

CHAPTER 9

ECONOMIC INEQUALITY

I. NEGRO POVERTY

The economic situation of the Negroes in America is pathological. Except for a small minority enjoying upper or middle class status, the masses of American Negroes, in the rural South and in the segregated slum quarters in Southern and Northern cities, are destitute. They own little property; even their household goods are mostly inadequate and dilapidated. Their incomes are not only low but irregular. They thus live from day to day and have scant security for the future. Their entire culture and their individual interests and strivings are narrow.

These generalizations will be substantiated and qualified in the following chapters. For this purpose the available information is immense, and we shall, in the main, be restricted to brief summaries. Our interest in this part of our inquiry will be to try to unravel the causal relations underlying the abnormal economic status of the American Negro. We want to understand how it has developed and fastened itself upon the economic fabric of modern American society. It is hoped that out of a study of trends and situations will emerge an insight into social and economic dynamics which will allow inferences as to what the future holds for the economic well-being of the American Negro people. This future development will depend in part upon public policy, and we shall discuss the various alternatives for induced change. Certain value premises will be made explicit both in order to guide our theoretical approach and to form the basis for the practical analysis.

Before we proceed to select our specific value premises, let us ask this question: Why is such an extraordinarily large proportion of the Negro people so poor? The most reasonable way to start answering this question is to note the distribution of the Negro people in various regions and occupations. We then find that the Negroes are concentrated in the South, which is generally a poor and economically retarded region. A disproportionate number of them work in agriculture, which is a depressed industry. Most rural Negroes are in Southern cotton agriculture, which is particularly over-populated; backward in production methods; and hard hit by soil exhaustion, by the boll weevil, and by a long-time fall in international

demand for American cotton. In addition, few Negro farmers own the land they work on, and the little land they do own is much poorer and less well-equipped than average Southern farms. Most Negro farmers are concentrated in the lowest occupations in agriculture as sharecroppers or wage laborers. In the North, there are practically no Negroes in agriculture.

Nonagricultural Negro workers are, for the most part, either in low-paid service occupations or have menial tasks in industry. Few are skilled workers. Most of the handicrafts and industries in the South where they have a traditional foothold are declining. The majority of manufacturing industries do not give jobs to Negroes. Neither in the South nor in the North are Negroes in professional, business, or clerical positions except in rare instances and except when serving exclusively the Negro public—and even in this they are far from having a monopoly.

The unemployment risk of Negroes is extraordinarily high. During the depression, government relief became one of the major Negro "occupations." Indeed, the institution of large-scale public relief by the New Deal is almost the only bright spot in the recent economic history of the Negro people.

Such a survey, however, even when carried out in greater detail, does not, by itself, explain why Negroes are so poor. The question is only carried one step backward and at the same time broken into parts: Why are Negroes in the poorest sections of the country, the regressive industries, the lowest paid jobs? Why are they not skilled workers? Why do they not hold a fair proportion of well-paid middle class positions? Why is their employment situation so precarious?

We can follow another approach and look to the several factors of economic change. In most cases changes in the economic process seem to involve a tendency which works against the Negroes. When modern techniques transform old handicrafts into machine production, Negroes lose jobs in the former but usually do not get into the new factories, at least not at the machines. Mechanization seems generally to displace Negro labor. When mechanized commercial laundries replace home laundries, Negro workers lose jobs. The same process occurs in tobacco manufacture, in the lumber industry and in the turpentine industry. When tractors and motor trucks are introduced, new "white men's jobs" are created out of old "Negro jobs" on the farm and in transportation. Progress itself seems to work against the Negroes. When work becomes less heavy, less dirty, or less risky, Negroes are displaced. Old-fashioned, low-paying, inefficient enterprises, continually being driven out of competition, are often the only ones that employ much Negro labor.

