

A COMPARATIVE STUDY OF MEXICO CITY AND WASHINGTON, D.C.

Poverty, suburbanization, gentrification and public policies in two capital cities and their metropolitan areas

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Introduction

This study is a continuation of research conducted in 1996 and published in the *Revista Mexicana de Sociología* (Schteingart 1997), highlighting the conception, discussion and perception of poverty in Mexico and the United States and subsequently examining the social policy models in both contexts, including points of convergence and divergence. The 1996 article introduced a comparative study of the cases of Washington, D.C. and Mexico City, especially with regard to the distribution of the poor, the political situation of the cities and certain social programs that were being implemented at the time.

Why was it important to conduct a comparative study of two capital cities and their metropolitan areas, in two countries with different degrees of development and to revisit this comparison, taking into account the recent crises that have affected Mexico and the United States, albeit in different ways? In the first study, we noted that there were very few existing comparisons on this issue, especially between North-South countries, even though these comparisons can provide a different vision of what is happening in each urban society, arriving at conclusions that might not have emerged through the analysis of a single case. Moreover, the two countries have been shaped by significant socio-political and economic relations, within which large-scale migrations and bilateral agreements have played a key role. While the first study emphasized the way poverty is present and perceived by the population, this second article will highlight other aspects of the urban development of these capital cities and their metropolitan areas. We attempt to show the differing rates of urban changes, the suburbanization of poor families, the issue of gentrification and the contrasting role of the federal government in job creation in two capital cities with very different sizes and functions within the urban network of their countries. These issues emerged as a result of the changes in urbanization processes in Washington (such as the acceleration of the suburbanization of the poor and recent gentrification processes). We also felt it was important to examine how the major financial crisis of 2007-2009 in the United States impacted the economy

and society of Washington, D.C. In Mexico, stagnated economic growth has increasingly affected the poor, contributing to the persistence or increase in poverty throughout the country.

This comparative study has been made possible by a sabbatical year, during which I spent several months in Washington, with the intellectual and academic support of the Woodrow Wilson International Center for Scholars. This enabled me to conduct interviews with leading researchers on the urban reality of the United States and of Washington in particular, and with public officials at institutions dedicated to developing social policies in Washington, D.C. and its metropolitan area. The Wilson Center also provided access to current research material that has served as the basis for parts of this article.

First General Comparisons

It is useful to begin this comparative study by referring to the *sharp increase in social inequality* in the two cases. According to Stiglitz (2015), the United States is the developed country with the highest level of inequality, which has not seen such a high concentration of wealth since the Great Depression in the 1930s. Since the 2007-2009 recession, 95% of income gains have accrued to the top 1% of the population. Within this segment, there is significant inequality, with 0.1% concentrating 11.3% of total income in 2012, three or four times more than 30 years ago. Between 2005 and 2009, a large number of Americans experienced a decline in their assets. For example, a typical white American family lost 16% of what it had owned in 2005, whereas a black family lost 53% of its assets and a typical Hispanic family lost 66%. Twenty-two percent of American children live below the poverty line and for large segments of the population, the situation has deteriorated, since the average American full-time worker earns less, in real terms, than 40 years ago (Stiglitz 2015). This shocking data for the world's most powerful economy is replicated in other countries, including Mexico.

According to Oxfam's Inequality Report authored by Gerardo Esquivel (2014), Mexico ranks 107th out of a total of 132 countries, meaning that 80% of the world's countries have less inequality. The report estimates that the top 1% accounts for 21% of total income, whereas in other countries, this percentage fluctuates around 10%. In Mexico, the richest 10% owns 64.4% of the country's total assets. This is far higher than the average of 29% in other countries. According to the Oxfam study, wage policy is largely responsible for increasing inequality in Mexico.

Another general contextual point worth mentioning here is that the United States has seen significant growth of racial or ethnic minorities, which constitute a positive presence in the suburbs, rural areas and major cities. This growth has provided economic benefits to the country, particularly with regard to the workforce, which is projected to increase by over 5% between 2010 and 2030; whereas if not for immigrants, workforce numbers could fall by 8% (as is occurring in countries such as Japan, Germany, Italy and the United Kingdom) (Frey 2015). The way these demographic changes have taken place at a more micro level within Washington, D.C., our case study, will be described below.

Comparisons between Metropolitan Areas

Origin, Population, Employment and Poverty

It is useful to begin by comparing the population of the two case studies. As one can see from Table 1, the Mexico City Metropolitan Area (MCMA) is more than three times larger than the Washington, D.C. Metropolitan Area (WDCMA), while the population of the capital area of Mexico City is over ten times larger than Washington, D.C. This area accounts for just 11% of the metropolitan population while Mexico City accounts for over 45% (see Graphs 1.1 and 1.2). It is important to note that while the MCMA is by far the largest metropolis in the country, Washington is a national capital located in a relatively small city; Washington, DC ranks 22nd in population size among U.S. cities, while the capital of Mexico is the largest urban center in the country. This is one of the reasons why, as we shall see below, federal government jobs are far more important in Washington than in Mexico City. As for the evolution of the population, the Washington, D.C. Metropolitan Area has seen greater relative growth than the MCMA, together with a reduction or greater stagnation in the evolution of the capital. Linked to this reality, whereas Washington was a new capital, a city created to become the center of a new nation, Mexico City belonged to the “imperial and ecclesiastical microcosm, resulting from a centralized state, an authoritarian Church, and an aristocratic society with a culture that disdained the countryside... In the United States, the national government was relocated from Philadelphia to the new city created in 1800, with 14,000 inhabitants... Conversely, Mexico City, the heart of New Spain, was a true city with 150,000 inhabitants that year” (Tenorio-Trillo 2012, 47).

