

**The Great Migration and the Economic Status of African-Americans  
Since the Great Depression: Puzzles and Paradoxes<sup>1</sup>**

**William A. Sundstrom  
Dept. of Economics  
Santa Clara University  
Santa Clara, CA 95053  
wsundstrom@mail.scu.edu**

**Draft of March 12, 1998**

***Introduction***

In my comments for this session, I wish to focus on what economists and economic historians have learned in recent years about the impact of the great northward migration on the economic status of African-Americans since the period of the Great Depression. At first glance, the answer seems obvious. For much of this century, the earnings and economic opportunities of black workers residing in the South were dismal. Although opportunities were also constrained in the northern cities that received the black migrants, there can be little doubt that the migration had a direct and positive effect on the economic status of most. The regional income differential for black workers both served as an economic incentive that helped spur the migration and, once the migration was underway, played a significant role in the overall narrowing of the earnings gap between blacks and whites that occurred between 1940 and the mid-1970s.

But recent work suggests numerous caveats to this optimistic narrative of escape from southern bondage into northern opportunity. First, the North's reputation as a promised land has

---

<sup>1</sup> Comments prepared for Conversations session, "Lessons from the Great Migration: Labor Markets and the Economic Status of African-Americans," Annual Meeting of the Organization of American Historians, Indianapolis, April 2, 1998.

become severely tarnished: black opportunity and advancement were thwarted by residential segregation, labor-market discrimination, and adverse shifts in the demand for. Furthermore, the story's ending is still being played out and is not thusfar entirely satisfying. The same broad averages that record relative economic progress into the 1970s tend to show stagnation thereafter; they also obscure what some have characterized as a bifurcation within the African-American population between an advancing middle and upper class and a stagnant "underclass."

My goal here is to evaluate the effects of the Great Migration in the context of other forces for change in the economic status of African-Americans.<sup>2</sup> There are two broad historical questions to address. First, how did the structure of economic opportunity for blacks evolve over the course of the century, and what was the place of migration in this evolution? The answer must incorporate developments on both the supply side of the labor market, such as improvements in the quantity and quality of education for African-Americans and the physical migration of black workers into new markets, and the demand side, such as changes in discrimination and the sectoral structure of labor demand. Second, what are the persistent effects of this historical legacy on black economic progress? In recent years economists have become quite interested in economic models that exhibit path dependence — a technical way of saying that history matters. But it is not enough to claim that it does. The issue is how, and how much?

### *The Great Migration and relative black earnings*

There are various dimensions of "economic status" that might be compared between the

---

<sup>2</sup> In focusing on the effects of migration I downplay the interesting issues surrounding the timing, patterns, and causes of the migration itself — see Joe Trotter (1991) and William Collins (1997) for some recent work in this area.

racess. In these comments I want to focus on three dimensions related to the labor market: earnings, occupations, and unemployment. Earnings receive the most attention from economists, although as I will argue in a moment, this may miss some important phenomena. I start with an overview of the evolution of the racial earnings gap and consider the impact of the Great Migration on it. One important deficiency in the research on comparative earnings that must be noted from the outset is that most (though not all) of it refers to men only. Care must be taken not to assume that the analysis for men applies in a similar fashion to the case of women: in fact, as we shall see, the Great Migration had different effects on the earnings of men and women.

Most of what we know about the evolution of relative black and white earnings within the United States and its regions comes from the federal census, which began collecting information on incomes in 1940. Racial comparisons of pay are available before that date, but they are typically quite restrictive in their occupational or locational coverage (for examples see Robert Higgs 1989; Gavin Wright 1986). The national trend in the racial earnings gap between 1940 and 1980 can be seen in Figure 1, broken down by gender. At the end of the Great Depression, the average earnings of an African-American man or woman were well under half the earnings of the average white man or woman (of course, women also earned considerably less than men). The racial earnings gap narrowed substantially during the 1940s, stagnated during the 1950s, and narrowed again between 1960 and 1980.<sup>3</sup> Annual data show that most of the latter gain came between 1965 and 1975. By 1980, black women had achieved rough earnings parity with white women, whereas a significant gap still remained for men. Since the mid-1970s, relative earnings for blacks have stagnated and, for women at least, deteriorated somewhat (see Figure 2).

---

<sup>3</sup> Measures of economic status based on occupational distribution show a similar temporal pattern (see Reynolds Farley and Walter Allen 1987, pp 264-65).

An estimate of the national earnings gap for census dates prior to 1940 can be constructed using census occupational data. Such a series for men, created by James Smith (1984), is presented in Figure 3, along with the census annual earnings ratio for comparison after 1940. Smith's series assigns a race-specific income to each occupation, and then calculates the racial income gap that is implied by each race's occupational composition. Smith's series can only capture changes due to occupational shifts, not changes in the racial gap within occupations. It is clear from the figure that the Smith series severely underestimates the pace of relative black progress after 1940. Imperfect though they are, his numbers do suggest that most of the action in the story of racial convergence in earnings comes after the 1930s.

Economists and economic historians seem to agree on a list of the likely causes of the narrowing racial earnings gap, but there remains considerable dispute over the relative importance of these causes. The list contains three major factors: (1) improving relative black education, in terms of both quantity and quality of schooling (the "human capital" theory); (2) migration to the North; and (3) declining discrimination in the labor market. Of course, the explanations are not independent of one another: for instance, by migrating to northern cities, black workers may have encountered less discrimination by employers or white employees; their children may have had access to better schools.

This is not the place for a lengthy discussion of the status of the debate over the relative strength of these factors, but a few comments can place the role of migration in context. The strongest case for the role of improving education has been made by Smith and Finis Welch (1989) — their analysis is restricted to men. It is well-known that the relationship between schooling and earnings is a positive one, and that the racial gap in educational attainment narrowed substantially between 1940 and 1980. These facts together suggest an important role

for education in the convergence of earnings. But how important? A salient feature of the role of education is that the majority of its effect on the earnings of black men has come in the form of an increased return to each additional year of schooling. For Smith and Welch, this increased return is indicative of improvements in the quality of schooling for African-Americans. But the increased return could also be due to declining discrimination in the market for skilled (more-educated) labor (John Donohue and James Heckman 1991). Although increases in the quality of schooling for blacks undoubtedly played a role in wage convergence, its role was probably rather modest (David Card and Alan Krueger 1992).

The evidence for the role of declining discrimination is less easily quantified, but certain features of the timing suggest that it was significant. As Donohue and Heckman (1991) point out, the pace of relative black economic progress has been uneven. The most recent period of rapid progress, roughly between 1965 and 1975, began with major federal initiatives in the areas of civil rights and equal employment opportunity. An important aspect of the convergence in black-white earnings during this decades is that it was due almost entirely to convergence within the South (Donohue and Heckman 1991). It seems likely that some combination of the civil rights movement, federal interventions, and the desire of southern business elites to integrate their regional economy into the national economy contributed to the breakdown of the most blatantly discriminatory practices within the southern labor market (Warren Whatley and Wright 1994; Wright 1986).

What role does all this leave for migration in explaining the narrowing of the racial earnings gap? The direct effect of migration on the earnings gap was due to the net movement of black workers from the low-wage rural South to the higher-wage urban North. For given levels of education and work experience, black men residing in the South earned about 30 percent less

than black men in the North throughout the 1940s and 50s (Smith and Welch). The regional gap was of comparable magnitude among women (James Cunningham and Nadja Zalokar 1992). This regional differential began to narrow substantially during the 1960s and 1970s, coinciding with the changes discussed in the preceding paragraph. Whites also suffered lower pay in the South, though the magnitude was on the order of a 10 percent deficit before 1960.

