Residential Segregation in North Carolina

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When blacks and whites reacted so differently to the verdict of the O.J. Simpson trial, many observers commented that it was almost as though the two races inhabited two different worlds. Unfortunately, this comment is not as much an exaggeration as many would think. Although blacks are increasingly present in corporate America, the entertainment industry, politics, and other spheres of public life, blacks and whites for the most part still live in separate residential communities. Research by social scientists has found that levels of residential segregation (hereafter referred to as segregation) between blacks and whites remained high in most metropolitan regions as of 1990 (Farley and Frey 1994). This is true even though more than a quarter of a century has elapsed since the passage of the 1968 Fair Housing Act.

This article discusses the causes and consequences of segregation. Data is presented to illustrate segregation levels in North Carolina by county, based on the 1990 census. To conclude, the article discusses the policy implications of segregation.

The Causes of Residential Segregation

Social scientists have long noted that different groups sort themselves spatially in modern industrialized societies. This pattern is evident not only between blacks and whites, but among other ethnic groups and people sharing similar lifestyles. Based on this spatial differentiation, certain social scientists

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have postulated that spatial relations reflect the social relations of society (Park 1926). Social relations here refer to the socioeconomic status and cultures of different groups and the extent to which minority groups are assimilated into the majority society. The fundamental cause of segregation between blacks and whites is the continued social chasm that exists between these two groups. This social distance is manifested spatially through three mechanisms.

One mechanism is the economic inequality between blacks and whites, which affects the types of housing each group can afford. Given that housing itself is somewhat segregated by price and tenure type, the disparities in the economic resources of blacks and whites should translate into a certain degree of segregation. Black households have a median household income that is only 62% of the median household income of whites, and the median net worth of black households is only 8% of the median net worth of white households (Oliver and Shapiro 1995, 86). Such large differences in financial resources make it difficult for many blacks to move into more expensive neighborhoods. Because housing is typically more expensive in largely white neighborhoods, it may be more difficult for many blacks to qualify for a loan in white neighborhoods or to be able to afford the higher rental prices in those areas. In a study of impediments to fair housing in North Carolina, the lack of affordable housing in many neighborhoods was often cited as restricting the options of low income minorities (Basolo et al. 1996).

Research, however, has found that high income blacks tend to be just as segregated from whites as low income blacks (Farley 1995; Farley 1990; Farley et al. 1993; Massey and Denton 1988b). Although income is not a complete measure of economic resources, this does suggest that economic disparities

may not play a very important role in causing segregation.

A second force leading to high levels of segregation between blacks and whites is the different preferences they have in terms of the ideal racial composition of their neighborhoods. Survey evidence from the Detroit Area Study, for example, suggests that the majority of whites prefer neighborhoods that have a relatively small black presence. This same evidence indicates that blacks prefer neighborhoods that are about 50% to 75% black (Farley *et al.* 1993). What this means is that a neighborhood that is attractive to many blacks, one with a substantial black presence,

is likely to draw a disproportionate amount of black inmovers. This same neighborhood, however, is likely to be unattractive to most whites, and few whites will move into the neighborhood, and those that are currently residing there are likely to move out. The end result is that the neighborhood is likely to become all black. This illustrates how neighborhoods can become racially homog-

enous even though neither whites nor blacks necessarily prefer neighborhoods that are completely homogenous (Schelling 1971).

Finally, housing discrimination is an important force that helps shape the residential patterns we observe today. Studies done by the U.S. Department of Housing and Urban Development in 1977 and 1988 show that blacks seeking housing face a high probability of receiving discriminatory treatment (Turner et al. 1991). Often this discriminatory treatment is in the form of steering whereby blacks are shown homes only in black areas, or where blacks are told no apartments are available when indeed there are.

