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## INTRODUCTION

### *Expanding the Focus*



Yesterday's cities are today's metropolitan areas. Not only have cities grown beyond their early municipal boundaries, but the rapid expansion of suburban areas after World War II generated a seismic shift in the way people live and distribute themselves in urban areas and in the ways that we think about current and future urban issues. With over three-quarters of the U.S. population living in urbanized areas, this new urban reality concerns the entire nation.

While some cities in the United States have the ability to expand their boundaries as their population grows, Philadelphia, like most older cities, does not. The dynamics of urban development have spilled across the boundaries that made political sense in the nineteenth century. These dynamics have erased the easy distinctions between cities and suburbs defined by earlier boundaries. Our contemporary sense of the city has changed how we think about metropolitan regions. Today, both in Philadelphia and in metropolitan areas nationally, more than 70 percent of the population live and work in the suburbs. The problems of job loss, physical deterioration, affordable housing, development and redevelopment, racial segregation, inadequate school quality and funding, high tax levels, and the unresponsiveness of government now trouble suburbs as well as the cities. The appearance of these problems in the suburbs emphasizes the need to understand the larger metropolitan processes that affect both city and suburb. For those living and working in the greater Philadelphia area, the persistent social and economic divisions, even as they

map themselves differently across the regional landscape, continue to shape public institutions and private lives.

Our earlier work, *Philadelphia: Neighborhoods, Division, and Conflict in a Postindustrial City*,<sup>1</sup> was about the life chances of city residents with respect to jobs, income, education, and housing. Inequalities in life chances remain central to our concern here. In this book, however, our consideration of those inequalities expands to encompass the entire metropolitan area, and we ask how those issues have evolved in the 1990s by examining them regionally and in relation to trends elsewhere. The decade of the 1990s and the first half of the current decade have brought with them a dramatically changed political and social environment, including significant differentials in municipal fiscal and organizational capacity, a new diversity of population across the region, and increasing questions over the feasibility (or rationality) of expanding limited transportation and public utility (e.g., water and sewer) infrastructures.

Our work departs from regional analyses that stress a strong central development engine. There is no easy metaphor that incorporates the co-occurrence of sprawl and gentrification or vacant land and edge cities. Even the notion of uneven development does not capture the diversity of conflicting pressures that influence many local communities. The combination of regional economic restructuring—from industry to service sector, heavy industry to information-driven enterprises, and urban agglomeration to decentralized, multiple nodes—has been accompanied by residential decentralization, making a Philadelphia-centered focus both incomplete and inadequate. Adopting a regional perspective means more than simply changing the spatial scale of the analysis. In the last decade, both academic paradigms and public policy debates have shifted away from seeing metropolitan regions as territories dominated by centrally located clusters of commerce, industry, and transportation toward a view of regions as having dispersed and “thinned out” patterns of development. That changing conception of how metropolitan space is organized has prompted intense debates about the future role that central cities will play in regional economies. We have been influenced by the work of other urbanists who have sought to understand the future of cities within their metropolitan contexts, as well as by scholars who have challenged traditional models of urban ecology and opposed orthodox city-suburban dualities.

Within the academy, a group of urban analysts centered in the Los Angeles area has systematically challenged the field’s traditional model of how urban space is organized—sometimes termed the “Chicago School” of urban ecology. In that traditional approach to understanding how inequality is distributed across urban space, a city’s commercial center was taken to be the primary driving force behind urban expansion—and in more recent years,

behind urban decline as well. For most cities the large urban marketplace and the manufacturing districts close to transportation nodes were the major organizing forces that generated employment and profits, aligning factories and other workplaces, as well as communities, along class, race, or ethnic identities. The traditional urban narrative, at least through the beginning of the dramatic suburban shift after World War II, emphasized the centrifugal movement of people outward from the center as the normal result of economic progress and the market.

