated with indicators of disadvantage and persists across generations. Studies have linked such segregation to a host of deleterious effects on individuals, local communities, and society, including unemployment, poor health, and social rifts.

While a common perception is that minorities self-segregate, segregation occurs for a number of reasons, including housing market discrimination and decisions on the part of the majority population about where to live. Meanwhile, the dynamics of immigration-related segregation may differ from the segregation of long-standing minorities. New arrivals often choose to settle in ethnic enclaves because of their social networks that lead them there, but they (or their children) are likely to move on once they have improved their socioeconomic status and learned about other neighborhoods. For this reason, the grown-up children of immigrants are more likely to live in mixed neighborhoods than their immigrant parents. Sometimes immigrant families become stuck in isolated communities with lower-quality housing and limited opportunities, exacerbating other problems such as poor health or unemployment.

Black-white segregation in the United States, which reflects a legacy of historic racial oppression, is thought to be more pronounced than segregation in Europe. That said, some immigrant groups (often of Muslim origin) in Europe, such as Bangladeshis in the United Kingdom and Bosnians in Antwerp, are also likely to live in highly segregated neighborhoods. Since segregation patterns differ across countries—for example, Black segregation is higher in the United States than in the United Kingdom, while Asian segregation is lower—they are likely to reflect social and economic exclusion in particular contexts rather than inherent preferences.

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**The dynamics of immigration-related segregation may differ from the segregation of long-standing minorities.**

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Policies to address residential segregation fall into two main categories: those that try to reduce segregation directly, and those that target integration more broadly. Housing-related interventions try to address segregation directly by distributing social housing more widely throughout cities or encouraging the development of mixed-use and diverse neighborhoods. These programs have been small-scale and have had correspondingly limited effects. In the second category, integration-related interventions seek to address the underlying causes of segregation by improving socioeconomic outcomes, securing access to full citizenship, and nurturing relations between groups.

A central difference between the United States and Europe has been that U.S. policymakers focus on providing people with the tools to escape disadvantaged neighborhoods, while European policymakers seek to improve these neighborhoods. Either way, measures to tackle underlying ethnic inequalities or social divisions are likely to have greater impact and reach than the more “cosmetic” policies that merely try to alter residential choices.
I. Introduction

High levels of international migration over the past few decades have increased ethnic diversity on both sides of the Atlantic. The rapid pace of societal change—alongside the spatial concentration of minorities in certain neighborhoods and suburbs—has sparked debate about whether immigration is creating new social rifts. Some critics of this large-scale immigration fear that differences between minorities and majority ethnic groups could eventually result in entrenched ethnic ghettos that reflect and reproduce deep social inequalities.

Residential segregation—the concentration of ethnic, national-origin, or socioeconomic groups in particular neighborhoods of a city or metropolitan area—is widely perceived as the antithesis of successful immigrant integration. Differences in the residential patterns of ethnic groups are thought to reflect social distance between these groups and therefore poor social cohesion. Geographical isolation is often associated with social exclusion and economic marginalization. As a result, researchers examine the residential patterns of immigrant groups to gauge the extent to which these groups live in more diverse neighborhoods outside of traditional ethnic enclaves over time and across generations in their new country.\(^1\)

While residential segregation is a transatlantic phenomenon, its origins and contemporary patterns differ across the continents. The origins of Black segregation in the United States, for example, are rooted in the legacy of racial oppression. In contrast, in many European countries residential segregation is a relatively recent immigration-related phenomenon. That said, the differences in the origins of segregation in the United States and Europe should not be overstated. The dynamics of segregation among Hispanics and Asians in the United States are comparable to those of immigrant groups in Europe; meanwhile, there are some ethnic group divisions in Europe (e.g., the Roma in a number of countries) that have deep historical roots in ethnic oppression.

Residential segregation...is widely perceived as the antithesis of successful immigrant integration.

This report begins by examining the problems caused by ethnic residential segregation, then examines the empirical evidence on the scale and drivers of this segregation in the United States and Europe, and finally analyzes policies that aim to alleviate ethnic residential segregation. Each country’s unique history and social, economic, and political context inevitably help shape residential patterns and may limit the extent to which policy prescriptions can address these challenges.

