

INTRODUCTION

IN THE FALL of 1938, Gunnar Myrdal, a Swedish economist and eventual Nobel Prize winner, began his fact-finding tour of the American South. His trip, part of a broader study of race relations in America, was supported by the Carnegie Corporation. At the time, war was threatening in Europe and the United States positioned itself as the champion of freedom against the forces of fascism. Yet Myrdal was struck by the contradiction at the heart of the nation: even as the country adopted the role of defender of democracy, a group of its citizens was disenfranchised and denied basic liberties because of the color of their skin.

As Myrdal embarked on his travels, 75 percent of black Americans lived in the South, the region in which racial restrictions on political and economic freedoms were most severe. However, Myrdal emphasized that the “Negro problem” was not merely a southern failing but, rather, a fully “American dilemma.” Northerners often turned a blind eye to the conditions under which many southern blacks worked, raised their families, and struggled to be full participants in the democratic process. This dilemma would only be confronted—and perhaps resolved—when northerners better understood the barriers that blacks faced; Myrdal ([1944] 1962, 48) believed that northerners would “get shocked and shaken in their conscience when they learn the facts.”

Northern awareness of the “Negro problem” was hastened by mass migration of poor black southerners to northern and western cities. Seven million black migrants left the South during the twentieth century, with the highest outflow in the 1940s. By 1970, for the first time since the country’s founding, the majority of black residents lived outside of the South, the region where their parents and grandparents had toiled in slavery a few generations before. The black share of the population in the typical northern or western city, where black residents were still a rarity at the turn of the twentieth century, increased from 5 percent in 1940 to 22 percent by 1970.¹

¹ Woodson ([1918] 1970, 180), writing a generation earlier, was less sanguine about the role of migration in improving race relations, arguing that “the maltreatment of the

For black migrants, the North held out a promise of social and political equality. In cities like Chicago and Philadelphia, blacks did not need to sit at the back of the bus or drink from water fountains marked “colored only.” School buildings were not doubled, one for black children and the other for whites, but instead black and white children could attend school together (even if they rarely did). Black residents expressed themselves at the ballot box and even elected members of their own community as representatives in city councils or in Washington.² Just as important, black workers could find a wider array of well-paid industrial jobs in the urban North and often received higher pay even for the stereotypically “Negro” positions that were also available in southern cities (such as cook, porter, and driver). The South was a low-wage region in general and especially so for black workers. The average black worker in the North and West earned nearly 200 percent more than his counterpart in the South in 1940.³

As Myrdal ([1944] 1962, 200) predicted, the economic benefits of “migration to the North and West [were] a tremendous force in the general amelioration of the Negro’s position.” Migration from the low-wage South to the higher-wage North contributed to the national growth of black earnings and the (partial) closure of the black-white earnings gap. During the twentieth century, the ratio of black-to-white earnings for the average male worker increased from less than 40 percent to nearly 70 percent. Much of this change was concentrated in the 1940s and the 1960s, two periods of mass black out-migration from the South. Quantitatively, rising levels of black education (in both quantity and quality) contributed most to improvements in relative black earnings. But migration also played a role. James Smith and Finis Welch (1989) conclude that mass migration from the low-wage South

Negroes will be nationalized by this exodus.” He believed that discrimination could only be ameliorated by collective action on the part of the black community, including union activity and bloc voting.

² By 1980, five of the ten most popular destinations for black migrants in the North had elected a black mayor (Cleveland, Cincinnati, Detroit, Los Angeles, and Oakland), along with two satellite cities (Gary, IN, close to Chicago, and Newark, NJ, near New York City). Nye, Rainer, and Stratmann (2010) document improvements in the economic outcomes of black residents after the election of a black mayor, particularly via increases in municipal employment, with no corresponding decline in white outcomes.

