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#### ABSTRACT

This monograph on Negro employment in the Memphis labor market is part of a federally sponsored project on Negro employment in the South which seeks to present the latest information on both the racial employment patterns and the factors responsible for perpetuating or for changing those patterns. As part of a doctoral dissertation, a comparison of 1966 and 1969 employment patterns of Negroes and whites used regression analysis to explain Negro industrial penetration rates (their share of employment) and occupational distribution, by race. Also, unstructured field interviews examined various aspects of the Memphis labor market, such as manpower programs and Negro employment problems. Twenty-five representatives of the black community, 60 employers, and officials from 16 private and public agencies were interviewed to provide insight into socioeconomic factors in minority employment patterns. Housing, employment, education, and poverty problems united the black community in a strike in 1968 which led to expanded programs to improve socioeconomic conditions. Thirty tables present the data, which precede general and specific recommendations for federal, state, and local government action in developing appropriate manpower programs. This document is related to a previously processed report on the Houston labor market available as ED 048 486. (AG)

NEGRO EMPLOYMENT IN THE SOUTH

Volume 2: The Memphis Labor Market

UNITED STATES DEPARTMENT OF LABOR / Manpower Administration

MANPOWER RESEARCH MONOGRAPH NO.23

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Manpower Research Monograph No. 23

# NEGRO EMPLOYMENT IN THE SOUTH

# Volume 2: The Memphis Labor Market

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U.S. DEPARTMENT OF LABOR
J. D. Hodgson, Secretary
MANPOWER ADMINISTRATION



#### **FOREWORD**

This study of black employment in the Memphis labor market by Dr. Arvil V. Adams is part of a project on Negro Employment in the South (NES) sponsored by the Manpower Administration of the U.S. Department of Labor and the U.S. Equal Employment Opportunity Commission (EEOC). The NES project seeks to present the latest information on both the racial employment patterns in the South and the factors responsible for perpetuating or changing those patterns. However, we also hope to suggest remedies which might make it possible for Negroes to be upgraded and employed more in accordance with their abilities and desires.

In each of our studies, we are concerned with two basic measures of black employment: (1) A penetration rate, which shows the extent to which Negroes have entered various industries, and (2) an index of occupational position, which shows the relative status they occupy within those industries. Wherever the data make it possible, we also are attempting to analyze the determinants of racial employment patterns in terms of the influence of such factors as firm size, degree of competition in product markets, transportation, education, skill requirements of the firm, Government contracts, unions, geographic location, labor market information, and employer recruiting patterns. We have made no effort to measure discrimination per se because of our conviction that in its most important sense of institutionalized behavior patterns (as contrasted with specific overt acts of discrimination), discrimination is so pervasive an influence as to be inextricably bound up with the other factors causing racial employment patterns and therefore practically to defy measurement. For example, many studies have found that education,

especially when adjusted for educational attainment, explains much of the difference in occupational position between blacks and whites. But, since "education" reflects institutionalized discrimination in housing, income, nutrition, and health as well as in education, it is not surprising that it should be highly correlated with occupational position.

Although we have relied heavily on statistics, we have not restricted our studies to quantitative analyses, because experience shows that statistics often conceal as much as they reveal. Each researcher, therefore, has been asked to go beyond the numbers in an effort to deepen our understanding of the factors causing, perpetuating, changing minority employment patterns in his particular area. The researchers in charge of each study consequently have conducted field interviews with employers, community leaders, government administrators, and union officials in order to clarify the meaning of the statistical patterns and hopefully to provide better insights into the causes of and remedies for the employment disadvantages of Negroes. For example, the principal investigators of each of our city studies (which include Atlanta, Birmingham, Houston, Louisville, Miami, and New Orleans in addition to Memphis) have attempted to portray the basic political, social, and economic characteristics which make each city unique.

At the same time, in order to facilitate comparisons and to provide insights into those causal factors that transcend particular geographic boundaries, each investigator has been asked to seek answers to many of the same questions. Through this procedure, we hope to discover those general factors that cut across geographic boundaries as well as those unique factors that cause



geographic diversity. These general and diverse factors give each city its own reality, an understanding of which, we believe, will facilitate the adoption of more effective remedial programs.

Cities also are important foci for racial employment studies because these problems must be resolved primarily by programs geared to the realities of each place, even though these programs often require State, Federal, and private assistance.

Although the NES project concentrates heavily on metropolitan areas, it also includes studies of Negro employment in agriculture and State, Federal, and local governments. Agricultural employment is important because, historically, most Southern blacks have been concentrated in rural areas. Moreover, even though the black population is now overwhelmingly urban, agriculture remains a very important source of jobs for blacks. Indeed, in the South, four times as many blacks are employed in agriculture as in any four of the region's manufacturing industries. Moreover, the decline in agricultural employment has been accompanied by an increase in the rural nonfarm population, so rural nonfarm employment-which is larger and faster growing than urban employment in the South-remains a very important source of jobs for blacks and whites.

