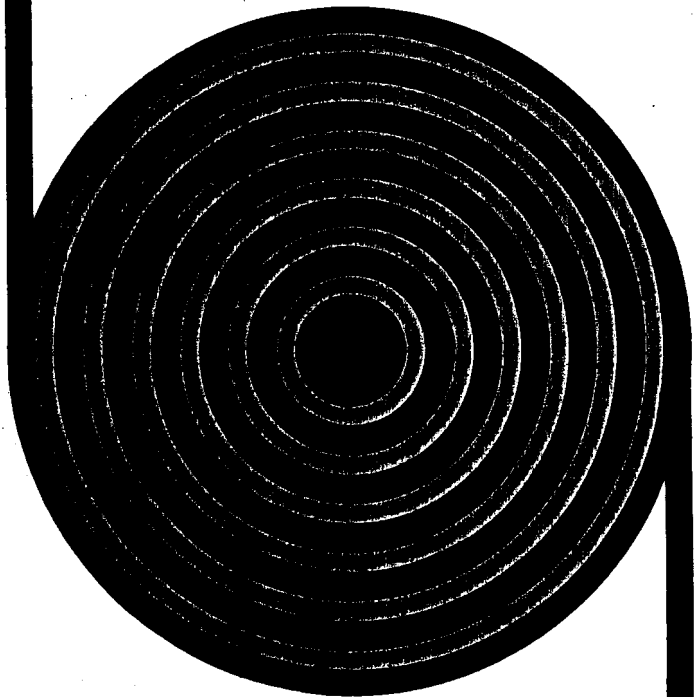


The Review of Black Political Economy



THE EFFECT OF DISCRIMINATION AND SEGREGATION ON BLACK MALE MIGRATION

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This article develops and tests a model of black male migration to major standard metropolitan statistical areas (SMSAs). Migration is examined using a dual labor market approach. A statistical model is tested that incorporates measures of discrimination and segregation. The results are consistent with the argument that discriminatory employment practices constrain black male migration and suggest that past practices help explain the labor market problems of young blacks today. The analysis is temporal, but provides insights into previously unstudied determinants of black male migration. Decennial census data is used for fifty SMSAs.

The central question pursued here is, Why did blacks, in the 1960s,¹ migrate to areas of seemingly poor employment prospects? Blacks, in many cases, were observed moving to precisely those areas that whites were leaving in large numbers—stagnant urban economies, such as Detroit.² If both races are seeking to maximize utility, with employment and income being important parts of utility, why are the racial migration patterns so different? Some have argued that blacks were engaged in chain migration, where migrants simply follow earlier migrants, and not in economic optimization.³

Here it is argued that blacks face different labor market conditions than do whites because of hiring practices that vary by race of the applicant. Blacks, as economic optimizers, can be expected to exhibit different patterns of migration than nonblacks if discriminatory practices vary from one metropolitan area to another. The “irrational” migration of the 1960s may be the result of varying degrees of discrimination and segregation in metropolitan labor markets. Studying black migration may thus

afford valuable insights into how discrimination affects black employment.

Migration is seen by economists largely as a human capital investment, but neoclassical migration models that emphasize the investment aspects of migration and ignore the impact of discriminatory practices have performed poorly in modeling black migration. Several studies have concluded that blacks have been less influenced by economic variables such as employment growth and unemployment levels than whites and are probably more influenced by unstudied noneconomic factors.⁴

This study investigates the hypothesis that institutional factors such as market structure, discriminatory hiring practices and discrimination in housing are important in explaining black in-migration rates. My expectation is that blacks have been moving to the same type of urban areas for decades not as the result of simple chain migration, but due to a natural emphasis on areas with industries that are known to hire blacks, where housing is accessible and where discrimination is less of a burden in everyday life. Forced to contend with discriminatory practices, the black population is constrained in terms of economic optimization; the ability of blacks to use migration as a human capital investment is thereby reduced. Due to the effects of discrimination and segregation, older areas with large black populations may tend to have either more jobs marked for blacks or to have a greater probability of employment for blacks relative to whites, even though these areas may be economically stagnant.⁵

If black labor mobility is constrained due to discriminatory employment practices, this helps to explain why blacks are more heavily impacted by structural change than are whites. Today, blacks tend to be found in areas and fields that are not growing. While this may be due to some slackness in the labor market that reduces the penalty to employers of discriminating,⁶ it is also likely to reflect structural employment problems. Many blacks are simply in the wrong geographic areas. In a period of structural changes in the economy, being in the right place is important, but what if new job growth occurs in areas with histories of racial employment segregation and if other groups are available to supply firm employment needs?

LITERATURE SUMMARY

There are five previous studies of black in-migration to SMSAs: Greenwood, Pack, Glantz, Rogers and Latos.⁷ All pooled male and female

migrants and used data for the 1950s and/or 1960s. Glantz argued that in-migration was a function of local labor demand, the percentage poor, and the percentage nonwhite. No income measure was included. Labor demand was measured by local "employment potential" and "industrial relocation." The former assumes that local industries grow at a weighted average for national industry growth and subtracts growth in the local labor force. The latter compares regional employment growth to national employment growth. His results indicated that blacks were attracted to areas with more poor people and with more blacks. For the period 1965–70, he found no evidence that black migrants were attracted by local employment potential or industrial relocation.