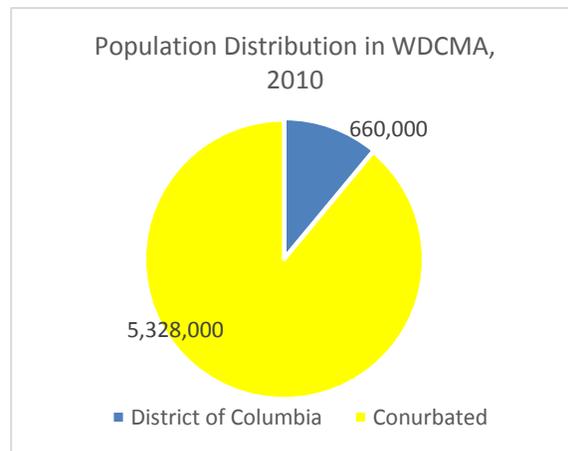
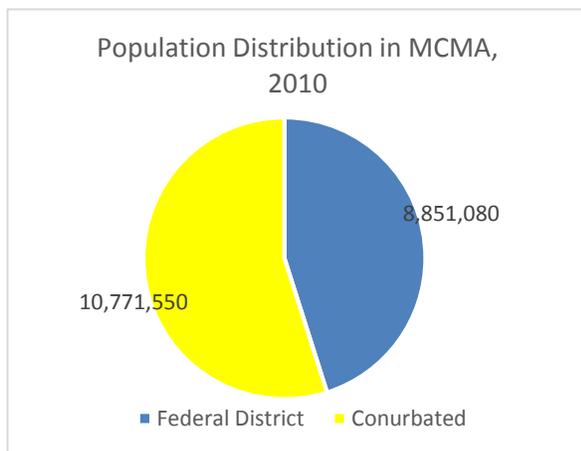
Table 1. Population in the Metropolitan Areas of Mexico and Washington, D.C.

Year	MCMA	Federal District		Conurbated municipalities		Year	WDCMA	District of Columbia		Conurbated Counties ¹	
		Absolute	%	Absolute	%			Absolute	%	Absolute	%
1950	2,952,199	2,923,194	99.0	29,005	1.0	1950	1,452,349	792,234	54.5	660,115	45.5
1990	14,942,629	8,235,744	55.1	6,706,885	44.9	1990	4,271,800	597,350	14.0	3,674,450	86.0
2000	18,396,677	8,605,239	46.8	9,791,438	53.2	2000	4,843,280	572,510	11.8	4,270,770	88.2
2010	19,622,630	8,851,080	45.1	10,771,550	54.9	2010	5,988,000	660,000	11.0	5,328,000	89.0

Sources: INEGI, Censo de Población y Vivienda, 2011; Center for Regional Analysis, George Mason University, 2013.

As can be seen in Table 1, whereas the population of Mexico City has remained stable since 1990, that of the conurbation has grown considerably, accounting for 53% of the MCMA since 2000. In the case of Washington, over 85% of the total metropolitan population belongs to the conurbated counties.

Graphs 1.1 and 1.2. Population Distribution, 2010



Sources: INEGI, Censo de Población y Vivienda, 2011; Center for Regional Analysis, George Mason University, 2013.

These graphs highlight the enormous differences between the two metropolitan areas, since Washington, D.C. represents a much smaller population within the total than that of the Federal District or Mexico City (CDMX).

¹ Counties in the United States are equivalent to municipalities in Mexico.

Regarding employment, we have compared the number of people engaged in non-agricultural activities in both metropolises, see Tables 2 and 3.

Table 2. Employees by type of activity in MCMA, 2013						
Activity	Federal District		Conurbation		MCMA	
	Absolute	%	Absolute	%	Absolute	%
Business and Professional Services	906,607	25.4	84,947	5.7	991,554	19.6
Educational and health services	228,939	6.4	109,997	7.4	338,936	6.7
Trade	788,728	22.1	570,876	38.6	1,359,604	26.9
Hotel, restaurant and entertainment services	302,795	8.5	135,769	9.2	438,564	8.7
Construction	92,147	2.6	15,220	1.0	107,367	2.1
Financial and Real Estate Services	354,397	9.9	24,347	1.6	378,744	7.5
Information in mass media	131,830	3.7	7,121	0.5	138,951	2.8
Manufacturing industries	361,110	10.1	370,097	25.0	731,207	14.5
Transportation, post and storage	173,161	4.9	39,332	2.7	212,493	4.2
Other services except government activities	152,007	4.3	108,477	7.3	260,484	5.2
Other activities	110,851	3.1	13,659	0.9	124,510	2.5
Total	3,568,505	100	1,479,842	100	5,048,347	100

Prepared by the author using data from Censos Económicos, 2014

Table 3. Employees by type of activity, non-agricultural employment						
	District of Columbia		Conurbated		Washington-Arlington-Alexandria, DC-VA-MD-WV	
	Absolute	Percentage	Absolute	Percentage	Absolute	Percentage
Business and Professional Services	135,905	28.3	708,607	33.7	844,512	32.7
Education and health services	116,478	24.2	285,308	13.5	401,786	15.5
Trade	24,912	5.2	324,259	15.4	349,171	13.5
Hotel, restaurant and entertainment services	70,269	14.6	225,419	10.7	295,688	11.4
Construction	7,256	1.5	137,763	6.5	145,019	5.6
Financial and Real Estate Services	25,958	5.4	131,014	6.2	156,972	6.1
Information in mass media	20,334	4.2	81,785	3.9	102,119	4
Manufacturing industries	1,179	0.2	45,887	2.2	47,066	1.8
Transportation, post and storage	5,277	1.1	42,419	2.0	47,696	1.8
Other services except government activities	73,041	15.2	121,515	5.8	194,556	7.5
Total	480,609	100	2,104,498	100	2,585,107	100

