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## Black Internal Migration and Inter-racial Socioeconomic Inequality in Atlanta and Other Metropolitan Areas: Has It Changed in the Past 35 Years?

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#### Introduction

Public opinion regarding Atlanta's status as a place of opportunity and advancement for African Americans leans sharply in the positive direction. Atlanta has an image of being a welcoming, progressive metropolitan area in which blacks have made substantially more political, economic, educational, and artistic achievements than have blacks in other metropolitan areas. Atlanta usually ranks at or near the top in surveys of "best" or "most desirable" places for blacks to live. For example, Kotkin (2015) rated Atlanta as the metropolitan area where "African-Americans are doing the best economically;" and *Black Enterprise* (2007) ranked Atlanta, in 2004, as the best metro area for economic and personal opportunities for African Americans, and as the second best metro area in 2007 (when Washington DC was judged "best"). In this context, Atlanta is sometimes called a "black mecca," based on claims that it is a leading destination for black migrants and a place that offers African Americans more social, educational, political, cultural, and economic opportunities and a better standard of living than other metropolitan areas.

Atlanta's positive reputation remains largely intact despite the fact that numerous researchers have published work that criticizes race relations in Atlanta and shows continuing large racial inequalities in most aspects of life, which reduce the well-being and life chances of black Atlantans. A partial list of studies that debunk the notion of Atlanta as a "black mecca" includes: Bayor (1996); Bullard, Johnson & Torres (2000, 2007); Burman (1979); Grady-Willis (2006); Hobson (2017); Jaret (1987); Keating (2001); Sjoquist (2000).

Another study highlighting the disadvantaged status of blacks in Atlanta focuses on chances for upward economic mobility, and one of its most widely quoted findings is that in Atlanta a black child born in a family in the lowest income quintile has, in his/her lifetime, only a 4% chance of moving up into the top income quintile, the lowest probability of any city included in that study (Chetty, et al. 2013).

Atlanta was singled out for accolades and national acclaim for its efforts in the federal HOPE VI program that demolished public housing projects. Many poor black residents' lives and opportunities were purportedly improved as they resettled in mixed-income communities that replaced public housing or used housing relocation vouchers to move into private sector apartments in better neighborhoods (Boston 2005; Glover 2010; Husock 2010). However, further research shows Atlanta's HOPE VI program only let a small fraction of former public housing residents live in the new mixed-income communities and those who used relocation vouchers usually moved to overwhelmingly black neighborhoods with high poverty rates (Goetz 2005; Hankins, Puckett, Oakley & Ruel 2014; Oakley, Ruel & Reid 2013). So the HOPE VI program in Atlanta may be less successful in assisting poor blacks than its supporters have claimed.

This research extends previous efforts to evaluate the attractiveness of Atlanta for African Americans, compared to other metropolitan areas. We begin by examining data on patterns of black residential movement to see which metro areas are the most popular destinations. The paper also assesses two indicators of blacks' socioeconomic well-being (percentage of college graduates and per capita income). We examine how black residents of Atlanta fare on these measures compared to blacks in other metro areas, and how blacks compare with non-Hispanic whites in their respective metro areas. To judge whether or not conditions have improved over the past three and a half decades, current findings are compared with Jaret's (1987) results, which were based on data from the 1980 Census.

#### **Data and Methods**

The units of analysis in this report are metropolitan areas or "MSAs," not cities.<sup>1</sup> Our main interest lies in metropolitan Atlanta, but, to provide context, a nonrandom sample of 71 MSAs is used as a basis of comparison in the analysis. Besides Atlanta, we have 39 other "Southern" metro areas with substantial black populations (at least 30,000). They were chosen to represent a wide range of social and historical experiences and economic and demographic conditions in the urban South. In this paper "Southern" refers to the area Odum (1936) identified as a distinct geographic, cultural, and economic region, which he called the "Southeast" in his influential classic study. It includes eleven states: Virginia, South Carolina, North Carolina, Kentucky, Tennessee, Georgia, Florida, Alabama, Mississippi, Louisiana, and Arkansas. This area is much smaller than the region the Census Bureau designates as the "South."

In addition, the sample also includes 31 large MSAs located in "nonsouthern" states. Thus, the 71 MSAs in this sample include the 36 largest metropolitan areas in the United States, nearly all southern MSAs with black populations of 80,000 or more, and several with smaller numbers of blacks

<sup>&</sup>lt;sup>1</sup> Metropolitan Statistical Areas (MSAs) are defined and designated by the Office of Management and Budget and the Census Bureau. For the technical meaning and criteria used to identify and label MSAs, see *OMB Bulletin* 09-01 or *Federal Register* (2010), or *Gator* (2010). A simple way to describe an MSA is: one or more counties containing at least one urbanized area with 50,000 or more residents and population density at least 1,000 people per square mile, plus all adjacent or outlying counties that share a substantial flow of commuting workers. OMB and Census Bureau also have developed other designations or categories of metropolitan areas, such as "Urbanized Areas," "Metropolitan Divisions" and "Combined Statistical Areas," but these are not used in this report.

(30,000 to 50,000). With this sample we can see how Atlanta measures up to other southern metropolitan areas and almost every other major U.S. metro area.

The official name for many MSAs is often long and unwieldy (e.g., Charlotte-Concord-Gastonia, NC-SC). For convenience and easier reading, in this report most MSA names have been shortened to the largest or most wellknown place in the metropolitan area, but it should be remembered that these MSAs include much more territory and population than the shortened metro name implies. To provide a clear idea of the area encompassed in each metropolitan area, Appendix 1 gives an alphabetical list of the full official name of every MSA in this sample.

#### Data on Internal Geographic Mobility

The data on internal geographic mobility (sometimes termed "domestic mobility") and socio-economic indicators in this paper come from two U.S. Census Bureau "five year" American Community Surveys (ACS). The geographic mobility data are from the 2011-2015 ACS (most recent one for which residential mobility information is available). It is accessed online on the Census Bureau's website as: "Metro Area-to-Metro Area Migration Flows: 2011-2015 ACS" in the form of Excel files.<sup>2</sup> These data files show the numbers of people (by race/ethnicity<sup>3</sup>) who moved to each MSA from either another MSA or from a nonmetropolitan area between any of the years in the 2011 to 2015 interval. More specifically, if respondents in these American Community Surveys indicated that they lived "last year" in a metropolitan statistical area or in a nonmetropolitan area (in the U.S. or Puerto Rico) that was different than their current metropolitan area, they are internal migrants, and their current and prior places of residence were recorded. We focus on "internal migrants" in this study - immigrants (i.e., noncitizens of the U.S. who moved to a MSA in the U.S. during 2011-2015) are not counted in this analysis. For each MSA, the ACS data file shows: (a) number of people who were residentially stable (remained in the same home); (b) number of people who moved within the same MSA; (c) number of people who moved to that MSA from every other MSA; (d) number of people who moved to the MSA from nonmetropolitan areas; and (e) number of people who moved to the MSA from

<sup>&</sup>lt;sup>2</sup> The web address for these internal migration data is: <u>https://www.census.gov/data/tables/2015/demo/geographic-mobility/metro-to-metro-migration.html</u>

<sup>&</sup>lt;sup>3</sup> Besides people who identify as "Black or African American," the data file also provides migration data for whites and Asians, and a similar data file contains data on Hispanics/Latinos and non-Hispanic whites.

abroad. For our measure of internal migration to each MSA ("in-movers") we add items (c) and (d).

The 2011-2015 ACS geographic mobility data file also shows, for each race/ethnicity), how many people in every MSA move away: (a) to each other MSA and (b) to nonmetropolitan areas of the U.S. or to Puerto Rico. We add these numbers to obtain our measure of out-migration from each MSA in our sample. Subtracting "out-movers" from "in-movers" produces our estimate of <u>net</u> internal migration. This data file also allows a researcher to see the numbers of people of each race/ethnicity moving in each direction of migration streams between MSAs (i.e., moving to and from any pair of MSAs). So we can see, for example, how many blacks or whites moved to Atlanta from Boston, and the reverse flow of blacks and whites to Boston from Atlanta.

Since the ACS is based on a sample of the population, the numbers of movers and stayers it provides, of course, are estimates subject to sampling error. The data file provides "margin of error" measures to help specify the accuracy of the geographic mobility numbers. In general, the margins of error of these estimates are relatively larger for MSAs with smaller sample sizes, so estimates for smaller MSAs are typically less reliable than those for larger MSAs.

As noted above, data in this report on recent black and white geographic mobility (Tables 1 and 2) come from the 2011-2015 ACS. We compare current data with data on internal black geographic mobility from 1975 to 1980, which came from U.S. Census publications from that era, primarily a hard copy series of books providing information on each metropolitan area (see Jaret [1987] for details).

#### **Data on Socioeconomic Indicators**

Socio-economic data on blacks and whites in each metropolitan area come from the 2012-2016 American Community Survey. These ACS data were accessed, in tabular format, through Social Explorer (a database available online through the Georgia State University Library). Specifically, the following tables in Social Explorer contain the data used in this paper: C15002B (black educational attainment), C15002H (non-Hispanic white educational attainment), T85 (black per capita income), T82 (non-Hispanic white per capita income). A note in the Social Explorer tables indicates that ACS respondents' reported income for years 2012, 2013, 2014, and 2015 have been converted to "2016 inflation adjusted dollars." In order to compare incomes reported in the 1980 Census (i.e., for calendar year 1979) with "2016 inflation adjusted dollars," we had to adjust 1979 dollars for inflation. This was done using the U.S. Bureau of Labor Statistics' Consumer Price Index inflation calculator (see footnote 15 for details). Most of the analysis of black income and inter-racial income inequality in this report utilizes ACS data on per capita income. Per capita income (i.e., household income divided by number of people in the household) is a useful measure of economic status and a better measure than median household income, especially for the purpose of comparing blacks and whites. This is because in many metro areas black households, on average, are larger than white households, and per capita income captures this difference by showing the amount of money available for each person in the household.<sup>4</sup>

#### Results

We begin by presenting findings on recent black internal geographic mobility to metropolitan Atlanta, comparing it to its level of internal migration in the late 1970s and also comparing it to current levels of other metro areas. Next, we examine socio-economic data (from 2012 - 2016 ACS) on the black population of Atlanta and other MSAs, noting how much, if any, improvement took place in educational level and per capita income since 1980.

