

Herbert Blumer. 1965. "Industrialization and Race Relations." Pp. 220-253 in Guy Hunter, ed. *Industrialization and Race Relations*. London: Oxford University Press.

X

INDUSTRIALISATION AND RACE RELATIONS

by Herbert Blumer

INTRODUCTION

The relation of industrialisation to changing race relations poses a problem of special significance in the present stage of world development. The problem brings together in single focus two of the most outstanding forms of transformation at work in our contemporary world. Each in its own right is compelling peoples and countries to work out new lines of destiny. Before considering the relation between them it is desirable to point out the extraordinarily important place of each in our current world scene.

Industrialisation is usually assigned the central role in the shaping of modern life. This is reflected in the common designation of our modern civilisation as 'industrial'. Advanced nations and peoples today are thought to derive their eminence from an industrial base. Likewise, it is commonly assumed that the elevation of so-called underdeveloped countries is to be achieved by bringing them as viable units into an industrial world. Such beliefs, which enjoy almost axiomatic status, signify that the process of industrialisation is the master force at work in modern civilisation, fabricating its life and institutions and setting its peculiar mould. Its operation constitutes, so to speak, a watershed between 'traditional' society and 'modern' society—between agrarian, village, feudal and tribal societies on one hand, and on the other hand a new complex of life centring upon the machine, the factory, and resulting urban aggregations. The process of industrialisation is thus accorded in general thought a dual role of paramount significance. It operates in the first instance as a powerful solvent of pre-established orders of life, undermining traditional institutions, social relations, and values of life. In the second instance, it functions to forge a new framework of relations between people, new institutional forms, and new values

and goals of living. In both respects industrialisation is assigned profound transforming influence.

In its turn, the changing character of race relations in different parts of the world must be seen as constituting one of the most significant developments of our times. To appreciate this one merely needs to note the troubled racial situation in such diverse countries as the United States of America, the Republic of South Africa, the emerging nations of Central Africa, and countries in South-east Asia. It is appropriate to say that today races are on the move. This is not a mere metaphor. One of the significant happenings of recent decades has been the disruption of the colonial order—a disruption which has freed many diverse and large racial groups from fixed positions and forced them to work out new relations. We should note, also, the increased restlessness of subservient racial groups in other parts of the world—an animation which is leading them to press vigorously for changes in their social position, or to threaten shortly to do so. Further, we should recognise that on the international scene, apart from domestic situations, the major races are being thrust into a new changing arena—an operational arena which challenges old postures, sets new problems, and requires the forging of new accommodations. Amid these widespread changes which are taking place, domestically and internationally, racial groups are breaking away from old alignments and moving into new, uncharted and generally shaky relations.

If we grant that industrialisation is a master agent of social transformation and if race relations in our contemporary world are in the throes of profound change, it is both timely and highly important to ask what effect the process of industrialisation exercises on the relations between racial groups. Oddly, despite the obvious importance of this question, there has been little effort to study the problem systematically. The literature shows a marked paucity of empirical studies of this matter; and, indeed, the large body of scattered first-hand observations which deal with the associations of races touches only sporadically and casually on the play of industrial factors. This relative absence of empirical evidence does not mean that there is a void of thought on how industrialisation affects race relations. On the contrary, one can piece together from the literature a rather imposing body of theoretical conception of what industrialisation is said to do to race relations. As we shall come to see, this body of conception is chiefly a projection to the racial field of a

variety of social consequences which are alleged to stem from the intrinsic or logical character of industrialisation. It is highly desirable that we stake out this body of deductive views since an understanding of them will serve as a very convenient point of departure for an analytic treatment of the relation of industrialisation to race relations. In the next section of this paper, accordingly, we will sketch the distinguishing character of industrialism and designate what are usually regarded as its logical imperatives.

CENTRAL CHARACTERISTICS OF INDUSTRIALISM

Industrialisation is conceived to be the process which brings into being a distinctive type of economy, usually identified as 'industrialism'. The distinguishing mark of this economy is the use of power-driven machinery for the production of goods. A vastly differentiated system may develop from this distinguishing kernel. The compositional features which we wish to note are: (1) the production of manufactured products, usually in large quantity, at low unit cost; (2) the assembling of workers and other industrial personnel around the producing enterprises; (3) the formation of structures of diversified jobs and positions within the enterprises; (4) the development of an auxiliary apparatus providing for the procurement of materials and the disposition of products; and (5) the domination of the productive system by motifs of efficiency and profitability (in the accounting sense).

The operation of this kind of productive system depends on adherence to a number of fundamental conditions or principles—conditions which can be spoken of as the structural requirements or the logical imperatives of industrialism. Since these structural requirements are of crucial importance for an understanding of industrialism and of its alleged lines of influence, it is desirable to spell them out briefly.

The first of these structural requirements is a *commitment to a rational and secular outlook*. It is contended that the needs of productive efficiency and profitable operation force and fashion a rational perspective on the participants in industry. Under this perspective matters are judged not in terms of traditional, sentimental, or sacred concerns, but in terms of their contributory role to the successful operation of the productive enterprise. This rational and secular orientation has the effect of reducing the world

of industrial operations to a series of mechanical or instrumental components.

Second, industrialism is regarded as demanding and forging *contractual relations in place of status relations*. The employees of the industrial enterprise, whether in the labour force or in management, are judged in terms of productive need and productive efficiency; they are hired, assigned, or dismissed on the basis of these considerations. The industrial enterprise, to be viable, cannot entertain or honour claims from employees stemming from non-industrial conditions such as community position, institutional affiliation, class memberships, or outside prestige or authority. The dominance exercised by the needs of the enterprise, in place of claims of social status, shifts relations in industry to an impersonal contractual basis. Such pre-eminence of contractual arrangements extends over all other important areas of industrialism—procurement of materials, sale of products, marketing transactions, and banking and credit arrangements.

Third, as a result of the two foregoing features, industrialism brings into being a number of *impersonal markets*. Of these, the labour market has special significance. Having freedom to hire, assign, and dismiss employees on the basis solely of industrial needs and being guided in doing so by the criterion of productive efficiency, employers fall into a rational, detached and non-obligatory relation to the labour force. In their turn, employees, having no personal or social claim to employment, are put in the position of competing with one another on the basis of the possible productivity which they may bring to available jobs and positions. Employees become interchangeable units. Employees are not tied to jobs nor are jobs vested in employees. Both shift impersonally with regard to the other.

A fourth significant characteristic of industrialism, following from those which have been mentioned, is the *physical mobility* of its components. Markets shift, capital flows from one area to another, industrial plants spring up in new areas and decline in others, entrepreneurial effort shifts from one field to another, and above all the industrial personnel move about. Employees must seek jobs and positions and are free to respond to the attraction of better ones. This makes for movement, shifting from job to job and frequently from one residential location to another.

Similarly, as a fifth characteristic, industrialism allows and promotes *social mobility*. Since jobs and positions in industry are

arranged hierarchically in terms of differential compensation and reward and since they are filled impersonally by employees possessing the requisite skills and experience, the doors are opened to upward movement by those who have or develop the essential skills or experience. Correspondingly, the loss of skill or the unavailability of jobs calling for skills and experience which one possesses may result in movement downward to jobs of lesser value. It is this upward and downward mobility which sociologists are particularly prone to stress in their declaration that industrialisation displaces 'status by ascription' by 'status by achievement'. Social mobility, in a similar manner, attends the fate of industrial owners and employers. Successful entrepreneurship, favourable market advantages, efficient operation of the industrial enterprise, or the gaining of needed capital for investment may allow for significant upward advance in social position. And, of course, converse conditions may lead to a downward movement.