For men, results from a standard methodology for quantifying the measurable causes of changes in the wage gap indicate that migration accounted for about a quarter of the overall narrowing of the racial earnings gap during the entire period 1940-1980, about half of that coming during the single decade of the 1940s (see Smith and Welch 1989; Thomas Maloney 1995). The standard methodology may overstate the direct effect of migration, however, to the extent that the workers who moved north and into the cities tended to be higher-paid workers. There is certainly evidence that the average black mover had more years of schooling than the average stayer (Robert Margo 1990, ch. 7), and it may be that the better-skilled along many dimensions were more likely to pursue opportunities in the North. Migration's effect on the racial earnings gap was unimportant after 1965, by which time the net population flow from South to North had become insignificant in size. A particularly interesting aspect of the migration effect is that the contribution of urbanization per se is of roughly the same magnitude as the contribution of the regional move out of the South (Smith and Welch 1989).

For women, the direct effect of migration appears to have been considerably smaller than it was for men, both in absolute magnitude and as a proportion of the gain in earnings relative to whites. According to one estimate, migration (including both regional and rural-urban) contributed less than 10 percent to the closing of the racial pay gap for women between 1940 and 1980 (Cunningham and Zalokar 1992). The fundamental story of black women's economic

progress during the postwar period is their breakthrough into clerical and related occupations, particularly during the 1960s, and the associated declining importance of domestic service (Cunningham and Zalokar 1992; Mary King 1993).

This summary suggests that the direct effect of northward migration on African-Americans' earnings in the labor market was actually quite circumscribed. Its major impact was felt by men during the 1940s, with a continuing impact on relative wages until the mid-1960s. Overall, the direct contribution of migration was large but not dominant. After 1960, events taking place within the South became the driving force in the process of wage convergence for men. Among women, migration per se was probably never a large direct factor in the quite remarkable post-Depression convergence of black and white earnings.

These limited direct effects no doubt oversimplify and understate the true historical significance of the Great Migration in the process whereby economic opportunities for African-Americans were improved and racial earnings differences were narrowed. First, I have not provided a proper counterfactual. One might imagine what would have happened had the African-American population been "forced" to remain in the South. The collapse of demand for agricultural labor in the South during the 1940s and 1950s might have had truly disastrous effects on black incomes in the absence of a migration "safety valve." The standard methodology for estimating the effect of migration on incomes does not take proper account of the adjustments that would have occurred in the labor market in the absence of migration.

Second, I have entirely ignored intergenerational issues. As the population shifted north, a growing percentage of black children were educated in northern schools that, for all their deficiencies, were for a time superior to schools for black children in the South. Finally, events within the South did not take place within a vacuum — in particular, the Great Migration had

profound effects on national politics that influenced federal policy and ultimately fed back on racial politics and norms in the South. Of course these political changes were also the consequence of broad changes in the relationship of the southern economy to the nation as a whole and the changing character of national party politics (e.g. Wright 1986). Separating out the singular contribution of the Great Migration to this process is probably an exercise in futility.

### ***Discrimination and black economic progress in the North***

The slowdown of improvements in the relative economic status of African-Americans since the mid-1970s is undoubtedly one of the most-analyzed and politically charged issues in the social sciences. Much of the analysis focuses on developments of the past 25 to 30 years: the changing industrial and geographical structure of the American economy, the effects of government transfer policies, etc. The extent to which contemporary urban poverty has longer-term historical roots has received less attention, although some historians have attempted to fill this gap (see especially the essays in Michael Katz 1993). In this section I examine how the structure of opportunity in the North was shaped by discrimination and shifts in the demand for labor.

The role of discrimination as a constraint on black economic progress in the North is by now well established, at least qualitatively. In the labor market itself, discrimination placed limits on the industries and occupations that were open to black workers. Many industrial firms simply refused to hire any black workers at all (Steven Gelber 1974; Higgs 1977; Whatley 1990; Thomas Sugrue 1997). Where they were hired, black workers were often restricted to low-level occupations and undesirable working conditions, with very limited opportunities for advancement (Horace Cayton and George Mitchell 1939; Donald Dewey 1952; Maloney 1995). The very fact

that black workers' opportunities were severely limited permitted the firms that did hire them (such as the Ford Motor Company) to obtain a stable workforce even in the kinds of jobs that would have led to high turnover among whites with better alternatives (Maloney and Whatley 1995). Black women were excluded almost entirely from clerical occupations. In 1940, about half of white working women with a high school diploma held clerical jobs, whereas only 7 percent of their black counterparts did (King 1993).

Patterns of occupational discrimination often conformed to widely held (by whites) social norms governing race relations; specifically, black workers were not to hold positions of authority over white workers, nor to work in certain settings of close social proximity to whites as fellow workers or customers (Dewey 1952; Gelber 1974; Sundstrom 1994) . Work relations between black men and white women were, of course, particularly circumscribed. Although occupational segregation by race was more severe in the South than the North, the structure of segregation was actually rather similar in both regions. The occupations from which blacks tended to be excluded in the South were also the occupations from which they tended to be excluded in the North, even after controlling for the educational requirements of the jobs (Sundstrom 1994). In my view, this suggests that the Color Line, although drawn more sharply in the South, had a similar "contour" in northern labor markets.

Recent work has also emphasized the role of *residential* segregation in the economic status of African-Americans in urban areas. By 1940, northern cities were highly segregated by race — as much so as southern cities (Douglas Massey and Nancy Denton 1993, p. 47). Two adverse economic effects of residential segregation have been emphasized recently: the spatial concentration of poverty, with its associated social dislocations (Massey and Denton 1993), and the spatial mismatch between residence and jobs under a changing geography of labor demand

(John Kasarda 1989 and William Wilson 1987, 1996). Although Wilson, drawing on Kasarda's work, has emphasized the role of spatial mismatch since the 1970s, Sugrue (1997) calls our attention to the fact the deindustrialization had commenced in Detroit and other "rust belt" cities as early as the 1950s.

Sugrue's analysis of the historical roots of ghetto poverty rests on the mutually reinforcing effects of discrimination (in the markets for both labor and housing) and a disastrous case of "bad timing." Whereas the earlier waves of European immigrants to the industrial North took advantage of rapidly growing labor demand, as the U.S. economy industrialized during the nineteenth and early twentieth centuries, the largest numbers of black migrants from the South arrived just as the transition to a post-industrial, service-dominated economy began in earnest during the postwar period. Black workers — having escaped the rapidly declining agricultural sector of the South — found their fates tied to an industrial sector that was both shrinking (in terms of employment) and decentralizing to the suburbs and smaller urban centers.

The "bad timing" story is probably of considerable utility in understanding the emergence of concentrated inner-city poverty, especially in the older industrial centers of the Northeast and Midwest. But some caveats are in order. First, the adverse effects of economic restructuring must be reconciled with the continuing economic progress of African-Americans during the 1960s and early 1970s. Although much of that progress seems to have come from economic gains within the South, there is little reason to think that blacks were on average losing ground to whites even within the North (Donohue and Heckman 1991). The restructuring argument seems much more powerful when applied to the 1970s and 1980s (for a discussion of that period, see Harry Holzer 1994).

