

ECONOMIC DISCRIMINATION AND NEGRO INCREASE

H. M. BLALOCK

University of Michigan

A TYPE of generalization commonly found in race relations literature relates the percentage of a minority in a given area or its rate of increase to the amount of prejudice and discrimination against this minority. When made explicit, these generalizations usually indicate a positive relationship between the percentage of the minority or its rate of increase and one or more of the following: (a) prejudice (attitude), (b) intergroup conflict (involving overt behavior), (c) discrimination (resultant of overt behavior), and (d) rate of assimilation of the minority. One generalization of this type, which Allport refers to as a "sociocultural law," is the following:

Migration of a visibly different group into a given area increases the likelihood of conflict; the probability of conflict is the greater (a) the larger the ratio of the incoming minority to the resident population, and (b) the more rapid the influx.¹

The purpose of this paper is to suggest briefly some of the ways in which this type of generalization needs to be qualified or clarified, and to present some findings of a study investigating the relationship between per cent Negro and rate of non-white² increase and certain types of economic discrimination in 88 Standard Metropolitan Areas (S.M.A.'s).

The interest of the writer is primarily in discrimination, which as Williams points out

¹ G. W. Allport, *The Nature of Prejudice*, Cambridge: Addison-Wesley, 1954, p. 227. Quotation from R. M. Williams, *The Reduction of Intergroup Tensions*, New York: Social Science Research Council, Bulletin 57, 1947, pp. 57-58. For additional references to this type of generalization see any recent text on race relations.

² All data used in this study refer to Negroes except increase rates which are for non-whites. The terms "Negro" and "non-white" are distinguished in this paper in order to call the reader's attention to this slight discrepancy. There are a few S.M.A.'s, particularly on the West coast, where there are substantial numbers of non-whites other than Negroes. It was found that omitting these cities from the analysis did not have much effect on the results, however.

may vary independently of prejudice or intergroup conflict.³ It is evident that under certain conditions a large number of minority members or a rapid rate of increase may lead to a high degree of prejudice. This does not necessarily mean that this prejudice will be translated into discrimination, however. Allport points out that there are likely to be gradations of rejection of out-groups, with verbal rejection and avoidance representing less extreme forms than discrimination or actual physical attack.⁴ Moreover, dominant group members who have become agitated may not be in a position to affect certain kinds of differentials between whites and Negroes by direct action. Although it is relatively simple to find examples in support of the thesis that large numbers or rapid increase leads to increased discrimination, it is not always possible to isolate these factors from other variables. There are counter-examples such as Brazil and Hawaii where minorities represent a large proportion of the population but where there is purportedly little discrimination. In a medium-sized mid-western community studied by the writer no apparent increase in discrimination was found despite doubling of the percentage of Negroes between 1940 and 1950. Using 1940 Census data, Turner found that industrial characteristics of a city appear to be much more important factors than per cent Negro in determining relative employment and occupational opportunities of Negroes.⁵ It is clear that an increase in numbers does not necessarily result in more discrimination.

This suggests a number of respects in which generalizations referring to discrimina-

³ Williams, *op. cit.*, p. 40.

⁴ Allport, *op. cit.*, pp. 14-15, 49 ff.

⁵ R. H. Turner, "The Relative Position of the Negro Male in the Labor Force of Large American Cities," *American Sociological Review*, 16 (August, 1951), pp. 524-529. Turner found significant correlations for non-Southern cities between per cent Negro and two indices of discrimination, unemployment and occupational skill-level, but correlations were in opposite directions.

tion need to be qualified. These are presented in the form of several general questions.

1. *What are the conditions under which large relative numbers or rapid increase lead to sufficient prejudice to result in discriminatory behavior?* General economic conditions and level of tension, the type of minority (racial or cultural, its relative status, etc.), the conditions under which the minority is introduced (as strike breakers, as cheap source of labor willing to perform undesirable tasks, etc.), the degree of initial prejudice toward the minority, and the influence of leadership and organizations may be important factors.
2. *Which types of discrimination are most highly associated with per cent minority or its rate of increase?* Not all types of discrimination are of equal importance to members of the dominant group. Also, prejudiced persons may be in a better position to affect one kind of discrimination than another. (Keeping minorities out of clubs or neighborhoods may be easier than controlling wages or limiting suffrage.)
3. *What is the nature of the relationship in each case?* How much of an increase in discrimination is associated with a given increase in numbers? Is the relationship linear or non-linear? Is there a threshold below which there is no relationship (or a weak one) but above which further increases in numbers result in greater discrimination? Likewise, is there a point above which increases yield relatively slight changes in discrimination?

