

PATHWAYS TO PROGRESS: Inequality imperils us

Widening gap in incomes a societal threat

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SAN ANGELO, Texas — Jordan Weissmann's article, "Yes, U.S. Wealth Inequality Is Terrible by Global Standards," in the The Atlantic Online last month is just one of many recent entries in a larger debate over inequality of wealth and income in America.

A YouTube video on the topic that went viral about four months ago is stirring much of the recent activity in popular media.

The larger debate, however, has been ongoing since scholars began noticing a national trend toward increasing income and wealth inequality more than a decade ago. Now, the latest San Angelo Neighborhood Development Index produced by ASU's Community Development Initiatives shows that the local community is not an exception to the national trend.

More than 88,000 residents occupy about 36,000 households dotting the landscape of San Angelo. The homeowner occupies 62 percent of these households. One or more children live in 32 percent, and 26 percent have at least one senior resident who is age 65 or older.

The households of San Angelo fan out in all directions from the city's downtown area to form neighborhoods where residents live in contrasting environs with distinct brands of housing, as well as people of different means, talents and capacities.

ASU's Community Development Initiatives created the San Angelo Neighborhood Development Index some three years ago to help bring the contrasting qualities of San Angelo neighborhoods into focus.

The latest version of the index includes 28 indicators based on 2011 data (the latest year available covering all the indicators) to compare the city's 20 census tract neighborhoods. It includes demographic factors, items describing living environments, housing features, and the income and education characteristics of residents in different parts of the city.

The index uses a 0 to 100 point scale to indicate how a particular neighborhood is doing compared to other neighborhoods in the city. Higher ratings indicate that a neighborhood has a higher quality of life for residents than other areas of San Angelo.

Not surprisingly, the neighborhood scores from the index identify Bentwood County Club and the residential areas surrounding Lake Nasworthy (census tract 17.08) as the most developed neighborhood in San Angelo. Indeed, the Bentwood-Nasworthy section in the southwest part of town has scored as the city's best-developed area for each of the three years that CDI has produced the San Angelo Neighborhood Development Index.

The challenging aspect of the results over that time is that a gap is widening between the Bentwood-Nasworthy area and the rest of the neighborhoods in the city.

One way to see the widening gap is to compare the top-rated 100-point score for Bentwood-Nasworthy to the city's overall index score that combines all the neighborhoods of the community. For the latest results, based on 2011 data, 68 points on the 100-point scale separate Bentwood-Nasworthy from the overall citywide score of 32.

A year earlier in 2010, the citywide score was 45, thus separating BentwoodNasworthy from the rest of the city by only 55 points. Only 43 points separated the city's score of 57 from Bentwood-Nasworthy's top-100-point rating based on 2009 data.

Direct comparisons of two specific results from the 28 indicators that make up the San Angelo Neighborhood Development Index provide concrete examples of the widening gap. The two rows in the comparison table detail factors that illustrate how the Bentwood-Nasworthy area has been separating from the rest of the city in recent years.

One comparison shows that, even in a challenging real estate market, the value of homes in Bentwood-Nasworthy continued to move ahead of the rest of the city between 2009 and 2011. The estimated \$216,200 median home value for Bentwood-Nasworthy in 2009 was 165.9 percent higher than the citywide median value of \$81,300.

Two years later in 2011, this difference had widened to a 169.3 percent higher median home value in Bentwood-Nasworthy. Even in a troubled economic time, inequality in the value of housing — the primary wealth possession for most families — continued to distance the city's privileged residential areas from the rest.

The recession of 2008-2009 that was triggered by housing market troubles affected many American cities and towns in similar ways.

Inequality of income widened between San Angelo neighborhoods even more. In 2009, for instance, the level of income available to residents of Bentwood-Nasworthy stood at \$40,894 per capita. This was 95 percent more than the \$20,970 income per resident citywide.

This means that for every \$100 that households across the city had available in 2009 to support a family member, households in Bentwood-Nasworthy on average had \$195 to do the same. By 2011, moreover, the per capita income gap amplified to 117.1 percent.

Comparisons such as these about growing wealth and income inequalities sometimes cause citizens to become leery and cynical. Perhaps they see it as “class warfare,” maybe a veiled attempt to encourage some type of massive government transfer process or as a sinister attempt to incite envy or spite toward the more well-off members of the community.

Nevertheless, this type of unpleasant defensiveness about the topic is unwarranted in these times. In fact, there are serious reasons why leaders and citizens not only should, but also must, be well-informed on the extent and direction of inequality in their communities.

Among these is the well-established knowledge that growing income and wealth disparities aggravate differences in the living experience of people on opposite ends of the spectrum, especially affecting their encounters related to health, education and future economic opportunities.

Even more important from a community leadership viewpoint is that a political solution to social and economic problems becomes less viable as inequality grows. The key dynamic in this effect is that the problems of the poor and less educated do not move local community leaders as much when their personal life experiences become more insulated in bubbles that produce barriers to empathy, compassion and responsiveness across the boundaries of neighborhoods and social status.

Interestingly, one of the most iconic conservative intellectuals of the nation recently came to emphasize the urgency of exactly this effect of rising inequality in America’s communities.

Reagan-era conservative leaders heralded Charles Murray’s books such as “Losing Ground” and “The Bell Curve” during the 1980s and 1990s as they prodded for reform of the welfare state. They canonized Murray’s work as proof that the welfare system assembled during the 1960s had created a massive welfare-dependent underclass by undermining incentives to personal responsibility and self-improvement.

Now, by contrast, Murray’s new work, “Coming Apart,” asserts that the nation’s gravest current threat is not the partisan gap that consumes the television news, but rather the emergence of a new upper class that lives more separately from other citizens and feels more alienated from them.

It is not a dire problem, according to Murray, if a truck driver does not understand the priorities of a law professor, a news anchor, an investor or a government official. It is a serious problem, though, if the ignorance is the other way around, because the elites and leaders are busily affecting the lives of everyone else.

We hope that San Angelo is still a ways from the grip of that kind of ignorance. But that is more reason why everyone should be knowledgeable of the trends that can take us there.

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