Finally, we need to note a sixth characteristic of industrialism in the form of an *in-built dynamic condition* which presses to keep the five foregoing characteristics in play. This in-built dynamic condition is set by the stimulations that arise from such varied sources as changes in technology, shifting consumer demands, expansion or decline of markets, development of new products, new entrepreneurship, changes in the business cycle, shifts in monetary policy, shifts in capital, and changes in conditions of efficient operation. Such forms of change, which in shifting degree are part and parcel of industrialism, introduce strains and set a need for more or less continuous accommodation. They function, accordingly, to call anew into play the five characteristic features previously discussed.

In sketching the abstract character of industrialisation as a system of production we should add to the above set of six structural requirements a brief note on three concomitant conditions to which scholars are prone to give appreciable importance. One of these is the introduction of cash or monetary relations at all points in the industrial undertaking—compensation of employees, market activities, returns of the enterprise, and the use of a monetary yardstick in assessing the efficacy of all parts of the industrial operation. It is held that monetary relations promote impersonality, increase freedom in individual decision and action, and promote individual control of careers. A second concomitant condition is an improvement of the standard of living which it is asserted follows naturally from

industrialism; this is due to the greater quantity of cheaper goods yielded by industrial production and to cash income which allows choice in their acquisition. The third concomitant is the provision of educational and training arrangements enabling the acquisition of the skills required by the jobs and positions in the industrial structure.

It is evident from the foregoing sketch that industrialism is seen conventionally as a compendent system of production, centring upon a number of distinctive structural requirements and carrying with it several important concomitant conditions. This composition distinguishes industrialism from other systems of production and gives it a superior survival value. Industrialism, it is held, acts imperiously towards other systems of production when brought into contact with them, supplanting them and thus undercutting the social order of life built around them.

Let me now delineate the major social changes which it is commonly supposed are produced by industrialisation, and note how these social changes are projected in conventional thought to the area of race relations.

CONVENTIONAL VIEWS OF THE SOCIAL EFFECTS OF INDUSTRIALISATION ON RACE RELATIONS

There are three grand ways by which industrialisation wields its influence as an agent of social change. These are (1) to undermine the traditional social order into which industrialism is introduced; (2) to throw people into new situations and set the need for establishing new relations; and (3) to fashion a new social order around the intrinsic features of industrialism. These represent three stages in a process of development—an initial stage of uprooting the old order, a transitional stage of reshuffling people and of stimulating new modes of living, and a terminal stage of shaping and consolidating a new order of life. The effects exercised by industrialisation on race relations depends on which of these three stages is under consideration. Let us spell out what is supposed to happen in each stage.

1. *Undermining of the established social order.* The ways in which industrialisation is thought to undermine a pre-established social order are legion. To begin with, we note that each of the first five structural requirements of industrialism which we have previously identified would disarrange the pre-industrial or traditional order of life; and that the sixth would assure the continuation of persistency

of the process. Rational and secular perspectives challenge and undercut sentimental and sacred pillars of the traditional society; contractual relations displace status relations around which traditional life is organised; the development of impersonal markets, particularly of an impersonal labour market, force aside traditional and personal claims; physical mobility disrupts the ecological foundations of the old order; and social mobility upsets the established structure of status positions. More concretely, industrialisation is said to undermine subsistence economy, displace handicraft production, shift production from home and village to factory and city, abolish old occupations, inaugurate migratory movements from rural regions to industrial centres, remove workers from their native communities and weaken their kinship ties, throw them into association with strangers, shift concern with survival from a collective to an individual basis, provide new purchasing power through cash income, change old consumption patterns, replace old wants and expectations, destroy old career lines, and weaken traditional status positions. These lines of change have the effect of destroying the old economy, undermining rural and village life, disrupting the traditional family, undercutting the traditional class or caste structure, disarranging the old occupational structure, destroying the old status and role structure, dislocating existing institutions, undermining paternalistic relations, transforming traditional tastes, eroding established values, weakening established systems of authority, and breaking down established schemes of social control.

This conventional conception of industrialisation as a pervasive solvent of pre-industrial orders of life has obvious application to the topic of race relations. With few exceptions, present-day instances of race relations have emerged from a background of ordered association of racial groups within some form of pre-industrial society. This is to be noted clearly in the case of colonial societies, agricultural societies operating under slavery, and plantation economies employing imported contract labour. The picture is very familiar. In essentially all of the colonial societies formed during the past three centuries an outside racial group—European whites—established a position of domination and control over a native population of different ancestry. Where the institution of slavery flourished as in the United States, Brazil, and other parts of the Western Hemisphere, vast numbers of an alien racial people were imported and assigned to a fixed subservient position. A similar kind of racial

arrangement came into being in many scattered areas where alien racial peoples were imported as contract labour to work on plantations. In the case of each of these three major forms of association an order grew up with fixed positions and relations between the racial groups. The arrangement consisted of a dominant racial group and one or more subordinate racial groups, with the drawing of lines between them, and with a differential allocation to each of authority, prestige, privileges and opportunities. Subordinate races were confined to inferior occupations, restricted in residential location, barred from most areas of intimate association with the dominant race, limited in their access to the institution of the dominant race, restricted in legal rights, tied to dependency roles, and walled in from opportunities to advance upward in the social scale.

Now, it would seem reasonable that the introduction of an industrial system would undermine such a racial order. The demands which such a system makes and the forces which it releases would combine to attack the racial order at many points. The typical innovations of industrialisation—the liquidation of old occupations, the opening of new occupations, the dislodgment of people from established residence in villages and rural regions, and their shift to cities, the severing of old dependency relations, particularly paternalistic relations, the change in consumption habits, the acquisition of cash income with the greater freedom which this yields, the openings to upward movement in the industrial structure by virtue of developing higher levels of industrial skill, and opportunities for entrepreneurship—suggest some of the major lines along which the structure of fixed relations in a racial order breaks down. The general tenor of conventional scholarly views is that industrialisation functions as such a solvent when brought into a pre-industrial racial order. Its initial line of effect is to sap many of the pillars of the established racial arrangement, to dislodge racial groups from their respective positions, and to sever or weaken the bonds prevailing between them.

2. *Setting new relations for people.* A second major kind of social change conventionally attributed to industrialisation is that of bringing people together in unfamiliar forms of association, thus requiring them to forge new relations. Obviously, the many lines of movement initiated by the industrialising process should result in many new forms of intermingling. Physical mobility, especially in the form of migration to industrial centres, brings people together in new residential communities. Employment of workers in industrial

establishments throws such employees together in new work situations. Shifts in occupation in such establishments continue to lead to new aggregations of workers. The operation of an impersonal labour market throws workers indirectly into new kinds of competitive relations. Similarly, new directions of entrepreneurial effort lead to new networks of indirect relations, such as new areas of competition, new lines of dependency, and new arrangements of interest groups. Social mobility leads to upward and downward movement of individuals, as in the case of the successful entrepreneur, the 'nouveau riche', new managerial and professional people, workers with newly acquired occupational skills, displaced craftsmen, owners and managers of outmoded enterprises, and individuals forced out of a variety of traditional posts which dwindle or vanish in the new industrial setting. These various lines of movement initiated in industrialisation reshuffle people, removing them from old networks of relations, bringing them into new varieties of direct and indirect contact and setting for them the need to develop new forms of association.