Second, even if blacks have been disproportionately affected by sectoral shifts in the

demand for labor, the impact of these shifts would depend critically on how quickly and easily black workers could respond by changing sectors or occupations. The Great Migration is itself evidence of the tremendous adjustments that African-Americans were able to make in response to the shifting structure of opportunity. Indeed, in an important recent article, Elaine Reardon (1997) has shown that sectoral shifts in labor demand were decidedly more “adverse” for black men during the 1940s than during any subsequent decade — even though the 1940s were also the decade during which the Great Migration conferred its strongest direct benefits on black economic status! These findings are not inconsistent: collapsing employment in southern agriculture provided a “push” out of the rural South into higher-paying opportunities in the industrial sector. My point is that shifting sectoral demand is most likely to be a problem when there are impediments to mobility out of the declining sectors.

Thus it will not do merely to point to declining manufacturing employment as evidence of diminished opportunities for black workers. The manufacturing sector’s share of the U.S. labor force peaked in the mid-1950s at less than 30 percent — since that time adjustment to a “post-industrial” structure of labor demand has been a general feature of the American economy. To understand the impact of these changes on black workers, we need to learn more about the particular obstacles that prevented black industrial workers from making the transition as readily as white workers.<sup>4</sup> No doubt residential segregation, housing discrimination, and housing prices played a role, as did discrimination in the growing employment sectors. It may also be that obtaining the “good jobs” in the post-industrial economy depends more critically on the quantity and quality of one’s education, placing black workers at a disadvantage they did not suffer when

---

<sup>4</sup> A similar point, with supporting evidence, is made by Mark Stern (1993).

competing for blue-collar jobs. But it must also be acknowledged that many black women were quite successful in making the transition to the new economy, as their representation in the clerical occupations converged dramatically, if not completely, with that of white women by the late 1980s (King 1993).

***“When Work Never Appears”? Evidence from racial differences in joblessness***

One of the most striking paradoxes of the post-Depression record of economic progress among African-Americans is the contrast between earnings and employment. While the racial earnings gap has narrowed over the course of the century (recall Figures 1 and 3), the black-white gap in unemployment rates widened dramatically between the turn of the century and 1960. Because so much of the current debate on inner-city poverty focuses on the problem of joblessness, especially among men, it is worth examining the historical roots of this problem and the roles played by the Great Migration and economic restructuring.

Figure 4 provides some basic evidence on unemployment rates by race for men.<sup>5</sup> In panel A, black and white unemployment rates are plotted over the course of the period 1880-1990, while the ratio of black to white unemployment rates is plotted in panel B.<sup>6</sup> Near-parity is maintained through 1940, after which a substantial racial gap opens up, reaching a black-white

---

<sup>5</sup> Measuring the extent of unemployment among women historically is fraught with difficulty because of ambiguity in identifying whether a woman is actually in the labor force.

<sup>6</sup> These figures are based on samples drawn from the Public Use Microdata Samples (PUMS) of the U.S. Census for each of the years (see Robert Fairlie and Sundstrom 1997 for a detailed discussion of the sources), with the exception of 1930, which is taken from Sundstrom (1992), p.417. In this figure, government relief workers are treated as employed in 1940. The black/white ratio in that year is somewhat greater (1.24) if relief workers are counted as unemployed. Unemployment rates are unavailable for 1890 and 1920.

ratio of about 2:1 by 1960. This ratio increased somewhat during the 1980s, and now stands at about 2.3:1. A similar pattern can be observed for the joblessness rate (Panel C), which is defined as the percentage of the population not at work (thus including out-of-work individuals who are not looking for a job). One problem with historical unemployment data is the difficulty of defining unemployment for agricultural workers. Panel D avoids this problem by excluding agricultural workers. It can be seen that the historical pattern is broadly similar, exhibiting near-parity between the races early in the century and an expanding gap, especially after 1910.

The widening of the racial unemployment gap during the 1940s and 1950s coincides with a period of heavy northward migration of African-Americans, which we have already seen played an important role in narrowing the national gap in earnings between black and white men. Can the same force be held responsible for the growing racial unemployment gap? The answer is a partial yes. Unemployment rates tended to be higher in the North than the South, so the regional redistribution of black workers brought them into relatively high-unemployment labor markets. Furthermore, the black-white gap in unemployment rates was greater within the North than the South. This can be seen in Figure 5, which shows the ratio of black to white unemployment for the four major regions of the country. By 1940, a sizeable racial unemployment gap had opened up in each non-southern region, whereas the gap remained overall quite small within the South. The unemployment gap was especially large in the Midwest, having reached a ratio of 2.5:1 as early as 1910, and remaining higher there than in any other region to the present day.

Why was the racial gap in unemployment so much greater in the North than the South, even before the problems of deindustrialization had begun to affect the cities of the rust belt? One potential explanation is that the southern unemployment statistics are “contaminated” by the large representation of farm workers, whose unemployment may have been grossly underreported.

However, as of 1940, one observes the same regional pattern among nonfarm residents. Another possibility is that migration itself contributed to the high unemployment of blacks in the urban labor markets of the North by bringing in a relatively large number of inexperienced new entrants, who had difficulty finding work upon their arrival. But census data show that while being a recent arrival reduced the chances of employment for white men, it did not have such an effect on black men (Sundstrom 1997). It remains possible that in cities that attracted large numbers of black migrants, crowding led to high unemployment rates, a hypothesis consistent with the so-called Harris-Todaro model from the economic development literature (see M.P. Todaro 1969; Timothy Hatton and Jeffrey Williamson 1992).<sup>7</sup>

Although the reason for the smaller racial unemployment differential in the South remains something of a puzzle, some insights are provided by considering the impact of occupational segregation on unemployment. Within the South, occupational segregation was quite strict, and there were widely acknowledged “white” and “Negro” jobs (Sundstrom 1994). In the North, segregation followed similar lines, but was more fluid. Segregation may have had offsetting effects on the unemployment of black workers. On the one hand, segregation tended to restrict black workers to low-skilled positions that were often quite vulnerable to business-cycle contractions. On the other hand, the conventional racial division of labor in the segregated South may have afforded a degree of job protection to black workers, an argument that was made by Gunnar Myrdal : “The mere fact that there were few Negroes in the North implied that no

---

<sup>7</sup> The Harris-Todaro model argues that workers will continue to migrate into an urban labor market even if the unemployment rate is high, so long as the gain in wages offsets the prospect of being jobless for a time. My analysis of urban unemployment in 1931, however, shows that black unemployment rates were not in fact higher in those cities with the largest rate of influx of African-Americans (Sundstrom 1992).

occupations could take on the character of 'Negro jobs'.... The competition from white workers had always been intense [in the North]" (Myrdal, 1972, p. 291).

The relationship between the unemployment gap and occupational segregation across cities in 1940 offers some support of both effects. In Figure 6 I plot some measures of the unemployment gap against an index of segregation for a sample of 18 large cities in 1940.<sup>8</sup> The top panel examines the effect of occupational composition. The vertical axis measures how much the unemployment of black workers was driven above that of whites simply by the fact that blacks were concentrated in higher-unemployment occupations. The relationship is weakly positive, confirming that in highly segregated urban markets, blacks tended to be assigned occupations that were relatively more vulnerable to unemployment.