Although there are no good data on employment trends by race, it seems that the business cycles show something of the same tendency to work against Negroes as do technical changes. It is true that Negroes, more

than whites, are concentrated in service industries and in certain maintenance occupations (janitors, floor-sweepers, and so forth) which are relatively well-protected from depressions. On the other hand, the Negro agricultural laborer is more likely to be forced out by depressions than is the white farmer and farm worker. In fact, in almost every given occupation Negroes tend to be "first fired" when depression comes. Even in the service and maintenance occupations, Negroes are fired to give jobs to white workers. When prosperity returns, the lost ground is never quite made up. As cycle succeeds cycle, there is a tendency toward cumulative displacement of Negroes. The general level of unemployment, depression or no depression, is always higher for Negroes than for whites, and the discrepancy is increasing.

Likewise the organization of the labor market by trade unions has, most of the time, increased the difficulties for Negroes to get and to hold jobs. Even social legislation instituted in order to protect the lowest paid and most insecure workers—among whom the Negroes ordinarily belong—is not an undivided blessing to Negro workers. When the employer finds that he has to take measures to protect his workers' health and security and to pay them higher wages, he often substitutes, voluntarily or under pressure, white workers for Negroes. Sometimes sweatshop industries, existing only because of low-paid Negro labor, are actually driven out of business by legislation or union pressure, and the Negro is again the victim instead of the beneficiary of economic and social progress.

Of course, Negroes are pressing hard in all directions to get jobs and earn a living. The number of job-seeking Negroes is constantly increased, as the shrinkage of the international cotton market, the national agricultural policy under the A.A.A. program, and the displacement of Negroes from traditional jobs, all create a growing unemployment. Negroes are willing—if it were allowed them—to decrease their demand for remuneration, and they are prepared to take the jobs at the bottom of the occupational hierarchy. But still their unemployment is growing relative to that of the whites.

Again we are brought to ask: Why are the Negroes always the unlucky ones? What is this force which, like gravitation, holds them down in the struggle for survival and economic advance? To these questions—as to the closely related questions stated above—we shall find the detailed answers as diverse as the structure of modern economic life itself. But there will be a common pattern in the answers.

2. OUR MAIN HYPOTHESIS: THE VICIOUS CIRCLE

This common pattern is the vicious circle of cumulative causation outlined in Chapter 3 and Appendix 3.

There is a cultural and institutional tradition that white people exploit

Negroes. In the beginning the Negroes were owned as property. When slavery disappeared, caste remained. Within this framework of adverse tradition the average Negro in every generation has had a most disadvantageous start. Discrimination against Negroes is thus rooted in this tradition of economic exploitation. It is justified by the false racial beliefs we studied in Chapter 4. This depreciation of the Negro's potentialities is given a semblance of proof by the low standards of efficiency, reliability, ambition, and morals actually displayed by the average Negro. This is what the white man "sees," and he opportunistically exaggerates what he sees. He "knows" that the Negro is not "capable" of handling a machine, running a business or learning a profession. As we know that these deficiencies are not inborn in him—or, in any case, in no significant degree—we must conclude that they are caused, directly or indirectly, by the very poverty we are trying to explain, and by other discriminations in legal protection, public health, housing, education and in every other sphere of life.

This scheme of causal interrelation is as important in explaining why Negroes are so poor and in evaluating the wider social effects of Negro poverty, as it is in attempting practical planning to raise the economic level of the Negro people. The dynamics of the problem is this: A primary change, induced or unplanned, affecting any one of three bundles of interdependent causative factors—(1) the economic level; (2) standards of intelligence, ambition, health, education, decency, manners, and morals; and (3) discrimination by whites—will bring changes in the other two and, through mutual interaction, move the whole system along in one direction or the other. No single factor, therefore, is the "final cause" in a theoretical sense. From a practical point of view we may, however, call certain factors "strategic" in the sense that they can be controlled.

