

EXECUTIVE SUMMARY

During the coming decade powerful forces will be endeavoring to transform civil rights laws into the actuality of equality for Negro Americans in all aspects of life. Massive efforts and billions of dollars will be expended by government, business, organizations, and individuals in pursuit of this goal, but prospects for achievement appear mixed.

In education, segregation and substandard quality will remain major problems not only in the South, but in metropolitan areas throughout the country. Even so, the educational attainment of Negroes will gain markedly and by 1975 will approach the level U.S. whites reached in 1960. Radical new educational approaches to aid disadvantaged students may be tried selectively.

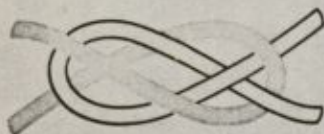
Marked, but not dramatic, gains in Negro employment and occupational patterns are anticipated. Prospects are most favorable for the professionally and technically trained, but problems will persist in promotions to management level positions. Over-all there will be a steep drop in the placement of Negroes in positions for which they are clearly overqualified. In line with job upgrading, the aggregate income of Negroes will rise from approximately \$29 billion today to around \$55 billion in 1975 and from 6.9% to more than 8% of all income.

In housing, improvement is likely to be very slow. The problem of slums and ghettos in central cities of metropolitan areas is so vast that no real solution is likely during the next decade. "Open occupancy" will materialize only for the Negro elite and individual members of the middle class.

Negro spending patterns differ in many respects from those of whites. These differences are expected to diminish slowly as the Negro's economic and social position improves.

The main social thrust will be toward greater homogeneity of the races without obliteration of meaningful Negro social and cultural patterns. Changing white attitudes and the marked reduction of prejudice among the young will be important factors. In spite of a lessening of discrimination, violence cannot be ruled out. Even if widespread, violence will not halt progress, but it may reduce white support and even affect future civil rights legislation.

By the mid-1970s Negro Americans will at best have moved half way towards fulfillment of their legal rights. Full economic, political, and social equality will remain a national goal.



THE NEGRO AMERICAN TODAY

Of all the trends at work in the U.S. today, the changing status of the Negro American ranks perhaps foremost in significance. Economically, the direct cost to the nation of inequalities between Negroes and whites has been placed at \$27 billion annually; sociologically, the position of Negroes breeds unrest and frustration on a national scale; politically, the situation of the Negro American requires legislative attention and money at every level of government; ideologically, discrimination against Negroes is a powerful weapon in the hands of anti-American propagandists; morally, the history of the Negro American is a prime example of the failure of a nation to live up to its standards. The status of the Negro is deeply involved in such major areas of national concern as city slums, unemployment, discrimination in hiring and housing, segregated schools, crime, political disenfranchisement, and poverty. Any appreciable improvement in the social, political, or economic standing of Negroes would therefore advance the general welfare of the U.S.

Powerful forces are at work which, during the coming decade, will greatly alter the situation of the Negro American.

- ▶ Legislation on the books or likely to be enacted soon states the legal rights of Negroes with great clarity. Future efforts will focus on enforcement of laws.
- ▶ Many hundreds of millions of dollars are being allocated to better the Negro's predicament with respect to schools, housing, legal rights, voting, job opportunities, training, and a great variety of other areas. Radical innovations such as "freedom budgets" or "negative income taxes" may be enacted, greatly augmenting federal spending on behalf of Negroes.
- ▶ Negro groups in North and South, city and country, are pressing hard for improvement. Some are militant, some espouse non-violence; some seek political power, some economic gain; some seek integration, some black nationalism. In combination they represent a complex of forces that almost certainly will keep civil rights in the headlines in the coming decade.
- ▶ The efforts of business to employ and promote more Negroes are sharply on the rise, although they still have a long way to go. Unions, too, are gradually breaking down the "color line." The employment efforts of the federal government are leading the way and may eventually set the pattern for large numbers of employers.
- ▶ The moral and emotional involvement of millions of white Americans in problems of discrimination appears to be reaching new

highs. In the long run, this moral force—this feeling of an injustice being perpetuated—may well prove the strongest force of all in bettering the position of Negro Americans.

These forces, taken *in toto*, have been called a “revolution.” Perhaps they are, but their influence is still far from universal and their consequences are still to be felt by most Negroes. Further, the nature of the problems Negroes face in discrimination, education, jobs, housing, income, and politics is such that decades, even generations, may be required for major change.

The key question for the coming decade is not whether the Negro will make progress, but how rapid it will be relative to that of the population as a whole. When trends in key socioeconomic factors are converted to an index basis to facilitate comparisons, it becomes clearer that the progress of Negroes between 1940 and 1960 was considerable relative to whites in some domains. But the gap be-

ABOUT THIS REPORT

This report attempts to deal with every important aspect of the Negro's life in the U.S. The main text is devoted chiefly to central economic issues—those revolving around the “vicious circle” of schools-jobs-income-housing; consumption patterns are next discussed; the final section is a speculative discussion of the social position of Negroes in the American society a decade hence. The main text is interspersed with “boxes” which present a variety of historical, social, and demographic background issues and enlargements upon the central theme.

The data of the report are drawn chiefly from federal studies. Most governmental statistical series are based on two major racial population categories—“white” and “nonwhite.” Only decennial census data provide nonwhite subgroups, of which “Negro” is by far the largest. In 1960, the last complete census year, Negroes constituted 92.1% of the total nonwhite population; the remainder were predominantly Chinese, Japanese, Indian, and Filipino.

It should be pointed out that the record of such nonwhite groups as the Japanese and Chinese is often directly opposed to that of the Negro; the contrast is particularly strong in education, family stability, employment, and crime. Consequently, statistics that combine all nonwhite races will in many instances either understate or overstate the Negro case.

tween whites and Negroes remains great and the “catching up” is slow, even in comparison with other minority groups, notably Orientals. It is significant, however, that this progress represents only the civil rights phase of Negro drives. The phase of actuality of rights is just getting under way and the rate of progress could rise sharply.

The period between the arrival of the first Negro in Virginia and the end of World War II—a lapse of 326 years—constitutes the background to the predicament of the American Negro today. More than three-fourths of this period were years of slavery; the final fourth—between the Emancipation Proclamation and 1945—consisted of half a century during which the tradition of slavery gradually slackened, giving way to a quarter century of buildup to the powerful civil rights movements of the postwar decades. The events of these three and a quarter centuries are basic to an understanding of Negro life and drives today.

Slavery

The first Negroes, twenty in number, are said to have been brought to the new British colony at Jamestown in 1619. These were not slaves, but indentured servants; slavery as such was not recognized legally until 1661. By 1776, Negroes in the new nation numbered perhaps one American in five; by 1863 the Negro population stood at more than 4.4 million and all but about 10% were slaves.

Slavery in the U.S. was of a particularly debasing kind. Fundamentally it assumed that Negroes were inferior beings, incapable by nature of equaling the achievements of the whites. Race became equated with inferiority. The few who disputed this view had almost no influence on what was widely held to be a universal and self-evident truth. The inferiority doctrine freed whites to regard Negroes purely as chattels. The Negro need have no rights in very much the same fashion as livestock need have no rights. Thus Negroes during the slavery years usually could neither own nor dispose of property, they had no right to marry, to worship freely, or to object in court to whatever treatment their masters accorded them. In many southern states schooling was forbidden to them and even in the North the educational opportunities were spotty.

In other nations and other times, slavery did not have this overtone. In ancient Greece, for example, slaves were regarded merely as less fortunate, not as innately inferior. In Latin America they possessed the basic rights, including rights of marriage and property. At any time they could buy their freedom. Once free, their standing in society was legally that of any other free man—something that was by no means true of the “free” Negroes of the U.S. just prior to the Civil War.

Paradoxical as it seems, the lack of a slavery tradition may have contributed to the literally inhuman character of U.S. slavery. Whatever its causes, the consequences were many and profound:

- ▶ Because whites treated them as inherently inferior, some Negroes probably also believed the inferiority doctrine. Few had the opportunity to compete with whites and prove themselves otherwise.
- ▶ The roots of the much-publicized matriarchal society of modern Negro family life can, in part,

be traced to the slavery years. Legally, no child born to a Negro slave had a father. Hence, a Negro father had neither recognition nor paternal responsibilities of any sort. At the time of the Civil War, very few Negroes could trace their male ancestors as far back as a generation or two, although their mother's line often was well established much farther back.

- ▶ The sense of heritage so essential to a people faced with a common problem was almost wholly eradicated by the U.S. system of slavery. Without a sense of generations, language, or religion, no communal memory could be sustained. Such is one source of the deep sense of namelessness, of facelessness, even of worthlessness that Negroes inherited from the slavery years.

The Long Wait

The years between the Emancipation Proclamation and the close of World War I embraced the Reconstruction and post-Reconstruction, the Civil Rights Act of 1875, and its abrogation eight years later, “grandfather clauses” to eliminate Negroes from the polls, the Supreme Court “separate but equal” ruling of 1896, federal government segregation of the races in offices as well as dining and restroom facilities, race riots early in the 20th century, the emergence of intellectual Negro leadership, the founding of the National Association for the Advancement of Colored People and the Urban League, the start of the hegira of Negroes from the rural South to cities of the North, the re-emergence of the Ku Klux Klan, and the total segregation of Negro soldiers in the U.S. Army, Marines, and Air Force.

These events reveal that much of the slavery tradition still held sway in practice, if not in law. The few attempts at changing the old order were almost all Negro-inspired. Leaders were joined by some whites but the main drive came from the growing number of educated, socially conscious Negroes. The vast majority of white Americans remained unaware, unconcerned, or unbending toward the unabated Negro predicament.

The Buildup

The years between the end of World War I and World War II were a period in which Negro leadership, legislative and judicial leanings, and the attitudes of growing numbers of white intellectuals started to reach a common understanding. They began to learn to work together. It was a period of buildup, leading to the first phase of the civil rights movement in the late 1940s and early 1950s. The temper of the times was changing and intellectual Negroes were guardedly predicting that the American Negro would have the right to vote and the right to live without insult.

But the time was not yet ripe. There were bloody riots and some Negro soldiers returning from overseas were lynched while still in uniform. The Klan

published threats, and carried them out. A wave of racial struggles swept over the nation, a wave that neither federal nor state governments sought vigorously to control.

Negro reaction took two major turns. On one hand, hundreds of thousands responded to the Marcus Garvey movement, the stated aim of which was to return Negroes to Africa. On the other hand, the better educated "new" Negro redoubled efforts to press for reform through every legal and political means. Although results were minimal at the time, it gradually became clearer what the issues were, what effectively could be done, and that significant numbers of whites were at last ready to align themselves on the side of the Negro.

Key events of the 1930s were the slow emergence of opposition to Jim Crowism among some federal agencies and labor unions, special aid to Negroes in some New Deal policies, and, in 1941, issuance of a federal order forbidding employment discrimination in defense industries. In each case fierce opposition was encountered.

The mixed temper of the times again is evident in Negro experience during World War II. Some 920,000 Negroes served in the armed forces. The Army continued to be largely segregated. But the Navy for the first time accepted Negroes for general service rather than as messmen only and the Air Force trained Negroes as officer pilots. The Army officer-candidate schools were officially desegregated, but in fact fewer than 2500 of 175,000 commissioned officers and only 152 of 6000 warrant officers were Negroes. It was not until the Korean War—90 years after the Emancipation Proclamation—that actual integration came to the Army.

The Critical Mass

The 20 years that have followed World War II are by all odds the most decisive and eventful in the recent history of the Negro American. After the years of slavery, following the long wait, and succeeding the generation of buildup, came, for the first time, dramatic breakthroughs that involved the nation—white and dark alike.

Any chronicle of the beginning of that period is marked with notations of riots, lynchings, and pitiful "firsts." But a chronicle of the time would also show that important and expanding elements of the American people were swinging behind the Negro position. In the postwar years, a blending of eagerness to support with willingness to act on behalf of what American tradition normally espouses legally and philosophically, for the first time neared the point of critical mass—that is, energies previously untapped were released in a series of self-sustaining reactions.

During these postwar years, protest movements for Negro rights grew strong. Such organizations as the Student Nonviolent Coordinating Committee (SNCC), the Students for Integration (SFI), the North-

ern Student Movement (NSM) attracted Negro and white youths. The Congress on Racial Equality (CORE) and the Southern Christian Leadership Conference (SCLC), both emphasizing nonviolence, became leaders in developing effective protests based on sit-ins, boycotts, mass demonstrations, and similar techniques. The nonviolent approach attracted the largest number of followers, but militant and nationalist movements—like the Black Muslims—also grew in size and importance. Finally, such older organizations as the NAACP and the community-serving Urban League drew increasingly vigorous middle class support.

The major theme of the postwar years was the drive for equality of opportunity, not integration. This drive gained sustenance from world awareness obtained on a national scale during World War II. Intellectuals, both white and Negro, became more sensitive to world reaction to the situation of the American Negro. Government officials were often embarrassed by the discrepancy between U.S. statements and accounts of events "back home." The emergence of free African nations catalyzed Negro self-respect. Mass media portrayal of Negroes underwent change in magazines, newspapers, radio, movies, and television, from the traditional stereotype to a more objective portrayal. Above all, the federal government and the U.S. Supreme Court for the first time replaced equivocation with positive concern with civil rights, backed by legislation and legal interpretation.

Such progress was by no means unopposed. Many groups felt that legislation did not go far enough, or was not enforced with sufficient energy. In the South, opposition formed into Citizens' Councils led largely by men with vested interests in the status quo, but the racism of these groups by no means represented the universal opinion of the South.

The postwar years have been called "The Negro Revolution," culminating in the so-called "Year of Revolt" in 1963. The concept of the critical mass is probably more accurate, and in the mid-1960s the civil rights movement reached that state.

The Changing Nature of Civil Rights Movements

The nature of civil rights movements is in the process of rapid change. With the principle of equality firmly established by the Civil Rights Act, energies are now turning to the transformation of principle into actuality. The aim will be actuality of equality across the entire spectrum—equal pay for equal work, equal employment conditions, equal choice of housing at equal rent, equal (which means, in large measure, integrated) schooling, equal freedom to vote. Broadly, the shift is from the quest for justice to the quest for influence; the main thrust is moving from the South to the North, from farmlands to the urban ghetto. New leadership—young and often militant—is emerging. Also involved is a major move from the legislative to the human arena, where the game is played largely by unwritten rules.

EDUCATION

The Drive for Education

It is on education that many Negroes are pinning their long term hopes for economic and social advance. As a rule, the correlation between knowledge, good jobs, and earning power is high in the U.S. But the rule has not applied to Negroes in the past. In 1964 nonwhites with one to three years of college training had a median income of only \$5900 a year, while whites with but one to three years of high school education received \$6512. A male nonwhite college

EDUCATION AND LIFETIME EARNINGS OF WHITE AND NONWHITE MEN, 1960
(Thousands of Dollars)

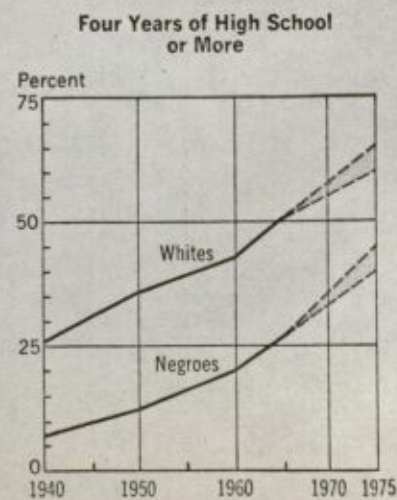
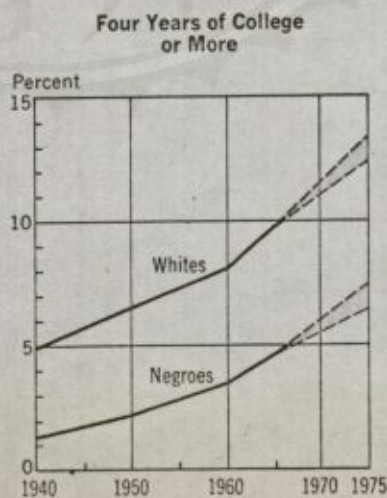
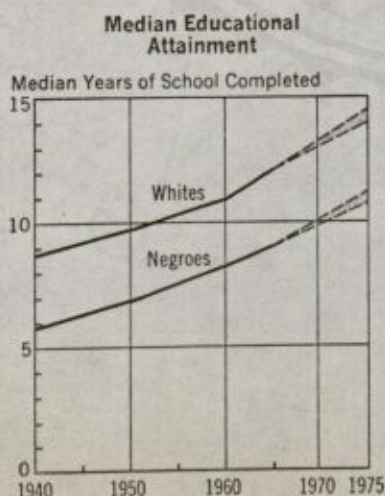
Level of Education	White	Nonwhite	Nonwhite as Percent of White
Elementary School			
Under 8 years	157	95	61
8 years	191	123	64
High School			
1-3 years	221	132	60
4 years	253	151	60
College			
1-3 years	301	162	54
4 years	395	185	47
5 or more years	466	246	53

Source: The American Negro Reference Book

graduate could expect lifetime earnings equivalent to only 47% of those of a white man with the same kind of training. On the other hand, a Negro with but an elementary school education could count on earnings of approximately 64% of those of his white counterpart.