#### **Internal Geographic Mobility**

Atlanta's very high popularity as a destination for black residential movers is not a new phenomenon. Data from 1975-1980 show that metro Atlanta had the third highest number of black in-movers (57,250), behind Los Angeles (88,491) and Washington DC (67,640). This was about 4,000 more than Houston (53,268), and nearly 10,000 more than New York and Chicago. All southern metro areas ranked far below Atlanta on number of black in-movers. Whereas Atlanta received over 57,000 black in-movers in the late 1970s, the next highest southern metro areas were Norfolk-Virginia Beach (25,102), Miami (24,263), and Memphis (21,205). As for *net* black internal migration (difference between the numbers moving to and moving away from a metropolitan area), Atlanta ranked first (28,147), slightly ahead of Houston's net gain of 25,277. No other metro areas were close to those net gains in the late 1970s – the next highest were in California, with Los Angeles and San Diego each having net black net internal

<sup>&</sup>lt;sup>4</sup> Miami illustrates this very well. White median household income is \$62,604, and black median household income is \$38,558, which is 61.6% of whites' median household income (and an interracial gap of \$24,046). But since many of these white households consist of widows and emptynesters, whites' income is split among fewer people than in black households. Miami's per capita income reflects this: \$17,267 for blacks versus \$43,983 for whites, so black per capita income is only 39.3% of whites' (and the gap between them is \$26,716). Using median household income seems to understate black-white income inequality in Miami (or in other metro areas where household size differs substantially), but in metros where household size difference is small it matters less whether per capita income or median household income is used.

migration gains of just over 15,000, while New York and Chicago had huge net losses. Compared to Atlanta's net gain of over 28,000 black internal migrants, most southern metro areas experienced modest gains (e.g., Columbia, SC [about 9,000], Fayetteville, NC and Richmond, VA [about 7,000 each], Augusta, GA, Raleigh-Durham, NC, and Newport News-Hampton, VA [about 6,000 each]), while others, such as New Orleans, Birmingham, Pensacola, and Chattanooga experienced net losses (Jaret 1987).

By the second decade of the 21<sup>st</sup> Century, Atlanta shifted from being one of the most attractive destinations for blacks to being the pre-eminent destination for black internal migrants. From 2011 to 2015, over 71,000 blacks *moved to* metropolitan Atlanta from other parts of the United States. This is a larger number of black in-movers to Atlanta than the approximately 57,000 found for the 1975-1980 period.<sup>5</sup> As Table 1 shows, no other MSA was even close to Atlanta in number of recent black in-movers. The four MSAs that drew the next largest numbers of black internal movers were Washington DC (40,072), Houston (37,449), Dallas-Ft. Worth (35,951), and New York (33,507).<sup>6</sup> As for *net* migration for the 2011-2015 period, Atlanta has higher internal black net migration (14,282) than any other MSA, and only one other is close (Houston with 11,147). Only a few other southern MSAs had sizable black internal net migration: Columbia, SC (7,184), Charlotte, NC (6,475), Richmond, VA (4,030), Durham-Chapel Hill, NC (2,975), and Montgomery, AL (2,970).

Comparing current black internal net migration patterns with those of the late 1970s shows some continuity and divergence. One pattern showing continuity over time is net black out-migration from major northern metropolitan areas. New York, Chicago, Philadelphia, Boston, and Detroit all saw more blacks move away than move to them in the late 1970s, and that is still true. Most extreme is metropolitan New York, which saw about 50,000 more blacks move away than move in. Chicago also had very large black net out-migration (over -22,000). More surprising is Los Angeles, which in the late 1970s had a net gain of over 15,000 black in-movers, but from 2011-2015 had a net loss of almost 14,000 more blacks moving away than moving in. Anyone familiar with internal migration trends would not be shocked to see that Detroit and Philadelphia lost more black residents than they gained (each about -10,000). Washington DC is an interesting case because despite it having a very large number of blacks

<sup>&</sup>lt;sup>5</sup> However, differences in methodologies used to estimate numbers of in-movers in the 1980 Census and in the 2011-2015 ACS make us cautious about direct comparisons of these numbers.

<sup>&</sup>lt;sup>6</sup> Based on ACS "margin of errors," there is a 90% probability that the number of black internal migrants moving to Atlanta is 66,823 or higher, and a 90% probability that the numbers for Washington and Houston are no more than 42,367 and 40,858, respectively. We can be very confident that Atlanta receives the most black internal migrants.

	Number of	Net		Number	Net
Metro Areas	Black	Black	Metro Areas	of Black	Black
	In-Migrants	Migrants		In-Migrants	Migrants
Atlanta	71,222	14,282	Fayetteville NC	8,782	-660
Washington DC	40,072	-5,329	Augusta	8,683	1,050
Houston	37,449	11,147	Seattle	8,682	598
Dallas-FW	35,951	3,590	Nashville	8,519	528
New York	33,507	-49,930	Montgomery	8,356	2,970
Chicago	27,808	-22,255	Boston	8,182	-1,309
Miami	25,368	-6,486	Sacramento	7,959	179
Charlotte	24,933	6,475	San Diego	7,848	-5,986
Philadelphia	22,075	-10,245	Kansas City	7,696	-1,177
Riverside-SB	20,730	5,481	Cleveland	7,384	-2,949
Los Angeles	20,616	-13,785	Cincinnati	7,224	-808
VABch-Norfolk	20,490	-811	Savannah	6,637	1,159
Orlando	20,178	2,101	Charleston	6,621	-1,320
Baltimore	19,867	-750	Columbus, GA	6,443	-350
Columbia	16,952	7,184	Denver	6,372	711
Richmond	15,589	4,030	Gulfport-Biloxi	6,035	2,485
Memphis	14,330	-562	Winston-Salem	5,957	-487
Phoenix	14,222	4,048	Louisville	5,735	-356
Detroit	14,218	-9,530	Pittsburgh	5,664	-849
Las Vegas	13,922	5,030	Milwaukee	5,430	-2,088
Tampa	13,675	-1,526	Greenville	5,287	-754
Raleigh	12,886	536	Huntsville	5,161	922
Jacksonville	12,212	-456	Little Rock	5,007	-632
San Francisco	11,566	-3,530	Pensacola	4,682	-276
St. Louis	11,329	-3,404	Macon	4,327	-57
Columbus, OH	10,773	2,129	Spartanburg	3,471	1,225
San Antonio	10,123	1,404	Shreveport	3,375	-1,753
New Orleans	10,117	-3,925	Mobile	3,094	-1,987
Indianapolis	9,983	447	Monroe, LA	2,950	754
Minneapolis	9,967	1,776	Portland, OR	2,851	-663
Austin	9,778	2,553	San Jose	2,698	-1,222
Baton Rouge	9,528	2,362	Chattanooga	2,512	410
Birmingham	9,426	546	Florence, SC	2,383	-1,099
Greensboro	9,295	212	Knoxville	2,349	188
Durham-CH	9,095	2,975	Alexandria, LA	1,468	9
Jackson	8,914	1,159	Sample Mean	12,310	-939

## Table 1. Black Internal In-Migrants and Net Migrants to 71 Metropolitan Areas (2011-2015). Ranked by Number of Black In- Migrants Arriving in Each Metro Area.

Source: U.S. Bureau of the Census, "Metro-to-Metro Area Migration Flows by Race," 2011-2015 ACS. https://www.census.gov/data/tables/2015/demo/geographic-mobility/metro-to-metro-migration.html

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moving in (40,072), it had an even larger number leaving (45,401), to end up with -5,329 net black internal migration.

Another continuity is that, as is true now, in the late 1970s, no other metro area in the South came close to Atlanta as a destination. Back in the late 1970s, aside from Atlanta, Columbia, SC (9,082), Fayetteville, NC (7,053), Richmond (6,839), and the area in Virginia comprised of Virginia Beach, Norfolk, Portsmouth, and Newport News (11,083) were the only places that had much black net migration (some of this was tied to military bases in these metro areas). Of these southern metros, only Atlanta, Columbia, and Richmond currently have high black net migration.

California's major metro areas are a good example of an important divergence in black internal migration patterns since the late 1970s. Back then they experienced sizeable gains in black net migration, specifically, San Diego (15,621), Los Angeles (15,175), and San Francisco (7,844). However, that has changed dramatically and from 2011 through 2015 those metro areas had net outmigration of blacks: Los Angeles (-13,785), San Diego (-5,986), and San Francisco (-3,530).<sup>7</sup>

The 2011-2015 ACS data also indicate where blacks moving to Atlanta (and other MSAs) come from. Table 2 shows an interesting contrast between the prior locations of black internal migrants to Atlanta compared to Houston and Charlotte (two other metro areas with high black net migration). All three of these MSAs receive many migrants from smaller in-state metro areas (from Macon, Columbus, and Augusta to Atlanta; from Beaumont, San Antonio, and Austin to Houston; and from Greensboro, Raleigh, and Winston-Salem to Charlotte). All three also have received many black movers from metropolitan New York (5,339 to Atlanta; 1,496 to Houston; 1,867 to Charlotte). But only Atlanta also receives large numbers of black movers from three other large major northern MSAs (specifically, Philadelphia, Detroit, and Chicago). The others only receive substantial numbers of black movers from one other major northern MSA (from Chicago to Houston, and from Philadelphia to Charlotte). This means that black internal migration to Atlanta is a better example of what has been called "black return migration from the North to the South" than either Houston or Charlotte. However, it would be a mischaracterization to think of it solely as black migration from the North to the South, since Table 2 also show thousands of black migrants to Atlanta from Miami, Orlando, Memphis, Charlotte, and Washington DC.

<sup>&</sup>lt;sup>7</sup> Interestingly, while those major California MSAs lost black movers during the 2011 to 2015 period, Riverside-San Bernardino has had a very large net increase in black movers (20,730; 5<sup>th</sup> largest of all MSAs in the sample). About half the blacks who moved to Riverside-San Bernardino come from Los Angeles (9,642) or San Diego (1,903).

To Atlanta,		To Houston,		To Charlotte,	
from:		from:		from:	
New York	5,339	 Dallas-Ft. Worth	3,394	 New York	1,867
Miami	2,868	Beaumont	1,795	Columbia	1,174
Philadelphia	2,141	Chicago	1,648	Greensboro	1,143
Detroit	1,729	New York	1,496	Raleigh	1,100
Chicago	1,711	St. Louis	1,290	Washington DC	1,029
Washington DC	1,638	Austin	1,030	Atlanta	915
Memphis	1,608	New Orleans	962	Winston-Salem	778
Columbus, GA	1,323	Atlanta	920	Philadelphia	669
Macon	1,267	Lafayette, LA	794	Greenville	538
Augusta	1,202	Los Angeles	689	Orlando	525
VA Bch-Norfolk	1,084	Baton Rouge	667	St. Louis	512
Charlotte	1,075	San Antonio	597	Durham-CH	497
Orlando	1,038	Baltimore	586	Los Angeles	428

Table 2. Most Common Previous Metropolitan Areas of Residence for Blacks Who
Moved to Atlanta, Houston, and Charlotte (2011 to 2015).

Source: Same as Table 1.