The statistics of the system can be illustrated by the following comments on the Negro sharecropper in the rural South:

Shiftlessness and laziness are reported as reasons for the dependent state, whereas, in fact, in so far as they exist, they are not necessarily inherent, but are caused by the very conditions of the share-cropping system. . . . It is a notorious and shameful fact that the stock arguments employed against any serious efforts to improve the lot of the cotton tenant are based upon the very social and cultural conditions which tenancy itself creates. The mobility of the tenant, his dependence, his lack of ambition, shiftlessness, his ignorance and poverty, the lethargy of his pellagra-ridden body, provide a ready excuse for keeping him under a stern paternalistic control. There is not a single trait alleged which, where true, does not owe its source and continuance to the imposed status itself.¹

The same type of vicious circle controls the situation for the poverty-stricken Negroes outside of cotton agriculture. Poverty itself breeds the conditions which perpetuate poverty.

The vicious circle operates, of course, also in the case of whites. Few people have enough imagination to visualize clearly what a poor white tenant or common laborer in the South would look like if he had had more opportunities at the start. Upper class people in all countries are accustomed to look down upon people of the laboring class as inherently inferior. But in the case of Negroes the deprecation is fortified by the elaborate system of racial beliefs, and the discriminations are organized in the social institution of rigid caste and not only of flexible social class.

3. THE VALUE PREMISES

The system of social ideals which we have called the American Creed, and which serves as the source of the instrumental value premises in this study, is less specified and articulate in the economic field than, for instance, in regard to civic rights. There is, in regard to economic issues, considerable confusion and contradiction even *within* this higher plane of sanctified national ideals and not only—as elsewhere—*between* those ideals and the more opportunistic valuations on lower planes. In public discussion opposing economic precepts are often inferred from the American Creed. A major part of the ideological battle and of political divisions in the American nation, particularly in the decade of the Great Depression, has concerned this very conflict of ideals in the economic sphere. "Equality of opportunity" has been battling "liberty to run one's business as one pleases."

Meanwhile the battle-front itself has been moving—on the whole definitely in favor of equality of opportunity. American economic liberalism was formerly characterized by "rugged individualism"; it is now gradually assimilating ideals of a more social type. There was always the vague popular ideal of "an American standard of living," but now a more definite and realistic conception is growing out of it. A new kind of "inalienable rights"—economic and social—is gradually taking shape within the great political canon of America and is acquiring the respectability of common adherence even if not of immediate realization. As an exemplification of the new way of thinking, without assuming that it has advanced to the level of a national ideal, we may quote the following statement by the National Resources Planning Board, which is an elaboration of President Roosevelt's pronouncement of "freedom from want" as one of the human liberties:

We look forward to securing, through planning and cooperative action, a greater freedom for the American people. . . . In spite of all . . . changes, that great manifesto, the Bill of Rights, has stood unshaken 150 years and now to the old freedoms we must add new freedoms and restate our objectives in modern terms. . . .

Any new declaration of personal rights, any translation of freedom into modern

terms applicable to the people of the United States, here and now must include:

1. The right to work, usefully and creatively through the productive years.
 2. The right to fair pay, adequate to command the necessities and amenities of life in exchange for work, ideas, thrift, and other socially valuable service.
 3. The right to adequate food, clothing, shelter, and medical care.
 4. The right to security, with freedom from fear of old age, want, dependency, sickness, unemployment, and accident.
 5. The right to live in a system of free enterprise, free from compulsory labor, irresponsible private power, arbitrary public authority, and unregulated monopolies.
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9. The right to rest, recreation, and adventure: the opportunity to enjoy life and take part in an advancing civilization.²

The most convenient way of determining our value premises for the economic part of our inquiry is, perhaps, to start from the viewpoint of what the American does *not* want. The ordinary American does not, and probably will not within the surveyable future, raise the demand for full *economic equality* in the meaning of a "classless society" where individual incomes and standards of living would become radically leveled off. Such an ideal would be contrary to the basic individualism of American thinking. It could hardly be realized while upholding the cherished independence of the individual. It would nullify the primary responsibility of the individual for the economic fate of himself and his family. It would rob the individual of his chance to rise to wealth and power. It would thus bury the American Dream. It runs contrary to the common belief that it is the individual's hope for economic advancement which spurs him to do his utmost and at the same time acts as the main driving force behind progress in society. The strength of these individualistic ideals is extraordinary in America even today, in spite of the important changes of basic conditions which we shall presently consider.