The application of this conventional view to the field of race relations has been made only sparsely in the literature. The scattered accounts that deal somewhat directly with the reshuffling of racial peoples in the process of industrialisation are prone to emphasise strain and conflict. In minor measure, racial tension is thought to arise from the mere fact that members of different racial or ethnic groups are forced to associate with each other under unfamiliar circumstances, particularly to live with each other in new residential communities and to work side by side in industrial plants. But of far more importance is the thought that under new conditions of association, members of racial groups are thrown into competition with each other and thus become threats to one another. The threat may be posed merely by the fact that each views the other as a rival claimant to scarce opportunities. More frequently and more seriously the threat arises as a challenge to traditional status and thus to the special privileges and social standing attached to such status. Thus, it is believed that where members of a traditional subordinate racial group begin to compete with members of the superordinate racial group in arenas where the latter feel they have prior and superior claims, racial tension and conflict are prone to occur. Such arenas are likely to be those of skilled and prestigious occupations and professions, higher levels of entrepreneurship, areas of business competi-

tion, and 'middle-class' positions in the industrial structure. The entrance of members of a subordinate racial group as competitors in such arenas constitutes a challenge not merely to economic position but to social standing; hence such lines of competitive contact become focal points of racial discord.

The net import of this conventional view—even though it is not well developed—is that industrialisation introduces a transitional stage into race relations—a stage marked by unfamiliar association, competitive contact, and a challenge to previous social standing. Race relations become uncertain and instable. The shifts in them awaken suspicion, arouse resentment, occasion strain and provoke discord.

3. *Consolidation of an industrial order.* Scholars of industrialisation usually endow it with intrinsic tendencies which are declared to move persistently to mould a given type of social order. These tendencies are those spoken of previously as the structural requirements of industrialism: the primacy of rational perspectives; the inevitability of contractual relations; the need of an impersonal market; the certainty of physical mobility; the allocation of personnel, capital and resources on the basis of productive returns; and built-in pressures which repeatedly activate the requirements. In the long run these imperious tendencies are held to triumph; thus there emerges a social order with a distinctive character. The social order is one which places a premium on a rational perspective, a social order in which people gain social positions on the basis of industrial aptitude and merit, an order which promotes individuation at the expense of traditional group affiliation, and an order which favours shifting alignments on the basis of secular interests. It is a social order marked by movement, by change, by the reshuffling of individuals, and by shifting accommodations—an order which fundamentally and ultimately is guided in its formation by a rational imperative of instrumental efficiency.

To apply the image of such a social order to the area of race relations yields a clear-cut depiction of the ultimate effects of industrialisation. In the long run, race vanishes as a factor which structures social relations. Workers will compete with one another on the basis of industrial aptitude and not on the basis of racial make-up. Correspondingly, members of the managerial force will be chosen and placed on the basis of managerial competence and not of racial affiliation. Imagination, ingenuity, and energy and not racial membership will determine success in industrial entrepreneurship.

Ascent on the social ladder will depend on the possession of necessary skills and ability, wealth or capital; racial make-up becomes extraneous. The premium placed on rational decisions will relegate racial prejudice and discrimination to the periphery. The dominance of contractual relations and the resulting impersonal markets will undermine identification with racial groups. Physical movement from job to job and from one to another entrepreneurial opportunity, social mobility upward and downward in the occupational structure, differential accumulations of wealth and capital, and different directions of specialisation in the expanding array of career lines in industry—all these will have the effect of parcelling out and inter-shuffling racial members among one another in the industrial and social structure.

This picture of the order of life formed by the consolidation of industrialism is likely to be judged by the reader as an ideal or utopian vista. Yet it must be taken seriously in the light of the type of thought which one finds in the literature. It is very common to presume that industrialisation presses continuously to achieve a state of complete realisation—a state in which its intrinsic imperatives would operate without restraint and thus shape industrial life to their demands. That this mode of thought is deeply implanted is shown by the disposition to construct an 'ideal-type' of industrialism as it would be if it could operate freely according to its logical imperatives, and then to use this construct to throw light on current happenings. We note this disposition among students of race relations. For example, it is fairly common to presume that industrial managers, who ideally are concerned only with economical productivity, actually hire, assign or dismiss workers solely on this factor, and thus ignore or downgrade the factor of race. Or, since relations in industry are believed to be logically contractual and impersonal, race ceases to be significant in industrial transactions. Or, since the extension of credit to entrepreneurs is made, logically, solely on the basis of the prospects of profitable repayment, the racial make-up of the entrepreneur loses significance. Or, to cite the well-worn proposition of sociologists, since industrialism logically establishes 'status by achievement' to replace 'status by ascription', the racial factor loses relevancy in determining social position. Running through these instances of reasoning is the theme that the logical imperatives of industrialism forge an order of life to their form. This point of view must be recognised as being held seriously by scholars.

In the foregoing discussion in this section we have outlined the conventional views of how industrialisation affects race relations. Let us turn now to a consideration of what is shown by empirical evidence. The intention in the following section of the paper is to see how the three major lines of influence attributed to industrialisation stand up in the face of factual information and in the face of critical analysis.

TEST OF CONVENTIONAL VIEWS

Our critical consideration of the conventional views of how industrialisation affects race relations must be prefaced by two observations. First, as mentioned earlier, the literature is conspicuously lacking in the desired round of factual or descriptive accounts of what has happened to race relations when industrialism is introduced and expanded. We are limited, by and large, to a sparse and uneven array of such accounts. Second, attention must be called to the marked lack of clarity and consistency in conceptions of 'industrialisation' and of 'race relations'. It is only rarely that the term 'industrialism' is defined and held to a specific meaning. All too frequently it is used in a broad and vague way without specification of reference. As a result, it is easily confused with other kinds of happening such as commercialisation, urbanisation, mechanisation, economic development, and modernisation. Such looseness and inconsistency in usage sets frustrating barriers to careful analysis. Somewhat similarly, the meaning of the term 'race relations' is usually not drawn tightly. It may be applied to relations (1) between biologically distinctive groups which pay little or no attention to their biological distinctiveness; (2) between biologically diffuse or mixed groups which, however, treat each other as racially different; (3) between groups with little biological difference but with deeply established religious differences; (4) between groups with different nationality backgrounds; and (5) between different caste groups in an overbridging society. This variation in reference is a formidable impediment to effective comparative treatment.

Despite the limitations outlined in the preceding paragraph enough reliable empirical evidence exists to allow us to assess in broad outline the conventional views of how industrialisation affects race relations. We shall consider the three major lines of alleged influence discussed in the previous section of this paper.

(1) *Industrialisation as a factor which undermines the traditional or*

established racial order. As our previous discussion has indicated, industrialisation is thought to undermine an established racial system by disrupting the social order in which it is embedded and by direct attack on crucial points of the system itself.

It is not my task in the current paper to present a considered discussion of the highly important problem of the disruptive effect of industrialisation on a pre-industrial social order.¹ I wish merely to present here a few general observations. It is evident that as a new system of production, industrialism brings multiple attack to bear on a pre-existing social order which is organised around a different system of production. Yet it is a grievous mistake to assume that this attack necessarily results in a general displacement or transformation of the traditional order. The movement is not merely in one direction. Instead, the traditional order may act back, so to speak, on the process of industrialisation blocking it at many points, forcing it sometimes to develop alongside yet outside of the traditional order, and frequently assimilating it inside of the traditional structure of life. Thus, while industrialisation may have disruptive effects at certain points it may be held in check at other points, and above all may be made to accommodate to and fit inside of the traditional order at many other points. These general observations have a great deal of relevance to the more specific question of how industrialisation affects an established racial system—the question which I now wish to consider.