³ Whites also experienced a sizable regional earnings gap. The mean white worker in the North and West earned 65 percent more than the mean white worker in the South.

can account for 20 percent of the black-white convergence between 1940 and 1980.⁴

Upon arrival in the North, black migrants' earnings quickly caught up with those of their northern-born black counterparts. Some contemporary observers expected that, within a generation, southern black migrants would close the economic gap with northern whites as well. After all, southern blacks were just the latest in a long line of migrants to settle in northern cities, following waves of Irish and German and then Italian, Polish, and Jewish arrivals from Europe. As Oscar Handlin (1959, 120), a prominent early historian of immigration to the United States, reasoned, black migrants would "follo[w] the general outline of the experience of earlier [white] immigrants," who quickly moved up the occupational ladder, using their newfound savings to buy their own homes and provide education for their children.

In hindsight, it is now clear that the optimistic predictions of those who, like Myrdal and Handlin, believed in the transformative power of mass migration did not come to pass. Despite the promise of the North, black migration to industrial cities did not lead to economic parity with whites either for the migrants themselves or for their children.⁵ The black-white earnings ratio in the North remained nearly unchanged from 1940 to 1980, despite a period of short-lived improvement in the late 1960s and early 1970s. Moreover, the residential isolation of northern blacks in majority-black neighborhoods increased as the migration got underway, due primarily to the departure of urban white households from central cities. By 1970, 70 percent of black residents in northern and western cities lived in majority-black neighborhoods, many of which were characterized by high rates of poverty and crime. As James Grossman (1989, 265) writes, the "dreams embodied in the Great Migration eventually collapsed" when the frustration borne of stagnant economic opportunities and deteriorating neighborhoods in northern cities culminated in a burst of urban unrest in the mid-1960s.

The standard explanation for slow black economic progress in the North emphasizes two demand-side forces: a weakening of the Ameri-

⁴ Maloney (1994) reports a similar figure for the contribution of migration to black-white earnings convergence in the 1940s.

⁵ The northern-born children of southern black migrants cannot be directly identified in the Census because, after 1940, the Census does not record parental state of birth. However, the black-white earnings gap in the North has remained relatively unchanged since 1980, despite the entry of many children of southern black migrants into the labor force.

can manufacturing sector after 1960 and racism in northern labor markets.⁶ European migrants who settled in U.S. cities circa 1900 enjoyed four or five decades of American manufacturing ascendancy. Black arrivals in the 1940s benefited from only a decade or two of plentiful blue-collar positions before American manufacturing was eclipsed by global competition. Furthermore, although European immigrants faced some discrimination in the labor market, they were able to assimilate into the white majority relatively quickly, a feat that most black migrants, marked by the color of their skin, could not achieve.⁷ The racial barriers faced by blacks in the labor market and housing market were both more severe and more persistent.

This book adds a supply-side element to the story. The persistent influx of black migrants to northern labor and housing markets created competition for existing black residents in an economic setting already constrained by weakening labor demand and northern racism. New migrants expanded the supply of black workers competing for the limited set of jobs open to black applicants, keeping black wages in the North low. Black migrants were closer substitutes for existing black workers than for whites with similar observable characteristics (such as years of education). In part, the lack of substitutability by race reflects the fact that some employers restricted black employment to the dirtiest and most unpleasant jobs in northern factories. Furthermore, many black students attended poorly equipped and understaffed schools, especially in the South, and therefore were often less productive than whites who held similar credentials on paper.⁸

In urban housing markets, the often invisible—but all too palpable—barriers dividing white and black neighborhoods initially held firm as new migrants arrived, heightening demand for the already cramped

⁶ Manufacturing remained a steady 30 percent share of non-farm employment from 1910 to 1960, before declining to 18 percent by 1990 and just under 10 percent by 2006 (Carter and Sobek 2006; International Trade Administration 2010). Calculations from IPUMS data suggest that northern “rust belt” regions of the east north-central and mid-Atlantic experienced a similar percentage decline in manufacturing shares from 1960 to 1990.

⁷ Abramitzky, Boustan, and Eriksson (2014) have recently questioned the standard narrative of European immigrant advancement, demonstrating that much of the apparent convergence between immigrants and natives is due to changes in the skills of arrival cohorts over time and selective return migration. In fact, immigrant groups that started out with earnings below those of natives experienced only a minor amount of convergence in a single generation.