Although this report emphasizes internal or domestic migration, the 2010-2015 ACS data also shed some light on international migration by providing the number of people who moved to a U.S. metro area after living in another country the previous year. Not all people enumerated by this estimate are immigrants or refugees, since it includes people who lived abroad as students, business employees, or members of the military. Nonetheless, it does provide insight as to how popular a destination Atlanta is for blacks living in other countries. On this measure, Atlanta ranks fourth, with 6,893 black movers coming from other countries. There is little surprise to the metro areas that rank higher: New York (18,549), Washington DC (13,015), and Miami (11,659). No other southern metro is anywhere close on black migrants from overseas (Orlando is the next highest southern MSA, with 2,724),

One last way to evaluate Atlanta's status as a powerful magnet for black migrants is to consider its drawing power for white residential movers.<sup>8</sup> It is

<sup>&</sup>lt;sup>8</sup> We could also compare it with residential patterns of Latinos or Asians, but those contrasts are less illuminating or relevant because Asians and Latinos are much more spatially concentrated in MSAs in the West than are blacks and whites. This affects two important factors that influence residential mobility patterns: physical distance from Atlanta and social network ties to Atlanta.

possible that Atlanta is an extremely popular destination for whites, and if so, then its very high popularity among black movers might be less special or remarkable. In fact, most metropolitan areas that are very popular destinations for whites are also very popular destinations for blacks – the correlation between number of black movers and white movers to MSAs in our sample is strong (r = .64; p <.001). However, Atlanta seems an exception to this pattern, at least in the sense that it is, relatively, a much more popular destination for blacks than whites. Of all MSAs in the sample, from 2011 to 2015 Atlanta has the largest number of black in-movers (71,222), but for whites ten other MSAs exceed Atlanta's number of white in-movers (89,635).<sup>9</sup> Atlanta's ratio of black in-migrants to white in-migrants (.79) is almost double that of two other leading black mobility destinations: Houston (.40) and Charlotte (.42). As for net migration, as noted above, Atlanta is the highest ranking MSA on black net internal migration (14,282), but one of this study's most unexpected findings is that metro Atlanta has negative white internal net migration (-12,689). These demographic facts suggest that black internal migrants are not simply mirroring a large white internal migration stream towards Atlanta; instead the attraction of blacks to Atlanta is considerably stronger than it is for whites.

#### **Black Educational Attainment**

Atlanta is widely perceived as having a large black middle-class, often attributed to the influence of several important historically black universities (Clark-Atlanta, Morehouse, Spelman, International Theological Seminary, and until recently Morris Brown).<sup>10</sup> We focus on the percentage of black residents, aged 25 and older, who have completed a college degree or higher educational attainment. We compare Atlanta's percentage to that of other southern metro areas and large metro areas in other parts of the United States. Also, to gauge inter-racial inequality in educational attainment, we compare black and non-Hispanic white college graduation percentages in Atlanta and other metropolitan areas.

Looking at change in black percentage college graduates over time (i.e., since 1980), the data show Atlanta has made significant improvement. In 1980, Atlanta's percentage of black college grads (11.4%) was lower than seven other southern metro areas: Raleigh-Durham, Jackson, Nashville, Huntsville, Baton

<sup>&</sup>lt;sup>9</sup> The ten MSAs that, from 2011 to 2015, drew more white internal migrants than Atlanta are: New York, Washington DC, Los Angeles, Dallas-Ft. Worth, Phoenix, Chicago, Boston, Seattle, Houston, and Denver.

<sup>&</sup>lt;sup>10</sup> The availability of many public sector jobs in local, county, state, and federal government is another factor said to contribute to Atlanta's large black middle-class, but this research does not investigate this idea.

Rouge, Greensboro-Winston Salem, and Knoxville. Today, as Table 3 shows, Atlanta's black college grad percentage (28.3%) has more than doubled its 1980 percentage. Among southern MSAs only Durham-Chapel Hill (29.2%) and Raleigh (29.0%) have higher percentages, though the difference is very small. Outside the South, Atlanta's improvement relative to metro areas in other regions is evident. In 1980, the black college graduate percentage was higher than Atlanta's in Washington DC, San Jose, Seattle, Minneapolis, Denver, Houston, Boston, San Francisco, and Austin. Today all of those metro areas, except San Jose (34.7%) and Washington DC (32.7%), rank below Atlanta in terms of their percentage of black college graduates. We also note that the absolute number of black college graduates in Atlanta (327,909) is much larger than San Jose's (11,142), Durham-Chapel Hill's (27,424), and Raleigh's (45,187), and only slightly smaller than in Washington DC (331,642).<sup>11</sup> Thus, the 2012-2016 ACS data provide evidence that Atlanta blacks' educational attainment has improved compared to its 1980 level and compared to blacks in most other metro areas.

A curious aspect of Atlanta's large well-educated black population is the sizable disparity between males and females – nearly 77,000 more black women than men have college degrees. As a ratio, for every one black male with a college degree in Atlanta there are 1.6 black women with a college degree. No other metro area with a high percentage of well-educated blacks (i.e., > 23% college grads) has as large an imbalance in the sex ratio as is found in Atlanta.<sup>12</sup>

However, when we compare the level of black educational attainment in Atlanta to white educational attainment, we see little or no improvement over time. In 1980, the percentage of blacks in Atlanta who had a college degree (11.4%) was about half of the white percentage (23.2%). The 1980 "inter-racial gap," measured as the difference between blacks' and whites' percentages of college graduates shows blacks were 11.8 percentage points lower than whites. The 2012-2016 data show the percentage of college grads among Atlanta's blacks (28.3%) has improved to about two-thirds of the white percentage (42.1%), but measured as difference between white and black percentages, the inter-racial gap now has widened to 13.8 percentage points. So while the percentage of blacks with college degrees has increased sharply in Atlanta from the late 1970s to the

<sup>&</sup>lt;sup>11</sup> New York City has, by far, the largest number of black college graduates (538,890), but they comprise a smaller percentage of New York's adult black population (23.8%) than is the case in Atlanta and these other four MSAs.

<sup>&</sup>lt;sup>12</sup> Most MSAs have more black female than black male college graduates, but the imbalance is usually not as severe as in Atlanta. Other metro areas, with > 20% college educated blacks, and very large sex ratio imbalances are Columbia, Winston-Salem, Little Rock, Jackson, Richmond, Montgomery, Savannah, and Chicago. On the other hand, a few MSAs in the sample have more black male than female college graduates; typically they have small black populations and are in the West: Denver, Portland, San Jose, San Diego, Seattle, and Minneapolis.

MSA	% College Grads	White - Black Gap	MSA	% College Grads	White - Black Gap
INISA	Graus	Бласк Сар	MSA	Graus	Бласк Сар
San Jose	34.7	21.1	Richmond	20.0	20.7
Washington DC	32.7	28.3	Jackson	19.9	17.5
Durham-CH	29.2	26.5	Savannah	19.9	15.9
Raleigh	29.0	20.5	Birmingham	19.7	13.0
Atlanta	28.3	13.8	Philadelphia	19.3	21.1
Huntsville	27.8	11.9	Kansas City	18.9	19.6
San Antonio	26.2	13.3	Indianapolis	18.7	16.0
Houston	26.0	15.9	Knoxville	18.6	9.5
Austin	25.6	25.9	Pittsburgh	18.6	14.2
Los Angeles	25.0	22.8	Miami-WPBch	18.3	22.3
Dallas-FW	24.8	16.3	Baton Rouge	18.0	13.4
San Francisco	24.7	33.7	St. Louis	17.9	17.2
Boston	24.6	24.3	Jacksonville	17.8	14.0
Portland, OR	24.6	14.1	Memphis	17.7	17.3
Denver	24.5	24.5	Detroit	17.4	14.4
Nashville	24.5	10.7	Cincinnati	17.2	15.8
Baltimore	24.0	18.9	Las Vegas	16.9	10.9
Charlotte	23.8	12.7	Louisville	16.8	12.3
New York	23.8	23.9	New Orleans	16.8	19.0
Phoenix	23.7	12.1	Augusta	15.8	13.4
San Diego	23.4	22.3	Mobile	15.6	10.2
Columbia	22.4	14.5	Charleston, SC	15.4	25.2
Seattle	22.2	19.8	Columbus, GA	15.3	13.5
Greensboro	21.5	10.0	Chattanooga	14.9	11.4
Winston-Salem	21.5	6.6	Cleveland	14.9	18.3
Riverside-SB	21.4	5.5	Shreveport	14.3	13.6
Chicago	21.3	22.3	Gulfport-Biloxi	14.1	9.0
Fayetteville, NC	21.0	5.0	Macon	14.0	13.9
Tampa	20.9	9.2	Greenville	13.9	16.5
Minneapolis-SP	20.7	21.8	Milwaukee	13.5	25.6
Columbus, OH	20.6	15.9	Monroe, LA	13.4	13.3
Sacramento	20.4	15.7	Florence, SC	13.2	11.8
Montgomery	20.2	12.8	Pensacola	12.8	15.7
VA Bch-Norfolk	20.2	14.7	Spartanburg	11.8	13.2
Little Rock	20.1	11.5	Alexandria, LA	10.9	10.3
Orlando	20.1	14.6	Sample Mean	20.2	16.2

Table 3. Percentage of Blacks with College or Higher Education and Difference Between Whites' and Blacks' College Graduate Percentages, for 71 Metro Areas, (2012-2016).

Note: MSAs are ranked by percentage of black college graduates, from highest to lowest. Red indicates the 18 largest White-Black gaps in college grad percentages, green indicates 18 smallest educational gaps. *Source*: American Community Survey, 5-Year Estimate, 2012-2016.

present, it has risen slightly more among Atlanta's whites, thereby widening rather than narrowing the inter-racial college graduate gap.

Surprisingly, the 2012-2016 data on educational attainment show that 27 other MSAs in the sample, many of them in the South, have smaller disparities between black and white college graduation percentages than Atlanta has (see columns 3 and 6 in Table 3). Twenty-three southern MSAs have a smaller difference between black and white college graduation percentages than Atlanta has (13.8).<sup>13</sup> In addition, four non-southern MSAs in the sample (San Antonio [13.3], Phoenix [12.1], Las Vegas [10.9], and Riverside-San Bernardino [5.5]) have differences in white-black college graduation percentage smaller (i.e., closer to being equal) than Atlanta's.

Further examination shows that many MSAs in which black and white college graduation percentages are nearer to being equal (green numbers in Table 3) are MSAs with average or low levels of white college graduates (i.e., blue collar metros or metros with economies featuring large low-skill service sectors, such as Spartanburg, Mobile, Greensboro, Gulfport-Biloxi, Tampa, Las Vegas). In these cases, blacks and whites are closer to equality in educational attainment than Atlanta is, but it is equality at the low end of the spectrum of educational attainment, which is not necessarily something to celebrate.

Among metro areas with average or higher black college graduate percentages and with economies more comparable to Atlanta's, the gap between white and black college graduate percentages is large (red numbers in Table 3). In Houston, Dallas-Ft. Worth, Austin, Richmond, Philadelphia, Chicago, Boston, Denver, Seattle, and San Francisco the white-black difference in college graduates is larger than it is in Atlanta, while the educational attainment gap is smaller in Nashville, Phoenix, and Charlotte. The four MSAs with the highest percentages of black college grads (San Jose, Washington DC, Durham-Chapel Hill, and Raleigh) all have very high inter-racial inequality in attainment of college degrees. In contrast, Huntsville stands out as a small MSA with a high percentage of black college graduates (27.8%) and a relatively small white-black gap in college graduates (11.9).

