
Comments on Card, et al. and Ferreira Papers

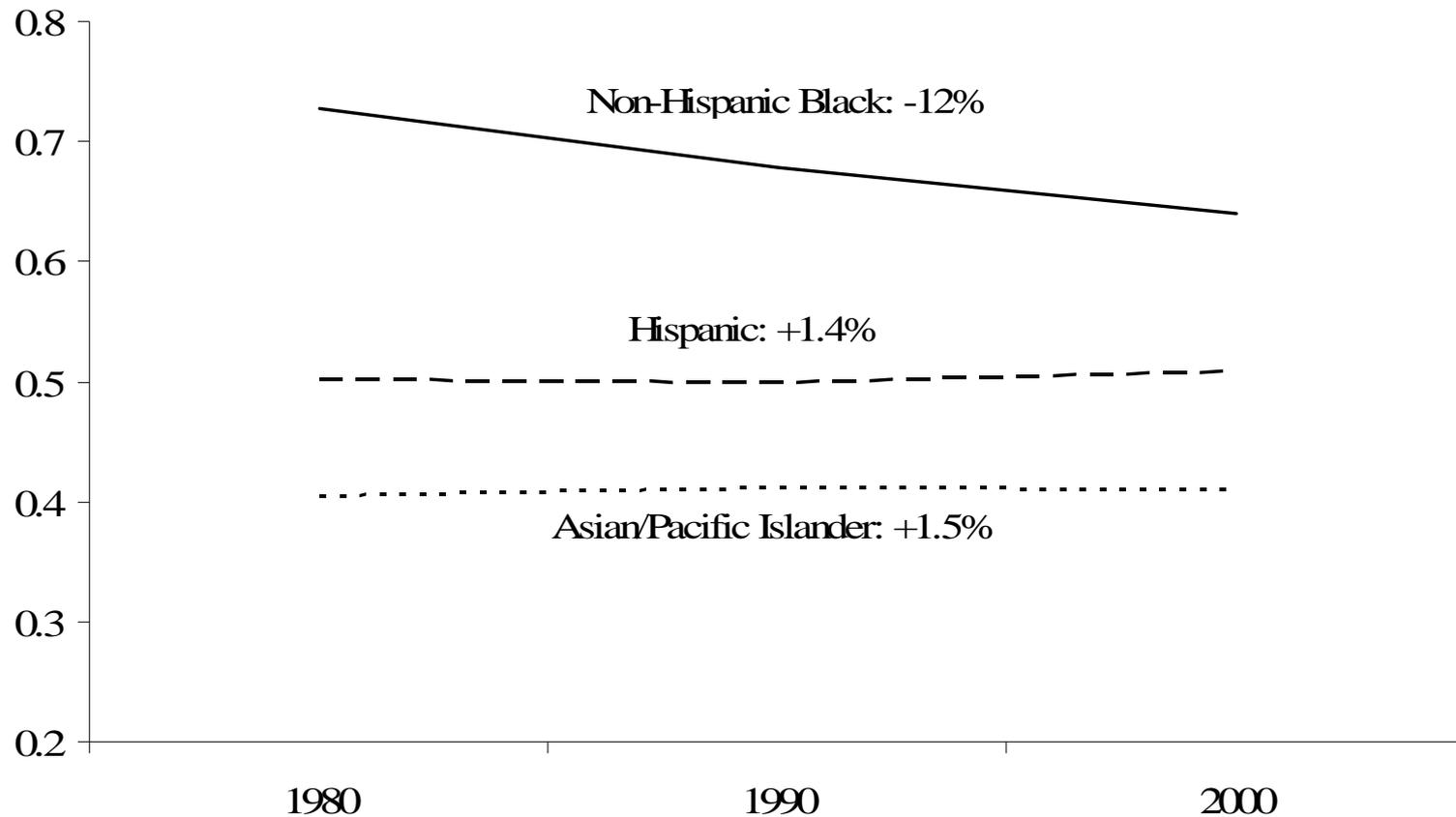
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Segregation Dynamics

- Segregation of racial and ethnic minorities from Whites remains a key feature of U.S. housing markets.
- Several possible sources, but their relative importance likely depends on the minority group in question.
- The two papers offer empirical evidence on the roles of White flight and self segregation.