Urban race and employment problems consequently are closely tied to rural development. Because of heavy concentrations of unemployed and underemployed people in rural areas of the South and because of the high fertility rates of these people, it would be a mistake to conclude that the small size of the farm population means that future out-migration from rural areas will no longer be a problem. Consequently, the Nation must be concerned about the quality of education, training, health, nutrition, and work experiences in rural areas because all of these influence the displaced agricultural worker's ability to adjust to nonfarm employment. Thus the interactions of rural and urban labor markets are very important for Negro employment patterns.

Government employment is important not only as a growing source of jobs but also because government employees can have an impact on human resource development through the manner in which they interpret and implement public programs. We therefore think it makes a great deal of difference whether or not minorities occupy important decisionmaking positions in government. Furthermore, our research shows that many of those who have been displaced from Southern agriculture are not equipped by training, education, or work experience for growing nonfarm jobs. We are persuaded, therefore, that public employment programs will be required if unemployment and underemployment are to be overcome.

Our basic approach, therefore, is to study the Negro's experience in and displacement from agriculture and his ability to penetrate and move into nonfarm jobs in the private and public sectors. The city studies are thus a very important dimension of our overall study.

Professor Virgil L. Christian, Jr., of The University of Kentucky has been serving as associate project director, and Dr. Adams, the author of the present volume, has made a valuable contribution to the direction of the NES project, particularly with the preparation of statistical materials and in sharing his experiences with others involved in the city studies.

Although Dr. Adams' study follows the general format we have outlined for the other studies, he has developed his own approach to studying black employment in Memphis. He has attempted to portray the city's "mood" as it influences race relations in general and Negro employment in particular. He demonstrates that in Memphis, as in so many other cities, there was a period of apparent racial tranquility until the 1960's, when growing black demands for an end to discrimination shattered the superficial calm and gave whites greater insight into underlying realities. The conflict in Memphis which ultimately led to Dr. Martin Luther King's death apparently united Memphis blacks and demonstrated to white leaders that the city's economic welfare was closely related to that of its important and growing black population.

Dr. Adams also analyzes the specific Negro employment patterns in Memphis and the extent to which these patterns changed between 1966 and 1969. In general, his analysis shows Negroes to have made some occupational progress between those years. There are, however, a number of causes for concern, namely: (1) The heavy concentration of blacks in low-paying jobs; (2) the unevenness in relative employment patterns of black men and women; (3) the inordinately low penetration rates and occupational positions of blacks; and (4) the fact that Negroes in Memphis occupy lower relative occupational positions than they do in the rest of the South or in the United States. Negroes occupy better positions in public than in private employment, but even here they are heavily concentrated in low-paying jobs.

Dr. Adams examines the relationships between black employment patterns and a number of possible causes, including: The nature of industry, especially its growth characteristics and skill requirements; transportation, industry location, and liousing patterns; unions; job information and recruitment patterns; and investment in human capital. In some cases, he is able to attach specific weights to factors causing variations in relative employment patterns, but the influence of other factors seems clear even though they cannot be measured

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precisely. Dr. Adams also examines various programs designed to improve minority employment opportunities and concludes that some of these are misguided, some have produced valuable insights, but all have had limited impact on black employment patterns.

The study concludes with the author's recommendations for measures which might be taken by Federal and local governments to improve black employment opportunities in Memphis.

F. Ray Marshall, Director Negro Employment in the South Project

## **ACKNOWLEDGMENTS**

This study was submitted in partial fulfillment of the requirements for the degree of Doctor of Philosophy at The University of Kentucky. The author is deeply indebted to Prof. F. Ray Marshall, professor of economics at The University of Texas and formerly chairman of the Department of Economics at The University of Kentucky, who provided substantive advice throughout the study and made several editorial suggestions of consequence during the final stages of its preparation. Appreciation is also expressed to Prof. Virgil L. Christian, Jr., who, as chairman of the dissertation committee, provided an open forum for discussion of ideas.

To the many citizens of Memphis who contributed to the study with their time and thought, a debt of gratitude is herein expressed. Special thanks are due Mr. John T. Fisher, chairman of the Memphis Manpower Commission, and Mr. Randall Conway, director of the Human Resources Division of the Memphis Area Chamber of Commerce. Their support greatly facilitated the author's work in Memphis.