Our discussion will centre around what we have spoken of earlier as the structural or logical requirements of industrialism. The empirical evidence indicates that no one of these need operate to change or disrupt an established racial system. In early industrialisation the rational or secular perspective, which industrialism admittedly fosters and stresses, may compel an adherence to the racial system rather than a departure from it. The manager of an industrial plant who may be willing to hire workers of a subordinate racial group for high-level jobs or promote them to advanced positions suited to their aptitudes or skills may definitely refrain from doing so in order not to provoke difficulties with other workers. This is a *rational* decision which has occurred innumerable times in industrial establishments introduced into a society with a strongly established racial system. Openings in managerial positions may be barred to qualified mem-

¹ This is treated at some length in a separate paper which is being prepared for publication.

bers of a subordinate race not because of prejudice but because of a rational realisation that their employment would affront others and disrupt efficient operation. Credit may be refused to entrepreneurs emerging out of the subordinate racial group solely because their racial make-up implies possible credit risks. Contracts for construction work may not be awarded to qualified bidders from the subordinate racial groups solely because it is realised that their presence on the job may cause resentment and provoke trouble. Employment may be refused to subordinate racial members as salesmen, outside representatives, professionals, receptionists, and similar types of employees dealing with the public solely because of the resentment which it is believed their presence might awaken. These are typical kinds of rational decision—decisions which are guided just as much by the aim of efficient operation and economic return as if they took into account only the productive capacity of the individual racial member. They show clearly that *rational* operation of industrial enterprises which are introduced into a racially ordered society may call for a deferential respect for the canons and sensitivities of that racial order. This observation is not a mere *a priori* speculation. It is supported by countless instances of such decisions in the case of industrial enterprises in the Southern region of the United States, in South Africa and in certain colonial areas. One notes the frequent declaration of the industrial manager or financier in such places that he has no prejudice against the subordinate race, that he would like to help members of that race but that he cannot afford to be a 'missionary' or a 'crusader' at the expense of interfering with the successful operation of his enterprise. It is a mistake, accordingly, to assume that the rational motif of industrialism signifies an automatic undermining of a racial order into which industrialism enters. To the contrary, the rational imperative in industrial operations may function to maintain and reinforce the established racial order.

Empirical evidence requires us to make a similar observation in the case of the other structural requirements of industrialism. The substitution of contractual relations for status relations in early industrialisation need not mean at all that the respective positions of the races are changed. The whole texture of the new contract relations may reproduce and continue the social position of the races. Workers from the subordinate race may be restricted to the menial and lower-paid industrial occupations, contractors from the racial group may be narrowly confined in the jobs on which they can bid,

and entrepreneurs from the racial group may find that the areas into which they may enter are severely curtailed. While their contractual status gives them freedom to enter into new relations—gaining new employment, bidding on new jobs, seeking new business, entering new lines of industrial endeavour—their choices may be markedly confined to areas set by their subordinate racial status. This same condition may mark the impersonal labour market introduced by industrialism. The employing agent is likely to guide his hiring of workers by his calculation of where they can fit; their racial make-up rather than their potential productive capacity may be decisive in this determination. The physical mobility stimulated by industrialism—the migration of workers, the shifting around of managerial personnel, the movement of investment capital, and the re-location of industrial plants—need not challenge the principles of the established social order. Those who move—workers, managerial personnel, industrial owners and entrepreneurs—may continue to have residence in areas set by their racial make-up and to enter a framework of social relations carrying the stamp of the pre-existing racial order. Finally, while industrialisation opens up a large array of new lines of social mobility in the form of new occupations, new areas of investment, and new opportunities for industrial enterprise, these new lines of social mobility may quickly come under the sway of the established racial scheme. Low ceilings may be placed on how far subordinate racial members may ascend in the occupational structure; their opportunities for capital investment may be limited and they may have great difficulty in getting credit; and their opportunities for business entrepreneurship may be confined to servicing their own racial group.

The central import of the above observations is to attach a large question mark to the conventional view that industrialisation operates naturally to undermine a pre-existing racial system. The intrinsic structural requirements of industrialism need not, contrary to much *a priori* theorising, force a rearrangement of the relations set by the racial system. We have here, indeed, somewhat of a paradoxical situation in that while industrialisation may alter greatly the social order, it may leave the racial system that is embedded in that order essentially intact. No one can gainsay that the entrance of industrialism may undercut and transform much in traditional life and social structure. One need only think of such changes as the undermining of a subsistence economy, the displacement of handi-

craft production, the abolition of old occupations, the shift from a rural agricultural economy to an urban manufacturing economy, the initiation of migratory movements, the removal of workers from village, tribal, and kinship ties, the organisation of family or personal economy around cash income, the change in consumption patterns, the replacement of old wants and desires, and the formation of new career lines. Changes of these sorts involve, obviously, significant transformations of social relations and forms of group life. Yet, as the foregoing observations indicate, amidst such transformation of the traditional social order the framework of the established racial system may be retained, even though the content of the framework may change.

This is precisely what has happened during the early stages of industrialisation in the Southern region of the United States, in South Africa, and in many areas under colonial domination. In such regions, where a superordinate-subordinate racial arrangement was deeply entrenched, industrialisation meant essentially a transfer of the framework of the established racial scheme to the new industrial setting. Members of the subordinate race were assigned to and essentially confined to the lower levels of the industrial occupational structure; no positions were opened to them inside of the managerial ranks of the industrial enterprises operated by members of the dominant race; doors were shut to their entrepreneurship in the operating world of the dominant racial group; and the traditional colour line was firmly held. We are forced by empirical evidence to recognise, accordingly, that early industrialisation in these regions did not undermine the established racial system but merely came to fit inside it.

(2) *Industrialisation as a factor producing racial tension.* In our earlier discussion we have outlined the conventional view that in the transitional stage of its development industrialisation promotes racial tension and conflict. The thought is that in being moved around by industrialisation members of different racial groups are thrown into new relations, particularly competitive relations. Thus, they come to live together in new residential areas, compete with each other in the labour market, enter one another's occupations as they move up and down the industrial hierarchy, and compete with one another in entrepreneurial fields. The strangeness of these new forms of association and particularly the condition of striving against one another are regarded as provocative of racial discord.

The empirical evidence pertaining to this matter presents a very varied picture. It is clear that the alleged happenings are not typical at all of what takes place in the industrialisation of a society which has had a strongly ordered racial system. In such a society, as we have been explaining, even though racial groups may be subject to much movement the traditional pattern of their positions usually continues. Thus, the movement of members of the subordinate racial group from rural regions to industrial centres and their entrance into industrial occupations are likely to bring them into assigned positions which are separate from those occupied by members of the dominant racial group. There is minimal likelihood that inside the industrial structure the dominant and subordinate racial groups will enter into competitive relations with each other. The assumption of open access in such a society to one another's occupations, lines of industrial endeavour, areas of entrepreneurial opportunities, and residential areas is not true. Understandings quickly arise, frequently buttressed by legal sanctions, as to the occupations, industrial positions, business and residential locations which subordinate racial members may enter and those which they may not enter. In the event that at given points of contact their relations are not initially clear, they come to be defined quickly—defined under the overbridging sway of traditional views of the appropriate position of the races. The net effect is that members of the dominant and subordinate racial groups are not thrown into the competitive relationship that is presupposed by *a priori* theorising.

The only place in which racial competition and friction is likely to occur in the industrialisation of a strongly organised racial society is at the points of contact between different subordinate racial groups, if there be such. In the reshuffling which industrialisation induces, such subordinate racial groups may be brought into competition at scattered points in the industrial structure with resulting strain and discord. This may be noted, for example, in sporadic outbreaks of friction between Negroes and Mexicans in the United States, or in the case of Africans, Coloured and Indians in South Africa, or between different tribal groups in colonial Africa. Such competition and discord occurs at the lower levels of the industrial structure and does not touch the basic racial framework as constituted by the relations between the dominant and the subordinate racial groups. That framework shapes the reshuffling process under industrialisation rather than being shaped by it.