Prepared by the author using data from the U.S. Census Bureau, 2012

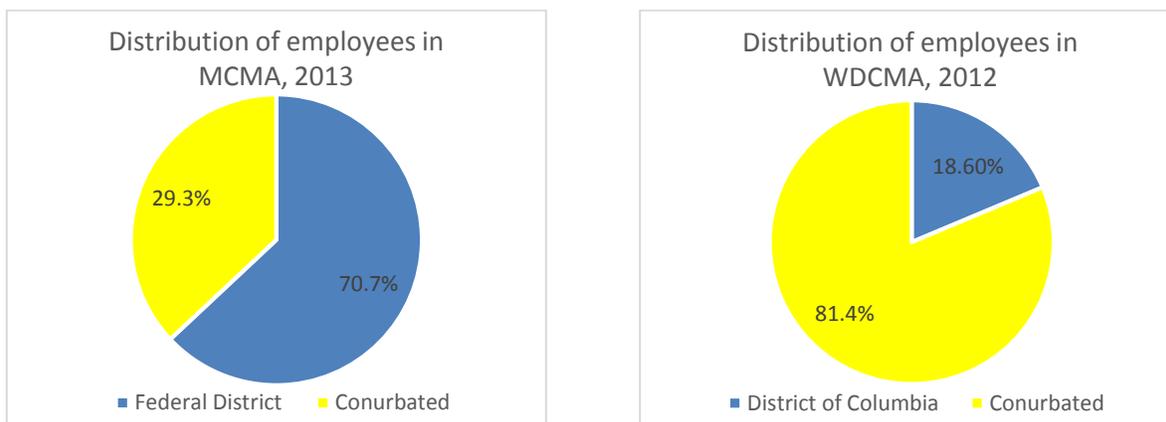
These tables, based on the latest Mexican Economic Census published in 2014 and labor statistics from the U.S. Census Bureau published in 2012, show the employment structure of both cities, as well as their conurbations. The categories for Mexico City were grouped together on the basis of

those used in the United States and Washington, D.C., without overlooking the fact that certain activities develop differently in the two contexts. For both cases, the number of employees is measured in the places where their jobs are located.

In Mexico City, the percentage of people employed in the most common activities in the Federal District varies between the capital city and its conurbation, whereas in Washington, there is a more homogenous pattern of distribution in almost all the categories with the largest number of workers (Table 3). In Mexico City, professional and business services concentrate the largest number of workers, although this category is fairly insignificant in the municipalities. This is followed by trade, which has a much higher concentration in the conurbation, where it ranks first. The manufacturing industry ranks third in Mexico City, whereas in the remaining part of the metropolitan area, it occupies second place with a percentage that is more than twice as large. Washington, D.C. coincides with Mexico City in that professional and business services rank first, with a slightly higher percentage in the former, followed in an only slightly lower proportion by education and health services, which are much less important in Mexico City. Yet while professional and business services are not very significant in Mexico City's conurbation, they continue to feature prominently in that part of Washington, D.C., together with education and health services. There are also major differences in terms of hotel, restaurant and entertainment services; while in Mexico they represent just 8.5%, in Washington they account for a sizable number, approximately 14.6%. It is striking that Washington, D.C. and its conurbation have very low percentages of employees engaged in manufacturing activities, whereas in the case of Mexico, this sector accounts for 10% of employees in Mexico City and 25% in the rest of the metropolis, the highest percentage after commerce.

These tables show that the MCMA is much more commercial and industrial than Washington. However, with regard to commercial activity, it should be noted that there are large differences in the way the sector operates in both cities, which affects the people employed in this field. For example, the existence of street vendors in Mexico City may also mean the presence of more people involved in this activity, whereas malls and shopping centers in the Washington, D.C. metropolitan area imply a much smaller number of employees. But Washington never had a large industrial base, meaning that manufacturing has never played a prominent role in attracting transnational migrants, while the working class was primarily engaged in the construction industry (Ruble 2005).

Graph 2.1 and 2.2. Distribution of Non-agricultural Employment



Sources: INEGI, Censos Económicos, 2014; U.S. Census Bureau, 2012

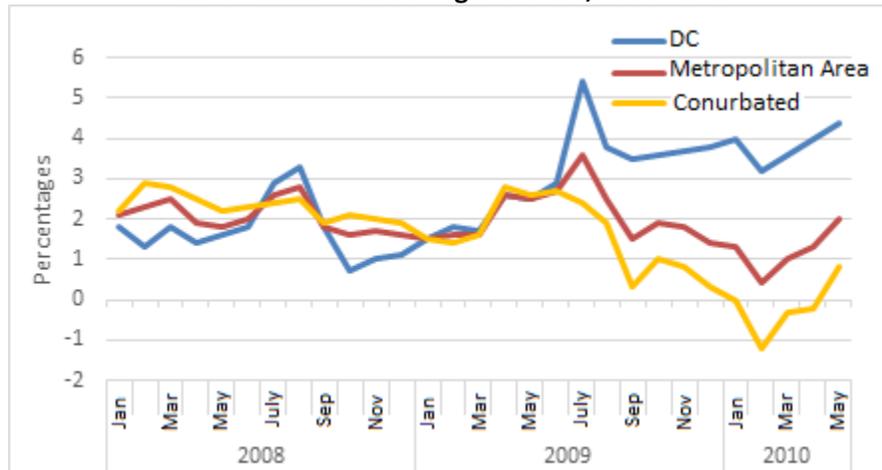
The central areas of the MCMA and the WDCMA have very different percentages of non-agricultural employment; while Mexico City concentrates more than 70% of this type of employment, Washington, D.C. accounts for just over 18%, as opposed to 81% in the remaining area (graphs 2.1 and 2.2). The figures coincide roughly with the distribution of the population in the two states encompassing these metropolises, as we have seen above. This is linked to the fact that in the case of the MCMA, the part corresponding to Mexico City (formerly known as the Federal District) is much larger than in the District of Columbia, meaning that the distribution of population and employment is much more balanced in the Mexican case.

The U.S. federal government created jobs as a means of reducing unemployment resulting from the 2007-2008 financial crisis (see Figure 2.3). As shown in Table 4, 54.7% of these jobs concentrated in Washington, D.C.

Table 4. Distribution of employment in the federal government in the WDCMA, 2010		
	Absolute	%
WDCMA	381,000	100
District of Columbia	208,500	54.71
Conurbated area	172,600	45.29

Source: U.S. Census Bureau, 2010

Figure 2.3. Employment Growth in the Federal Government in Washington, D.C. and its Conurbated Area during the Crisis, 2008-2010



Source: Brookings Institution Analysis based on data from the U.S. Census Bureau

Given the number of people employed in the federal government (208,500, Table 4) as opposed to the number engaged in non-agricultural jobs (480,609, Table 3), one can see that in Washington D.C., federal government employees account for 43.4% of those in the non-agricultural sector, whereas in its conurbation, this percentage drops to 8.2%. (172,600 federal government jobs and 2,104,498 non-agricultural jobs, Tables 3 and 4).