The lower panel of Figure 6 plots a measure of excess black unemployment *within* occupations against the city's occupational segregation index. The measure on the vertical axis would be equal to 0 if blacks and whites who held the same occupation had identical unemployment rates. In the southern cities, where occupational segregation was more complete, blacks and whites who held the same occupation tended to have relatively similar rates of unemployment, although black unemployment was somewhat greater. In northern cities, with less segregation, blacks had much higher unemployment rates even within the same occupation. Interestingly, within the North (filled squares), greater segregation was associated with a larger within-occupation difference in unemployment. The job protection hypothesized by Myrdal

---

<sup>8</sup> Details of the analysis are presented in Sundstrom (1996). The northern cities are Chicago, Cincinnati, Cleveland, Detroit, Indianapolis, Los Angeles, New York, Philadelphia, Pittsburgh, and St. Louis; the southern cities are Atlanta, Baltimore, Birmingham, Dallas, Houston, Memphis, New Orleans, and Washington. The regional definitions are consistent with the census regions.

required that blacks had a “place” that was protected from competition by unemployed whites. Ironically, such protection may have functioned better in the South, where the delineation between white and “Negro” jobs was clearer and where a negative stigma may have discouraged unemployed whites from pursuing “Negro” jobs. In northern cities, on the other hand, unemployed whites may have been more mobile, willing to take jobs that were often held by blacks. In such a more fluid market, segregation worked to the disadvantage of black workers, who found themselves crowded into a limited number of occupations and competing with unemployed whites within those jobs. The evidence on unemployment, then, is consistent with the claim of Whatley and Wright (1994, p. 282), that “In the south it may have been ‘know your place,’ but in the north, it was not clear that the economy really had a place for black workers.”

Thus African-Americans who migrated to the North during the middle decades of the century encountered higher overall rates of unemployment and urban labor markets in which black workers were much more likely than whites to be unemployed. Robert Fairlie and I (1997) have shown that for this reason migration made a substantial contribution to the growing national unemployment gap between black and white men during the 1940s and 1950s (see also Richard Vedder and Lowell Gallaway 1992). But it is also the case that during the same two decades, the unemployment gap was growing within the South, where a majority of blacks still resided (see Figure 5). Fairlie and I find that economic restructuring — in this instance taking the form of rapidly declining demand for farm labor in the South — was also a major factor in the growing unemployment gap during this period (see also John Cogan 1982).

Thus during roughly the same period that the Great Migration contributed to advances in black men’s relative earnings, it also resulted in black men entering labor markets where their chances of being without work were considerably greater than they had been in the South.

Perhaps the most puzzling aspect of the postwar history of unemployment is the persistence of the racial gap since 1960. Despite the legal and institutional changes that augmented the economic opportunities of African-Americans during the 1960s and 1970s, the racial unemployment gap remained stuck at roughly 2:1. Without question, the economic restructuring that first began to affect urban blacks in the rust belt cities contributed to the persistence of high unemployment, as did the social dislocations associated with concentrated neighborhood poverty (Sugrue 1997, Wilson 1996). It may also be the case that under pressure from the state for equal pay, employers shifted the locus of discrimination to employment decisions (Harry Gilman 1965). But much work remains to be done to quantify the importance of these effects, and to account for their continuing impact.

### ***Concluding remarks***

I have tried to place the impact of the Great Migration within the broader sweep of changes that affected the economic status of African-Americans during the post-Depression period. Moving to northern cities opened up a range of new opportunities for black workers and enhanced their occupational status as well as their average earnings; but as numerous historians have shown, northern labor markets were nonetheless quite hostile to black workers. Many African-Americans found that they were “without a place” in the urban industrial labor market, a position that left them particularly vulnerable to unemployment during business-cycle downturns or periods of economic restructuring.

In my view, much more work needs to be done to explain the economic success of those African-Americans who, individually and across the generations, helped create the black middle class, within both the North and the South. Only by understanding the sources of success will we

achieve a complete understanding of how the urban poor got left behind. Such widely acknowledged factors as migration, improving education, and declining discrimination are no doubt part of the mix. The broader political context within which the labor market functions needs more careful attention. In his recent book, *Faded Dreams*, for example, the economist Martin Carnoy (1994) makes a strong case for the role of politics and public policy during the episodes of greatest relative black economic progress. Governmental anti-discrimination efforts are only one way in which the state altered the economic environment for black workers; minimum wages, macroeconomic policies, and quite importantly public-sector employment are additional, often neglected dimensions of the role of politics. Thus I close by suggesting that the Great Migration must be placed within a political, as well as economic, context, before we can fully appreciate its implications for the economic status of African-Americans.

## REFERENCES

- Card, David, and Alan Krueger, "School Quality and Black-White Relative Earnings: A Direct Assessment," *Quarterly Journal of Economics*, Vol. 107 (February 1992), pp. 151-200
- Carnoy, Martin, *Faded Dreams: The Politics and Economics of Race in America* (Cambridge: Cambridge University Press, 1994).
- Cayton, Horace R., and George S. Mitchell, *Black Workers and the New Unions* (Chapel Hill, NC, 1939).
- Cogan, John, "The Decline in Black Teenage Employment: 1950-70," *American Economic Review*, 72 (September 1982), pp. 621-38.
- Collins, William J., "When the Tide Turned: Immigration and the Delay of the Great Black Migration," *Journal of Economic History* 57 (September 1997), 607-632.
- Cunningham, James S., and Nadja Zalokar, "The Economic Progress of Black Women, 1940-1980: Occupational Distribution and Relative Wages," *Industrial and Labor Relations Review* 45 (April 1992), 540-555.
- Dewey, Donald, "Negro Employment in Southern Industry," *Journal of Political Economy*, 60 (August 1952), pp. 279-293.
- Donohue, John H., and James Heckman, "Continuous versus Episodic Change: The Impact of Civil Rights Policy on the Economic Status of Blacks," *Journal of Economic Literature*, 29 (December 1991), pp. 1603-1643.
- Fairlie, Robert W., and William A. Sundstrom, "The Emergence, Persistence, and Recent Widening of the Racial Unemployment Gap," unpublished working paper (1997).
- Farley, Reynolds, and Walter R. Allen, *The Color Line and the Quality of Life in America* (New York: Russell Sage Foundation, 1987).
- Gelber, Steven M., *Black Men and Businessmen* (Port Washington, NY: Kennikat Press, 1974).
- Gilman, Harry J., "Economic Discrimination and Unemployment," *American Economic Review*, 55 (December 1965), pp. 1077-96.
- Hatton, Timothy J., and Jeffrey G. Williamson, "What Explains Wage Gaps Between Farm and City? Exploring the Todaro Model with American Evidence, 1890-1941," *Economic Development and Cultural Change*, 40:2 (January 1992), pp. 267-94.
- Higgs, Robert, "Black Progress and the Persistence of Racial Economic Inequalities, 1865-1940," in Steven Shulman and William Darity Jr., eds., *The Question of Discrimination: Racial Inequality in the U.S. Labor Market* (Middletown, CT, 1989), pp. 9-31.
- Higgs, Robert, "Firm-Specific Evidence on Racial Wage Differentials and Workforce Segregation,"

*American Economic Review*, 67 (March 1977), pp. 236-45.

Holzer, Harry J., "Black Employment Problems: New Evidence, Old Questions," *Journal of Policy Analysis and Management*, 13:4 (1994), pp. 699-722.

Jaynes, Gerald D., and Robin M. Williams, *A Common Destiny: Blacks and American Society* (Washington, DC: National Academy Press, 1989).

Kasarda, John, "Urban Industrial Transition and the Underclass," *Annals of the American Academy of Political and Social Science*, 501 (1989).

Katz, Michael B., ed., *The "Underclass" Debate: Views from History* (Princeton: Princeton University Press 1993).

King, Mary C., "Black Women's Breakthrough into Clerical Work: An Occupational Tipping Model," *Journal of Economic Issues* 27 (December 1993), 1097-1125.

Maloney, Thomas N., "Degrees of Inequality: The Advance of Black Male Workers in the Northern Meat Packing and Steel Industries Before World War II," *Social Science History* 19:1 (Spring 1995).