The conventional view that industrialisation fosters competition and strain between racial groups in the emerging industrial structure is much more likely to be true in other kinds of settings. It may apply to (a) societies which do not have a firmly established racial order or (b) societies in which a firmly established racial order is definitely undergoing disintegration. In the first of these two settings industrialisation may bring together racial groups which previously have not had relations with each other or only tenuously defined positions with regard to each other. Competition may arise between them in this kind of setting and lead to tension and discord. This kind of happening may be noted in the case of various ethnic groups entering industry in the North in the United States, or in the case of French Canadians and 'Anglo-Saxons' in Eastern Canada, or in the case of racial groups in South-east Asia. However, such mingling of diverse racial groups in the industrial structure may also take place without a sense of racial competition and so without producing racial tension. The second of the two settings—where a firmly established racial order is undergoing disintegration—poses its own special problem, a problem with which we shall be concerned in later discussion. Here, to foreshadow the subsequent discussion of this matter, we wish merely to say that the disintegration of a firmly established racial system is apparently not initiated or brought about by the pressure of industrial forces but results instead from the play of non-industrial influences. The question which we will have to address is how is the pattern of the reshuffling of racial members in the industrial structure changed so that they are led to enter each other's domain. This is a most vital question which has to be treated when one considers the play of industrialisation in a racially ordered society.

The above remarks give some idea of the variety of settings in which different racial groups may come to face each other during industrialisation. Only in a few of these settings does one find support for the conventional view that industrialisation produces through the play of its own inner forces an intermediate stage in which racial groups are thrown into competitive relations with resulting strain and discord. Despite its plausibility on *a priori* grounds this conventional view has only limited application.

(3) *Industrialisation as a factor which dissolves the significance of race.* Earlier we sketched the widely held view that the logical imperatives of industrialism move to the elimination of race as a factor of importance in the industrial order. The view is basically simple.

Since industrialism necessarily places its supreme premium on economical productivity and efficient operation all usable elements are ultimately chosen in terms of such standards. Thus, workers come to be hired and assigned solely on the basis of industrial aptitude, management personnel selected solely on the basis of managerial efficiency, contracts awarded only to lowest qualified bidders, industrial opportunities exploited solely on the basis of entrepreneurial ability, and credit extended solely on the basis of prospects of reliable repayment. In the impersonality of these transactions non-industrial factors such as class membership, family connection, religious affiliation and racial make-up become irrelevant. As we have noted in our earlier remarks students are strongly disposed to use this image of the 'pure' or logical character of industrialism to interpret present-day happenings, as for example in the declaration that workers of different racial make-up become interchangeable units.

As applied to the actual racial situations in our recent and present world the view that industrialisation moves ahead naturally to dissolve the racial factor is not borne out by the facts, certainly not in the case of racially ordered societies. Attention has already been called to the racial situation in Southern United States, South Africa, and some of the colonial areas. In these places the hiring and assignment of industrial workers from subordinate racial groups did not follow the postulates of industrialism; members of such groups have not found entrance into managerial ranks; and entrepreneurs from such groups were confronted by high walls barring them from exploiting opportunities lying in the province of the dominant group. Instead, we note a transfer of the lines of racial patterning to the industrial enterprise. Seemingly, many scholars would believe that this general condition represents merely a temporary stage in which the forces of industrialisation have not had opportunity to come to natural expression; with time, or in the long run, the industrial imperatives would gain ascendancy, stripping the racial factor of any importance. We do not know how much time is needed to constitute the 'long run'; certainly half a century of industrial experience in both South Africa and the South in the United States brought no appreciable change in the position of the races in the industrial structure. The picture presented by industrialisation in a racially ordered society is that industrial imperatives accommodate themselves to the racial mould and continue to operate

effectively within it. We must look to outside factors rather than to a maturation of these imperatives for an explanation of the disintegration of the racial mould.

Our discussion of three major ways in which industrialisation is conventionally regarded as affecting race relations shows the weakness and danger of treating this topic by deductive reasoning from the logical premises of industrialism. The topic needs to be addressed from a different perspective—from a perspective which is empirically oriented and which takes into account the array of forces which may come into play where industrialisation and racial alignment meet. We now undertake this broad and difficult task.

ANALYSIS OF INDUSTRIALISATION AND RACE RELATIONS

A realistic treatment of industrialisation and race relations must be based, in my judgment, on an acceptance of the following points: (1) industrialisation and racial alignment act on each other; (2) their interaction is profoundly influenced by the character of the setting in which it occurs; and (3) the setting, in turn, changes under the play of social and political happenings. These seem to be simple and self-evident propositions. Yet, an approach grounded on them is different from that which is implied by conventional scholarly views. The latter presupposes, by and large, that industrialisation is a unitary constant, acting as an independent variable to affect and shape race relations along relatively fixed lines. In contrast, the approach which I believe to be demanded by empirical happenings presupposes that racial alignment is shaped in major measure by non-industrial influences, that resulting patterns of racial alignment permeate the industrial structure, and that changes in such patterns are traceable mainly to movements in social and political happenings.

We should clearly understand, in beginning our discussion, that neither industrialisation nor the body of race relations is uniform or constant. Each may have many different forms and each may change over time. Scholars tend to treat industrialisation as a homogeneous item subject only to quantitative variation. However, the industrialising process may differ significantly along such qualitative dimensions as type of ownership, managerial policies, kinds of occupation, levels of skill, concentration or dispersal of plants, diversity of products, and relation to markets. Such differences in make-up result in differing points of contact with the social order,

differing kinds of situations which are set at these points of contact, and differing ways in which these situations are met and handled. Stated otherwise, industrialisation varies significantly in how it meets and enters a social order and in what it presents, so to speak, to that order. Further, in the course of its career in any given region industrialisation may undergo significant transformation, giving rise to new sets of interactions. It should be evident that industrialisation is not a homogeneous variable operating along fixed lines. Its organisation and its thrusts are dependent in large measure on the influences which play upon it.

Patterns of race relations in different parts of the world, likewise, show great differences. Relations may be between a small administrative and commercial racial group on the one hand and on the other a number of diverse tribes, as was true in Ghana. The relations may involve a sizeable group of alien settlers amidst a number of tribes, as in Kenya. Relations may be between a large dominant racial group and a variety of native tribes who have been forced into reservations, as in the case of whites and American Indians in the United States. They may be between a large dominant racial group and a smaller sized dominant group as in South Africa. The relations in a given country may involve a number of sizeable subordinate racial groups, as in the case of African Coloureds, and Indians in South Africa. In some countries a hybrid racial group may occupy a distinctive social position, as in the case of the Coloureds in South Africa, of the Anglo-Indians in India prior to India's independence. It would be boring to continue this recital by referring to other kinds of racial alignment to be found in such countries as Brazil, Mexico, Peru, Malaya, Indonesia, Nigeria, the Belgian Congo, Hawaii, and regions of Soviet Russia. In addition to differences in racial alignment around the world there are conspicuous differences in the points at which racial exclusion is drawn, the extent of the exclusion, and the rigidity of the exclusion. A reasonably full portrayal of the variations in racial patterning to be found in different parts of the world would fill a good-sized book.

The variation and changeability of both industrialisation and racial patterning complicate the task of drawing general characterisations of their relationship. However, the empirical evidence available to us reveals the broad lines of connexion between them.

The most outstanding observation that is forced on us by empirical evidence is that the apparatus and operations introduced by

industrialisation almost invariably adjust and conform to the pattern of race relations in the given society. We have already touched on this observation in our earlier discussion; we wish here to develop the point in more detail. The position is essentially that the racial lines as drawn in a society are followed in the allocation of racial members inside the industrial structure. If the racial patterning in the society has assigned the races to different social positions, defining the appropriate forms of association between them, outlining the kinds of authority, prestige and power allowable to each, indicating the kinds of privilege which attend their respective social positions, and establishing clear schemes of deferential relations, this general pattern of relationship is carried over into the industrial structure. The pattern comes to define the types of occupation into which racial members may enter, the types from which they are excluded, and those which do not befit them; it determines who is given access to training and acquisition of skills; it structures the lines of promotion, establishing ceilings or 'dead-ends' corresponding to the general social position of subordinate racial groups; it allocates positions of authority corresponding to the distribution of authority among the racial groups in the general society; it severely limits new forms of association which are not consonant with the general racial code; it exercises particular control over the managerial field, the area of representatives of industry to the outside public, and the field of entrepreneurial activity.