Similar information is unavailable for Mexico, since data on employment in the federal government are drawn from the Population Census, meaning that it is impossible to know where jobs are located, only the number of people engaged in a particular type of occupation. However, a comparison of the total federal government jobs in the two metropolitan areas in 2010 shows that they amount to 381,100 in Washington and just 242,220 in the MCMA. And if we compare these figures with those of total non-agricultural employment, federal government employment accounts for 13% of the total (of 2,929,060 jobs) in WDCMA, whereas in MCMA, it represents a mere 4.8% of the total (of 5,048,347 jobs), (see Table 5). This confirms the fact that the city of Washington is home to a significant proportion of federal jobs, while MCMA, is a much larger city hosting major industrial, commercial and service activities.

Table 5. Employment distribution in both metropolitan areas, 2010				
	MCMA	%	WDCMA	%
Total non agricultural employment	5,048,347	95.2	2,929,060	87
Total federal government employment	242,220	4.8	381,100	13
Total jobs	5,290,567	100	3,310,160	100

Source: INEGI, Censos Económicos, 2011; U.S. Census Bureau, 2010

Poverty and Inequality

It is important to include the differences between whites, blacks and Hispanics in analyzing how poverty is distributed between the capital city and rest of the metropolitan area since they are extremely marked in the case of the United States. A key aspect to consider in explaining these inequalities is the way the two cities developed, meaning that it is necessary to refer to historical aspects in the case of Washington, linked to the presence of the African-American population. It is also useful to recall that the last major financial crisis had varying impacts on different groups, and that recovery in terms of jobs, income and poverty has not been uniform in the various cities or parts of the country.

The District of Columbia originated in two plantation states, Maryland and Virginia, which contained more than half the U.S. slave population at the time of the first census in 1790. Accordingly, the slave trade issue was present from the inception of the city. Around 1900, Washington became the largest African-American city in the country and it was undoubtedly the main center of black American civilization (Ruble 2012).

The city's racial composition has changed considerably, however, since blacks or African-Americans accounted for 28% of the total population in 1940, nearly 54% in 1960 and 71% in 1970. The degree of black presence began to change in the 1980s as the white population stabilized and subsequently expanded as a result of the suburbanization of African Americans, particularly in the past 15 years, in what some authors, as we shall see, regard as the fourth wave of gentrification in the city. These data explain the large black population in Washington, D.C. and the relatively high proportion of poor people in this District, which is significantly higher than in the counties of the conurbated area (see Map 2). The sharp social differences in this multiethnic and multiracial city have led to various expressions of discontent and violence. The city has seen civil uprisings in 1919, 1968, 1991, as well as less dramatic confrontations, which have occurred at various times (Ruble 2012).

Table 6. Distribution of Poverty in the Mexico City Metropolitan Area

Percentage of Poverty in the Mexico City Metropolitan Area, 2010				
Mexico City and Metropolitan Area	Number of Municipalities or Boroughs	Total Population	Poor population	Poor population (Percentage)
Low Poverty	18	8,368,223	2,138,939	25.6
Medium Low Poverty	20	9,695,596	3,616,669	37.3
Medium High Poverty	20	1,128,942	560,866	49.7
High Poverty	18	1,062,777	649,982	61.2

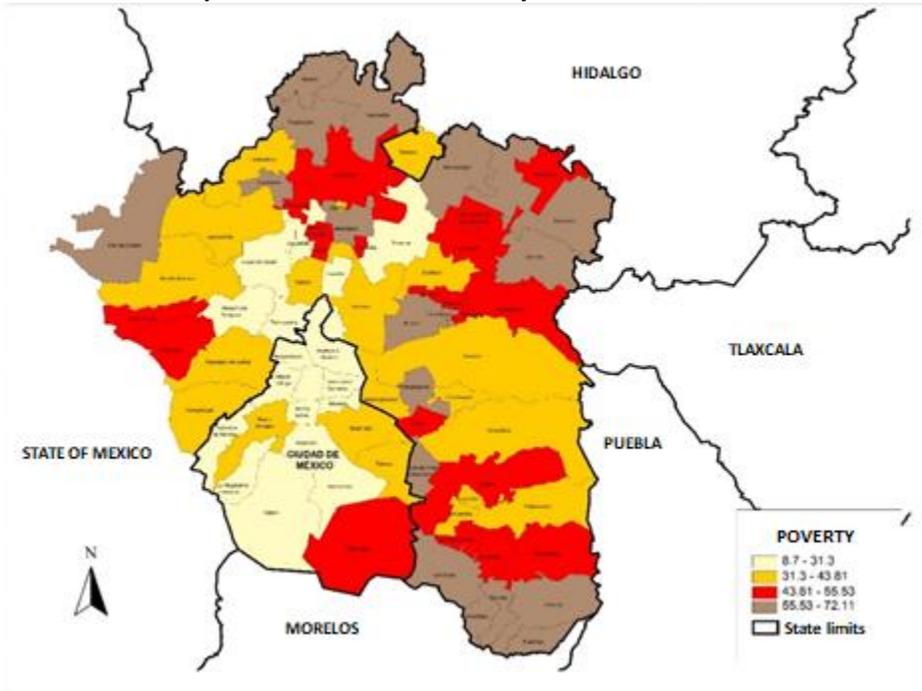
Source: CONEVAL and INEGI, 2010. Poverty by municipality in Mexico

Most of the municipalities in the State of Mexico have medium high and high poverty rates, which contrasts with Mexico City, where most of the boroughs have low poverty rates, except for three with medium low and one with medium high poverty rates. On the other hand, only six municipalities in the State of Mexico have low poverty rates, like the vast majority of the boroughs in the Federal District.²

In order to represent the information clearly, the political-administrative units of both the Federal District and its conurbation have been grouped into four categories of poverty to make this information comparable to that of the Washington, D.C. Metropolitan Area. The units with lighter colors have lower percentages of poor residents while those with darker colors are the poorest areas and are concentrated in the metropolitan periphery (see Map 1).

² CONEVAL (National Council for the Evaluation of Social Development Policy) establishes the guidelines and criteria for defining, identifying and measuring poverty in Mexico, taking into account indicators such as current per capita income, average educational lag in households, access to health services and social security, housing quality and spaces, access to basic services in housing, access to food and social cohesion. These indicators establish five categories: extremely poor, moderately poor, vulnerable due to social deficiencies, vulnerable due to income, and not poor. The values used for the map referring to the MCMA correspond to the sum of the moderately poor and the extremely poor, including for the former, a very limited number of cases in this metropolitan area. The information used by this Council is produced by the National Institute of Statistics and Geography (INEGI), with a minimum period of two years for state information and five years for municipal disaggregation.