The self-named “LA School” stresses a different dynamic that is regionally focused, with multiple loci of growth exerting their own influence over the distribution of opportunity and inequality. Extensive highways and growing electronic linkages make lengthy and distant commuting patterns a taken-for-granted reality. Rather than dominating the region, the central city is incorporated into the region’s evolution. Ultimately rooted in Harris and Ullman’s polycentered view of the city,<sup>2</sup> the LA School sees industrial, commercial, and other economic growth centers as distributed across an ever-widening spatial scale, a trend that is facilitated by the development of roads versus rails and by the disaggregation of the production and distribution processes that traditionally shaped urban centers. In central cities that once housed manufacturing industries, we now see residents living in refurbished factories, we see galleries and offices occupying warehouses, and we see city leaders making calculated efforts to attract transient visitors (tourists, students, patients, and connecting passengers).

While the LA School’s polycentered model more easily fits Sunbelt cities than those of the Rustbelt, its emphasis on the region is now shared by analysts concentrating on how to revitalize urban regions of the Northeast and Midwest. A significant literature has sought to distinguish between cities that have rebounded or prospered over the past decade and those that have not, linking the cities’ differing fortunes to their regional contexts. Analysts as diverse as Myron Orfield,<sup>3</sup> David Rusk<sup>4</sup> and Bruce Katz<sup>5</sup> have found a common theme in looking for revitalization strategies. Simply put, they observe that successful revitalization depends on how cities and their surrounding areas are able to link to one another’s resources, assets, and governance structures to address ongoing issues of employment, education, and housing quality. While each writer sounds a somewhat different tone in identifying key factors producing revitalization, their common focus on the region has helped change the national debate about the urban future.

Although there are substantial differences between the views of Orfield, Rusk, and Katz and the LA School in how they describe urban issues, they see a common set of forces shaping metropolitan change: location decisions by firms that deny some communities easy access to jobs, transportation modes

that both link and separate communities from each other, differential streams of migration and immigration to urban areas, the persistence of race and ethnicity (as well as gender) in forming community identity, the importance of local “growth machines” in determining how and where urban areas expand and revitalize, and state and federal policies that shape metropolitan options.

Another academic influence driving us to examine the regional scale is one that emerges from a substantial literature in the architectural and planning fields that blurs the conventional understandings of urban and suburban places. The movement for a “new urbanism” has stressed the need for a more community-focused approach to suburban development. Seeking to re-create the strengths of urban neighborhoods, the new urbanists advocate a higher density model to develop residential spaces, surrounded by common areas in which automobile traffic is severely restricted. In what many see as a restatement of traditional “garden city” concepts, the new urbanism is now guiding an important—albeit a small—portion of suburban development in the United States and seeks to have its work replicated in revitalizing city neighborhoods as well.

In works that are not as prescriptive as new urbanist writing, recent historical scholarship<sup>6</sup> cautions that the development of suburban communities was neither as linear as urban expansion models would have it nor was it driven solely by economic privilege, as some critics contend. These scholars suggest that we differentiate suburbs by time period, construction style, and the dispersed regional economy. We have taken that suggestion seriously, creating our own typology to differentiate the suburbs surrounding Philadelphia and using that typology throughout this work. (Later in this chapter we will present that typology.) If we differentiate among suburban types, we see clearly that revitalization is not just an issue for core cities; it is a task confronting many suburban communities as well. Municipalities in all eight of the suburban counties surrounding Philadelphia seek substitutes for the loss of manufacturing jobs, restoration of commercial districts facing competition from malls, and renewal of aging housing stocks—even as commercial and residential growth are driven into high gear in nearby communities.

Our earlier book portrayed Philadelphia as the beleaguered core of the metropolitan region. While it remains beleaguered, our focus here is on the region’s shifting organization of employment, commerce, and development—and on the city’s role within this dynamic. In fact, parts of Philadelphia have shown a degree of economic resilience attributable to the same forces that are restructuring the region as a whole. Even while jobs are decentralizing, the value of some land within the urban core has increased, due to its access to arts and culture, corporate and legal headquarters, and a form of urban, cosmopolitan life that appeals to many but that can scarcely be found in suburban communities.