We should not be astonished to find that the prevailing pattern of racial alignment and its accompanying codes are fastened on to the industrial structure. The occasion for astonishment would be to find that this is not the case. The industrialising process occurs through a multitude of separate steps, all of which involve dealings with human beings as individuals, as members of groups and as representatives of institutions. Workers have to be chosen, brought together in working association, placed under supervision, and selected for training or advancement—with due regard for smooth working arrangements. Personnel must be selected for managerial posts with an eye on their congenial association and a status corresponding to their rank. Transactions are carried on with suppliers, contractors, wholesalers, retailers, bankers, and agents of other corporations—and respect must be shown to their feelings and expectations. Contacts are had with members of the outside public at many points—before them an image of one's enterprise must be

maintained. Relations are inevitable with varieties of public officials from Government, institutions and the community. Considering the inflow of people into employment, the multiple dealings with other establishments, the contacts with the public, and the relations with public officials—all of whom carry the scheme of the racial order—we would expect the industrial structure to bend to the expectations and sensitivities of the racial order. The industrial apparatus and its operation nestle inside the established order and are subject to demands and pressures which may impinge on them at many points in the social order. To the extent to which the initiators or directors of the industrialising process come, themselves, from the established order they are likely to share the tenets of the racial code, and in any event to respect it since their social positions are at stake. If these initiators and directors—industrial owners, managers, entrepreneurs, and professionals—are outsiders, their local acceptance and favourable regard will lead them to guide their policies by the racial code. Attachment to the code or respect for it is likely to be even more pronounced in the case of so-called middle management, especially in the ranks of lower supervision. We need to note, further, the pressures exerted by workers in terms of whom they are willing to work with or under, by the outside clientele for which the industrial enterprises have to cater, and by the social *élite* and functionaries of power to whom the directors of the industrial enterprises are responsive. Only a little reflection on these matters is needed to understand how the organisation and operation of the industrial structure bend to the racial patterning that is present in the society.

Clear-cut exemplification of the above characterisation is to be seen in the case of industrialisation in Southern United States, in South Africa, and until recently, generally in the English colonies. A brief description of each will suffice.

Industrialisation in the Southern part of the United States fell definitely into the racial mould which was fashioned by slavery, the Civil War and the Reconstruction period following the Civil War. With industrialisation Negroes moved from the bottom of the social ladder in agriculture to the corresponding position in the industrial structure. They were assigned to the unskilled and low-paid occupations, to the menial or disagreeable jobs, to so-called Negro work. They were given little opportunity to develop skills and aptitudes for higher-placed jobs; they were practically excluded from apprenticeship training. Low ceilings were placed on their upward movement;

scarcely ever were they given access to higher-paid occupations in which they would work side by side with whites. To place them in positions where they would have supervisory control over whites was essentially unthinkable; it would have constituted a serious affront. They were excluded from positions in management in industrial enterprises owned or directed by whites. Their entrance into the clerical or office force scarcely occurred. Doors were shut to their employment in positions in which they would represent industrial firms in dealing with whites. Their areas of entrepreneurship were confined to servicing their own racial community.

This in substance is the picture of the racial alignments as they took form in the broad dimensions of the industrial structure of the American South. It is a picture which has continued with little change from the noticeable beginnings of industrialisation in the 1880s down until very recent times. It shows definite structuring of race relations in industry to conform to the governing racial code in the region. Even though a very large part of the industrialisation was due to the establishment and operation of industrial plants by outside industrialists from the Northern States, usually accompanied by the transfer of managerial and technical personnel from the North, these establishments conformed in their organisation and operation to the racial code. It may be added that the absence of requisite industrial skills and experience among the Negro personnel is in no sense an explanation of why they stayed in such concentrated numbers at the bottom of the industrial structure. A reverse relation is much nearer the truth—the solid wall against upward advancement contributed to a sense of futility as to the worth of developing skills.

The situation in South Africa shows a startling similarity to that in the American South. A strong racial order was forged out of historical experience, marked by the ascendancy of the Afrikaners and European whites over a large African population, with the mixed Coloureds and the immigrant Indians occupying special subordinate positions. The general pattern of racial alignment which came into being prior to industrialisation was carried over to the new industrial structure. The Africans were heavily concentrated in the unskilled occupations, with narrow limits imposed on their upward advancement. Entrance of Africans into supervisory roles took place only at front line supervision, when they occurred at all, and did not allow for supervision of white workers. Middle and top management were

free of African aspirants. The accounts which we have, such as the excellent contribution of Sheila Van der Horst to the present volume, depict the strength of the racial code inside which the industrial structure took form, and suggest the varieties of social pressures which operated to keep industrial organisation and operations in conformity with the prevailing racial policy of the ascendant whites.

The accounts which we have of industrialisation in English colonies with large subordinate racial groups, particularly the African colonies, affirm the proposition that the pattern of the prevailing racial order is transferred to the field of industry. The directing industrial *élite* belonged to the dominant race and maintained a position of exclusiveness. Natives were kept essentially in the lower occupational ranks, with only slight provision for their promotion to managerial posts. It was fairly common to use the services of alien racial groups as intermediates between the natives and dominant whites, occupying a position of supervisor, overseer or agent. The picture was essentially one of following the lines of racial position which had been built up under military and administrative control or which had developed under commercial ascendancy. The various lines of the colour-bar as existing prior to industrialisation constituted the framework inside which racial alignments were formed in the industrial structure.

The particular patterns of racial alignment to be seen in the three cases which we have discussed must not be thought of, of course, as representative of racial association around the world. As mentioned previously, there are wide differences in the positioning of races in different countries and regions. Lines between them are drawn in different ways and with great variations in firmness or weakness. Such differences, however, do not seem to belie the general proposition that the industrial apparatus takes on the form of the racial order inside which it has to operate. Thus, in regions or countries where there is much less 'racialism' but still some scheme of racial ordering, the industrial structure will reflect the scheme. In the northern part of the United States, for example, there is enormous difference between the industrial status of whites and Negroes. It is relatively rare for Negroes to enter the managerial realm of white industrial enterprises or to have free access on the basis of aptitude to the higher level worker occupations. In Brazil where the vast mass of the blacks have occupied traditionally the lower rung, advancement upward in the occupational structure is exceedingly difficult

despite an allegedly softer racial atmosphere. In the English colonies in Asia—such as India and the Malay peninsula—with their own special racial ordering, allowing for much industrialisation in the hands of given native groups, one notes evidence of the reflection of the racial orders such as they existed in the pre-independence period. Only in Soviet Russia, accepting available accounts, do we seem to have an exception to our proposition. Yet the exception is not genuine since the nullification of the racial factor came not from the forces of industrialisation but from a resolute imposition of a new scheme of life which seemingly demolished pre-existing racial orders. As far as I can determine, available evidence everywhere sustains the thesis that when introduced into a racially ordered society industrialisation conforms to the alignment and code of the racial order. Where the racial order is clear-cut and firm, the industrial apparatus will develop a corresponding racial scheme; where, contrariwise, the racial order is vague and weak, racial alignments in industry will be ambiguous and changeable.