#### **Black Per Capita Income**

Given that Atlanta's black population ranks very high on its percentage of college graduates (5<sup>th</sup> highest), one might expect it would also be among the MSAs with

<sup>&</sup>lt;sup>13</sup> Among the 23 southern MSAs with a smaller difference between black and white college graduate percentages are: Fayetteville, NC (5.0), Winston-Salem (6.6), Tampa (9.2), Knoxville (9.5), Greensboro (10.0), Nashville (10.7), Chattanooga (11.4), Huntsville (11.9), Louisville (12.3), Charlotte (12.7), Montgomery (12.8), Birmingham (13.0), Spartanburg (13.2), and Monroe (13.3).

the highest black per capita income. That is the case both historically and currently, with an important caveat. Atlanta's black per capita income is high compared to most other MSAs in the South, but in other regions, where cost of living levels are higher, many metro areas have much higher black per capita income. Table 4 illustrates this: Atlanta's black per capita income, in 2016, ranks 21<sup>st</sup> in the sample of 71 metro areas, but only five of the MSAs that rank higher than Atlanta are in the South (Richmond, Virginia Beach-Norfolk, Raleigh, Durham, and Huntsville).

To illustrate the historical pattern, the 1980 Census found Atlanta's black per capita income of \$4,636 (for year 1979) was higher than all other southern metropolitan areas except two (both in Virginia) – Richmond (\$4,986) and Newport News-Hampton (\$4,677). The most recent ACS data (providing 2016 inflation-adjusted income) shows Atlanta's black per capita income is \$21,807, which is higher than all southern MSAs except the five listed in the previous paragraph.<sup>14</sup>

Looking more closely at current black per capita income in Atlanta and other metropolitan areas (Table 4), we note that of 71 MSAs in the sample, 20 (mainly outside the South) have higher black per capita income than Atlanta. Atlanta's black per capita income (\$21,807) is almost \$2,000 above the sample mean of \$19,976, but is more than \$11,000 below the two highest ranking MSAs (Washington DC and San Jose). Most MSAs with higher black per capita incomes than Atlanta are in regions with higher cost of living (e.g., San Francisco, San Diego, Los Angeles, Baltimore, Seattle, New York, Boston). However, four MSAs located in Texas and five others in the South (mentioned above) have black per capita incomes equal to or above Atlanta's.

Table 4 also shows, for each MSA, how much inequality exists between blacks' and whites' per capita incomes (for 2016). The columns labeled "White-Black Gap" show how much larger white per capita income is than black per capita income. The numbers in red indicate the largest inter-racial disparities, and green numbers show the smallest per capita income disparities. Atlanta's whiteblack per capita income difference (\$17,668) is above the sample mean (\$16,879), though it is not among the very largest disparities in the sample. By far, the

<sup>&</sup>lt;sup>14</sup> Analysis of black median family income shows a similar, though somewhat more favorable, pattern for Atlanta black income. In 1979, black median family income was \$12,815 (\$42,365 when adjusted for inflation to 2016 dollars). This ranked 6<sup>th</sup> among southern metro areas (behind Richmond, Raleigh-Durham, Newport News-Hampton, Greensboro-Winston-Salem, and Nashville. In 2016, black median household income was \$45,057, which is higher than all other southern metro areas. Note however, that the increase in black median family income from 1979 to now, after adjusting for inflation (\$2,692), is not very large.

	Black Per	White -		Black Per	White –
MSA	Capita	Black	MSA	Capita	Black
	Income	Gap		Income	Gap
Washington DC	\$33,127	\$26,131	Pittsburgh	\$18,895	\$14,472
San Jose	33,109	32,184	Cincinnati	18,796	14,100
San Francisco	28,215	37,270	Indianapolis	18,732	14,140
San Diego	25,888	18,156	Savannah	18,721	14,680
Los Angeles	25,840	25,612	Detroit	18,637	15,621
Baltimore	25,414	19,214	Jacksonville	18,319	15,571
Seattle	24,609	19,604	Baton Rouge	18,283	16,480
San Antonio	24,231	14,230	Charleston	18,279	18,338
New York	24,103	27,038	St. Louis	18,261	17,034
Austin	23,997	20,173	Winston-Salem	18,114	11,872
Boston	23,667	23,539	Montgomery	18,020	14,956
Denver	23,426	20,915	Columbus, GA	17,912	11,956
Houston	22,673	24,610	Greenville	17,879	10,677
Dallas-Ft Worth	22,452	20,173	Greensboro	17,859	13,643
Raleigh	22,318	17,537	Orlando	17,842	15,505
Richmond	22,173	16,781	Memphis	17,702	18,944
Durham-CH	22,125	19,987	Little Rock	17,692	13,604
Huntsville	22,048	14,298	New Orleans	17,420	19,692
Virginia Beach	21,971	14,111	Chattanooga	17,357	11,365
Sacramento	21,840	16,591	Miami-WPalm	17,267	26,716
Atlanta	21,807	17,668	Minneapolis	17,238	23,842
Riverside-SB	21,767	11,921	Augusta	17,237	13,034
Nashville	20,984	12,996	Knoxville	17,213	11,018
Philadelphia	20,963	20,347	Cleveland	17,063	17,488
Phoenix	20,856	15,389	Pensacola	16,701	12,633
Las Vegas	20,676	15,021	Jackson	16,594	17,787
Chicago	20,606	22,622	Spartanburg	16,145	10,044
Charlotte	20,588	15,360	Mobile	16,058	12,177
Portland, OR	20,474	15,943	Shreveport	15,907	16,436
Kansas City	20,197	15,666	Gulfport-Biloxi	15,752	10,643
Fayetteville NC	19,946	7,321	Macon	15,609	14,617
Columbia	19,320	13,017	Milwaukee	15,566	22,518
Columbus, OH	19,150	14,646	Florence, SC	15,196	12,871
Louisville	19,051	12,537	Alexandria, LA	14,679	11,573
Tampa	19,049	14,121	Monroe, LA	11,822	15,770
Birmingham	18,910	13,874	Sample Mean	19,976	16,879

 Table 4. Per Capita Income of Blacks and the "Gap" between Whites' and Blacks' Per Capita Incomes, 2012-2016. (Metro areas are listed from highest to lowest Black Per Capita Income).

Note: Red indicates the 20 largest White-Black per capita income gaps, green indicates 20 smallest inter-racial gaps in per capita income. *Source*: American Community Survey, 5-Year Estimate, 2012-2016.

largest inter-racial income differentials are in San Francisco and San Jose, where white per capita income is more than \$30,000 higher than black per capita income. New York, Washington DC, Miami, Los Angeles, Houston, Minneapolis, and Boston also have very large inter-racial income disparities (in each the per capita income gap between blacks and whites is more than \$23,000). In contrast, the white-black per capita income gap in Fayetteville, NC (\$7,321) is the smallest in the sample, and Spartanburg has the second smallest inter-racial income inequality (\$10,044). With the exception of Riverside-San Bernardino, all other MSAs with relatively small white-black per capita income differences are in the South.

Accessing how much change took place in black (and white) per capita income from 1979 to the present requires that we adjust the earlier per capita income values to take inflation into account, and then compare it to 2016 per capita income, as shown in Tables 5 and  $6^{15}$  This allows us to see whether black income levels in Atlanta have improved over time more than they have in other metropolitan areas.

Table 5 compares Atlanta with six other selected metropolitan areas. It shows that over the course of 37 years (1979 to 2016), after adjusting for inflation, Atlanta's black annual per capita income has increased by \$7,263, which is about a 50% increase in black per capita income over what it was in 1979. This means that over a span of 37 years, Atlanta's black per capita income rose, on average, only by roughly \$200 per year. In comparison, Atlanta white per capita income increased by 42% and a substantially larger amount (\$11,641 or \$315 per year) over that same time span.

The \$7,263 improvement in black per capita income that Atlanta experienced from 1979 to 2016 was better than the sample mean (\$5,528), however, 17 other metropolitan areas had larger gains in black per capita income than Atlanta. The MSAs with the largest gains were Washington DC, San Jose, Huntsville, Austin, Baltimore, San Antonio, and San Francisco, which all had increases of \$9,000 or more in black per capita income (after adjusting for inflation). Within the South, in addition to Huntsville, several metro areas saw black per capita income rise more than it did in Atlanta; these were Raleigh, Virginia Beach-Norfolk, Fayetteville NC, Montgomery, and Savannah, while Nashville and Charleston had increases nearly as large as Atlanta. At the other end of the spectrum, several metro areas had almost no increase in black per capita income from 1979 to 2016 (after adjusting for inflation): Cleveland (\$181),

<sup>&</sup>lt;sup>15</sup> The Consumer Price Index inflation calculator on the Bureau of Labor Statistics' website was used to adjust 1979 dollars to 2016 dollars. Specifically, we transformed December 1979 dollars (as reported in the 1980 Census) to mid-2016 (July) dollars. According to the BLS inflation calculator, this meant multiplying 1979 dollars by 3.137262.

	1979 PCI	2016 PCI,	PCI Change:	% Increase in PCI
	Adjusted to	in 2016 \$\$	1979 to 2016	from 1979 to 2016
	2016 \$\$		(in 2016 \$\$)	(after inflation)
Atlanta				
White Per Capita Income	\$27,834	\$39,475	\$11,641	41.8%
Black Per Capita Income	\$14,544	\$21,807	\$7,263	49.9%
White – Black Gap in PCI	\$13,290	\$17,668	\$4,378	
Fayetteville NC				
White Per Capita Income	\$19,683	\$27,267	\$7,584	38.5%
Black Per Capita Income	\$12,245	\$19,946	\$7,701	62.9%
White – Black Gap in PCI	\$7,438	\$7,321	- \$117	
San Jose				
White Per Capita Income	\$32,031	\$65,293	\$33,262	103.8%
Black Per Capita Income	\$22,438	\$33,109	\$10,671	44.6%
White – Black Gap in PCI	\$9,594	\$32,184	\$22,590	
Chicago				
White Per Capita Income	\$30,510	\$43,228	\$12,718	41.7%
Black Per Capita Income	\$15,956	\$20,606	\$4,650	29.1%
White – Black Gap in PCI	\$14,554	\$22,622	\$8,068	
Seattle				
White Per Capita Income	\$30,118	\$44,213	\$14,095	46.8%
Black Per Capita Income	\$19,915	\$24,609	\$4,694	23.6%
White – Black Gap in PCI	\$10,203	\$19,604	\$9,401	
Charlotte				
White Per Capita Income	\$25,471	\$35,948	\$10,477	41.1%
Black Per Capita Income	\$13,901	\$20,588	\$6,687	48.1%
White – Black Gap in PCI	\$11,570	\$15,360	\$3,790	
Birmingham				
White Per Capita Income	\$25,067	\$32,784	\$7,717	30.8%
Black Per Capita Income	\$12,593	\$18,910	\$6,317	50.2%
White – Black Gap in PCI	\$12,474	\$13,874	\$1,400	

## Table 5. Change in Blacks' and Whites' Per Capita Income (PCI), 1979 to 2016, in Atlanta and Selected Metropolitan Areas (After Adjusting for Inflation).

Minneapolis (\$212), Milwaukee (\$379), and Detroit (\$993). These data suggest that metropolitan Atlanta was <u>not</u> one of the places with the best growth in black per capita income over this time period. Instead, Atlanta experienced modest, though above average, improvement in black per capita income, but many other metro areas did as well or better.