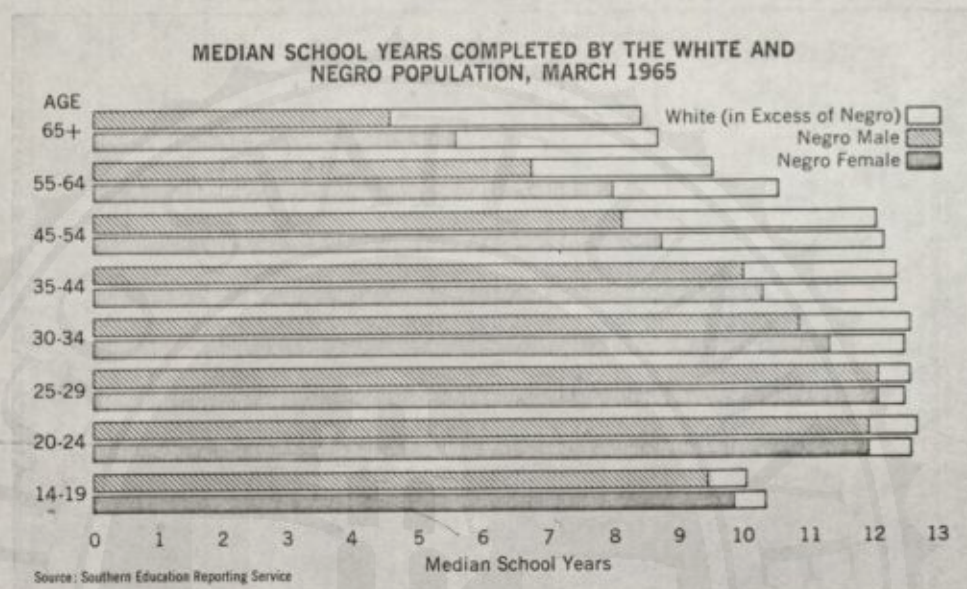
These facts have not stalled the Negro drive for education, which remains basic and powerful. Today 97% of Negro parents want their children to complete high school. The drive has been so strong that Negroes, since the early 1950s, have gained on whites in median years of schooling and in terms of percentages of college and high school graduates.

Trends in Educational Progress



Source: Department of Commerce; projections by SRI

While there is no question of the Negro goals in education, the prospects for rapid advance are dimmed by the persistence of the key problem—segregation.



The Scope of Segregation

In the North

Twelve years after the U.S. Supreme Court ruled school segregation unconstitutional in 1954, there has been little or no net progress in elementary and secondary school integration on a national basis. Slight gains in the South and some northern suburban areas probably have been fully offset by greater *de facto* segregation in the major cities of the country, where close to 75% of all Negroes reside.

One survey of such cities outside of the South showed 1141 schools with 60% or more nonwhite students. Most (60%) of these segregated schools were located in New York City, Chicago, Philadelphia, Detroit, Cleveland, and Los Angeles. In New York City, *de facto* segregation has expanded since 1954; in Washington, D.C., schools have gone from all-white, to mixed, to all-Negro in only a few years. Ironically, this has resulted, at least in part, from government emphasis upon hiring Negroes. The essence of the problem is the rapidly rising minority population and the solidification of residential separation.

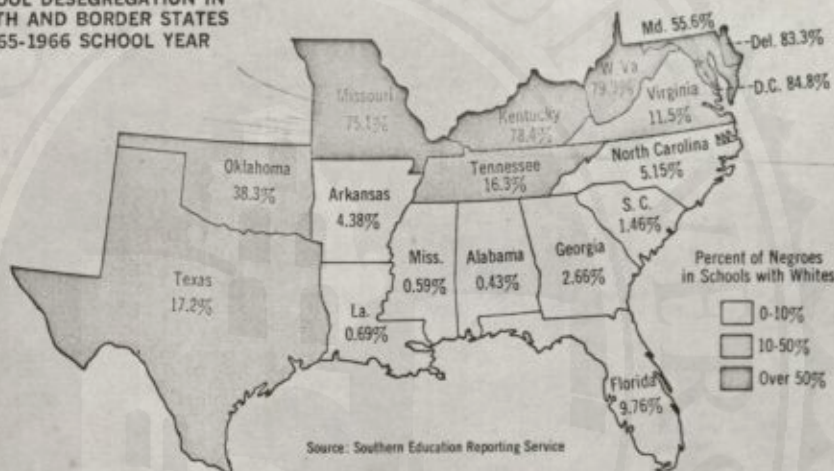
In smaller communities segregation is, in general, less widespread than in the cities. Here school boards, citizens' committees, and government bodies are better able to remedy existing imbalances through such devices as merging districts, zone changes, busing, and

relocation of school buildings. In most suburban areas the problem of lagging integration is not so much one of feasibility—as it is in central parts of cities—as of politics and/or lack of effort.

In the South

Twelve years after the Supreme Court decision, no more than 10% (and it may be as low as 5%) of Negro children in the entire South are attending integrated elementary and secondary schools. Data on desegregated districts give a more favorable picture but apparently

**SCHOOL DESEGREGATION IN
SOUTH AND BORDER STATES
1965-1966 SCHOOL YEAR**



are not meaningful in educational terms. For example, some 25% of school districts in the deep south states are officially desegregated while less than 2% of Negro students in these states are attending schools with mixed student bodies.

Colleges

By all odds the fastest growing segment of Negro college education is in desegregated institutions in the North and West. It is estimated that somewhat over 50% of the quarter million Negroes in college attend predominantly white institutions. Practically all major northern universities are actively seeking qualified Negro high school graduates and many are offering scholarship inducements.

In the South, desegregation at the college level is far more advanced than at lower educational levels. It is estimated that more than 40,000 Negro college students attend biracial classes. In the border states—although sometimes little more than nominal—desegregation is reported at 100%; it reaches 79% in the middle states, and drops to 36% in the deep south. In 1964 the over-all average

was 75%, contrasting with 60% in 1961 and 10% in 1954. Most of the 116 predominantly Negro colleges in the country are concentrated in the South and account for around 110,000 students.

DESEGREGATION OF WHITE SOUTHERN INSTITUTIONS OF HIGHER EDUCATION

	Percent Desegregated		
	1954	1961	1964
Border States	20	100	100
Middle States	8	64	79
Deep South	3	17	36

Source: HEW Higher Education, June 1964

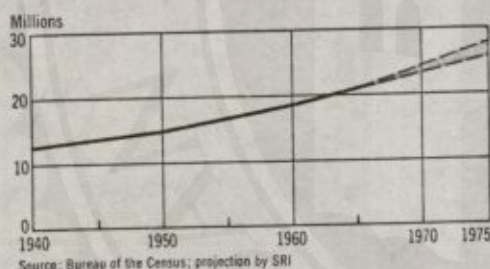
Effects of School Segregation

With desegregation of schools well established in principle, but not in practice, the effects and old problems of segregation continue to prevail.

POPULATION

The Negro population in the U.S. today is over 21 million. Roughly one in every nine Americans is a Negro. By 1975 the Negro population should be about 27 million, with a share of the U.S. total approaching

NEGRO POPULATION



12%. At present Negro birth rates are almost half again as high as the birth rates of whites. This fact, coupled with the virtual cessation of immigration and the rapid drop of Negro death rates to levels approximating those of whites, explains why the Negro population is gaining rapidly on the white.

There is evidence that social and economic changes will tend to depress fertility rates among Negroes more than in the white population. Expansion of educational and employment opportunities should help to stabilize Negro family life and reduce illegitimacy. Greater understanding of birth control and family planning should also contribute. The influence of these factors is indicated by the fact that upper class Negro families today have fewer children than their white counterparts.

The Negro population is much younger than the white. In 1964, median ages for the two groups were 21.9 and 29.3 years, respectively. No less than 37% of all Negroes were younger than 14 in that year, con-

trasted with 28% for whites. On the other hand only 6% of Negroes were 65 or older, compared with 10% for the population as a whole.

The great youth of the Negro population may turn out to be one of the most significant elements in integration. Rehabilitation of the old and unskilled of any color is a task frequently doomed to failure or only moderate success. Children are much more readily

POPULATION BY AGE—JULY 1964

	Percent	
	White	Nonwhite
Under 5 years	10.3	14.3
5 to 13 years	17.9	22.1
14 to 17 years	7.3	8.0
18 to 24 years	9.5	9.9
25 to 34 years	11.6	11.8
35 to 44 years	13.0	11.7
45 to 64 years	20.6	16.2
65 years and over	9.8	6.1

Source: Bureau of the Census

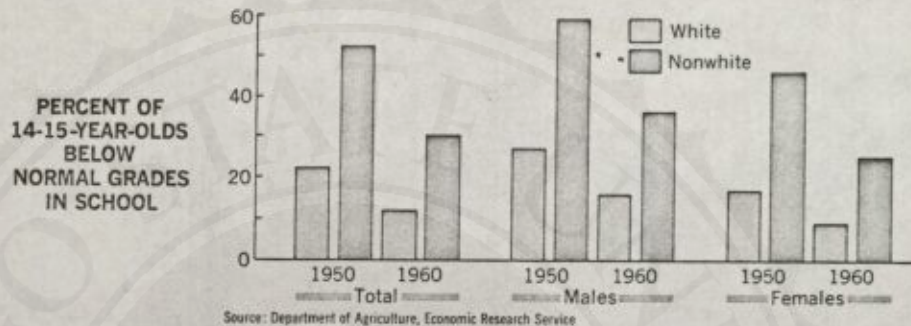
assimilated and accepted and the large number of Negro children who mature in a greatly changed atmosphere of civil rights legislation and progress should be the main beneficiaries. They are also most likely to grow up with a new sense of the value of education.

MEDIAN AGE BY COLOR AND SEX

Year	Male		Female	
	White	Nonwhite	White	Nonwhite
1940	29.5	25.4	29.5	25.1
1950	30.4	25.9	31.1	26.2
1960	29.4	22.7	31.1	24.3
1961	29.0	22.0	31.0	23.8
1962	28.7	21.5	30.8	23.4
1963	28.4	21.1	30.6	23.1
1964	28.1	20.8	30.4	22.9

Source: Bureau of the Census

Most important among these problems is the inferior quality of education in segregated schools. Such schools almost never reach the standards of white or integrated schools. As a result many Negro high school graduates receive what amounts to a seventh or eighth grade education. Negroes switching from segregated to integrated schools commonly find themselves markedly behind in academic



work. Even IQs suffer, as studies have shown that children with inadequate schooling may display IQs 20 or more points below those of equally gifted children who have had the benefit of good schooling. Negro youths in large numbers are also enrolled a grade or more behind the level appropriate to their age. The situation worsens progressively: only 7.8% of Negro boys aged 7 to 9 are behind grade level; by age 18 or 19, 57.3% are lagging. Inevitably, high dropout rates result, such as the 58% recorded for 19-year-old nonwhite men in 1960, compared with 31% for whites.

THE STRANDS

Political Action

Progress in overcoming the obstacles to achieving equality will depend on many factors. One of the most important is political power.

Political action, to be effective, requires organizations supported by large numbers of voters. A relative handful can force the issue at lunch counter sit-ins where principles are already established; to generate political or economic pressure in less clear situations large numbers are essential. It is for this reason that a massive growth in Negro political activity is anticipated during the coming decade. This political action will undoubtedly draw upon the energies not only of Negroes, but of liberal whites, religious groups, elements of business, perhaps trade unions, and state and federal legislators, among others.

Political direction is expected to gravitate increasingly to young, aggressive, self-respecting, educated Negroes. Church-oriented leadership already is declining. A principal problem will be maintenance of

some semblance of a unified front. For example, the mass of Negro voters in city slums often opposes "gradualism" and is less certain than their better-off brethren that equality can be achieved short of violence.

Some of the major areas of future political emphasis in Negro-directed drives:

- ▶ Action will be taken to assure true equality of education, jobs, income, housing, and all the other areas where Negroes feel disenfranchised. Negro leaders will insist that the equal opportunities promised in the civil rights legislation of the past decade are vigorously pursued in practice. The issue of voting in the South will be a major one. Public appearance vs. private action almost surely will be a central issue as built-in "structural" resistance to fulfilling civil rights principles is encountered.
- ▶ Efforts will be made to establish a cohesive coalition of liberal white southern voters with newly

Sharp differences are also revealed by statistics on funding and accreditation. The differential in white and Negro school budgets has long been marked, especially in the South. For example, before the war, Mississippi schools for whites received five times the per pupil funds that were allocated to Negro schools. Since the war the differences have shrunk greatly but have not vanished. At present the greatest discrepancy is in physical plants. Lower budgets mean inferiority in every important measure, from training of faculties and teachers, to quality of buildings, to size of libraries. Accreditation, which is a recognition of standards, in 1959 was granted to only 3% of the Negro high schools in Mississippi against 52% of the white secondary schools.

The effect of segregated schools on white children is less easily and commonly observed. But white children also lose—by lacking first-hand contact with a minority group comprising over 10% of the U.S. population. Isolation promotes ignorance, fear, and prejudice. Polls show, for example, that whites who have had extensive contact with Negroes make up the group that thinks best of them and most favors their causes. Thus segregation of schools has a lifetime effect on Negro-white relationships.

The Outlook for Negro Education

The biggest achievement in Negro education in the next decade will be the continued relative gain on whites and minority groups. The education of Negro men in particular will be advanced. By 1975 the median number of years of schooling completed by Negroes may

(Continued on page 14)

OF CHANGE

voting southern Negroes. Any growth in Republican registration in the South will enhance the power of such a Democratic coalition by reducing the number of "old line" Democratic voters. This coalition will aim in large part at defeating entrenched southern Congressmen who for decades have attempted to delay or thwart civil rights legislation. If successful, this drive will radically alter local political structures. Success in changing traditional loci of power in Congress will come more slowly if at all.

- There will be stout support of legislation dealing with massive programs in public housing, selected types of urban renewal, training and retraining programs, integration of education, and similar facets of the "Great Society."
- It is probable that the main drive of Negro political action will meet with growing opposition from subgroups espousing "black racism" or "reverse discrimination." Evidence available today suggests

that this negative type of political activity will not wax dominant—but neither will it disappear. Again, the evolution of the feelings, wants, and available political channels of slum-dwelling Negroes is likely to prove the critical factor in the degree that antagonism is expressed physically, economically, and politically.

The recent requirement of voting district reapportionment seems likely to speed the use of effective Negro-oriented political action at local levels, especially in the major cities. In effect, minority populations have been seriously underrepresented in state and local governing bodies—a situation that should be much ameliorated within several years. The consequences for cities with large Negro populations may be very considerable, as pointed out in LONG RANGE PLANNING REPORT NO. 176, *Legislative Reapportionment*. With greater representation, minority groups may be expected to wield greater influence on county boards of supervisors, school boards, city councils, 11

(Continued)

and numerous special districts dealing with such things as urban renewal. As a result more money will be spent at local levels on the problems of minorities.

Political demonstrations, marches, and other forms of protest will probably continue. Some 80% of Negroes feel that demonstrations are effective and 48% say they would be willing to go to jail as demonstrators.

Negro leadership almost certainly will try to guide voting patterns to reveal the importance of the Negro vote. A rise in the political power of Negro voters would, of course, directly affect legislative action, but its greatest impact would fall in a wholly different domain. Real political (and economic) power would do much to give Negroes greater control over their destinies. This, in turn, should enhance their self-regard and stimulate grass roots, coordinated, and hence responsible, action. Thus, in the long run, the reality of Negro political power should provide one of the truly effective antidotes to self-hate, "outsideness," mistrust of whites, and fear of competing.

Economic Action

The drive for economic action is likely to be a hallmark of the coming years quite as much as that toward political power.

Economic pressure will be applied to force employers to hire more Negroes, provide equal pay for equal work, and promote Negroes into supervisory and executive echelons. Products advertised in a way that offends Negroes will be boycotted. In the past, companies accused of employment discrimination have had their products boycotted or their plants picketed; much more such economic pressure is anticipated if Negro leadership develops widespread solidarity of support. Much political action will also be aimed at enhancing job realities but—especially for some consumer products—the boycott approach is likely to have more immediate effect.