Maloney, Thomas N., and Warren C. Whatley, "Making the Effort: The Contours of Racial Discrimination in Detroit's Labor Markets, 1920-1940." *Journal of Economic History*, Vol. 55 (September 1995), pp. 465-93.

Margo, Robert A., *Race and Schooling in the South, 1880-1950: An Economic History* (Chicago, 1990).

Massey, Douglas S., and Nancy A. Denton, *American Apartheid: Segregation and the Making of the Underclass* (Cambridge, MA, 1993).

Myrdal, Gunnar, *An American Dilemma: The Negro Problem and Modern Democracy*, v. 1 (New York, 1972).

Reardon, Elaine, "Demand-side Changes and Black Relative Economic Progress: 1940-1990," *Journal of Human Resources* (1997).

Smith, James P., "Race and Human Capital," *American Economic Review*, 74 (September 1984), pp. 685-698.

Smith, James P., and Finis R. Welch, "Black Economic Progress After Myrdal." *Journal of Economic Literature*, 27 (June 1989), 519-564.

Stern, Mark J., "Poverty and Family Composition Since 1940," in Michael B. Katz, ed., *The "Underclass" Debate: Views from History* (Princeton: Princeton University Press 1993), 220-253.

Sugrue, Thomas J., *The Origins of the Urban Crisis: Race and Inequality in Postwar Detroit* (Princeton: Princeton University Press, 1996).

Sundstrom, William A., "Last Hired, First Fired? Unemployment and Urban Black Workers During the

Great Depression," *Journal of Economic History*, 52 (June 1992), 415-29.

Sundstrom, William A., "The Color Line: Racial Norms and Discrimination in Urban Labor Markets, 1910-1950," *Journal of Economic History*, 54 (June 1994), 382-96.

Sundstrom, William A., "Down or Out: Unemployment and Occupational Shifts of Urban Black Men During the Great Depression." *Research in Economic History*, 16 (1996), pp. 127-155.

Sundstrom, William A., "Explaining the Racial Unemployment Gap: Race, Region, and the Employment Status of Men, 1940," *Industrial and Labor Relations Review*, 50 (April 1997), pp. 460-77.

Todaro, M.P., "A Model of Labor Migration and Urban Unemployment in Less Developed Countries," *American Economic Review*, 60 (March 1969), pp. 138-48.

Trotter, Joe William, ed., *The Great Migration in Historical Perspective* (Bloomington: Indiana University Press, 1991).

Vedder, Richard K., and Lowell Gallaway, "Racial Differences in Unemployment in the United States, 1890-1990," *Journal of Economic History*, 52 (September 1992), pp. 696-702.

Whatley, Warren, "Getting a Foot in the Door: "Learning," State Dependence, and the Racial Integration of Firms," *Journal of Economic History* 50 (March 1990), pp. 43-66.

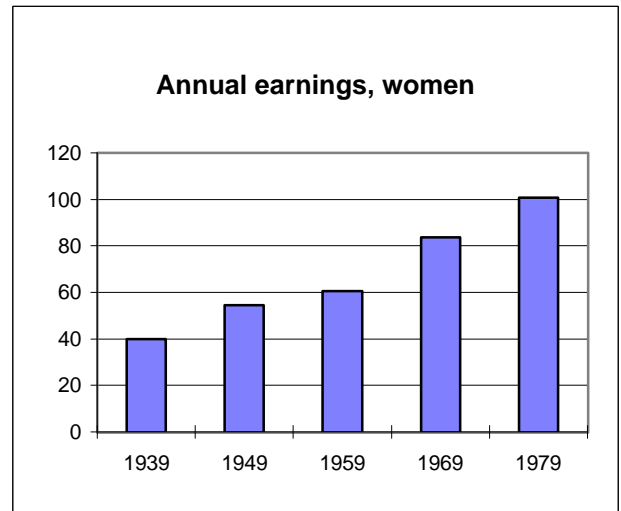
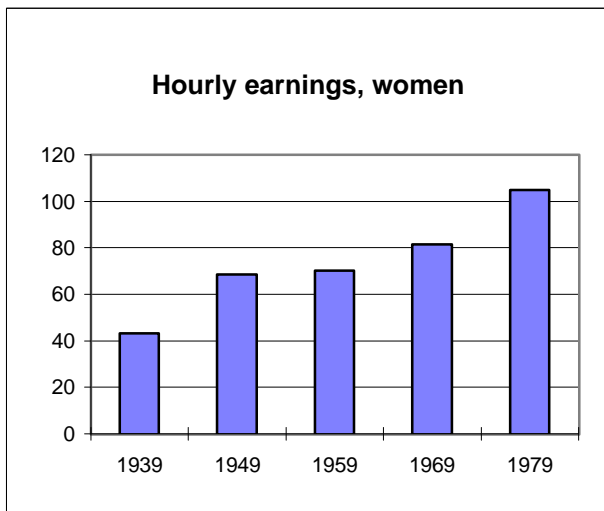
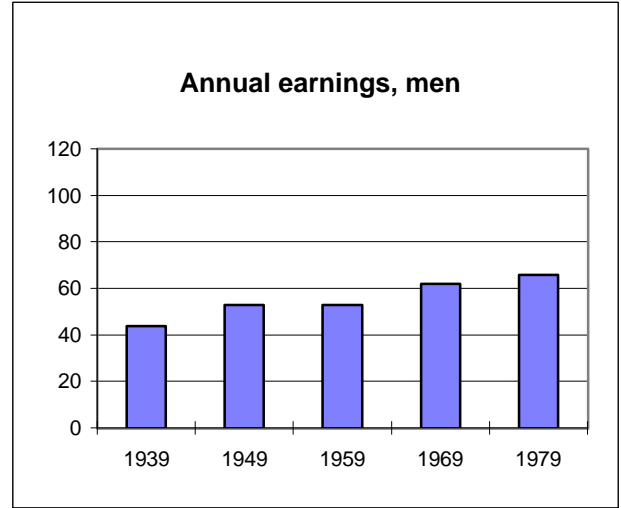
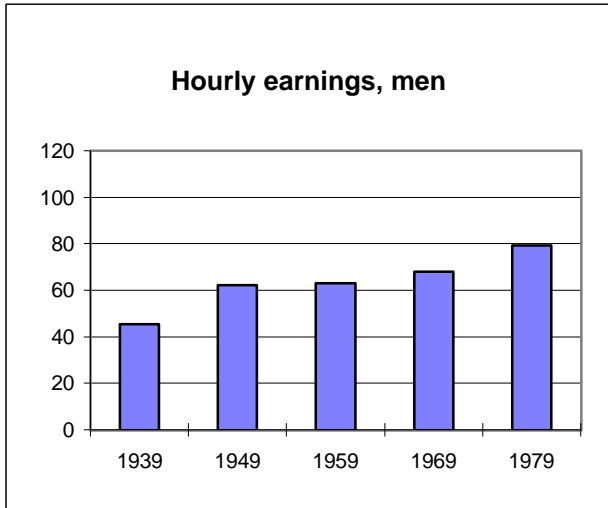
Whatley, Warren, and Gavin Wright, "Race, Human Capital, and Labour Markets in American History," in George Grantham and Mary MacKinnon, eds., *Labour Market Evolution: The Economic History of Market Integration, Wage Flexibility and the Employment Relation* (London: Routledge, 1994), pp. 270-91.

Wilson, William Julius, *The Truly Disadvantaged* (Chicago, 1987).

Wilson, William Julius, *When Work Disappears: The World of the New Urban Poor* (New York: Knopf, 1996).