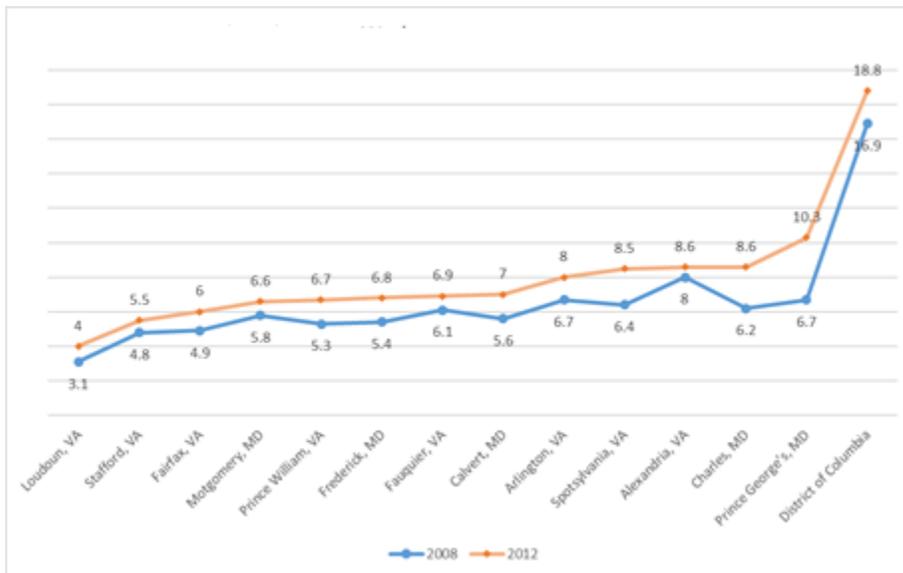
Map 1. Distribution of Poverty in the MCMA, 2010



Source: Prepared by the author based on Coneval categories and INEGI data

Since it was important for this study to examine the impact of the financial crisis on poverty in the United States, the difference in rates across counties surrounding Washington, DC between 2008 and 2012 is shown below.

Graph 3. Percentages of Poverty in Washington, D.C. and Conurbated Area, 2008 and 2012

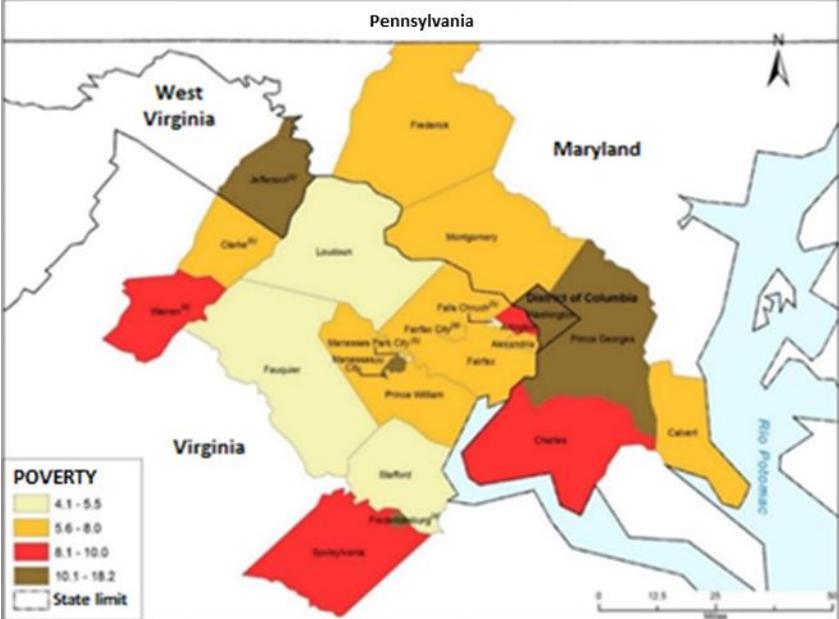


Source: U.S. Census Bureau, 2008 and 2012, American Community Survey, Center for Regional Analysis, George Mason University, 2013.

In the MCMA, poverty is concentrated in the periphery, whereas the opposite is true in Washington’s Metropolitan Area where poverty is higher in the central district. In Washington, D.C., 18.2% of the population lived in poverty in 2012 as opposed to 10.2% in the adjacent county of Prince George. It is worth noting that poverty levels in the Washington Metro Area are lower than in the MCMA although they increased between 2008 and 2012, as can be seen in Graph 3.³

Map 2 shows that Washington, D.C. has a higher percentage of poor residents than all the counties in the Metropolitan Area. Poverty levels were established on the basis of Graph 3 so that they could be mapped. Several counties in Virginia have less poverty than those in Maryland, where Prince George County, with a high proportion of African-American population, is located.

Map 2. Distribution of Poverty in the WDC Metropolitan Area, 2010



Source: Prepared by the author based on data from the U.S. Census Bureau, 2010

It is worth clarifying that the four degrees of poverty used for the maps of both the MCMA and the WDCMA imply different values. Whereas in the map of Mexico City (Map 1), values range from a maximum of 55.5% to 72% for the poorest people to a minimum of 31% to almost 9% for the least

³ In the United States, the official definition of poverty is based on the minimum needs approach. Since 1955, a study has been carried out on the income and food expenditure of American families, from which a minimum budget was established as an instrument for measuring the poverty threshold, officially established in 1969, so that it could be updated by the Census Bureau with reference to the average food expenditure of the entire population. In 1995, a study was conducted through the National Academy of Sciences to evaluate the measurement of poverty, modifying the instrument used since 1969. This changed the definition of the income reference, considering net income rather than gross income with taxes and expanding basic needs by adding food, housing, clothing, transportation and personal care. It was also decided that it was necessary to periodically review the poverty line to reflect the needs of a family comprising two children and two adults, geographical price differences, changing circumstances and family structure, as well as actual earnings.

poor, in the case of Washington, these values range from 18% to 10% for the former and from 5.5% to 4% for the latter.