Pack sought to test the effect of housing and fiscal variables on white and nonwhite in-migration for 1955–1960, using central city data. Population size was included as a variable, with large size reported as discouraging migration among whites (but not among blacks). Using family income and the percent change in family income, Pack found that for whites the income level was insignificant in its effect on in-migration and income growth was statistically significant but very small, while for blacks both income level and income growth variables were significant and positive. Whites were found to be sensitive to employment growth while blacks were not. The level of home ownership negatively affected both black and white in-migration. Home ownership was viewed as a measure of the availability of rental housing and it was expected that greater home ownership would discourage in-migration. Pack, like Glantz, found that the percent nonwhite was the most important variable associated with nonwhite in-migration.

In a study of the interaction of migration and metropolitan growth, Greenwood⁸ compared regression results for white and nonwhite migrants and concluded that "white civilian labor force members are more responsive to the growth of (destination) job opportunities than nonwhite civilian labor force members, while nonwhites are more responsive than whites to high (destination) income levels and income growth."⁹ Greenwood used data for the 1950s, a period during which blacks were exiting from (or being pushed out of) the low-wage South and were finding higher wages (and higher unemployment rates) in the North. Latos¹⁰ used data for thirty-one northern SMSAs and found support for the argument that chain migration explained the 1960s movement of non-whites. Rogers,¹¹ using data for 1955–60, but for California SMSAs, (in a place-to-place model¹²) found that black in-migration did not seem to respond to income or employment variables.

Contrary to what these studies suggest, black migrants must be concerned about employment opportunities. To a far greater extent than whites (many of whom are simply responding to job transfers), blacks must look for work at the destination. Census data show that black migrants are more likely than white migrants to be unemployed, both at their origin and at their destination. For example, in Northeast destinations, 36.4 percent of black migrants, but only 4.2 percent of white migrants, were unemployed in 1980.¹³

In a color-blind economy, employment growth should be attractive to black migrants, but no one has reported finding more than a weak statistical relationship between black in-migration and employment growth, either among the black population or among the general population. Each of these migration studies concludes that blacks seem to be responding to non-economic factors which they had not examined. Most believed that discrimination may be important. If we are to make progress in understanding how markets work for minorities, we need to examine market and social institutions as well as price information.

This article seeks to remedy problems of previous studies and expand previous models by 1) adding measures of discrimination and segregation to account for practices that may cause SMSAs to differ in terms of amenities or income opportunities depending on a migrant's race, 2) modeling males in order to shed light on structural employment problems and to avoid biased results from pooling male and female data. (Previous work on black migration pooled data by gender. This is inappropriate since the sexes are known to have different migration patterns.¹⁴) 3) developing a model with segmented labor markets to help account for the lack of response of black migrants to high destination unemployment rates, 4) helping to link migration decisions of twenty years ago to an understanding of the difficulties of today's black youth in escaping harsh economic environments.

AN INSTITUTIONAL MODEL OF BLACK IN-MIGRATION

Previous models of migration do a poor job of predicting black migration. A more complete description of the environment in which blacks must act is needed to understand the determinants of black in-migration. The emphasis here is on finding what makes a labor market attractive to black workers. The model used emphasizes income opportunities and amenities:

$$\text{Migration} = f(\text{Income Opportunities, Amenities})$$

For blacks, income opportunities will depend on hiring practices as much as on wages. Expected income is determined by wages and the probability of black employment. It is possible that migrants consider future income and are willing to queue up in low-wage sectors to gain access to high-wage sectors.¹⁵ Since housing is an important part of one's standard of living, amenities should include housing market conditions and, for minorities, indicators of discrimination.¹⁶

A sample of fifty large SMSAs was used for this study. The sample was restricted to those SMSAs for which detailed data by race was reported for all variables. The estimated OLS equation (with expected signs) is:

$$\begin{array}{cccccccc} + & + & + & - & - & - & + \\ \text{BMIM} = f(\text{BMI, CBMI, CEMP, OWN, SEG, UNRATIO, RETAILR} \\ + & + & + & + & + & - & \\ \text{MANR, \%MANU, \%BPOP, B/WSUB, RANK, SOUTH}) \end{array}$$

Where:

BMIM = net black male in-migration rate, 1965–1970

BMI = median black male income, 1960

CBMI = change in black male income, 1960–70

CEMP = rate of growth of non-agricultural employment, 1960–1970

OWN = percentage of owner-occupied homes, 1960

SEG = index of residential segregation, 1960

UNRATIO = black/white male unemployment rates ratio, 1960

RETAILR = (% of black males)/(% of nonblack males) employed in retail, 1960

MANR = (% of black males)/(% of nonblack males) employed in manufacturing, 1960

%MANU = % of male employment in manufacturing, 1960

%BPOP = percentage of blacks in the population, 1960

B/WSUB = index of likelihood of blacks living in the suburbs, relative to whites

RANK = SMSA rank by population, 1960

SOUTH = a dummy set to 1 for SMSAs in the South

THE IN-MIGRATION VARIABLE

Net in-migration flow is used as the dependent variable. Following Lowry,¹⁷ we examine migration at the destination without considering migration at the origin. The rate of in-migration can be viewed as the migration rate of the population at risk of migrating. There is a danger that net migration rates may hide information; in areas with both high and low wage industries, it is possible that migrants are being attracted to high wage industries while low wage industries are sources of out-migration (or vice versa). This can happen where skills are not transferable from one industrial sector to another. This appears to be less of a consideration for blacks than for whites, as blacks remained heavily over-represented in low-skill sectors. Among blacks net and gross in-migration flows are highly correlated ($r = .99$) and the choice of net or gross data matters little.¹⁸