Although there is a great deal of inequality of income and wealth in America, the American Creed has always been definitely adverse to class divisions and class inequalities. Americans are, indeed, hostile to the very concept of class.^a But the observer soon finds that this hostility is generally directed only against a rigid system of privileges and social estates in which the individual inherits his status, and not against differences in wealth as such. The American demand is for *fair opportunity and free scope for individual effort*.

In a new nation with rapid social mobility—which is practically always in an upward direction as new immigrants always fill the lower ranks—this way of reconciling liberty with equality is understandable. Social mobility permitted a relative uniformity of social forms and modes of thinking to

^a See Chapter 31, Sections 1 and 2.

exist side by side with a great diversity of economic levels of living. Cultural heterogeneity within the nation and huge geographical space also permitted a measure of anonymity and ignorance of distress. On account of the rapid tempo of economic progress and the rapidly growing market, economic adversities never did appear so final and hopeless.* Land was abundant and practically free, and there was at least an avowed national ideal of free education for all individuals.

The principle of noninterference on the part of the State in economic life, therefore, did not seem incompatible with the principle of equality of opportunity. This ideal has had, of course, more influence in America than in any comparable European country. There have always been qualifications, however, even in this country. In recent times the qualifications have been increasing in relative importance, slowly remolding the entire configuration of this part of the American Creed. Probably most Americans are today prepared to accept a considerable amount of *public control* for the purpose of preserving natural resources. Land and other natural assets are today almost entirely occupied and are no longer free. In the whole nation, a vivid realization has grown up of the waste and damage done to these national assets in reckless exploitation and speculation.

In regard to the personal resources of the nation, Americans are not as willing to have public control. But in the one field of education, they have been the pioneering radical interventionists of the world bent upon improving the human material by means of proper schooling. The spirit of interventionism by education is continually gaining in momentum. It early became a self-evident qualification of American economic liberalism. Within the last decades this spirit has spread to other fields. Social legislation has been instituted to regulate children's and women's work, safety measures, and other working conditions in industry, and—later—wages, hours and labor organizations. A system of social insurance has gradually been taking form.

The mass unemployment during the depression of the 'thirties—mounting higher than ever before and higher over a long period than in any other country—and the realization that whole regions and occupational groups can be brought to destitution through no fault of their own caused the development to full consciousness of a sense of public responsibility for these things. For the first time America saw itself compelled to organize a large-scale system of public relief. For the first time also, America made substantial exertions in the field of public housing. The school lunch program, the food stamp plan, and the direct distribution of surplus commodities represent other activities in the same direction, as do also the attempts to

* Another factor which prevented economic adversity from appearing to be so hopeless was the belief in the power of private philanthropy to remedy economic distress and the obligation on everybody to practice philanthropy.

induce Southern farmers and sharecroppers to have year-round gardens. Public health programs were expanded, and the nation is even gradually facing the task of organizing the care of the sick in a more socially protective way than hitherto.