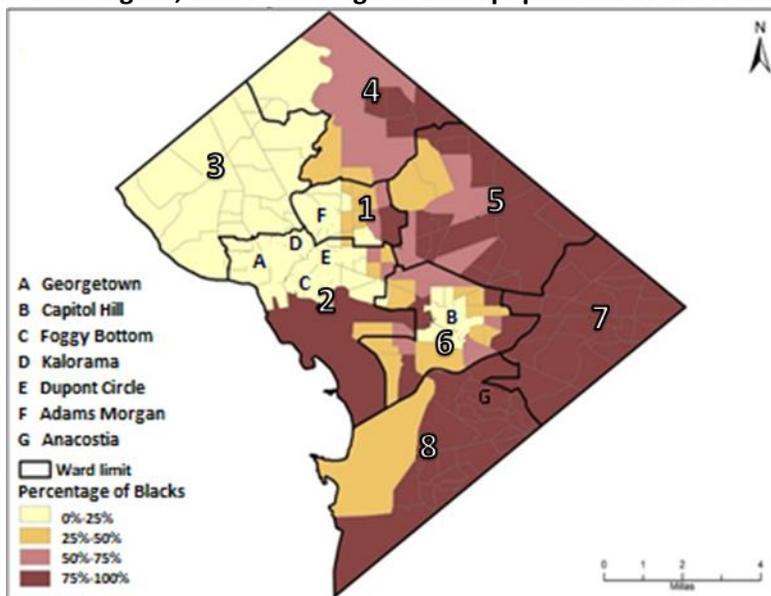
Table 7. Distribution of Whites and Blacks in the District of Columbia Wards and Percentage of Poor People

WARD	Percentage of Black population, 2010	Percentage of poor people 2010
Ward 1	33	13
Ward 2	9.8	13
Ward 3	5.6	9.8
Ward 4	59	13
Ward 5	77	20
Ward 6	43	14
Ward 7	95	26
Ward 8	94	37

Source: Neighborhood Info DC, Bureau of Labor Statistics, 2010

The map of Washington, D.C. and the accompanying table show that it is precisely in Wards with the greatest concentration of black residents that the highest percentages of the poor are also found (37% and 26% in Wards 8 and 7, respectively), whereas in Ward 3, where the proportion of black residents is lower (5.6%), there is a correspondingly lower percentage of poor people (9.8%).

Map 3. Washington, D.C. Percentage of Black population in the Wards, 2010



Source: U.S. Census Bureau, 2010

As we have seen, the proportion of people living in poverty is directly associated with the ethnic/racial group to which they belong. Poverty among people of color is higher in almost every major city in the United States, although in several cases, the differences are much higher than in Washington (see Table 8). Whereas in this city, 4.6% of the white population is poor, compared to 13.5% of black people. In Chicago, the differences are much greater: 7.3% of whites are poor versus 30.5% of blacks.

Table 8. Poverty in the 15 Largest Metropolitan Areas of the United States by Race/Ethnic Group, 2012

	Overall, 2012	Overall, 2008	Pct Pt Change, 2008-2012	2012			
				White	Black/African American	Asian	Hispanic
Washington (WMA)	8.4	7.0	1.4	4.6	13.5	6.4	12.8
Boston	10.7	9.2	1.5	7.1	21.9	16.6	25.7
Minneapolis	10.7	8.5	2.2	6.4	36.6	15.6	25.7
Seattle	11.7	9.4	2.3	8.3	26.0	12.6	23.8
San Francisco	11.9	9.5	2.4	7.3	25.7	10.2	17.5
Philadelphia	13.4	11.6	1.8	7.4	25.8	13.6	29.6
Chicago	14.5	11.9	2.6	7.3	30.5	11.7	21.0
New York	14.8	12.5	2.3	7.9	21.4	15.0	24.4
Dallas	15.0	12.9	2.1	7.7	22.9	11.4	24.1
Houston	16.4	13.7	2.7	7.2	22.8	11.3	24.6
Atlanta	16.6	11.7	4.9	9.3	23.6	14.7	29.8
Phoenix	17.4	13.6	3.8	10.1	27.2	13.4	29.4
Detroit	17.4	14.1	3.3	11.0	35.4	10.4	27.1
Miami	17.5	13.8	3.7	9.6	27.7	11.9	19.3
Los Angeles	17.6	14.2	3.4	9.6	25.0	12.4	24.0

Source. U.S. Census Bureau, 2008 and 2012, Center for Regional Analysis, George Mason University, 2013.

Suburbanization of Poverty and Gentrification in the Two Cities

The changing map of poverty is important insofar as its location is linked to problems of housing, transportation and employment, as well as the provision of education, health and other services. The place where people live influences their education and employment opportunities, the types of services available and the barriers to accessing those opportunities (Kneebone and Berube 2013).

When President Lyndon Johnson declared the War on Poverty in the United States in 1964, poor Americans generally lived in neighborhoods in the inner city or in isolated rural areas. Yet for the past three decades, the poor population has grown faster in suburban areas. In 2011, Census Bureau statistics revealed that during the first decade of the 21st century, poverty rose by 53% in urban suburbs compared with only 26% in the cities themselves (Ehrenhalt 2012).

Some authors have dubbed the phenomenon linked to the suburbanization of poverty, which is undoubtedly connected to the gentrification of cities, a “demographic inversion” or the total reorganization of the city through various processes that occurred virtually simultaneously in urban centers such as Chicago, Atlanta, Manhattan and Washington (Ehrenhalt 2012). The reasons behind this phenomenon include demographic changes, the reduction of insecurity in inner cities and the existence of new technologies and ways of producing the central built environment.