THE INDEPENDENT VARIABLES

The income opportunity variables are of two types, those that relate directly to income and employment (BMI, CBMI, CEMP, %MANU) and those that reflect discrimination and may act to constrain opportunities (UNRATIO, RETAILR, MANR, and possibly SEG, B/WSUB and %BPOP). The amenities variables are those describing housing (OWN, SEG, and B/WSUB). It is not clear whether housing discrimination is an amenity or is clearly related to income opportunities.¹⁹ Here, SEG is treated primarily as a measure of general discrimination and B/WSUB as an indicator of income opportunities. Population rank and South are control variables. The independent variables are lagged since migrants are responding to expectations and need time to plan a move. The independent variables that follow are grouped as labor market variables, housing market variables, discrimination variables and controls.

LABOR MARKET VARIABLES

It is assumed that local blacks will convey information on labor market conditions to friends and relatives in other SMSAs or non-SMSA areas. If an industry hires blacks, especially large numbers of blacks, this will be readily known to the black community. In an earlier era, many blacks moved to Detroit because they knew Ford hired blacks. Blacks with a propensity to migrate will seek out cities with opportunities for

blacks. In less-discriminatory economies, blacks may be able to gain access to primary sector jobs with high wages. If high-wage jobs are available to blacks, migrants may come to a city and seek employment in the secondary sector while queuing for a good job. In periods of very tight labor markets, such as during WWI and WWII, blacks were able to go directly from agricultural employment into manufacturing. This may be exceptional—a more likely progression would be into casual labor or into the service sector with queuing necessary for better jobs, such as in manufacturing.

The history of black migration is full of stories of blacks being recruited for industries experiencing labor shortages or major strikes. Such stories emphasize openings in manufacturing. Labor shortages would be a more severe problem the larger the relative size of the manufacturing sector. Where there is a particularly large proportion of blacks in manufacturing, this may be evidence of fewer restrictions on black employment and of less discrimination, due to earlier breaks in the color barrier (it could also be evidence of crowding due to discrimination elsewhere). The importance of employment in manufacturing is tested with the variables %MANU and MANR, with MANR measuring discrimination.

The percentage of males employed in manufacturing is included to capture the effect of any attraction to manufacturing centers. This variable (%MANU) may be correlated with two other independent variables. Unemployment rates are affected by the amount of employment in manufacturing so the size of the manufacturing sector would affect the unemployment ratio. The correlation is positive but small, and does not affect statistics of the other variables. Variation in segregation indexes across SMSAs may reflect different market structures (now or in the past). Among SMSAs, Zunz found that manufacturing centers were more segregated.²⁰ The Van Valey index is not correlated with the percentage of male employment in manufacturing.

The median income variable is calculated for those who had income. This income measure can be viewed as an estimate of the expected income of those who are in the labor market and had some employment in the year of the survey. If blacks are responding to improved opportunity, then income growth is expected to be positively associated with net migration. Employment growth should positively affect net migration. Previous work has shown that black migrants are not deterred by high destination unemployment rates.²¹ This study initially included male unemployment rates, but the variables were not statistically significant and did not affect the results.

HOUSING MARKET VARIABLES

Housing is both a major expenditure and an important determinant of one's material standard of living. During the 1960s and 1970s blacks were moving to a number of large cities experiencing population decline. A possible explanation for such migration would be improved housing markets. It was expected that such areas would provide lower relative rents, higher vacancy rates and less residential segregation. The 1960 vacancy rate was actually negatively related to net migration during 1965–1970 and has been discarded as an improper measure.²² Pack's use of the measure of home ownership was adopted for assessing pressure on rental vacancies.

DISCRIMINATION VARIABLES

A priori, it is not obvious how migrants would react to evidence of racial discrimination in prospective destinations. If the migrants are primarily interested in economic improvement, it is sensible that they would be interested in evidence of equality in employment and housing. They might be less interested in rhetorical evidence of discrimination. People may have a "taste" to discriminate, but unless there are institutions to create and perpetuate inequality, taste may not matter. Becker's assumption that discrimination was a matter of taste led to the amazing conclusion that there could be no discrimination in a market economy.²³ Here, it is argued that discriminatory practices matter rather than "taste" itself. Racial segregation as the result of institutional practices is proposed as the mechanism that produces and reproduces racial inequality. Economic migrants are expected to be sensitive to forms of segregation that affect their economic opportunities.

A residential segregation index for SMSAs (SEG) is borrowed from Van Valey et al.²⁴ It is an index of dissimilarity that ranges from 100 when every city block is either 100 percent black or 0 percent black, to zero when every city block has a ratio of blacks to whites that is identical to the ratio for the city. The index tells us the percentage of blacks that would have to move in order to achieve an equal geographic distribution. Residential segregation indexes are known to have problems as measures of segregation,²⁵ but are often cited as important measures of discrimination. Residential segregation has been argued to be an important source of income inequality through its effect on education and on occupational choice.²⁶ Kain found that residential segregation had an adverse effect on

black employment in Detroit and Chicago.²⁷ More recent studies have not supported this finding.²⁸ However, Reich found a relationship between income inequality and residential segregation.²⁹ Here it is posited that high levels of residential segregation reflect discrimination,³⁰ at least through the 1960s. The Van Valey index is here interpreted as a reflection of general community levels of discrimination rather than of direct employment discrimination and is not expected to have much effect on economic motives behind migration.