The uneven development pattern experienced within the city and across the region has meant that some city neighborhoods now resemble suburban places more than they resemble nearby sections of Philadelphia. In several inner-city neighborhoods, for instance, affordable housing has been built recently in suburban styles at lower densities than the city's historic row houses. These new developments have given each home its own side yard and driveway. The downtown district is now full of stores one would see in suburban malls. One such retailer, a gourmet food discounter named Trader Joe's, built a downtown store whose ground plan so closely duplicates its suburban outlets that the store's main entrance is not located on the side fronting Market Street—arguably the most important commercial street in the entire city—but rather in the rear of the building, closest to the parking lot.

While the city shows signs of suburbanizing, some suburban officials have begun to emphasize their communities' urban features—including commercial main streets, walkable neighborhoods, and public transportation options—in order to appeal to future residents. In some of the more affluent suburbs, condominium developments now constitute an important fraction of residences. Thus distinguishing between only two traditional categories of city versus suburbs no longer makes sense because of the increasing differentiation in the characters of both. In this volume we highlight the fragmentation of the city into increasingly divergent districts while recognizing the strong parallels between this segmentation and what is happening in the increasingly diverse suburbs.

### **Privatism, Regionalism, and the Third Sector**

We build our discussion of the region around the idea that “place matters”—that geographic patterns of privilege and disadvantage confer very different opportunities on communities and households trying to make the best of their place in the region. Like other U.S. metropolitan regions, greater Philadelphia is balkanized into hundreds of separate communities, each electing its own local officials to make decisions about land development, tax rates, local schools, garbage pickup, police and fire departments, and dozens of other public services. Many observers see the proliferation of these small local governments as the embodiment of privatism in our public life, because they enable each community's residents “to pursue their own self-interest regardless of the impact on their neighbors,” creating “a privatized conception of the boundary lines between the central city and its suburbs—and between the suburbs themselves.”<sup>7</sup> Sam Bass Warner, in his celebrated history of the “city of brotherly love,” argued that from the beginning, Philadelphia's political culture (and by extension, that of other U.S. cities) assumed “there would be no major conflict

between private interest, honestly and liberally viewed, and the public welfare.”<sup>8</sup> That assumption led to a view of the city as an arena in which private individuals and families pursued opportunity and prosperity; a community became “a union of such money-making, accumulating families.”<sup>9</sup> Today, metropolitan Philadelphia represents a similar conception of privatism imprinted on the region as a whole.

Observing the tendency toward fragmentation across many U.S. metropolitan areas, researchers have renewed calls for regional strategies to address the resulting problems of uneven development, social inequality, and uncoordinated planning. As noted earlier, Myron Orfield, David Rusk, and Bruce Katz have all urged urban revitalization strategies that connect central cities to their surrounding suburbs. All have advocated strong governmental action to require regional tax base sharing, fair share laws to provide affordable housing in the suburbs, and regional growth management. In greater Philadelphia, such calls for coordinated action among local governments—although they have inspired many civic conferences, appeals by media commentators, and publications by public interest organizations—have gained little political traction.

In 1995 Neal Peirce was commissioned by the *Philadelphia Inquirer* to bring to Philadelphia his insights on regional political cooperation—insights that Peirce had elaborated in his book *Citistates*.<sup>10</sup> The newspaper devoted a special section to the so-called Peirce Report, and a few months later the Chamber of Commerce sponsored a call to action conference at which 2,000 people heard Neal Peirce urge local leaders in the city and suburbs to forge more cooperation for the most practical of reasons: to help this region compete in the global economy. Although released in a barrage of optimistic publicity in 1995, the Peirce Report disappeared from public view with amazing speed. No civic or governmental coalition emerged to champion its recommendations.