A similar picture emerges when we compare black per capita income growth with white per capita income growth in Atlanta and other metro areas. Table 5 shows that white per capita income in Atlanta grew by \$11,641 between 1979 and 2016, which is considerably more than the black per capita income increase (\$7,263). As a result, Atlanta's inter-racial income gap was wider in 2016 than in 1979. Back in 1979 this per capita income gap was a \$13,290 advantage for whites (in inflation-adjusted dollars), while in 2016 the inter-racial gap in per capita income was \$17,668 in favor of whites. In other words, with regard to per capita income, rather than catching up, black Atlantans were farther behind whites in inflation-adjusted dollars in 2016 than they were in 1979.<sup>16</sup>

The fact that black per capita income gains did not "keep up" with or exceed those of whites is hardly unique to metropolitan Atlanta. In fact, one of the most shocking findings of this research is that from 1979 to 2016 only one metro area in our sample experienced a narrowing of the white-black per capita income gap, and that was Fayetteville, NC, where, as Table 5 shows, the gap narrowed by \$117. In all other metro areas, the inter-racial gap widened between 1979 and 2016. Most southern MSAs had smaller increases in the inter-racial per capita income gap than did metro areas outside the South. For instance, in Mobile and Montgomery the white-black income gap increased by less than \$600, in Little Rock it grew by about \$900, and increased by less than \$1,500 in Columbia and Birmingham. Atlanta's widening of the white-black per capita income gap (by \$4,378 between 1979 and 2016) was relatively large for a southern MSA.<sup>17</sup> In contrast, northern and western metropolitan areas saw the gap between white and black per capita incomes become extremely large between 1979 and 2016. San Jose, San Francisco, Los Angeles, New York, Minneapolis, and Boston all had inter-racial income gaps that were more than \$12,000 larger in 2017 than they were in 1979 (after adjusting for inflation).

To show the strikingly different trajectories some U.S. metropolitan areas have experienced in terms of changes in black and white per capita income from 1979 to 2016, Table 5 contrasts Atlanta with Fayetteville, San Jose, Chicago, Seattle, Charlotte, and Birmingham.

As mentioned above, Fayetteville, NC is a rare case of a small narrowing of black-white per capita income inequality between 1979 and 2016. After

<sup>&</sup>lt;sup>16</sup> We should note that expressing 1979 to 2016 per capita income changes in terms of percentages and ratios yields a slightly positive result. After adjusting for inflation, the black gain of \$7,263 is an increase of 50% over what it was in 1979, while the white gain (\$11,641) represents a smaller percentage increase (42%). As ratios, in 1979, Atlanta black per capita income was only 52.3% of white per capita income, and in 2016 it rose slightly to 55.2% of white per capita income.

<sup>&</sup>lt;sup>17</sup> The only southern metros where, from 1979 to 2016, the white-black per capita income gap grew by more than it did in Atlanta are: Miami (\$10,945), Charleston (\$6,674), Raleigh (\$5,110), and Richmond (\$4,430).

adjusting for inflation, black per capita income rose by 62.9% (or, in dollars, by \$7,701), while Fayetteville white per capita income rose by only 38.5% (or, in dollars, by \$7,584). In contrast, in Atlanta, black per capita income grew by 49.9% (\$7,263) and white per capita income grew by 41.8% (\$11,641). Thus, in both percentage and dollar improvement, Fayetteville's blacks gained more in per capita income than have Atlanta's blacks over these years.

San Jose is an extreme example of the opposite trajectory – a metro area with a relatively small inter-racial income gap in 1979 that dramatically widened by 2016. Table 5 shows that San Jose's white-black gap in per capita income in 1979 (\$9,594) was a lot smaller than Atlanta's (\$13,290), but by 2016 the interracial gap in San Jose (\$32,184) had become much larger than Atlanta's (\$17,668). This came about because although black per capita income in San Jose did increase substantially (by 44.6% or by \$10,671), white per capita income increased tremendously – more than doubling (by 103.8% or by \$33,262).

Chicago is like several other northern "rust-belt" metro areas (Cleveland, Detroit, Minneapolis, Milwaukee, Indianapolis, Cincinnati) that experienced a more severe worsening of black-white income inequality than Atlanta did. In Chicago white per capita income growth between 1979 and 2016 was very similar to that of Atlanta's whites (it grew by 41.7% in Chicago and by 41.8% in Atlanta), but Chicago blacks' income did not grow nearly as much as Atlanta (or San Jose) blacks'. In Chicago black per capita income increased by only 29.1% (or by \$4,650), while Atlanta black per capita income grew by 49.9% (by \$7,263).

Seattle has recently become an object of attention for Atlanta's residents because Atlanta is one of the top contenders for Seattle-based Amazon's second corporate headquarters. Creating a business center of that magnitude would have a large impact on Atlanta's economy, as it has in Seattle. Therefore, Seattle's trajectory on inter-racial income inequality over the past few decades may be relevant to Atlanta. As Table 5 shows, improvements in black per capita income in Seattle, from 1979 to 2016, have been small: only a 23.6% increase (or \$4,694), which is about the same level as in Chicago. In contrast, Seattle's white per capita income has increased by 46.8% (or \$14,095), which is more than it has increased in either Chicago or Atlanta. In other words, during Amazon's boom years in Seattle, the white-black gap in per capita income has widened considerably (it was \$10,203 in 1979, and \$19,604 in 2016), as white gains in per capita income out-paced, by a large amount, those of blacks.

The final two metro areas depicted in Table 5 are southern and not very far from Atlanta: Charlotte and Birmingham. In both, back in 1979 their black and white per capita incomes were a little lower than Atlanta's, and their white-black gap in per capita income was a little smaller (in Atlanta in 1979, white per capita income was \$13,290 higher than black; it was \$12,474 higher in Birmingham, and \$11,570 higher in Charlotte). In the ensuing three decades, these three metro

areas had similar small improvements in black per capita incomes (an increase of \$7,263 or 49.9% in Atlanta, an increase of \$6,687 or 48.1% in Charlotte, and an increase of \$6,317 or 50.2% in Birmingham). In Charlotte and Atlanta, white per capita income grew by about the same amount (\$11,641 in Atlanta and \$10,477 in Charlotte), but in Birmingham white per capita income increased by a smaller amount (\$7,717). As a result of these changes in per capita income, by 2016 inter-racial income inequality in Birmingham was considerably less than in Atlanta, and in Charlotte it was slightly less than Atlanta.

To provide a final perspective on how inter-racial income inequality in Atlanta compares with other metropolitan areas, Table 6 presents a different metric. It ranks MSAs in our sample by how much the white-black per capita income gap widened from 1979 to 2016, but more importantly, the two columns on the right show, for each metro area, the black/white income ratio (expressed as a percentage) for 1979 and 2016. Black per capita income as a percentage of white per capita income for a metro area, can be interpreted as telling us, on average, how many dollars blacks earn for every \$100 that whites earn.

San Jose's previously described pattern of drastically increased blackwhite inequality shows up clearly in Table 6. In 1979, black residents of San Jose had per capita incomes that were 70% of whites (the highest ratio of all the MSAs in our sample), but in 2016 San Jose black per capita income had dropped to only about 50% of whites'. As Table 6 shows, other severe declines in black/white income ratio occurred in San Francisco, Los Angeles, New York, Minneapolis, Denver, Milwaukee, Philadelphia, Seattle, and Cleveland. It also reveals a curious pattern: most metro areas in which the black/white per capita income ratio was relatively high in 1979 (59.0% or more), experienced a large decline in that ratio by 2016 (exceptions to this pattern are a few southern and western MSAs: Fayetteville, Nashville, Louisville, Knoxville, Chattanooga, Las Vegas, Riverside-San Bernardino, and Phoenix).

*What about Atlanta?* On black/white per capita income ratio, Atlanta ranks in the middle of the sample: its 1979 ratio (52.2%) was a little below the sample mean (55.3%), and its 2016 ratio (55.2%) is slightly above the sample mean (54.8%). The meagerness of this improvement over more than three decades is chilling: in 1979, on average, for every \$100 of per capita income that whites in Atlanta had, black Atlantans had \$52.20; in 2016, for every \$100 of per capita income whites received, blacks received \$55.20.

Clearly, the data in Table 6 show nothing especially good about Atlanta's change in inter-racial per capita income inequality from 1979 to 2016. Many major metro areas that Atlantans view as "comparable" (e.g., Boston, Miami, Minneapolis, Denver, Philadelphia, Chicago, San Francisco, Houston) had

	Change in White - Black	Black % of	Black % of
	Gap in PCI: 1979 to 2016	White PCI	White PCI
	(in 2016 \$\$)	in 1979	in 2016
1. San Jose	\$22,590	70.0%	50.7%
2. San Francisco	\$22,566	56.4%	43.1%
3. Los Angeles	\$13,546	59.8%	50.2%
4. New York	\$13,353	53.4%	47.1%
5. Minneapolis	\$13,241	61.6%	42.0%
6. Boston	\$12,675	59.1%	50.1%
7. Miami	\$10,945	45.4%	39.3%
8. Denver	\$10,650	64.9%	52.8%
9. Washington DC	\$10,539	57.9%	55.9%
10. Milwaukee	\$10,245	55.3%	40.9%
11. Philadelphia	\$9,549	58.0%	50.7%
12. Seattle	\$9,401	66.1%	55.7%
13. Houston	\$9,237	52.0%	48.0%
14. Austin	\$8,618	54.4%	54.3%
15. Chicago	\$8,068	52.3%	47.7%
16. San Diego	\$8,060	62.7%	58.8%
17. San Antonio	\$7,726	68.7%	63.0%
18. Sacramento	\$7,684	65.9%	56.8%
19. Baltimore	\$7,503	56.9%	56.9%
20. Cleveland	\$6,856	61.4%	49.4%
21. Charleston	\$6,674	49.2%	49.9%
22. Columbus, OH	\$5,928	64.4%	56.7%
23. Dallas-Ft. Worth	\$5,823	50.1%	52.7%
24. Portland, OR	\$5,753	61.9%	56.2%
25. New Orleans	\$5,364	46.8%	46.9%
26. St. Louis	\$5,219	54.8%	51.7%
27. Pittsburgh	\$5,198	62.7%	56.6%
28. Raleigh	\$5,110	52.7%	56.0%
29. Phoenix	\$4,967	59.4%	57.5%
30. Cincinnati	\$4,742	62.2%	57.1%
31. Indianapolis	\$4,656	63.1%	57.0%
32. Richmond	\$4,430	55.9%	56.9%
33. Atlanta	\$4,378	52.2%	55.2%
34. Kansas City	\$4,272	58.6%	56.3%
35. Detroit	\$4,277	60.9%	54.4%

## Table 6. Changes in Inter-Racial Inequality in Per Capita Income (PCI), from 1979 to 2016, in U.S. Metropolitan Areas (After Adjusting for Inflation).

Note: Metro areas are ranked by the size of the change (increase) in their "gap" between black and white per capita income (from largest to smallest).