Role of the Federal Government

Without doubt, much economic and political pressure on behalf of minorities will be applied through established government channels. Partly as a result, federal action will—in keeping with the shifting nature of the civil rights movement—switch from emphasis upon legislation dealing with principles to emphasis upon seeing that economic gains become reality. For example, various federal bodies now have the specific assignment of examining employment balances within the government itself, within firms holding federal contracts, and (very recently) within all firms employing 100 or more people or where interstate commerce is involved. Billions of dollars spent on "Great Society" programs will benefit Negroes especially. Economic aspects are likely to be the focus of federal activity across the entire spectrum from housing to employment to education to voting to law enforcement. Indeed, it was a major intent of the Civil Rights Act of 1964 to place federal power behind enforcement.

School districts receiving federal funds are likely

to experience government pressures; the mammoth farm program, especially the Agriculture Department's Extension Service, is another vehicle through which desegregation of local administrative bodies and more equitable allocation of loans, price supports, and other direct payments to farms will be sought. Still other areas that will be affected include: food aid to schools, institutions, and needy people; urban renewal; FHA loans; development funds for recreational sites; loans to cities and states; racial composition of police forces and courthouse staffs; and many more. Many of these moves will be directed chiefly toward the South.

In the domain of law enforcement, much more direct federal intervention is anticipated in such matters as voter registration, protection of civil rights workers, and removal of certain types of cases from state to federal courts, in order to secure better racial balance of juries.

Congress will probably come under pressure to pass new legislation to aid the poverty stricken, many of them members of minority groups. One suggestion, already espoused by influential scholars, and political and business leaders, involves subsidy payments to very poor families to bring their income up to "poverty" levels. Another example is the proposal made at the 1966 White House Conference on Civil Rights for a "freedom budget" of \$100 billion to be spent over a period of eight years.

More likely of early passage are increased minimum wage levels and minimum wages for service workers (which would benefit Negroes particularly). Also expected are extended support for vocational education for disadvantaged youths, tax breaks for those paying for retraining from private funds, and extension of programs in public housing, urban renewal, and school desegregation.

An all-out federal assault on the problems of inequality would deeply affect the national scene by far advancing federal prerogatives. Many Americans would probably approve of a federal computerized service to match unemployed workers with available jobs on a national basis, but most would probably object to the proposed negative income tax. Questions would arise not only about states' rights, but also municipal, business, and even personal prerogatives.

Role of Business

The past several years have witnessed a marked step-up in business activity aimed at helping Negroes. A great variety of programs, ranging from community-corporation cooperation in training to systematic efforts to establish equitable promotion systems, are now in effect and more will surely emerge. Many white business leaders declare that the "log jam has been broken."

If this is true, considerable—but not dramatic—progress can be expected in the coming decade. Conservatism seems warranted because of the profound structural, environmental, and personal problems that

will have to be overcome. Nor does it seem likely that "reverse discrimination" in hiring practices will become widespread. Constructive steps might include:

- ▶ Business should review selection, promotion, and layoff procedures to make sure they are nondiscriminatory and in accord with the requirements of EEOC and FEPC. Especially important is providing tests that measure the actual ability to handle a job, not some background knowledge or viewpoint that is not germane.
- ▶ Corporate intent must be emphatically and clearly made known to all levels of the firm so that, from the policy standpoint, all employees understand that discrimination is not acceptable.
- ▶ Business should seek out Negro leaders to make its nondiscriminating policies known to the community, so that Negroes will apply for better jobs.
- ▶ Business should take the initiative in striking discrimination clauses from any contracts that contain them. Contracts should specifically be checked against the regulations of Title VII of the Civil Rights Act.
- ▶ Negroes applying for jobs who almost, but do not quite, qualify should be given special training.
- ▶ On-the-job upgrading training programs should aim at promoting Negroes to all levels of the firm. It is not enough merely to have a quantitatively representative minority work force; it should be qualitatively representative as well.
- ▶ Business should support and encourage Negro colleges, scholarships, self-help training programs, and other such attempts by Negroes to qualify themselves for better jobs.
- ▶ Reasons for promotions or layoffs should be carefully documented to demonstrate lack of discrimination; more than one firm has suffered from unjust accusations of discrimination.
- ▶ Perhaps most important, business should not fear to promote the qualified Negro no matter what outside or internal reaction is anticipated; time and again such fears have proved groundless.

There is no doubt that Negroes' opportunities for employment and advancement in business are better today than ever before. Not all firms—especially in the South—have changed either their policies or their intention. Nevertheless, many have. And those that have are, in general, the larger, more sophisticated companies offering exceptionally good prospects for a career.

Integrating Negroes into Business

Advocates of integration have in the past vigorously supported establishing entrance jobs for Negroes. The prime concern has been to open up jobs and companies that had previously denied employment to nonwhites or had hired them "in their place." Attempts to find such jobs have become more success-

ful as a result of voluntary cooperation by employers, organized programs like Plans for Progress, and government action through Title VII of the Civil Rights Act and the establishment of the Equal Employment Opportunity Commission to oversee it.

Checking the success or failure of these programs has revealed the following among many—and often contradictory—findings:

- ▶ The majority of Negroes continue to be hired for low paying, low status jobs, which, nevertheless, represent a step up the occupational ladder.
- ▶ Negroes are at a big disadvantage whenever employment is dependent on the successful completion of tests.
- ▶ Today Negroes are more likely to be placed in jobs for which they are not fully qualified; this is in sharp contrast with the past when most Negro workers were overqualified.
- ▶ Companies find it more costly to recruit and train Negro workers than white employees.
- ▶ Antagonism among the work force towards the first Negro employees is normally much more moderate than management anticipates.
- ▶ Negroes continue to avoid certain industries as a result of past records. Not all are convinced that companies are genuinely interested in their employment applications.
- ▶ Local customs continue to be a big factor in the Negro employment situation.
- ▶ Qualified Negroes are accepted in supervisory positions even in the South.
- ▶ Personnel officers rate most Negro workers as average, but large numbers are considered good and some outstanding.
- ▶ Company transfer of Negroes to new communities is difficult and undesirable.
- ▶ Demotions or dismissals of nonwhite employees are likely to produce charges of discrimination.
- ▶ Professionally qualified Negroes are in great demand and have a choice of good positions.
- ▶ Promotions for professionals are less readily available and a move to a new company is considered the fastest and best means.
- ▶ To be effective, policies for Negro employment and promotion should be set and followed through by the chief executive.
- ▶ Corporations recruit mainly technically trained Negroes, whereas the typical white recruit enters as a management trainee.
- ▶ Only limited numbers of members of minority groups are thought to possess the qualities needed for successful management.
- ▶ Many factors are considered important for promotions to high level management positions and race is one of them; schools, social background, and "pull" are others that make the Negro rate low. 13

approach 11 years. This will not eliminate the differential (whites reached a median of 11 years in 1960) but clearly suggests considerable advances in the educational status of young Negroes.

The pace of integration at the elementary and secondary school levels in the South should exceed "deliberate speed," largely as a result of federal action and financial aid. The Elementary and Secondary Education Act of 1965 is aimed at strengthening education for low income disadvantaged children and will benefit the southern states in particular. Receipt of funds may be contingent on the actuality of integrated classes. The sums involved are substantial enough to arouse the cooperation of previously segregation-minded school districts. For instance, for the fiscal year 1966 allocation under the Act amounts to 13% of current public education expenditures in 11 southern states.

In the heart of the deep South money needs will combine with a shift in white attitudes toward school integration to aid the cause of Negro education. Still it is unlikely that meaningfully biracial schools will reach the 50% level in the coming decade, except in the fringe states of Texas, Florida, and Tennessee. A negative concomitant will be: many among the 131,000 Negro teachers in these states will fall victim to school integration. Some will not be fully qualified to teach in integrated schools and will require retraining at federal expense; others will face unemployment as a result of discrimination or competition for available positions and may be forced to move to other areas.

Outside of the South, prospects for major improvements in the big cities are rather poor. Here not only residential patterns but *status quo* politics often frustrate efforts to integrate schools. It is doubtful that this type of resistance will yield to federal financial pressure. It is more likely to yield to fears of riots and confusion and pressure from voters who demand better schools for whites instead of diversion of funds to ghetto schools. There may be increasing realization that one way to provide good public education will be to share facilities in fringe neighborhoods. In time, extensively segregated schools will prove politically, ideologically, and academically unwise. For a few years, however, school segregation in the very large cities is unlikely to abate. The opposite is true for the small cities of the North. Here desegregation is considered technically more feasible and politically safe, provided there is cooperation among school superintendents, state authorities, and Negro and white community representatives.

At the college level there will be a consistent increase in Negro enrollments at white institutions and—to a much lesser extent—of white enrollments at predominantly Negro colleges. If rates of progress of the recent past are maintained, and desegregation in the deep South should approach 50%, full desegregation should in principle prevail in the middle states by 1975.

Federal aid, together with more successful fund drives addressed to individuals, foundations, and corporations should enable the predominantly Negro colleges of the South greatly to improve the quality of the education they provide. At present Negro colleges receive less than half as much income per student as do chiefly white colleges. This gap should narrow, although it can hardly close entirely in the near future.

Directions of Progress

Throughout the country there will be experimentation with new educational approaches and ideas to aid disadvantaged students. Among them are:

- Preschool programs—similar to Operation Head Start—to prepare slum children for meaningful educational participation in spite of culturally deprived home environments.
- Guidance projects for students—including counseling, clinical services, social work, and contact with parents.
- “Education parks”—a radical concept of replacement of neighborhood schools in big cities by education parks serving 5000 to 20,000 students drawn from a broad cross section of the city.
- Mergers of school districts—suburban districts to combine with Negro inner city districts.
- “Compensatory” schools—proposed mainly for rural Negroes and poor whites in the South. The aim is to provide an improved cultural setting; lower age school entrance, boarding schools for middle grades, paid employment of senior high school students at school tasks, and intercounty cooperation to provide college-level education are all possible features.

EMPLOYMENT

Equality of employment will mean a big step toward the solution of the Negro's problems. The employment picture is cloudy and contradictory. Negroes are appearing in white collar jobs in offices and stores where not long ago they were completely absent or restricted to menial service jobs. Some industries and companies clamor for Negro job applicants and the capable and well educated are in such demand that talk of “discrimination in reverse” begins to crop up. This side of the picture, however, combines with that of long lines of Negroes at unemployment offices and clusters of youths standing around street corners in Negro neighborhoods. This situation may grow even worse in view of the fact that Negroes will constitute some 20% of the new entrants into the labor force in the coming decade.

Labor Force Participation

For many years total labor participation rates for nonwhites have exceeded those for white workers. This has been due mainly to the substantially greater participation of Negro women. Large numbers of them are in the work force as primary family providers and others need to supplement low wages of husbands to a much greater extent than is demanded of white women. With the exception of teenagers, the numbers of Negro working women of all ages exceed their white counterparts; even during the child-rearing years, when most white women retire from the labor force, more than half of the Negroes are employed.

CIVILIAN LABOR FORCE PARTICIPATION
(Percent)
(Population Age 14 and Over)

Sex and Age		White		Nonwhite	
		1950	1965	1950	1965
Male	Total	84.1	77.6	83.3	75.2
	14-19 years	50.3	42.6	56.1	39.1
	20-24	87.5	85.3	91.4	89.8
	25-34	96.4	97.4	92.6	95.7
	35-44	97.7	97.7	96.2	94.2
	45-54	95.9	95.9	95.1	92.0
	55-64	87.3	85.2	81.9	78.8
	65 years and over	45.8	27.9	45.5	27.9
Female	Total	31.8	36.9	45.7	46.0
	14-19 years	31.6	30.3	31.0	21.7
	20-24	45.9	49.2	46.9	55.2
	25-34	32.1	36.3	51.6	54.0
	35-44	37.2	44.3	55.7	59.9
	45-54	36.3	49.9	54.3	60.2
	55-64	26.0	40.3	40.9	48.9
	65 years and over	9.2	9.7	16.5	12.9

Source: Bureau of Labor Statistics

UNEMPLOYMENT RATES
(Percent)

Year	Unemployment Rates		
	White	Nonwhite	Total
1947	3.3	5.4	3.6
1948	3.2	5.2	3.4
1949	5.2	8.2	5.5
1950	4.6	8.5	5.0
1951	2.8	4.8	3.0
1952	2.4	4.6	2.7
1953	2.3	4.1	2.5
1954	4.5	8.9	5.0
1955	3.6	7.9	4.0
1956	3.3	7.5	3.8
1957	3.9	8.0	4.3
1958	6.1	12.6	6.8
1959	4.9	10.7	5.5
1960	5.0	10.2	5.6
1961	6.0	12.5	6.7
1962	4.9	11.0	5.6
1963	5.1	10.9	5.7
1964	4.6	9.8	5.2
1965	4.1	8.3	4.6

Source: Bureau of Labor Statistics

The position of Negro men is the reverse; they are in the labor market in lesser proportion than white men. An exception is the age group from 20 to 24; here the explanation must be sought in the longer school attendance of young whites.

Unemployment

Only 35 years ago nonwhite unemployment was lower than white unemployment. The change started in the last decade, and since 1955 Negro unemployment has generally been twice that of the white race. Only late in 1965, in a period of unprecedented prosperity and the achievement of virtually full employment for the vital group of married men, did Negro men record progress.

The contrast in the statistics over a period of little more than three decades is due mainly to Negro moves from rural to urban areas and the accompanying transition from agriculture to industry. Chronic underemployment was a feature of agricultural life, but

MIGRATION

Regional Shifts

The popular idea has long prevailed that Negroes lack the motivation and know-how to better their condition. Statistics on migration and mobility tend to refute this, as they demonstrate considerable initiative by nonwhites in search of greater opportunity.

At the turn of the century, 87% of the nonwhite population was in the South; the majority lived on farms. Since then there has been a great reversal and the image of the Negro sharecropper in the rural South has largely vanished. Negroes have left these traditional regions and abandoned farm life in such numbers that their migration is considered the most extensive group population movement in U.S. history. Between 1940 and 1950 about 15% of the southern Negro population, or close to 1.5 million persons, left the South; the record for the period from 1950 to 1960 is similar.

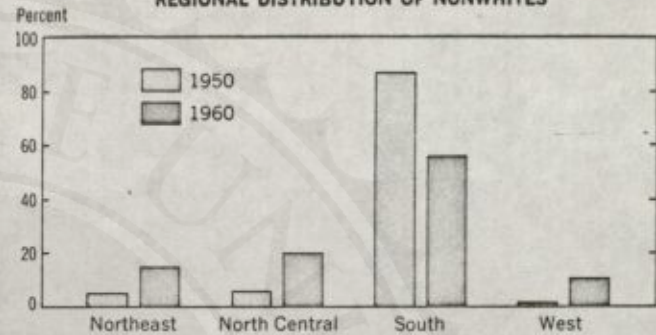
Mississippi, Alabama, and South Carolina were most affected by the migration. By 1960 only 56% of the total Negro population remained in the South, while tides of in-migrants flowed into urban centers in the North and West. New York, Illinois, and California exerted the greatest pull, but Michigan, Ohio,

true magnitude of the migration: nonwhites had become more urbanized than the rest of the population.

Outlook

The Negro exodus from the South has been tapering off—is approaching completeness, in fact, as rural Negroes become fewer. The industrialization and com-

REGIONAL DISTRIBUTION OF NONWHITES



Source: Bureau of the Census

PERCENTAGE OF POPULATION LIVING IN URBAN AREAS—1910-1960

Year	Total U.S.		South		North, West	
	White	Negro	White	Negro	White	Negro
1910	49	27	23	21	59	78
1920	53	35	29	27	62	84
1930	58	44	35	32	66	88
1940	59	49	37	37	67	89
1950	64	62	49	48	70	94
1960	70	73	59	58	74	95

Source: Bureau of the Census

and Pennsylvania were also favored destinations. A great majority of the migrants headed for the largest metropolitan areas, where they became concentrated in the central cities. The trend was so pronounced that by 1960 the 24 Standard Metropolitan Statistical Areas of more than a million inhabitants held 38% of the total Negro population—30% of them in the central cores of these cities. The census of 1960 revealed the

mercial development of the region offers increasing opportunity for many of those who remain and wish to make short distance moves into southern cities.

Despite a lessening in new arrivals, the Negro population in metropolitan areas—particularly in the largest cities—will grow appreciably. Many of the migrants in recent years have been young adults whose family units account for considerable natural population increase.

