

Comment on John T. Metzger's "Planned Abandonment: The Neighborhood Life-Cycle Theory and National Urban Policy"

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Abstract

Metzger fails to define or distinguish key concepts related to neighborhood change theories and policy and instead mischievously treats them interchangeably, as if they were synonyms. The intellectual history he presents is distorted and myopic. Unsupported assertions, distortions, and citations taken out of context characterize his use of evidence. No wonder he erroneously deduces that a monolithic, unchallenged neighborhood life-cycle theory, promoted by an intellectual conspiracy headed by Anthony Downs, held sway in academic, planning, and policy-making circles for the past half century.

Keywords: Neighborhood; Real estate; Urban planning

As best I am able to comprehend, John Metzger makes the following claims:

1. Neighborhood life-cycle theory has been the dominant, persistent academic and practitioners' paradigm for the past half century.
2. This paradigm is the main reason why urban renewal and neighborhood "triage" policies were adopted at local and federal policy levels.
3. This paradigm is wrong (i.e., it is not a good predictive/explanatory theory) and produces unwise, unjust policies (e.g., "planned abandonment").
4. It is all the fault of Anthony Downs (and some minor coconspirators).
5. An antithetical paradigm, which is "better," came from the "community reinvestment" initiative in the 1970s.

In Metzger's terms, the analysis is from a historical and political economy perspective. Unfortunately, the analysis is also critically flawed.

First and foremost, Metzger never defines key concepts. Instead, he uncritically lumps them together as if they were synonyms, or at

least necessary parts of the same conceptual framework. Chief among these undefined, pseudosynonyms are public choice theory, neighborhood life-cycle theory, triage planning, and filtering.

There have been long-standing scholarly differences about what these terms mean (e.g., the versions of filtering described in Galster and Rothenberg 1991). There can be no disagreement, however, that these terms are not inextricably interconnected in a mutually consistent fashion. For example, one can believe that private decisions in a market context are the prime determinants of neighborhood change without believing that the market produces efficient or equitable outcomes or that market failures and discrimination are a trivial part of the story. One might argue that new, speculative home construction in excess of household growth in a metropolitan area will produce a wave of household moves and ultimately lead to some housing abandonment, without necessarily concluding that older neighborhoods inevitably decay or should be written off. And given limited resources, many perspectives on why neighborhoods change, even though they may reject life-cycle theory, may arrive at a policy recommendation for “targeting” certain neighborhoods for public policy attention.

Yet Metzger glosses over all this conceptual complexity with the glib interchanging of terms throughout his article. This ambiguity mixed with artificially imposed simplicity is mischievous, for it provides Metzger with semantic leverage to advance his erroneous notion of life-cycle theory as a coherent belief set promulgated and strictly upheld by a cadre of intellectual “thought police.”

The second major instance of opaque argument comes in the “Competing Theories” section. Despite its title, Metzger in fact never provides an alternative theory. What precise alternative does he have in mind when he alludes to a new conceptual framework in which “community-based development became an alternative to planned abandonment?” In the early 1970s, we certainly had extant “subcultural” theories of neighborhood change and perhaps nascent versions of radical political economy theories as well (Temkin and Rohe 1996). Instead of clearly identifying which theories were “competing” for intellectual and policy dominance during this period, which one “won” and why, Metzger implicitly suggests that “community development” suddenly sprang forth fully formed, as if by magic. Whether intentional or not, this “immaculate conception” view of community development—that it did not grow out of the intellectual tumult of the time—again serves to reinforce Metzger’s misguided notion of a single, unchallenged neighborhood life-cycle theory paradigm.

The intellectual history Metzger presents is also distorted and myopic. First, he seems to think that neighborhood life-cycle theory began with the Real Estate Research Corporation and overlooks the

underpinnings provided by the Chicago School of Sociology (see Temkin and Rohe 1996 for a review).

Second, although Anthony Downs certainly was an important player in the intellectual history on this topic, to essentially make him the sole protagonist is to be unfair to him and to the other scholars who espoused and helped develop neighborhood life-cycle theory. Lowry (1960) and Smith (1964), in particular, made seminal contributions, yet neither are cited. In their formulations, neighborhoods inevitably declined because landlords were unwilling to bear the ever-increasing upkeep expenditures associated with aging properties.

