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NEW DETROIT
The Coalition

DEALING WITH RACE

The Quest for Regional Cooperation





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Dealing with Race: The Quest for Regional Cooperation

Edited by Philippa Strum

Proceedings of a Conference held on February 25, 2005

New Detroit–The Coalition

**Division of United States Studies,
Woodrow Wilson International Center for Scholars**

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NEW DETROIT – THE COALITION

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ABOUT NEW DETROIT - THE COALITION

New Detroit is a coalition of leaders from civil rights & advocacy organizations, human services, health & community organizations, business, labor, foundations, education, media, and the clergy. It is a private, non-profit, tax-exempt organization. Its mission is to work as the coalition of Detroit area leadership addressing the issue of race relations by positively impacting issues and policies that ensure economic and social equity.

Introduction

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SHIRLEY STANCATO

President and CEO, New Detroit

This symposium is one of two events being hosted today by New Detroit and the Woodrow Wilson International Center for Scholars. This evening, the Wilson Center will honor Congressman John Dingell for public service and John Rakolta, Jr., Chairman and CEO of Walbridge Aldinger, for corporate citizenship. New Detroit is particularly pleased that John Rakolta is being honored because he is also the Chair of our Board. When the Wilson Center decided to honor John, it committed itself to working with a non-profit organization of his choice in presenting a program about an issue of interest and concern to the community. John immediately selected New Detroit as the organization and race as the issue.

New Detroit was the nation's first urban coalition. In 1967, following what are known as the riots or the rebellion, depending upon one's perspective, Governor George Romney called upon Mayor Jerome Cavanaugh of Detroit to bring the community together and find a way to ensure that such an event would never be repeated. Romney and Cavanaugh turned to Joseph L. Hudson, Jr., president of the Hudson's Department Stores chain, to lead the initiative. Hudson brought together 39 leaders from business and the community and the New Detroit coalition was born. New Detroit maintains its original mission: "to work as the coalition of Detroit area leadership addressing the issue of race relations by positively impacting issues and policies that ensure economic and social equity."

We have entitled today's event "Dealing with Race: The Quest for Regional Cooperation," but we might simply have called it "Our Shame." No one can deny that there is cause for shame when the census takers tell us not only that metropolitan Detroit is the most racially segregated community in the United States but that the state of Michigan is the nation's most racially segregated state and includes five of this country's most racially segregated cities. What a shame that we have become so invested in the infrastructure of racial isolation.

I firmly believe that we all know better. I believe no one here wished for this to happen and absolutely no one here wants to leave this legacy to

our grandchildren. Some of us came today because we want to resist the tragically high human cost of a racially segregated society. Others of us are frustrated by the way in which race imposes a heavy economic burden on our region. Still others of us are here today as concerned citizens, seeking allies for constructive political action. Whatever the differences in our reasons for attending this conference, the important fact is that we are all here together. With good faith, candor and luck, perhaps we can begin today to change things just a little bit.

PHILIPPA STRUM

Director, Division of U.S. Studies, Woodrow Wilson Center

The Woodrow Wilson International Center for Scholars was created by Congress to bring policymakers and scholars together to discuss matters of public interest. Woodrow Wilson remains the only president to receive a Ph.D. Before he entered politics, he was a political scientist who wrote numerous scholarly works and served as president of Princeton University.¹ We try to combine the two spheres in which Wilson was so important—policymaking and scholarship—in the hope that bringing them together will enable us to create a better country.

The Division of United States Studies at the Center focuses on race, ethnicity, class, civil liberties, civil rights and immigration. We are pleased that the Division had a connection with Detroit even before this collaboration with New Detroit, as the Damon J. Keith Law Collection at Wayne State University supports one of our programs. The program brings young university professors who are working in the field of race, ethnicity and public policy to speak about their research at the Center's building in Washington, where they are paired with senior scholars in their areas of expertise. Our commitment to the program reflects our belief that issues of race and ethnicity frequently receive insufficient attention from both the scholarly and the policy-making communities, and that mainstream institutions must send the message that scholars working on these crucial issues deserve our support. We hope to continue to develop both our relationship with the Keith Collection and the one that we have forged with New Detroit in order to bring you this discussion of one of the most important public policy issues facing our country today.

Notes

1. See, e.g., *Congressional Government: A Study in American Politics* (Houghton, Mifflin, 1885); *Constitutional Government in the United States* (Columbia University Press, 1911).

Race: A Quest for Regional Cooperation

JUNE MANNING THOMAS

Professor of Urban and Regional Planning, Michigan State University

My subject is the quest for regional cooperation and the role of race. My basic point is that regional cooperation is of great benefit to metropolitan areas. I will review some of the claims for those benefits and then suggest that the Detroit metropolitan area suffers in part because of incomplete regional cooperation, with race playing a very important part in the lack of cooperation. Drawing on the history of efforts in metro Detroit, I will discuss the continuing barriers to regional cooperation and social equity, the hopeful signs that exist nonetheless, and possible prescriptions for action.

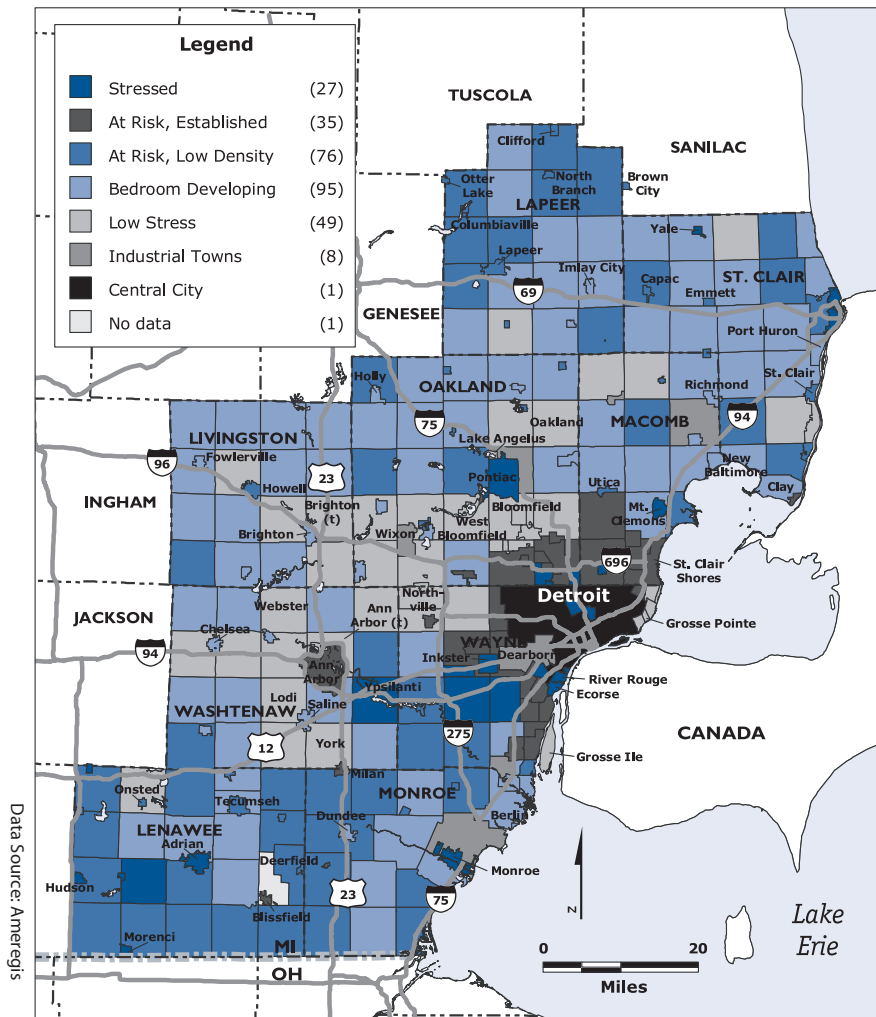
The Importance of Regional Cooperation

Quite a few scholars suggest that cooperation within metropolitan areas is both important for the progress of the region and an important indication of such progress. One of the best known of them is David Rusk, who has visited the Detroit metro area several times and is the author of books such as *Cities Without Suburbs*.¹ Rusk argues that cities that have become part of their region by expanding their boundaries, thereby eliminating some of the barriers between central cities and the suburbs, have engaged in a form of what he calls elasticity and have fared better than inelastic cities. He suggests that within elastic regions, central cities are more financially stable and have better bond ratings. The regions suffer from less deterioration of the core cities and to some extent have better metropolitan job and income growth.

Social demographer Myron Orfield, formerly of the Metropolitan Area Research Corporation, has also visited metro Detroit.² Orfield considers regionalism to be crucial because both central cities and inner ring suburbs have needs that are not well served by the current fragmentation and sprawl. Central cities, which constitute about 29 percent of the population of the largest metro areas, for example, have declining economies, declining social systems, neighborhoods that are increasingly isolated racially, and a need for support within the region. What Orfield calls at-risk developed

suburbs are also in stress because of their relatively high tax rates and their need for the kind of stabilization that comes from regional land-use planning and affordable housing. That is true of metro Detroit communities such as Hamtramck, Highland Park, and several down-river communities. Developing bedroom suburbs, a third category, are also at risk because of phenomena such as pockets of poverty and high infrastructure and school

Figure 1: Detroit metro community classification 2000.

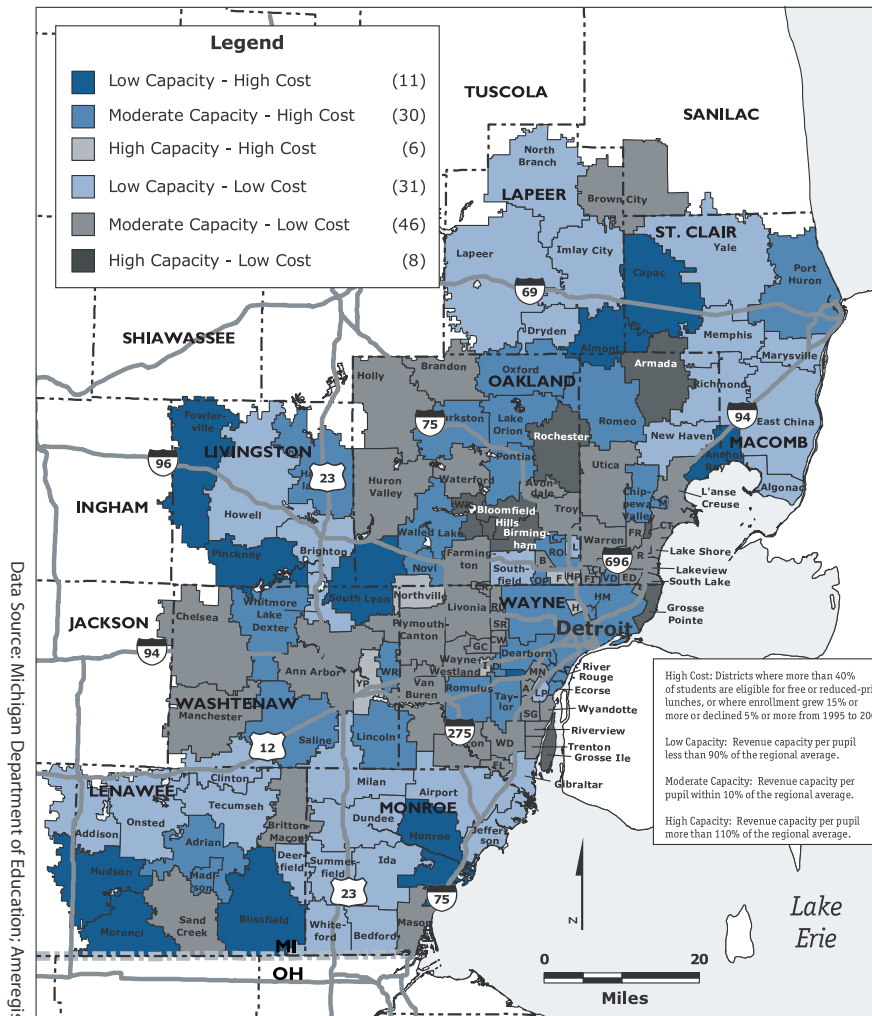


SOURCE: Myron Orfield and Thomas Luce, *Michigan Metropatterns: A Regional Agenda for Community and Prosperity in Michigan* (Metropolitan Area Research Corporation, April, 2003), p. 16.

costs. Orfield's point is that there are reasons for concern about even those places which are job centers, because of the problems created by sprawl and by the rapidly declining land base.