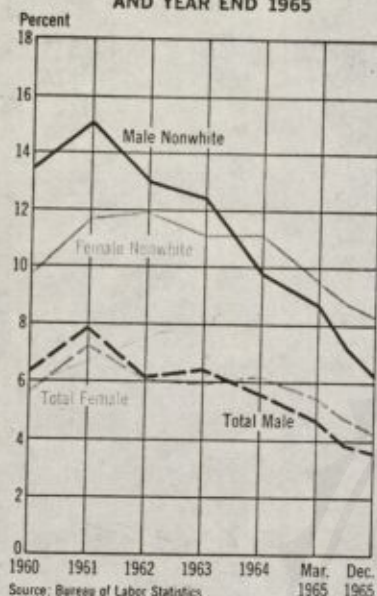
After arriving at their destinations, Negroes will continue to show great residential mobility. Their quest for acceptable housing will remain intensive, not only because they seek betterment, but also because of housing conversion or demolition. This localized mobility will be quite different from that of the migrations of the past, when escape from poverty and isolation from the main current of life was the leading motive. With access to the white community largely achieved, the shorter moves will aim to reinforce the basic gains by additional social, economic, and educational interaction.

LARGEST CITIES IN THE U.S.—POPULATION BY COLOR
(Thousands)

Cities	1960				Percent Change Between 1950 and 1960	
	Total	White	Nonwhite	Percent Nonwhite	White	Nonwhite
New York, N.Y.	7,782	6,641	1,141	14.7	-6.7	+47.2
Chicago, Ill.	3,550	2,713	838	23.6	-12.8	+64.4
Los Angeles, Calif.	2,479	2,062	417	16.8	+17.3	+97.2
Philadelphia, Pa.	2,003	1,467	535	26.7	-13.3	+41.2
Detroit, Mich.	1,670	1,183	487	29.2	-23.5	+60.4
Baltimore, Md.	939	611	328	35.0	-15.6	+45.3
Houston, Tex.	938	721	218	23.2	+53.1	+73.2
Cleveland, Ohio	876	623	253	28.9	-18.6	+69.3
Washington, D.C.	764	345	419	54.8	-33.3	+47.3
St. Louis, Mo.	750	534	216	28.8	-24.0	+39.9
Total	21,751	16,899	4,852	22.3	-8.2	+55.6

Source: Bureau of the Census

UNEMPLOYMENT
MARCH 1960-1965
AND YEAR END 1965



unemployment was almost nonexistent—for as recently as 1930 more than 40% of Negro men held farm jobs, many as sharecroppers. By 1960 all but 10% had fled from this rural poverty. In their quest for a better life in towns and cities Negroes found themselves restricted mainly to unskilled and semiskilled occupations, faced discriminatory hiring and layoff practices, and found themselves in the jobs most sensitive to business cycles and most vulnerable to automation—in the industries dominated by old technologies. All these factors have markedly contributed to the Negro unemployment pattern. The greatest unemployment problem confronts Negro youths between the ages of 16 and 21, roughly one-quarter of whom are searching for work.

Negroes also have longer terms of unemployment, are idled more often in any given year, and have much more involuntary part-time work. In 1965 they accounted for 23% of those unemployed for 15 weeks or more and for more than 25% of the group that was unable to find work for more than 27 weeks. Similarly, the proportion of those regularly working only part-time was nearly five times as high as for whites.

OCCUPATIONAL DISTRIBUTION OF THE EMPLOYED
1950 AND DECEMBER 1965
(Percent)

	White		Nonwhite	
	1950	1965	1950	1965
White Collar	40.3	47.5	10.2	19.5
Professional and Technical	8.0	13.0	3.0	6.8
Blue Collar	39.3	36.2	37.5	40.7
Service	8.5	10.7	33.8	31.7
Farm	11.7	5.6	18.4	8.1

Source: Bureau of Labor Statistics

Occupational Gains and Problems

In contrast to the story of unemployment, there has been a favorable shift in Negro occupational patterns. Among the most outstanding gains:

- ▶ Late in 1965, over 19% of the nonwhite workers were in white collar jobs, as compared with 9% in 1948
- ▶ During the same period, professional and technical employment rose to almost 7%, up from 2.4%
- ▶ Public administration offered particularly good opportunities, and engineering, though starting from a very small base, showed a fivefold increase
- ▶ Negro employment in the clerical field doubled between 1954 and 1964

Despite such advances, persistent Negro overrepresentation in low skill, low prestige jobs continues. Negro managers, officials, and

proprietors are as scarce as 15 years ago. Laborers and operatives in factories still constitute the largest number of employed Negro men even though manufacturing employment has declined. For Negro women, domestic work and other service categories continue to account for more than half of all available jobs. The number of nonwhite service workers outside of households increased by one-third over ten years, edging close to 1.5 million. Nonwhite men with elementary school educations were moving into this field.

Organized Efforts to Upgrade Employment Patterns

Efforts are being made to prepare Negroes for better jobs and to avoid long term unemployment. So-called "skill banks" established by Urban League chapters have been instrumental in extending job placements. The numbers involved were not large—but the reservoir of eligibles was small and tended to dry up quickly. For instance, it is estimated that there are only about 100,000 Negroes in the U.S. with college degrees in engineering or science; only around 500,000 nonwhite professional and technical graduates of any kind; and only five Negro graduates for every 100 management level jobs that could be available to them.

More important, perhaps, in the over-all picture are the efforts made by industry and business to raise the qualifications of Negro men and women to levels acceptable for employment. Training and retraining programs have been initiated in large numbers. Such programs are just beginning to take effect and their long term influence as yet is unmeasurable. Available data, however, show that the impact may be considerable. Between 1963 and 1964, under a program called "Plans for Progress," 100 companies with 4 million employees recorded a total employment increase of 3%, a rise of

OCCUPATION AND EDUCATION, MARCH 1964

(Percent)

	Occupation and Sex	High School, 4 years (No College)		College, 1 year or more		College, 4 years or more	
		White	Negro	White	Negro	White	Negro
Male	White Collar Workers	42.6	19.6	79.8	58.9	93.5	79.0
	Professional, technical, and managerial	25.4	5.6	60.1	40.6	81.8	66.2
	Clerical, sales	17.2	14.0	19.7	18.3	11.7	12.8
	Blue Collar Workers	52.9	78.5	18.1	40.6	5.2	20.0
	Craftsmen, foremen	22.8	12.3	7.8	10.1	2.1	7.2
	Operatives	20.1	35.9	5.7	12.1	1.6	3.6
	Service workers, including private household	5.7	15.9	3.8	9.7	1.2	3.6
	Laborers	4.3	14.4	0.8	8.7	0.3	5.6
	Farm Workers	4.5	1.9	2.1	0.5	1.3	1.0
Female	White Collar Workers	73.8	28.6	92.0	71.5	97.2	91.1
	Professional, technical, and managerial	12.2	5.3	57.6	43.3	82.8	76.0
	Clerical, sales	61.7	23.3	34.4	28.2	14.4	15.1
	Blue Collar Workers	25.0	71.3	7.5	28.2	2.6	8.2
	Craftsmen, foremen, operatives	10.8	18.4	2.2	6.5	1.1	2.7
	Private household workers	2.0	21.4	1.0	9.2	0.5	1.4
	Service workers, except private household	12.1	30.5	4.3	11.9	0.9	4.1
	Laborers	0.1	0.9	—	0.6	0.1	—
	Farm Workers	1.2	—	0.8	0.3	0.2	0.7

Source: Bureau of the Census

0.9% in white collar employment, and a growth of 4.9% in blue collar jobs. Increases in employment of nonwhites by these firms were 14.5%, 16.2%, and 14.1% for the three categories. The absolute figures are even more interesting—33,600 out of a total of 120,000

NEGRO

Business in General

In the past, Negro business efforts have been limited, both in number and in scope. The Negro's lack of business experience and management skills, shortage of financial resources, and inability to raise capital or to rent space all combined to cause him to downgrade commercial enterprise. Instead, entry into the professions was stressed.

Negro businesses that did develop have generally been confined to small operations in racially restricted markets where segregation provided a "crutch." They were mainly single proprietorships—many of them requiring the pooling of family labor to make them going concerns—and were heavily concentrated in fields to which free access was denied to Negro consumers elsewhere. Most common were beauty and barber shops, luncheonettes and restaurants, funeral parlors, and hotels. Negroes shied away from undertakings in which the Negro consumer dollar found ready acceptance in the open market, such as department, hardware, and furniture stores, and similar outlets. There are few Negro manufacturing firms, because considerable capital and existence of broad markets are requirements that are not easily met. The few enterprises that did develop were predominantly devoted to beauty products.

The implications of this situation are unfortunate. Nonwhite communities are in great need of prosperous small businessmen. They are not only in a position to offer employment to members of their ethnic group, but successful entrepreneurs also contribute leadership, stability, and continuity to a neighborhood. Businessmen that must fight for survival, on the other hand, are not promising recruits as leaders and image makers.

Life Insurance

Until the turn of the century, nonwhites were unable to buy coverage from national life insurance companies, or had to pay higher premiums. This spurred the development of some Negro-controlled firms.

In 1962 a total of some fifty Negro-owned or -controlled life insurance companies were in business, but playing a limited role. Their transactions were quite different from those of the average white-owned company. Almost two-thirds of their sales were for industrial policies; these are normally of low face value and premium payments are made to door-to-door collectors at frequent intervals. Nationwide, industrial poli-

cies constitute 6% of total sales while ordinary and group life insurance are the mainstay. Even the largest Negro-owned company had total assets of only \$77 million. Those for the 20 leading companies combined amounted to around \$300 million, a minimal share of the more than \$130 billion total for all companies—and 70 times less than those of each of the two largest carriers. Generally, Negro companies are considered quite conservative in the management of their finances. They hold relatively more liquid assets, cash and tax exempt state and federal bonds, and fewer mortgages.

Banking

In banking, Negro institutions play an even more limited role than they do in insurance; in 1963 there were only 13. There are exceptions, but usually Negro banks have higher operating expenses, and show lower returns on their resources and, therefore, lower profits. It is noteworthy, however, that actual losses due to default on loans are relatively smaller than for all banks, even though the customers of nonwhite banks are economically weak.

There has been some expansion in Negro banking since 1963; five new banks were chartered by the end of 1964 and several additional applications were pending. It was not until 1965 that Harlem's first Negro-chartered and Negro-run commercial bank opened. Appropriately named the Freedom National Bank, it has been growing fast, although five U.S. banking giants maintain neighborhood branch offices.

Negro banking efforts serve two important purposes: Their very existence induces a certain degree of liberalism in white-owned lending agencies towards Negro credit requirements. Negro banks are also more likely to give financial support and encouragement to those nonwhite businessmen who have ideas or show imagination.

Outlook

In the decade between 1950 and 1960 the number of self-employed Negro businessmen was reduced by more than 20%, largely as the result of competition by stronger white-owned firms. The greatest decline occurred in transportation, where marginal small scale Negro operators had to bow to large truck and taxi fleet owners. Some Negro firms in communications, utilities, and sanitary services also succumbed.

In the future Negro businessmen will be widely affected by the provisions of the new civil rights laws

new workers were nonwhite with a breakdown of 6600 out of 17,700 white collar, and 27,000 of 103,000 blue collar personnel. Thus approximately 26% of the new staff added was nonwhite. Dozens of additional companies recorded similar progress.

BUSINESSMEN

and growing desegregation. In many ways this kind of progress will have detrimental side effects. As Negroes gain access to goods and services everywhere, quality and competitive prices will determine their patronage; the single proprietor business now prevalent will be at a disadvantage in the new environment.

Under these circumstances fundamentally new approaches by Negro businessmen must emerge. Mainly they will take the form of attempts to broaden market coverage through changes in location and reduction of dependence on Negro consumers. New personnel policies will recognize that white employees and representatives will aid business growth, rather than hinder it. As Negro spending for durable goods is expected to increase markedly, nonwhite businessmen will attempt to share in the prospective bonanza not only by supplying such goods, but also by servicing them. Additional opportunities will come from wider availability of franchises, which give the dealer guidance without loss of independence.

To succeed in the new environment, Negro businessmen will need greater technical know-how and financial counsel and backing. A number of economic

development and business service centers, providing management and technical assistance, have been established and such strategic locations as Howard University and Atlanta University have been included.

The Small Business Administration (SBA) has been assisting Negro efforts through liberal lending policies and individual counseling and management advice. An experimental program dubbed the "6 x 6" was launched in 1964 to provide low interest loans of up to \$6000 for six years without the traditional type of collateral. The initial program was so successful that it was included and expanded in the Economic Opportunity Act of 1964—with loans up to \$25,000 with 15 years to repay. In the 1965 Housing and Urban Development Act the SBA was also given authority to guarantee the leases of small businessmen up to ten years. Negroes are expected to be major beneficiaries of these and similar measures.

In the South, a start toward self-help has been made by the establishment of a number of Negro-run cooperatives. Civil rights organizations favor expansion of such efforts as a way of freeing Negroes from segregationist economic pressures.

SELF-EMPLOYED NEGRO BUSINESSMEN, 1950 AND 1960

Industry	1950		1960		Annual Percentage Rate of Change 1950-1960 Negro
	Total Negro	Negro as a Percent of Total	Total Negro	Negro as a Percent of Total	
Construction	3,390	1.7	3,978	1.8	1.6
Manufacturing	1,050	0.4	1,376	0.8	2.7
Transportation	2,430	4.7	1,241	3.2	-6.5
Communications, utilities and sanitary services	270	6.3	82	1.7	-11.2
Wholesale trade	2,640	1.5	2,610	1.9	-0.1
Retail trade	38,730	2.8	26,303	2.6	-3.8
Food and dairy products	14,520	3.9	8,740	4.1	-4.9
Eating and drinking places	15,030	5.5	11,344	5.6	-2.9
General merchandise and limited price variety	750	1.2	640	1.3	-1.6
Apparel and accessories	600	0.7	321	0.6	-5.9
Furniture and home furnishings	360	0.5	182	0.4	-6.1
Motor vehicles and accessories	180	0.3	163	0.3	-0.9
Gasoline service stations	1,290	0.9	2,153	1.4	5.3
Hardware, building materials	120	0.2	80	0.1	-3.9
Other retail trade	5,880	2.8	2,680	1.8	-7.5
Banking and finance	90	0.4	41	0.2	-7.5
Insurance and real estate	600	1.3	794	1.6	2.8
Business services	570	1.7	890	2.4	4.6
Automotive repair and garages	870	1.5	1,083	2.8	2.2
Miscellaneous repair services	450	1.5	414	2.1	-0.8
Personal services	5,970	4.4	4,349	3.4	-3.1
Other industries	2,760	2.8	3,239	3.4	1.6
Total	59,820	2.5	46,400	2.4	-2.4

Source: The American Negro Reference Book

Ironically, some of the measures taken in the past to assure non-discrimination in employment may actually have hampered Negro recruitment. Fair Employment Practice regulations prohibited questions about ethnic background on job application forms. This may have resulted in hiding the identity of Negro applicants and made it hard to recruit them through normal channels.

More recent legislation has dealt with such problems and also supplemented earlier voluntary programs. Title VII of the Civil Rights Act created the Equal Employment Opportunity Commission to aid in the elimination of discriminatory practices in employment. Starting in the spring of 1966, compliance reports became mandatory for all covered employers.

Federal Government Employment

The Negro share of the federal work force is approximately 13%, a proportion that is rising. During the fiscal year ending in June 1965, total federal jobs increased by 18,420 and more than half went to Negroes. Gains during the year were mainly in the middle and upper level job classifications. In the salary range from \$10,000 to \$24,000, for instance, the Negro share grew by 20% as compared with only 4.5% for the total government work force. These figures are evidence of a determined effort by the government to create equality of opportunity, and to counteract the persistent concentration of nonwhite workers in the lower pay and responsibility brackets.

In 1962 Negroes comprised about 11% of the U.S. Army, 8% of the Air Force, 7% of the Marines, and 5% of the Navy. Although recent detailed information is not available, percentage figures are known to have risen since then as both Negro enlistments and draft calls have been high. Under normal peacetime conditions, armed forces figures are significant from an employment standpoint. Military service not only reduces unemployment of Negro youths, but gives them access to the training facilities of the armed forces.