Perhaps even more important than present discriminatory practices is the legacy of past housing discrimination. In addition to more subtle forms of discrimination such as steering, blatant and pervasive discrimination played a major role in creating segregated living patterns prior to the Civil Rights Era. Many houses sold by whites in the first half of this century had restrictive covenants that forbade parties to the agreement from selling these houses to blacks. Violence against blacks who moved into white neighborhoods served to deter blacks who might be persistent in knocking down discriminatory barriers (Massey and Denton 1993). Besides creating segre-

gated communities that endure to this day, discriminatory practices of the past also helped shape the current preferences of blacks and whites. Many have grown up in racially homogeneous neighborhoods and hence may now feel uncomfortable living in an integrated setting. For example, many whites associate black neighborhoods with crime and deteriorated conditions, and many blacks assume they will be victims of hostile treatment in white neighborhoods (Farley *et al.* 1994) These preconceived notions have been shaped, in part, by the experiences of blacks and whites living in separate neighborhoods and the historically discriminatory practices that created these

neighborhoods (Galster 1993).

These three forces—economic disparities, differences in preferences, and housing discrimination—continue to shape residential patterns today. The next section addresses the question of how these forces have manifested themselves in North Carolina by illustrating current levels of segregation in the state.

In general, the counties of North Carolina are highly segregated.

Residential Segregation in North Carolina: 1990

Table 1 presents segregation indexes for 99 counties in North Carolina derived from block level data from the 1990 census.1 The two indexes used were the dissimilarity index and the isolation index. Although other measures of segregation exist, these two come closest to capturing the concept of segregation as it is most commonly used (Massey and Denton 1988a). The dissimilarity index indicates whether a particular group is evenly distributed over geographic units2. The dissimilarity index can take on values ranging from 0, representing perfect integration, to 1, representing complete segregation (Massey and Denton 1988a). One way of thinking about the value of the dissimilarity index is as representing the percentage of that group that would need to move to achieve complete integration. For example, Durham County has a dissimilarity score of .71, which means that 71% of the black population would have to move to achieve complete integration.

The isolation index attempts to gauge the experience of segregation as felt by each minority or majority member by telling the percentage black of the block inhabited by the average black person. Using