Figure 1 shows the Detroit metro area communities that Orfield considers to be at risk. There is the central city and then the suburbs, some of which are in fairly good shape and, as I will explain later, others of which

Figure 2: Detroit metro school district classification 2000.

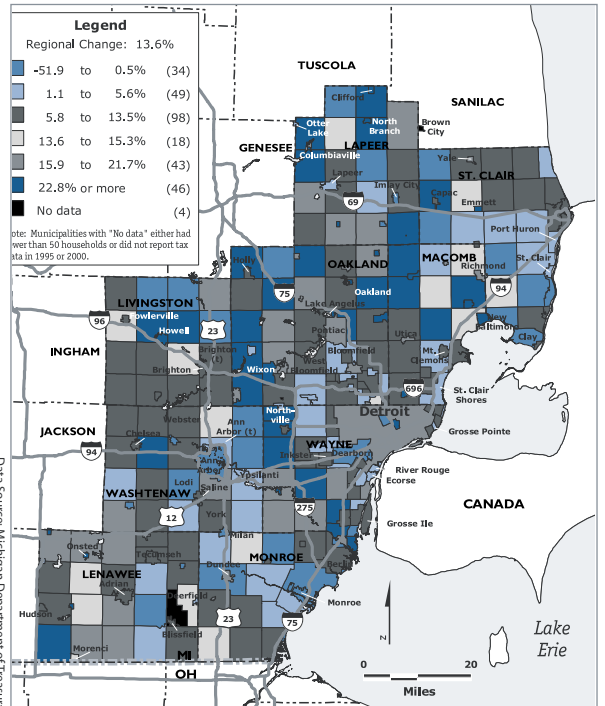
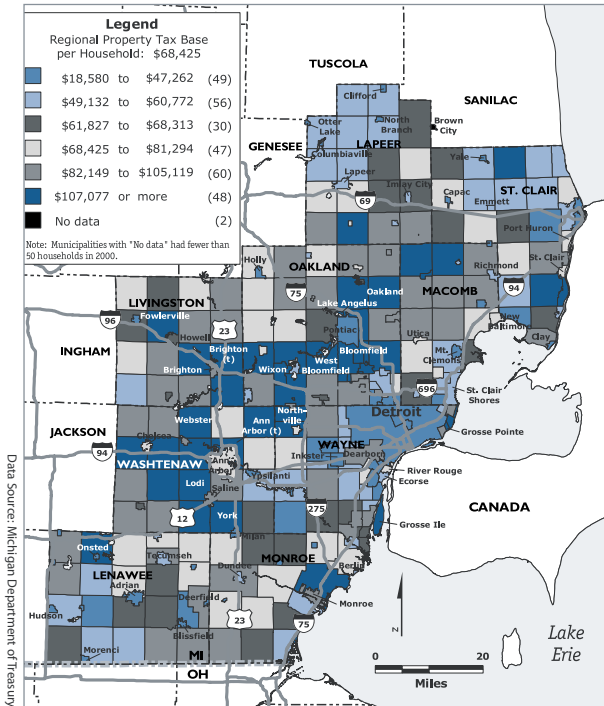


SOURCE: Myron Orfield and Thomas Luce, *Michigan Metropatterns: A Regional Agenda for Community and Prosperity in Michigan* (Metropolitan Area Research Corporation, April, 2003), p. 16.

Figure 3: Detroit metro tax base vs. change in tax base.

Map 5. Property Tax Base per Household by Municipality, 2000

Map 6. Percentage Change in Property Tax Base per Household by Municipality, 1995- 2000



SOURCE: Myron Orfield and Thomas Luce, "Michigan Metropatterns: A Regional Agenda for Community and Prosperity in Michigan" (Ameregis, Metropolitan Area Research Corporation, April, 2003), p. 14.

are at risk. The lesson here is that it is not just the city of Detroit but the suburbs as well that are experiencing problems because of the pattern of metropolitan urban growth.

Figure 2 depicts an even starker situation. Approximately 45% of the elementary and high school students in the metropolitan Detroit area are at risk because of a declining property tax base or a rapid increase in the numbers of people entering the school system. A mismatch exists between the tax base level and the number of students in the system. This is true even in some of the wealthier suburbs.

The maps of Detroit metro tax bases and the change in tax bases (Figure 3) show some distressed communities with tax bases lower than the metropolitan average as well as some with bases higher than the average. This is

no surprise, as we all know which communities are better off in terms of tax base. What may come as a surprise, however, is the picture presented by the decline of the tax base in what otherwise appear to be fairly stable and prosperous municipalities.

Their tax bases are not yet low but they are declining, at a time when the numbers of people moving into those areas are driving up costs.

The new urbanists and their companions, the smart growth advocates, take a third approach to the subject. Scholars such as Robert W. Burchell and Anthony Downs have documented the financial costs of sprawl.³ Urban designers such as Andres Duany and Peter Calthorpe make claims about the benefits of compact development, including greater protection for rural areas, less expensive infrastructure, less traffic and a better community life.⁴

None of these authors—none of the books and articles and case studies—mentions Detroit as a model of regional cooperation. Why is this the case?

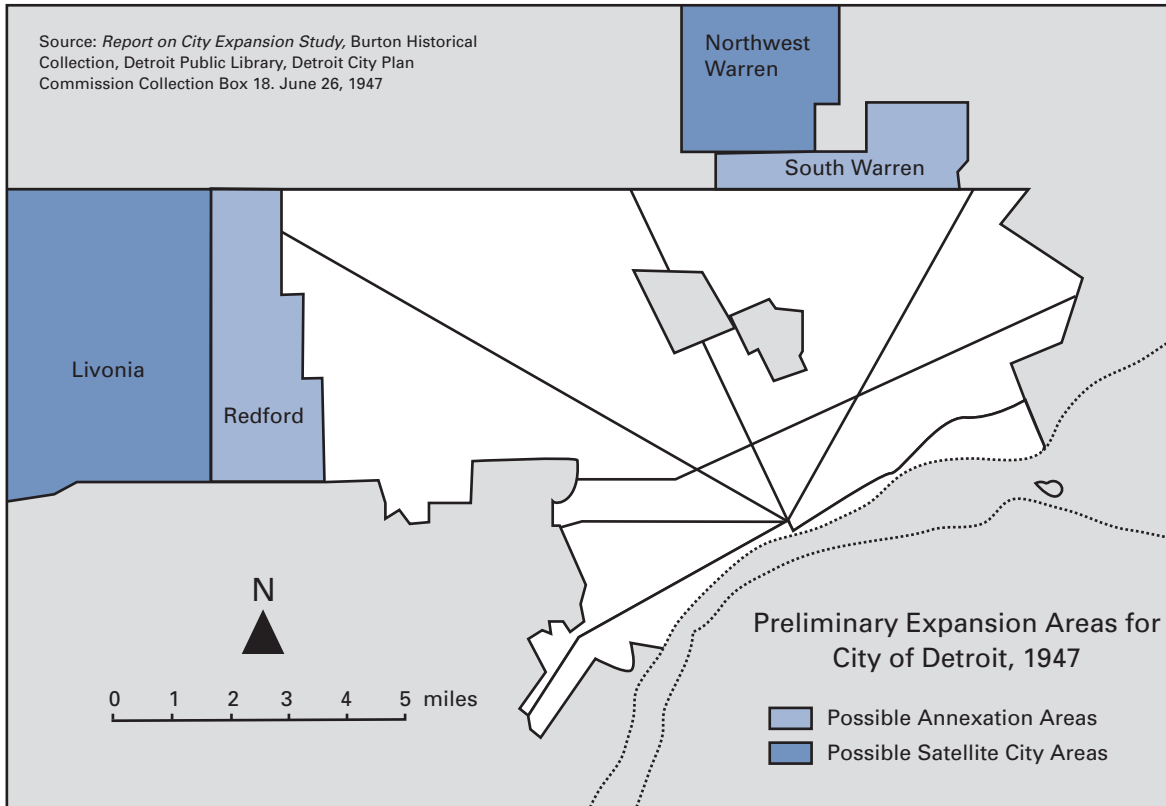
The case of metro Detroit

The answer begins with the historical background and the efforts that have been made to bring the Detroit metropolitan area together. When the Willow Run plant began to build bombers during World War II, its work force went from something like 5,000 to 43,000.⁵ Its exploding employment led the city and the surrounding areas to study ways of meshing housing and transportation needs. A serious discussion was begun about the need for regional cooperation, because people were living in chicken coops and the roads were jammed. Mayors Edward Jeffries and Jerome Cavanaugh led several efforts in the 1940s and the 1960s, respectively, to annex territory to the city.⁶ (See Figure 4, page 8)

As mentioned, David Rusk considers an elastic city to be better off financially because, by annexing or otherwise expanding its boundaries, it retains its tax base. Under Mayor Jeffries' plan, the city of Detroit would have included Redford and several of today's suburbs. The plan failed because state law made annexation difficult but permitted easier home rule formation of corporate cities. The suburbs therefore incorporated quickly, before Detroit had a chance to annex them.

Other efforts included some by state legislators. In 1975, Representative William Lyon introduced what he called an "area unity" bill that would have consolidated the Detroit metro area, at least in part, along the lines of consolidation in places like Nashville and Indianapolis, and would perhaps have created the kind of two-tier system that exists in Miami-Dade County. A number of efforts have been made to merge transit systems, and

Figure 4: Expansion Plans 1947.



Also available in June Thomas, *Redevelopment and Race: Planning a Finer City in Postwar Detroit* (Johns Hopkins University Press, 1997), p. 31.

those efforts, too, have a sad history, with continuing problems of cooperation between city and suburban transit systems. The Metropolitan Affairs Coalition has existed since 1958, and other regional organizations such as the Southeast Michigan Council of Governments (SEMCOG) exist as well. SEMCOG's regional development initiative of the early 1990s included a series of discussions about issues such as regional economic development, race and crime.

And yet here we are in 2005. Why did none of those attempts work? Why does the region remain fragmented by race and class? One myth attributes the fragmentation to the civil rebellions of the 1960s. That is incorrect because changes were taking place long before the civil rebellions; those changes were in fact the reason the civil rebellions occurred. The trends were already clear by the 1940s and 1950s. Many people blame

Detroit mayor Coleman Young, who was first elected in 1973, but the data suggest that racial estrangement and disunity existed long before then.⁷ Others blame crime and poor schools. Those may be reasons for more recent changes but they do not explain how we got to this point.

The best way to analyze the situation is to begin by examining the history of policy and looking at what about Detroit is unique. Fragmentation in southeast Michigan is due in large part to federal policy, just as federal policy is responsible for fragmentation all over the country. The Federal Housing Administration and the Veterans Administration have been the major culprits in encouraging racially selective suburbanization. They made it possible for people to move into affordable suburban housing—as long as they were white, not Jewish, and in some cases not Asian. Prejudice against different races of people resulted in selective access to the suburbs.