A second variable measuring residential segregation was also used (B/WSUB). Data was gathered on the percentage of whites and blacks living in suburbs. This data was used to construct an index representing the relative likelihood of blacks residing in suburbs. The index equals one if the same proportion of blacks as whites lives in the suburbs.³¹ To the migrant, housing availability in the suburbs may be a more visible indicator of an important constraint on employment than the Van Valey index.

The unemployment ratio is the ratio of the black male unemployment rate to the white male unemployment rate. It is a crude measure, since there is no standardization by industry, occupation or earnings, but is intended as a measure of discrimination at the hiring gate. The unemployment ratio has been found to reflect discrimination.³²

The manufacturing ratio (MANR) is the ratio of the percent of black male employment in manufacturing to the percent of nonblack male employment in manufacturing. If, for example, 10 percent of the white male population works in manufacturing, but only 5 percent of all black males work in manufacturing, then blacks are underrepresented. The manufacturing ratio is an index that equals one when equal shares of the black and nonblack male population are employed in manufacturing. This is similar to Turner's occupational index.³³

An employment ratio is also used to measure racial inequality in the retail trade sector (RETAILR). Retail sales has long been associated with intense discrimination and blacks are generally poorly represented in sales positions, but there is variation in the representation of blacks in retail, by SMSA. Where blacks are represented proportionately, this represents a major source of jobs not normally open to blacks. The retail sector may serve as a place for less-skilled migrants to get started in the job market as they queue up for better jobs in manufacturing or elsewhere.

OTHER VARIABLES

City size is highly and positively correlated with black male in-migration.³⁴ This is not the case with white migration, which is negatively correlated with city size. City size is important in gravity models,³⁵ but current white migration patterns do not appear consistent with traditional interpretations of the gravity effect. The role of city size among blacks is unclear. Large city size may reflect a greater openness in an urban economy that provides more opportunity to minorities—large cities are simply more cosmopolitan. As a traditional variable in migration models, city size is included.

Becker's model predicts that the percentage of blacks in the population will affect the taste for discrimination (utility is a function of the number of whites and blacks). However, the size of the black population can also have a sheltering effect. Blacks have an easier time finding food and lodging, especially upon first arrival, and may expect more community survival support if unemployed in larger ghettos. It is not clear which effect we should expect to be stronger. If Becker is right, discrimination would be greater in cities with large black populations, and several studies have found discrimination measures positively linked to rises in the percent black.³⁶ Lieberman observed that a large black population helps to create sufficient demand to support more "black" occupations.³⁷ Unless black tradesmen can sell to white customers, they need a sizable black clientele to be self-supporting. The presence of a large black population also allows for a "friends and relatives" effect, since many jobs are obtained due to information gained from family and friends. Becker's theory of discrimination implies that there will be more discrimination in places with a larger black population. If there is more discrimination in places with large black populations, black population size should discourage in-migration. Here, it is expected that a large black population will help provide more employment opportunities for blacks. I do not see black migration as simple chain migration, but as the efficient use of information. A test for this view is whether blacks can be shown to respond to economic incentives after controlling for population effects.

Previous work has reported significant variations in migration patterns between regions. While the South has been an area of great income growth by blacks in recent years, occupational upgrading is slower in the South than in the rest of the country.³⁸ Gilman³⁹ and Becker⁴⁰ have observed that the South has a lower unemployment ratio than the North. The lower rates in the South may reflect different institutional practices

or different industries and skill mixes.⁴¹ This and other evidence suggests that discrimination patterns are quite different in the South,⁴² so a dummy variable is used for Southern SMSAs.

RESULTS

The results of the regression analysis are reported in Tables 1 and 2. Table 1 reports the results of regression analysis using equations for black males, Table 2 has results for white males. For black males two equations were estimated. The first column in Table 1 contains economic and gravity (population) variables and has a dummy for the South. Only SMSA rank is statistically significant. The income variables have the expected positive signs. Employment growth, employment in manufacturing, percent home ownership and South are negatively related to black in-migration.

In equation 2, discrimination variables are added. Except for residential segregation, they have the expected signs. With the inclusion of the discrimination variables, the income, employment growth and dummy variables have larger coefficients and smaller standard errors. The SMSA rank variable is little changed.

Table 2 reports the results of a regression for white male in-migration. Among whites, income variables are insignificant and male income has the wrong sign. As expected, employment growth is positively related to white male in-migration but has a large standard error and is not significant at the 10 percent level. Percent home ownership is positively and significantly related to white in-migration. This was not expected and is the opposite of what Pack reported for white in-migration to cities.⁴³

Used in an equation for white male migration, the discrimination variables are no longer significant and often have signs opposite those expected for blacks—blacks and not whites respond to the discrimination variables. A Chow test was used to compare equation 2 in Table 1 to the results in Table 2. The test permitted a rejection of the hypothesis that the two regressions were the same, adding to the evidence that the determinants of in-migration differ between blacks and whites.