Two years later, the Pennsylvania Environmental Council commissioned another national expert, Myron Orfield, to apply his methods of mapping and analyzing regional inequities in greater Philadelphia. The council published Orfield’s findings and brought him to town to explain his views on regional tax sharing as the solution to the problems he identified. He showed civic leaders that the intense fragmentation of the land area into hundreds of small jurisdictions offered people the chance to opt out of paying many of the costs of their location choices. In Orfield’s words, “The increase of property wealth in outer suburbs and the stagnation or decline of central city and inner-suburban values represents, in part, an interregional transfer of tax base.”<sup>11</sup> Orfield’s radical proposal of tax sharing was greeted with skepticism to say the least. One Delaware County politician observed, “I think it borders on the un-

thinkable.”<sup>12</sup> Despite that reception, in the following year the Delaware Valley Regional Planning Commission brought Orfield back to Philadelphia to discuss regional tax base sharing, hoping to stimulate new thinking about a regional agenda. Since then, Orfield has returned numerous times to the region, his visits sponsored by foundations, policy think tanks, and other organizations. Yet the region’s political establishment seems no closer to accepting tax base sharing. We hold out little hope for this approach.

Urbanists have been debating the advantages and the feasibility of regionalism for more than fifty years, starting in the early twentieth century, when proponents saw regional cooperation among local governments as a way to make service delivery more effective and tax burdens more equitable. Although some idealists advocated consolidating cities and suburbs into unified metropolitan governments, the more pragmatic voices argued for federated, or two-tier governmental arrangements in which specific services (e.g., water and sewer services) and functions (e.g., land use planning) would be assigned to a regional government while other services (e.g., schools and policing) would remain in the hands of local governments. The early metropolitan reformers emphasized the ability of regional authorities to gain economies of scale in delivering public services and to spread the cost of services across the wealthiest and poorest communities. They offered a progressive, good government rationale for broader metropolitan institutions to consolidate services and share tax revenues.<sup>13</sup>

Toward the end of the twentieth century, however, advocates for regionalism shifted their focus away from efficiency and equity in public services and toward competitiveness in the global economy. Advocates for the “new regionalism” began urging voluntary cooperation among suburbs and cities to achieve economic success: “What is different about the new regionalism compared to earlier debates is that the focus has shifted from the effects of fragmentation on public goods consumption to the effects of fragmentation on production, or economic growth.”<sup>14</sup> Proponents of the new regionalism like Neal Peirce have urged city and suburban leaders in Philadelphia and other metropolitan areas to cooperate as a matter of self-preservation. Regions without unified strategies, they predict, will lose in competition against regions that are operating in greater harmony.<sup>15</sup>

Observers in this region are hard pressed to find signs of either the old or the new variety of regionalism. Neither voluntary intergovernmental cooperation nor coordination coerced from above by the state government is a feature of the public realm. Instead, regional politics are marked by fragmentation and competition among localities. Greater Philadelphia exemplifies the pattern of intergovernmental politics that is typically found in the northeastern United States. The central city is surrounded on all sides by long-established

suburban townships that zealously defend their separation from Philadelphia. The last time that Philadelphians managed to persuade the state government to allow the city to annex adjacent territory was 1854, and no one expects that to happen again. State laws make it difficult for suburban officials to consider merging their townships with one another; such a move would require placing the question on the ballot in all of the communities involved. Moreover, this particular metropolitan region spans two states, creating even greater obstacles to formal cooperation.

Not only the jurisdictional boundary lines divide communities but also the dramatically different conditions prevailing within their borders. Research has shown that regional cooperation is more likely to occur among homogeneous units of government. Yet, as this book shows, the gaps between communities are widening, in terms of the opportunities and quality of life available to residents in various parts of the region. Where social needs are greatest, the resources to pay for services are the most constrained. This divergence creates an irony: cooperation is most needed under conditions of extreme inequality, yet cooperation is less likely to occur under those unequal conditions than where conditions are similar.

