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Cities in Transition: The Case of Houston

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The end of the twentieth century finds major U.S. cities in the midst of significant change, precipitated by important economic and demographic trends. First, the foundations of the U.S. economy have definitively shifted away from the blue collar "resource economy" of the Industrial Age into the more problematic "knowledge economy" of the Information Age. Second, a fundamental change has occurred in the ethnic composition of the U.S. population, from an essentially European amalgam into a "universal nation," far more representative of all the peoples of the world. America's large urban areas have been at the forefront of these transformations.

Since 1982, we have been exploring, through systematic survey research, the way the citizens of Houston are experiencing and responding to these remarkable changes.¹ The annual survey measures, among other things, perceptions of job opportunities, attitudes toward downtown development, and opinions about immigration. The results point to three major challenges in particular — what might be termed the "Balkanization," "ethnic divides," and "Brazilianization" of the city—that are exemplified in Houston's recent development and must be addressed effectively and soon if the current prosperity is to be sustained.

Downtown Redevelopment (or Battling Balkanization)

The decentralization, or "Balkanization," of city populations poses one of the most formidable challenges facing many U.S. urban centers. Across the 620 square miles of sprawling, low density Houston, residents generally live in separate, often gated, communities. Enclaves of people who share socioeconomic status and ethnic backgrounds live in relative isolation from other demographic groups. Each of these "decentralized villages" is quite properly but often too exclusively focused on its own issues, making it difficult for residents to develop a broader sense of responsibility for the region as a whole or to work cooperatively with other communities to enhance the public spheres and address common problems.

This decentralization is one reason why downtown redevelopment is so important to the future of many cities: downtown represents the one area to which practically everyone feels some sense of connection. The Houston survey shows increasing public support for downtown development. In response to the question, "How important is it for the future of Houston to make major improvements in the downtown areas of the city?" 41 percent of respondents ranked such improvements as "very important" in 1995, increasing to 47 percent in 1997. When asked about the use of funds available for public transportation, 47 percent in 1993 favored using the money "to build a transit system to encourage inner-city development," while 49 percent preferred that the money be used "to improve the highways to the outer suburbs." By 1998, the percentage in favor of an inner-city transit system had increased to 59 percent, while those supporting suburban highways had decreased to 34 percent.

The Demographic Revolution and Ethnic Divides

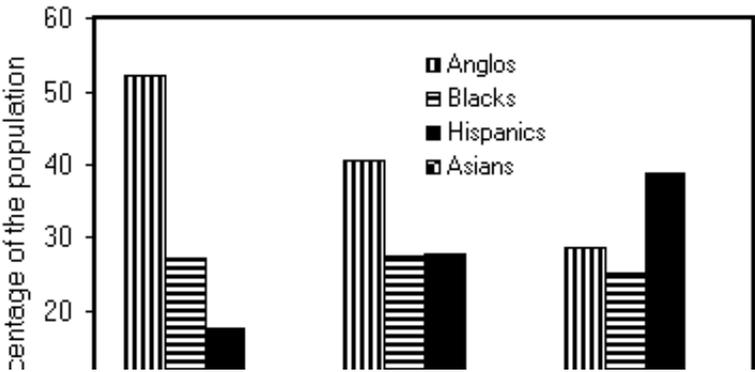
The statistics of Houston—trailing only those of New York, Los Angeles, Chicago, and Miami—illustrate the "colorizing" of the American population. During the 1970s, Houston's spectacular growth was largely due to the in-migration of non-Hispanic whites from other parts of the country. Between 1980 and 1990, however, the Anglo population of Harris county grew by a mere 1 percent and the black population by 12.5 percent. In contrast, the Hispanic population, after doubling in the 1970s, expanded by another 75 percent in 1980s, and the Asian population grew by 129 percent. (Actual and projected figures from the U.S. Census are shown in the figure).

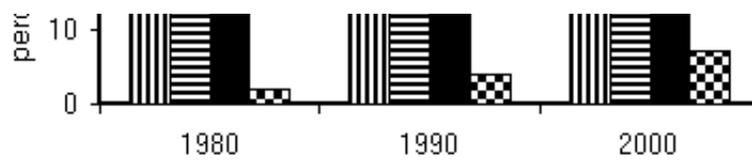
When asked to evaluate "relations among ethnic groups in the Houston area," respondents show increasing optimism: 20 percent ranked ethnic relations as "excellent" or "good" in 1992; by 1998, this percentage had more than doubled to 41 percent. But blacks give much less positive ratings than Hispanics or Anglos. In 1998, 24 percent of black respondents considered ethnic relations to be good or excellent, compared to 45 percent of Hispanics and 44 percent of Anglos. Blacks and Anglos were asked this question: "Would you personally prefer to live in a neighborhood that is all white, mostly white, mixed half and half, mostly black, or all black?" Over the years, blacks have consistently, by 70 to 75 percent, indicated a preference for fully integrated neighborhoods. Anglos' responses, in contrast, have undergone a systematic change. The proportion stating a preference for an "all white" neighborhood steadily decreased from 31 percent in 1986 to 11 percent in 1998, and the percentage who said they preferred "mixed half and half" neighborhoods increased from 27 percent in 1986 to 43 percent in 1998.

Despite these optimistic indications, the survey results also note striking differences in perception between Anglo respondents and black and Hispanic respondents (see box below). As a result of the successful campaign in 1997 against Proposition A, which would have dismantled the city's affirmative action programs, support for such programs increased, but only among blacks (from 71 percent in 1997 to 79 percent in 1998) and Hispanics (70 percent to 81 percent); no discernible change (at 37 percent and 36 percent) occurred in Anglos' attitudes.