Behind this great movement there is an unmistakable trend in social outlook and political valuations. As articulate opinion is gradually taking form that there is a *minimum standard of living* below which no group of people in the country should be permitted to fall. This idea, of course, is not new in America; it is a development of the spirit of Christian neighborliness which has been present in the American Creed from its beginning.^a But the emphasis is new. Now it is not only a question of humanitarianism; it is a question of national social and economic welfare. Neither the political conflicts raging around the proper means of providing help by public measures nor the widespread uncertainty and disagreement concerning the actual height of the minimum standard to be protected by those measures should conceal the important fact that *the American Creed is changing to include a decent living standard and a measure of economic security among the liberties and rights which are given this highest moral sanction.*

As usual in America, the ideals are running far ahead of the accomplishments. The new belief that the health, happiness, and efficiency of the people can be raised greatly by improved living conditions is already just as much in the forefront of public attention in America as in most progressive countries in Europe and the British Dominions. Nowhere are so many housing investigations carried out to demonstrate the correlation between bad housing conditions and juvenile delinquency, tuberculosis, and syphilis as in America.

Contrary to *laissez-faire* principles, various industries have long been given government protection in the United States—most often by means of the tariff. The recent development has shifted the motivation from “assistance-to-business” terms to “social welfare” terms. This change in motivation is not always carried out in the measures actually taken. The agricultural policy may be pointed to as an example. If we except the work of the Farm Security Administration, there are only weak attempts to administer the public assistance given the farmers in accordance with their individual needs; those farmers who have the highest incomes most often also get the highest relief benefits from the A.A.A. If the trend does not change its course, however, all economic policy is bound to come under the orbit of social welfare policy.

At the same time, social welfare policy proper—by an increasing stress upon the preventive instead of the merely curative aspects—is becoming integrated with economic policy. *Social welfare policy is bound to become looked upon in terms of the economic criterion of national investment.*¹

^a See Chapter 1, Section 5.

Another change is that of an increasing interest in the distribution of income and wealth as such. The rise of taxation to pay for social policy—and now also for the War—is forcing public attention to this problem. The old idea in public finance that taxation should leave the distribution of incomes and wealth between individuals and classes “unchanged” has become impractical. There is a strong tendency to expect some leveling off of the differences through taxation. It is rationalized by giving a new meaning to the old normative formula that taxes should be imposed according to “ability to pay.” Similarly, there is a trend away from the attempt to construct social welfare policies in such a manner that they would not have any influence on the labor market.

All these trends are gradually decreasing the sanctity of individual enterprise, which is slowly coming under public control, although not necessarily public ownership. The American public has been critical of the huge “monopoly” and the “holding company” for over fifty years. The general trend for big business and corporate finance to grow at the expense of small business—which will be accentuated by the present War—has made Americans more and more willing to have government restrictions on private business. Even if big business still utilizes the old individualistic formulas for its purposes, the observer feels that its success in this is declining.⁴ Private property in business itself seems less holy to the average American when it is no longer connected to individually-run enterprise and when large-scale interferences are necessitated by international crises and when taxation is mounting and its burden must be placed somewhere. In agriculture, the increase in tenancy and migratory labor and the decline of the independent farmer are having a similar effect.

In all these respects the American Creed is still in flux. The change has, however, only strengthened the basic demand for equality of opportunity. But it is becoming apparent to most Americans that conditions have so changed that this demand will require more concerted action and even state intervention to become realized. It is commonly observed that the closing of the frontier and the constriction of immigration tend to stratify the social order into a more rigid class structure. Occupational mobility and social climbing are tending to become possible mainly by means of education, and a significant shift now takes two generations instead of one. The self-made man is a vanishing social phenomenon.

The perfection of the national educational system, while increasingly opening up fairer chances for individuals starting out even from the lowest social stratum, is at the same time restricting opportunities to move and to rise for individuals who have passed youth without having had the benefit of education and special training. If they are in the laboring or farming classes they will, in all probability, have to stay there. As this situation is becoming realized among the masses, and as cultural heterogeneity is

decreasing, a new impetus is given toward mass organizations.⁴ Throughout America collective interest groups are gradually getting the sanction of public approval.⁵ The growth of labor unions is on the verge of becoming looked upon as a realization of the American belief in the independence and integrity of the individual.