II. The Challenge of Residential Segregation

Residential segregation can have a number of deleterious effects on individuals, communities, and even the economy. Studies have found that segregation can limit residential choices, constrain economic and educational opportunities by reducing people’s access to good schools and jobs, concentrate poverty in

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disadvantaged neighborhoods, and contribute to social exclusion and alienation.\textsuperscript{2} In the United States high levels of Black-white segregation have been linked to lower high school graduation rates, higher unemployment, lower earnings, and greater levels of single parenthood among Blacks.\textsuperscript{3} Residential segregation is also associated with poorer health outcomes and higher mortality among Blacks. This may be because such segregation both reinforces socioeconomic inequalities and environmental and social conditions not conducive to physical well-being.\textsuperscript{4} For example, poor, segregated neighborhoods are more likely to be located near highways, industrial areas, and toxic waste sites since land is cheaper in those areas. Residential segregation may also limit the access that ethnic groups have to job opportunities. For example, research has indicated that low-skill workers living in high-poverty neighborhoods in Paris are at greater risk of long-term unemployment.\textsuperscript{5}

\textit{Residential segregation tends to become problematic if it is associated with overlapping inequalities that persist across generations.}

Despite these indicators, the segregation of immigrant groups does not in itself signal the presence of an immense social crisis or indicate that immigrants are facing discrimination and disadvantage—especially if such segregation is transitional. New immigrants often settle in ethnic enclaves because they provide a familiar environment filled with other people who share a common culture and view of life. Ethnic communities can provide information, support, networks, and even funding for self-employment, especially for new arrivals.\textsuperscript{6} Some have posited that segregation can in fact have “protective” effects—for example, immigrants living in ethnic enclaves may be able to draw upon social networks to improve their health outcomes. Academics are split on whether enclaves promote or hinder economic mobility.\textsuperscript{7}

Residential segregation tends to become problematic if it is associated with overlapping inequalities that persist across generations. For example, if spatially concentrated ethnic minorities or immigrants face multiple problems, such as high rates of unemployment, underrepresentation in government, and social stigmatization, this can reinforce social distance and increase alienation among later generations. At least until recently, these overlapping inequalities characterized the subjugated position of Blacks in the United States.

At the extreme, social, economic, and spatial isolation can also lead to conflict, as the 2005 riots in France illustrated. Those involved in the unrest included many low-income immigrants in Paris living in isolated suburban public housing communities. This geographical isolation—alongside poor transportation, limited local job opportunities, and discrimination based on skin color or address—exacerbated poverty


\textsuperscript{6} Portes and Rumbaut, \textit{Immigrant America}.

and social exclusion. These events demonstrate how problems of segregation and integration are interrelated: in this case, members of the second and subsequent generations could see the economic promise of their adopted country yet were having difficulty attaining it.

III. Residential Segregation in Europe and the United States

Levels of ethnic and racial segregation are generally lower in European than U.S. cities. But such a generalization hides the significantly different conditions of various cities and ethnic groups. Some national-origin groups (often Muslim), for example, remain highly segregated in certain European cities.

A. Segregation Patterns

There are various ways to measure residential segregation. One of the most commonly used measures is known as the dissimilarity index. This indicates the evenness of the distribution of people across neighborhoods in a city or metropolitan area. The index ranges from zero to 100, with higher numbers indicating more segregation. A common rule of thumb is that dissimilarity scores over 60 are high in absolute terms, those from 30 to 60 are moderate, and those below 30 are low.

As Figure 1 shows, in many European countries, segregation is highest among specific groups, such as Pakistanis and Bangladeshis in several areas of Great Britain (the highest numbers in the figure) and Turks and Moroccans in The Hague. In the United Kingdom, Blacks from both Africa and the Caribbean are much more dispersed. In U.S. cities, many Blacks live in concentrated areas or ghettos but the dissimilarity of other groups (such as Hispanics and Asians) is lower.

There is considerable variation in the segregation of minorities—even visible ones—in European cities; many groups’ dissimilarity scores are below 40. While not apparent in Figure 1, such variation is also found across U.S. cities. For example, the metropolitan area with the highest level of Black-white segregation in the United States is Detroit, which had a dissimilarity index score of 80 in 2010. In contrast, the corresponding index was only 17 in Boulder, Colorado. Detroit has a history of very troubled race relations and its high rates of segregation are only marginally declining even as the city depopulates. In contrast, newer and growing metropolitan areas without such troubled legacies—many of them in the West—tend to have lower and more rapidly declining rates of Black-white segregation.

