



Response to Danziger, Farley, and Hout et al

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RESPONSE TO DANZIGER, FARLEY, AND HOUT ET AL.

DOUGLAS S. MASSEY

You don't give an address called "The Age of Extremes" unless you expect to stir things up a little, and I am gratified by the early signs of success, as indicated by the thoughtful replies of Sheldon Danziger, Reynolds Farley, and Michael Hout (who is joined in his reply by Richard Arum and Kim Voss). I am honored that such distinguished social scientists took me seriously enough to prepare a written response for publication. There is no greater tribute to a scholar than to have his or her work considered in a thoughtful and serious debate.

I am most pleased with Sheldon Danziger's comments, of course, for I believe he best recognizes the spirit and intent of my address. As he recognizes, I did not seek to extract well-established conclusions from a definitive literature review, or to inspire a political movement to challenge the rising tide of inequality. I sought only to identify global trends of great scholarly and public interest, and to suggest provocative hypotheses about their causes and consequences in hopes of fomenting interest in the geographic dimensions of rising inequality, a neglected topic much in need of research.

Reynolds Farley offers a more critical view of my address, arguing that my dire prognostications about rising inequality and the harmful consequences of concentrated affluence and poverty are too pessimistic. He suggests that my description of recent trends is incomplete, and cites alternative data on capita income, total net worth, average education, mean income segregation, and average black-white segregation to paint a more cheerful future than the one I depict.

Averages, however, do not capture the increase in variance that has occurred in so many indicators of socioeconomic well-being, and it is precisely the growth in variance that I find most disturbing. Per capita income indeed increased, but only because the earnings of the affluent rose faster than those of the poor declined. Similarly, Americans' net worth increased because the rich grew a lot richer while the assets of the poor slowly dwindled. Black-white segregation did decline, on average, but the declines were concentrated in places where few African Americans live, while the nation's largest black communities remained hypersegregated (indeed, the number of hypersegregated metropolitan areas *increased* during the 1980s). I could have written a more upbeat address called "The Age of Averages," but I believe that focusing on average trends yields a misleadingly sanguine view of our recent past and an overoptimistic vision of our proximate future. Averages tell you little when all the movement is toward the extremes.

Michael Hout and his colleagues offer the most critical assessment of my address, chastising me for ignoring the po-

litical decisions that underlie the shift toward greater socioeconomic inequality. According to them, "inequality is part of the design of society, but that design is political, subject to controls...." They illustrate their point with a variety of "U.S.-centric" examples.

Naturally I agree that the shift toward rising inequality in the United States was mediated by political decisions, but I do not agree that causality lies solely or even mainly at the national level. Rather, I believe that its roots are transnational and have more to do with the emergence of a global capitalist economy characterized by intense competition between nations and free factor mobility across international boundaries.

In such an economy, transnational corporations, international financiers, and the professional classes that serve them have the upper hand because they operate on a global stage beyond the effective reach of national governments. As international boundaries have become porous with respect to capital, knowledge, information, goods, labor, and technology, the power and autonomy of national governments have waned while the control and influence of international corporations have waxed. National authorities are left to cushion the blows of global capitalism, but they can't do much to change it. Some governments may provide softer cushions than others, but everywhere the blows rain down and everywhere the cushions are going flat.

In a global economy there are essentially three classes of people. Owners of capital do very well because they control the principal engine of growth and because the resource they possess is in very scarce supply on world markets. Owners of human capital do relatively well because capitalists need their knowledge and information and because the skills they possess are in relatively scarce supply on world markets. Owners of labor, however, do exceedingly poorly because the resource they control is in oversupply on world markets and is increasingly superfluous to economic production, growth, and development.

In an era of global capitalism, socioeconomic trends in the United States cannot be understood through a U.S.-centric analysis. Ethnocentrism is a luxury that American social science can no longer afford, for we are no longer an omnipotent economic autarky impervious to economic and social developments outside our borders. In confining our attention to the United States, we fall into the technocratic trap of thinking that recent trends are all products of local "design," and that by pushing the right policy buttons we can somehow easily alter or reverse recent socioeconomic trends. In my view, increasing inequality in the United States and

the political policies that have reinforced it are both products of other, more powerful developments occurring at the transnational level.

I acknowledge one exception to this generalization: race, something truly unique in the American experience. Here I agree with Hout and his colleagues: The subordination and deprivation of African Americans is built into the design of

our society, and I believe that politicians in the United States have deliberately manipulated race to promote policies that exacerbate broader trends toward socioeconomic inequality and undermine most workers' status and well-being. Possibly because of our continuing failure to face up to "the American dilemma," the shift toward the extremes has been more pronounced here than elsewhere.