Race, Class, and Politics in the Cappuccino City

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PART ONE

The Setting

Making the Gilded Ghetto: Welcome to 14th Street

Tim Christensen, the White, middle-aged president of the Logan Circle Community Association, enthusiastically describes the new farmers' market that opened at Washington, DC's 14th and U Streets intersection:

Oh, it's really nice. There're produce stands. . . . They've really diversified, so they go way beyond produce. So you can get organic, grass-fed meat and all kinds of really interesting pastas and that sort of thing. There's a pasta guy, and he's Italian. . . . His pasta is unbelievable. He has this ravioli, duck-egg ravioli, where he puts a duck-egg yolk inside a ravioli package raw and refrigerates it, and he suggests having it for brunch with bacon and hash brown potatoes. It's unbelievable! . . . At 14th and U, who would have thought?

Not too long ago, this intersection was one of the city's most infamous drug markets, and was described as such by two African American, Pulitzer Prize-winning journalists. Leon Dash designated it the "heart of Washington's drug corridor" during the late 1980s, with its "clusters of drug dealers, addicts and jugglers standing on all four corners of the intersection." Eugene Robinson explained that throughout that decade, "U Street and its environs had become one of the city's most notorious open-air illegal drug markets, offering mostly heroin . . . [and] quickly diversifying into cocaine." Today, this once infamous drug market has been transformed into a thriving farmers' market.

Just a block north of the 14th and U Farmers' Market, Shaw/U Street's economic and racial transformation is starkly apparent. For years, the northwest side of the intersection housed the AM.PM Carry Out, an "old school" soul food breakfast and lunch takeout (fig. 1). Like New York City bodegas, the carryouts in DC serve moderately priced food to people on the go.



Figure 1. AM.PM Carry Out.

Most of AM.PM's customers were working-class African Americans. In 2010, however, it closed due to "lease issues," most likely escalating commercial rent.³ In 2014, the former carryout location, under different management, became Provision No. 14 (P14), an upscale neo-American culinary experience where patrons can order a \$28 burger of foie gras, truffles, goat cheese, and lobster.

Next to this posh eatery is Martha's Table, a nonprofit social services organization that distributes almost six hundred thousand meals yearly to homeless families and at-risk youth. Martha's has been on this block since 1982.⁴ In the mornings, long lines of homeless people, mostly African American, wait to enter Martha's. After eating, many hang around—some even camp out with their belongings all day—to catch up with friends and pass the time until their next meal is served.⁵

Across the street from P14 and Martha's are two luxury condominium high-rises, Langston Lofts and Union Row (fig. 2), built in 2005 and 2007 respectively. Their contemporary urban design, with large exposed steel structures and iron patios, contrasts with the iron bars once covering the windows at the carryout. The condo units offer upscale urban loft living, with large floor-to-ceiling windows, wood floors, open floor plans, granite countertops,

and stainless steel kitchen appliances. In 2015, one-bedroom units in the Union Row complex were listed between \$350,000 and \$500,000, two-bedrooms between \$600,000 and \$900,000.6 The base of Union Row's commercial space houses Yes! Organic, a newly established natural grocery market, and Eatonville, an upscale, soul food–style restaurant where urban professionals enjoy pecan-crusted trout, fried chicken, and live jazz.

The first-floor commercial space of the Langston Lofts development is occupied by Busboys and Poets, a bookstore, coffeehouse, wine bar, performance venue, and restaurant all in one, which pays homage to the community's African American heritage. At any given time, Black, White, and Hispanic students, professionals, and urban hipsters use their laptops at communal tables, peruse the bookshelves, or visit with friends seated at the long dark-granite bar, on fabric and faux-leather couches, or at dining tables. The private Langston Hughes Room at the back of the restaurant holds a stage for book launches, poetry readings, and other performances. In this presentation space, the likes of Cornel West, Ralph Nader, and Eve Ensler have spoken on race, politics, gender, and culture to people enjoying a cappuccino, beer, or glass of wine.



Figure 2. Union Row and Langston Lofts.

Those living in Union Row or Langston Lofts, dining at Eatonville and Busboys, or shopping at Yes! Organic stand in sharp contrast to some of those eating just across 14th Street. Eatonville, Busboys, Yes! Organic, and P14 cater to the more affluent new arrivals—the mainly White but also Black and Hispanic, gay and straight professionals; Martha's serves, and AM.PM once served, the longer-term, low- and moderate-income Black population that formerly was the majority in this community.