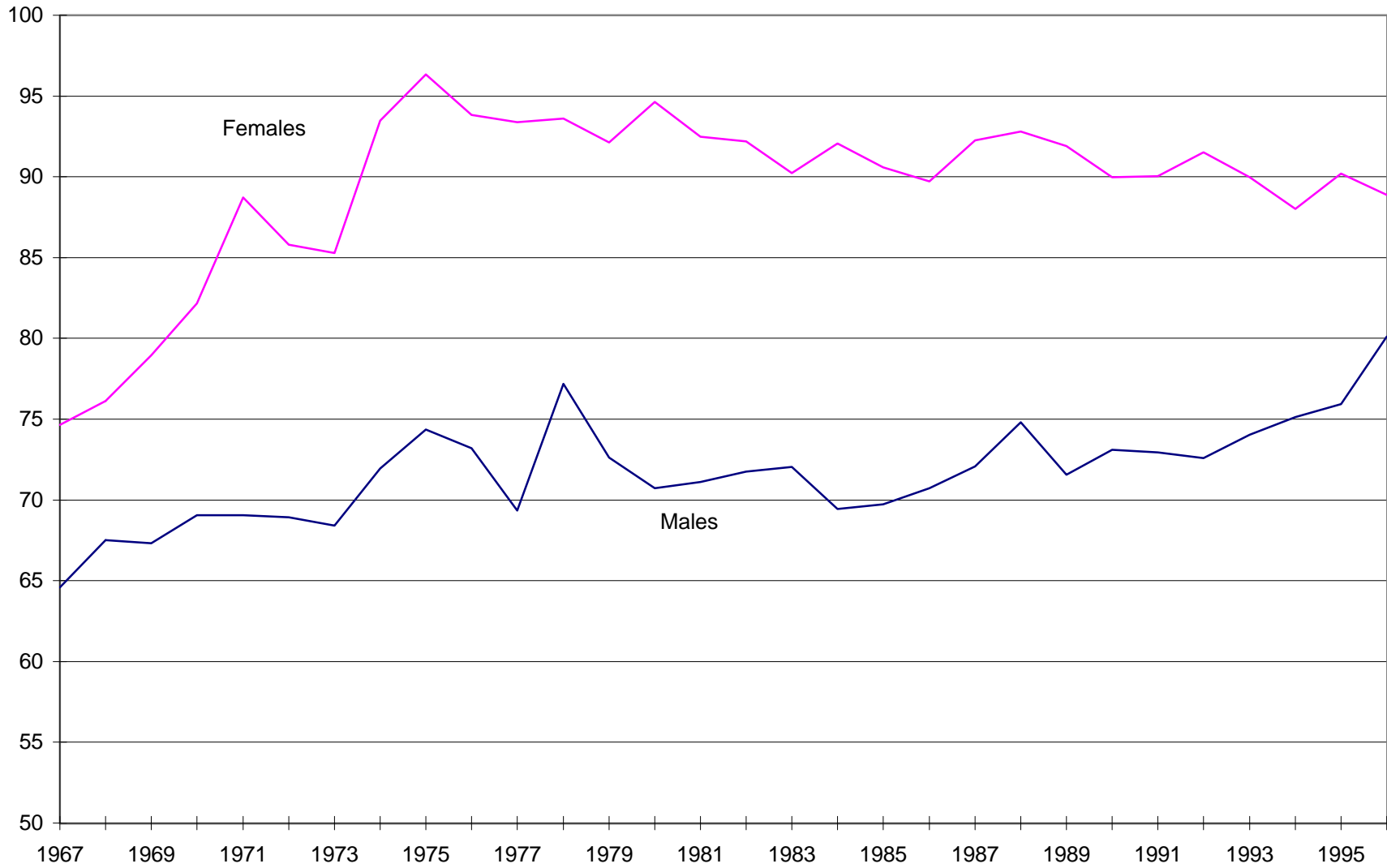
Wright, Gavin, *Old South, New South: Revolutions in the Southern Economy Since the Civil War*. (New York: Basic Books, 1986).

**Figure 1**  
**Ratio of black to white earnings, 1939-1979 (%)**



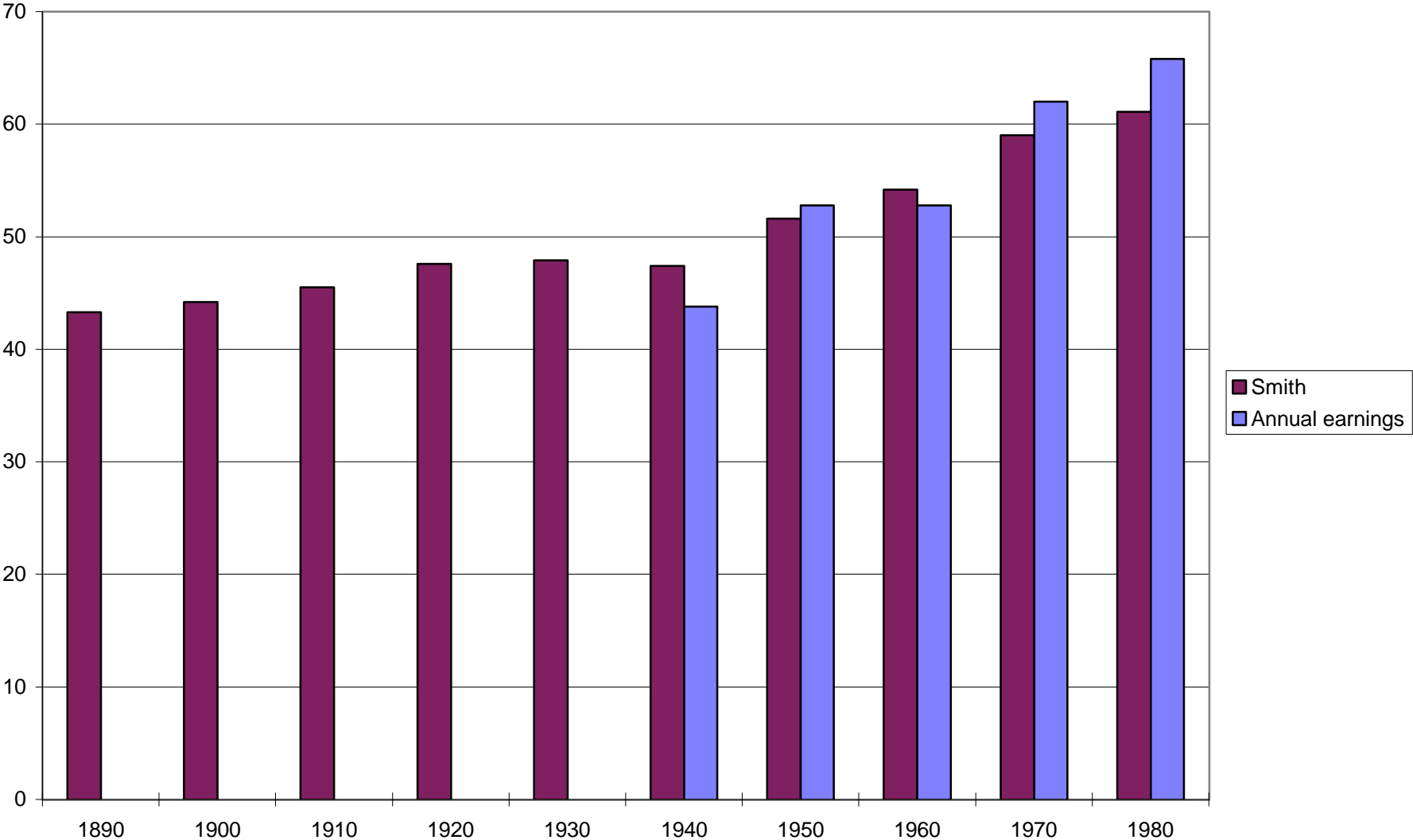
Source: Jaynes and Williams 1989, p. 295 (U.S. Census data)