These wide gaps in perception pose serious problems for progress. The ethnic transformation of Houston's population represents a great potential asset, but if most residents continue to live and work in largely segregated enclaves, divided by mutual misperceptions and distrust, the new diversity is likely instead to generate serious social conflict. Houston could be a model of successful transition into the fully multi-ethnic future, poised for success in the global "knowledge economy," but that success will require sustained, determined commitment from all segments of the community.

	Anglos	Blacks	Hispanics	Asians
1980	52.3	27.1	17.6	2.1
1990	40.6	27.5	27.6	4.1
2000	28.5	25.1	39	7.2





Burgeoning Inequalities = Brazilianization?

The Houston economy rebounded rapidly from the oil and real estate recession of the mid-1980s, but it was a recovery into a strikingly different kind of economy. Good paying blue-collar jobs are disappearing, and income gaps are widening based primarily on educational attainment. Survey findings confirm that a fundamental shift occurred in the underlying structures of the Houston economy. From 1982 through 1987, respondents with high school educations or less were receiving steadily increasing incomes: the proportions reporting incomes above \$35,000 grew from 16 percent in 1982 to 21 percent in 1987. However, during the 1990s, this group received almost no income improvements (from 32 percent in 1990 to 35 percent in 1998). Those with at least some education beyond high school, however, found their incomes improving during both periods: from 45 percent with incomes above \$35,000 in 1982 to 52 percent in 1987 and from 65 percent in 1990 to 73 percent in 1998.²

Although the survey indicates no overall changes within the Houston population as a whole in educational attainment, it shows striking differences among ethnicities. Asian immigrants have by far the highest levels of education; Hispanic immigrants, the lowest. Moreover, while Anglos and blacks have experienced significant in-creases in their educational attainment since 1983, Hispanics have seen no overall improvement (see fig.). In fact, since 1992, educational achievement has actually declined among Hispanics, from 46 percent with more than high school educations in 1992 to 29 percent in the latest survey. This decrease was due solely to declining education among first-generation Hispanic immigrants.

Hispanics and blacks now account for far more than half of Houston's population, and they will outnumber Anglos and Asians in the entire metropolitan region some time early in the next century. If Houston's minority communities are not prepared to succeed in the new economy, it is hard to envision a prosperous future for the city as a whole. Hence, the third and most difficult challenge facing Houston—and the rest of America— is to reverse the process of "Brazilianization," i.e., the ever-widening income gap between rich and poor. Unless decisive change occurs, the population will continue to divide into two increasingly impermeable classes: one made up primarily of privileged whites; the other, of impoverished minorities.

Conclusions

In an earlier time of danger and challenge, Abraham Lincoln said, "As our case is new, so must we think anew, and act anew." Is it possible to find creative ways to marshal more fully the resources of the wider community to address the challenges of *our* time?

An unexpected finding from the Houston surveys suggests one possible way forward. In 1983 and again in 1996, area residents were asked, "In terms of what makes a good job, which of the following would you say is the most important: good pay, intellectual challenge, job security, or contributing to society?" The proportion citing "intellectual challenge" in either first or second place declined from 54 percent in 1983 to 36 percent in 1996, while "job security" increased, from 52 percent to 60 percent. Interestingly, the percentage who named "contributing to society" showed an equally significant increase—from 29 percent to 37 percent. This suggests that many area residents would readily participate in programs that make it possible to contribute, through their jobs, to the wider community.

Some Houston companies have provided such opportunities to their employees —enabling them, on

company time, to help in schools, build housing for the poor, restore blighted neighborhoods—with distinctly positive results. Via these new kinds of partnerships with the wider community, local businesses could do much to ensure that Houston's extraordinary ethnic diversity will make the city more, not less, competitive in the global economy.

Notes

1. The annual surveys, systematic telephone interviews with a scientifically selected random sample of adults living in Harris county, are conducted by Rice University in collaboration with Telesurveys Research Associates. We are grateful for the support of the *Houston Post*, the *Houston Chronicle*, Southwestern Bell, and Fiesta Mart. The findings are reported every year in the *Houston Chronicle* and in *Houston's Ethnic Communities, Third Edition*, 1996, available on request from the Rice University sociology department.

2. From 1982?1987, respondents were presented with nine income categories, ranging from "less than \$7,500" to "more than \$75,000." In every year since 1990, the surveys have offered six categories, from "less than \$15,000" to "more than \$75,000." Because of the different formats, we cannot draw direct comparisons across the two extended periods, but the data make it possible to assess the relationship between educational attainment and changes in income within each of the two time frames, representing earlier and later stages in the consolidation of the new economy.

Blacks and other minorities have the same opportunities as whites in the U.S. today. Anglos: 59 percent agree. Blacks: 70 percent disagree.

Black people in the U.S. are still a long way from having the same chance in life that white people have. Anglos: 57 percent disagree. Blacks: 79 percent agree.

Affirmative action policies give unfair advantages to minorities and women. Anglos: 61 percent agree. Blacks 79 percent disagree.

Favor or oppose giving preference to minorities in hiring and promotion? Anglos: 79 percent are opposed. Blacks: 79 percent are in favor.

Do you approve or disapprove of Houston city government setting aside a fixed percentage of city contracts for minority-owned companies? Anglos: 64 percent disapprove. Blacks: 79 percent approve. Hispanics: 81 percent approve.

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