From the Dark to the Gilded Ghetto

In the 1960s, a leading Swedish anthropologist, Ulf Hannerz, and a prominent American anthropologist, Elliot Liebow, studied the impoverished Washington, DC's Shaw/U Street neighborhood. Their work resulted in two urban classics: Hannerz's *Soulside* and Liebow's *Tally's Corner*.8 While each explored different sections of Shaw/U Street—Liebow studied a carryout much like AM.PM, and Hannerz a street near the community's geographic center—they both observed severe deprivation. As Liebow noted, the area at the time was nearly all Black and had the city's "highest rate of persons receiving public assistance; the highest rate of illegitimate live births; the highest rate of births not receiving prenatal care; the second highest rate of persons eligible for surplus food; and the third highest rate of applicants eligible for medical assistance."9

Despite their setting in a bleak neighborhood environment, these books changed how people across the globe viewed inner-city Black American life. Through their detailed ethnographic accounts, the authors showcased the human side of the ghetto and described the complex strategies people used to organize their lives as they struggled to survive amid concentrated poverty. For Hannerz and Liebow in the 1960s, Shaw/U Street represented, like New York City's Harlem and Chicago's Bronzeville, the quintessential Black American ghetto.¹⁰

From the 1960s until the 1990s, Shaw/U Street was a space for understanding what historian Arnold Hirsch coined the "second ghetto," and what Kenneth B. Clark labeled the "dark ghetto." Hirsch's *Making the Second Ghetto* and Clark's *Dark Ghetto* explained the powerful forces and detrimental outcomes arising from the formation of socially walled-off, impoverished, inner-city Black spaces during the mid-twentieth century. ¹¹ The decisions of White-controlled city councils, planning commissions, and public housing authorities to concentrate high-rise public housing in certain neighborhoods; the decisions of White-controlled banks to redline and deny credit to African Americans; and the decisions of White-operated companies to

leave inner-city areas were critical to the downward spiral of these neighborhoods into concentrated poverty pockets.¹² The harmful influence of concentrated poverty on individuals living in these neighborhoods was not labeled as neighborhood effects until years later by urban sociologist William Julius Wilson, but the influence these areas had on dysfunctional behaviors such as crime, drug use, poor school performance, and teen pregnancy, as well as poor health outcomes, were duly noted by Clark.¹³

Yet while Shaw/U Street once symbolized the dark ghetto, today it represents the *gilded ghetto*. In *Dark Ghetto*, Clark coined *gilded ghetto* to describe the similar pathologies of the affluent in the segregated White suburbs. "There is a tendency toward pathology in the gilded suburban ghetto," he wrote. "An emptiness reflecting a futile struggle to find substance and worth through the concretes of things and possessions. . . . The residents of the gilded ghetto may escape by an acceptance of conformity, by the deadly ritual of alcoholism, by absorption in work, or in the artificial and transitory excitement of illicit affairs." Clark saw in the suburban ghetto ill behaviors comparable to those occurring in inner-city Black America.

This book, which analyzes the making of the gilded ghetto, uses the term not as a reference to suburban challenges or pathologies but rather to indicate the intricate social and economic redevelopment processes, and outcomes, associated with the twenty-first-century transformation of second ghettos. Once places where poverty, drugs, and violence proliferated, these areas have become spaces where farmers' markets, coffee shops, dog parks, wine bars, and luxury condominiums now concentrate. The transition of American urban "no-go" Black zones to hip, cool places filled with chic restaurants, trendy bars, and high-priced apartment buildings defines the gilded ghetto. My contemporary use and redefinition of the gilded ghetto both references and explains what happens when those who, in the past, would have settled in the suburbs instead choose to reside in the dark ghetto. ¹⁵

This monumental redevelopment trend is occurring not just in Washington, DC, but elsewhere as part of a larger national pattern. The 2000s, compared with the 1980s and '90s, saw an increase in the percentage of low-income minority neighborhoods that were redeveloped. Urban sociologist Ann Owens, who assessed the redevelopment patterns of metropolitan neighborhoods between 1970 and 2010, predicted that persistent racial stereotyping of minority neighborhoods, especially those with a large African American presence, would make those areas least likely to redevelop. While in the 1980s and '90s this hypothesis was true, her data surprisingly revealed that something changed in the 2000s. In the 1990s, only 11 percent of urban minority neighborhoods redeveloped, but this rose to 17 percent

in the 2000s. Owens speculated that the increased rate of African American inner-city redevelopment was partly due to the unexpected influx of White residents to these areas. In a subsequent study, urban planners Lance Freeman and Tiancheng Cai provided evidence that supported Owens's hunch and showed that compared with the 1990s, the percentage of urban Black neighborhoods experiencing a significant White influx doubled in the 2000s. As more Whites were willing to move to once impoverished African American neighborhoods, gentrification rates skyrocketed.¹⁷

A 2015 Governing Magazine report revealed that in the fifty largest US cities, only 9 percent of low-income tracts gentrified in the 1990s, while in the 2000s the gentrification rate increased to nearly 20 percent. Features of the gilded ghetto can be seen in Boston's Roxbury, New York City's Harlem, Atlanta's Sweet Auburn District, Miami's Overtown, New Orleans' Tremé, Pittsburgh's Hill District, Kansas City's 18th and Vine District, Chicago's Bronzeville, Houston's Freemen's Town, San Francisco's Fillmore District, and Portland's Albina community. These Black urban neighborhoods saw open-air, illicit drug markets replaced by gourmet food markets. The "iconic ghettos" are becoming gilded ghettos.