Race is a factor as well. Studies of regional efforts in other metropolitan areas in the United States have documented the challenge of establishing intergovernmental arrangements between central cities dominated by African American political elites and suburbs dominated by Whites.<sup>16</sup> Greater Philadelphia shares some racial dynamics with the U.S. cities studied by John Powell, who offered this observation about the role of race in regionalism:

Those of us who advocate regionalism are troubled by the resistance to it, not only from the developing suburban communities, but from the communities of color as well. While the suburban resistance may be shortsighted, the reluctance to embrace something that will have a short-term negative consequence appears to make sense. What is more surprising, at least initially, is resistance from minority communities at the urban core. This resistance is often based on non-economic concerns: the loss of political control and cultural control or identity.<sup>17</sup>

The traditional tendency for separate municipalities to “go it alone” has been exacerbated by neoliberal policies adopted after 1980 by the federal government. Drastic cutbacks in federal funding for urban areas, along with the devolution to the states and localities of responsibility for many federal programs, pushed local governments to compete against each other for the tax revenues needed to pay for services.<sup>18</sup> That intense competition continues to dominate their interactions far more than any impulse toward cooperation.

Philadelphia is not alone. The policy debates concerning regionalism have produced relatively little action on the ground anywhere in the United States. A special volume of the *Journal of Urban Affairs* titled “Regionalism Reconsidered” surveyed almost a century of interest expressed in the idea of regionalism. The conclusion reached by the volume’s coeditor, at least for U.S. metropolitan areas, was disappointing:

Regardless of their respective contributions to the debate, the arguments of neither the metropolitan reformers nor the new regionalists have succeeded in producing much change . . . the politics of metropolitan reform are decidedly stacked against significant structural change.<sup>19</sup>

So long as we confine our focus to intergovernmental arrangements, we are forced to conclude that little is happening. However, if our gaze shifts away from local government to encompass a wider set of actors and projects, we draw a different conclusion. A major lesson emerging from this book is that regionalism is alive in greater Philadelphia, but it flourishes largely outside the institutions of local government.

In writing this book, we have been less interested in debating what *should* be happening in the regional realm and more interested in what *is* happening on the ground, particularly the ways that people are working to overcome the geographic inequalities that divide the communities of the region. We have been attentive to the individuals and groups that have been most active during the 1990s in addressing uneven development in greater Philadelphia. One must look beyond local governments to find them. In case after case, we observe that local governments are relinquishing authority, either to state government agencies or to organizations operating in the “third sector” of the region’s institutional landscape. Third-sector organizations are nonprofit agencies or quasi-governmental authorities that pursue public purposes, yet operate outside the bounds of formal government. They often work in partnership with each other, with government, and with for-profit entities, shouldering a large and growing share of responsibility for addressing the problems that arise from metropolitan economic restructuring. To a great extent, the third sector is driving regional efforts to cope with the uneven development that is the hallmark of the evolving regional landscape.

One reason for their increasing prominence is that the neoliberal policy climate favors withdrawing direct government management over the public sector and giving nongovernmental organizations responsibility for managing public services. National discussions of urban issues assume an ever more limited role for direct government intervention in community development, but

they assume a growing role for the nonprofit sector along with profit-making enterprises. We see evidence of the tendency toward privatization, for example, in the way that some school districts rely on nonprofit as well as profit-making organizations to administer publicly funded schools. Philadelphia is arguably the nation's leading examples of outsourcing public education, as we will see in Chapter 4.

Another reason for the rise of the third sector is simply that the scope of local government authority does not match the geographic scale of the issues that need to be addressed. Some of those issues are far larger than the territory encompassed by any one, or even several, local governments. But the scale of problems needing urgent attention may also be far smaller than a local government jurisdiction, requiring customized solutions that are difficult for general-purpose government to fashion. As we will see in coming chapters, the greater Philadelphia region has spawned a network of third-sector agencies dedicated to purposes both larger and smaller than local government boundaries. The brand of regionalism adopted in this metropolitan area fits the definition offered by Neil Brenner, that is, "Strategies to establish institutions, policies or governance mechanisms at a geographical scale which approximates that of existing socioeconomic interdependencies within an urban agglomeration."<sup>20</sup> The reader will notice Brenner's use of the term "governance" rather than "government," as a signal that formal government does not always dominate public efforts to solve regional problems. Traditional dynamics of city versus suburbs are giving way to a more decentered model that incorporates new sources of private investment (both for-profit and nonprofit) and new models of local governance that emphasize performance and efficacy.