	Change in White - Black Gap in PCI: 1979 to	Black % of White PCI	Black % of White PCI
	2016 (in 2016 \$\$)	in 1979	in 2016
	2010 (III 2010 \$\$)	111 1979	111 2010
36. Jacksonville	\$4,173	51.9%	54.1%
37. Riverside-San Bernard	\$4,053	67.6%	64.6%
38. Memphis	\$3,982	43.4%	48.3%
39. Virginia Bch-Norfolk	\$3,943	58.3%	60.9%
40. Huntsville	\$3,807	52.3%	60.7%
41. Charlotte	\$3,790	54.6%	57.3%
42. Las Vegas	\$3,755	59.0%	57.9%
43. Baton Rouge	\$3,689	50.7%	52.6%
44. Orlando	\$3,630	50.4%	53.5%
45. Greensboro	\$3,513	57.8%	56.7%
46. Augusta	\$3,108	55.8%	56.9%
47. Tampa	\$3,006	52.3%	57.4%
48. Louisville	\$2,921	59.4%	60.3%
49. Knoxville	\$2,792	62.4%	61.0%
50. Nashville	\$2,612	57.4%	61.8%
51. Chattanooga	\$2,578	59.1%	60.4%
52. Pensacola	\$2,079	50.5%	56.9%
53. Macon	\$2,062	47.4%	51.6%
54. Jackson	\$1,985	41.8%	48.3%
55. Monroe, LA	\$1,878	40.7%	42.8%
56. Savannah	\$1,789	46.9%	56.0%
57. Columbus, GA	\$1,782	52.9%	60.0%
58. Gulfport-Biloxi	\$1,608	54.5%	59.7%
59. Birmingham	\$1,400	50.2%	57.7%
60. Columbia	\$1,356	51.7%	59.7%
61. Shreveport	\$1,173	42.8%	49.2%
62. Florence, SC	\$1,147	46.1%	54.1%
63. Greenville	\$1,061	56.3%	62.6%
64. Little Rock	\$898	48.8%	56.5%
65. Alexandria, LA	\$822	49.0%	55.9%
66. Montgomery	\$562	42.4%	54.6%
67. Mobile	\$525	47.8%	56.9%
68. Fayetteville, NC	- \$117	62.2%	73.2%
Sample Mean	\$5,549	55.3%	54.8%

# Table 6 Continued.Changes in Inter-Racial Inequality in Per Capita Income(PCI), 1979 to 2016, in U.S. Metropolitan Areas (After Adjusting for Inflation).

declines in their black/white per capita income ratio, and now rank as "worse" or lower than Atlanta's ratio of 55.2%. On the other hand, many southern metro areas that Atlantans often view as "below" them in status (e.g., Raleigh, Richmond, Virginia Beach-Norfolk, Huntsville, Charlotte, Nashville, Savannah, Birmingham, Little Rock, Mobile, Fayetteville) have improved their black/white per capita income ratios by as much or more than Atlanta has, and they currently rank higher on this measure than does Atlanta.

#### **Conclusions and Discussion**

The findings presented above lead to many important conclusions. The first three pertain to patterns of black internal migration, and the others refer to blacks' socio-economic status and inter-racial inequality in Atlanta and other metro areas.

It should be acknowledged that focusing so heavily on these three indicators (internal migration, college graduation, and per capita income) to assess Atlanta's reputation as an exceptionally good metro area for African Americans ("black mecca") yields a partial answer. It is possible that if other criteria were studied (e.g., black representation in political offices, black success in the arts or popular culture), different or more positive conclusions might be drawn. Indeed, Hobson's (2017) discussion of Atlanta blacks' achievements in popular music from the 1970s to the present suggests an exceptionally good record. That being said, here are the conclusions generated by our research.

First, recent black internal geographic mobility data emphatically confirm metropolitan Atlanta's position as, by far, the most popular residential destination. By the late 1970s Atlanta had become one of the most attractive metro areas in the U.S. for black internal migrants, and in subsequent years its popularity increased so that by 2011-2015 Atlanta had become the pre-eminent destination for black internal migrants.

A second conclusion speaks to the widely held idea that the flow of African Americans to Atlanta (and some other major southern metro areas) is mainly "black return migration" from the North to the South. The 2011-2015 data do show that Atlanta receives a large number of black in-movers from northern metro areas, especially New York, Philadelphia, Detroit, and Chicago. In fact, for Atlanta the single largest stream of black internal migrants is from New York (over 5,000). However, that is not the whole story. The number of black internal movers that Atlanta receives from other places in Georgia plus the number coming from other southern states easily surpasses the number coming from major northern metro areas. In addition, a sizable number arrive in Atlanta from Washington-Baltimore, Texas, and the rest of the country. A similar pattern (i.e., more black internal migrants from in-state and southern locations than from northern areas) was found for two other very popular destinations for black movers (Charlotte and Houston). Clearly, there is more to the story of black internal migration than merely "return migration" from the North, and researchers should delve more closely into this matter.

Third, although white and black internal migration patterns are rather similar (i.e., metro areas that are popular destinations for blacks are usually popular destinations for whites), Atlanta is considerably more attractive to black movers than white movers. Atlanta drew more black internal migrants than any other metro area, but Atlanta ranked eleventh in number of white internal migrants. Moreover, for 2011-2015, metro Atlanta had a large positive black net internal migration, but its net white internal migration, surprisingly, was negative. These demographic findings mean that metro Atlanta is a stronger "magnet" for black than white internal migrants. Researchers might want to explore the reasons for this.

The next several conclusions are based on findings about black educational and income levels. Taking black college graduation percentages first, a large increase occurred in metro Atlanta since the late 1970s: the percentage of the black adult population with a college degree has more than doubled, from 11.4% in 1980 to 28.3% in the early 2010s. Moreover, in 1980, seven other southern metro areas had higher percentages of black college graduates, but now only two are higher (slightly) than Atlanta, and they are in North Carolina's "research triangle" (Durham-Chapel Hill and Raleigh). Thus, it is a fair conclusion to say that significant advancement in black educational attainment has occurred in metro Atlanta.

However, that conclusion must be qualified when put into a broader context that takes into account changes in white educational attainment. Although the percentage of college graduates among Atlanta's black adults rose from 11.4% in 1980 to 28.3% in 2012-2016 (a gain of 16.9 percentage points), the percentage of college graduates among Atlanta's white adults rose from 23.2% to 42.1% (a gain of 18.9 percentage points). This continuing sizable gap between the amount of white and black college graduates in Atlanta implies that African Americans are at a disadvantage in the competition for the best jobs, most of which require a college degree.

Furthermore, data on black and white college graduation percentages in our sample of metropolitan areas lead to a broader conclusion about inter-racial educational inequality. Unfortunately, the metro areas in which blacks and whites are closest to parity in terms of college graduates are places with relatively low levels of college graduates and where recent economic growth has been small or stagnant (e.g., Mobile, Spartanburg, Greensboro, Gulfport-Biloxi, Fayetteville, Tampa, and Las Vegas, where less-skilled service sector and blue collar or military jobs comprise a large part of the local economy). On the other hand, in metro areas that have experienced much more economic growth and wealthgeneration (based on increasing number of jobs in finance/real estate, professional services, high tech and information industries, such as Boston, San Jose, Seattle, New York, San Francisco, Atlanta, and Dallas), the gap in black and white percentages of college graduates in considerably wider.

These empirically based conclusions regarding educational attainment have implications for our conclusions about black and white income levels in Atlanta and other metropolitan areas. To begin, although metropolitan Atlanta has a reputation for being a showcase for black economic achievement and success, the per capita income data do not support that assessment. Atlanta currently ranks only 21st among metro areas in our sample on black per capita income. Among those with higher black per capita income than Atlanta are five other southern metropolitan areas and four in Texas. While Atlanta's black per capita income is above the sample mean, it is not among the leading U.S. metro areas on this measure. More tellingly, improvement in Atlanta's black per capita income since 1979 has been quite modest. After adjusting for inflation, between 1979 and 2016 black per capita income increased by \$7,263 (which averages to an annual improvement of only \$200 per year). In comparison, over that same time period, white per capita income in Atlanta increased by \$11,641 (on average, a \$315 annual improvement). Over a dozen other metro areas in the sample show better improvement than Atlanta.

Using a different metric (black/white per capita income ratio) leads to the same conclusion: only slight improvement in black economic position. Back in 1979, on average, for every \$100 of per capita income that Atlanta whites had, Atlanta blacks had \$52.20; and in 2016, for every \$100 of per capita income Atlanta whites had, blacks had \$55.20. Although many major U.S. metro areas did even worse than Atlanta on this measure, over a dozen show more improvement.

Extending this analysis beyond Atlanta leads to a final important but troubling conclusion, namely that since the late 1970s blacks, on the whole, have done very little "catching up" to whites on per capita income in metropolitan areas throughout the United States. It was shocking to find Fayetteville, NC is the only metro area in the sample in which the white-black per capita income gap narrowed and that the average black/white per capita income ratio for the whole sample's metro areas in 2016 (54.8%) is lower than it was in 1979 (55.3%). These data indicate the ideas or claims that, on the whole, blacks have been benefitting economically at the expense of whites ("reverse discrimination"), or that whites and blacks are "in the same economic boat" are mistaken.

A related conclusion is that the inter-racial per capita income gap widened the most in metro areas experiencing the greatest post-industrial restructuring led by expansion of high tech/information industries and financial-businessprofessional services. It was in the dynamic transformative economies of metro areas such as San Jose, San Francisco, New York, Los Angeles, Boston, Miami, Denver, and Seattle that the white-black income gap widened the most and the black/white per capita income ratio declined the most. Also, blacks experienced increased inequality in per capita income in some "rust belt" metro areas that saw severe decline in manufacturing jobs (e.g., Cleveland, Milwaukee, Detroit, Pittsburgh). In contrast, in metro areas where blacks previously were in the worst economic condition (e.g., Little Rock, Mobile, Savannah, Birmingham, Jackson) the black/white income ratio improved and the white-black income gap grew by a relatively small amount.

Having laid out our most empirically grounded conclusions in the preceding pages, we now discuss how these findings and conclusions connect with broader discussions and current debates about socio-economic inequality.

First, these findings and conclusions have implications for the common narrative that Atlanta is an "exceptional" place for blacks. By systematically comparing Atlanta with a sample of other metropolitan areas on internal migration, college graduates, and per capita income we can make an informed, though somewhat partial, judgment on this issue. With respect to internal migration, Atlanta certainly is exceptional – it has more black in-movers and higher black net migration than any other U.S. metro area (and it also ranks high on black migration from abroad). However, turning to educational attainment and economic standing, Atlanta's exceptionality fades considerably. In terms of education, the most "exceptional" metro area is San Jose, where 34.7% of black adults have college degrees. Of course, the black population of San Jose is relatively small and select, so among places with large, well established black populations, Washington DC may be considered "exceptional" based on its high percentage of college graduates (32.7%). Atlanta is in a tier of metro areas a little below those two, as it, along with Durham-Chapel Hill, Raleigh, Huntsville, San Antonio, and Houston, have college graduate percentages ranging from 26% to 29%. As for per capita income, Washington DC and San Jose, again, stand out as "exceptional," since their black residents' per capita income, on average, is over \$33,000 (far above any other metro area in the sample). Atlanta ranks 21<sup>st</sup> on this income measure, so it is hard to argue that, in general, blacks here do exceptionally well economically.<sup>18</sup>

Based on the criteria studied here, if the fate of the black population in any metropolitan area might be considered "exceptional," it would probably be San Jose, and it would have a negative twist. In 1980 San Jose had a small black

<sup>&</sup>lt;sup>18</sup> Metro Atlanta's blacks rank better on another measure: on black median household income Atlanta is the 10<sup>th</sup> highest (and is the highest southern metro area). But Washington DC and San Jose are still much higher.

population (slightly over 42,000 people), but it had the highest percentage of college graduates (20.0%, almost double Atlanta's 11.4%), and was only a little lower than that of whites. Black per capita income in San Jose in 1979 was 70% of whites (higher than any other metro area in the sample) and its white-black income gap was smaller than the sample mean. Moreover, on measures of residential segregation, San Jose ranked low to moderate, so this cause of inequality in many other metro areas was not a strong factor here.<sup>19</sup> If anyplace seemed poised to see African Americans achieve meaningful reductions in interracial socioeconomic inequality, it probably was San Jose. Instead, by 2016 many indicators of inter-racial inequality had changed dramatically for the worse. As noted above, while the black college graduate percentage increased and remained high, San Jose's white college graduate percentage skyrocketed, producing a very high differential or gap. Moreover, rising black incomes in San Jose failed to come close to matching those of whites, so that by 2016, black per capita was only about 50% of white per capita income. Residential segregation declined to low levels from 1980 to 2010, yet socio-economic inequality increased.