Shaw/U Street experienced tremendous demographic shifts as it redeveloped. In 1970, the community was 90 percent Black; however, by 2010, African Americans comprised only 30 percent of its population.²¹ While the proportion of the community's Black population declined, the White percentage rose substantially, particularly in the 2000s. Whites represented 23 percent of the Shaw/U Street population in 2000, rising to 53 percent by 2010.²² As the community received an influx of Whites, property values dramatically increased 145 percent between 2000 and 2010, well above the city's overall rate during the same time period.²³

Atypical Gentrification

While this might seem similar to a typical White-led gentrification scenario, it is not. Shaw/U Street is not going through the gentrification experience we have become accustomed to in US cities, in which young artists, mainly White, move into a low-income minority area, the area becomes hip, and then professionals arrive.²⁴ Next, property values escalate, then the former residents are displaced, and a new neighborhood emerges.

Shaw/U Street's redevelopment processes are much more complicated and complex. For instance, several White newcomers proclaim that they sought this particular community because it represents an opportunity to experience and participate in an "authentic" Black space. Whereas aspects of

Black culture have been used to sell music for years, only recently have they been commoditized to market neighborhood redevelopment. ²⁵ The general perception has been that when a neighborhood was coined or labeled Black, it stimulated White flight. ²⁶ Nowadays, in some circumstances, such a designation stimulates a White influx. Inner-city real estate developers name their new luxury buildings after celebrated African Americans, such as Langston Hughes and Duke Ellington. Area restaurants mimic this African American naming game: Marvin, which acknowledges DC-born Motown sensation Marvin Gaye, is one of the most popular eateries along 14th Street. Thus, as the neighborhood redevelops it retains part of its African American identity, and this identity is critical to the making of the gilded ghetto. Rather than abandoning its Black history, Shaw/U Street's revitalization is closely tied to the community's African American past.

In addition, despite huge increases in property values, a sizable low-income African American population remains, living primarily in subsidized housing. Unlike several inner-city communities whose public housing stock is managed by local public housing authorities, a large proportion of Shaw/U Street's affordable housing is owned and managed by area churches, enabling thousands of low-income and working-class African Americans to stay.²⁷ In 2015, DC mayor Muriel Bowser and US Department of Housing and Urban Development secretary Julián Castro strolled through the neighborhood and touted it as a successful mixed-income model due to its ample stock of affordable housing.²⁸ Subsidized housing helps to maintain the community's racial diversity. As Novella, a longtime African American resident of one of the church-owned, subsidized developments, declares, "I will be the last fly in the milk bowl. I'm not leaving this community."

On the surface, Shaw/U Street, compared with many DC neighborhoods, appears integrated. Figure 3 displays the percentage of African American residents for census tracts throughout the city. Shaw/U Street clearly has a number of tracts that vary racially, while most other sections of the city contain a very high or low percentage of African Americans. The community contains the underclass—the gangbanger, the homeless, the poor; and the new (upper) middle class—the young Obama political appointee, the lobbyist, the lawyer, the high-tech programmer, and the professional same-sex couple.

Some commercial establishments and public spaces seemingly display racial and economic integration, but delving deeper into the neighborhood's social fabric uncovers more economic and racial segregation than at first glance—diversity segregation. Diversity segregation occurs when racially, ethnically, and economically disparate people live next to one another, but

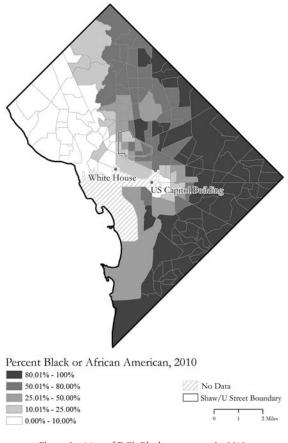


Figure 3. Map of DC's Black percentage in 2010.

not alongside one another. In other words, on the surface the community looks diverse, but in actuality is socially segregated.

The U Street Neighborhood Civic Association and the Logan Circle Community Association consist mainly of White residents organized to enhance the economic viability of the neighborhood, while Organizing Neighborhood Equity and the East Civic Association are predominately African American and serve the interests of the low-income minority populations fighting to remain there. Only a few associations have a mixed racial and class composition, such as the Convention Center Community Association, which tries to address multiple neighborhood preferences.

Public spaces, such as parks and recreation centers, also tend to be segregated. For instance, a park in the center of the community contains four

distinct spaces: a dog park, a soccer field, two basketball courts, and a skate-board area. Most of the dog walkers are White, most of the soccer players are Hispanic, and almost all the basketball players are Black. The only truly integrated park space is the skateboard area, where teenagers of all races help one another with their latest tricks. Rather than a model of social integration, Shaw/U Street is filled with pockets of micro-level segregation.