In the case of Washington, D.C., it is useful to refer to certain examples in its Metropolitan Area. Between 2000 and 2010, over 40% of the increase in the region’s poor suburban population took

place in two counties in the state of Maryland: Montgomery (25%) and Prince George (17%). Jobs declined in each of these counties and grew in Virginia counties: Fairfax, Loudoun and Prince William (see Map 2). I thought it was important to examine the impact of the 2008 economic crisis on Montgomery County, Maryland, as an example to show how this part of the country was affected. In recent years this one-million-person jurisdiction has grown to include greater diversity, both demographic and economic, thus changing the scope and scale of residents' needs. The 2000s in particular represented a period of major changes: the beginning of this decade saw the creation of more jobs and the arrival of more residents, leading to a slight drop in the number of people living in poverty. However, the Great Recession cancelled out these improvements and in just three years, Montgomery County lost more than 37,000 jobs. At the same time, the number of residents living below the federal poverty line grew by two thirds, or more than 30,000 people, raising the poverty rate by 3 percentage points between 2007 and 2010. No other county within the Washington region, including the District of Columbia, experienced such an increase in poverty during the 2000s. These years were also characterized by ethnic and racial diversification in Montgomery: the 2010 Census revealed that, for the first time, non-Hispanic whites accounted for less than half the residents, compared with 73% two decades earlier. Whereas immigrants represented fewer than one in five residents in 1990, in 2010 they comprised almost a third of the population and approximately 40% of poor residents, exemplifying the above-mentioned change in the presence of ethnic and racial minorities in certain cities and areas (Kneebone and Berube 2013, 96-97).

Gentrification in Washington

After decades during which the white population moved out of the city into suburban areas, young white professionals returned to the place their predecessors had left a generation earlier. To cope with this demand, many developers turned dilapidated apartment buildings into condos while contractors and individual buyers restored derelict areas on a house-by-house basis. The arrival of this affluent population drove home prices up dramatically, further attracting speculators and investors eager to capitalize on the boom. Although some welcomed this process, others noted that it evicted thousands of poor people living in rented accommodations to an unprecedented degree. However, it has been pointed out (Myers and Derek 2015) that the gentrification process of the early 21st century has important antecedents in the city and that this was the fourth wave of private revitalization or gentrification to have taken place in the past century. Previous waves included Georgetown from the 1920s to 1950s, Capitol Hill, Foggy Bottom and Kalorama in the 1940s and

1950s, and Dupont Circle and Adams Morgan in the 1970s and 1980s. The current wave beginning in the late 1990s covered most of the old city reaching the historic part of Anacostia (see Map 3). Although the economic crisis of 2007-2009 temporarily halted this process, it has spread towards previously low-income parts of the city. More recent in-depth studies (Hyra 2017) explore how certain forms of “integration” coupled with a degree of social mixing between whites and blacks have taken place in some central parts of Washington, D.C., although they do not contradict the more general trends mentioned earlier.

Generally speaking, in every period, and in the context of the various laws and legal norms that prompted the eviction of black families, or even when institutions and laws emerged in the 1970s and 1980s in an attempt to prevent this phenomenon, the history of gentrification in Washington, D.C. has been the history of the eviction of poor black families who rent their homes, replaced by a wealthier white population. In addition to the confrontation between affluent whites and poor blacks, who were eventually unable to afford the rents demanded at the time, there were rules that prohibited granting housing loans to black families.

Whereas in the past, evicted groups obtained almost no assistance from government, with the advent of the so-called Home Rule⁴ in 1974, they gained more support from activist movements and local government composed, at least partly, of people who contributed to the fight against developers and homeowners. Nonetheless, despite the changes that have occurred in the city (for example, black mayors governed for over two decades), a strong tendency to evict poor black families continues.

Housing prices have risen sharply. Between 2000 and 2010, apartments rented at over \$1,500 USD tripled their value with houses following a similar trend, not only in the case of new buildings but also older housing stock. That same decade, the number of low-rent units fell sharply from over 70,000 to 34,500 while that of cheaper houses declined from 63,000 in 2000 to 17,500 in 2010. While some people believe that poverty and social protests have destroyed the city, others who have suffered the consequences of these changes claim that real estate agents, developers, homeowners and new residents have taken advantage of the historical underdevelopment of black communities to make money from their homes. Only in some cases have the struggles of the

⁴ Home Rule involves a process whereby states give municipal governments the power to govern local issues. This is generally done through constitutional amendments or a normal act of legislature.

residents of these communities, sometimes with government support, enabled families to stay put (Myers and Derek 2015).

Suburbanization in Mexico City

In the MCMA and Latin American cities in general, the distribution of various social groups has been very different from that of American cities. The peripheries of these cities have been shaped by irregular settlements or public housing developments for sectors of workers, and to a lesser extent, gated communities built for the elites in certain parts of that periphery. Although in the 1950s, many poor people lived in slums in the center, which played a significant role within low-income housing in the MCMA as a whole, the 1960s saw the start of major peripheral expansion as a result of the proliferation of irregular settlements inhabited by poor migrants arriving in the city. My studies have used precise data to show that what happens in the Mexico City Metropolitan Area mirrors what takes place in other major cities in the Latin American region in terms of the location of the most affluent groups in central zones and the poorest groups on the periphery.⁵ The homogeneity of the poorer groups living in peripheral areas can be said to be much greater than the combination of high and medium-income sectors who reside in the central city. For example, in the four boroughs corresponding to the affluent sector, nearly 37% of the AGEBs included in these boroughs are also in the upper stratum, while the rest are distributed among the upper middle (30%), middle (25%) and to a much lesser extent, lower middle classes (7%). On the other hand, in extremely low-income municipalities, there is a marked concentration of basic geo-statistical areas (almost 83%) corresponding to the same stratum, a far lower percentage of low-income sectors (13%) and an almost total absence of AGEBs from other strata. In other words, nearly 67% of these units belonged to the two highest levels, whereas in the case of lower-income AGEBs, nearly 83% were concentrated in a single socio-economic level. This greater homogeneity of the areas where the lowest income groups are concentrated also increased between 1990 and 2000 (Rubalcava and Schteingart 2012).

⁵ In this study (Rubalcava and Schteingart 2012), social strata were created through factor analysis, using a set of seven variables, which has allowed us to develop maps for various temporary cut-off points, at both the level of political-administrative units and much smaller units known as AGEBs. These *Basic Geo Statistical Areas*, used by the National Institute of Statistics and Geography in the Population and Housing Censuses since 1990, are defined as geographic areas within urban localities, composed of sets of built blocks, which must number less than 50, delimited by streets and avenues, and with physical continuity in all directions.