Discrimination affects all aspects of life in complex ways and this study has only crudely examined discrimination in employment. The results are consistent with the hypothesis that discriminatory hiring practices do affect black migration. Indeed, the effects of discrimination in employment appear to be more important than the effects of the usual economic variables.

TABLE 1
Black Male Net In-Migration, 1965-70

INDEPENDENT VARIABLES	EQUATION 1	EQUATION 2
BLACK MALE INCOME, 1960	.001 (.93)	.002 (1.92)**
CHANGE IN BLACK MALE INCOME, 1960-70	2.97 (1.34)*	4.16 (1.37)*
EMPLOYMENT GROWTH, 1960-70	-.01 (-.30)	.01 (.38)
EMPLOYMENT IN MANUFACTURING MALES, 1960	-.06 (-1.35)*	-.03 (-.67)
PERCENT HOME OWNERSHIP, 1960	-.03 (-.60)	-.02 (-.43)
RESIDENTIAL SEGREGATION, 1960		.01 (.20)
BLACK/WHITE SUBURBANIZATION 1960		2.39 (1.96)**
MANUFACTURING EMPLOYMENT RATIO, 1960		1.34 (.70)
RETAIL EMPLOYMENT RATIO, 1960		.05 (2.17)**
UNEMPLOYMENT RATIO, 1960		-1.72 (-1.90)**
SMSA RANK, 1960	.087 (4.26)**	.087 (4.12)**
PERCENT BLACK 1960	.08 (1.55)*	.11 (2.10)**
SOUTH	-1.17 (-.91)	-2.58 (-1.89)**
R ²	.558	.657
Standard Error	2.09	1.97
N	50	50

t values in parentheses
*significant at 10% level
**significant at 5% level

TABLE 2
White Male Net In-Migration, 1965-70

INDEPENDENT VARIABLES	
MALE INCOME 1960	-.001 (-.30)
CHANGE IN MALE INCOME, 1960-70	.78 (.48)
EMPLOYMENT GROWTH, 1960-70	.01 (1.60)*
EMPLOYMENT IN MANUFACTURING MALES, 1960	-.03 (-1.89)**
PERCENT HOME OWNERSHIP, 1960	.05 (3.12)**
RESIDENTIAL SEGREGATION, 1960	-.008 (-.70)
BLACK/WHITE SUBURBANIZATION 1960	-.67 (-1.64)*
MANUFACTURING EMPLOYMENT RATIO, 1960	.14 (.24)
RETAIL EMPLOYMENT RATIO, 1960	-.004 (-.72)
UNEMPLOYMENT RATIO, 1960	.34 (1.16)
SMSA RANK, 1960	-.01 (-1.15)
PERCENT BLACK 1960	.008 (.45)
SOUTH	.06 (.14)
R ²	.548
Standard Error	.632
N	50

t values in parentheses
*significant at 10% level
**significant at 5% level

The presence of black workers in an industry may be strongly linked to growth in black employment. Using just the percentage of employment in manufacturing revealed no preference among migrating male blacks for SMSAs with larger manufacturing sectors. A key factor appears to be the presence of integrated industries (at least in retail, during the 1960s). During the sixties, much of the growth in black male employment occurred in manufacturing (more so than among whites). Here, migrants seem to be avoiding manufacturing centers. Migrants may be supplying labor to secondary labor markets while native blacks get employment in manufacturing. The lack of response to conditions in the manufacturing sector among black migrants suggests that migrants are seeking jobs in other sectors in the 1960s and that the WWI and WWII patterns were exceptional. A more detailed description of employment patterns may show a greater link between employment practices and migration.

Only among blacks does the income variable perform as predicted by standard economic theory and it is significant only when the discrimination variables are included. To some extent the black income level must be viewed as a reflection of discrimination. High income levels will be associated with more skilled employment and thus are measures of vertical mobility. Higher median income, in general, means a higher proportion of skilled employment. This will tend to increase demand for blacks in skilled positions.

For blacks, the home ownership and residential segregation variables performed poorly (OWN and SEG), but the likelihood of blacks living in the suburbs (B/WSUB) was important. The index of dissimilarity that was used to measure residential segregation may not be related to information discernible or important to migrants. The availability of housing in the suburbs appears to be important to black migrants.

Becker's model of discrimination suggests that blacks would face more discrimination as their proportion of the population rises. The results of this study indicate that blacks avoid areas with greater degrees of employment discrimination but are attracted to areas with higher proportions of blacks. The discrimination variables used in this study are not at all correlated with the relative size of the black population. Possibly, as the proportion of blacks in an SMSA rises, the non-black population of discriminators experiences declining utility, but without the development of mechanisms, such as segregation, to promote inequality, feelings of disutility due to racist beliefs are not enough, in themselves, to cause inequality. Becker's theory of taste is not supported.

Evidence for the chain migration hypothesis has been the strong correlation between black in-migration and size of the black population. These results indicate that at best the size of the black population is only part of the explanation for migration and are consistent with an alternative view that the black population has a sheltering effect.