This is not the first study to highlight that redeveloping mixed-income, mixed-race neighborhoods contain micro-level segregation. There is an excellent investigation of micro segregation in Boston's South End by sociologist Laura Tach.²⁹ But while Tach's research deftly uncovered the phenomenon of micro-level segregation, this book more comprehensively explains why it occurs and what might be done to address it.

Shaw/U Street is a vibrant and inclusive neighborhood, at least compared with other more economically and racially homogeneous DC neighborhoods, yet it is still struggling with the legacy of racial segregation and discrimination. While this community once suffered from high rates of poverty, drugs, and crime, some of its White newcomers believe that elements of this past make it edgy and authentic. Some even talk about the occasional carjackings, muggings, and shootings as if these things were cool, like a true-life version of the popular HBO series *The Wire*, while some low-income Black residents discuss crime as if they fear being victimized.³⁰ Social disconnects such as these lead to intense frictions and tensions.

Additionally, the community has an African American identity that is being used to entice newcomers, yet its African American population is losing its political power, which drives the proliferation of certain amenities that fit the preferences of newcomers over long-term residents. But the loss is not just political but also cultural, exacerbating resentment and public withdrawal among longtime residents. While some *New York Times* and *Washington Post* reporters and local political leaders claim that Shaw/U Street is a successful model of a mixed-income, mixed-race community, in reality it suffers from diversity segregation; and this, in part, explains why low-income people, who are able to stay in affordable housing, are not more fully benefiting from the economic changes that have taken place.³¹

Gentrification Theories and On-the-Ground Mixed-Income Living

In the 2000s, compared with the 1990s, gentrification was more present across urban America, generating much literature addressing its causes, particularly in African American inner-city neighborhoods.³² Frequently,

the gentrification literature debates whether production or consumption explanations drive redevelopment.³³ Production scholars tend to assume that public policies and economic circumstances encourage investments and attract newcomers to once economically neglected communities, while the consumption camp argues that cultural tastes and preferences shape gentrification patterns.³⁴ We know a great deal from John Arena, Edward Goetz, Jason Hackworth, and Lawrence Vale about how federal housing policies, such as public housing reforms, are associated with inner-city gentrification.³⁵ Moreover, we understand from scholars including Michelle Boyd, Lance Freeman, and Mary Pattillo how changing Black middle-class consumption patterns and preferences relate to the redevelopment of impoverished African American neighborhoods.³⁶ However, we know much less about how global and federal forces interact to explain urban redevelopment patterns, and why upper-income Whites are now attracted to formerly low-income African American communities.³⁷

I argue that both production and consumption processes are important in explaining gentrification, and I do not try to resolve this gentrification debate in the pages that follow. Rather, my investigation showcases how political, economic, and cultural circumstances set the context for gentrification, and explains that both political decisions and new urban living preferences and consumption patterns result in neighborhood change. This investigation, more than prior neighborhood change studies, explains how external community political and economic circumstances and emerging White preferences for inner-city African American neighborhoods drive the transition from the dark to the gilded ghetto.

Another core question within the literature is whether gentrification leads to residential displacement. Quantitative studies by Lance Freeman and Frank Braconi, and others, suggest that residential displacement is less likely in gentrifying neighborhoods than in neighborhoods where property values are stable.³⁸ In contrast, a host of qualitative investigations, including my own, rigorously document forced residential displacement in communities experiencing gentrification.³⁹ However, these qualitative studies are unable to systematically determine the scale of displacement, and whether it can be linked solely to the process of gentrification.

While the gentrification literature importantly examines whether residential displacement occurs alongside redevelopment, this book redirects the focus to whether low-income people who are able to stay benefit in meaningful ways. 40 Compared with other gentrification issues, this important topic receives much less scholarly attention. 41 Shaw/U Street's long-term residents, newcomers, and key community stakeholders debate whether the community's transformation

is benefiting low-income residents. Theresa, a civically active African American resident of a subsidized housing complex, speaks about the professional new-comers who believe that their neighborhood presence will improve opportunities for low-income residents:

Just because you've a certain level of opportunity in your life does not mean that that has transferred to everybody in your community. Because you've had the ability to go to college. Because you've had the ability to get a job. Because you didn't have a problem with those things. No matter what color you are, doesn't mean that every other person has had that opportunity in this community. I mean, we have kids in this community whose parents were pimps, whose mothers were prostitutes, who . . . take care of their parents because their parents are drug addicts. I mean, these are the kids we're dealing with now. I mean . . . they [newcomers] think that they're improving the community 'cause they want to do things like have dog parks. In their eyes, that's improvement.

The social tensions are evident. Not all low-income residents are convinced that mixed-income living, and the community improvements it potentially brings, will improve their lives.

Other residents and Shaw/U Street stakeholders claim benefits for low-income people able to stay in the neighborhood. Alex Padro, a Hispanic civic leader who has lived in the community since 1994, remarks, "But the thing that is most compelling is that even folks that you know have some qualms about the changes are grateful for the fact that we don't have as many boarded-up houses . . . and it's not just 'those people' or 'the new-comers' that are the beneficiaries. Everybody is, whether they're seniors and they're Black or they're new arrivals and they're White or Asian or Hispanic and gay."⁴² So whose perspective is more accurate: Theresa's or Alex's?