What happened in San Jose in those years? Obviously, Silicon Valley "happened," and it would be enlightening if future researchers would study how this high-tech economic transformation and accompanying "rise of the creative class" (Florida 2002) brought and/or denied opportunities to black and white residents of San Jose (and other metros with huge areas of concentrated high-tech and post-industrial growth). Florida (2005; 2017a) and others before him (Feagin 1985: Sassen 2000: Smith & Keller 1983) found that socio-economic inequality flourishes in most metro areas where highly educated workers, professional and financial services, and the information-age economy have expanded, as have some studies focusing on black-white inequality (Jaret, Reid & Adelman 2003; Kasarda 1989). These metro areas typically rank high in black and white college graduates, but not all college degrees are equal in their earnings potential (e.g., engineering vs. education), so differences in college major might contribute to inter-racial income disparities. Florida (2017a:115) notes that African Americans are "sorely underrepresented in the creative class," but he does not pursue the reasons why, and few researchers have investigated how blacks in places like Silicon Valley or other growing post-industrial metro areas (e.g., Boston, Seattle) have fared in gaining entry to sources of start-up capital and partnership networks

<sup>&</sup>lt;sup>19</sup> According to John Logan's "Diversity and Disparities" website, which provides measures of residential segregation, the index of dissimilarity for blacks and whites in San Jose in 1980 was 47.8 and 38.6 in 2010. For comparison, in Atlanta it was 76.9 and 58.4 in those same years, while in Seattle it was 64.8 and 45.6

<sup>(</sup>https://s4.ad.brown.edu/Projects/Diversity/segregation2010/Default.aspx). Indexes measuring black residential isolation and exposure to other groups also indicate that racial segregation was relatively low in San Jose.

essential for success in these booming new industries, nor has there been much research testing for racial discrimination in pay and promotion in post-industrial high tech metro areas.. These are worthy matters for future study.

The continued existence of severe black-white socio-economic inequality in Atlanta and most metropolitan areas is a prime message of this research, but it would be wrong to omit discussion of a few metro areas where some signs of improvement are evident. Fayetteville (North Carolina) is the only MSA in the sample in which the white-black per capita income gap declined, and it made substantial improvement in its black/white per capita income ratio. It also has a small difference in black and white percentage of college graduates, and is low in racial residential segregation. It is not just black-white inequality that is low here; two measures of economic inequality in the general population find Fayetteville among metro areas with the least inequality.<sup>20</sup> The underlying economic structure of Fayetteville, which includes a strong military component (with pay based on rank and years served), probably is a strong contributor to these outcomes. It is home to a large Army base (Fort Bragg), which employs about 13% of the labor force and uses many local businesses as suppliers. Its largest other employment categories are education-healthcare-social services (29%), retail (13%), and artsrecreation-accommodation-food services (12%). These industry categories typically do not generate extremely large pay differentials among employees. So Fayetteville probably has more economic equality and lower cost of living than it would have if its leading industries were in high tech and financial/professional services (which typically generate more income inequality and higher costs of housing).<sup>21</sup>

Huntsville (Alabama) is another interesting case of a metropolitan area that shows more progress towards racial socio-economic equality than Atlanta. Like Atlanta, Huntsville is in the "deep South," though its black population is much smaller, both as a percentage and in absolute number. Huntsville's black college graduate percentage is almost as high as Atlanta's and its white-black educational difference is a little smaller. Huntsville has less racial residential segregation and is better than Atlanta on measures of inter-racial per capita income equality. Huntsville is also low on indicators of economic inequality in the general population (Florida, 2017a; Sommeiller & Price 2018). Like Fayetteville, Huntsville's economic structure and employment is heavily

<sup>&</sup>lt;sup>20</sup> These are Richard Florida's (2017) "New Urban Crisis Index" and the Economic Policy Institute's ratio that compares the average income of a metro area's highest paid 1% versus the average income of everyone else (Sommeiller & Price 2018).

<sup>&</sup>lt;sup>21</sup> A cautionary note on economic conditions in Fayetteville: WalletHub's research on best cities for job seekers in recent years ranks Fayetteville last among 182 cities (see Pirani 2019 and www.cnbc.com/2018/01/08/the-10-best-places-to-find-a-job-in-2018.html).

dependent on the military (the Army's Aviation and Missile Command is based there) and on the federal government (NASA's Marshall Space Flight Center). The enormous Cummings Research Park is closely linked to the aerospace and defense industries, though it also houses high-tech and biotechnology research and development firms. Given this industrial and employment structure, it will be interesting to see if Huntsville remains on a trajectory towards inter-racial socioeconomic equality or if it follows San Jose's path towards widening racial disparity.

Clearly, both in size and economic base, Fayetteville and Huntsville are very different kinds of metro areas than Atlanta, so comparing them to Atlanta may be unfair. A more relevant comparison might be with Nashville. Three recent independent studies of metropolitan economic inequality in the general population find that Nashville has less inequality than Atlanta (Florida 2017a; Sommeiller & Price 2018; Holmes & Berube 2016). Like Atlanta, Nashville contains several historically black institutions of higher education,<sup>22</sup> though its percentage of black college graduates is a little lower than Atlanta's (but the white-black difference is smaller). Nashville attracts far fewer blacks than Atlanta, but Nashville's black per capita income is less than \$1,000 lower than Atlanta's, and the white-black income gap is much smaller in Nashville than in Atlanta. Moreover, since 1979 the black/white per capita income ratio has risen more in Nashville than in Atlanta and it currently is higher in Nashville (61.8%) than in Atlanta (55.2%). Most people probably do not think of Nashville as a place where black socio-economic status is particularly good, but the data reviewed here suggest that at least on some measures it is as good as, or even better than, in Atlanta. Recently Nashville has been going through a spurt of new construction and an economic development boom, so it will be interesting to see how this growth affects the economic fortunes of its black and white residents. Data from the Brookings Institution's (2017) "Metro Monitor Dashboard" suggests that Nashville may be doing better at this than Atlanta. On its "Economic Inclusion Index" it finds that of the 100 largest U.S. metropolitan areas Nashville is the 25<sup>th</sup> best, while Atlanta is the 40<sup>th</sup> best.<sup>23</sup>

The results of this research connect with and extend previous work on socio-economic inequality done by other scholars. Our findings that Atlanta is neither among the metro areas with the most black-white socio-economic

<sup>&</sup>lt;sup>22</sup> These are Fisk University, Meharry Medical College, Tennessee State University, and American Baptist College.

<sup>&</sup>lt;sup>23</sup> This index measures the extent to which the benefits of economic growth and prosperity (changes in employment rate and income) are distributed broadly rather than narrowly among metro area residents.

equality, nor among those with the most black-white inequality is consistent with, and complements, other recent studies of economic inequality in the general population, which find the most inequality in metros such as San Jose, San Francisco, Los Angeles, and Boston (Brookings Institution 2016; Florida 2017a; Sommeiller & Price 2018).

The continued disadvantage of urban African Americans, despite programs like Head Start, enterprise zones, and civil rights laws against employment discrimination, is the focal point of Starkey's (2013) book, *Stuck in Place*. Starkey's research emphasizes the role that long-term residence in rundown, racially segregated, high poverty neighborhoods has played in depriving blacks of opportunities to reduce the socio-economic gulf between them and whites. Those findings are certainly relevant and important for understanding the situations of African Americans in very large metropolitan areas that have had ghetto-like areas for decades, such as Chicago, New York, Philadelphia, Detroit, Cleveland, New Orleans, Miami, and Atlanta.<sup>24</sup>

In contrast, this study (based on metropolitan areas rather than neighborhoods) brings two other matters to light. First, it shows that huge inequalities between blacks and whites have been formed outside the aforementioned largest metro areas with long histories of extreme racial segregation and very high black poverty. San Jose, San Francisco, Seattle, Denver, and Los Angeles now have very large black-white differentials in education and per capita income, despite the fact that they once were closer to parity and have had relatively low to moderate levels of racial residential segregation.

Second, our findings and conclusions reinforce the idea that macro-level economic restructuring at the metropolitan level provides the larger context in which improvements or declines at the neighborhood level occur. The economic restructuring of U.S. metropolitan areas has been described with a variety of phrases.<sup>25</sup> It refers to the decline of manufacturing corporations and jobs, and a shift towards economies reliant on a mix of: (a) corporate headquarters and related business or producer services; (b) high-level banking, financial, and real estate services; (c) convention, tourism, and hospitality services; (d) high-tech, information/computer, or military research and development; (e) education and health-medical professions; and (f) transportation, distribution, or logistical services. The findings presented in this paper imply (but do not prove) that the way metropolitan areas work through economic restructuring and the degree to

<sup>&</sup>lt;sup>24</sup> Starkey (2013: 49-53) contains a case study of how several federal and local urban policy changes in Atlanta have had negative effects on residents of black neighborhoods and prevented them from making much economic progress.

<sup>&</sup>lt;sup>25</sup> For example: de-industrialization, post-industrial society, the hour-glass economy, the shrinking middle-class, the information economy, the rise of the creative class.

which these economic sectors thrive or stagnate affects whether inter-racial economic inequality increases or is reduced.

In this context, findings presented above about Seattle (Table 5) are especially relevant to Atlanta. Seattle was once a manufacturing center, anchored by Boeing Aircraft, but its economy has been restructured through the rise to dominance by technology and communications corporations (i.e., Microsoft, Amazon, T-Mobile), bio-medical businesses, and huge coffee distributors (Starbucks, Seattle's Best). When Amazon announced in 2018 that it was considering metro Atlanta as a potential location for a huge second headquarters office complex, some planners and concerned citizens asked whether economic inequality in Seattle increased during the years Amazon has grown so large. One report claims Seattle's gap between rich and poor increased greatly because Seattle's technology workers (many of whom are employed by Amazon or companies with ties to it) earn, on average, more the twice as much as Seattle's other workers (Trubey 2018). We found that over these decades of economic restructuring in Seattle, gains in black per capita income (23.6% or \$4,694) have not come close to keeping up with white gains in per capita income (46.8% or \$14,095). This contributes to a widening inter-racial gap. It puts African Americans at a competitive disadvantage in Seattle's housing market, which has quickly become one of the country's most expensive. Many Atlantans wondered how the potential arrival of perhaps 50,000 well paid Amazon workers would affect Atlanta's housing market (especially how the less affluent black population would fare in it), since affordable housing is already in short supply in Atlanta (Kanell 2018). As it turned out, Amazon did not pick Atlanta.