Recalcitrant suburban mayors were another factor. It is interesting that we are meeting in Dearborn, for example—the place where Orville Hubbard made it clear that he would never let the sun set on blacks.⁸

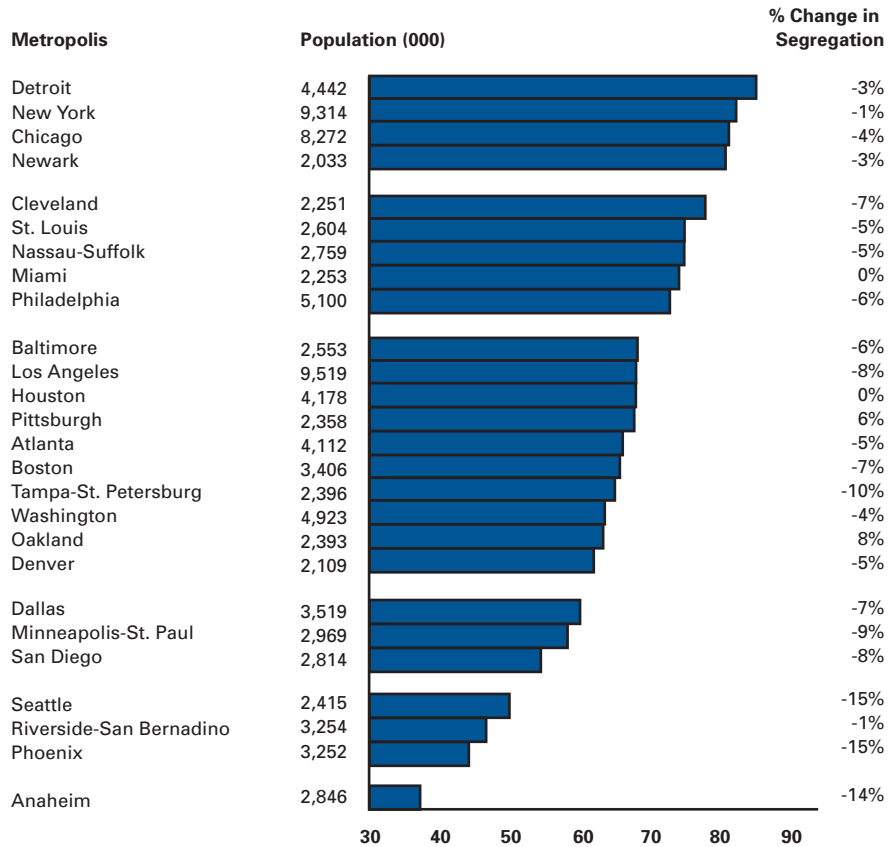
Another cause of fragmentation was the spiraling effect of concentrated poverty, aggravated by industrial decline. This is unique to Detroit. People in Detroit, particularly among the African-American working class, were so dependent on the automobile industry that its decline had a devastating effect on every aspect of life in the city.

I have spoken about the effects of transportation and racial division. According to David Rusk, Michigan is a small-box state, which means that we did not permit annexation but we did permit a few hundred people to create a municipality. That is unique to Michigan. Our state laws encourage fragmentation more than the laws of most states do, by making annexation difficult and incorporation easy. Racial segregation has reached such high levels that it is the cause of further fragmentation. In turn, that relates to poverty, which has been localized in high-minority central cities such as Detroit.

Shirley Stancato mentioned that this is the nation's most segregated metropolitan area. A chart developed by Reynolds Farley of the University of Michigan's Population Studies Center utilizes a standard technique for measuring racial segregation (Figure 5, page 10). It indicates that Detroit has the dubious distinction of having greater black-white segregation than any other large metropolitan area. It has other kinds of segregation, such as Hispanic-white, but the black-white segregation is the most egregious and puts Detroit sadly far ahead of other cities such as New York, Chicago and Newark.⁹

Fragmentation in southeast Michigan is due in large part to federal policy, just as federal policy is responsible for fragmentation all over the country.

Figure 5: Black-White Residential Segregation in Large Metropolises, April 2000.

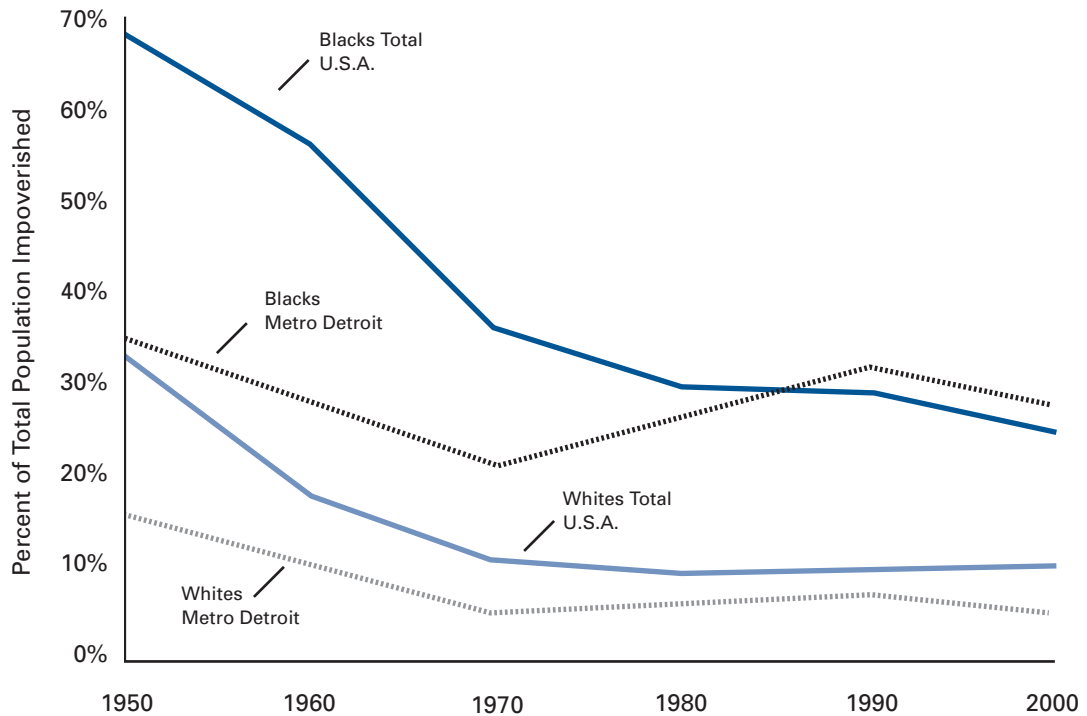


SOURCE: Reynolds Farley, *Divided Detroit: Race in 21st Century*, available at http://www.detroit1701.org/Class_Blk-Wht%20Seg_over%202%20million.html.

Statistics about the poverty rate are equally disheartening. The nationwide black poverty rate dropped significantly between 1950 and 2000—but Figure 6 (page 11) shows what happened in metro Detroit. The rate dropped for a while and then bounced back up, changing little from 1900 to 2000. This is quite different from what happened to whites in metro Detroit.

This is why we are here today. Let us examine the percentage of the black race and the white race within a three county area and within the city of Detroit. The black percentage has not changed much, with most of the blacks in the three county area continuing to live within the city. The

Figure 6: Poverty Rates, 1950 to 2000, for Whites and Blacks, Total USA and Metropolitan Detroit.



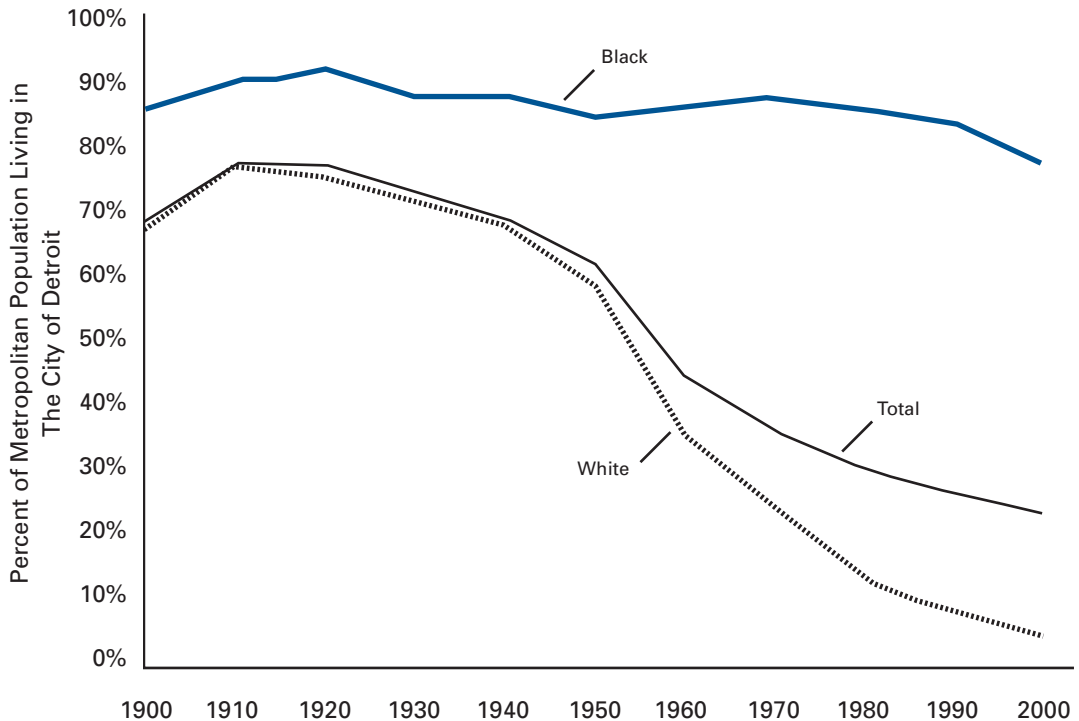
SOURCE: Reynolds Farley, *Detroit Divided Race in 21st Century America*

big difference is in what happened to the white population. The number and regional proportion of whites living in the city dropped dramatically. (See Figure 7, page 12)

Barriers to regional cooperation are caused not only by political fragmentation but by the transportation system as well. This region suffers from too many highways and too little public transit. Contrast Detroit with New York City or Chicago in terms of the number of miles of available public transit service. The 1990 data show Detroit to be very far down on the list. (Figure 8, page 13)

Figure 9 (page 14) shows that Southeast Michigan moved even lower by comparison with other cities in 1998. In 1990 the region ranked 18th out of 20 in transit miles used per person, while in 1998 it ranked 23rd out of 25.¹⁰ That is a problem because while redevelopment efforts in places such as

Figure 7: Percentage of the Three-County Metropolitan Population Living in the City of Detroit.