County Dissimilarity		Isolation	Total	%Black	res for North Carolina County Dissimilarity		Isolation	Total	%Black
lamance	0.73	0.66	108213	19.25%	Lee	0.72	0.67	41374	22.77%
Mexander	0.13	0.4	27544	6.14%	Lenoir	0.74	0.79	57274	39.45%
lleghany	0.85	0.34	9590	2.01%	Lincoln	0.78	0.52	50319	8.08%
anson	0.76	0.82	23474	47.31%	Macon *	0.92	0.59	23499	1.60%
she *	0.70	0.32	22209	0.53%	Madison *	0.91	0.24	16953	0.68%
very *	0.88	0.21	14867	0.78%	Martin	0.69	0.76	25078	44.65%
Beaufort	0.38	0.77	42283	31.15%	McDowell	0.09	0.70	35681	3.88%
ertie	0.78	0.77	20388	61.44%	Mecklenburg	0.73	0.49	511433	26.32%
laden	0.72	0.83	28663	39.20%	Mitchell *	0.73			
runswick	0.79	0.69	50985				0.18	14433	0.23%
				18.02%	Montgomery	0.83	0.76	23346	25.72%
uncombe	0.8	0.58	174821	8.07%	Moore	0.8	0.72	59013	18.42%
urke	0.78	0.42	75744	6.67%	Nash	0.69	0.68	76677	31.54%
abarrus	0.78	0.65	98935	12.98%	New Hanover	0.78	0.73	120284	19.98%
Caldwell	0.88	0.59	70709	5.54%	Northampton	0.7	0.83	20798	59.38%
amden	0.65	0.6	5904	25.00%	Onslow	0.39	0.35	149838	19.88%
arteret	0.77	0.59	52556	8.11%	Orange	0.61	0.45	93851	15.88%
aswell	0.59	0.66	20693	40.90%	Pamlico	0.78	0.73	11372	25.91%
atawba	0.77	0.58	118412	9.01%	Pasquotank	0.65	0.7	31298	37.10%
hatam	0.69	0.61	38759	22.89%	Pender	0.74	0.73	28855	30.40%
herokee *	0.88	0.54	20170	1.84%	Perquimans	0.68	0.68	10447	32.74%
howan	0.73	0.75	13506	37.82%	Person	0.66	0.66	30180	30.14%
lay *	0.91	0.1	7155	0.42%	Pitt	0.68	0.71	107924	33.34%
leveland	0.78	0.69	84714	20.96%	Polk	0.83	0.6	14416	7.28%
olumbus	0.74	0.73	49587	30.64%	Randolph	0.81	0.54	106546	5.80%
raven	0.62	0.63	81613	25.83%	Richmond	0.77	0.75	44518	28.95%
umberland	0.5	0.56	274566	31.85%	Robeson	0.75	0.7	105179	24.94%
urrituck	0.68	0.42	13736	11.14%	Rockingham	0.68	0.59	86064	20.38%
are	0.87	0.52	22746	3.68%	Rowan	0.77	0.67	110605	15.99%
avidson	0.82	0.62	126677	9.61%	Rutherford	0.77	0.57	56918	11.52%
Davie	0.68	0.42	27859	8.86%	Sampson	0.7	0.71	47297	33.21%
uplin	0.74	0.74	39995	33.26%	Scotland	0.72	0.74	33754	36.16%
Ourham	0.71	0.75	181835	37.18%	Stanly	0.89	0.8	51765	11.47%
dgecombe	0.73	0.84	56558	56.05%	Stokes	0.83	0.56	37223	5.48%
orsyth	0.75	0.73	265878	24.79%	Surry	0.82	0.46	61704	4.80%
ranklin	0.64	0.66	36414	35.36%	Swain *	0.67	0.75	11268	1.51%
aston	0.73	0.59	175093	12.85%	Transylvania	0.83	0.48	25520	4.66%
ates	0.6	0.7	9305	45.08%	Tyrrell	0.8	0.82	3856	40.00%
ranville	0.64	0.7	38345	39.06%	Union	0.77	0.65	84211	15.95%
reene	0.58	0.67	15384	42.36%	Vance	0.67	0.75	38892	45.16%
uilford	0.73	0.71	347420	26.41%	Wake	0.65	0.6	423380	20.75%
Ialifax	0.73	0.8	55516	49.61%	Warren	0.58	0.77	17265	57.17%
larnett	0.67	0.62	67822	22.52%	Washington	0.67	0.75	13997	45.48%
laywood *	0.89	0.36	46942	1.22%	Watauga	0.7	0.17	36952	2.14%
[enderson	0.86	0.56	69285	3.20%	Wayne	0.67	0.69	104666	32.32%
iertford	0.74	0.84	22523	57.75%	Wilkes	0.82	0.88	59393	4.86%
loke	0.66	0.73	22856	43.12%	Wilson	0.72	0.76	66061	37.71%
Iyde	0.7	0.75	5411	33.00%	Yadkin	0.8	0.42	30488	4.31%
redell	0.74	0.62	92931	15.81%	Yancey *	0.95	0.32	15419	1.28%
ackson *	0.74	0.02	26846	1.68%	Average	0.74	0.62	15-117	22.55%
ohnston	0.73	0.17	81306	17.72%	Median	0.74	0.66		20.96%
OHIDIOH	0.72	0.02	01200	11.12/0	Modiali	0.74	0.00		20.707

NOTE: Graham County was excluded because only 1 black lived there in 1990.

Durham County as an example again, the average black person inhabits a block that is 75% black. This index depends in part on the relative size of the minority population. Thus, in a county where minorities make up a large portion of the population, the isolation index might be relatively high, even if minorities are evenly spread throughout the county³. Like the dissimilarity index, the isolation index ranges from 0 to 1, with 0 indicating the average black lives on a block with no other blacks, and one indicating the average black inhabits a block that is 100% black⁴.

As a rule of thumb, segregation indexes between 0 and 0.3 are considered low, those between 0.3 and 0.6 moderate, and those above 0.6 are considered high (Kantrowitz 1973). The data presented in Table 1 suggests that in general, the counties of North Carolina are highly segregated. The mean score on the dissimilarity index is .74 and the mean score on the isolation index is 0.62, both of which fall in the high range. In fact, Caswell, Cumberland, Greene, Onslow, and Warren counties are the only counties that have dissimilarity scores below 0.6, the cutoff for the high range, and none of those are below 0.3, the cutoff for the low range.

Because residential segregation is caused in part by housing discrimination, segregation might be viewed as undesirable for that reason alone. But as will become apparent in the next section, residential segregation has been implicated in a number of social ills and exacerbates many of the social problems affecting blacks.