Many readers may grant that industrialisation takes on the colouration and form of the racial order in which it may be implanted, yet contend that the inner forces of industrialisation act to break through and break up the racial scheme. This contention deserves careful examination. The contention has good *a priori* grounds. Certainly an industrial apparatus adhering to a racial scheme would prove to be inefficient at many points; one would suppose that entrepreneurs and efficiency-minded industrial managers would seize the opportunities of correcting the inefficiency. Thus one could reasonably argue that the industrial manager would readily move to place racial members in unaccustomed jobs in the work organisation or managerial ranks in order to gain greater productivity, or to train the more promising and apt of such racial members, or to award contracts to firms directed by such members where they were the lowest bidders, and so forth. Nevertheless, the contention is not borne out by practice, as we see by referring to the American South or South Africa. We should remember, first of all, that industry can (and does) tolerate a wide latitude of inefficient operation and still achieve acceptable production and profit; it is a mistake to assume that the presence and observation of inefficient arrangements automatically provides an impetus to their change. Of more importance is the pre-eminent likelihood that any conspicuous deviation from the racial code, even

though made in the interest of efficient production, would evoke trouble. If industrial owners and managers were, for instance, to follow scrupulously the simple rules of labour aptitude and interchangeability in a situation where there is a deeply entrenched racial separation and exclusion, they would invite such undesired responses as protest, a breakdown in industrial operations, a falling off in production, a loss of markets and social ostracism. In a strongly organised racial society, the industrial apparatus is not a free agent but is subject to a network of strong social controls. Instead of assuming that the interests of economical production lead naturally to breaking through such a network of control, the proper question is to ask what are the conditions which allow the breakthrough to take place. By stating the problem in this form we are able to address the very important question of how race relations in industry change.

My frank impression after examining and assessing available evidence is that the transformation of racial relations in industry is brought about by forces that lie outside the industrial structure and not within it. I am referring, of course, to industrialisation in societies which are rooted in a strong racial order. In societies with a weak and indefinite racial order, industrialisation may proceed with little restriction to a reshuffling of racial groups; such societies do not set problems for our discussion. The vital problem of the relation between industrialisation and race relations arises only where race relations are deeply set in a pattern of differentiation and exclusion. In such societies, the racial ordering of industrial organisation and operations persists without difficulty and without change unless there are powerful outside influences which attack the racial order. The key point at which to identify and assess these outside influences is of course the area of managerial policy. Changes in the racial alignment in industry and in the prevailing racial code *have to work* through the operating managerial policies, whether at the level of top management, middle management or lower supervision, whether in the area of procuring materials or in the area of marketing products, whether in the area of contracting or the area of banking or credit, whether in relations with the general public or in relations with public officials. Managerial policy, in the broad sense, lays down the guide lines of appropriate action in these different areas of industrial operation. As long as the round of such managerial policy adheres, whether from preference or pressure, to the

racial code in the society, industrial organisation and operations will follow the tenets of the code. Our task in discussing the transformation of race relations in industry becomes accordingly that of noting the forces which bring about changes in managerial policies.

The evidence seems to me to lead overwhelmingly to the conclusion that such changes do not arise from inner considerations of industrial efficiency. Instead they arise from outside pressures, chiefly political pressures. The picture in the United States in this regard is decisive. In the American South, managerial policy in industry has supported and maintained a racial alignment and a racial code for three-quarters of a century. It is only in very recent years that changes are beginning to appear. These changes, which are still in an early stage, have not sprouted indigenously in Southern industry or for that matter in Southern society. They are the result of pressures emanating outside both. These pressures are part of the growing movement on behalf of 'desegregation', a movement which has its geographical roots in the area of politics and in the Federal Government. We may note, for example, such expressions as the following: an increasing placement of Negroes in jobs and positions in Federal agencies which are located in the South; an increasing desegregation of positions and facilities in Federal military establishments in the South; an inclusion of non-discriminatory clauses in contracts entered into by the Federal Government and industrial firms under the vast defence programme of the nation; the appointment of a very high level Presidential committee on Equal Opportunities in Employment—a committee which hears and acts on charges of racial discrimination in employment under defence contracts. Also of importance is the role of national labour unions, centred in the North, which are gradually implanting their non-discriminatory racial policies into their Southern local units. Likewise, we should note the exercise of political pressure by Negroes, as they gain and use their political franchise, particularly in the direction of 'fair employment legislation' which makes it illegal to discriminate against the employment of workers on racial grounds. And, finally, we may observe the increasing efficacy of the threat of economic boycotts by Negroes, their use of dramatic agitatory demonstrations, and their exploitation of legal procedures to enforce observance of equal rights under the law. It is the impact of this *genre* of outside pressures which is bringing about changes in the racial pattern in Southern industry. So far the changes are minimal,

scarcely touching the higher skilled occupations, essentially absent in the area of managerial personnel, and leaving intact the structure of entrepreneurial effort in white society. The over-all picture is unmistakably clear—a picture of a racial order tenaciously implanted in industry, not undergoing spontaneous changes as a result of inner forces in the process of industrialisation, but gradually yielding, although reluctantly, to outside pressures.

The developments over recent years in the racial situation in the English colonies in Africa and Asia yield, similarly, a clear picture of the decisive role of outside factors in changing the racial structure in industry. As noted earlier, in the pre-independence period in the colonies there was a strict racial order, following the line of a top and exclusive English *élite*, occasionally some intermediate alien racial groups, with the mass of natives at the bottom of the social scale. The racial order was supported by a social code centring on a 'colour-bar'. The racial order was carried over essentially intact to commercial and industrial enterprises. There is no evidence of appreciable indigenous change of the racial order in the industrial apparatus; managerial policy held closely to the tenets of the racial code. It took political pressures and political considerations to change the racial order in industrial enterprises under European direction. These pressures and considerations were contained in the growth and success of nationalism, bringing the enterprises within the scope of control by new and native Governments. In his contribution to the present volume, Mr. A. P. Blair has given us a most perceptive and penetrating treatment of several aspects of this change. His discussion of the policy that came to be known as 'regionalisation' is especially revealing; this policy consisted of '... employing and training nationals to work alongside and ultimately to replace the expatriate'. This policy, which represented a direct attack on the prevailing scheme of racial alignment in industry, arose not as a result of the industrialisation process but in response to the pressures coming from the new political and Governmental scene.

Recent racial history in South Africa adds further confirmation to the thesis, although interestingly in a different direction. As stated earlier, industrial organisation and operations in South Africa fell definitely into the racial mould of the society and reflected the social position of the whites, Africans, Coloureds, and Indians. During recent years there has been a significant line of change in the

racial order in industry. The change has been in the direction of sharpening and intensifying racial lines, with some deterioration of the industrial position of the Coloureds. This change is not an indigenous development within industry but has arisen from the outside in the *apartheid* policy which the National Government is pursuing with stubborn determination. There is little question that the application of this policy is detrimental in many ways to efficient industrial operations; yet the industrial apparatus is falling into line with the more rigid racial ordering sought through the policy. This line of development is an interesting instance of a shaping of the racial order in industry through the play of an important force lying outside the industrial structure.

The lesson which is told by the three cases which we have discussed seems clear. The structure of 'managerial policy', which is the implement setting out the patterns of race relations in industry, is not an independent factor arising solely from a detached rational preoccupation with the mechanics of production. On the contrary, it is formed in the light of what is faced in the general operating situation. It is subject to the views and expectations of those who constitute the personnel of industry, to the expectations and pressures of the varied people with whom industry has to deal, and to the general social climate of the milieu. It is essentially a product of the variety of situational conditions which have to be taken into account and respected, in order to operate successfully, sometimes to operate at all. The policy, on occasion, need not correspond to the wishes, preferences and prejudices of management (or of significant portions of it) but be instead an expression of what is expedient or wise in the light of the operating situation. The application of this general characterisation to managerial policy in industry in a racially ordered society is especially apt. Expectations, demands and pressures to follow the prevailing code are particularly pronounced. It is not difficult to understand that under these conditions managerial policy conforms to the prevailing racial code. Nor is it difficult to perceive that changes in this conformity are not self-induced but arise from the emergence of new situations which set a need for a different orientation. In my judgment, prevailing scholarly thought errs grievously in believing that schemes of racial alignment in industry give way naturally and surely to the play of inner forces of industrialisation—to the so-called rational and impersonal motives of industrialism. Instead, changes in racial ordering in industry are

a consequence of new operating demands, usually of a critical character, which require a recasting of customary managerial policy.