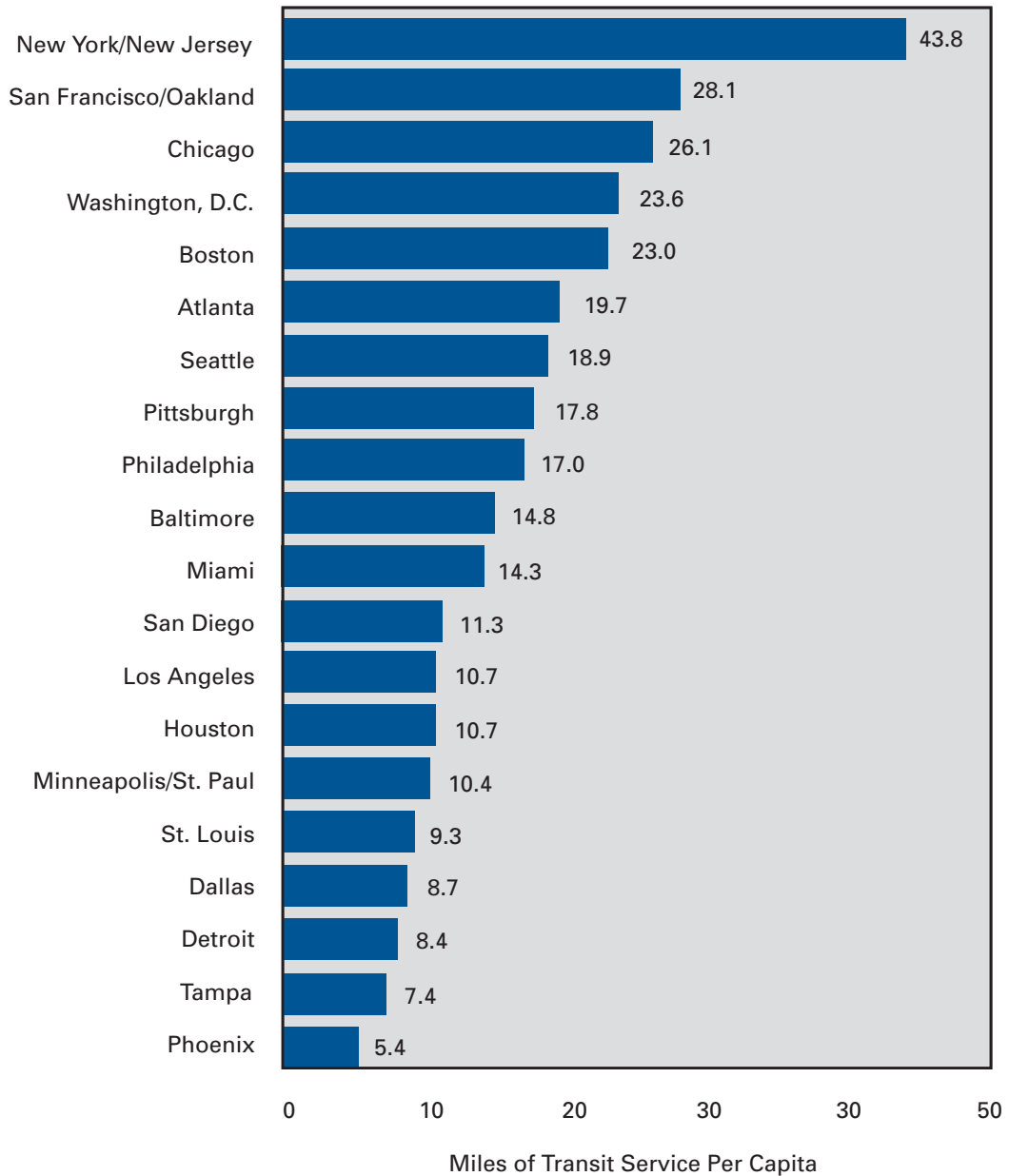


SOURCE: Reynolds Farley, *Detroit Divided: Race in 21st Century America*, available at <http://www.detroit1701.org/Percent%20in%20Detroit.html>

Chicago and Cleveland can rely on transportation systems that bring commuters into central areas by rail rather than car, Detroit cannot. The lack of a modern transportation system has caused irreparable damage, severely hampering the potential for racial mixing and for central city revitalization.

Racial attitudes also inhibit regional cooperation. As recently as thirteen years ago, whites were still making residential choices based in large part on race. This is demonstrated by the work of Reynolds Farley, who showed metro Detroit respondents diagrams of four neighborhoods with different racial characteristics, and noted their reactions. One of Farley's neighborhoods consists entirely of houses owned by whites, except for one house owned by blacks. A second picture shows a primarily white neighborhood with only three black-owned houses and so on, until the final one shows roughly half white and half black houses. In each case, the house of the respondent sits in the middle of the neighborhood. Farley's test is simple: he asks, "Would you continue to live there?" (Figure 10, page 15)

Figure 8: 1990 Miles/person Transit Service, Top 20 U. S. Urbanized Areas.



SOURCE: Southeast Michigan Council of Governments, “2020 Regional Transportation Plan,” Background Paper #6, March, 1997.

Figure 9: 1998 Miles/Person Transit Service, Top 25 Major Metro Areas

RANK	REGION	MILES PER CAPITA
1	New York	43.3
2	Seattle	37.1
3	San Francisco/Oakland	35.0
4	Boston	29.1
6	Chicago	28.9
22	Minneapolis	11.4
23	Southeast Michigan	10.2
24	Phoenix	9.1
25	Tampa	5.0

SOURCE: Southeast Michigan Council of Governments, “Improving Transit in Southeast Michigan: A Framework for Action,” October 2001, p. 28.

Farley found that as recently as 1992, the more racially mixed the neighborhood, the greater the percentage of whites who said they would not continue to live in it. In 1976, 84% of whites said they would stay in the neighborhood with one black family. When they reached the neighborhood that looked as if it might have more blacks than whites, however, 64% of the white respondents in 1976 and 53% of the white respondents in 1992 said they would try to move.¹¹ (Figure 11, page 15) Farley’s updated data are not yet available.

Hopeful signs in the region

Richard Florida, Professor of Economic Development at Carnegie Mellon University, suggests that people will move to central cities that have a vibrant inner city life.¹² Florida also teaches that diversity of national origin is necessary for the creation of economic growth. While there is still substantial migration out of Detroit and Oakland and various other counties, the new immigrants who arrived between 1995 and 2000 and who continue to arrive from such disparate places as Lebanon, Saudi Arabia and Nigeria are

Figure 10: Data on Residential Choices

- Survey by Dr. Reynolds Farley, University of Michigan
- Showed, to white respondents, drawings of four different neighborhoods, in 1976 and 1992
- Also tested blacks.

SOURCE: Reynolds Farley, University of Michigan, as part of study published in Reynolds Farley, Sheldon Danziger, and Harry Holzer, *Detroit Divided* (Russell Sage, 2000), p. 190.

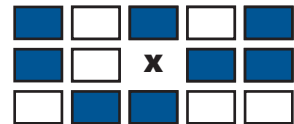
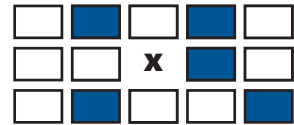
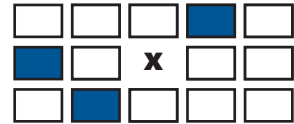
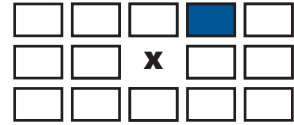
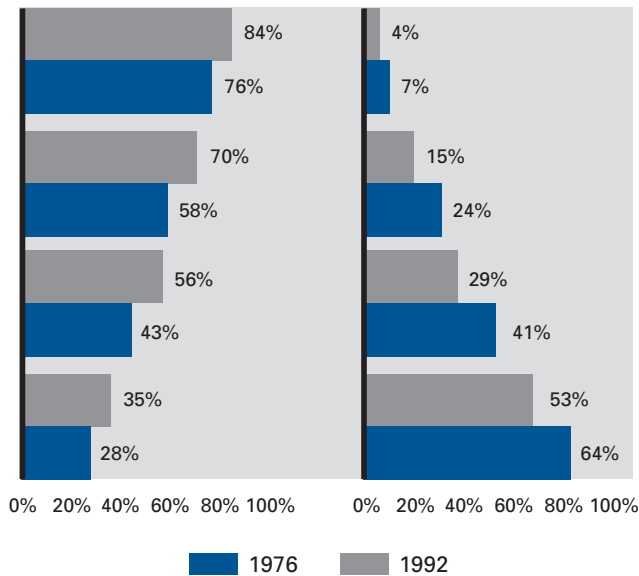


Figure 11: White Residential Choices.

Percentage Indicating They Would Feel Comfortable in the Neighborhood

Percentage Indicating They Would Try to Move Out of the Neighborhood



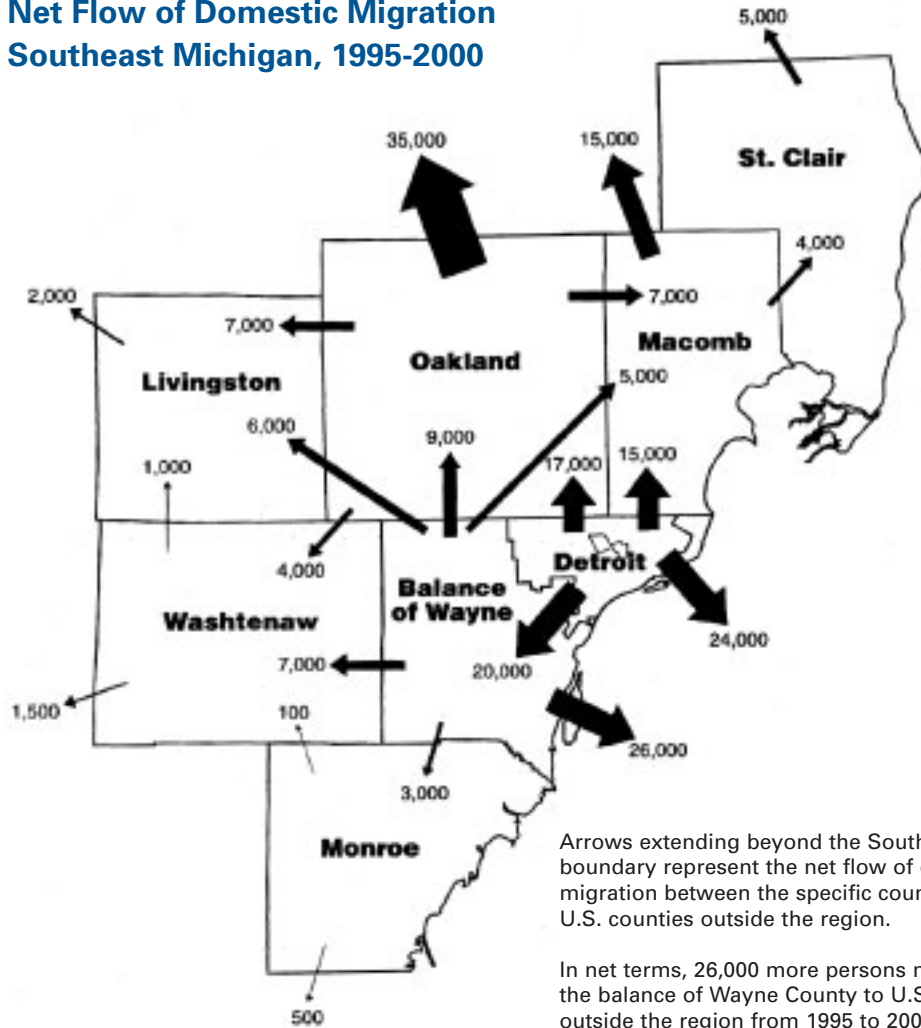
SOURCE: Reynolds Farley, Sheldon Danziger, Harry Holzer, *Detroit Divided* (Russell Sage, 2000), p. 190.

adding to the vibrancy. If they remain in central areas they can be a force for the revitalization of those areas.¹³ (Figures 12 and 13)

There are also some signs that economic distress has declined. Studies

Figure 12: Continued out-migration.