In our earlier book, *Philadelphia*, we used a framework of distributive justice to address the issues facing the city and region. While social justice (defined here as equal access to opportunity) remains a key concern, we recognize that the terms of public debate have shifted during the recent decade. These days, in addition to concerns about unequal access to opportunity, one hears an increasing emphasis on strengthening the capacity and efficacy of public and community agencies. Decisions made by government and the independent sector about how to invest in communities are increasingly driven by concerns over returns on investments, rather than redressing distributional inequities.

## Plan of the Book

This book is about how the trends of the 1990s in metropolitan Philadelphia, particularly the growing differentiation among its many communities, have affected the structure of opportunity for residents. This study relies on an information

base whose comprehensive coverage has rarely been available for the study of any U.S. metropolitan area. The Metropolitan Philadelphia Indicators Project (MPIP) monitors social and economic conditions in over 350 municipalities located within the greater Philadelphia metropolitan area. Using the data resources of MPIP, we have been able to undertake a systematic analysis of trends and issues across the region, including every community in both the Pennsylvania and New Jersey suburbs. The data we have used come from a variety of state and federal data sources, as well as an original household survey administered in three separate waves, in the autumns of 2003, 2004, and 2005.<sup>21</sup>

In the first chapter, we describe the region in some detail, laying out the geographic patterns of development across nine counties. In subsequent chapters, we focus on three kinds of opportunity that shape the quality of people's lives: employment, housing, and education. Each chapter considers the geographic scale at which people seek opportunities, from the immediately surrounding neighborhood to the region. We document the trends in employment, housing, and education that have exerted unequal effects on the region's local communities.

These chapters pay special attention to the impacts of uneven development on the region's low-income communities. Considerable space in each chapter is devoted to analyzing the policy efforts that have been made to address the disadvantages that development patterns have created for low-income populations. We divide the region's efforts to increase opportunities into two main policy options. The first option is to increase investment in the communities where disadvantaged residents are living. From the 1960s through the 1980s, advocates for disadvantaged urban communities concentrated mainly on increasing the cities' share of public investments in housing, transportation, and economic infrastructure, as well as schools and social services. During the 1980s, that focus on public investments was expanded when urban activists began working to entice private investors into the inner cities, through such means as the Community Reinvestment Act and Low Income Housing Tax Credits, both programs enabling community organizations to find private investment partners for their development efforts. A desire to improve opportunities for jobs, housing, and education has led to an array of investments in the declining communities of the region.

However, we will also give attention to another option that has gained popularity during the 1990s, particularly in a political climate that assumes a decreasing role for direct government intervention in cities. That alternative strategy is to provide greater mobility to disadvantaged households so they can seek opportunities on a wider geographic scale.<sup>22</sup> In an impassioned essay, Paul Dimond has explained his preference for mobility strategies this way: "Voting with their feet about where to live, learn, and work is how families

most powerfully choose to build a better life for themselves and their children.”<sup>23</sup> Since other Americans often pursue opportunities in this way, the argument goes, low-income and other disadvantaged citizens should also be given this chance. Thus, in our chapters on jobs, housing, and education, we devote attention to policies that promote choice and mobility.

Chapter 1 describes the region and its recent development in terms of its demographic composition, migration patterns, and its social and economic diversity. We take some time to develop a typology to help orient the discussion of these diverse communities, a typology that will be used as a background for discussions in the later chapters.