The reader may be led by our discussion to accept the conclusion that race relations inside the industrial apparatus are a product of outside conditions. Yet he may ask if it is not true that the process of industrialisation works in an indirect way to change race relations in the outside world. He may have in mind such matters as the contribution of industrialisation to the growth of cities, its impetus to physical mobility and the ecological redistribution of people, the leverage which it exerts on the standard of living, its alleged play in emancipating women and youth, its influence in promoting literacy and education, and its part in implanting new wants and awakening new aspirations. Surely, the reader may feel, such thrusts of its influence make industrialisation a formidable agent of change in the racial order. Several observations need to be made. First, industrialisation does not operate by itself to bring about such alleged pervasive changes; it is invariably embedded in a cluster of non-industrial forces which work towards the same forms of change. Second, granting as we must that industrialisation can be a powerful incitant to change, we have to recognise that it does not define or determine the form taken by the change. This was the import of our earlier discussion, as in showing for example that the reshuffling of people brought about by industrialisation still led to their allocation to definite positions in a racial order. This observation needs to be extended to the other instances of alleged change. All of them, such as urbanisation, new physical residence, use of new cash income, and the formation of a general opportunity structure do not at all signify any necessary disintegration of a racial order. The consequences of industrialisation, outside the industrial apparatus as well as inside it, continue in the mould of racial ordering when a society is so structured.

THE CURRENT SCENE

The position taken in our prior discussion is that *changes* in the racial order in industry are due to the pressure of new situations that arise in the outside society. This dependency of the racial order on outside conditions invites a consideration of current happenings on the world scene which are impinging on race relations. Generally throughout the world racial orders are being exposed to the play of forces which are attacking or threatening their traditional form. In

some places, such as several of the newly established nations in Africa, the transformation is far advanced. Several adjacent countries are being placed in a perilous position in the handling of their racial orders. In other places, such as the American South, the racial order is increasingly subject to attack and pressure towards change. Other areas, as in the case of several countries in South America, are beginning to feel the first rumblings of serious protest against their schemes of racial ordering. The over-all picture reveals drastic changes which have been already launched, preparatory mobilisation of attacks pointing to drastic changes, and initial stirrings which portend subsequent attacks. All of this bespeaks an unchaining or arousal of a new set of social forces on the world scene, forces which make established racial orders untenable. Generally around the world traditional racial alignments are breaking down or threatening to do so, and their supporting social codes are faced with the need or prospect of severe alteration.

The lines of accommodation in industry to this general condition of change, attack or threat are by no means uniform. Indeed, striking differences are to be seen in comparing developments as they are taking place, for instance, in the United States, South Africa, and the newly independent nations in Africa. The line of development in the United States is in the direction of removing one by one the barriers which confront Negroes in the industrial field. In part this is occurring by extending to the South the somewhat freer and more liberal industrial practices that prevail in the North. It is due also to a considerable extent to new constellations of efforts, in the North and South alike, to gain access for Negroes to larger areas of diversified employment and opportunity. Political pressure, the strivings of action groups, the enactment of fair employment legislation in some of the Northern states, the administrative actions of the Federal Government, legal determinations by Federal courts, and pressure by national labour unions reflect the general direction of effort to improve the position of Negroes in American industry. Resistance to this general movement is formidable, and the movement has scarcely begun to touch the area of managerial employment (that bastion of white industrial privilege) or the area of entrepreneurial activity. Yet, the direction of the minor change which is under way and of the larger change which is in prospect is clear; it is towards a liquidation of the powerful scheme of racial ordering which has permeated American industry. This is not the place to

identify and describe the significant social forces which are responsible for this reordering of race relations in the United States. In my judgment, no tenable case can be made for the inclusion of industrialisation, *per se*, among them. Industrialisation comes into the picture, instead, as the recipient of their action.

South Africa is following a different line of accommodation to the threats to its racial order. The official policy of *apartheid* seeks to harden the traditional racial order, to sharpen and cement racial lines, and to place the whites in an unassailable position of control in the white areas of the nation. Despite occasional minor compromises this policy is being followed logically and with stubborn determination towards its objective. There is no question that industry, like other areas of life, is being brought firmly under the control of the official *apartheid* policy despite apparent disfavour shown by many industrialists to different portions of the programme. This development, as previously noted, is a striking instance of the shaping and solidification of a racial order in industry in response to a demanding policy from the outside.

We find a still different line of adjustment to new racial situations in the case of foreign industrial enterprises in the new nations which have emerged out of previous colonial areas. These enterprises have been forced into a position of solicitude towards native peoples, previously in a subordinate racial position but now in control of the sovereign Government. The response of the racial ordering in industry to this new situation is in many respects very dramatic. Particularly noteworthy is the entrance of nationals into the higher echelons of management, not infrequently on the boards of directors. As Mr. Blair so clearly explains in his contribution to the present symposium, many of the European industrial enterprises with long histories in the areas have been led in their assessment of the new situation to identify their fate with that of the newly established nations. This has meant a radical reordering of previous racial patterns in industry—a shift from dominance over subordinate racial groups to a partnership arrangement.

The lines of accommodation revealed by the above three cases do not cover all those which are being developed in different parts of the world. Nor does any one of the three necessarily prefigure the path that is likely to be followed, in general, in the reordering of race relations in industry in the proximate future. Considering the different historical backgrounds of countries with experience in racial

association, the different racial codes which they came to develop, the different racial composition which they have, and the different situations in which they are placed, we would expect considerable variation in the lines along which racial relations are to be reformed. Yet we should not ignore the fact that today the development of race relations is being lifted out of domestic settings and placed, so to speak, in a world cauldron. This metaphor refers to more than an outward spread of common forces in our modern world which challenge existing racial arrangements, wherever they be. Rather, it points conspicuously to the interesting condition of race relations becoming an object of common world-wide concern. Dramatic happenings in Little Rock, Arkansas, or Oxford, Mississippi, excite attention in all parts of the world; outbreaks against whites in the Belgian Congo stir up more than one continent; the United Nations adopts almost unanimously a resolution of bitter denunciation of racial developments in Angola; and African nations unite to impose an embargo on the Republic of South Africa. Racial happenings and racial codes are falling more and more into an open fish bowl wherein, however accurately or inaccurately portrayed, they are subject to world scrutiny and world judgment. Race has become an exceedingly sensitive issue in the new international world which is so painfully and confusedly groping for shape. Effective power no longer resides exclusively in the hands of dominant whites but has spread out to coloured peoples, peoples who have memories and high regard for their status. It is such considerations which force one to recognise that the reordering of racial association is no longer a matter of separate domestic concern, or of local determination without regard to world opinion. It is quite likely that these new conditions of world involvement will set a common direction in the reordering of race relations.

The position of industrialisation in this prospective reshaping of race relations will be no different, in my judgment, from that which it has had in the past. Industrialisation will continue to be an incitant to change, without providing the definition of how the change is to be met. It will contribute to the reshuffling of people without determining the racial alignments into which people will fall. Its own racial ordering, to the extent that it has any, will be set by that in its milieu or that forced on it by the authority of a superior control. In general, it will move along with, respond to, and reflect the current of racial transformation in which it happens to be caught.