**Figure 2**  
**Ratio of black to white median annual earnings (%)**  
**Year-round, full-time workers, 1967-1996**



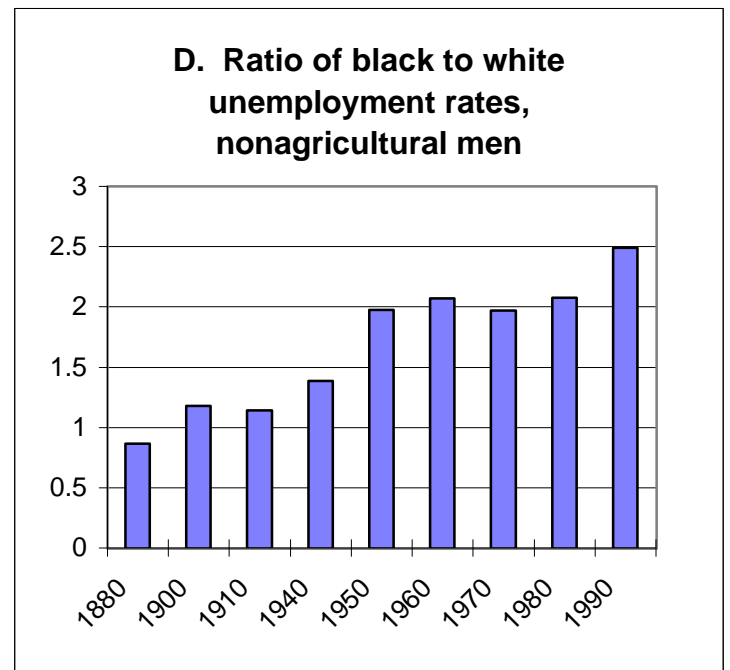
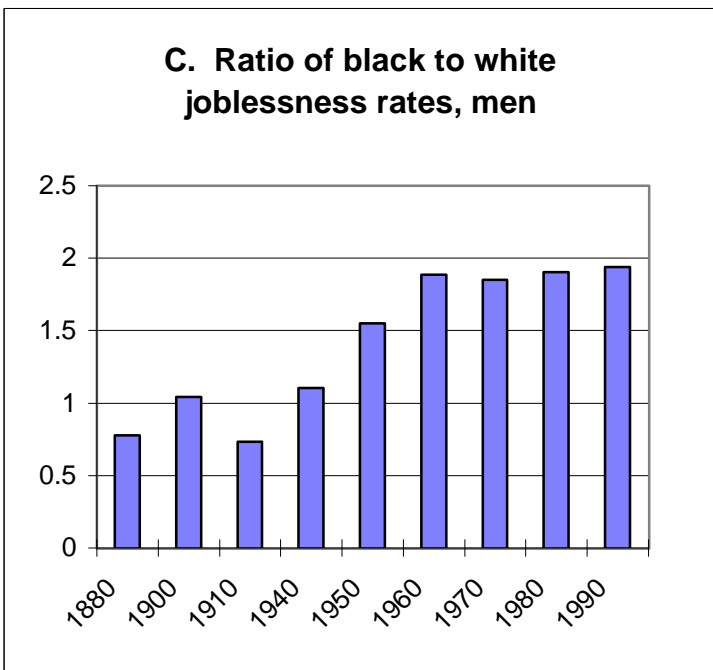
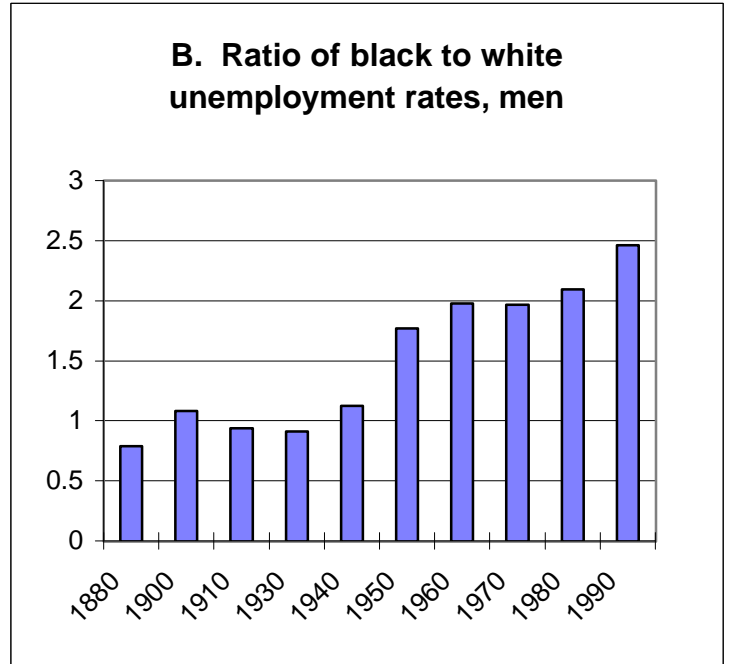
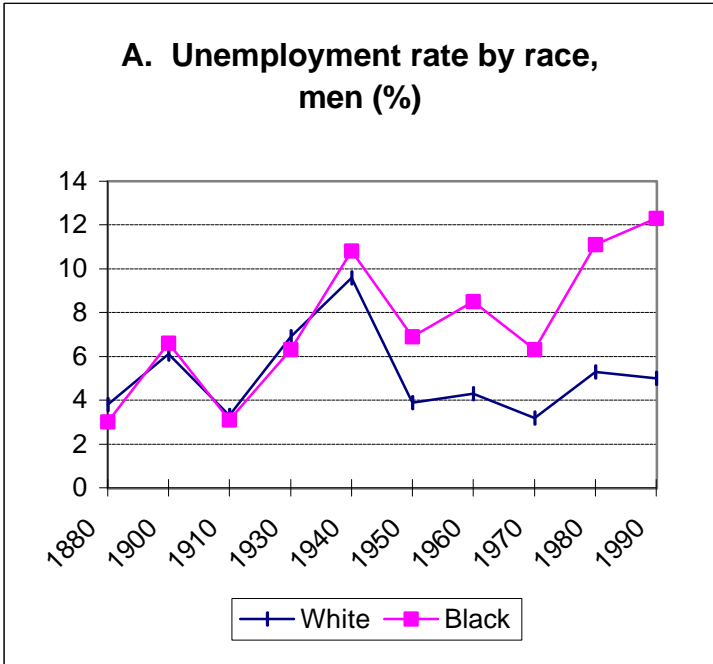
Source: Bureau of Labor Statistics (from Current Population Survey)