This book sets out to answer four questions. First, what broader political and economic dynamics relate to the transformation of the dark ghetto into the gilded ghetto? Second, what attracts some White residents to historic yet low-income urban African American neighborhoods? Third, what happens when people who have been segregated for so long come together in a diverse neighborhood? Lastly, how are low-income people benefiting when more affluent people move near them?

My Research Approach

Neighborhoods are best understood by interacting with the people who live in them. To detect the change dynamics influencing Shaw/U Street and the

redevelopment outcomes, I situated myself in this community. The ethnographic case study method, where the researcher observes and participates in neighborhood life, allows for a deep understanding of social phenomena not easily quantified or understood apart from their context.⁴³ The technique "involves both being with other people to see how they respond to events as they happen and experiencing for oneself these events and the circumstances that give rise to them."⁴⁴ This research approach is indispensable for discovering, detailing, and explaining complicated social processes. From 2009 to 2014, I spent considerable time speaking with and observing a diverse set of neighborhood residents and key community stakeholders.

In this book, I focus on macro political and economic circumstances, as well as assess more micro-level neighborhood change processes and outcomes. I build upon sociologist Robert Sampson's keen insight that "neighborhoods are not merely settings in which individuals act out the dramas produced by autonomous and preset scripts, or empty vessels determined by 'bigger' external forces, but are important determinants of the quantity and quality of human behavior in their own right." To capture macro dynamics, neighborhood structures, and micro-level interactions, I apply the vertical ethnographic approach to gauge the importance of, and connection between, distant and more proximate neighborhood change processes. I assume that neighborhood circumstances are influenced by political and economic contexts at multiple levels—the global, the national, and the local—and that these contexts are interconnected and matter for understanding neighborhood change processes, outcomes, and meanings.

I strategically chose to investigate the Shaw/U Street neighborhood because of its racial diversity. In my prior ethnographic work during the late 1990s and early 2000s, I studied the redevelopment of Harlem in New York City and Bronzeville on the South Side of Chicago. An During that period, these historic African American neighborhoods experienced Black gentrification, and intraracial class conflict was a critical element of the revitalization processes unfolding within them. In contrast, as Shaw/U Street redeveloped, it received a much greater proportion of Whites and offered an intriguing opportunity to investigate interracial relations in the context of urban community transformation. I presumed that due to the nation's history of segregation, racial and class conflict would be an important part of the community change process. However, I was also interested in discovering the extent that, and the circumstances under which, distinct racial and economic groups collaborated and interacted with one another.

My original aims were to understand conditions related to the creation

of this mixed-race, mixed-income community, how race and class explained community-level debates and conflicts, and how low-income people benefited from living in close proximity to upper- and middle-income individuals. However, I quickly learned that sexual orientation, beyond race and class, was critical to the changes taking place in Shaw/U Street. Some of the community's initial gentrifiers in the 1990s consisted of gay men purchasing and rehabilitating the Victorian-style homes and row houses near its Logan Circle section. With an influx of this population, several gay-oriented clubs, restaurants, and stores opened, and Shaw/U Street became one of the centers of DC gay life.⁵¹ Consequently, a central community tension involved long-standing Black Baptist churches trying to prevent the establishment of gay clubs in the area. Thus, while I was initially focused on particular research questions, I let the research site tell me what else was important, and so remained flexible to the possibility that new and important topics, questions, and social categories would emerge as I experienced community life.⁵²

To learn about Shaw/U Street's inner workings, I deployed an array of strategies. Foremost, I spent nearly a year volunteering with Organizing Neighborhood Equity (ONE DC), one of the community's grassroots organizations.⁵³ ONE DC allowed me to connect with many low-income residents living in the community's subsidized housing. It also provided a unique opportunity to participate in organizing efforts to combat both commercial and residential displacement.

While working as an organizer, I embedded myself in the community's social fabric. I frequented area parks, recreation centers, libraries, coffee shops, restaurants, and nightclubs. I also attended hundreds of community meetings at block clubs, civic associations, and Advisory Neighborhood Commissions. Sometimes I would just listen at these meetings, but other times I represented the equitable development viewpoints of ONE DC. Although I worked for that organization, and developed meaningful and lasting relationships with its staff, I intensively explored neighborhood change for more than three years after leaving it. Both my social distance from ONE DC and my being guided by multiple "Docs" allowed me to investigate neighborhood change processes from different perspectives.

By multiple "Docs" I am referring to the key informant in William F. Whyte's (1943) *Street Corner Society*. Initially, ONE DC's Dominic Moulden, a nearly twenty-year DC community organizer, was my key informant, my "Doc." Dominic and other ONE DC staff were critical in connecting me with low-income residents. However, to understand a diverse community, one needs multiple key informants, so I was fortunate to have two residents,

Tim Christensen and Alex Padro, guide me as well. These individuals helped me gain access to newcomer networks and institutions important to the neighborhood's gay population.