Net Flow of Domestic Migration Southeast Michigan, 1995-2000

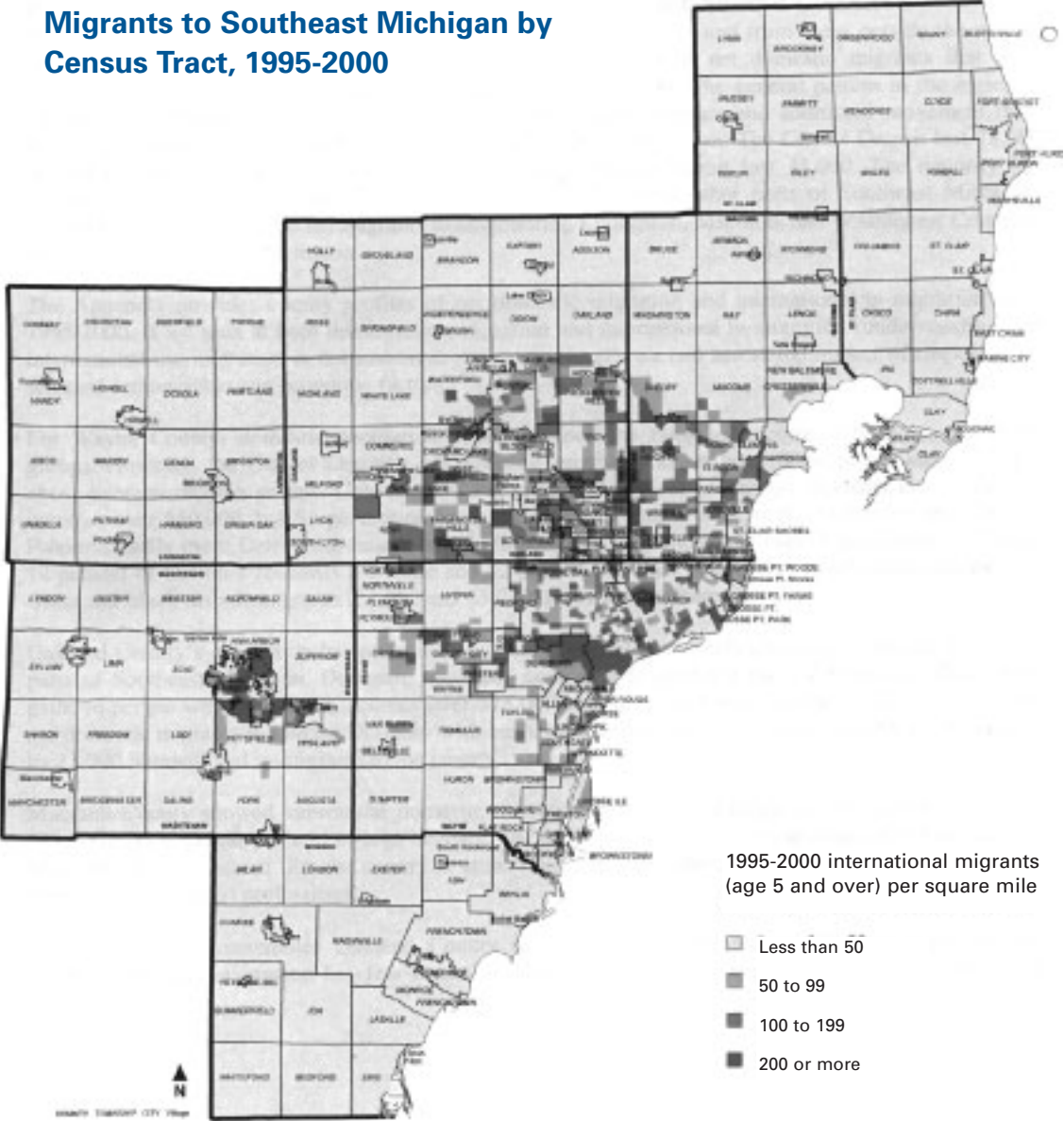


NOTE: Numbers shown represent the net flow of persons age five and older. Net flows between non-adjacent counties/areas in Southeast Michigan are less than 2,000. For purposes of map clarity, these net flows are not shown.

SOURCE: U.S. Census Bureau, Census 2000 Migration DVD.

Figure 13: International Migrants.

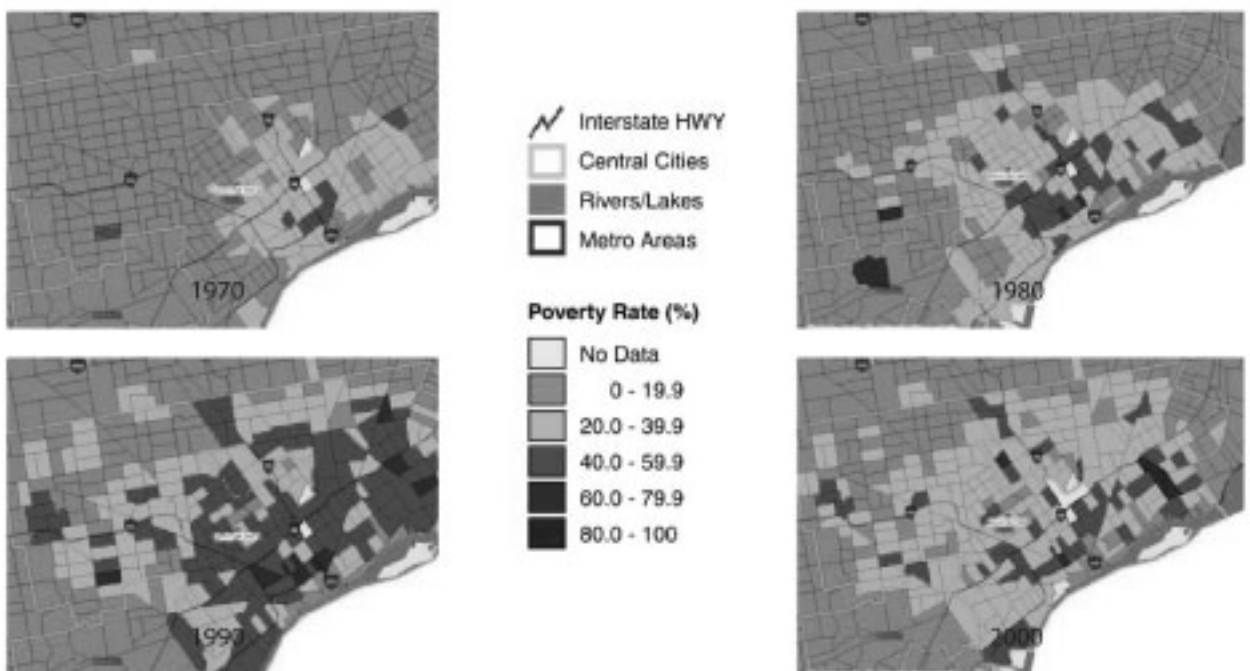
Population Density of International Migrants to Southeast Michigan by Census Tract, 1995-2000



SOURCE: U.S. Census Bureau, Census 2000 SF3.
 Southeast Michigan Council of Governments, "Migration and Its Impact on Southeast Michigan, 1990-2003, November, 2004), pp. 21, 24.

show that there was greater economic recovery in Detroit than in other distressed cities between 1990 and 2000. A recent Brookings Institution study indicates that between 1970 and 1990, there was a substantial increase in the number of high poverty neighborhoods, defined as those in which at least 40% of families were living in poverty. Between 1990 and 2000, however, that number declined.¹⁴ I have discussed that finding with many people, and we are all trying to understand what is happening. It is clear, however, that the dynamics within inner-city Detroit are changing. It may be that the situation had gotten so bad that there was nowhere to go but up, but it might also be that reclamation is happening in Detroit. If you drive around Detroit, you can see visible evidence in the form of the condos and townhouses that are being built in midtown. There are developers

Figure 14: Detroit Poverty Neighborhoods Drop (from Paul Jargowsky, “Stunning Progress, Hidden Problems,…” Brookings Institution 2003)



SOURCE: Paul A. Jargowsky, “Stunning Progress, Hidden Problems: The Dramatic Decline of Concentrated Poverty in the 1990s.” Brookings Institution Policy Brief, May 2003.

in the room today who are involved in that kind of development, which is changing the dynamics of inner city Detroit. (Figure 14)

Another hopeful sign is the large number of organizations that are doing exceptional work. They include the Detroit Local Initiatives Support Corporation (LISC), Metropolitan Organizing Strategy Enabling Strength (MOSES), the Michigan Suburbs Alliance, Transportation Riders United, the Greater Detroit Fair Housing Center, and of course New Detroit.

Possible prescriptions

Educating the public about racial unity and the benefits of regional cooperation, through forums such as this, could make a big difference. Much of what I have discussed has to do with attitude and perception. Will people live next to other people? Will they move to certain areas? Do they have mistaken ideas about who is in distress and who is not in distress? We need to change perceptions as we improve the basic systems in our central cities and create systems necessary for meaningful regional governmental cooperation.

We need an aggressive redevelopment strategy, which some of us are working on in cooperation with a number of universities. We also need continued efforts to market to people such as young professionals. The creative cities movement has demonstrated that many young professionals will move into some central areas even before basic systems such as improved schools are in place. We need support for central city community development corporations and associations and progressive efforts, and Anika Goss-Foster will tell us about some of the things that LISC is doing.

Notes

1. David Rusk, *Cities Without Suburbs* (Woodrow Wilson Center Press and Johns Hopkins University Press, 1993).

2. Myron Orfield, *Metropolitics: a Regional Agenda for Community and Stability* (Brookings Institution Press and Lincoln Institute of Land Policy, 1997); *American Metropolitics: The New Suburban Reality* (Brookings Institution Press, 2002). Orfield is president of the Ameregis Corporation and former Executive Director of the Metropolitan Area Research Corporation.

3. See, e.g., Robert W. Burchell et al., *Costs of Sprawl—2000* (National Academy Press, 2002).

4. Andres Duany, Elizabeth Plater-Zyberk, and Jeff Speck, *Suburban Nation: The Rise of Sprawl and the Decline of the American Dream* (North Point Press, 2000); Peter Calthorpe and William Fulton, *The Regional City* (Island Press, 2001).

5. Henry Ford began construction of an airplane factory in Willow Run, near Ypsilanti, in 1941. The Ford Willow Run B-24 Liberty Bomber plant produced bombers from 1942 to 1945.

6. June Thomas, *Redevelopment and Race: Planning a Finer City in Postwar Detroit* (Johns

We need to change perceptions as we improve the basic systems in our central cities and create systems necessary for meaningful regional governmental cooperation.

Hopkins University Press, 1997).

7. Coleman A. Young, the first African-American mayor of Detroit, held that office from 1974 to 1993.

8. Orville L. Hubbard, mayor of Dearborn from 1942 to 1972, was widely known as discouraging African Americans from moving to that Detroit suburb. See Thomas, *op. cit.*; David Good, *Orvie: The Dictator of Dearborn: The Rise and Reign of Orville L. Hubbard* (Wayne State University Press, 1989).

9. For Farley's data, see <http://www.detroit1701.org/Detroit%20Census%20Trends.html>. This is also the source for the next two paragraphs.

10. Southeast Michigan Council of Governments, "Improving Transit in Southeast Michigan: A Framework for Action," October 2001, p. 28.

11. Reynolds Farley, Sheldon Danziger, Harry Holzer, *Detroit Divided* (Russell Sage, 2000), p. 190.

12. Richard Florida, *The Rise of the Creative Class* (Basic Books, 2004).

13. Southeast Michigan Council of Governments, "Migration and Its Impact on Southeast Michigan, 1990-2003," (November, 2004), pp. 21, 24. Available at <http://www.semco.org/products/pdfs/MigrationImpactsOnSEM.pdf>

14. Paul A. Jargowsky, "Stunning Progress, Hidden Problems: The Dramatic Decline of Concentrated Poverty in the 1990s." Brookings Institution Policy Brief, May 2003, available at <http://www.brookings.edu/es/urban/publications/jargowskypoverty.htm>.