When all these trends have reached their maturity, the meaning of economic individualism in the American Creed will have changed considerably. For the time being, however, the American Creed is somewhat disorganized in respect to economic life. For our present purpose of selecting, out of the main stream of national thinking, the relevant value premises for studying the economic aspects of the American Negro problem, a satisfactory minimum of clear-cut economic ideals seems to be available in spite of this state of flux.

We shall, in our inquiry, assume that the following norms are generally and explicitly held on the higher or national plane of the valuation sphere in the hearts of ordinary Americans:

1. *There is nothing wrong with economic inequality by itself.* The mere fact that the Negro people are poorer than other population groups does not *per se* constitute a social problem. It does not challenge the American Creed. This first value premise will not be conspicuous in our inquiry. Its main significance is the negative one of keeping our study within the conservative reformist limits of average American economic discussion.

2. Somewhat less precise is our second value premise: *that no American population group shall be allowed to fall under a certain minimum level of living.* This premise also assumes Negro poverty and all other poverty as a matter of fact. It insists only that poverty shall not go too far without being given public attention and amelioration. It offers a means of evaluating the social effects of poverty and affords a motivation for social welfare policy. Even if the general principle of a minimum level of living must now be considered as established in national thinking, it is still undecided how high or low this minimum level should be.

3. Our third value premise is bound to be the most significant one for our inquiry as it brings out the principal chasm between American ideals and practices: *that Negroes shall be awarded equal opportunities.* In so far as Negro poverty is caused by discrimination, the American Creed is challenged in one of its most specific and longest established precepts. Equality of opportunity, fair play, free competition—"independent of race, creed or color"—is deeply imprinted in the nationally sanctioned social morals of America. This value premise must direct every realistic study of the Negroes' economic status in America.

Discrimination is, for this reason, the key term in such a study. This term is *defined in relation to the norm of equality of opportunity* in the American Creed. In this sense it is, naturally, a "value-loaded" term, and rightly so.

* For some further comments upon this development, see Chapter 33.

But it lacks nothing in scientific preciseness and definiteness. An inquiry into the Negro problem in America which shrinks from this valuation is devoid of social perspective and, indeed, interest. Discrimination will be our central concept for our analysis of both the utilization of Negro productivity and the distribution of goods and services for Negro consumption.

4. THE CONFLICT OF VALUATIONS

By formulating these value premises, and particularly the third one, demanding fair play, we again confront the split in American personality and the ambivalence in American social morals. Our central problem is neither the exploitation of the Negro people nor the various effects of this exploitation on American society, but rather the moral conflict in the heart of white Americans.

In passing we might glance at some of the standard rationalizations by which the American white man tries to build a bridge of reason between his equalitarian Creed and his nonequalitarian treatment of the Negroes. It should be understood that the popular theories are based upon what the ordinary white man conceives to be his own observations and upon what he believes to be common knowledge. We shall first refer to the folklore in the South.

Sometimes a mere reference to custom is advanced as a reason for economic discrimination against Negroes. A report on teachers' salaries prepared by a university in one of the Border states reads:

An additional argument in favor of the salary differential is the general tradition of the South that negroes and whites are not to be paid equivalent salaries for equivalent work. The attitude may be considered wrong from whatever angle it is viewed, but the fact remains that the custom is one that is almost universal and one that the practical school administrator must not ignore.⁶

For not a few, this moral logic that "what was and is, shall be and ought to be" seems sufficient.

Interestingly enough, only rarely will a white man in the South defend economic discrimination in terms of white people's interest to have cheap labor available.^a Nearest to such a motivation come oblique statements like: "This is a white man's country"; or more expressively: "We don't have money enough to pay our white workers decent wages"; or, in regard to discrimination in the school system: "The appropriations do not suffice even to give the white children good schools."