I met many people in various community settings, and formally interviewed a diverse set of over sixty residents and community stakeholders.⁵⁴ I spoke with people of different races and ethnicities (White, Black, and Hispanic), sexual orientations (straight and gay), and tenure of residency (new and longtime). I also talked with real estate developers and political leaders as well as local business owners. By speaking with members of diverse community segments, I obtained a comprehensive understanding of neighborhood change.

Making the Case for Washington, DC

The nation's capital both motivates and deters scholars who hope to comprehend its complexities. Many academics avoid studying DC because they believe that its unique relationship with the federal government prevents generalizing DC-based findings to other cities. However, if we carry out this logic to other US cities, few would study New York City, because of either its distinct relationship with world finance or its atypical density. Few would study Chicago, because of its exceptional machinelike political structure. And few would study Los Angeles, because of its unmatched patterns of sprawl and connection to the entertainment industry. Yet ample studies on all three have greatly informed our knowledge of cities and urban life. ⁵⁵

A Washington, DC, study can tell us much about the future of urban America, particularly as cities increasingly become dominated by an advanced service-sector economy. The federal government's impact on DC is still important, yet how it influences the city and metropolitan region has changed. In the 1980s and 1990s, the federal government began outsourcing many of its functions. Just as multinational firms outsourced their legal, human resources, and marketing departments, the federal government, too, has farmed out its previously internal functions to private companies. The outsourcing of these functions changed the nature of the DC economy. By the 1990s, DC more closely resembled other US cities, because its economy, while still dependent on the federal government, had diversified with private service-sector employment opportunities. With this economic diversification, DC in the 2000s more closely resembles "an ecological unit with many of the same social, racial, economic, and geographic forces that one finds in nearly all large American cities." The outsourcing of the same social, racial, economic, and geographic forces that one finds in nearly all large American cities."

However, it is important to note that DC has some unique aspects. First, and most important, it's our nation's capital. Tied to this is a particular history of racial discrimination and civic representational repression.⁵⁸ Since its founding in 1802, DC has never had congressional representation; and for nearly one hundred years, between 1874 and 1973, it did not even have locally elected municipal officials. The lack of federal and local electoral representation for DC residents is deeply connected to racial discord and to congressional leaders who did not want African Americans to have substantial control over the nation's seat of government.⁵⁹ Then in 1973, citizens of the District achieved the right to elect their own municipal representatives. For the last thirty years, most elected officials have been African American, but recently the political power has shifted toward Whites. This historical political context is critical to understanding Shaw/U Street's contemporary revitalization processes, redevelopment outcomes, and their meanings, and somewhat limits the generalization of these findings to other cities and African American communities. Yet although DC is unique in some regards, the Shaw/U Street case will help scholars better understand other redeveloping low-income, urban African American neighborhoods across the country, especially those experiencing a White influx.

The Shaw/U Street Neighborhood: An Iconic Black Community

No community better illustrates the shift from the dark to the gilded ghetto than the Shaw/U Street neighborhood. It was once known as the "Harlem of DC," and its main thoroughfare, U Street, was known in the 1920s, '30s, and '40s as "Black Broadway." In the early part of the twentieth century, Shaw/U Street was the center of Black business, entertainment, education, and religion in DC. Some of the city's long-standing Black churches originated within this community. By 1910, the area boasted over two hundred Black-run businesses, including one of the few luxury Black-owned hotels in DC. Between 1910 and 1950, numerous African American luminaries, such as Alain Locke, Mary McCloud Bethune, Carter G. Woodson, Sterling Brown, E. Franklin Frazer, Charles Hamilton Huston, Langston Hughes, Jean Toomer, and Duke Ellington, had lived in or frequented the neighborhood. Many of these prominent figures were faculty of Howard University, which sits at the northeastern edge of the neighborhood.

Following this era of self-reliance and racial isolation, the community severely declined between the 1960s and 1980s.⁶⁴ When subsidized housing

was built there following the 1968 riots, the Black middle class fled to emerging Black suburbs in Maryland's Prince George's County. ⁶⁵ By the late 1960s, this once vibrant area was known as "Shameful Shaw," because drugs, crime, and poverty had taken over. ⁶⁶

During the 1960s, as poverty became increasingly entrenched, the area became the center of DC's Black grassroots political protest movements. In or near the neighborhood, civil rights leaders such as Walter Fauntroy, Marion Barry, and Stokely Carmichael led organizations that included the Model Inner City Community Organization, Community Pride, Inc., and DC's chapter of the Student Nonviolent Coordinating Committee. Although these civic leaders influenced national and citywide politics in the 1970s and '80s, Shaw/U Street continued to decline, and had some of the highest concentrations of poverty, subsidized housing, and crime in DC. 68

However, beginning in the mid-1980s and 1990s, the neighborhood began to revitalize. Initially, it saw an influx of a diverse set of upper- and middle-income newcomers. In the 1990s, the percentage of households earning over \$75,000 increased 55 percent, 71 percent, and 233 percent for Whites, Hispanics, and Blacks respectively. Also during this period, the community lost over one thousand low- and moderate-income Black households (earning below \$25,000). Despite some loss of poor people, Shaw/U Street retained a sizable amount of low-income households, as nearly 40 percent of the community's remaining African American members earned below \$15,000.