ANIKA GOSS-FOSTER

Program Director, Detroit Local Initiatives Support Corporation

I would like to begin by stressing that it is incumbent upon the corporate financial institutions, the philanthropic institutions, the financial intermediaries, and all the funders that invest in Detroit to think about the impact of their and our investment. That is what LISC has done, and it has changed the way we think about our investment here.

LISC is a financial intermediary. We provide loans, grants, services, and equity in Detroit, and we invest in development projects. During the past fifteen years, we have invested about \$67 million in Detroit, and it has resulted in the building of more than \$300 million worth of development.

About two years ago we were challenged by the Ford Foundation to look at our work, to analyze what it was that we were doing and what kind of impact we were actually making not only on Detroit but on the inner ring suburbs as well, and to consider what kind of long-term sustainable change we hoped to make in the types of housing and commercial real estate development that we invest in.

Our board is composed of representatives from philanthropic and financial institutions and the corporate sector. We invest directly in community development corporations, which are model and mission-based nonprofit developers. The Ford challenge led us to begin to explore the ways in which the concept of regional equity fit into the work that we do in housing and commercial real estate: how our investments impacted accessibility and opportunity, particularly in relation to economic opportunity, diverse housing choices, green space and contiguous infrastructure, quality health care and education, and mass transportation and a clean environment. While LISC cannot achieve all of these things, if we were investing in Detroit's revitalization, we had to consider our investments' impact.

To our surprise, we discovered that we really were not moving the needle in any of these areas. What we were doing was building houses next to each other, especially in the edge neighborhoods of the city, but we were not having a sustainable impact. People were still leaving the city, our children were still less well-educated than their suburban counter-

parts, and the adjacent suburbs were facing issues similar to those in the Detroit neighborhoods in which we were working. We were seeing boarded-up houses and issues of contiguous and non-contiguous vacant property and of crime.

That led to a strong mission shift at LISC. We realized we could not make an impact without doing some serious thinking about Detroit and its inner ring suburbs as an area of opportunity for growth, redevelopment and renewal. We now know that we have to think about the people who are living both in Detroit and in the inner ring suburbs, and about the racial barriers and divisiveness that continue to prevent growth and opportunity for the entire metropolitan area.

Our metro Detroit regional investment initiative now combines physical development and social equity. It is a new and untested model that will allow us to think differently about real estate investment. It is overlaid with issues of race relations and involves the way people are working together and living together in communities for the greater good of the entire region. New Detroit and the National Conference for Community and Justice (NCCJ) are taking a leadership role in this. Shirley Stancato has accurately described our concern as disparity and disinvestment—things that all investors should think about when we look at redevelopment and make investment decisions. Unless we can analyze the way race and racial tension impact growth and economic opportunity for the entire region, we will still just be building houses and developing commercial real estate. If we are really in the business of investing in Detroit and want to have a positive long-term impact and create sustainability, all of us have to begin thinking much more broadly than we did in the past.

THE HONORABLE BILL HARDIMAN **Michigan Senate, 29th District**

I would like briefly to describe the Greater Grand Rapids area where I reside and to present a short overview of my perspective on race and regional cooperation. The scale and scope of these issues are different than they are in southeast Michigan but there are many similarities as well.

Grand Rapids is the core city of the regional area we call West Michigan. Depending on the issue, the region can be viewed as covering several counties, but there certainly is a main tri-county area of Kent, Ottawa and Allegan. Grand Rapids is completely within Kent County. Most people think of greater Grand Rapids as conservative, both politically and religiously. We think of Grand Rapids for furniture, for President

Ford and for a Dutch heritage that is so strong that West Michigan is sometimes called the Dutch triangle.

These images have some basis in truth but are clearly not the whole picture. Grand Rapids is changing in many ways. Our region also has race issues and struggles simply to find a common dialogue, let alone solutions. Just in the past few months there was a controversy over renaming US 131, which goes through Grand Rapids, after Dr. Martin Luther King, Jr. More recently the Grand Rapids police chief publicly challenged African-American leaders by asking where the outrage is about the murders of young men in the community. On a daily basis people of color still face numerous inconveniences and indignities, if not injustices, which are often not apparent to society at large. Only when *The Grand Rapids Press* ran a front page article with pictures did the general community realize that all thirteen homicide victims in Grand Rapids last year were young men of color.

Racial prejudice and institutional racism have been problems in the United States since its inception. We try to eliminate them with laws and policies and we have made great progress. Racial minorities are no longer unseen; no longer unrecognized as persons by law and denied constitutional protections. However, while some people would say we have achieved our goal of racial equality in the United States, I do not believe that we have. Racism is still a painful part of the minority experience. If the United States is ever going to live up to the promise of our founding documents, public policy efforts to minimize institutionalized racism must continue.

But law and public policy are only a part of it. The root cause of the problem is racial prejudice. That is an issue of the heart and the mind. I think there are three steps with which we can deal with this. My faith teaches me that judging a person by the color of his or her skin is morally wrong; in fact, I believe it is a sin. Houses of worship need to step forward and help us to overcome this evil but we must hold ourselves accountable.

The second element lies in our personal lives. Everywhere I speak about this issue I encourage people to get to know someone of a different race in their personal lives and at work. While I was a mayor of Kentwood, a suburb of Grand Rapids, the percentages of African Americans, Asian Americans, and Hispanic Americans grew substantially. While the city is still over 80% white, there has been that marked change—and yet the problem remains. We work in homogeneous surroundings. The places where we shop, where we work, where we are entertained and worship are all homogeneous. That is why I believe it is very important that we each make the effort to get to know someone of another race and begin

Our efforts to address racism are intended to make conditions better not merely for one group of people of color but for the whole community.

overcoming stereotypical myths. My wife Clova and I have been blessed with many friends from diverse racial and ethnic backgrounds and our lives have been enriched by their moral character.

Once we have addressed our hearts and our personal relationships, we can begin to address racism at the community level. As we do so, we must remember that our efforts at responding to racism do not simply benefit one segment of society or one community within a region. Our efforts to address racism are intended to make conditions better not merely for one group of people of color but for the whole community. It is obvious that when the whole community shows improvement it becomes attractive to people across racial lines. Good things happen to that community, because people naturally seek out areas where communities are improving. If a family or an individual decides to move from a core city to a suburb, we must not automatically assume that the decision is racially based. If the perception is that a suburban community or municipality offers a lower cost of living with a safer, cleaner living environment and better schools, why wouldn't a person choose that community?

There are signs of hope that many of our communities, including our core urban areas and not merely the suburbs, are making some progress in that area. City records in Grand Rapids show that property tax assessments in 21 older neighborhoods increased by 12 percent last year. New home buyers and renovators are discovering good values in old homes. Some high profile developments downtown have led people to spend more time in Grand Rapids.

As mayor, I thought it was my duty to help ensure that Kentwood was also that kind of place and that it was in the best interests of Kentwood to help the region be that kind of place. To some extent, as the region goes, so does Kentwood. Fortunately, a lot of people recognize that. The Grand Valley Metropolitan Council, for example, is the metropolitan planning organization for the whole Grand Rapids area. It is made up of members from a variety of communities. The Grand Rapids Right Place Program, Inc., on which I sat before becoming senator, represents our community's efforts in economic development and job creation.¹ It is interesting to note that the Grand Rapids Chamber has set cultural diversity as one of its top goals. The West Michigan Strategic Alliance, a consortium of public and private sector leaders, seeks to build closer ties among the metropolitan areas in the tri-county area of Grand Rapids, Holland, and Muskegon.

I am particularly fond of mentioning the Grand Rapids Water and Sanitary Sewer Agreement. A few years ago nine communities came together in an innovative partnership to negotiate a water and sewer agree-

ment—although it didn't seem like much of a partnership when we first sat down at the table. It took us quite a while to agree upon 33 guiding principles. One of them was “growth pays for growth,” a joint system of planning and rate setting. The benefit for Grand Rapids was the establishment of an urban utility boundary, which set the limit of expected growth for the next ten years or more, allowing for expansion only when certain conditions were met.

The organization that had the most impact, however, was the Grand Rapids' Grand Action Committee, composed of various community leaders led by top business people. Private dollars are matched with public funds. The DeVos Place Convention Center now exists because the community pledged to raise more than \$30 million in private funding before seeking public funds. Ultimately the state contributed \$65 million and the county hotel and motel tax backed \$86 million in bonds. But the key was a shared vision and the commitment of public and private leaders.

I mention these examples of partnership in Grand Rapids not because they are perfect but because they are examples of the good intentions of many past and present citizens and leaders. A challenge for West Michigan is to show the same determination on racial matters and reconciliation that we showed on building projects for economic development. We still have a long way to go on this journey but I am encouraged by our past efforts and the good examples of forums like this one.

PETER KARMANOS, JR.

Chairman and Chief Executive Officer, Compuware Corporation

Sprawl stinks. Whatever its cause, it stinks. I recently went to South Lyon, driving down Ten Mile Road past some of the most beautiful land you could have found when I was a child. It broke my heart to see what we have done there. We are building house after house and subdivision after subdivision, including some of the ugliest houses I have ever seen. I thought about all the new schools that will have to be built and all the new little police departments that will have to be created to service these places. Has anyone thought about how they will get fire trucks out there, or what their water bills will be like?

When we built the Compuware building downtown, newspaper reporters tried to get me to say that I did it because I was sentimental about Detroit. The last thing in the world I am is sentimental about Detroit. I was born and raised there, I went to school there; I know it too well to be sentimental about it. But I object strenuously to sprawl.

Sprawl results in the Balkanization of the entire Detroit area. This problem is occurring all over the country and it may be the foremost economic problem we have in southeast Michigan. As I referred to in mentioning my drive out to South Lyon, the result is too many fire departments, too many police departments, too many school districts, too many mayors, too many counties. The very idea of “county” is outdated. For the longest time I couldn’t figure out why that unit of government even existed, but now I know, and the definition of a county demonstrates just how outmoded that concept is: a county is defined by the distance a man can ride his horse in one day. We have something like 83 counties in Michigan. The thing that stops this region from cooperating is all the different levels of government involved: all the different interests and agendas of each and every one of the politicians and police chiefs and fire chiefs and so on.

Almost every problem that we are speaking about could be solved by creating one metropolitan school district. People follow the schools, and they will stop making strange decisions about where to live if there is one metropolitan school district. In the 1950s and 1960s white and black students in Detroit, Michigan got a public school education that was head and shoulders above the public school education that children in Detroit suburbs like Bloomfield Hills, Birmingham and Farmington Hills are getting today. One of the people with whom I started Compuware, who was from Paw Paw, Michigan, used to say that his biggest complaint when he went to Michigan State was that he could not compete with the kids from Detroit, which had the best school system in the country. What we have accomplished with sprawl is to make all of our schools mediocre. That is the price we pay every day for the Balkanization of our region. We need one school system, just as we need one public safety system. I live in Orchard Lake, on Cass Lake. If something bad happens at my house I do not want the Sylvan Lake police department; I want the Detroit police. These may seem like far-fetched ideas but they are in fact very simple, straightforward solutions.

The end of Balkanization would be one transportation system for the region, and here I would like to mention the impact of expressways. I realized only recently how much expressways have contributed to the problems of the Detroit area. They were built in a manner that is atypical for the United States. Other metropolitan areas speak of “the beltway” because no sane person would build an expressway right through schools and homes and a tax base—but we did it in Detroit, and it had two very negative effects. First, it destroyed the tax base. The present net value of that destroyed tax base is enormous. All the surrounding areas that are so proud of being independent, that scorn Detroit because they can assess

whatever taxes they choose and so are wealthy municipalities, that pity Detroit because poor old Detroit just doesn't know how to do it, should consider this: those Detroit suburbs exist because of the destruction of the Detroit tax base.