Chapter 2 analyzes employment patterns at the regional scale because the region functions as an economic unit within which employers, investors, and workers move readily across geographic boundaries. Many high-wage workers choose to reside in suburbs but work inside the city, while suburban firms employ many workers who commute from homes in Philadelphia. Increasingly, employment has dispersed from Philadelphia into the suburbs, not into a limited number of job centers but in a pattern defined by the region’s road network. Chapter 2 presents some challenges to the prevailing assumptions about the “spatial mismatch” hypothesis. That line of research has focused on the increasing distance between residential neighborhoods in the urban core and suburban locations where employment is expanding, on the theory that geographic distance is the most significant barrier to employing city residents. Our findings in Chapter 2, however, call into question the significance of geographic proximity; they cast doubt on the assumption that living close to well-paying jobs necessarily improves the incomes of nearby households. The chapter assesses policy efforts to bring more employers into Philadelphia and other older urban centers of the region, while at the same time creating more mobility for residents of these core communities to travel to jobs in the suburbs.

The second arena of opportunity, housing, is discussed in Chapter 3. It describes the patterns by which housing is geographically subdivided into distinct submarkets characterized by different ages of construction, price levels, housing types, and neighborhood characteristics. Chapter 3 shows that low-income and minority citizens have far more constrained choices than other residents seeking housing. It further explores the problems faced by low-income residents seeking mortgage loans to buy or improve properties in older neighborhoods. We consider policy strategies to rebuild housing within older core communities, along with efforts to insert more affordable housing into the suburban landscape. Social researchers have shown the social disadvantages of concentrated urban poverty, leading many observers to ask this question: should we continue to emphasize rebuilding housing in inner-city neighborhoods, or instead offer inner-city residents more opportunities to

move to other communities with less poverty, less crime, better schools, and better services? Federal housing policies of the past decade have increasingly emphasized spatial deconcentration of urban poor populations. In fact, spatial deconcentration has been called “the country’s most recent antipoverty strategy.”<sup>24</sup> Chapter 3 shows that spatial deconcentration of the poor has not progressed very far in this region.

Educational opportunities, the subject of Chapter 4, have traditionally been determined by residence. Those opportunities differ dramatically across different types of communities. The majority of students attend schools close to home, tying educational opportunities to housing opportunities. To portray the educational opportunities available to families across the region, we have chosen to measure school district performance by using standardized test scores. Then we ask how student characteristics correlate with that measure of school performance. We also describe the different levels of spending for schools across the region’s districts, and we investigate how spending per pupil correlates with the measures of school performance. A particularly interesting aspect of educational opportunity within the greater Philadelphia region is the unusually high percentage of school-age children who attend private schools in both the core cities and the suburbs. The historic strength of the private school sector may be one reason why political support for school choice is high, as reflected in large enrollments in charter schools.

In Chapter 5 we follow up our discussion of jobs, housing, and education by considering whether the people who choose to live in the most desirable communities—defined as those that provide the greatest opportunities in the three realms of jobs, housing, and education—are paying a premium to enjoy those advantages. Recognizing the different kinds of opportunities provided by the employment profiles, the housing markets, and the school systems of different communities, some observers interpret these differences as the natural, inevitable result of mobility choices that Americans enjoy. More affluent households, they assume, will use their greater resources to “buy” the locations that give them better access to employment, higher-quality housing, and better schools. In this view of the metropolitan area as a marketplace of choices, households in different economic circumstances can afford different levels of expenditure, which is why we see households at different economic levels clustered in different communities. This “value proposition” affects both households and communities, most of which are dependent on property tax revenues to fund public services, including the local contribution to school budgets. Chapter 5 examines the operation of this value proposition in the greater Philadelphia region, focusing particularly on how the level of taxes that residents pay in different communities is associated with differing levels of opportunity within those communities.

Finally, in Chapter 6 we examine the governance implications of the increasing divergence among the communities of the region. We consider how some traditional responsibilities carried by local governments have shifted upward to state government and outward to nongovernmental institutions like nonprofit housing developers, special services districts, regional development agencies, and so on. We ask whether the emergence of new institutions at the community and regional levels, along with the state's increasing role in the cities' fortunes, signals a "hollowing out" of local government. We detect an emerging pattern of governance that relies less on formal government and more on other institutions that are working to address the inequalities of place that pervade this region.