Such statements are common in the whole South. They are made even by intellectuals. Often there is a further rationalization behind such pronouncements to the effect that "Negroes are the wards of the white people"—an American version of the doctrine of English imperialism about "the

^a In this, economic discrimination is different from social discrimination. See Chapter 28.

white man's burden." "Negroes couldn't live at all without the aid and guidance of the white people," it is said. "What little they have, they have got from the whites." Their own sacrifices apparently do not count. Their poverty itself becomes, in fact, the basis of the rationalization. "The whites give them all the jobs." "Actually, they live on us white people." "They couldn't sustain themselves a day if we gave them up." "The whites pay all the taxes, or don't they?"

Then, too, economic inequality "has to" be maintained, for it is the barrier against "social equality":^a "you wouldn't let your sister or daughter marry a nigger." The sister or the daughter comes inevitably even into the economic discussion.

This is the ordinary Southerner explaining the matter in plain words to the inquisitive stranger. He is serious and, in a sense, honest. We must remember that the whole white Southern culture, generation after generation, is laboring to convince itself that there is no conflict between the equalitarianism in the American Creed and the economic discrimination against Negroes. And they can never get enough good reasons for their behavior. They pile arguments one on top of the other.⁷

The most important intellectual bridge between the American Creed and actual practices in the economic sphere is, of course, the complex of racial beliefs discussed above in Chapter 4. Their import in the economic sphere is that the Negro is looked upon as inherently inferior as a worker and as a consumer. God himself has made the Negro to be only a servant or a laborer employed for menial, dirty, heavy and disagreeable work. And, since practically all such work is badly paid, it is God's will that the Negro should have a low income. Also, any attempt to raise Negro incomes goes against "the laws of supply and demand" which are part of the order of nature. The Negro is bad as a consumer too. "If you give him more pay, he will stop working"; he will "drink it up and start a row." "Higher wages will make the nigger lazy and morally degraded." This last belief particularly, but also many of the others, bears a striking similarity to ideas about the laboring class as a whole developed in a systematic form by European mercantilist writers in the seventeenth and eighteenth centuries.^b

^a See Part VII.

^b See Eli F. Heckscher, *Mercantilism* (translated by Mendel Shapiro, 1935; first published, 1931).

The whole ideology displays a static, precapitalistic tendency. When white Southerners object to a conspicuous rise in Negro levels of living, they act much like the upper classes in most European countries centuries ago when they frowned upon lower class people's rise to higher levels of consumption, and even instituted legal regulations forbidding the humbler estates to have servants, to own certain types of dress, and so on. An American Negro in a luxurious car draws unfavorable comment, and so—in previous times—did a Swedish maid who "dressed like a lady." In the static pre-competitive society, tradition was in itself a value.

On the other hand, it is said that the Negro is accustomed to live on little. "It is a marvel how these niggers can get along on almost nothing." This would actually imply that the Negro is a careful consumer—but the conclusion is never expressed that way.

This touches upon the second main logical bridge between equalitarianism and economic discrimination: the cost-of-living and the standard-of-living arguments. The first of these two popular theories is—again quoting the already mentioned university publication—presented in the following way:

... observation alone would suggest to the unbiased observer that the negro teacher will be able to purchase within her society a relatively higher standard of living than the white teacher will be able to secure with the same amount of money.⁸

Statistical investigations are referred to which seem to indicate the remarkable fact that Negro teachers with smaller salaries spend less money for various items of the cost-of-living budget than better paid white teachers.

Scientifically, this is nonsense, of course. A cost-of-living comparison has no meaning except when comparing costs for equivalent budget items and total budgets. That poor people get along on less has nothing to do with cost of living. They *must* get along on less, even when cost of living, in the proper sense, is higher for them. We have quoted this statement only to illustrate a popular theory which, though it now seldom gets into respectable print, is widespread in the South and constitutes a most important rationalization among even educated people.⁹

Sometimes an attempt is made to give the theory greater logical consistency by inserting the idea that "Negroes don't have the same demands on life as white people." "They are satisfied with less." It should be remembered that equal pay for equal work to women has been objected to by a similar popular theory in all countries. The underlying assumption of a racial differential in psychic wants is, of course, entirely unfounded.