**Figure 3**  
**Black/white earnings ratio for men, 1890-1980**



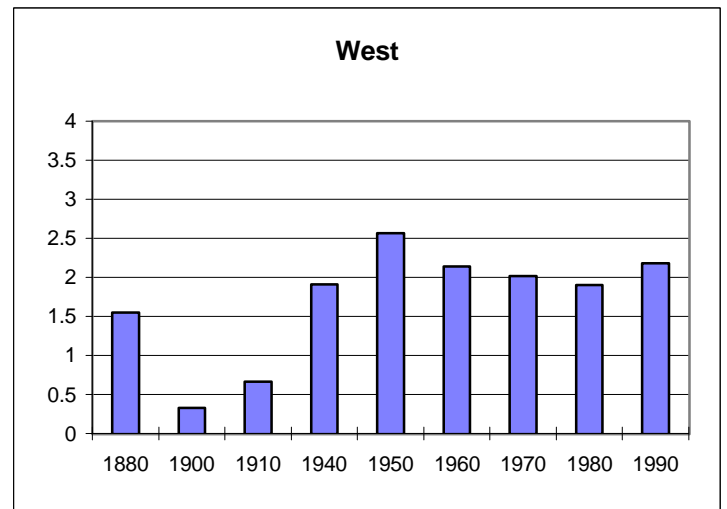
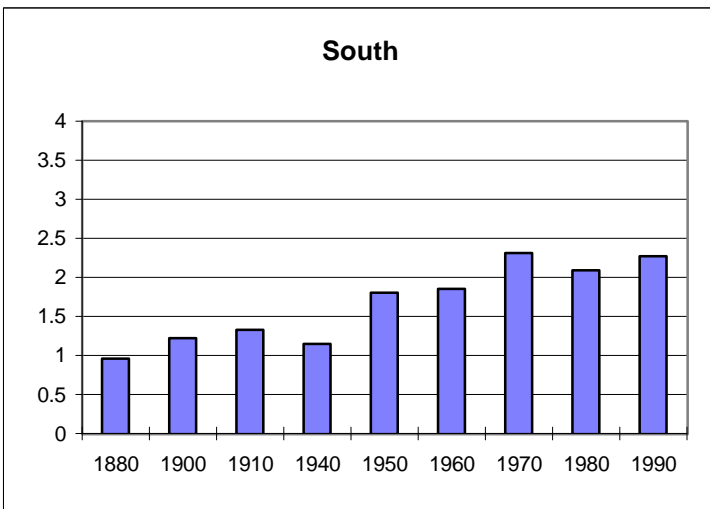
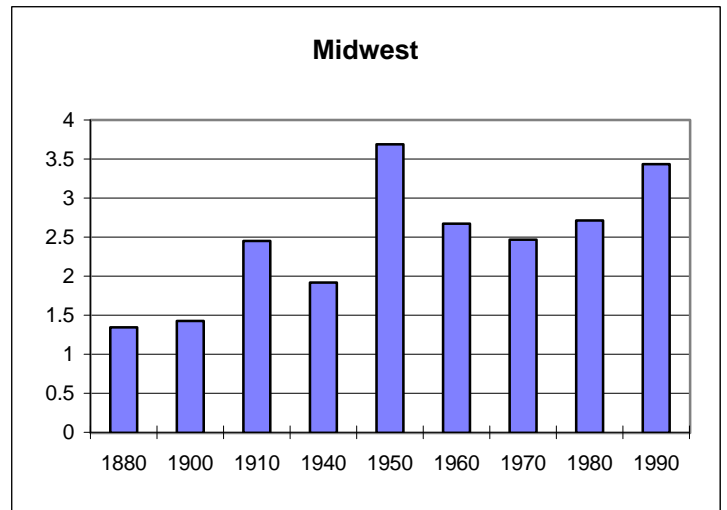
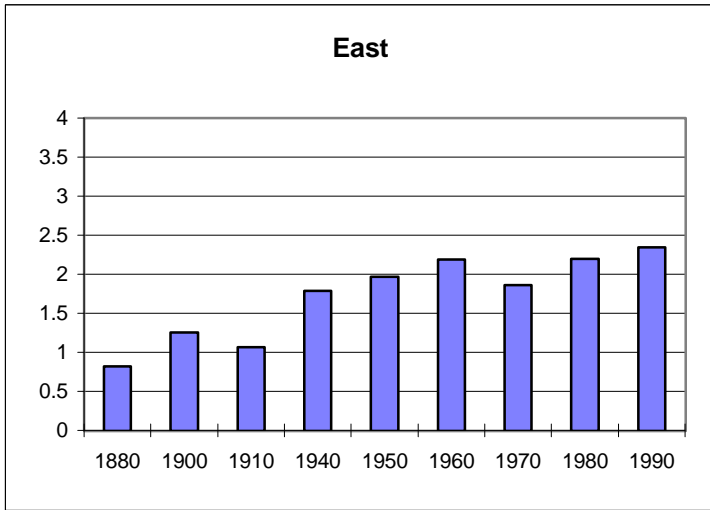
Source: U.S. Census, Smith (1984)

**Figure 4**  
**Unemployment rates by race for men, 1880-1990**



Source: U.S. Census (see text)

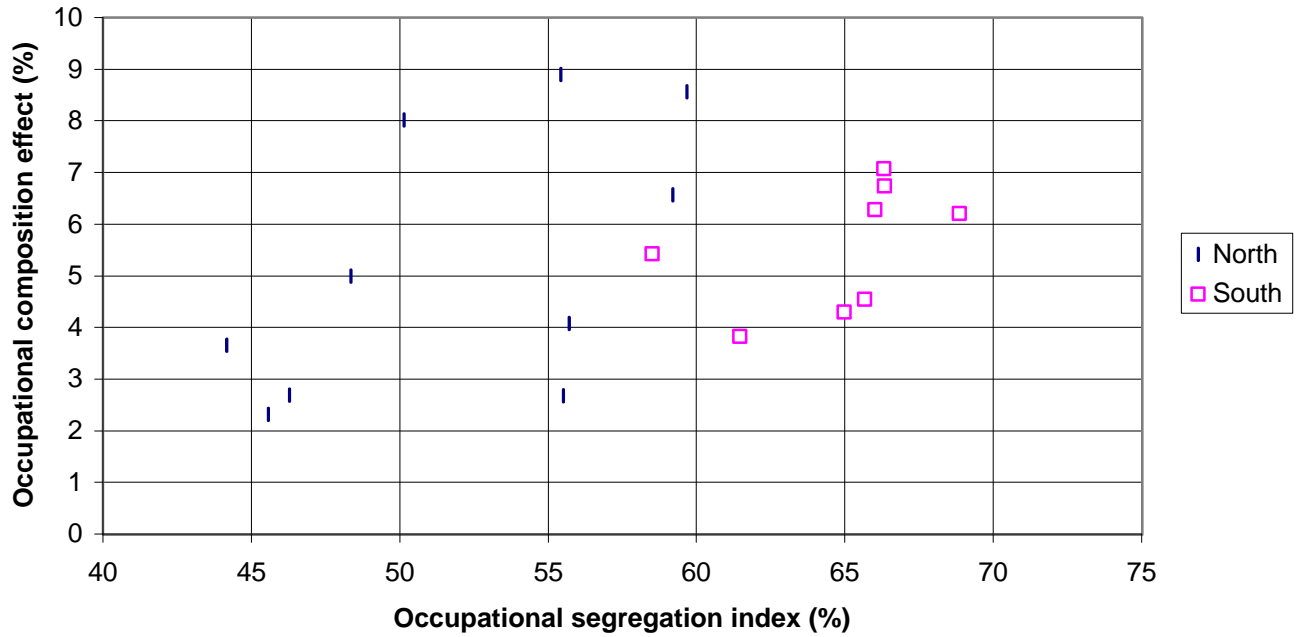
**Figure 5**  
**Ratio of black to white unemployment rates for men, by region**



Source: U.S. Census (see text)

**Figure 6**  
**Occupational segregation and unemployment of men in 18 cities, 1940**

**Segregation steers blacks into high-unemployment occupations**



**Segregation protects some black workers' jobs in the South (?)**