Historically, blacks have out-migrated from the South; this was true from 1860 to 1970.⁴⁴ This movement has been linked to declining employment in Southern agriculture and to employment opportunities outside the South. An important reason that blacks might have found greater employment opportunities outside the South was that discrimination practices in the South preserved employment for whites through Jim Crow laws and general practice.

In the 1970s and 1980s, there was a reversal of the net flow of blacks from the South. Between 1960 and 1970, there was a net in-migration to the South of 123,000 blacks. Between 1980 and 1988, the in-flow continued to exceed the outflow, by 148,000 migrants.⁴⁵ The shift in black migration has been enough to reverse more than a century of decline in the percentage of blacks residing in the South. In 1860, 92.3 percent of the black population resided in the South. This proportion declined to 53.0 percent by 1970, then increased a little (less than a tenth of a percentage point) by 1980 and increased to 56.0 percent by 1988.⁴⁶

Social and economic conditions have changed since the sixties and the link between discrimination and migration is likely to have changed. Still, this article suggests that part of the post-1970 reversal in the direction of black migration has been due to a lessening of employment discrimination in the South, and also that this lessening is more likely to have progressed further in metropolitan areas with high proportions of blacks in the population. While unemployed white auto workers from Detroit were likely to have moved to Houston, unemployed black auto workers were more likely to have moved to Atlanta. Looking at net in-migration for 1975-80, whites were more likely than blacks to move to Houston while the favorite destination for blacks was Atlanta.⁴⁷ Migration patterns continued to differ by race in the 1970s. The simple correlation between black and white net in-migration to major SMSAs for 1975-80 is $r = .07$.⁴⁸ The relationship between employment discrimination and migration warrants further work on the post-1970 period, which could help shed light on conditions that foster improved employment opportunities for blacks and may help shed light on the development of the urban underclass.

CONCLUSIONS

In general, this study indicates that racial hiring practices are important in understanding the distribution of the black population across metropolitan areas and contributes toward understanding why blacks may remain concentrated in large ghettos despite declining employment growth. This may help explain the extreme employment problems of today's black youth, many of whom appear trapped in central cities with no employment growth. Evidence was found that black migrants are attracted by economic opportunity, but they do not initially work in sectors of high income and may start out in secondary labor markets. Black migration was found to respond to economic conditions and is not simply chain migration. This study suggests that ghettos are not just the result of housing discrimination but of employment discrimination as well. The results do not agree with a major implication of Becker's simple "taste" theory of discrimination; a larger proportion of blacks in the population was not tied to greater employment restrictions, suggesting that taste is less important than institutional practice. Finally, this study suggests that migration data may permit useful analysis of the ability of race/sex groups to accommodate structural changes in the economy.

DATA SOURCES

Earnings and employment data for 1960 and 1970 were taken from the Census of the Population, *Detailed Characteristics* (tables 164, 166 and 168 [1970], 129 [1960]). Population data were obtained from the *State and Metropolitan Area Data Book*, 1982 and from the *County and City Data Book*, 1967. Migration data were taken from *Mobility by Metropolitan Areas*. The residential segregation index is from Van Valey, et al. (See note #24.) Home ownership is from the *County and City Data Book*, 1967.

U.S. Bureau of the Census, *Mobility for Metropolitan Areas*, Census of the Population, (Washington, D.C.: U.S. Govt. Printing Office, 1970).

U.S. Bureau of the Census, *State and Metropolitan Area Data Book* 1979, (Washington, D.C.: U.S. Govt. Printing Office, Washington, D.C., 1982).

U.S. Bureau of the Census, *Census of the Population*, state volumes, "Detailed Characteristics," (tables 164 and 166), (Washington D.C.: U.S. Govt. Printing Office, 1970).

U.S. Bureau of the Census, *County and City Data Book*, (Washington D.C.: U.S. Govt. Printing Office, 1967).

NOTES

1. The 1960s are examined because the 1970 Census provided detailed in-migration and out-migration data by gender as well as by race for SMSAs. Unfortunately, the

data was not comparable in the 1980 Census (see U.S. Census, *Mobility by Metropolitan Areas*, 1970 and 1980).

2. The actual correlation between black and white male net in-migration was negative, with $r = -.41$

3. John F. Kain, "Housing Segregation, Negro Employment, and Metropolitan Decentralization," *Quarterly Journal of Economics*, Vol. LXXXII, no. 2, (May 1968).

4. Michael J. Greenwood, "A Simultaneous Equations Model of White and Nonwhite Migration and Urban Change," *Economic Inquiry*, Vol. xiv (1976); Frederick Glantz, "The Determinants of Intermetropolitan Migration of the Economically Disadvantaged," Federal Reserve Bank of Boston, Research Report #52 (1973); Janet R. Pack, "Determinants of Migration to Central Cities," *Journal of Regional Science*, Vol 13, no. 2 (1973); Andrei Rogers, "Regression Analysis of Interregional Migration in California," *Review of Economics and Statistics*, Vol. XLIX, no. 2 (May 1967).

5. Stanley Lieberson, *A Piece of the Pie* (Berkeley: University of California Press, 1980).

6. In the Becker model of discrimination, employer discrimination is a cost to employers since they must pay more for workers of lower productivity when they discriminate (see Gary Becker, *The Economics of Discrimination*, University of Chicago Press, 1957). As unemployment increases, the availability of high productivity workers increases, thus reducing the discrimination penalty and increasing the amount of discrimination.