In the present study it has not been possible to obtain information relating to all of the above questions. The writer has been principally concerned with job-related types of discrimination and has focused primarily on the degree of relationship⁶ (with and without controls) between discrimination and per cent Negro and rate of non-white increase. To a lesser extent there has also been an interest in the nature of the relationship (if one existed).

METHODOLOGY

In order to obtain reliable data for comparative purposes the study was limited to

⁶ For the distinction between "degree of relationship" and "nature of relationship" see M. J. Hagood and D. O. Price, *Statistics for Sociologists*, New York: Holt, 1952, p. 347.

Census data. Thus the kinds of indices and controls were very much restricted at the outset. Admittedly, it would be desirable to have good indices of other types of discrimination as well as indicators of the general prejudice level and extent of overt conflict. Since most data capable of yielding indices of discrimination are given only for S.M.A.'s of over 100,000 population in the 1950 Census, the units of analysis were taken as the 88 non-Southern S.M.A.'s for which breakdowns by race were available. Four indices of economic discrimination were ultimately used.⁷ They are as follows: (1) the difference between white and Negro median incomes, (2) the ratio of the percentage of Negro males in the labor force in unskilled jobs to that of white males, (3) the difference between the percentage of unemployed Negro males in the civilian labor force and that of white males, and (4) the difference in per cent homeowners between the two groups.

In a study such as this it is obviously necessary to control simultaneously for a number of variables. The writer started with control indices involving variables such as size of S.M.A., population density, region, occupational distribution, education, income distribution, and housing characteristics.⁸ Most of these were eliminated in a preliminary analysis involving rank order correlations, either because they were not related to the dependent and independent variables or because they were so highly correlated with the control variables finally selected that their use as further controls would add practically nothing to the analysis. The following were finally selected as controls: (1) region, (2) white median income (as index of general level of living), (3) per cent in manufacturing (type of economy), and (4) size of S.M.A.

The relatively small number of cases (88) and the small-scale and exploratory nature

⁷ Note that three of the four indices involve differentials between figures for whites and Negroes. In the case of the second index, a ratio was found to give less misleading results than a differential. In this and other instances where a choice between two or more types of indices was possible, the index selected was the one which yielded results most damaging to the writer's argument.

⁸ The writer is indebted to D. W. Varley who computed many of these indices in connection with his doctoral dissertation.

of this study did not seem to justify the use of more sophisticated indices or techniques such as factor analysis. The writer, in controlling for three variables simultaneously through the use of partial correlation and analysis of covariance techniques, found that the use of even a third control variable usually produced little additional effect. There are a number of assumptions required in the statistical tests utilized which may not be fully justified. Since the study is exploratory there is some justification for using these techniques in the absence of more satisfactory ones. The writer does not claim, however, that in the strictest sense of the term he has tested any hypotheses, and the reader is cautioned that significance tests are to be interpreted in this light.

FINDINGS AND INTERPRETATION

This paper is primarily concerned with median income differentials since this seemed to be the most satisfactory single discrimination index of the four on both theoretical and empirical grounds. The per cent unskilled index was found to be highly correlated with this first index and to behave almost identically. The unemployment index was not correlated either with the other indices or with per cent Negro or rate of increase. The fourth will be mentioned briefly in the next section although it is not a very satisfactory index of housing discrimination.