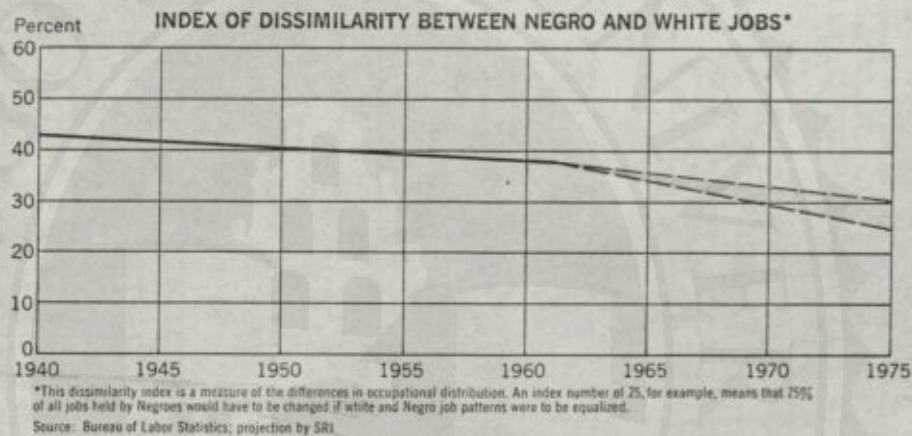
FEDERAL EMPLOYMENT OF NEGROES
JUNE 1964

Pay System and Grade or Salary Group	Number	As Percent of all Federal Employees	Percent Distribution by Grade or Pay
Classification Act (or similar pay plans)	102,697	9.3	100.0
GS-1 to GS-4	63,911	19.0	62.2
GS-5 to GS-8	28,304	9.1	27.6
GS-9 to GS-11	8,145	3.1	7.9
GS-12 to GS-18	2,337	1.1	2.3
Wage Board	102,918	19.3	100.0
Less than \$4,500	33,486	47.2	32.5
\$4,500 to \$6,499	57,841	22.1	56.2
\$6,500 to \$7,999	10,967	6.9	10.7
\$8,000 or more	624	1.5	.6
Postal Field Service	90,078	15.5	100.0
PFS 1 to PFS 4	83,650	16.8	92.9
PFS 5 to PFS 8	6,165	9.1	6.8
PFS 9 to PFS 11	223	1.7	.2
PFS 12 to PFS 20	40	1.1	less than 0.05

Source: Bureau of Labor Statistics

Outlook

The prospect for Negro employment has many facets, but perhaps three dominate—the condition of the general economy, the availability of qualified Negro job applicants, and the attitudes of unions and employers. In the coming decade trends in all three should combine to produce marked, but not dramatic, progress. There is little doubt that this advance will be uneven and wide individual differences will apply at the industry, union, and company level. In spite of growing pressures of new legislation, civil rights protests, and boycotts, “tokenism” will be practiced by some, while hiring and



promotions by others will be strictly on merit, and there will even be instances of “discrimination in reverse.” Over-all the outlook is for a drop of the employment index of dissimilarity from the mid-30s of today to perhaps 25 in 1975. On this basis, the next decade will provide no solution to the employment problem. Beyond 1975, it will persist until such time as the acceptance of the qualified Negro is replaced by the search for the qualifiable.

Status of the Economy

Without general prosperity there is no strong economic pressure for such a search or expansion of opportunities; with it, and in a tight labor market, there is no argument against hiring and job upgrading.

The outlook for the economy to 1975 is good and manpower demands should be high. Although the fastest growing job categories demand extensive education, the government's commitment is for full employment and the benefits to the Negro from this commitment will be greater—because of previous exclusion—than those of any other group of the population.

Qualifications

Strong upward trends in the education and job training of Negroes are under way and will persist. The young especially will be increasingly qualified for a wide variety of good jobs requiring knowledge or skills. Those professionally and technically trained will face excellent prospects in white collar occupations. At many levels—especially the managerial—limited demand will outstrip even more limited supply. Promotion to top management will continue to be practically nonexistent. The outlook for retail sales and clerical job openings is favorable. Upgrading should be speeded for blue collar employees, but employee resistance is likely to limit the number of nonwhite foremen. In general, the employment of Negroes in positions for which they are clearly overqualified will show a steep drop. As in all population groups, older Negro workers, those with poor educational backgrounds, and those lacking skills will fare least well. This group will, however, benefit from training provided under the Manpower Development and Training Act (MDTA). In 1965 nonwhite enrollment under this Act constituted 34% of the total signed up for institutional projects and 21% of all on-the-job trainees. Similar percentages will apply to training opportunities in the coming years.

Employer and Union Attitudes

In the long run, the attitudes of employers and unions toward Negro job applicants will prove decisive. Under the impetus of public opinion joined with federal mandate, official fair employment policies will undoubtedly be set forth by growing numbers of firms. Action will probably lag pronouncement, but should, nevertheless, be real. Until now big business generally has been making the most concerted efforts, but many small companies have remained almost "lily white." State and local governments also frequently discriminate.

In some unions, such as the construction trades, the racial composition of membership and job levels is violently out of balance. Unions also often severely restrict Negro apprenticeships, and block the advancement of the few who are admitted.

Nevertheless, Negro union membership grew from an estimated 56,000 in 1930 to between 1.5 million and 2 million in 1964. Certain trades, such as painting, could be learned in school or in the armed forces or "picked up" on the job, and excluding anyone capable of performing them was difficult. On the other hand, plumbing and electrical work required extensive formal apprenticeships and union control could be wielded. The availability or lack of skilled nonwhite craftsmen who could teach their own trade to other Negroes was also important. There are relatively large numbers of Negro plas-

terers, bricklayers, and cement finishers in the South because Negro craftsmen there have taught others these stable trades.

There has long been a difference in attitude and policy between the more discriminating craft unions and the more equalitarian industrial unions, and between the more liberal national unions and segregated locals. In 1955, the constitutions of both the AFL and CIO included nondiscrimination as a major objective. Late in 1961 this was augmented by a resolution to ask all affiliated unions to eliminate segregated locals, to negotiate for nondiscrimination clauses in all contracts, and to remove separate seniority listings based on race, religion, or national origin. Even the channels of complaint in case of noncompliance were outlined at the time. Now it is also expected that Title VII of the Civil Rights Law will have considerable effect on union practices, but that the old local craft unions will continue to move slowly toward changes.

INCOME

Levels

Negro incomes average little more than half those of whites. In the postwar period the relationship has changed little, fluctuating between .51 and .57 of the white ratio. Negroes were in the most advantageous position in 1952 when the demands of the Korean emergency dominated the economy. A fair step forward was also recorded during the period from 1963 to 1964, when nonwhite families increased their median income by 11% while the white population gained only 5%.

Some highlights of interest are:

- ▶ Greatest disparity between white and nonwhite families occurs in the lower and higher income ranges. In 1964, 15% of white families and 37% of nonwhites had incomes below \$3000; the figures were 7% and 2% in the \$15,000 and over bracket.
- ▶ That same year 7.5% of the Negro families but only 2.7% of white families had incomes below \$1000.
- ▶ Regional differences are great, regardless of what measures are used. The South has the worst conditions and the West comes closest to equality. For example, in the West in 1964 median total incomes for families were \$5774 for Negroes and \$7408 for whites; year-round, full-time workers averaged \$7447, compared with \$8805. In the South, on the other hand, median income figures are \$2898 for nonwhites and \$5889 for whites. Negroes living on farms are subject to the most pronounced differentials. As recently as 1963 Negro men on farms had a median income of \$800, or a third that of white men and Negro women had \$400, half that of the average white woman.

**MEDIAN INCOME OF FAMILIES
1947-1964**
(Dollars)

Year	White	Nonwhite	Ratio of Nonwhite to White
1947	3157	1614	.51
1948	3310	1768	.53
1949	3232	1650	.51
1950	3445	1869	.54
1951	3859	2032	.53
1952	4114	2338	.57
1953	4392	2461	.56
1954	4339	2410	.56
1955	4605	2549	.55
1956	4993	2628	.53
1957	5166	2764	.54
1958	5300	2711	.51
1959	5643	2917	.52
1960	5835	3233	.55
1961	5981	3191	.53
1962	6237	3330	.53
1963	6548	3465	.53
1964	6858	3839	.56

Source: Bureau of the Census

- ▶ Purchasing power of the average Negro in 1964 was less than that of whites in 1947.
- ▶ Full-time, all-year employment raises the income of Negro men to approximately two-thirds that of white men; however, only one-half of Negro men can find and hold such employment.

Income of Women vs. Men

The income gap often requires that several members of a Negro family go to work and is partly responsible for the large numbers of working Negro women. The women themselves appear in a more favorable position than nonwhite men. The data for 1963 are characteristic of the trend: the \$2400 earnings of Negro men compare with \$4800 for white men and the \$1000 of Negro women with \$1400 for whites. If it were not for the effect of the low southern ratio, which affects the ratio nationwide, the income of Negro women would be practically equal with white women. It is, in fact, on a par for women college graduates. Negro women with a year of college

It is useful to consider the probable cost of attempting to remedy the more fundamental inequalities existing between whites and Negroes because it yields a valuable economic perspective to the situation.

Education

If per-pupil outlays were to be equalized between Negro and white public school children, current educational expenses would rise by something like \$300 million per year, or \$3 billion over a decade. Capital outlays required to bring the physical facilities of Negro public schools up to the level of white schools in the same area would be considerably greater, perhaps on the order of \$7 billion, most of which would go for buildings and perhaps 10% for equipment. Advanced training for teachers in Negro schools—there are some 131,000 Negro elementary and secondary teachers in the southern and border states—to bring all of them up to area levels would add a bit more. Thus, even without tackling the problem of integrating schools, it would cost at least \$10 billion over a decade merely to bring the elementary and secondary school facilities available to Negroes up to levels now enjoyed by whites.

Full desegregation of all schools in the North as well as the South would cost vastly more. For example, should predominantly white or Negro neighborhood schools in urban and suburban areas be abandoned in favor of innovations such as integrated "education parks," new schools would have to be constructed for perhaps a third of the total student enrollment. This

billion plus additional costs for bussing, redevelopment of old sites, and so forth.

Capital costs of bringing the facilities and educational offerings of predominantly Negro colleges up to white levels are estimated roughly at \$2 billion, and current costs at \$100 million per year.

In sum, the economic cost of breaking down political and de facto segregation, while equalizing the quality of education offered, would probably be in the range of \$35 billion, spread over ten years.

Housing

Trends in urban renewal suggest that perhaps \$30 billion will be spent by government and private agencies during the coming decade to improve slums and blighted areas. What proportion of these outlays will benefit Negro housing is difficult to say. It probably will not be more than a third and may be considerably less.

There are probably at least 9 million Negroes living in slums or blighted areas. This population presumably occupies 2 million to 3 million of the nation's estimated 9 million seriously substandard urban housing units. Anticipated urban renewal outlays, at \$12,000 per unit, would renovate or rebuild 2.5 million units, or just about enough to cover Negro needs under the impossible assumption that each dollar was specifically allocated to Negro housing. To assure that all Negro housing was of acceptable standards, it would be necessary to renew all substandard units, implying expenditures over a decade in excess of \$100 billion. Efforts to gear renewal projects to Negro

THE ECONOMICS

training have actually pulled ahead; their median income in 1963 was \$2904 vs. \$2530 for white women of similar education.

Many Negroes have incomes so low that they are living below the poverty level as calculated by the government in accordance with a

POVERTY—1963
Percentage Range by Age

Age Group	White	Nonwhite
Children under 18	16-25	60-73
Persons 18-45 years old	11-18	40-53
Persons 45-64 years old	11-16	39-49
Persons 65 and over	29-41	55-73
Total	14-22	49-62

Source: Social Security Administration

complicated index. In 1963 poverty was three to four times as prevalent among nonwhites as among the rest of the population. The incidence was particularly high for children under 18; 60% to 73%

OF DISCRIMINATION

housing might permit the job to be done for \$40 billion or \$50 billion, but it seems unlikely that such a discriminatory approach would be adopted.

Employment and Training

Current federal employment and training programs designed to aid the disadvantaged are budgeted at slightly over \$1 billion annually. To this sum should be added lesser outlays on the part of private business, unions, state and local governments, and others. It is reported to be more costly for business to recruit Negro than white workers, and this small extra increment perhaps should also be added. Pressure is building to increase employment and training efforts by all of these groups. In view of these pressures, it seems reasonable to anticipate that annual outlays by interested groups to aid Negroes in finding and qualifying for jobs will eventually rise to perhaps \$2 billion.

Welfare

Negroes constitute about a third of the U.S. population classified as "poor" or "near poor"; they probably receive around 40% of all welfare disbursements aimed at sustaining minimum standards of living. Total welfare budgets—which include a wide variety of programs—currently exceed \$6 billion and will probably rise to the \$12 billion range by the mid-1970s. About 90% of these sums represent cash transactions, indicating that Negroes receive about \$2.2 billion in welfare cash today and may receive as much as \$4.3 billion ten years hence, or a total of roughly \$33 billion over a decade.

The concept of the "negative income tax" is a vari-

ant on the welfare theme, since its purpose would be to bring incomes of all indigents up to the poverty floor. To achieve this for all Negroes would, at present, cost something like \$10 billion per year. More likely of enactment is a proposal to make up only half the differential. Since such outlays would largely replace present welfare payments, it appears that the net cost of a full negative income tax would be less than \$8 billion today. On a 50% negative tax basis costs would probably drop to \$5 billion or \$6 billion annually, or something more than twice actual welfare payments to Negroes.

Payout

The figures suggested in the foregoing estimates indicate that, at today's values, the economic costs of all-out programs to correct inequalities in education, housing, employment and training, and to maintain Negro incomes at no lower than poverty levels would add up to a minimum of \$200 billion over the course of a decade, or \$20 billion per year.

Astronomical as \$20 billion per year is, it falls far short of the Council of Economic Advisors' estimate of the penalty incurred as a result of inequality of employment. The Council has estimated that GNP would rise by \$27 billion per year if Negro unemployment rates were to drop to those of whites and if Negro job patterns and pay scales rose to those of whites. Although the argument is highly oversimplified, it appears that national investment in easing the Negro's predicament would pay exceedingly handsome dividends on economic grounds alone.

of them were being raised in "poor" households, while only 16% to 25% of the white children were living under such circumstances. Much of this financial insecurity derives from the fact that nonwhite families tend to have more children and are more likely to be headed by women. Large white families and those without a male wage earner are also poor; for families with five or more children, poverty ranges up to 48% for whites and to 94% for nonwhites.

The Middle Class

Income statistics may tend to hide the existence of a growing Negro middle class, which recently has been estimated at close to 25% of the Negro population. It is difficult to assess the size of this group, but its growth cannot be questioned.

BACKGROUND

Life expectancy in the U.S. has made conspicuous advances since the beginning of the century. Negroes trail in absolute years, but have registered even more dramatic gains than the rest of the population. In 1900 life expectancy for nonwhites was 33 years as compared with almost 48 years for the average white American. By 1963 average longevity stood at 64 and 71 years respectively.

The gap is clearly narrowing, but from the start of life all is not equal. As late as 1963, nonwhite infants and children under five died at a rate twice that reported for the rest of the population, and maternal deaths were four times those of the white population.

DEATH RATES—1920-1964

(Per 1000 Population)

	White	Nonwhite		White	Nonwhite
1920	12.6	17.7	1956	9.3	10.1
1930	10.8	16.3	1957	9.5	10.5
1940	10.4	13.8	1958	9.4	10.3
1950	9.5	11.2	1959	9.3	9.9
1951	9.5	11.1	1960	9.5	10.1
1952	9.4	11.0	1961	9.3	9.6
1953	9.4	10.8	1962	9.4	9.8
1954	9.1	10.1	1963	9.5	10.1
1955	9.2	10.0	1964	9.4	9.7

Source: U.S. Public Health Service

Over-all, great strides have been made in the control of communicable diseases; nonwhite children continue, however, to be twice as susceptible to measles, diphtheria, scarlet fever, and meningitis. Tuberculosis is three times more prevalent and the record for syphilis is worse. Influenza and pneumonia are more widespread as epidemics develop quickly in slums or under other poor living and sanitary conditions.

NEGRO

Heart disease and cancer are the major causes of death for both whites and nonwhites. Nevertheless, death rates for both have been consistently higher for nonwhites.

Medical Care

Negro medical care, as measured by the available indices, is unequal to that of the population as a whole. For example, there are 20 Negro physicians available for every 100,000 Negroes; the ratio is 132 per 100,000 for the white population. This takes on particular significance because the medical care of Negroes depends to a great extent on Negro physicians.

Disability

Chronic disease or health impairment is proportionately greater for whites than for nonwhites, but nonwhites are more likely to become limited in their normal activities. The most likely explanation of these contradictions is the difference in availability, or use of medical facilities, which would result in less common diagnosis and corrective treatment of disabling conditions among the nonwhites.

PERCENT OF DENTAL SERVICE BY TYPE

	Fillings	Extractions and Surgery	Dental Hygiene	Examination
White	38.4	13.9	14.0	21.3
Nonwhite	30.2	29.6	8.2	17.5

Source: U.S. Public Health Service

Studies of the volume of physician and dental visits support this interpretation. Tables showing great statistical discrepancy must have allowances made for the greater youth of the Negro population, but the age differences cannot be solely responsible.

SOCIOECONOMIC STATUS OF THE POPULATION—1960 WHITE VS. NONWHITE

Status Score*	Percent	
	White	Nonwhite
0-9 (lowest)	2.8	15.9
10-19	6.2	18.8
20-29	8.3	18.0
30-39	11.0	16.5
40-49	14.1	12.8
50-59	16.1	7.6
60-69	14.8	4.6
70-79	12.2	3.5
80-89	8.6	1.5
90-99 (highest)	5.9	0.7

*Score is combination of measures of occupation, income, education.