⁸ Blacks were closer substitutes with foreign-born whites, many of whom were educated in poorly developed prewar school systems in southern and eastern Europe.

and expensive apartments in black enclaves.⁹ Seeking relief from high rents, black households were often willing to outbid white households for units on the blocks that stood at the dividing line between black and white areas. As the racial composition of these boundary neighborhoods began to change, some white households intensified their efforts to “defend” their communities, forming neighborhood associations to limit black entry through overt violence and intimidation or more subtle legal or social pressures. Other households chose the less strident but perhaps more effective option of leaving the city altogether for newly built and racially homogeneous neighborhoods in the suburban ring.¹⁰ The possibility of choosing “flight” over “fight” was an outcome of the specific historical moment, following World War II, in which black migration reached its apex. In these years, movement to the suburbs was facilitated by new housing construction on the suburban ring and by state and federal road-building programs that enabled residents of these bedroom communities to quickly and easily commute by car to jobs in the central city.

For some white households, moving to the suburbs was a response to actual or anticipated changes in the racial composition of their local neighborhood. Yet many white households in the central city lived in peripheral neighborhoods far from a black enclave. In 1940, the average white resident lived more than three miles from a majority-black neighborhood, and these outlying neighborhoods remained resoundingly white as late as 1970. Even if white households could successfully isolate themselves from black neighbors while remaining within the city limits, a larger black population in the central city still had the potential to affect urban politics and local public goods. Moving to the suburbs offered white middle-class households political autonomy from an in-

⁹ Although the boundaries between white and black neighborhoods were often unmarked, in some cases, white residents erected physical barriers to separate their neighborhoods from adjacent black areas. Famous cases include the Peyton Forest neighborhood of Atlanta (Kruse 2005, 1–3) and the border between Cleveland and Shaker Heights, OH (Martin 1987). Even absent a physical barrier, certain streets or landmarks often became known as the de facto boundary between white and black neighborhoods; one example is Troost Avenue in Kansas City, which became known as the “Troost Wall” (Gotham 2002, 93).

¹⁰ Collective actions to defend a neighborhood, such as protests and firebombings, leave a stronger imprint in the historical record. In contrast, individual household decisions to leave the city leave little trace, save on aggregate population statistics. White flight is an inherently private activity; as Seligman (2005, 6–7) describes the process, many residents “quietly watched the transformations around them, discussed their dismay with family members at the kitchen table, and left without consulting anyone else.”

creasingly black and poor urban electorate. Initially, such citywide concerns were fiscal in nature, focused on property tax rates and spending priorities. Race itself became more important in the 1970s after court-ordered desegregation plans challenged the practice of assigning children to neighborhood schools.

MAIN THEMES OF THE BOOK

Competition in the Promised Land explores the effect of black in-migration on destination cities and labor markets in the North during the mid-twentieth century. The book's title is a take on *Manchild in the Promised Land*, Claude Brown's (1965) semi-autobiographical tale of growing up in Harlem as the son of southern sharecroppers. To his parents' generation, Brown writes, New York City was "the 'promised land' that Mammy had been singing about in the cotton fields" (1965, 7). But the reality of northern life was less halcyon. Recent arrivals worked hard, replacing "the sore backs of the cotton field for the sore knees of domestic service" (1965, 8). Despite these disappointments, Brown believed that migrants were "better off" in the "frying pan" of New York than in the southern fire. This study provides a new assessment of the benefit of migration to the migrants themselves, alongside a consideration of the effect of these large migrant flows on receiving areas in the North and West. In so doing, the book provides a number of contributions to our understanding of the role of the Great Black Migration in American history.

First, I show that the black migration produced winners and losers in the black community. By competing both with existing black workers and with each other, southern black men who arrived between 1940 and 1970 lowered the wages of black male workers in the North by nearly \$4 billion a year overall (in 2010 dollars). This value represented a loss of around \$1,000 per worker, or 10 percent of median black earnings in the North in 1940. I show that, if not for the continued migration, black workers would have experienced higher wage growth in the North but still would not have achieved economic parity with whites by 1970.