Rate of Increase and Income Differentials. Two different measures of relative rate of increase were used, and in neither case was there a positive total correlation between rate of increase and median income differentials. The first, the ratio of non-white to white net rate of increase between 1940 and 1950, yielded a correlation of $-.34$. The correlation with the second, the difference between per cent non-white in 1950 and that in 1940, was $-.10$, a value which is far from significant at the .05 level.⁹ The latter measure was slightly positively correlated with per cent Negro ($r=.26$) and gave greatest weight to those cities with an

⁹ The correlation of this second rate of increase index with the proportion unskilled index was $-.20$. There was no evidence for non-linearity with either of these indices of discrimination.

initially large per cent Negro. Because the first measure involved a ratio, rates were extremely large for cities having a very small number of non-whites in 1940 but a relatively large increase during the decade. For this reason and because the second of the two measures seemed more likely to yield a positive correlation with the application of controls, the more detailed analysis was concerned only with the second of these measures of rate of increase.

In addition to the obvious conclusion that there is no relationship between rate of increase and income differentials, there are several possible explanations for the lack of positive relationship. First, it may be argued that a relationship was obscured by the fact that important variables were not controlled. For example, there may be selective migration, with Negroes moving to the cities where there is least discrimination. The writer could find no evidence from his data to support this kind of explanation, however. It seems to be true that non-white migration is to S.M.A.'s where incomes are high, but no relationship was found between white incomes and income differentials.¹⁰ Controlling simultaneously for white median income and per cent in manufacturing, a partial correlation was obtained between rate of increase and income differentials of $-.10$, exactly the figure given above. Controls for city size and region also had practically no effect, although regional controls did produce a slight change in the positive direction.¹¹ Of course it is always possible that other types of controls would yield a positive correlation, but

¹⁰ The correlation between rate of increase and white median income was $.56$, but there was no correlation ($r=.02$) between white median income and income differentials. Turner found a tendency for Negroes to move to cities having the smallest unemployment differentials rather than those with greatest occupational equality. Turner, *op. cit.*, p. 528.

¹¹ Even for S.M.A.'s over 500,000—cities for which there was a high positive correlation between per cent Negro and income differentials—the correlation was a non-significant $-.06$. Controlling for region alone, positive but non-significant correlations of about $.30$ were obtained for two of the four regions (Northeast and Border), but adding controls for white income and per cent in manufacturing reduced the correlation within the Northeast to $.05$. With controls, the other two regions produced correlations of $-.08$ and $.12$.

the writer has been unable to find any which accomplish this.

Another kind of explanation involves the time element. It might be argued that it takes considerable time after migration for this type of discrimination to appear, i.e., for prejudice to be aroused sufficiently to result in discrimination. This explanation does not seem too plausible in that much of the migration during the '40's took place five or more years prior to the date of the Census. Also, the writer obtained a slightly negative rank order correlation between 1950 income differentials and rate of increase between 1930 and 1940. A reverse argument—that had the Census been taken in 1945, the correlation would have been greater—seems to be more reasonable, but this essentially implies that a minority increase leads only to temporary setbacks. It is also possible, of course, that inaccuracies in the data (misstatement of income, underenumeration, etc.) were operating selectively so as to obscure a relationship, but it seems doubtful that such inaccuracies could be great enough to obscure the correlation completely.

The writer is inclined to take the position that there is, even with suitable controls, at most only a slight positive relationship between rate of minority increase and income differentials, given conditions similar to those in 1950 and rates of increase which are not extreme. Relationships may exist with other types of discrimination, however. Preliminary analysis indicated that there may be moderate positive correlations with certain housing variables (segregation, overcrowding, and homeownership) and that the correlation of housing variables with rate of increase may be higher than with per cent Negro.¹²

Per Cent Negro and Income Differentials. A moderate positive correlation of .42 was found between per cent Negro and income differentials.¹³ In other words, (.42)² or a little under 18 per cent of the total variation in income differentials can be associated with per cent Negro. The degree of relationship was markedly reduced by controlling simul-

taneously for region, white median income, and per cent in manufacturing, however. Total correlations within each region were as follows: Northeast .31, Midwest .21, West .28, and Border .54. The average within-region correlation was .30.¹⁴ When controls for white income and per cent in manufacturing were added, the partial average within-region correlation became .19, a figure which is not significant at the .05 level. Thus, of the total variation in income differentials left unexplained by region, white income, and per cent in manufacturing, less than 4 per cent can be associated with per cent Negro. Although these results are not absolutely conclusive due among other things to the relatively small number of cases, they seem to indicate that the moderate association found between per cent Negro and income differentials may be partially if not completely spurious. If there really were a causal relationship involved, we would expect the correlation to increase, not decrease, with the addition of controls.