7. Greenwood, "Simultaneous Equations"; Pack, "Determinants of Migration"; Glantz, "Determinants of Intermetropolitan Migration"; Rogers, "Regression Analysis"; and Charles J. Latos, "Non-White Migration Patterns in Northern Metropolitan Areas, 1960-1970: The Interaction between Economic and Affinitive Factors," *Review of Black Political Economy*, vol. 13, no. 3, (Winter 1984-85).

8. Greenwood, "Simultaneous Equations."

9. *Ibid*, page 1.

10. Latos, "Non-White Migration."

11. Rogers, "Regression Analysis."

12. Place-to-place data reports the origin and destination of an individual. This can be done with Census PUMS tapes, but the sample size becomes small (only 5% of the population is on the tapes) and manipulation is very expensive. The other four studies, like the present one, examine only destinations.

13. U.S. Census, *Geographical Mobility* (March 1980).

14. Females are less likely to move than are males and black women are somewhat less mobile than white women. Females react differently to a variety of in-migration variables, especially amenity measures (see Charles Mueller, *The Economics of Labor Migration* New York: Academic Press, 1982). For this study, migration data for blacks for the period 1965-70 show a weak correlation between male and female in-migration rates (the simple correlation is $r = .51$). This may be because females tend to engage in less long-distant migration than males. Many of these migrants are single. Of the married migrants, one may stay behind.

15. Bent Hansen, "LDC Labor Markets: An Application of Internal Labor Market Theory," *Industrial Relations*, Vol 22, no. 2 (Spring 1983).

16. The cost of migration would also affect income, so some of the variation in median income across SMSAs may reflect differences in migration costs that prevent equalization due to factor mobility. The data do not allow a calculation of migration cost.

17. I. S. Lowry, *Migration and Metropolitan Growth: Two Analytical Models* (San Francisco: Chandler, 1966).

18. This is not the case among whites, where net and gross in-migration flows are negatively correlated—due to large out-migrations from large cities.
19. Kain, "Housing Segregation," argues that residential segregation reduces income opportunities in two ways: inner-city residents attend inferior schools and therefore experience reduced earnings, and residential segregation places blacks further from suburban jobs.
20. Olivier Zunz, *The Changing Face of Inequality*, (Chicago: The University of Chicago Press, 1982).
21. David Kaun, "Negro Migration and Unemployment," *Journal of Human Resources*, Vol. V, no. 2, (Spring 1970).
22. Areas with many transients will tend to have high vacancy rates. In addition, controls are needed for the average size of housing units and the number of units in each structure. Vacancy rates can still be hard to interpret since they are the result of long duration or high frequency, or both. See J. Luis Guasch and Robert C. Marshall, "An Analysis of Vacancy Patterns in the Rental Housing Market," *Journal of Urban Economics*, Vol. 17, no. 2, (March 1985).
23. Kenneth Arrow, "The Theory of Discrimination," in *Discrimination in Labor Markets*, Ashenfelter and Rees, eds. (Princeton: Princeton University Press, 1973).
24. Thomas Van Valey, W. C. Roof and J. E. Wilcox, "Trends in Residential Segregation 1960–1970," *American Journal of Sociology*, Vol. 82, no. 4, (January 1977).
25. Otis Dudley Duncan & Beverly Duncan, "A Methodological Analysis of Segregation Indexes," *American Sociological Review*, Vol. 20, no. 2 (1955).
26. Howard M. Bahr & Jack P. Gibbs, "Racial Stratification in American Metropolitan Areas," *Social Forces*, Vol. 45, no. 4 (June 1967)
27. Kain, "Housing Segregation."
28. David Ellwood, "The Spatial Mismatch Hypothesis: Are There Teenage Jobs Missing in the Ghetto?," paper presented at the Conference on Inner City Black Youth Unemployment (August 11, 1983); Jonathan S. Leonard, "The Interaction of Residential Segregation and Employment Discrimination," National Bureau of Economic Research Working Paper # 1274, (February 1984).
29. Michael Reich, *Racial Inequality* (Princeton: Princeton University Press, 1981).
30. Theoretically, residential segregation can be explained by either "tastes" or by differences in income between blacks and whites and is not clearly an indicator of discrimination. However, black residential segregation has been extensively studied and cannot be explained by income or class. One indicator of the discriminatory basis of black segregation (at least in the past) has been the difficulty of higher-income blacks in moving out of the ghetto. While other groups typically move out of ghettos or enclaves as middle class and affluent members seek better housing, blacks have had a much harder time moving out of the ghetto. See Stanley Lieberson, *Ethnic Patterns in American Cities* (Glencoe, IL: The Free Press, 1963), pp. 120–32. Also see: John Kain and John Quigley, *Housing Markets and Racial Discrimination* (New York: National Bureau of Research, 1975); Douglas S. Massey and Nancy A. Denton, "Hypersegregation in U.S. Metropolitan Areas: Black and Hispanic Segregation Along Five Dimensions," *Demography*, Vol. 26, no. 3, (August 1989).
31. This is a measure used by Kain more recently, see: John Kain, "Black Suburbanization in the Eighties: A New Beginning or a False Hope," paper presented at The Agenda for Metropolitan America (September 6–7, 1984), sponsored by the Center for Real Estate and Urban Economics, University of California, Berkeley. It is also similar in concept to the centralization index used by Massey and Denton, "Hypersegregation."