What does this greater homogeneity of poorer groups in peripheral areas mean? Several studies have found that when large groups of low-income populations are concentrated in highly segregated areas, this creates extremely adverse conditions for the families living there, since the larger the homogeneous areas living in poverty, the longer it takes to travel to work or centers with better quality services and facilities. This encourages feelings of exclusion and prevents the emergence of social networks that could contribute to an improvement in living conditions. The poverty maps for Mexico City and Washington, which I compared earlier in this presentation, show the marked differences in poverty distribution, and although trends have changed in recent years for the case of Washington, a fairly clear pattern of the predominance of middle-income sectors on the periphery remains.

As for gentrification in the MCMA, there are no studies such as those discussed for Washington, documenting the various waves of gentrification, the way certain groups have been replaced by others in specific areas of the capital, and how the federal government's policy of hiring high-level employees has affected these gentrification processes. The much smaller size of the U.S. capital, as mentioned earlier, and the fact that a fairly small city is the capital of a much larger country than Mexico, has made it possible to study these phenomena in more detail than in the case of a large city and metropolis such as Mexico, which, in addition to being the capital of the country, is also its main industrial, financial and business center.

Some studies by Latin American authors on gentrification discuss whether this concept, coined in countries such as England and the United States, is useful for referring to a situation of change, remodeling or "elitization" of certain central areas in Latin American cities. We have already shown how gentrification occurs, particularly in Washington, which does not mean that we cannot apply that term to our reality, despite the variation that may be found in cities with different histories and social contexts, provided these differences are clearly specified (Díaz Parra, 2015).

In the gentrification of several spaces in Mexico City, it has been possible to distinguish certain basic aspects related to the participation of the state and private capital, such as, the elimination of social housing due to neoliberal policies implemented mainly at the end of the 1980s and thereby its transformation into attractive central places, with profitable urban uses linked to the financial, tourism and commercial sectors, in large corporate developments (Olivera 2015, Diaz 2015, Salinas 2015). Reference is made above all to the Historic Center and the Condesa and Roma neighborhoods, as areas where certain public-private mechanisms and urban norms have been put

into practice by increasing land rent, the establishment of new patterns of consumption, and the eviction of impoverished sectors, with the reproduction of segregation and social exclusion. A number of important groups, such as Carso, have promoted the revitalization project, particularly in the Historic Center. The middle classes that have arrived in this Center have become a fundamental political actor in its “elitization.” The network of new residents, authorities and entrepreneurs has been crucial to gentrification. The case of Condesa, however, casts doubt on the criteria used to explain gentrification in northern cities, since Condesa’s poor population has not been replaced by the middle or upper classes. Instead, there have been changes in land use in the tertiary sector (with a proliferation of boutiques and restaurants) and perhaps merely an increase in the higher income or upper class population (Salinas 2015). In the case of Mexico City, many more studies on gentrification in recent decades are required, since it has usually been absent in the peripheral areas, although some authors have begun to explore this issue, and the involvement of certain indigenous groups (Hiernaux-Nicolas 2000).

Some Final Comparisons

My first comparative study of Mexico City and Washington, D.C. in 1997 made it possible to examine the models of social programs in force in both countries, and conclude that they were beginning to resemble each other, particularly because of some of the modifications to the Mexican programs from the 1980s onwards. For example, Mexico, like the United States, developed two systems of social programs, one based on social security and the other on social welfare, even though the type of protection provided and their target populations were different. Moreover, in the United States, the programs included in the two systems have involved certain legal rights for citizens eligible to access them, meaning that they had legal recourse if they failed to receive the services to which they were entitled. Conversely, in the case of Mexico, social rights have only applied to those with access to social security, while the poor who have not received the goods or services offered by the targeted programs have lacked legal recourse to demand access to them, their only resort being social pressure from organized groups.

It is also important to note that the Mexican social welfare system, as opposed to the American one, includes support for the construction of basic infrastructure to provide social services, such as schools and health centers, piped water systems, drainage, electrification, roads and street paving. These differences can partly be attributed to the fact that the United States has much higher levels

of urbanization and consolidation of its urban centers whereas in Mexico, the expansion of cities has largely occurred through irregular settlements, which have subsequently been regularized by state institutions, which must also participate in the introduction of basic services and facilities (Schteingart 1997).

In some of the public policies associated with the comparative issues explored here, emphasis is placed on those concerning federal government employment and processes such as suburbanization and gentrification. Thus, an important issue in the comparison between the two cases involved employment in both capital cities and metropolitan areas, showing the importance of federal government employment in the case of Washington and the way the U.S. government created new jobs in an attempt to offset an increase in unemployment in the wake of the 2008-2009 crisis. This employment policy and its urban effects have also been observed in the gentrification that took place in Washington, such as during the Roosevelt administration in the 1930s, with the gentrification of the Georgetown area and, more recently, during the administration of George W Bush from 2001-2009. This led to higher housing costs and the exodus of the black population to the periphery, with the resulting suburbanization of the poor, which, in the long term, will tend to reverse the overall distribution pattern of social and racial groups in the metropolitan area.

In the case of Mexico City, a number of studies on suburbanization show how these processes have taken place in the MCMA, while the maps that have been included here confirm these tendencies. The map of Washington shows some trends that contrast with Mexico City. In other words, given the scale of the mapping, Mexico City shows very few of the specific tendencies of gentrification that have been discussed, which can be inferred from area-specific studies. In the case of Washington, D.C., the mapping by Wards reflects those changes more clearly.

Studies on gentrification in Mexico City are much less specific than in the case of Washington, and refer to very few areas in the city. However, some analyses on the gentrification of the historic center of Mexico City make it quite clear, as the Washington studies do, that the changes that lead to the poorer sectors being evicted to more peripheral areas by higher income groups occur as a result of processes involving both private real estate sectors and public actors linked to local governments. It is interesting to note that in the two cases presented here, there was a left-wing government in Mexico City and governments led by black mayors in Washington, D.C., who, one would assume, would make every effort to protect poor families. However, they were unable to

achieve the goals of their social programs, focusing instead on the improvement of downtown areas, at the expense of disadvantaged groups which were evicted. Accordingly, the political economy of the two cities, in a context of a great increase in social inequality and the presence of extremely negative schemes for income distribution in both countries, constitute key factors in explaining local processes, shared by the cases of Mexico City and Washington, D.C.

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