In addition, the expressways enhanced the value of farmland all the way out in Troy and such places. The developers who knew where the expressways were going did an impressive job of erecting office buildings and shopping centers along the expressways' routes, thereby creating value in those areas and destroying farmland. Expressways and Balkanization have done terrible things to metropolitan Detroit.

JIM TOWNSEND

Executive Director, Tourism Economic Development Council

There is a great disconnect between what we say about race and what we do about race. It is no longer usual for people to express racially intolerant attitudes, and in many cases we do not believe that we harbor such views. I have realized that if we look at what we do, however, and where we live and with whom we associate, someone watching us would conclude that many of us are racists. That has led me to consider what motivates people to act and what we can do to change people's behavior.

Listening to Peter Karmanos speak about building his headquarters in downtown Detroit makes me think about whether there is a business case for racial reconciliation. The Tourism Economic Development Council, for which I work, seeks to make metro Detroit a much more compelling and attractive destination for tourism and for convention business. It is a tough challenge and we have many barriers to overcome, but chief among them is the loss of density in this region. Over the years we have moved further and further away from each other, so it is very difficult to create a package that will entice a tourist or a meeting planner to come to metro Detroit. It is difficult to have a positive experience here if you must park your car three times in order to be entertained, to shop, and to get a good meal.

The good news is that there is a business case for racial reconciliation. It begins with the maps Professor Thomas showed us. Imagine for a moment another map overlaying the map showing that our communities have changed and the extent to which they are facing fiscal distress. You saw that the tax bases of many of the suburbs are not growing fast enough to meet the burdens they face as they acquire larger populations and greater needs. If on top of that map you overlay the racial map of our region, you will see that fiscal and economic distress is no respecter of race. The economic map

of our region is not about race or about community. The economy doesn't care about our communities, how we have drawn our lines, where we have chosen to live. If you had an economic map of southeast Michigan you would see nodes of activity: manufacturing here, service there, retail and entertainment and shopping somewhere else. That is the reality with which we live.

If we can begin to work together on overcoming our differences we can create a much denser and richer fabric that will be a much more compelling place for visitors, and when it becomes a more compelling place for visitors, it also becomes a more compelling place for investors. What the maps show, and what scholars such as Richard Florida teach, is that capital and talent flows to places like San Francisco, San Antonio, or Boston: places where visitors can enjoy themselves. These are places that are creating density. They are rebuilding the core rather than running further and further away from each other. They recognize that when we move farther apart, when we sprawl, we create a tax increase in disguise for everyone in the region. Whether you live in one of the new communities or one of the older ones, your taxes will go up, and when the cost of doing business goes up, the investment climate declines.

I am suggesting that we must “sell” regional cooperation by explaining the business case for it. We must build coalitions against sprawl by talking about the moral component of the build-and-abandon cycle in which we have been engaged for fifty years. We must stop leaving the communities and the people who cannot afford to move with all of the issues from which we are running—because the truth is that those issues never really disappear; they follow us wherever we go.

And we need to talk about racial divisions. Today is a very good beginning in that effort, and of course organizations like New Detroit and NCCJ and others have already begun taking on that task. But, as I mentioned at the beginning of my comments, we say one thing and do another. It is more than time to think about experimenting with action. There are communities around the country that are consciously establishing programs and initiatives that encourage integration. What would we see if we tried to do something similar on a small scale in interested neighborhoods or communities?

Finally, I would like to highlight something that Anika Goss-Foster talked about: an initiative to link city residents and neighborhoods on the edge of Detroit with their counterparts across Eight Mile Road, on the city border. That is an interesting effort because it involves coming up with a regional plan at a place, for example, like Woodward Avenue at Eight

Mile, where neighborhoods are getting together on both sides of the divide to plan and take action on regional redevelopment. People will not change until they see that change serves their self-interest. I believe that program and others like it are demonstrations of that phenomenon.

Notes

1. Right Place, Inc. seeks “to promote economic growth in the areas of quality employment, productivity and technology in Greater Grand Rapids by developing jobs through leading business expansion, retention and attraction efforts.”
<http://rightplace.org/About/mission.shtml>.

Question and Answer Session

QUESTION: Two questions about transportation.

First: while I agree that transportation is a factor in improving metro Detroit, do you believe that transportation is the most important factor? Cities such as New York or Philadelphia that have widespread transportation systems are still segregated.

Second: It seems unlikely that a regional public transportation initiative will emerge in the near future. In your opinion, is incremental change possible via the development of smaller inter municipality projects such as the proposed elevated rail in Ferndale?¹ Have any other metro areas developed public transit in an incremental manner?

DR. THOMAS: While it is difficult to pick the most important factor in race and regional redevelopment, I speak a lot about transportation because most people when they talk about race and regionalism omit transportation. Tax base laws and the Federal Housing Administration and the Veterans Administration loan policies also have to be remembered when we consider what created suburbs. But of course there would be no suburbs if people were unable to get to them. Getting to them in the Detroit area entailed destroying what was this country's best streetcar system in the 1950s and putting a subsidized highway system in its place.

You ask about Philadelphia. Most people in this region know Chicago better, and perhaps Cleveland. Think for a moment of how difficult it is to get around the Chicago area by car. You are in trouble if you want to get from the northern suburbs such as Evanston and Wilmette to the airport by expressway; you have to use surface streets. If you want to go downtown from a Chicago suburb by car, you must use one of the expressways, and if you are in a hurry, you are also in trouble. The same is true of Cleveland.

But you can get around those cities' metro areas by rail and subway. People who live a little distance outside of Chicago or Cleveland know how difficult it is to get in by car and so they tend to live near the metro line or the elevated line, which is what they use to commute. During rush hour, people pour out of the subway stations and the elevated stations.

What's comparable in Detroit? Are people encouraged to live close to the center or to live in close-in suburbs so they don't need a car? Not at all. As several people mentioned earlier, there is not enough density in Detroit. The reasons have to do with metropolitan fragmentation, transportation, racial decline—in short, with a variety of things—but basically, for many people, there is no reason to live close to downtown Detroit.

The new urbanism includes the idea that you must rely less on automobile traffic in order to get the kind of density that is needed to create healthy central cities. That is the essence of the central-city part of new urbanism. And there are some concerns about whether it is too late for Detroit. A grant of \$500 million in federal funds was available to support this in the 1970s and the effort fell apart because the suburbs and the city could not cooperate. There have been subsequent but equally unsuccessful efforts.

If you want to see density facilitated by new transit systems, though, you might look at San Francisco and Washington, D.C., but Portland and Denver are particularly notable here. They are systematically increasing rail transit. They are simultaneously building up their central areas and helping to eliminate pockets of racial and income segregation within their metro areas.

SENATOR HARDIMAN: I'd like to tell you a little story about the impact of transportation.

A new mall was built in a predominantly white suburb of Grand Rapids. There was a transit measure on the ballot, perhaps not county wide but going beyond Grand Rapids, and some of us were promoting it. We wanted people to be able to get to jobs. I was on a radio call-in show and the last question was, "Why do we want the buses to run here at all? Why do we want those people coming out here?"

The point is that transportation is very important. And incremental steps are also important.

As I said earlier, as mayor of Kentwood, it was important for me to serve the interests of Kentwood while looking out for the region. All the towns that participated in region-wide endeavors won something. We must have input into the rates decided upon when new water and sewer agreements are negotiated, for example. The Grand Rapids area experienced what one of the townships called an urban service area and others of us called urban growth. We faced a situation in which, as expansion continued, we could find a person of modest means who owned a 50x50 foot lot in the city paying higher rates than the person who bought a four acre piece of property out in the suburbs and had gotten the line extended out

The new urbanism includes the idea that you must rely less on automobile traffic in order to get the kind of density that is needed to create healthy central cities.

there. We said, “No, growth is going to pay for growth.” We were fairly pleased with what came out of the negotiations, but achieving that took sitting down at the table and talking with other townships in our region.

QUESTION: In Dr. Thomas’ presentation there was no discussion of tax policy, crime and impediments to property redevelopment as impediments to rebuilding Detroit. Why is that?

DR. THOMAS: There was simply not enough time, but I will be glad to say a few words on the subject now. William Julius Wilson, a sociologist at the University of Chicago, has developed a theory of what he calls concentrated poverty, which is that when you concentrate people of low social and economic status, the social fabric begins to unravel and things happen that would not occur in a healthy community.²

My husband grew up in the Brewster Douglas Projects. When he was a child, his paper route included middle, lower and upper class African Americans who lived in the area around Brewster Douglas. He had professors, doctors, lawyers—as well as ladies of the night—on that paper route. He got to see a broad spectrum of humanity, including people whom he could emulate.

Then we began to concentrate poverty, so that in certain areas of certain cities there were only poor people. The role models diminished, and that had an effect on juvenile crime, unemployment, and social mobility. The Gautreaux Demonstration in Chicago makes this point. In 1966, public housing residents filed a lawsuit against the Chicago Public Housing Authority, charging that the residents were being segregated and that they deserved to live in more diverse communities. Under the resultant court order, several hundred families from public housing projects were placed elsewhere in the city and in suburban areas, and they were then studied over a period of twenty years. The school dropout rate declined; joblessness declined. Many phenomena associated with inner city African-American families vanished because those families were now in a different environment.³

As we continue to concentrate poor people, we continue to concentrate the problems, because they feed on each other. Crime did not simply appear suddenly. There are reasons for it.

QUESTION: What steps can be taken to make sure that the process of gentrification and revitalizing neighborhoods in Detroit doesn’t create further racial and socioeconomic division? Are there useful models in other cities?

MS. GOSS-FOSTER: I speak fairly regularly with my counterparts in other cities such as Washington, D.C., Los Angeles and Chicago, where gentrification is a significant issue and an attempt is being made to find the correct balance of community and economic development. One key to the solution may involve building communities with diverse housing choices for all kinds of families. Richard Barron of Barron McCormick Salizar, a national for-profit developer, has made anti-gentrification and mixed income housing priorities in his developments in Kansas City and a number of other cities around the country.⁴ There, his developments include single family and multi-family housing, for both sale and rent. The rental and sales prices range from extremely low up to 100-150 percent of the median income—much higher than the market rate. He is able to do that by combining a number of different subsidies and using grants and philanthropic resources as well as tax credit equity. He not only builds housing but he also looks at other components of community and incorporates them into his developments. Many of his developments therefore have a high performing charter school. Where a public school exists but needs a better facility, he has built one in or near the development.

In addition, he considers commercial retail entities that build wealth and economic opportunity for that community. He also looks at skill-based training and access to jobs and even, as he does in Atlanta, access to transportation.

That is one model and there are others.

The joke among developers is that Detroit probably could use a little bit of gentrification. There are many neighborhoods in the city that would benefit if middle and upper income residents moved in. However, there are also pockets in the city where developers have taken advantage of the very low property values and built high income housing that is unaffordable for the people currently living there.

SENATOR HARDIMAN: Dr. Thomas spoke about the concentration of poverty, which is one of the things we considered when building projects in the Grand Rapids area. In Kentwood, we utilized zoning that allowed for smaller lots so that those could be used as in-fill and would help create mixed neighborhoods.

The other thing we did was work with a developer who told me, “Mayor, I want to build a compact livable community.” I asked, “What is a compact livable community?” The answer lay in the new urbanist style that, as Anika mentioned, combines a variety of types of housing with commercial spaces, perhaps space for a school, perhaps space for a house of worship. That has worked extremely well.

QUESTION: Two questions about education. First, how do we revitalize the public school districts that are failing and losing students, forcing families to move to other communities?

Second, how might the universities in metro Detroit help to address these problems of race and regional cooperation?