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10 It should be noted that cross-national comparisons are challenging because of differing definitions of neighborhoods, cities/metropolitan areas, and the degree to which data are publicly available across countries.
Figure 1. Residential Segregation of Selected Groups in Select Cities

Notes: This chart amalgamates results from a number of studies on population evenness. While somewhat out of date, it represents one of the few attempts to visualize transatlantic differences in segregation. The data have a number of limitations: namely, the size of neighborhoods—the unit of measurement—varies (smaller areas may lead to a higher concentration level, and only larger units were available in some countries), and definitions of ethnicity vary (based on nationality, country of origin, or self-identification).

Patterns of ethnic inequality also vary across contexts; the same ethnic group may be segregated in one country and not in another. For example, a comparative study of the United States and Great Britain found that while the average level of Black segregation in U.S. metropolitan areas was considerably higher than Black segregation in British cities, the average level of Asian segregation was a little lower in the United States than in Great Britain. This supports the notion that Blacks are the most disadvantaged group in the United States while South Asians are most disadvantaged in Great Britain.\(^\text{14}\)

**B. Why Does Segregation Occur?**

Discrimination on the housing market, minority self-segregation, or “white flight” can all cause segregation. If less-tolerant households leave ethnically mixed neighborhoods, this can eventually create a “tipping effect,” where even those who might prefer to live in a mixed neighborhood leave because they do not wish to be in the minority.\(^\text{15}\) Segregation can be reinforced by majority-group members who seek to maintain social and residential distance from minority groups by either discriminating against them in housing market transactions or avoiding them when making residential choices.

In the case of new immigrant communities, segregation can also reflect recent settlement patterns. Newcomers often settle in ethnic enclaves upon their arrival, attracted by social networks and cheaper rents. Longer-standing residents—and especially their children—are likely to be more familiar with a wide array of neighborhoods, and able to afford to move out of ethnic enclaves and live with members of other groups (in a process termed “spatial assimilation”). Evidence suggests that in the United States and Canada, as well as Great Britain and a number of other European countries, second-generation immigrants tend to live in more ethnically mixed neighborhoods than do first-generation immigrants, indicative of some degree of assimilation.\(^\text{16}\)

\[\text{In the case of new immigrant communities, segregation can also reflect recent settlement patterns.}\]

However, in some cases, ethnic enclaves—often in lower-quality housing and neighborhoods—persist over time and provide limited opportunities for subsequent generations to “escape.” While segregation declined in a number of Southern European cities in the 1990s, immigrants increasingly lived in peripheral areas, leaving them at risk for social exclusion because of poor transportation links and few local opportunities.\(^\text{17}\)

The high segregation of Blacks in the United States and Muslims in many European countries is indicative of intergenerational disadvantages and greater discrimination against, or at least avoidance of, these groups in those countries. Because economic inequality reinforces residential and social isolation, spatial assimilation and economic integration are strong correlates. For example, higher socioeconomic status (SES) Blacks,

\[^{14}\text{John Iceland, Pablo Mateos, and Gregory Sharp, “Ethnic Residential Segregation by Nativity in Great Britain and the United States,” Journal of Urban Affairs 33, no. 4 (2011): 409–29. This study used data from the 2000-01 censuses from these two countries and computed segregation indexes (the information theory index) for similarly defined ethnic groups and geographic areas. Segregation indexes were calculated for each ethnic group in each metropolitan area, and then averaged across all of the areas to draw conclusions about mean levels of segregation for each group in each country.}\]


Patterns of segregation can also reflect political and historical traditions. The stronger interventionist traditions of European governments—including more centralized urban planning and public housing—differ markedly from the more \textit{laissez faire} housing market in the United States. For example, Great Britain has more public housing stock than the United States, and this housing is not especially marginalized or spatially isolated.\footnote{Van Kempen and Sule Ozuekren. “Ethnic Segregation in Cities: New Forms and Explanations in a Dynamic World,” Urban Studies 35, no. 10 (1998): 1631–56.} British cities are also denser and more compact than are U.S. cities, and feature a strong reliance on public transport; this may promote closer sociospatial interaction between ethnic groups. The result of this difference is that spatial divisions, both economic and ethnic, may be smaller in British cities than American ones. Indeed, most foreign-born groups—even white immigrants—are more segregated from the native population in the United States than in Great Britain, supporting the notion that social and spatial divisions in general are larger in the United States than in European countries.\footnote{Iceland, Mateos, and Sharp, “Ethnic Residential Segregation by Nativity;” Ronald Van Kempen and Alan Murie, “The New Divided City: Changing Patterns in European Cities,” Tijdschrift voor Economische en Sociale Geografie 100, No. 4 (2009): 559–66.}

\section*{IV. Policy Options}

Approaches to reduce ethnic residential segregation fall into two main categories: those directly attempting to reduce ethnic and/or socioeconomic segregation and others supporting the integration of immigrants into society more broadly.