Although Shaw/U Street started to gentrify in the 1990s, its redevelopment greatly accelerated in the 2000s once Whites became the primary set of newcomers. During that decade, with an increased influx of young White professionals, property values skyrocketed and large luxury condominium and apartment complexes popped up like dandelions, including the Ellington in 2004, Langston Lofts in 2005, Union Row in 2007, Progression Place in 2013, City Market at O in 2014, and the Louis in 2015. ⁷⁰ Upscale furniture stores, such as Room and Board and West Elm, and chain grocery stories, like Whole Foods and Trader Joe's, also staked claims in the community. 14th Street, once DC's vice corridor, is now the city's foodie restaurant row, and many of the city's hippest bars, restaurants, and coffee shops have recently opened in the neighborhood. ⁷¹

The Contributions of This Book

Race, Class, and Politics in the Cappuccino City contributes to, and extends, understandings of urban and community change in at least four important

ways. First, this book demonstrates that neighborhood change and inner-city economic development are related to global, national, and local dynamics. It also explains how aspects of the global economy, federal government spending patterns, and local government decisions in the mid-1990s and early 2000s influenced DC's central business district expansion, which is an important part of Shaw/U Street's redevelopment story. Inner-city redevelopment cannot be fully understood without accounting for complex political and economic dynamics occurring beyond the neighborhood.

Second, the text presents a nuanced narrative of contemporary race relations. While some scholars claim race has become less significant, I reveal that desires to either minimize or reinforce iconic Black ghetto stereotypes influence Black branding and neighborhood redevelopment processes.⁷² I coin the term *living the wire*: choosing to reside in an "authentic" urban community whose energy and edge are based on preexisting stereotypes of the iconic Black ghetto, where Blackness, poverty, and crime are associated with one another. The concept helps to explain what attracts some White newcomers to live in a Black-branded neighborhood, and illuminates how racial stereotypes remain embedded in America's urban environment as it presumably becomes less segregated.⁷³ While the marketing of aspects of Black culture as an attractable community asset may signify some improvements in American race relations, it also reproduces and maintains traditional iconic ghetto racial stereotypes, and reinforces existing social tensions.

Third, this book elucidates the challenges and intricacies of mixed-income, mixed-race living environments. While there are signs that we are becoming a more tolerant society, preexisting social categories, such as race, class, and sexual orientation, help to explain intense neighborhood conflicts. Whereas traditional social categories may not explain individual behavior, they nonetheless remain critical to understanding the organizational infrastructure and political battles that emerge in a racially and economically diverse neighborhood.

Fourth, *Race, Class, and Politics in the Cappuccino City* deepens the gentrification debate by detailing and explaining some of the political and cultural consequences associated with mixed-income neighborhoods. This research demonstrates that neighborhood poverty alleviation advocates need to understand these important after effects of mixed-income living. Processes of political and cultural displacement breed resentment among long-term residents, further exacerbating diversity segregation and limiting meaningful social interactions across preexisting social divides. Addressing political and cultural loss and micro-level segregation is critical to creating equitable and sustainable

mixed-income, mixed-race communities that more effectively offer greater opportunity for low-income families and individuals.

Over the last fifty years, some insightful DC studies on poverty, Black life, race, and redevelopment politics have been completed.⁷⁴ This study enhances DC scholarship by focusing on how the city's changing political economy relates to the gentrification of a historic Black community. While much history has been written about Shaw/U Street, such as Blair Ruble's fascinating *Washington's U Street* and Sabiyha Prince's *African Americans and Gentrification in Washington*, *D.C.*, this book more fully explains the critical link between contemporary urban political and economic circumstances and neighborhood change as well as demonstrates how current changing community conditions affect long-term residents' political power.