The Costs of Segregation

While both blacks and whites exhibit preferences for some degree of segregation, it is not without costs, particularly for blacks. Research has shown that the greatest impact of segregation on blacks is on their economic well-being, but segregation may also contribute to the creation of an urban underclass and lead to strained relations between the races.

Segregation is thought to negatively impact black economic well-being in a number of ways. For one, high levels of segregation lead to the creation of dual housing markets for blacks and whites. Because blacks are both poorer than whites and a smaller proportion of the population, demand for housing is lower in black neighborhoods than in white neighborhoods, and consequently property values are lower also. Studies have shown, for example, that similar housing is worth less in black neighborhoods than in white neighborhoods (Oliver and Shapiro 1995). While this

does have the advantage of making housing more affordable in black neighborhoods, it also lessens the value of the equity that blacks have in their homes, leaving black homeowners with less wealth than white homeowners. A second way that segregation is thought to negatively affect black economic well being is through its impact on job opportunities. Employment growth in many regions is occurring away from concentrations of blacks (Kasarda 1985). This makes it more difficult for blacks to hear about jobs and more difficult for them to commute to jobs should they be hired. Comprehensive reviews of the evidence have found that this "spatial mismatch" does indeed negatively affect black employment opportunities (Holzer 1991; Kain 1992).

High levels of segregation have also been implicated in the creation of the urban underclass (Massey and Denton 1993). Because blacks have a significantly higher poverty rate than whites, segregation concentrates poverty into a few black neighborhoods. Along with concentrating poverty, segregation concentrates and exacerbates the social ills associated with poverty, such as high levels of crime, welfare dependency, out of wedlock child bearing, and drug abuse. The very concentration of such problems makes them worse.

Finally, segregation may worsen already strained relations between the races. While segregation may reflect the social relations between blacks and whites, it may also contribute to the deterioration of these relations. Growing up and living in separate neighborhoods may foster the tendency of whites and blacks to look at the other group as "them" as opposed to "us." Earlier research has shown that in certain circumstances, increased contact between blacks and whites may lessen racial hostilities (Helper 1986; Yinger 1986a).

There are, of course, benefits for blacks in living in a segregated environment. It may be easier to develop social, religious and cultural institutions that cater to black needs when there are relatively high concentrations of blacks. Black political representation also benefits when blacks are concentrated in certain areas. It seems unlikely, however, that these benefits outweigh the negative consequences of segregation, although it would be difficult to argue this point empirically.

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Policy Implications

What should the policy response be to the high levels of segregation that exist in North Carolina? Certainly the rigorous enforcement of fair housing laws is necessary. The choice to live in any community one can afford is no longer considered a controversial issue. Thus, one policy response would be to strengthen efforts to enforce existing antidiscrimination laws. Because overt discrimination has declined significantly, aggressive actions such as testing are necessary to detect discrimination. Testing pairs white and black auditors with similar characteristics and has them both seek housing. If the black auditor is treated worse than the white auditor, this provides evidence of discrimination. Testing can be expensive and requires some expertise to implement effectively, and funding from the state and federal levels is likely to be necessary to assist local community organizations that conduct testing, such as the North Carolina Fair Housing Center.

Simply enforcing antidiscrimination laws, however, will not guarantee integration. Many whites have come to associate significant black entry into any neighborhood with unavoidable racial turnover and neighborhood decline (Farley et al. 1994). To counter these stereotypes, it may be necessary for policy

makers to actively intervene in some cases in order to promote and maintain integration. Examples of such policies include reverse steering by realtors, whereby blacks and whites are shown homes in neighborhoods where they are underrepresented; financial incentives for blacks or whites moving into neighborhoods where they are underrepresented; equity assurance programs that guarantee the property values of homes, used to dampen the fear that property values will decline when blacks move in; bans on for sale signs that are suggestive of racial turnover; and scatter site public housing and vouchers that seek to disperse minority recipients of housing assistance into white neighborhoods (Chandler 1992). In addition, communities attempting to maintain integrated neighborhoods will want to insure that public services, especially schools, are maintained and strengthened.

Given the current political climate and the budgetary constraints existing at all levels of government, the likelihood of implementing these programs in North Carolina may seem low. For example, although several local communities are willing to implement inclusionary zoning programs, they have been unable to get permission from the state legislature.