\subsection*{A. Policies to Reduce Segregation}

Recent years have seen a wealth of anti-discrimination legislation, especially in the area of housing. In the United States residential segregation was historically facilitated by the “separate but equal” policy, which in reality meant separate and very unequal. The \textit{Fair Housing Act of 1968} (followed by amendments in 1988 that strengthened its enforcement mechanisms) outlawed discrimination in most housing market transactions. These measures, along with gradual declines in ethnic prejudice, served to decrease discrimination and very high levels of Black-white segregation in the United States.\footnote{Stephen L. Ross and Margery Austin Turner, “Housing Discrimination in Metropolitan America: Explaining Changes between 1989 and 2000,” Social Problems 52, no. 2 (2005): 152–80.} Many European countries have had anti-discrimination laws in place for some time, and the European Union adopted the Charter of Fundamental Rights of the European Union in 2000 that affirms basic political, social, and economic rights for EU citizens and residents.
Aside from anti-discrimination laws, a number of housing policy options might improve segregation:

1. **Scattered-Site Programs**

Scattered-site programs distribute public housing across a wide range of neighborhoods. They have been undertaken mainly in the United States, marking a break with the previous practice—common in the post–World War II period—of building dense public housing in areas that already contained many poor and minority residents. A number of areas, including New York City, Dakota County in Minnesota, and Seattle have introduced scattered-site programs. These programs have generally been small and their effects have been correspondingly modest. Municipalities (and their residents) have often been reluctant to cooperate, fearing the effects of new public housing construction in their neighborhoods.22

2. **Rental Subsidies and Housing Vouchers**

A number of U.S. cities have adopted voucher programs in place of building new public housing projects. Vouchers allow residents to choose housing in a wider range of neighborhoods and essentially receive a government subsidy to cover rent. These programs are an improvement over building large housing projects in poor neighborhoods, and as such they may have helped reduce ethnic segregation and concentrated poverty—though because of the moderate size of the programs, their effects at the city level are likely small.

One housing voucher program (“Moving to Opportunity” or MTO) was accompanied by mobility counseling to help families consider a broader array of neighborhoods when deciding where to live. This housing policy experiment (implemented by public housing authorities in Baltimore, Boston, Chicago, Los Angeles, and New York City) randomly assigned 4,600 low-income families to one of three groups—one that received a voucher and counseling, one that received a voucher only, and a control group. A long-term evaluation of MTO found that the treatment groups did in fact live in less-segregated neighborhoods with lower levels of poverty than the control group, though the neighborhoods were still on the whole fairly poor and somewhat segregated.23 Voucher policies have also been used in other countries, such as the Netherlands, as a way of providing low-income residents with greater housing choice.24

3. **Housing Allocation Procedures**

Over the past few decades several European cities (e.g., Rotterdam, Birmingham, Berlin, and Frankfurt) have experimented with housing allocation procedures that aimed to reduce ethnic concentrations. These have involved implementing a quota system that banned the settlement of ethnic minorities in neighborhoods in which they were already highly represented. In places like Rotterdam, such programs conflicted with the Constitution of the Netherlands, and were adjusted to focus on income benchmarks rather than ethnicity. In any case, this approach has not been successful in reducing segregation, as native-born majority-group members continued to avoid neighborhoods with ethnic concentrations.25 In some countries, attempts to engineer the ethnic make-up of certain neighborhoods by restricting people of a certain background from inhabiting them could be perceived as discriminatory or illiberal.

4. **Housing Diversification**

Finally, housing diversification has been implemented in several European countries, including the

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24 Bolt, “Combating Residential Segregation.”