One must be cautious not to extrapolate beyond the range of variation in per cent Negro in these non-Southern S.M.A.'s and to conclude that there is no general relationship between per cent Negro and income differentials. There is some indication of the existence of a threshold in the neighborhood of 10 to 15 per cent Negro, and it is possible that had there been more than 13 S.M.A.'s having over 10 per cent Negro, the correlation would have increased considerably. Although adding 48 Southern S.M.A.'s introduces factors other than per cent Negro, the inclusion of these cities raised the total correlation to .67, a figure which was not reduced by controls. Within the South the correlation was .50, but this figure was raised to .70 with a control on white incomes. Also, when non-Southern S.M.A.'s with over 10 per cent Negro were given relatively more weight by considering only the largest cities, the correlation was increased substantially.¹⁵

¹⁴ Computed using analysis of covariance techniques.

¹⁵ Although city size did not seem to be too significant as a control variable, the total correlation between per cent Negro and income differentials among S.M.A.'s of over 500,000 was a highly significant .79 (.84 with controls). Eleven of the 13 S.M.A.'s having over 10 per cent Negro belong to

¹² The correlations of rate of increase and per cent Negro with homeowner differentials were .50 and .02 respectively.

¹³ The correlation between the proportion unskilled index and per cent Negro was almost identical (.45).

In this instance the number of cases was quite small (26), but the results are at least suggestive.

An investigation of the nature of relationship revealed some slight evidence for non-linearity. For both the non-Southern S.M.A.'s and the country as a whole correlation ratios (a measure of non-linearity) were almost identical with product-moment correlations, providing no evidence for non-linearity. The slope of the regression equation for non-Southern S.M.A.'s was 23.70, indicating an increase in median income differentials of \$23.70 for every 1 per cent increase in the proportion of Negroes. The corresponding figure for the South was 11.76, for the Border S.M.A.'s it was 15.56, and for the West 29.50. Although these differences in slopes were not sufficient to yield conclusive evidence for non-linearity (as measured by the correlation ratio), it should be noted that the greatest slope was associated with the region having the smallest per cent Negro and the smallest slope with the South. This seems to indicate, as we might expect, that a change of 1 or 2 per cent is relatively less important in S.M.A.'s with a large proportion of Negroes. Of course it must be kept in mind that since correlations were low, discussions concerning regression equations are not too meaningful.

SUMMARY AND CONCLUSIONS

It has been suggested that propositions linking the percentage of a minority or its rate of increase with prejudice, conflict, and

this category of largest cities. It seems to be this fact, rather than largeness *per se*, which accounts for the high correlation, since when these 11 S.M.A.'s were removed, the correlation among the remainder dropped to .05.

discrimination need to be clarified or qualified. In a study of 88 non-Southern S.M.A.'s the writer found no evidence (even with controls) of a positive correlation between rate of non-white increase and various indices of job-related discriminations against Negroes, there being some indication of a moderate relationship with discrimination in housing. A moderate positive correlation was obtained between per cent Negro and the differential between white and Negro median incomes, but after controlling simultaneously for region, white median income, and per cent in manufacturing, this correlation was reduced to a point where less than 4 per cent of the variation unexplained by these three control variables could be associated with per cent Negro.

This study has dealt only with certain specific types of discrimination in large non-Southern cities during a period of relatively high prosperity, with only one minority, and with minority percentages which for the most part were under 10 per cent. But although one cannot safely generalize to other very different kinds of situations, inasmuch as income and occupation are major determinants of social status and over-all life chances, these findings are not without social significance. The absorptive capacities of non-Southern cities are great in the sense that the vast majority are far less than 10 per cent Negro. Our data strongly suggest that substantial numbers of Negroes can migrate northward and westward and settle in cities which at present contain only relatively small numbers of Negroes without necessarily any marked increase in certain forms of discrimination. Further studies investigating smaller cities and other types of discrimination are needed.