Trends in Segregation from Non-Hispanic Whites, 1980-2000

(weighted average MSA dissimilarity index)



Card, Mas and Rothstein Paper

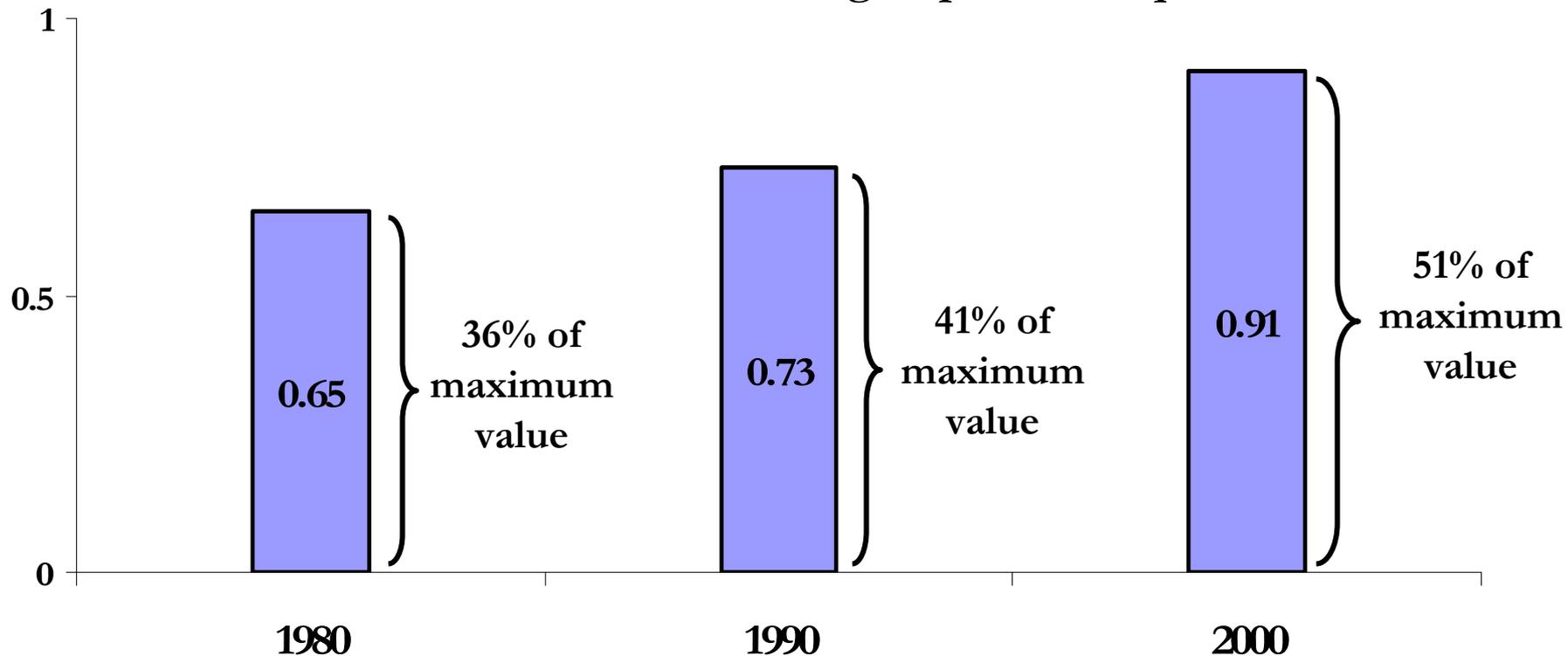
- U.S. metro areas subject to “one-sided tipping.”
- Measurements of tipping points and tests for one-sided tipping are intuitive and convincing.
- Their results are consistent with patterns found by other researchers for Black/White segregation.
- They use an aggregate minority group; are White reactions to Asians and Hispanics different?

Why is there White Flight?

- Stereotyping neighbors and neighborhoods.
- Are there countervailing forces?
 - Ellen (2000, 2007):
 - Information on minority communities.
 - Quick response to early signs of decline.
 - Importance of durable institutions.
 - Will increased diversity help?
 - DeFina and Hannon (2008).

An Index of Racial and Ethnic Diversity

The index value quantifies the degree to which six mutually exclusive racial and ethnic groups are represented in MSA populations. It ranges from 0 to a maximum of 1.79 when all six groups are of equal size.



Ferreira Paper

- Hispanics and housing prices.
 - The average homeowner appears indifferent to having an Hispanic neighbor.
 - But Hispanics are willing to pay more for Hispanic neighbors.
- Hispanics' willingness to pay more for Hispanic neighbors is interpreted as a desire for self segregation.
- Empirical work is compelling and results plausible.

How to Interpret Self Segregation?

- How much Hispanic segregation can it explain?
- Different reasons for self segregation imply different policy responses.
- Self segregation does not preclude the ongoing importance of discrimination.