Netherlands, Sweden, Denmark, France, and the United Kingdom. This approach involves demolishing old housing stock and replacing it with houses that vary in size, form, quality, price, and tenure (i.e., to include both owner- and renter-occupied housing) to attract a diverse group of inhabitants. The rationale is that diversification will lead to increased interaction between groups. On the whole, there is not much evidence that this policy has reduced ethnic group concentrations much, as individuals still tend to choose to live in neighborhoods with many coethnics, apparently reflecting their residential preferences.

Generally speaking, the emphasis in the United States has been on policies that provide people with greater flexibility in their mobility choices, while in Europe it has been on city and neighborhood planning. As Gideon Bolt puts it: "Mobility programmes, like MTO, would be unthinkable in Western Europe, for it would imply that some poor neighbourhoods have been 'given up' and only the lucky few are given the opportunity to escape to richer neighbourhoods. ... Urban policies in Europe are more focused on changing areas in situ through area-based policies." Overall, none of the policies described above has proven to be a magic bullet in reducing residential segregation; each has had modest effects at best on ethnic settlement patterns.

B. Policies to Facilitate Integration

The second set of policies addresses immigrant integration more broadly, and includes policies on admission, citizenship, and labor market integration.

Certain admissions policies are likely to be better at facilitating integration and reducing segregation than others. For example, guestworker or temporary worker policies may transform immigrants and their children into a marginalized constituency if they fail to eventually provide a route to the full rights and responsibilities of citizenship. Meanwhile, high-skilled immigrants tend to rely less on ethnic networks and more on ties they develop with a particular employer. Immigrants who arrive through family channels may be more likely to settle in ethnic enclaves, prompted by kinship ties, among other considerations. Of course, because most countries place great stock on humanitarian and family unification admissions as a result of deeply held values, few countries would consider limiting these as a lever to address residential segregation.

Integration policies that seek to provide immigrants and their children with the tools to become full-fledged citizens, and with access to the full range of jobs and educational opportunities that society has to offer, may also serve to reduce segregation. For example, policies that support access to local jobs—such as language courses, vocational training, and better systems for recognizing immigrants’ qualifications—can facilitate immigrants’ socioeconomic integration. Policies that encourage citizenship acquisition—such as by funding community-based organizations that help immigrants prepare for naturalization—can help strengthen immigrants’ ties with the host country. Finally, allowing immigrants to access basic services can provide a safety net in difficult times and help them get back on their feet. Of course, providing unlimited and generous support can sometimes provide a disincentive to work; as with any safety net program, government support should be balanced with an expectation that most families should eventually become fairly self-sufficient.

27 Ibid., 401.
29 Studies generally show that immigrants and ethnic minority members of higher socioeconomic status are indeed significantly less segregated than lower-status ones. Iceland, *Where We Live Now*.
V. Conclusions

Although the roots of residential segregation in the United States and Europe are very different, the effects are similar. Residential segregation can prevent individuals from accessing social, cultural, and economic opportunities, impede relations between groups, and exacerbate problems of poverty and social exclusion.

Concerns about these effects—and the wasted potential of whole communities—have provided impetus for a range of policy interventions, such as mixed housing schemes. One of the main differences between Europe and the United States is that U.S. policies have often focused on moving people out of disadvantaged neighborhoods, while European policies have focused on diversifying these neighborhoods. In both cases, housing-related interventions have only had limited success; in some cases it became clear that people of all backgrounds preferred to live in areas with at least some coethnic members.

*While addressing the outcomes of residential segregation may seem like the most straightforward option, policymakers would do better to look to the underlying causes.*

Policy approaches are naturally constrained by available resources and shaped by public opinion. What is within the realm of possibility in one country may not be feasible in another. For example, because *laissez faire* policies are popular in the United States, centralized city planning is typically much more difficult to implement in the United States than in other countries. The city of Houston, for example, has virtually no zoning (land-use) regulations, and it is unlikely that the public would welcome a change in this respect.

While addressing the outcomes of residential segregation may seem like the most straightforward option, policymakers would do better to look to the underlying causes. Measures to promote labor market integration, citizenship acquisition, and social inclusion among newly arrived immigrants may reduce the risk that they become economically and residentially marginalized. Meanwhile, interventions that address the underlying ethnic inequalities and social divisions in society may have greater reach for existing communities. And increasing the extent to which a group feels part of the social fabric of a country will facilitate group relations and improve the functioning of social institutions.
Works Cited


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