Looking at this issue more broadly, we really should not be surprised to find most U.S. metropolitan areas have not made much progress in reducing black-white income inequality. The conclusion that the "rising tide" brought by post-industrial economic restructuring in metro areas does not "lift all ships" to the same degree is evident in previous and current research. Studies of increasing disparities in blacks' and whites' wealth or net worth are evidence of this (Oliver & Shapiro 1996; Kochhar & Fry 2014). The persistence of black-white income inequality in the 1990s was documented by Fischer et. al. (1996). Jaret's (1987) comparison of Atlanta and other metro areas found that metro areas with the most business/financial services and convention/tourist services were highest on blackwhite income inequality, and more systematic follow-up research confirmed that conclusion (Jaret, Reid & Adelman 2003). Most recently, two assessments of African Americans' social and economic progress in the 50 years since the Kerner Report (1968) find that significant improvements in educational attainment have not been accompanied by much improvement in economic status (Jones, Schmitt & Wilson 2018; Harris & Curtis 2018).

Finally, the findings of this research are pertinent to two contentious and politically charged conclusions drawn by conservative commentators. First, Thomas Sowell (2011) gave the following explanation for large net out-migration from "blue" states and net gains in some "red" states: "People are voting with their feet against places where the liberal, welfare-state policies favored by the intelligentsia are most deeply entrenched." He contended they are leaving California, New York, Illinois, Pennsylvania, and Michigan because of their high taxes and anti-business climates and moving to states with strong Republican majorities. Also, after Congress passed legislation in 2018 reforming federal tax policy, several writers claim it will cause increased out-migration from areas where taxes and housing costs are highest, which typically are heavily Democratic areas (Arnott & Tamny 2018; Investors' Business Daily 2018; Tate 2018).<sup>26</sup> They contend that if these areas of out-migration want to retain their residents they should adopt Republican-oriented policies (e.g., lower taxes by cutting government spending, create "business-friendly" environments by reducing government regulation of companies). However, the validity of this argument rests largely on net migration patterns of Republican-dominated Texas and Arizona, which do have high net migration. Most other heavily Republicanvoting states show very small positive or, in several cases, negative net internal migration.<sup>27</sup> The correlation between states' percentage Republican vote and its net internal migration was weak to moderate in strength: .38 for whites, .35 for blacks, .28 for Asians, and .32 for Hispanics (Jaret & Baird 2013). Data from the current study show that among metropolitan areas with the highest net internal migration are a mix of "conservative" metro areas (e.g., Houston, Dallas, Phoenix, Columbia) and "liberal" metro areas (Austin, Portland, Atlanta, Denver). It seems the safest conclusion to draw here is that metro area tax rates and position on a conservative-liberal continuum by itself is not a particularly strong causal factor for internal net migration. As Glaeser (2011) contends in comparing migration to Houston and New York, it is not tax rate per se that is important, instead good employment opportunities and everything that goes into creating a

<sup>&</sup>lt;sup>26</sup> The logic of this argument is that the tax reform law no longer allows tax-payers to deduct as much home mortgage interest and state and local taxes as they previously could. Financially this would hurt most the people with large home mortgages and residents of places with high tax rates, which are metro areas in heavily Democratic states (California, New York, Illinois, Massachusetts, and Pennsylvania). The contention is that rather than stay and suffer a higher tax bill, many residents of those areas will move to places with low tax burdens, which tend to be majority Republican areas.

<sup>&</sup>lt;sup>27</sup> The heavily Republican states with low internal net migration are Utah, Wyoming, Idaho, Nebraska, Oklahoma, North Dakota, South Dakota, Montana, Kansas, Alabama, Alaska, Indiana, Mississippi, South Dakota, and Kentucky.

low to moderate cost of living (especially for housing) are what cause large numbers of people to move to a metro area or remain there.

The second politically charged comment that the findings of this research can address was made by Rand Paul, in 2017, at a debate among Republican candidates seeking to become the nominee for president. He said, "We ought to look where income inequality seems to be the worst. It seems to be worst in cities run by Democrats, governors of states run by Democrats . . ." (Lee, 2015). For metropolitan areas, empirical evidence does support the idea that inequality is higher in places where the Democratic Party predominates. On the Brookings Institution's (Berube 2018) list of the ten metro areas with the highest income inequality, nine had more votes cast for Hillary Clinton than for Donald Trump, while among the ten metro areas with the least income inequality, six had more votes cast for Trump than for Clinton.<sup>28</sup> Also, Richard Florida (2017b) finds a .59 correlation between metro areas' percentage that voted for Hillary Clinton and his index of urban economic inequality. Of the 100 largest metro areas, the ten that voted most heavily for Clinton had a much higher average index of inequality (.862) than did the ten that voted most heavily for Trump (.691). Adding our findings on black-white per capita income inequality reinforces the pattern. As we saw in Table 4, the largest white-black income gaps are found in metro areas that are known for their liberal or progressive political leanings (i.e., San Francisco, San Jose, New York, Washington DC, Los Angeles). Moreover, among large metro areas, the ten with the highest percentage of votes for Hillary Clinton had much larger white-black per capita income gap than the ten metros with the highest percentage of voters for Donald Trump.<sup>29</sup>

Rand Paul's comment linking places with severe economic inequality to the Democratic Party was intended to suggest a causal connection, namely, that Democratic policies and leaders have produced severe inequality. While acknowledging the correlation between these phenomena, we should resist this rather simplistic conclusion. Large metropolitan areas are complex entities, comprised of many counties and local jurisdictions (and within most metro areas some of these are controlled by Democrats and others by Republicans) and they

<sup>&</sup>lt;sup>28</sup> The source for 2016 election results by metropolitan area is Dave Liep's election atlas website: <u>https://uselectionatlas.org/FORUM/index.php?topic=256461.0</u> and <u>https://uselectionatlas.org/FORUM/index.php?topic=256204.0</u>

<sup>&</sup>lt;sup>29</sup> Specifically, in the ten large metros that were most heavily pro-Clinton, on average, whites' per capita income was \$26,106 higher than blacks' per capita income, while among the ten most pro-Trump metro areas, whites' per capita income was \$14,970 higher than that of blacks. Also, the black/white income ratio was worse in the pro-Clinton metros: black per capita income was only 49.1% of whites' in the ten most heavily pro-Clinton metros, compared to 56.3% in the ten most pro-Trump metropolitan areas. Metro Atlanta is an intermediate case: a small majority voted for Clinton (52%), its white-black income gap is \$17,668, and its black/white ratio is 55.2%.

often cross state lines, so it is not easy to attribute a metro area's economic prosperity, stagnation, or inequality to a single political party. Other researchers have shown that a variety of factors aside from dominant political party (e.g., population size and density, percentage of college graduates, and size of technology and financial/business services sector) are related to economic inequality (Florida 2017a, b; Lee 2015; Carroll & Jacobson 2015).

We leave it to future researchers to explore and debate this matter further. We just add a final thought to consider, based on the findings presented above. In many metro areas the black-white income gap is now as large as it was in 1979 (or larger), though some progress has been made in a few. Our results also clearly show that some metro areas have less income inequality than others. Depending on which kind of metro area people live in, the world probably looks quite different. In those where the gap between rich and poor, black and white is extremely large and persistent, the messages, appeals, and rhetoric of Democrats (promising redistributive tax policy, protection against gentrification, livable wages and affordable housing) may be very appealing and attract the most voters. In those metros with less inter-racial inequality and more overlap in black and white income distributions, and where a small minority of people do not garner so much of the income and wealth, the Republicans' message, appeals, and rhetoric (small government and low taxes, "business friendly" environment) may have more resonance and attract the most voters. In other words, party preference might be affected by the degree and visibility of economic inequality that people perceive in their metro area. Be that as it may, the investigation of inter-racial and other forms of socio-economic inequality in metropolitan areas promises to lead to new discoveries, debates, and hopefully to fresh ideas about how to create better opportunities and results for people in the most disadvantaged conditions.

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#### Appendix

#### Official Names of 71 Metropolitan Statistical Areas (MSAs) in this Sample

Alexandria, LA Atlanta-Sandy Springs-Roswell, GA Augusta-Richmond County, GA-SC Austin-Round Rock, TX Baltimore-Columbia-Towson, MD Baton Rouge, LA Birmingham-Hoover, AL Boston-Cambridge-Newton, MA-NH Charleston-North Charleston, SC Charlotte-Concord-Gastonia, NC-SC Chattanooga, TN-GA Chicago-Naperville-Elgin, IL-IN-WI Cincinnati, OH-KY-IN Cleveland-Elvria, OH Columbia. SC Columbus, GA-AL Columbus, OH Dallas-Fort Worth-Arlington, TX Denver-Aurora-Lakewood, CO Detroit-Warren-Dearborn, MI Durham-Chapel Hill, NC Fayetteville, NC Florence, SC Greensboro-High Point, NC Greenville-Anderson-Mauldin, SC Gulfport-Biloxi-Pascagoula, MS Houston-The Woodlands-Sugar Land, TX Huntsville, AL Indianapolis-Carmel-Anderson, IN Jackson, MS Jacksonville, FL Kansas City, MO-KS Knoxville, TN Las Vegas-Henderson-Paradise, NV Little Rock-North Little Rock-Conway, AR Los Angeles-Long Beach-Anaheim, CA Louisville/Jefferson County, KY-IN Macon, GA Memphis, TN-MS-AR Miami-Fort Lauderdale-West Palm Beach, FL Milwaukee-Waukesha-West Allis, WI Minneapolis-St. Paul-Bloomington, MN-WI

Mobile, AL Monroe, LA Montgomery, AL Nashville-Davidson--Murfreesboro--Franklin, TN New Orleans-Metairie, LA New York-Newark-Jersey City, NY-NJ-PA Orlando-Kissimmee-Sanford, FL Pensacola-Ferry Pass-Brent, FL Philadelphia-Camden-Wilmington, PA-NJ-DE-MD Phoenix-Mesa-Scottsdale, AZ Pittsburgh, PA Portland-Vancouver-Hillsboro, OR-WA Raleigh, NC Richmond, VA Riverside-San Bernardino-Ontario, CA Sacramento--Roseville--Arden-Arcade, CA San Antonio-New Braunfels, TX San Diego-Carlsbad, CA San Francisco-Oakland-Hayward, CA San Jose-Sunnyvale-Santa Clara, CA Savannah, GA Seattle-Tacoma-Bellevue, WA Shreveport-Bossier City, LA Spartanburg, SC St. Louis, MO-IL Tampa-St. Petersburg-Clearwater, FL Virginia Beach-Norfolk-Newport News, VA-NC Washington-Arlington-Alexandria, DC-VA-MD-WV Winston-Salem, NC

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