Source: Bureau of the Census

While the Negro middle class is primarily made up of professionals—doctors, dentists, lawyers, clergymen, teachers—it includes many others, largely as a result of improvement in family financial and material status. Frequently the Negro move up to middle class standing comes as the result of pooling of the earnings of several members of the family. Whatever the origin of the relative affluence, it allows a standard of living not radically different from that of the white middle class.

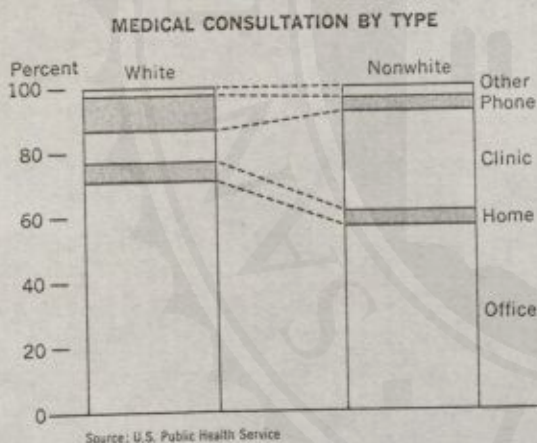
Outlook

The outlook for Negro incomes is tightly linked to the occupational and employment pattern. The prognosis is that during the next decade pay differentials based exclusively on race will be reduced and

HEALTH

Hospital Care

Inferior hospital care is often blamed for the lower health status of Negroes. Hospital segregation and discrimination are quite common and totally integrated facilities are hard to find. Generally discrim-



inatory policies exist mostly in areas where segregation is a basic community practice; there, separate all-Negro and all-white hospitals are the natural outgrowth of such circumstances.

Discrimination in so-called integrated hospitals has ranged from shortages of patient beds or inferior accommodations to nonequal charges for similar care, the exclusion of Negro doctors from hospital staffs, or less careful attention to physical and psychological needs of Negro patients. In part the inferior care is due to the disproportionate representation of Negro charity patients; as a group, nonpaying patients are more often treated by medical students and interns than by more experienced doctors.

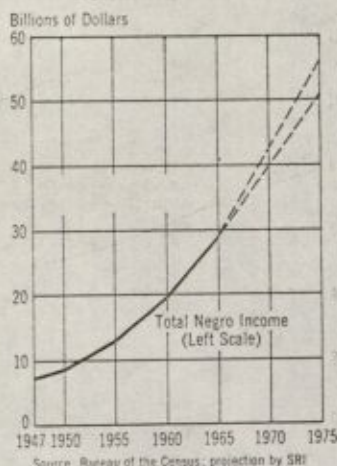
Prior to passage of the Civil Rights Act federal legislation did little to alleviate hospital discrimination. The Hill-Burton Act of 1946, which provided federal financial aid for local hospital construction and other medical facilities, sanctioned "separate but equal" programs. It was not until 1964 that this clause was ruled unconstitutional and the law demanded complete integration of hospital facilities, patients, and staffs as a prerequisite for federal assistance. Early in 1966 new guidelines were issued covering everything from room assignments to racial composition of the hospital staff, with the stipulation that noncompliance would lead to loss of federal aid and barring of participation in the Medicare program.

OUTLOOK

Rising health standards will accompany advances in education and economic status by 1975. In 1960 Negro health and longevity were said to lag approximately 20 years behind the white population; within the coming decade the gap may well be halved.

The benefits of privately and publicly sponsored health insurance plans will have their greatest impact on Negroes and those otherwise most financially dependent. The best medical schools in the country will be open to competent Negro medical students. Their doors are already open, but qualified applicants have been few as a result of discrimination in educational opportunities at lower levels, high expenses, and the years of training required. Medical and dental societies will revise their membership rules and eliminate purely racial clauses. Contacts of Negro physicians with their white counterparts will thus expand considerably. Hospital discrimination will be legally eliminated, but the implementation of the laws may present many problems because the demands and emotions of sick people are involved.

NONWHITE INCOMES

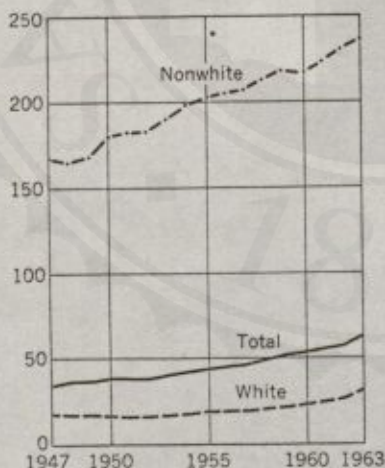


that incomes of nonwhites as a group will rise relative to white incomes. The postwar drift has been slowly upwards. If nonwhite earnings were identical to those of whites, they should total about 11% of all income. In actuality, nonwhite incomes rose from 4.9% of the total in 1947 to an average of 5.8% in the mid-50s and to over 6% in the 1960s. The 1965 estimate is 6.9%. Some small fraction of this rise should be attributed to Negro population gains.

Basic trends in job opportunities and education suggest a mild upturn. If a high degree of national prosperity prevails steadily throughout the next ten years, the income of Negroes should gain markedly on that of whites, perhaps reaching levels of 8% or more. A rise to levels of 8% or more implies advance not only in types of jobs held by Negroes but in compensation relative to whites for equal work. It also suggests that Negroes are likely to move less than halfway to the goal of economic equality in the next decade. Even so, aggregate incomes of Negroes in the U.S. should rise from an estimated \$29 billion today to perhaps \$55 billion in 1975.

References to the Negro family commonly revolve around such terminology as "ordeal," "crisis," "disintegration," or other expressions connoting unusual instability of the family structure. The situation is often acute and, in a sense, the focus of the Negro problem, because it is at once the result of economic and social disenfranchisement and a major impediment to self-improvement.

ILLEGITIMATE BIRTHS (Per 1000 Total Live Births)



Source: U.S. Department of Health, Education, and Welfare

The role of the family in shaping character and developing ability has always been regarded as vital in an individual's preparation for life. In the Negro's quest for assimilation, family instability may partially impede the actual achievement of equality. True equality cannot be legislated into existence as equal

opportunity is instituted by law. Equal results depend on the development of the same potential through similar environmental influences, and family background, conduct, and example are vital factors.

Among the 4.4 million Negro families in the U.S., many at the present time may not be in a position to create the environment that will lead to equal achievement:

- ▶ As compared with 9% of white families, 24% of Negro families are headed by women
- ▶ While 89% of white families are husband-wife units only 73% of Negro families are
- ▶ One of every seven Negroes is separated or divorced as compared with a ratio of one to 20 for whites
- ▶ Nearly a quarter of Negro births are illegitimate; among whites illegitimacy is just over 3%

These data tell only part of the story; they do not interpret the statistics. Most in need of interpretation are the figures on illegitimate births. The data simply reflect the fact that such births are always high among the poor and uneducated, who lack access to birth control information and services, methods of concealing illegitimate pregnancies, adoption procedures, or funds for abortions.

Similarly, enumeration of households headed by women does not indicate that more nonwhite women are widowed at an early age or that economic necessity may be responsible for the "disappearance" of many Negro men who would otherwise be counted as part of family units. Finally, the statistics tend to reveal

THE NEGRO

HOUSING

Residential segregation of the Negro American in run-down neighborhoods is both the most visible sign of separation and the sturdiest barrier to integration. It pervades every facet of Negro existence because of its influence on educational standards and social contacts; these in turn are basic to economic prospects, the psychological well-being of individuals, and their adherence to the laws and norms of the country.

In view of the importance of housing, "open occupancy"—the right of Negroes to live where they choose—has become a rallying cry of Negro leaders and civil rights advocates. It is likely to be doomed to failure for a long time to come, while there will be a slow chipping away at the causes for the existence of ghettos. These causes are identified as discrimination, poverty, and choice, and all of them are likely to persist. In the recent past they have combined

FAMILY

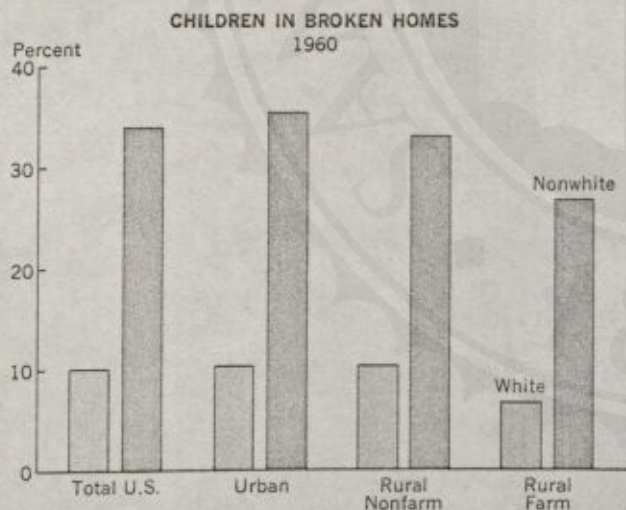
weaknesses rather than strengths and omit the evidence that the Negro middle class approaches, and in some respects exceeds, the stability generally associated with family life in the U.S.

There are many additional illustrations of the problems of Negro families and their individual members, be they men, women or children. The average

children have lived in permanently or temporarily broken homes by the time they are 18 years old. A majority at one time or another are the recipients of Federal Aid to Families with Dependent Children, while the equivalent for white children remains well under 10%.

Segregationists are prone to find the cause for the plight of the Negro family in irresponsibility, shiftlessness, and native mental deficiency of the human beings involved. Responsible social scientists look for the root of this crisis in the past, in the history and facts and effects of slavery, and in economic want. These sociologists and psychologists center the fractured family pattern on the continually weak role of the male and a correspondingly increasing matrifocal make-up of the most troubled Negro households. This was created not only by slavery, but also by Jim Crow hostility, directed mainly at Negro men. Combined with normally prestige-less employment at marginal pay, these factors tended to damage the male ego and position within the family in a society where the working husband is the mainstay of family stability. Adverse effects were even more pronounced in view of relatively greater Negro female accomplishment which further weakened the "father image."

The short term outlook shows scant promise. During the coming decade family breakdowns may become more pronounced, as an effect of recent rapid migration of Negroes to urban centers. Such a trend would parallel the experience of other ethnic groups following their quick moves into metropolitan ghettos, where concentration and relative social distance from other elements slowed assimilation.



size of the Negro family (4.3) was considerably larger than the 3.6 white average in 1964. Subfamilies—married couples or parent-child groups sharing the home of relatives—are more common among Negroes, due to necessity rather than choice. Perhaps the most striking fact is that more than half of all Negro

A step forward was taken in 1962 when an Executive Order by President Kennedy barred discrimination in all housing receiving federal aid for construction. The order itself affected only a fraction of the new house market, but additional measures also aimed at relieving the housing situation for minority groups: low income families, unqualified for private financing, could acquire new homes with insured government loans at below market interest rates; Community Renewal Programs were given federal aid to encourage city nondiscriminatory housing planning; by the middle of 1965 state and municipal laws of various degrees of stringency had been passed by 16 states and the District of Columbia. Almost half the population of the U.S. was living in areas where public policy was against discrimination, even for privately built and financed housing.

CRIME

The Federal Bureau of Investigation annually publishes statistics on crime in the U.S. Known as Uniform Crime Reports, they include index tabulations on the extent, fluctuation, and distribution of crime and arrest data, broken down by race. If they are used as criteria of criminality, they show extraordinarily high rates for Negroes, quite out of proportion to their total representation in the population. Taken at face value, the following table would tend to support this point:

NUMBER OF ARRESTS 1964

	White	Negro
Criminal homicide		
Murder and nonnegligent manslaughter	2,310	3,041
Manslaughter by negligence	1,925	472
Forcible rape	4,321	3,651
Robbery	15,061	17,994
Aggravated assault	30,839	34,725
Burglary	113,624	52,176
Larceny	232,134	97,680
Auto theft	63,345	22,876
Total	463,559	232,615

Additional geographical details seem to substantiate the idea that as the percentage of Negroes in a community increases, the crime rate rises sharply. The data do indeed show that crime is most prevalent in urban areas where nonwhites are concentrated, but they also indicate that Negro crime is not uniformly high; that most of the crimes committed by Negroes are directed against other Negroes; and that fraud, embezzlement, forgery, and drunken driving, for example, are more commonly offenses leading to the arrest of white persons.

The crime reports are wanting in that they reflect the extent of "apparent" crime rather than pinpointing all true crimes committed. Negroes probably appear in a worse light than is warranted. The Negro crime record looks slightly better when it is realized that true uniformity in reporting is never achieved,

that the figures given are inevitably measures of local law enforcement activity, and that they are subject to built-in bias. The numbers do not reveal the part played by the police, whose attitudes and discrimination experts have long believed to be a factor in creating both real and apparent crime statistics. In Negro neighborhoods "mass roundups" of people for questioning are often staged and all involved become part of the arrest records. Police are also repeatedly accused not only of excessive brutality towards minorities, but of enough provocative action to make violence explode in the highly charged atmosphere of Negro ghettos, where expectation of trouble is common among both authorities and citizens.

Conviction, prison commitment, and parole data are also fallible when a true assessment of racial participation in crime is attempted. Many crimes never reach the courts and in other instances "equality before the law" may be a hollow slogan. It has rarely been denied that a double standard of justice exists in the South—justice for whites and justice for Negroes—and that the two often seem unrelated. Even outside the South the underprivileged and uneducated of all colors fare worse in legal proceedings than individuals educationally and financially more capable of defense when accused.

All explanations, however, cannot disguise the fact that the Negro crime situation remains serious. It will improve only with the removal of the socioeconomic handicaps that sociologists and psychologists know to be causes of crime and delinquency. As is well known, happy successful individuals rarely turn to crime; instead laws are broken by those who feel that they have little to lose and perhaps much to gain. A Negro spokesman has bluntly presented the alternatives with his comment that Negroes would rather work than steal, but that they would also rather steal than starve.

Outlook

The biggest landmark in the fight for housing is presented by the 1965 Housing Act with its authorization of billions of dollars in loans and grants for slum clearance, public housing, general "beautification," and similar projects. Of particular interest are the provisions for rent subsidies for families that could not afford adequate housing without such direct help. The quality of housing available to the poor should improve appreciably as a result of these measures and by 1975 the number of substandard housing units should have been reduced very considerably. If necessary, the prospect is for direct housing construction by the government in areas where cooperation in the admission of minorities is not forthcoming.

One bill put before Congress would provide \$2.3 billion over a period of six years to build "demonstration cities" in the slum areas of 60-70 selected cities. Emphasis would be on refurbishment of existing buildings rather than on demolition and reconstruction. The insertion of multistory complete kitchen-bathroom modules would be a possible feature of modernization. Costs of such renovation are said to be a third lower than use of conventional methods and the time required is merely a matter of days. This approach would involve only temporary removal of residents and guarantee improved housing in familiar surroundings.

The slum problem is of such magnitude that, despite such imaginative efforts, solution is expected to require far longer than a decade. Moreover, an all-out attack on city slums during the next few years appears unlikely unless some radical change, such as disarmament, releases huge sums of federal monies.

In contrast to the housing prospect for the large majority of Negroes, admission of middle and upper income Negro families into normally white neighborhoods—including the suburbs—will increase. "Open occupancy" will materialize for the Negro elite and middle class who are adjudged on an individual basis to meet neighborhood social and economic standards. More and more Negroes will become eligible on this basis. This process of assimilation of selected individuals will do little, however, to alleviate minority concentration in ghettos or to allow for "pioneering" by the rank and file. Regional differences will continue to prevail.

Choice will continue to influence housing location; by no means all Negroes are anxious to live in white neighborhoods, although polls indicate that some 68% would prefer to live in mixed neighborhoods. In the past, immigrant groups have found security, support, and a feeling of belonging in residential enclaves. Similarly, many Negroes have no interest in buying "isolation" and it must be assumed that in particular many of the older Negroes could not get along without racial togetherness, even if an alternative were available. Also, many Negroes have a vested interest in housing segregation. Negro

professionals and businessmen enjoy a captive market inside the ghetto, but often are overwhelmed by white competition in integrated areas. So while the "right of choice" will be a slogan for a cause, the option of dispersal will be picked up sparingly during the coming decade.

THE NEGRO CONSUMER

Negroes as consumers are often described as "the Negro market." In actuality there is no such thing. As far as can be determined, white people and Orientals buy everything that Negroes do, and vice versa. That there are differences in spending patterns cannot be denied; nevertheless, being a Negro per se stimulates an almost invisible fraction of the purchases of Negroes.

Scope of Negro Consumption

In 1964 Negroes in the U.S. had a total annual buying power in excess of \$22 billion, or more than twice that recorded for 1950, seven times that for 1940, and equivalent to that of the entire population of Canada. It is expected that, in line with population and income growth, Negro buying power will continue to increase rapidly and more than double by 1975.