Competition with in-migrants in the North, while substantial, was smaller than the annual return to migration enjoyed by the migrants themselves, which I estimate to be, in aggregate, \$10.2 billion per year (around \$5,400 per migrant in 2010 dollars). These new estimates of the economic return to migration from the South are based on a compari-

son of southern-born brothers, one or more of whom moved to the North. Overall, mass migration from the South was advantageous to the average black worker. But the benefits of migration came, in part, at the expense of black economic advancement in the North and, as a result, can help explain the slow progress in northern cities in the years leading up to the urban unrest of the 1960s.¹¹ A similar dynamic of in-group competition was present for earlier immigrants from Europe, but these communities benefited (ironically) from the border restrictions of the 1920s.

Second, I offer causal evidence that white households left central cities in response to black in-migration, a phenomenon known as “white flight.” The growth of the suburbs can be attributed to a number of factors, including federally subsidized mortgage credit, rising incomes in the decades following World War II, and federal and state road-building projects. In his seminal work on suburban history, Kenneth Jackson (1985, 290) concludes that these “economic causes [were] more important than skin color in the suburbanization of the United States.” Even if economic factors were paramount, I show that white flight resulted in substantial outflows from already hemorrhaging cities, with more than two white residents leaving a northern city for every black arrival.¹² My most conservative estimate implies that white flight can account for around one-quarter of total population loss from central cities in the mid-twentieth century. In other words, even absent black in-migration, northern cities would still have lost a substantial amount of population and employment to the burgeoning suburbs.

Third, I argue that the motivations for white flight extended beyond apprehensions about immediate black neighbors to concerns about how the racial and income composition of the city *as a whole* would affect taxes and local public goods. A sizable literature in both economics

¹¹ A full accounting of the economic effect of migration would also consider the consequences of migrant departure on the southern economy. The fall in black labor supply in the South may have buoyed southern black wages. More speculatively, out-migration may have weakened southern resistance to civil rights legislation; on this point, see Alston and Ferrie 1993. Wright (2013, 18, 34) disagrees, arguing that out-migration from the region “did not disrupt the racial order” in the South and perhaps even “provided the safety valve that kept the southern system running smoothly.”

¹² Many southern cities also received black migrants from rural areas and experienced similar patterns of white flight. Kruse (2005, 12) argues that there were “more similarities than differences” in the white response to black arrivals in the North and the South. Kruse reports that, as in northern cities, whites in Atlanta used both collective strategies of defending their neighborhoods against black arrivals and individual strategies of relocation to the suburbs.

and sociology investigates the dynamics of neighborhood change. There is general agreement that white households tend to leave neighborhoods that have a large or growing black population share. Yet many households living in protected white enclaves within the central city also chose to relocate to the suburbs as black households arrived across town.

Regardless of their location, all white households within the city limits had to interact with blacks newcomers, albeit indirectly, through the urban tax base and municipal elections. Desire to avoid such *fiscal/political interactions* with a growing black population provided some households with the impetus to move to the suburbs, a motivation that was intensified by court-ordered desegregation in the 1970s. Stressing the importance of local political economy in the process of white flight accords with work by Robert O. Self (on Oakland) and Kevin Kruse (on Atlanta), among others. These studies maintain that the roots of suburban distinction lie not only in the suburban housing stock and neighborhoods but also in the political autonomy of suburban towns from central cities.

I document the role of fiscal/political interactions using an original data set of housing prices collected along more than one hundred municipal borders. In particular, I find a price penalty for housing units located on the urban side of the city-suburban border and show that this gap widens as the city *as a whole* becomes more racially diverse. Before 1970, the demand for suburban residence at the border can be entirely explained by the correlation between race and median income. Municipalities with poorer residents tended to have higher property tax rates and more spending per capita on non-educational services, two features that the typical homeowner sought to avoid. After 1970, with the advent of court-ordered desegregation in some northern districts, race played an increasingly important role in this form of white flight.