However, some localities have successfully implemented such strategies and have maintained racially integrated communities. Shaker Heights, Ohio, is an example of a community that has successfully employed some of the strategies described above (Galster 1993). Oak Park, Illinois, is another example of such a community (Saltman 1990). The proposed Eno Commons co-housing development in Durham is a local example of a new development where steps are being taken to acheive a racially diverse community by marketing the development to African Americans as well as to whites⁵. But even with the successful implementation of pro-integra-

tive policies, many blacks may be left behind. Given the large disparities in economic resources between blacks and whites, many blacks simply will not be able to afford homes in more expensive white neighborhoods. In addition, the widespread integration of poorer blacks into white neighborhoods is unlikely to be popular

and would probably lead to white flight from those neighborhoods.

The fact that fair housing laws and pro-integrative policies are limited in effect, no matter how rigorously they are implemented, points to the ultimate causes of segregation in America. The notion that spatial relations reflect social relations seems especially apt. The continued segregation of blacks and whites reflects the continued socioeconomic chasm between these two groups and points to a need to bridge these differences. Housing policy alone is not sufficient to create integrated communities, and focusing on housing policy as a way to reduce segregation in some ways puts the cart before the horse. This suggests that we should also focus on other arenas such as education and employement if we wish to create an integrated society.

Although it is beyond the scope of this paper to discuss these in detail, policies that would reduce the social and economic disparities separating blacks and whites would also lead to more integrated communities. Thus, programs such as Smart Start, which aims to improve educational acheivement among disadvantaged youth, may also indirectly serve to reduce segregation in future generations by improving the status of disadvantaged youth who are disproportionately African American. Continuing to combat labor market discrimination is important as well to ensure equal opportunity for all. By reducing the socioeconomic disparities between blacks and whites, not only will more blacks be able to live in more expensive white neighborhoods, but the class differentials that contribute to stereotypes and prejudice between the two groups will be reduced as well. It is these stereotypes that contribute to housing discrimination and white flight. In addition, improving black socioeconomic status will also lead to improved black neighborhoods, giving more blacks the option to live in stable black communities. Indeed, this has been the experience of other racial and ethnic minorities. As these groups have socially and economically assimilated into the American mainstream, they have spatially assimilated as well (Massey 1985). Presently, blacks experience far higher levels of segregation than Asians or Latinos (Farley and Frey 1993).

Conclusion

Blacks and whites in North Carolina often live in separate communities due to the economic disparities between them, the preferences of blacks and whites, and continuing discrimination. Research evidence suggests that high levels of segregation, such as those existing in North Carolina, may be detrimental to black economic well being. This fact, coupled with the contribution of illegal discrimination to segregation, calls for a policy response to address this problem. Fair housing laws as well as policies that actively seek to promote housing integration offer one response to continued housing segregation. But housing policies aimed at reducing segregation are likely to be insufficient, for they do not change the underlying social relations that create segregation in the first place. As such, they are unlikely to substantially reduce segregation.

This calls for a need to affect the social and economic relations of whites and blacks if we hope to create a truly integrated society. Only when this is

Endnotes

- Graham County was not included because only one black resided there in 1990.
- 2. The formula used to calculate the dissimilarity index is:

$$D = .5\sum |b_i/B - w_i/W|$$

$$i=1$$

where b_i is the black population in block i, w_i is the white population in block i, and B and W are the black and white populations of the county, respectively (Massey and Denton 1988a)

- 3. An example may help to clarify this non-intuitive point. Take a city that is 90% black and composed of 10 blocks. Blacks couple be spread even throughout the city, making up 90% of each block, thus yeilding a score of zero on the dissimilarity index. The isolation index, however, would be .9, which is fairly high.
- 4. The formula used to calculate the isolation index is:

$$bPb = \sum_{i=1}^{n} [b_i/B] [b_i/t_i]$$

$$i=1$$

where bPb is the probability that a reandomly drawn black shares a block with another black, b_i is the number of blacks, and t_i the total poulation of block i, and B is the total black population in the county.

 In co-housing developments, residents share common space such as kitchens, laundry, and recreational facilities.

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