The How and Why of Negro Spending

Studies of spending behavior controlled by income normally show that Negro families spend relatively more than white families for clothing, household furnishings, and personal care, and less for food, housing and household operation, automobile transportation, and medical care. When studies omit the farm population and are based on actual average income, housing and food shift into the "more" category.

Geographical distribution is a large determinant of consumer spending. Nonwhite concentration in central cities is almost solely responsible for the Negroes' great reliance on public transportation media rather than on private automobiles. The absence of Negroes from suburbia, where car ownership is usually a necessity, accounts for the dissimilar spending for automobiles.

More important perhaps than geographical factors in the creation of spending patterns are social restraints and cultural attitudes. Prohibited or limited access to restaurants, for instance, has led to more food purchases for family home consumption or entertainment. The inability of Negroes to rent or purchase living quarters commensurate with their needs and wants and financial ability to pay is

probably responsible for compensatory extra spending for home furnishings or other forms of conspicuous consumption. Goods become symbolic of status, gracious living, or even an involvement in the affairs of the nation.

The emphasis on brand buying has similar roots. In addition, it provides a certain degree of insurance against inferior merchandise. It effectively stops exploitation by unscrupulous merchants who foist off inferior private label products on captive consumers in Negro neighborhoods. Studies have shown that all limited-budget shoppers—Negroes among them—display a high degree of anxiety in purchase decisions and desire something bordering on a guarantee of quality before parting with hard-earned funds.

Another significant difference between Negro and white buying habits is the southern tradition carried on by Negroes living in the North and West. Only a fraction of Negro Americans are more than one generation removed from the southern rural life that characterized them for hundreds of years.

Comparisons with White Consumer Expenditures

Since World War II Negro consumer spending has been a subject of growing interest. While it is true that there is no "Negro market" per se, the following discussions will serve to point up what preferences do exist. (Data refer to comparisons between Negro and white spending units of 3.2 members, not to absolute volumes and are based on government surveys of the nonfarm population.)

ANNUAL AVERAGE CONSUMER EXPENDITURES
NONFARM POPULATION

	White		Nonwhite	
	Dollars	Percent of Total	Dollars	Percent of Total
Total Expenditures—Current Consumption	5333		3685	
Food, total	1296	24.3	960	26.1
Prepared at home	1034	19.4	780	21.2
Food away from home	262	4.9	180	4.9
Alcoholic beverages	83	1.6	69	1.9
Tobacco	95	1.8	75	2.0
Housing and household operations	1277	23.9	908	24.6
Shelter	709	13.3	518	14.1
Utilities	260	4.9	173	4.7
House furnishings and equipment	277	5.2	206	5.6
Clothing and accessories	534	10.0	446	12.1
Transportation	820	15.4	458	12.4
Automobile	739	13.9	378	10.3
Medical care	362	6.8	182	4.9
Personal care	150	2.8	133	3.6
Recreation	214	4.0	130	3.5
Education, reading	105	2.0	57	1.5
Other expenditures	120	2.3	61	1.7

Source: National Industrial Conference Board

Food

Food is the biggest current consumption item for nonwhite families and individuals. It is equivalent to 26.1% of total annual spending, or \$960 per family, and compares with white family totals of \$1296, or 24.3%. On a weekly basis nonwhite food purchases amount to a little more than \$18; it may be assumed that this figure would be higher except for the fact that relatively large numbers of Negroes are employed in restaurants and hotels and as domestic servants and consume food on the job that does not show up in family budgets.

The food dollars that are spent are distributed differently. Absolute spending exceeds that of whites for all cereals and runs four times as high for such specific items as rice and cornmeal; flour and cooked cereals are also much more popular purchases.

Of the weekly food budget, \$6.96, or 37.4%, is spent for meat, poultry, and fish, which claim only 31.3%, or \$6.74, of the total reported for white consumers. Negroes pay the lion's share for pork products of all kinds, including ham hocks and chitterlings, which rarely show up on white menus. These items exemplify habits carried over from the southern heritage. Fresh and frozen poultry and smoked sausages are other favorites, while beef is less attractive. Fresh, frozen, smoked, and cured fish and seafood claim more nonwhite food dollars. Canned salmon, in contrast to the general pattern, is more popular than canned tuna.

In dairy products, unusually high purchases of evaporated and condensed milk correlate with low expenditures for fresh milk. The most likely explanation is the considerable saving that can be realized without cutting back on an essential diet item.

Vegetable preferences also differ considerably. Nonwhites buy more potatoes, snap beans, onions, okra, mustard greens, and dried vegetables; lima beans are the favorite frozen vegetable. Many of these products are relatively cheap and starchy and may be chosen by housewives with limited budgets with the intent of quickly satisfying the appetites of family members. This would also be true of such southern dishes as hominy grits and black-eyed peas. Budget limitations may also be the cause of higher weekly expenditures for eggs—a cheap source of protein—and inexpensive fats and oils, such as lard and other shortening.

Extra consumption of sugar, syrups, and molasses is due largely to extensive home baking activities. There is less ready explanation for the fact that cola and fruit drinks, salt and other seasonings, and leavening agents and flavors also rate higher outlays by nonwhite consumers. In some instances the differences are quite extreme; it is estimated that 49% of all grape soda, 39% of the orange soda, 17% of all cola drinks, and 15% of all root beer are drunk by Negroes. On the other hand, Negroes buy less tea and coffee.

Over-all quantities of food consumed by Negro families and individuals appear quite large. Lower total weekly cost is primarily

NEGRO FAMILIES SPEND MORE THAN WHITES FOR THESE ITEMS:

Food	Cereals—total; and flour, cornflakes, cooked breakfast cereals, rice, cornmeal
	Meats, Poultry, Fish—total; and pork, fresh and frozen poultry, bacon, frankfurters, smoked sausage; fish and seafood, canned salmon
	Dairy Products—evaporated, condensed milk, eggs
	Canned Fruit and Fruit Juices—orange and pineapple juice, peaches
	Vegetables—potatoes, snap beans, onions, frozen lima beans, dried vegetables
	Fats and Oils—lard and other shortening
	Miscellaneous—soft drinks, sugar, syrup, molasses, honey, leavening agents, and flavors, salt and other seasonings
Housing and Furnishings	Rented Shelter—rent, repairs
	Operations, Supplies—coal and coke; bleaches, disinfectants, insecticides, air fresheners, deodorizers
	Furniture and Furnishings—complete living and bedroom suites, gas stoves, nonautomatic washing machines, sewing machines; irons and fans; plastic dishes, cleaning equipment, baby carriages; selected household textiles; sterling silver and stainless steel cutlery
Clothing	Overcoats, sweaters, nightwear, hats, jewelry and watches for men and boys; coats and coat sets for women and children; stockings and hose for girls and women; clothing of all kinds for children under two years old
Personal Care	Toilet soap, shampoos and wave lotions; barbershop shaves
Miscellaneous	Tricycles; comic books; portable and table TV sets and radios
	Dry cleaning and pressing services
	Local and intercity transportation service—bus
	Telegraph services
	Movies and theaters

Source: National Industrial Conference Board

due to a lesser emphasis on milk, cream, cheese, and fruits and vegetables. As incomes rise, these differences in selection tend to be obliterated and Negro diets are in accord with the population norm.

Alcoholic Beverages and Tobacco

Average annual nonwhite expenditure for alcoholic beverages is reported as \$69, or 1.9% of total consumer spending. This compares with \$83, or 1.6%, for the white urban population. Income controlled studies show that Negroes spend 1.25 times as much on alcoholic beverages as whites. Other estimates of per capita consumption of Scotch have ranged up to three times those of the rest of the population and have tried to align buying expensive brands with status consciousness.

Tobacco products account for 2.0% of nonwhite current consumption expenditures and 1.8% for whites. A larger share of the Negro outlay goes to chewing tobacco.

Housing and Household Operations

Housing and household operations are the second biggest consumer expenditure item for all persons; proportionately, however, Negroes spend a little more. Nonwhites allot \$518 (14.1% of total

spending) from their annual average unit outlays of \$908 for shelter; comparable figures for whites are \$709 (13.3%) out of total outlays of \$1277. Nonwhite fuel, light, refrigeration, and water expenditures are slightly lower, accounting for \$173 or 4.7%. However, coal and coke are in greater demand, perhaps because of old fashioned heating systems in dilapidated buildings.

Laundry and cleaning services are patronized more heavily by nonwhites. On an average they spend \$15.32 annually for the use of coin-operated machines, while other families spend only \$9.59. The greater use of commercial facilities is due to more limited ownership

SELLING TO THE

Few fields of marketing are in so pronounced a state of confusion as that of selling to the Negro consumer. Many firms seem uncertain about how to proceed; they question choice of media, type of appeal, mode of presentation, and, above all, the element of "good taste." Systematic market studies are scarce, and much of what is available comes from Negro media, and so may serve specialty interests. Academic sociologists and students of marketing are united in calling for more extensive, more fundamental, better conducted research. Despite these shortcomings, some guidelines can be set forth.

Nature of the Market

Just as any other group does, Negroes display a wide range of backgrounds and interests. There is evidence that the Negro middle class is sociologically farther removed from lower income Negroes than middle class whites from low income whites. Members of the middle class (sometimes defined as the over 5 million Negroes with family incomes of \$6000 or more) not only control a large fraction of Negro discretionary spending, but are also the most sensitive to poor taste, the most willing to do something about it, and the most influential buyers among Negroes.

As customers, Negroes may tend to be "polar" buyers: purchases seem to cluster around low cost lines and around high cost, prestige products. But this generality has its exceptions. Among middle class Negroes, for example, inconspicuous consumption seems to be more characteristic than the "pink Cadillac" stereotype.

Although Negroes have the same wants, desires, and needs as any other group, there is one difference: the Negro sees America through a prism of 350 years of discrimination. As a consequence, he has a great need for recognition as part of U.S. society. This makes Negroes hypersensitive to real or fancied slights, whether in advertising, the retail outlet, or in employment practices. The upshot is that marketers must pay close attention not only to advertising appeals, but to techniques used by retailers and to the employment policies of their firms.

Advertisers

The great bulk of Negro buyers are easy to reach; most live in the 50 largest U.S. cities (Nielsen "A" and "B" markets) where about two-thirds of all retail sales are made. This market concentration has clear advantages to the advertiser. It also has disadvantages—the danger of effective boycott action.

In trying to reach this market, advertisers have three major operating modes open to them: They can use Negro media, they can use "integrated ads" in any medium, or they can elect the "neutral" approach of employing their regular advertising in Negro and in general media.

Negro Media. Negro media consist of some seven magazines, 133 newspapers, 500 radio stations, and one TV channel. According to one study, Negroes listen to the radio 39% of their leisure time (the figure for whites is 15%); 28% goes to TV watching (44% for whites); 26% to newspapers (37% for whites); and 7% for magazines (4% for whites). Thus radio may be a more promising medium among Negroes, and television and newspapers less so, than among whites.

Negro radio is widely considered to have poor programming. One study indicates that middle class Negroes react negatively to many of the offerings. In contrast, middle class Negroes are avid readers of Negro magazines. With a few notable exceptions, Negro newspapers are not highly regarded and, from the reporting standpoint, do not compete favorably with the white press. Some of the advertising they carry is not considered acceptable by the major papers. Except in Washington, D.C., there is no specifically Negro TV channel.

A good deal of advertising of general consumer products is placed in Negro media, often in integrated ads, with apparent success. This suggests that portions of advertising budgets for universal items should be allocated to Negro media. Notable success has accompanied ads relating to job offers, travel, resorts, and specialty cosmetics. Presumably the reason for the success of the first three categories

of laundry appliances—often in turn related to antiquated plumbing that does not permit installing modern units. Negro housing probably also accounts for more than average spending for insect sprays, air fresheners, deodorizers, bleaches, and disinfectants.

House Furnishings and Equipment

Home furnishings command 5.6% of total annual nonwhite consumption and 5.2% of white budgets; comparable absolute dollar figures are \$206 and \$277. Furniture claims the biggest share;

NEGRO CONSUMER

is that placement in a Negro medium reassures Negroes that they actually will be welcome; the identical ad in a white paper may or may not convey this assurance.

Scanty data indicate that appeals to the Negro middle class would be better placed in Negro magazines than in most Negro newspapers or radio; the last may be equally or more effective for products aimed at less affluent buyers.

Integrated Advertising. There is much debate about whether integrated ads—no matter what the medium—help sell products to Negroes. Major advertisers have been under pressure to employ such ads and many have done so. Integrated ads appear to have met with good success when the portrayal and appeal have been realistic, believable, and dignified. Whenever these basic rules have been violated—and violated they have been—the effect seems to have been a strong, lasting negativism. The few advertisers who have commented on white reaction to integrated advertising placed in mass circulation media say that their mail indicates a generally favorable response. Interestingly, the trend in Negro media is toward distinctly Negro models.

"Neutral" Advertising. Some companies have elected to use their regular advertising in all media, white and Negro, counting on the basic appeal of the product to sell it, wherever it is placed. It is not now known how this approach compares in effectiveness with ads tailored to Negro consumers. Presumably the nature of the product would influence whether specifically Negro appeals would be effective.

Retailers

It is widely appreciated that clerks in retail stores easily offend Negro customers by treating them as if they were "different." A frequent, noticeable inclination is to prejudge the possibility of making a sale on the basis of dress or manner of speech of Negro shoppers, slighting good customers as a result. It may also take the form of over-solicitous attention, or insincerity which is easily recognized. When it

includes the use of first names it is a major offense interpreted as disrespect rather than the search for rapport. White stereotype notions often are revealed, sometimes unconsciously, as in the case of a salesman who showed a 60 year old Negro college professor a pair of pointed, brightly colored shoes with the remark "I have just the shoe for you." Many retail outlets are also guilty of shoddy credit practices, which victimize Negroes.

Employment patterns in retail establishments are evident to the consumer and constitute another source of Negro resentment if Negroes are not appropriately represented. It seems that even inadvertent slights of Negro customers can lead to boycotts and other forms of economic pressure. Conversely, for a variety of reasons, Negroes may tend more toward store loyalty than the average white. If this is true, the benefits of careful selection of clerks should be considerable. It should also be pointed out that equal advancement opportunities must be accorded Negro clerks; otherwise their employment could actually increase disgruntlement among Negroes.

Manufacturers

Employment policies of manufacturers can markedly influence sales to Negroes. Boycotts based on policies viewed as discriminatory have proved highly effective and the results long lasting.

One of the strategies designed to hasten employment of Negroes—especially in large firms—will probably involve systematic investigation by Negro groups of the hiring practices of manufacturers, followed by publicity to reveal findings. If findings are negative, discussions with corporate management will follow. Further steps could involve legal measures and boycotting of products in numerous centers of Negro population. Foresighted measures can be taken to prevent this chain of events. Widespread publicity indicating discriminatory hiring practices will probably influence a growing fraction of white as well as Negro buyers.

matched suites, both for living rooms and bedrooms, are particularly in demand. Nonwhites also spend proportionately more for nursery furniture and dinette sets. Porch and garden furniture has limited appeal for predominantly central city dwellers.

Nonwhite families are also heavy buyers of household textiles, such as bedspreads, comforters and quilts, nonelectric blankets, sheets and pillowcases, and slipcovers. Negro outlays for carpeting are small, but they spend more for hard surface floor coverings—a cheaper substitute.

Prominent among major appliance purchases of Negroes are gas stoves, semiautomatic washing machines, and sewing machines. Demand for electric stoves, clothes dryers, and ironing machines—heavy power users—is small. Electric toasters, irons, and fans consistently attract extra dollars. In some instances the difference is considerable; for instance, average annual outlays for fans amount to \$2.85 versus \$1.54 for whites, who have more air conditioning. Crowded tenements and poorly insulated buildings necessitate such extra spending by nonwhites for summer comfort.

More than average investment goes into sterling silver, stainless steel cutlery, nonelectric cooking utensils, and cleaning equipment.

Clothing and Accessories

Negroes spend more than whites for clothing only on a percentage basis—12.1% compared with 10% for the rest of the population. Absolute dollar figures are \$446 annually for Negroes vs. the white \$534. Overcoats, sweaters, nightwear, and hats for men and boys, coats and coat sets and hosiery for women and girls attract more than the average outlays. Negro men are reported to buy close to 20% of all men's dress shoes and to be major customers for shoe polish. Jewelry and watches for men also stand out. Spending for clothing for children under two years of age is also higher, from layettes and booties to coats, snowsuits, and sweaters.

Transportation

Transportation spending—for private automobiles, other local transport, and interstate travel—normally averages around 15% of the consumer total; the largest share goes for the purchase, operation, and maintenance of private cars. Nonwhite families do not conform to this pattern. They spend slightly less than 12.5%—10.3% for automobiles and 2.2% for other transportation. Comparable figures for whites are 15.4%, 13.9%, and 1.5%.