Others are heard expressing the theory of lower demands on life in the following way: "Their cost of living is obviously lower since they have a lower standard of living." Lower wages and lower relief grants are generally motivated in this way. A great number of more or less confused notions are held together in such expressions. Having "a low standard of living," for one thing, means to many to be a "no-account" person, a worthless individual. It also means that, being able to live as they are

⁸ In relief work the popular theory of the Negroes' "lower cost of living" as a motivation for discrimination is often given in terms more directly and more honestly related to actual customs and social policy. Some social workers in the Deep South explained to Richard Sterner that the appropriation did not suffice for the full "budgetary deficiency" of the clients, for they had to give each one just the barest minimum they could get along with. Rents usually were lower for Negro clients, since they lived in the Negro sections. It was readily admitted that this was so because housing was poorer in Negro neighborhoods. But even so, money had to be saved on the small appropriations wherever possible.

living, Negroes have a peculiar ability to manage a household. Oblique statements to this effect are often made when discussing this type of popular theory; one social worker in a responsible position came out straight with the argument. It probably also means that people accustomed to suffer from want do not feel poverty so much as if they had seen better days. This, of course, is a much more common popular theory: all over the world the "people who have seen better days" are believed to be worse off than other paupers. In the case of the Negro there is the additional belief that he has a particularly great capacity to be happy in his poverty. He is a child of nature. And he has his religion. He can sing and dance.

The rationalizations amount to this: since Negroes are poor and always have been poor, they are inferior and should be kept inferior. Then they are no trouble but rather a convenience. It is seldom expressed so bluntly. Expressions like "standard of living" and "cost of living" are employed because they have a flavor of scientific objectivity. They avoid hard thinking. They enable one to stand for the *status quo* in economic discrimination without flagrantly exposing oneself even to oneself. For their purpose they represent nearly perfect popular theories of the rationalization type.

These are only a few examples to illustrate the way of thinking utilized in the South of today to justify economic discrimination. In the North there exists practically nothing of these piled-up, criss-crossing, elaborated theories. In matters of discrimination the ordinary Northerner is unsophisticated. Most Northerners, even in those parts of the country where there are Negroes, know only vaguely about the economic discriminations Negroes are meeting in their communities. They are often uninformed of the real import of those discriminations in which they themselves participate.

It is generally held in the North that such discrimination is wrong. When the matter occasionally comes up for public discussion in newspapers and legislatures, it is assumed that discrimination shall be condemned. Some states have, as we shall see, made laws in order to curb discrimination in the labor market. The present writer is inclined to believe that, as far as such discriminations are concerned, a large majority of Northerners would come out for full equality if they had to vote on the issue and did not think of their own occupations. Northern states and municipalities, on the whole, hold to the principle of nondiscrimination in relief, and this is probably not only due to considerations of the Negro vote but also in obedience to the American Creed.

As we shall find, however, there is plenty of economic discrimination in the North. In situations where it is acute and where it becomes conscious, the average Northerner will occasionally refer to the interest of himself and his group in keeping away Negro competition—a thing which seldom or never happens in the South. On this point he might be cruder. His rationalizations will seldom go much further than presenting the beliefs

in the Negroes' racial inferiority and the observation that he "just does not want to have Negroes around" or that he "dislikes Negroes." Southern-born white people in the North usually keep more of the complete defense system and also spread it in their new surroundings. Even in the North it happens occasionally, when economic discrimination is discussed, that the "social equality" issue and the marriage matter are brought up, though with much less emotion.

A main difference between the types of rationalization in the two regions seems to be that the Southerners still think of Negroes as their former slaves, while the association with slavery is notably absent from the minds of Northerners. To Northerners, the Negro is, more abstractly, just an alien, felt to be particularly difficult to assimilate into the life of the community. But in the South, the master-model of economic discrimination—slavery—is still a living force as a memory and a tradition.