32. Duane E. Leigh and V. Lane Rawlins, "Racial Differentials in Male Unemployment Rates: Evidence from Low-Income Urban Areas," *Review of Economics and Statistics*, Vol 56, no. 2 (May 1974).
33. Ralph H. Turner, "The Relative Position of the Negro Male in the Labor Force of Large American Cities," *American Sociological Review*, Vol. 16, no. 4, (August 1951).
34. SMSA size by population was found to be highly correlated with other independent variables so another measure was substituted. An index by rank was used that is highly correlated with population, but not with other independent variables. The rank index runs from 50 to 100, with 100 representing the largest SMSA.
35. Early migration theory explained movement to a destination as determined by destination population and distance, with increasing distance and decreasing population negatively affecting migration (the gravity model).
36. H. M. Blalock, "Economic Discrimination and Negro Increase," *American Sociological Review*, Vol. 21 (1956); J. Wilcox and W. C. Roof, "Percent Black and Black-White Status Inequality: Southern Versus Non-Southern Patterns," *Social Science Quarterly*, Vol. 59 (1978); Michael Seeborg, "The Effect of Industrial Structure on Black-White Family Income Differentials," *Eastern Economic Journal*, Vol. XVI, no. 1, (January-March, 1990).
37. Stanley Lieberson, *A Piece of the Pie*, (Berkeley: University of California Press, 1980).
38. Dennis Hogan and David Featherman, "Racial Stratification and Socioeconomic Change in the American North and South," *American Journal of Sociology*, Vol 83, no. 2 (September 1977), for the period 1962 to 1973.
39. Harry J. Gilman, "Economic Discrimination and Unemployment," *American Economic Review*, Vol. 55, no.4, (December 1965).
40. Becker, "Economics of Discrimination."
41. Historically, there is evidence consistent with a tradeoff between wage differentials and unemployment differentials. Prior to the 1930s, it is easy to find examples of separate wage schedules for blacks and whites while unemployment levels seemed to have been fairly equal (William H. Harris, *The Harder We Run*, Oxford University Press, 1982; Allan H. Spear, *Black Chicago: The Making of a Negro Ghetto 1890–1920*, University of Chicago Press, 1967), at least in prosperous periods. Race-labeling of occupations was common, but there were many unskilled jobs available. In the post WWII period it is rare to find separate wage schedules, except in the South. With greater wage equality in the 1960s, discriminatory labor practices may have led to increased unemployment differentials.
42. There is more formal occupational segregation in the South and less residential segregation by census tract.
43. Pack, "Determinants of Migration."
44. William O'Hare, Jane-yu Li, Roy Chatterjee and Margaret Shulur, "Blacks on the Move: A Decade of Demographic Change" (Washington, D.C.: Joint Center for Political Studies, 1982).
45. U.S. Bureau of the Census, "Proportion of Blacks Living in the South Grows for the First Time This Century, Census Bureau Reports," Press Release CB90–07 (January 10, 1990).
46. Ibid.
47. This combines male and female migrants, from U. S. Bureau of the Census, *Mobility for Metropolitan Areas, 1980*, Census of the Population, Population Subject Report, final report (U.S. Government Printing Office, 1985).
48. Ibid.

Appendix

SMSA	Net Male In-Migration, 1965-70	
	White	Black
AKRON	-2359	94
ATLANTA	28652	3951
BALTIMORE	-3650	404
BIRMINGHAM	-3666	-5609
BOSTON	-40331	10900
BUFFALO	-30168	5911
CHICAGO	-151006	51531
CINCINNATI	-20539	12207
CLEVELAND	-48213	19537
COLUMBUS	-4364	3643
DALLAS	26194	16776
DAYTON	912	44
DENVER	24922	706
DETROIT	-99457	54117
GARY	14912	1104
HARTFORD	7405	1337
HOUSTON	22558	34041
INDIANAPOLIS	-5937	3668
JACKSONVILLE	1841	-905
KANSAS CITY	-22101	15105
LOS ANGELES	-210060	115917
LOUISVILLE	-2225	-245
MEMPHIS	6562	-2132
MIAMI	-29065	45327
MILWAUKEE	-23235	2277
MINNEAPOLIS	83594	931

Appendix

SMSA	Net Male In-Migration, 1965-70	
	White	Black
NASHVILLE	-132	447
NEW ORLEANS	-33977	18525
NEW YORK	-349941	74469
NEWARK	-89929	59366
NORFOLK	11638	-268
OKLAHOMA CITY	794	-670
OMAHA	-5456	57
PATERSON	-14085	761
PHILADELPHIA	-97828	86091
PHOENIX	32724	-307
PITTSBURGH	-61737	25283
RICHMOND	3307	1115
ROCHESTER	1404	1788
SACRAMENTO	-2388	1865
SAN ANTONIO	11942	1593
SAN BERNARDINO	30452	2951
SAN DIEGO	67550	8677
SAN FRANCISCO	-56822	53844
SEATTLE	45404	986
ST. LOUIS	-67705	48864
TAMPA-ST. PETERSBURG	43014	10032
TOLEDO	-922	239
WASHINGTON	124021	76978
YOUNGSTOWN	-2518	83