The argument in the book unfolds over five chapters and an epilogue. Chapters 1 and 2 provide new evidence on black migrants themselves: when migrants left the South; who was most likely to make the trip; and where migrants settled in the North. Chapters 3–5 consider the consequences of these migrant flows on the labor and housing markets in the North and West. The epilogue extends the central trends in the book—regional black migration, racial wage convergence, and white flight from central cities—to the present.

Black mobility rose steadily after emancipation as a result of increasing migration flows within the South and new migration streams to the North. Migration to the North increased circa 1915, prompted by the confluence of rising labor demand in northern factories during World War I; a temporary freeze on immigration from Europe, which encouraged northern employers to consider alternative sources of labor supply; and falling labor demand in southern agriculture. Once black migration to the North began, numbers swelled rapidly, with new arrivals assisted by friends and family who themselves had recently settled in the North. Migration flows peaked between 1940 and 1970 and fell thereafter.

Out-migration rates were particularly high from cotton-growing regions of the South and from southern counties that most strongly supported segregation of the races. In leaving the South, migrants tended to head due north, following train lines and established migration routes. The five most popular destinations in the North—New York City, Chicago, Detroit, Philadelphia, and Los Angeles—absorbed around 60 percent of the black migrant flow, but black migrants settled in nearly every large northern and western city during this period.

Previous scholarship emphasized that migrants to the North were more educated than blacks who remained in the South, suggesting that migrants were positively selected from the southern population. Using a novel data set of individuals linked across Census years, I find that the selection of black migrants out of the South was bimodal. Fathers employed in both low- and high-skill positions were more likely to have sons who migrated to the North, as compared with fathers in mid-skill occupations. This pattern is more consistent with economic theory, which predicts that unskilled workers would have had the strongest pecuniary incentive to leave the South, where pay for low-skilled work was especially meager. High-skilled black migrants may have been particularly motivated by the political and social freedoms available in the North.

Since 1980, black migration has reversed course, with net black migration now flowing to the South. Black in-migration outpaces national movement toward Sunbelt cities. Even though black in-migration to northern cities has tapered off, relative black wages have not rebounded in the North and white flight has not reversed course (despite media reports of a “return to the city”). The stagnation of relative black earnings in the North from 1970 to 2010 points to the continued

role of falling labor demand in American manufacturing, compounded by competition from new migrant arrivals from Mexico and Central America.

METHODOLOGICAL APPROACHES

The new findings in the book emerge from three methodological approaches that are common in economics and economic history but are relatively new to the analysis of the Great Black Migration. First, rather than providing a textured history of black in-migration into one city, I analyze migration flows throughout the North and West. Much of what we know about the consequences of black migration in receiving areas stems from detailed histories of large cities, especially Chicago and Detroit. Although historians have recently expanded their focus to include smaller cities and the West, it is hard to draw wider conclusions from a series of case studies alone. I am able to show, for example, that white flight occurred throughout the Northeast and Midwest (although less so in the West) and was particularly strong in larger cities and cities without a large preexisting black community.

Second, I analyze individual Census records that together aggregate the experience of thousands of northerners, both black and white. Changes in annual earnings provide evidence of competition between southern black migrants and northern workers, while fluctuations in housing prices reveal shifts in the demand for living in central cities. These effects are not discernable from standard historical sources, including oral histories, newspaper reports, and government documents. Furthermore, standard sources may overemphasize the most extreme responses to black in-migration, such as violent protests to defend white neighborhoods. Broader trends in population flows and housing prices provide insight into the response of the more “typical” urban resident.

Third, each stage of my analysis is grounded in an economic framework that considers the relative benefits and costs of individual actions within a set of existing constraints. For example, individual-level models of the migration decision emphasize the relative benefits of remaining in one’s current location versus moving elsewhere. This approach generates useful predictions about which black southerners should be most likely to move to the North. I also apply models of the labor and housing markets to predict which workers would be most likely to compete with black newcomers; how many existing residents can be

expected to leave the central city as black migrants arrive; and how changes in demand for city residence would be reflected in local housing prices.