DR. THOMAS: It is an obligation of all universities to begin to reach out to the community and try to address its needs. Universities in the state can do a great deal—not only metro Detroit universities but others such as Michigan State University. The extension initiative that I direct at MSU pairs research and community needs in seven Michigan cities, including Grand Rapids and Detroit. We place classes of students in neighborhoods and help them create the kinds of neighborhood plans that will in turn help the communities move forward. Our field is urban and regional planning but it would be possible to organize comparable efforts in areas such as social work and health programs.

MR. KARMANOS: One of the things that we could do first is try to understand what is really wrong with the schools. We too frequently see a problem and fix it, and then find out that the wrong problem was fixed. I haven't been in a public school for several years but it occurs to me that children probably are being taught in Detroit and elsewhere in this area exactly as we were in the 1940s and 1950s and 1960s. As we all know, it isn't "Happy Days" any more. Families differ.

When I went to school in Detroit, if someone got in trouble, it was not only the school that responded. In effect the community took care of it, because every parent knew that little Bobby Martin threw a brick through a teacher's car window. That type of society, with two parents at home, waiting for you to come home so they could sit and help with your homework, no longer exists in this country, but we still teach school the same way. I think you could put only ten kids in a class and spend twice as much as is currently being spent on them and continue to teach them as they are being taught today—and without support from home you would get the same poor results that we are getting right now.

My field is technology. I have never met a young person of any social or economic class who was incapable of playing a computer game. I have never met young people who were computer-challenged. It seems to me that we might try giving every classroom personal computers and giving every teacher a server. Little Jeanneta or Bobby could be given a little CD when she or he started school. The kids could then progress with their

education in a game-like fashion, with their results going back to a central computer that told the teacher which problems which kids were having. We would have a very different result than we have today, because everybody is capable of learning. Perhaps what we need is simply a different way of looking at education.

I did poorly when I was a kid in school right after World War II, because there were 40 students in a class. The teachers taught to the four or five kids of those 40 who were at the norm and never gave adequate attention to those of us on either end. The technology that is available today gives us the ability to pinpoint learning problems. The technology is there; it is our methods that have to change.

MS. GOSS-FOSTER: The Skillman Foundation has a new good schools initiative that involves examining public-private partnerships, the way they relate to communities, and how they can impact kids.⁵ It is a new initiative but we expect to see results very quickly.

Richard Barron, whom I mentioned earlier, has said frequently that when families choose their housing, their first consideration is affordability and their second is schools. A quality school can impact a neighborhood. If we want to invest in the revitalization and rebuilding of neighborhoods in Detroit, we must focus on high quality schools for every neighborhood.

JUNE MANNING THOMAS: We have to redevelop a culture that focuses on education. I come from the South, where that culture is very strong and where we were told that the way out was through education. We have to get the kids to the point where they can get into Wayne State or the University of Michigan or Michigan State University, where we have support systems in place. I am not saying that everybody survives but we can't help them if they are not there.

When I look at what is happening with the federal and state budgets, however, it becomes clear that the government isn't going to do all of this and may in fact not do any of this. I am grateful to Bill Cosby, who is getting eggs thrown in his face all over the country for saying this, but there might have to be a redevelopment of the culture within, and it has to include a focus on education.

QUESTION: Speaking from the perspective of someone who works in bilingual education, I would like to bring immigrants into this discussion. Much can be done but it takes inclusion and visibility. That means speak-

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ing about such things as the large Hispanic migration, the large Bengali migration, and other migrations that are bringing newcomers to Detroit.

MR. TOWNSEND: We must embrace the growing diversity that is occurring in the city and in the region. The older northern tier cities, such as Chicago and Boston and New York, are growing because of immigration. They are becoming more diverse. If Detroit can become a more welcoming place and can succeed in bringing more people from all parts of the world, we will be challenged to be inclusive and to create systems that address the needs of people who were not born speaking English. That is crucial for the economy and for our future.

MR. KARMANOS: Immigration is scarcely a new phenomenon here; this city was built on immigrants. We still have Hamtramck, which has one of the largest Polish populations in the country. There are places in Detroit where all the Irish lived and where all the Greeks lived; that's why we have a neighborhood called Greek town. My parents were immigrants and almost everyone I knew in the city when I was a child was an immigrant. I didn't speak English until I started grade school, and the school insisted that I learn English very fast. Our public education system has to teach and can't spend a great deal of money handling every different minority that comes along. It has to teach people to be able to function in the society that they're living in.

DR. THOMAS: The growing immigrant population in this area does not constitute a problem but is instead a sign of growth and health. Richard Florida and many others have done quantitative studies showing that there is a positive association between regional economic growth and diversity of national background—so much so that the absence of immigrants from a city may well be the sign of a problem. The reason there is a positive correlation, as far as we can tell, is that the international mix results in drive and creativity. Our strategy should be to encourage more migration and to encourage more language diversity, because that helps the region move forward.

COMMENT: I am a member of a suburban church that has been in partnership for fifteen years with an urban church, mentoring students at Dickson School in west Detroit. The program has had measurable benefits for the students who have been mentored.

Beyond that, however, we have removed most of the barriers between us. Our congregations have become very close. We feel kinship and a sense

of regional citizenship, and we are now collaborating on other programs for health care and affordable housing. We do need structural changes, we do need the collaboration of other institutions and we do need corporate partners, but our experience shows that at the grassroots level we don't have to wait and that we can come together, find some common ground, and effect substantial change.

QUESTION: Dr. Thomas, I wonder what your stand is on political power. I am starting to believe that while racism is a large part of the explanation for sprawl and the lack of regional cooperation, political power is also a driving force and accounts for the proliferation of small cities.

DR. THOMAS: The impact of political power is the point behind the work of David Rusk that I discussed. We have too many municipalities and too much fragmentation because people are concerned about keeping their little pieces of the pie safe. That is why the townships all want to maintain themselves, even though some of them are so disjointed that they look like little pieces of rag on the map.

When I said this is a small-box state, that is what I meant. There are over 300 different municipalities with taxing authority in southeast Michigan, counting townships, villages, cities, counties, school districts and so forth. No wonder there is no regional cooperation: how can you possibly have regional cooperation among that many municipalities? That is a far greater number of taxing entities than exist in other regions of comparable size. Toronto, for example, without losing any population, has gone down from seven governments to one. Indianapolis managed to get along with only one or two.

We have to look at ways of coming together in ways that are meaningful. The Michigan Suburbs Alliance has helped somewhat; SEMCOG has done its part. But we still have very weak intergovernmental cooperation in this region.

MR. KARMANOS: It was the province of Ontario that decided it would not permit Toronto to split up in too many municipalities and that forced it to form logical and efficient units of government. We should note that the people of Toronto were not going to do it on their own and had to be made to do so by the provincial government.

MR. TOWNSEND: It is important to convince people that regional reform will result in better public safety service: the fire truck or the EMS unit

will arrive more quickly if it is operated by a larger regional entity than by the local operation that exists today. If you can make that case, people will embrace the knowledge that consolidation will result in services being delivered at a lower cost and that they will receive better service for the same tax bill. Getting people to understand the potential benefits is an important key to the consolidation and rationalization of the government services on which we all depend.

Notes

1. In February 2005, the Ferndale City Council approved a resolution calling for a public-private partnership that would build an elevated rail system along Woodward Avenue. Depending on which communities wished to join the venture, an initial pilot project would extend several miles south from Ferndale (towards Detroit) or north (towards Pontiac). See, e.g., http://www.dailytribune.com/stories/021505/loc_etrain15001.shtml; http://www.freep.com/news/locoak/transit14e_20050214.htm.

2. William Julius Wilson, *The Truly Disadvantaged* (University of Chicago Press, 1987).

3. A unanimous U.S. Supreme Court held in 1976 that the Chicago Housing Authority and the Department of Housing and Urban Development had deliberately placed family public housing sites only in what the plaintiffs described as “the Negro Ghetto.” *Hills v. Gautreaux*, 425 U.S. 284 (1976). Dorothy Gautreaux was a civil rights activist who lived in the Altgeld-Murray Homes. The class action suit resulted in the Gautreaux Demonstration, a program that moved 7,100 low and moderate income inner city residents (primarily African Americans) into predominantly white suburbs. See, e.g., Miriam Wasserman, “The Geography of Life’s Chances” (*Regional Review*, Quarter 4, 2001), at <http://www.bos.frb.org/economic/nerr/rr2001/q4/chances.htm>.

4. McCormick Baron Salazar: *see*

<http://www.mccormackbaron.com/HTML/overview.html>

5. <http://www.skillman.org/whoarewe.asp?MID=1>.

Participant Biographies

ANIKA GOSS-FOSTER is Program Director of the Detroit Local Initiatives Support Corporation, where she helps nonprofit community developers create affordable housing, new businesses and neighborhood services. As a program officer at LISC, she tripled the size, scope and capacity of LISC's Neighborhood Partnership Academy, which supports neighborhood-based community development corporations. She was formerly director of the Michigan Neighborhood AmeriCorps program at the University of Michigan.

SENATOR BILL HARDIMAN, who has represented the 29th District in the Michigan Senate since 2003, was previously Mayor of the City of Kentwood for a decade. He has also served on many community and metropolitan boards, including the Grand Rapids Transit Authority, the Grand Rapids Housing Center, the Michigan Municipal League, Spectrum Health Services, the Grand Valley Metropolitan Council, the Crime Victim Foundation, the Grand Valley State University Foundation, and Right Place Program, Inc.

PETER KARMANOS, JR. is Chairman and Chief Executive Office of Compuware, which he and two friends created in 1973. Compuware is now Detroit's technology giant, with nearly 10,000 employees and annual revenues of more than \$1 billion. It is Michigan's sixth largest exporter, offering more than 130 software products from offices located in 47 countries. Mr. Karmanos has also contributed over \$30 million to establish the Barbara Ann Karmanos Cancer Institute, the only nationally recognized center named for a woman.

SHIRLEY R. STANCATO, President and CEO of New Detroit since January 2000, is the first woman to hold that position. She previously spent more than 30 years with Bank One, rising to the position of senior vice president. She received the National Association of Community Leadership's Distinguished Leadership Award in 1997 and an Anti-Defamation League Woman of Achievement award in 2003. In that year, she was also named

one of Michigan's Most Powerful African-American Leaders by *Corp!* magazine and as a 2003 Regional Power Broker by *Crain's Detroit Business*.

PHILIPPA STRUM is Director of U.S. Studies at the Woodrow Wilson Center and Broeklundian Professor Emerita, City University of New York. Her prize-winning books include *When the Nazis Came to Skokie: Freedom for the Thought We Hate*; *Women in the Barracks: the VMI Case and Equal Rights*; and *Louis D. Brandeis: Justice for the People*. She is the editor of Wilson Center publications such as *Brown v. Board: Its Impact on Education and What it Left Undone* and *The Black Family Between the Civil War and the Civil Rights Era*.

JUNE MANNING THOMAS is Professor of Urban and Regional Planning at Michigan State University (MSU) and Co-Director of the Urban Collaborators Program for MSU Extension, which links student planners and community needs in several Michigan cities. Her numerous books include *Redevelopment and Race: Planning a Finer City in Postwar Detroit*, for which she received the 1999 Paul Davidoff award; the co-edited *Urban Planning and the African-American Community: In the Shadows*; and the co-authored *Detroit: Race and Uneven Development*.

JIM TOWNSEND is Executive Director of the Tourism Economic Development Council. He was the founding Executive Director of the Michigan Suburbs Alliance, a consortium of 24 inner ring suburbs in metropolitan Detroit with a combined population of almost 1,000,000. Before that, he was a professional staff member in the U.S. Congress, serving as Legislative Director in the office of Representative Nita M. Lowey and as an associate staff member of the House Appropriations Committee.

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