Virtually untapped by Negroes are such relative luxuries as steamship travel, car rentals, and purchases of boats, outboard motors, and trailers.

Medical Care

Negro health and medical care absorb 4.9% of consumer budgets, averaging \$182 annually; whites spend 6.8%, or \$362. Lower disbursements include all kinds of health insurance, hospital care, medical and dental professional services, and drugs and medicines. A good deal of health care provided free of charge at public clinics does not show up on consumer expenditure data sheets. Even high income Negroes spend considerably less than average on health care. Nonwhites seem to hesitate to seek professional counsel and to have a greater inclination to "muddle through" with home remedies and patent medicines.

Personal Care

Personal care is another area of relatively higher nonwhite consumer spending: 3.6% of the total budget, or \$133 annually; comparable figures for whites are 2.8%, or \$150. Hair care—haircuts for men and boys, beauty shop services of all kinds for women, and home hair care preparations—absorb a large percentage of the total. Significantly greater outlays for personal care supplies also apply to toilet soap and face and skin creams and lotions. Much of the spending is directly related to skin coloring and hair texture. The growing popularity of wigs should in the future hold down some of the beauty shop expenditures.

Recreation

Recreation includes television, radio, spectator admissions, hobbies, toys, and related activities, but does not cover vacations of any kind. Spending amounts to 4%, or \$214, for the white urban population and 3.5%, or \$130, for nonwhites. In both low income groups, television and radio sets and their maintenance claim almost half of all recreation dollars; the average-income white family spends one-third. Participant sports and expensive hobbies, such as photography and crafts, play a small role. Play equipment and toys take under 10% of all nonwhite recreation dollars; tricycles are a favorite.

Reading and Education

Spending for reading and education by nonwhites is equivalent to 1.5% of the total compared with the 2% of white consumers. More than average amounts of money go into comic books. Negro educational spending, however, is around 50% of the U.S. norm. Income limitations tend to hold down expenditures for music and other special lessons. Tuition and fee payments and spending for school books and supplies are also low.

Other Expenditures

A variety of other current expenditures, including legal and funeral expenses, amount to \$61 annually or 1.7%. Funerals of Negroes tend to be as lavish as relatives can afford and cost proportionately more than those of whites.

Insurance—life, endowment, annuity, and retirement—and gifts and contributions are allotted \$354 annually by nonwhite families.

Outlook

Consumer expenditure reports do not tell the story of change, upgrading, and big relative gains that have been registered by nonwhites throughout the 1950s and early 1960s. They do not show the gradual shift toward the more prevalent behavior of white consumers, which presumably reflects the Negro's gradual rise in economic, educational, and social status. It is expected that during the coming decade this trend will continue steadily, marked by rapid increases in the expenditures that are now minimized: housing, education, and medical care.

As the present goal of providing basic necessities is realized, housing modernization and improvements, furnishings and appliances, insurance and investment programs, leisure activities, hobbies, and travel will all be fields of expansion. Personal care will remain a strong growth area. The market for good Negro housing will be overwhelming, with demand far outstripping the supply; but the large number of Negroes entering the middle class will find home mortgage financing and other credit much more readily available. Achievement of these goals and a better knowledge of "how things are done" on the new level will lessen the need for spending on conspicuous consumption.

NEGRO INCOME AND SPENDING

(Selected Metropolitan Areas)

	Total Negro Income (Millions of Dollars)	Average Negro Family Income (Dollars)	Average Retail Spending per Household (Dollars)		Total Negro Retail Sales (Millions of Dollars)
			Negro	White	
New York	1619.2	4335	3079	4602	1150.0
Chicago	1244.5	4884	3579	5168	911.9
Philadelphia	886.0	4636	2920	4622	558.0
Los Angeles	714.4	4660	3489	4839	534.9
Detroit	710.7	4706	3115	4982	470.4
Washington	633.8	4583	3567	5657	493.3
Baltimore	417.6	4387	2617	4506	249.1
St. Louis	354.6	4058	2476	4328	216.4
Cleveland	348.9	4513	3122	4965	241.3
San Francisco/Oakland	312.4	4488	3230	4655	224.8
Memphis	220.8	3229	1796	4366	122.8
Atlanta	210.8	3303	2307	5311	147.2
Dallas/Fort Worth	199.5	2965	2027	4864	136.4
Pittsburgh	183.7	4028	2237	3989	102.0
Birmingham	183.2	3164	1701	4037	98.5
Cincinnati	152.4	3858	2667	4123	105.3

Source: Bernard Howard & Co., "The Arithmetics of Negro Spending" (1964)

Over the long run purchases based on southern tradition should abate. But the evolving Negro cultures will very likely accent aspects of the past as a matter of pride or status, creating specialty markets within the broad sweep toward less differentiation.

Population growth 57% greater than that of the white population, longer life expectancy, and large numbers of young people reaching the family formation age will create great needs for goods of all kinds. The growing concentration of Negroes in the largest cities will create regional nonwhite marketing strongholds which may in some instances determine the economic health of the area.

THE SOCIAL PROSPECT

The main social thrust of the future for Negro-white relations will be a gradual drawing together of the two groups. Over the long term, spending patterns, work and play habits, political views, ambitions, and social customs all seem likely to grow more similar rather than more disparate. In a large social sense, the thrust is toward greater homogeneity of the races.

Compelling underlying trends support this view. Popular opinion—important because it indicates roughly how people want and expect things to change—is one of these. On several occasions the Gallup Poll has asked: "Do you think the day will ever come in the South when whites and Negroes will be going to the same schools, eating in the same restaurants, and generally sharing the same public accommodations?" In 1957 and 1958 only a small fraction answered "yes." By 1961 the fraction had risen to three-fourths and by 1963 to five-sixths. By the latter year only 13% answered "never." Perhaps even more extraordinary is the growth of sentiment for school integration witnessed in the South between late 1963 and mid-1965.

Other trends point in the same direction:

- The U.S. has officially taken a stand supporting equality; the evidence is strong that, over time, laws can indeed change men's minds and hearts.
- The average age of the population is declining, and it is the young who display the least racial prejudice.
- Levels of education among whites are rising, and it is the better educated who display the deepest understanding of the needs of others.
- The fast growing Negro middle class will swell the ranks of those most easily integrated into white neighborhoods.

Many other forces can be cited. They range from shrinking differentials in income and job patterns; clearer insight into the reasons

for differing viewpoints; growing social interchange in the office, home, and school; support of Negro-led drives by whites; to the hard-headed view of businessmen and economists that racial discrimination constitutes a serious obstacle to economic efficiency. Experimental findings also show that racial views are much less important than shared beliefs in governing the behavior of people.

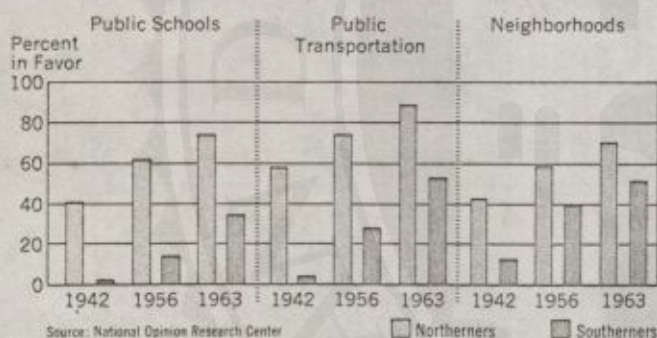
This is not to say that racial prejudice will vanish in the foreseeable future. Among some people and in hard-core areas of prejudice, disappearance will take many generations. Nor does it suggest that

RACIAL

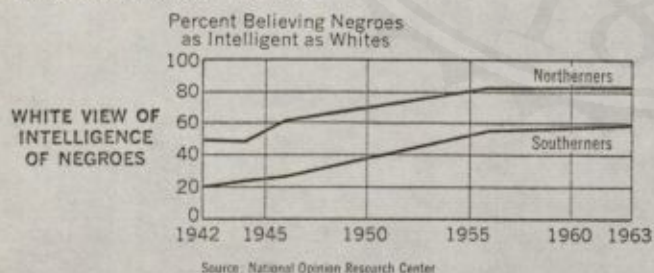
White Attitudes Toward Negroes

Surveys conducted over a period of years show a definite liberalization of white attitudes toward Negroes. The National Opinion Research Center at the University of Chicago examined public opinion in 1942, 1956, and 1963. The accompanying charts show the principal findings.

WHITE OPINIONS ON DESEGREGATION



The main trends toward white acceptance of Negroes are marked, even in the South. The timing of the surveys reveals that dramatic events of the time—such as violence accompanying school integration or the assassination of President Kennedy—do not alter the basic trends.



The characteristics of those with the most pro-integration attitudes are also interesting. Well-educated persons are by far the most likely to favor integration of schools, for example. Contact with Negroes also correlates strongly with favoring desegregation of schools, transportation, and housing,

and belief in equal intelligence. Other positive correlates include high income, urban residence, abode in the North, youth, white collar occupation.

An extensive *Newsweek* poll carried out in mid-1963 adds considerable detail to the portrait of white attitudes toward Negroes.

Findings of the survey suggest that about one in five whites is deeply and perhaps irrevocably anti-Negro. The fraction is largest in the South, but is

	Nationwide (percent)	South (percent)
Believe Negroes are victims of prejudice	76	60
Believe Negroes should have equal rights in:		
job opportunities	80	62
voting	95	92
getting good housing	85	81
using buses and trains	91	80
using restaurants and lunch counters	79	49
giving their children integrated schooling	75	43
Favor guaranteeing Negroes 10% of the jobs	19	20
Favor giving Negroes preference in job openings to make up for discrimination	3	3
Favor laws forbidding discrimination in housing for Negroes	44	20
Favor more government power to assure that Negroes can register and vote	57	31

Source: Copyright, Newsweek, Inc., October 21, 1963

by no means confined to that area. In addition, whites, when asked to put themselves in the place of Negroes, generally felt that they would not be justified in indulging in such practices as sit-ins, boycotts, or going to jail to protest discrimination. Three-fourths felt Negroes are moving "too fast." More than half the whites polled believed that many of the old stereotypes of Negroes were actually true: that Negroes laugh a lot, have less ambition, smell different, have looser morals, and possess similar unproven attributes. As in other surveys, it was clear that whites who have had social contact with Negroes have fewer negative attitudes toward them than whites

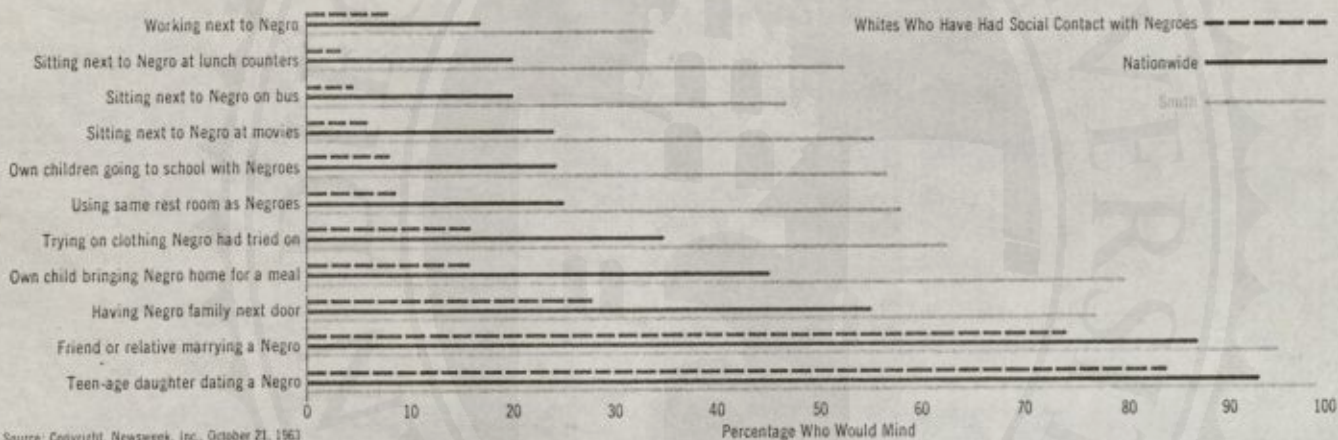
racial strife is at an end—indeed, violence and “black power” views may be espoused by more Negro groups as a strategy to force remedial action; many whites will be angered by this strategy. Neither prejudice nor violence will approach the vanishing point until enough Negroes and whites are able to touch at enough points in the course of day-to-day living to think and act in terms of their similarities and not their differences. In the main, such progress is likely to be most rapid in the West and slowest in the South, most rapid in the suburbs and slowest in urban slums, most rapid among youth and

ATTITUDES

who have not had social contact. *Newsweek* contrasted the attitudes of this group with other whites on 11 much-discussed issues:

percentage is optimistic about the future; in general, Negro leaders are far more hopeful than the rank and file. Such optimism is perhaps surprising

WHITE ATTITUDES TOWARD SOME KEY ISSUES



Source: Copyright, Newsweek, Inc., October 21, 1963

This chart, coupled with the other findings, reveals that prejudice in 1963 remained widespread and deep, especially in domains involving emotional closeness or physical intimacy.

Poll results since 1963 have been scattered. Those available, however, show a continuation of past trends. One notable shift has occurred: pro-integration sentiment seems to be rising much more rapidly in the South than in the North. The data on school integration and desegregation of housing are especially striking.

One other interesting finding emerges from surveys taken prior to the Watts outbreak. Only 2% said they expected no Negro rioting during the summer of 1965 and almost 25% expected many riots. Thus, despite widespread anticipation of racial strife, white Americans increased their support of integration.

Negro Attitudes Toward Whites

Data on Negro attitudes toward whites are less complete. The available evidence, however, indicates that about half of all Negroes think the situation has improved in the past five years. A somewhat higher

percentage is optimistic about the future; in general, Negro leaders are far more hopeful than the rank and file. Such optimism is perhaps surprising

White and Negro Attitudes Contrasted

Negroes and whites seem to be in broad agreement that Negroes are discriminated against, do not get equal jobs or equal educations, and that integration is acceptable. The general feeling is that the job situation will improve in the coming five years. Whites—even those who support federal antidiscrimination legislation—often oppose integrated housing; on occasion, integrated housing is opposed by Negro groups too, but the number probably is not large. Perhaps the sharpest difference revolves around the feeling of whites that Negroes are moving too fast. Almost no Negroes express this feeling. Often attitudes bespeak deep ambivalence on the part of whites: a sense that injustice has been done is evident from most white reactions, yet reluctance to accept faster progress and its consequences is equally plain.

slowest among those past middle age, most rapid among the better educated and slowest among the ignorant.

A gradual drawing together of the races does not imply that there is a single, or even multiple, main stream to American ways or that whites and Negroes will ever want to become identical in habits or views. Intermarriage is a case in point. Few Negroes or whites appear to promulgate it; indeed, available evidence suggests that intermarriage is on the decline, despite growing populations. It is reasonable to expect that Negroes, like other common-background groups, will tend to cherish their own traditions and accent their special achievements, creating subtrends away from likeness. For example, cultural facets formerly regarded as stigmas may be converted into status symbols. The struggle for civil rights could easily result in a long lasting heritage. Such developments may raise doubts or fears in the minds of some whites. But, in the main, such voluntary aberrations from the main thrusts of society will be expressions of Negro self-esteem rather than antiwhite prejudice; as such, they will be healthy self-expression, which is the long term aim of any group seeking equivalence with the majority. Neither is it logical to expect that Negroes as a group will prove any more homogeneous than whites as a group. Today, for example, Negro middle class families, some in white suburbs, are almost as far removed from life in the ghettos as their white counterparts.

Over the course of time, as differentials in education, jobs, income, and housing abate, the status images of Negro youth will broaden beyond the fields in which Negroes have traditionally performed most notably, engendering a deeper sense of being part of a bigger society. In this distant future, national outlays for welfare, training, and other social goals will be geared less specifically to the Negro than to the poverty stricken and disadvantaged in general. Indeed, the incidence of poverty, disease, maladjustment, and crime should drop markedly if it is true that such malfunctions correlate with lack of opportunity to participate fully in society. Implicit in such an evolution is the fuller utilization of the intellectual and artistic prowess of individuals, whatever their background. Thus American business will eventually reap rewards in terms of a new supply of able manpower. On the political level, full integration should enable people to view both daily and world events with a more understanding eye. Greater equality may produce at least one other major benefit—that of a cultural burst among Negroes. Historically, artistic output has frequently followed resolution of struggle. In the case of the Negro American, energies now focused on the struggle for equality seem likely to shift to more traditional fields as the need to express resentment gradually transforms itself into a need to communicate on an interpersonal level.