Contemporary observers noted the potential for southern black inflows to threaten the economic standing of existing black residents as early as the 1920s, when W.E.B. Du Bois (1923, 539) cautioned that a “great reservoir of [southern black] labor” could reduce black wages in the North and generate tension between blacks and whites over residential space. This sense of rivalry can explain the ambivalence with which blacks in the North greeted subsequent arrivals. Black migrants remember meeting “a chilly reception from many longtime black residents who feared the newly arrived blacks . . . would jeopardize their tenuous position” (Trotter 1985, 115).¹³

Competition between longstanding migrants and recent arrivals in labor and housing markets is not unique to the black experience. Jewish immigrants, many of whom worked in the garment industry, embraced their fellow countrymen but also worried about overcrowding in their occupational niche, even going so far as to support the resettlement of thousands of new arrivals out of New York City via a self-help group called the Industrial Removal Office. In more recent years, swelling numbers of immigrants from Mexico and Central America have generated competition and lowered wages for immigrants who hold a similar set of jobs in gardening, housekeeping, construction, and restaurant work, with little effect on the wages of the native born.

To the extent that immigrants arrive with a similar set of skills and settle in the same neighborhoods, they are more likely to compete for jobs and housing with others from their country of origin. But the stronger the discriminatory barriers that a group faces, the more difficult it is for existing residents to switch occupations or move out of the old neighborhood, and therefore the more concentrated the force of this competition will be. Thus competition was arguably more severe within the black community than among other immigrant groups.

In previous work, two prominent sociologists, Stanley Lieberson (1980) and William Julius Wilson (1987), suggested that continued black in-migration may have had negative consequences for existing black residents of the North. Both scholars were interested in explaining how

¹³ On this point, see also Drake and Cayton [1945] 1962, 73–76. Sides (2003, 37) describes this process in Los Angeles: “Some celebrated the influx . . . [because it] brought potential new customers and business opportunities. . . . Others perceived the waves of new migrants as a serious threat to the black community.”

blacks failed to get ahead in the same cities that had nurtured white immigrant groups just a generation before. Blacks, they argued, suffered from the inherent openness of the Mason-Dixon Line, while white immigrants benefited from the strict immigration quotas of the 1920s. Wilson (1987, 33) calls “the flow of migrants . . . the most important single contributor to the varying rates of urban racial and ethnic progress in the twentieth-century United States.”

Although southern migrants harmed some existing black workers in the northern labor market through job competition, they also served as patrons for black churches, entertainment venues, and businesses, generating a livelihood for black preachers, teachers, politicians, and other professionals (Drake and Cayton [1945] 1962).¹⁴ Members of these professions enjoyed high levels of education and thus were the most likely to express their views in print; fervent editorials in favor of the migration in black newspapers, particularly the *Chicago Defender*, are a case in point. Perhaps as a result, some historians have emphasized the positive consequences of the migration in receiving cities, overlooking the costs borne by black workers in the industrial setting.¹⁵ However, as Isabel Wilkerson (2010, 271) concluded from a series of interviews with participants in the northward migration, “even as the Migration was a bonanza for the colored storekeepers and businessmen, it meant more competition for the already limited kinds of jobs blacks were allotted.”

I should emphasize that my focus on competition in labor and housing markets is quite distinct from the (now outmoded) view that migrants harmed existing black residents by importing a maladaptive southern culture to the North, characterized by high rates of male idleness and female household headship. This idea was first voiced by black social reformer Sadie T. Mosell in the 1920s and echoed by E. Franklin Frazier (1939, 295), who bemoaned the fact that “masses of ignorant, uncouth and impoverished migrants . . . changed the whole structure of the Negro community.” Gilbert Osofsky picked up this theme in the 1960s. More recently, this view has been advanced rather uncritically by Nicholas Lemann (1991, 31) who, in his sweeping chronicle of the black migration, declared that “black sharecropper society . . .

¹⁴ Boyd (1996, 1998a, 1998b) finds that cities with a larger black population had more black entrepreneurship in many realms, including religious institutions, beauty salons, and general business ownership.

¹⁵ Gregory (2005) and Sugrue (2008), for example, have highlighted the role that northern migrants played in black political organizing and the birth of the civil rights movement.