Third, during the period in question, numerous voices were articulating alternative models of neighborhood change. All challenged the inevitability of neighborhood decline delineated by the neighborhood life-cycle theory and offered a spectrum of policy recommendations besides planned abandonment. Key contributions include

1. William Grigsby, *Housing Markets and Public Policy* (1963)
2. Rolf Goetze, *Building Neighborhood Confidence* (1976) and *Understanding Neighborhood Change* (1979)
3. Richard Taub, D. Garth Taylor, and Jan Dunham, *Paths of Neighborhood Change* (1985)
4. William Grigsby et al., *Dynamics of Neighborhood Change and Decline* (1987)
5. Jerome Rothenberg et al., *The Maze of Urban Housing Markets* (1991)

These and others make it clear that unlike Metzger's description, the intellectual discussions of the time were far from monolithic. Their powerful critiques of neighborhood life-cycle theory, alternative policy proposals, and the dissension itself fly in the face of assertions of Downsian hegemony; he cites none of these works.

Fourth, Downs himself was clearly influenced by these debates, and his thinking on the subject evolved considerably from the early days of the neighborhood life-cycle theory. The key evidence is provided by his last book on the subject, *Neighborhoods and Urban Development* (1981), which is cited once in passing but never quoted. In this book, Downs, while still using the terms "five stages in neighborhood life cycle"

1. Rejects unidirectionality: "It is important to stress that neighborhoods can change in either direction along the continuum" (64).

2. Stresses the crucial role that institutions (such as lenders) can play (see the list on page 62).
3. Lauds community development organizations, the Community Reinvestment Act, and the like.

Besides the selective use of scholarly evidence noted above, Metzger's article contains many assertions that remain unsupported. Examples are as follows:

1. "Triage planning was used to depopulate areas of social unrest...." (7).
2. The Hoover-Vernon 1959 plan "influenced urban renewal planning across the country" (8).
3. "Neighborhood life-cycle theory also informed urban planning studies such as the 1942 Chicago Land Use Survey" (11).
4. "This analysis was used to build support for the 'new town in-town' concept developed by planners such as Harvey Perloff" (13).
5. "RERC concluded that this process was not unique to Chicago" (14).

A final dimension of "evidence" I feel obliged to comment on is the lurking conspiracy theory that pervades this text. From the father/son, who knows who, who once worked for which organization, to the who sat on which commission, this gratuitous line of argument is woefully weak on evidence and preposterous in its implications. I fear it serves only to reveal the motivation for the selective use of materials noted earlier.

Consider as a case study Metzger's use of my work to paint me as a minor coconspirator in "renewing interest" in neighborhood life-cycle theory and all it supposedly implies about exculpating lenders from any responsibility for decline during the 1990s. He writes:

Like Downs, Galster had *concluded* [emphasis mine] that financial disinvestment was a response to neighborhood housing decline and subsequent population succession to low-income households:

These changes can signal financial institutions that it is now prudent to reduce the flows of mortgage and home improvement loans into the area. (Galster 1987, 25) (30)

In fact, I never "concluded" this. Pages 24–25 in my *Homeowners and Neighborhood Reinvestment* refer to a process of cumulative causation of neighborhood decline, wherein actions by one set of actors may trigger mutually reinforcing responses of others that, in turn, encour-

age the original actors to do still more. The paragraph including the section Metzger quotes out of context begins this way:

Consider an illustration of this process. If, for instance, in a particular neighborhood a given homeowner decided for one reason or another to postpone repairs,...and public infrastructure was allowed to decay due to fiscal exigencies.... (25)

This is in no way my conclusion based on examination of empirical data, as Metzger implies, but merely a hypothetical example illustrating a quite different point.

He next writes:

The American Bankers Association commissioned Galster to write a white paper on the problem of lending discrimination. His *advice* [emphasis mine] was grounded in public choice theory:

Even if adverse impact [of redlining] were found, a bank may successfully defend itself by showing that the policy having the impact meets a legitimate business interest and that there is no reasonable alternative for meeting this interest that avoids the adverse impact. (Galster 1991, 25) (30)

Again, Metzger distorts by quoting out of context. I was merely citing accepted civil rights law on what must be proved in court cases of adverse impact discrimination. It was in no sense my advice about how bankers might “beat the rap.”

Perhaps Metzger would have come to a different conclusion had he sought evidence about the several successful fair lending suits for which I served as expert witness for the plaintiffs or my service on the Federal Reserve Board of Governors’ Consumer Advisory Council, where I was instrumental in getting the Council to issue a breakthrough statement in 1992 admitting that “lending discrimination is still a problem.” Or perhaps my published work with Cathy Cloud of the National Fair Housing Alliance (1993), which comprehensively catalogued the evidence about lending discrimination, might have swayed him. The point is that if Metzger wanted to find evidence that I deeply opposed discriminatory practices, he could have easily. I suspect the same is true for the others whom he criticizes throughout his article.

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