Not only does this study contribute to our understanding of the nation's capital—it also advances a new urban paradigm. In the 2000s, Washington, DC, became the Cappuccino City.75 I describe DC as such because in some ways, its redevelopment processes and outcomes reflect this relatively expensive caffeinated drink. In the early 2010s, the city lost its Black majority, and Chocolate City, as DC was once known, converted into the Cappuccino City as it became more White, educated, and expensive. Between 2000 and 2010, the city experienced a 5.2 percent population increase, and nearly fifty thousand Whites entered the city. 76 The procedure of adding white steamed milk foam to dark espresso, the ingredients of a cappuccino, mirrors the influx of young mainly White professionals into DC's Black urban neighborhoods near the central business district. While some original African American residents are able to stay in these redeveloping neighborhoods, they are losing political power, and poverty and people of color are migrating and increasing in the DC suburbs, mimicking the dark outer edges of a cappuccino.77

This pattern of central city redevelopment, driven largely by a White influx, and increasing minority and poverty presence in the inner suburbs is not unique to DC.⁷⁸ The cappuccino lens provides an urban account that not only helps to understand Washington, DC, and its Shaw/U Street neighborhood but highlights community processes and outcomes likely occurring in other advanced service-sector cities, such as New York City, Atlanta, New Orleans, and Houston.⁷⁹

A Map of the Book

Chapters 2 and 3 set the context for investigating neighborhood change in the nation's capital. These chapters outline DC's complex, evolving political and economic landscape and explain the primary factors that influence it as well as some of its effects on neighborhood development. Chapter 2 assesses DC's local political landscape, both its structure and its norms. One factor that makes DC politics so multifaceted, compared with other US cities, is its unique "District" status and strong relationship with the federal government. Since 1978, with the election of Marion Barry, DC has been a political machine. Its hierarchical political structure resembles a typical urban machine, but is distinctive in that it is a Black machine. In the 2000s, as the proportion of the city's White population increased, the Black machine declined. The weakening of this machine helps to explain, and give deeper meaning to, the redevelopment circumstances in Shaw/U Street.

Chapter 3 shifts from politics to DC's economic circumstances, focusing on the city's transition to a postindustrial economic powerhouse. For nearly two centuries, DC was a federal town of "great intentions." In the early twenty-first century, however, its metropolitan region became a prominent global metropolis. While many US cities' communities were inundated with foreclosed properties during the Great Recession of the late 2000s, several DC neighborhoods were filled with enormous cranes constructing major high-end commercial and residential developments. Ochapter 3 explains how and why Washington appeared on the international scene as a premier global city in the 2000s. I assess how multiple forces originating at different levels of society are associated with the expansion of downtown DC in the late 1990s, and demonstrate that this central business district boom partly explains Shaw/U Street's gilded ghetto transformation in the 2000s.

From DC's downtown, chapter 4 interrogates the Black branding processes in Shaw/U Street. This community is an interesting case, because its African American brand became institutionalized as the community experienced a significant influx of Whites and lost much of its Black population. In this chapter, I advance our understandings of how urban African American stereotypes shape the Black branding processes and associated neighborhood redevelopment outcomes, and advance important insights on the evolving relationship between race and gentrification.⁸¹

Chapter 5 explores Shaw/U Street's civic society to understand the local politics of this diverse mixed-income, mixed-race community. I explain the processes by which race, class, and sexual orientation interests become embedded in the community's organizational structure and influence community-level debates and decisions that affect neighborhood conditions. I argue that Elijah Anderson's concept of the cosmopolitan canopy, which stresses ethnic and racial civility in public spaces, does not easily generalize to gentrifying urban neighborhoods, and in so doing I demonstrate

that conflict, based on preexisting social inequalities, better characterizes political interactions in economically transitioning racially diverse areas.⁸²

Chapter 6 investigates some of the political consequences as the neighborhood moves from the dark to the gilded ghetto. While some residential displacement has occurred, certain affordable housing policies have kept a sizable proportion of long-term, low-income residents in place. Despite these efforts, political and cultural displacement has occurred as upperincome newcomers flocked to this historic African American neighborhood and became civically engaged. This chapter highlights and explains important political and cultural implications of neighborhood revitalization that are often overlooked by urban policy makers and scholars.

Chapter 7 presents a new urban framework, the cappuccino city, and chapter 8 points to multiple policy solutions to ensure greater equitable development in the gilded ghetto. While DC was once known as Chocolate City, demographic and political shifts and new preferences for urban living have meant that the city is now better characterized as the Cappuccino City. Chapter 7 outlines DC's cappuccino city elements, and describes what we might expect in similar cities and corresponding suburban regions. In chapter 8, I focus on ways to mitigate diversity segregation through the development of third spaces as a potential mechanism to bring about greater political and social equity as neighborhoods transition from low- to diverse-income communities.⁸³ Third spaces and bridge makers might be important ingredients in facilitating more inclusive and equitable mixed-income urban living environments that ultimately benefit the poor.

A Cautionary Note

Before continuing, it is important to note my biases and assumptions. My perspective is that when the political will is there, we accomplish place-based development, even in what appears to be dire economic situations. Under certain circumstances, it is not too difficult to promote place-based inner-city development. However, it is challenging to ensure that revitalization benefits the existing residents. In my analysis of both the dynamics influencing and the meaning of the emergence of the gilded ghetto, I constantly interrogate how this development can benefit low-income minorities struggling with the legacies of discrimination and the ill conditions of the dark ghetto. For me, the interesting puzzle is how to avoid the mistakes of the old urban renewal program and promote contemporary urban development that is just, fair, and equitable. My hope is that this book offers knowledge that contributes to this objective.