Among others who deserve credit are: Mrs. Nancy Gostomski for computer programing assistance; Mrs. Brenda Barnett for typing early drafts of the manuscript; and Mrs. Barbara Howenstine for typing the final draft of the study. Finally, careful editing by Mrs. Ellen Sehgal and Mrs. Mary Bedell has overcome many of the study's shortcomings which would otherwise have escaped the author,

Arvil V. Adams

Lexington, Kentucky July 1971



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## I. INTRODUCTION

Memphis was selected as one site for the study of black employment because of its large black population, its proximity to sizable concentrations of rural blacks, and its general importance to the economy of the South. It offers an almost classical example of what has happened to urban black employment as the Southern economy shifted from a strong agrarian orientation, with rigidly segregated institutions, to a broadly based industrialized system.

Within this general context this study seeks to answerthe following questions: What is the relative education level of blacks, and what is its effect on their employment opportunities? How important is the growth rate of the Standard Metropolitan Statistical Area (SMSA), and, paralleling this, what is the effect of changing skill requirements of the city's growth industries? What impact do the community's institutional structureincluding housing, unions, and labor market information systems-and its black-white political and economic power relationship have on employment? The answers to such questions lie at the heart of meaningful solutions to economic and social problems of blacks, as well as other minorities, and are central to the development of a program for amelioration of the community's black employment problems.

## Methodology

The research was conducted in two stages. The first was a comparison of 1966 and 1969 employment

patterns of blacks and whites, followed by an intensive analysis of these patterns within a framework designed to test hypotheses about black employment. Regression analysis was used to explain industry penetration rates (blacks' share of employment) and occupational distributions, by race. The second 'stage used indepth, unstructured interviews to examine various aspects of the SMSA labor market: Information systems, manpower programs, black employment problems as seen from the perspective of employers, black employment problems as seen by members of the black community, and black employment problems as seen by officials of public and private agencies dealing with blacks.

Black spokesmen were carefully selected to represent a cross section of attitudes in the black community. Representatives of civil rights groups, unions, and welfare groups were chosen, as were black high school counselors, businessmen, government officials, and manpower program participants. Twenty-five such persons were interviewed. Further, a broad set of issues and problems related to racial employment was covered with employers from manufacturing transportation, trade, finance, and selected service industries. Sixtyseven employers were selected and sent a letter of introduction by the Memphis Manpower Commission, which was established in 1968 by the Memphis City Council to coordinate manpower activities; 60 of them consented to interviews, two refused, and five were dropped because of strikes and scheduling conflicts. Officials of 16-private and public agencies were also interviewed.

#### Data

The primary data sources used were the U.S. Equal Employment Opportunity Commission (EEOC), the U.S. Civil Service Commission, the U.S. Commission on Civil Rights, and the U.S. Department of Commerce, Bureau of Census. Other data came from field interviews, unpublished materials, and studies collected by the author. EEOC provided the primary data used to measure 1966 and 1969 grivate sector employment patterns of blacks and whites.

The EEOC, established under title VII of the Civil Rights Act of 1964, compiles employment data by industry sector and by county area from EEO-1 reports filed with the Commission by employers subject to this legislation. These reports give annual employment for firms by occupation, sex, and ethnic origin (Negro, Oriental, American Indian, and Spanish-surnamed Americans). Private firms with 100 or more employees during 20 or more weeks in a given year, members of Plans for Progress, and holders of Federal contracts of \$50,000 or more with 50 or more employees are required to report. It hough EEO-1 data include coverage of small establishments with less than 100 employees

which are branches of large firms, they best represent employment in large concerns. For example, approximately two-thirds of all EEO-1 reporting units in Memphis in 1966 and 1969 contained less than 100 employees, but only about 4 percent of establishments with less than 100 employees are covered by the data. EEO-1 data in Memphis accounted for 47 and 53 percent, respectively, of 1966 and 1969 private sector employment.

#### Scope

The study focuses on employment opportunities and problems of blacks in the Memphis SMSA. Emphasis is placed on the private sector, but the public sector is given some attention. Detailed coverage is given the following industries: Wholesale and retail trade, food and kindred products, lumber and wood products, nonelectrical machinery, chemicals, and railroads. Also covered are banking, medical and health services, and Federal, State, county, and city governments.

### II. BACKGROUND AND SETTING

Memphis has long been a trade, service, and distribution center for a broad section of the Midsouth, a region including parts of Alabama, Arkansas, Illinois, Kentucky, Mississippi, Missouri, and Tennessee. Its 1970 population, 39.2 percent of whom were black, numbered 623,530. The metropolitan area encompassed 1,363 square miles, including Shelby County, Tenn., and Crittenden County, Ark. The SMSA population of 770,120 in 1970 made it the largest metropolitan center in the Midsouth. (See figure 1.)<sup>1</sup>

# Growth, Change, and Composition of Population

Since the 1940's, the population of the Memphis area has been increasing, but at a decreasing rate, and growth in different parts of the area has been uneven. (See table 1.) Indeed, during the 1960's, the rate of population growth in the metropolitan area, 14.2 percent, was only slightly more than half of its rate in the 1950's, 27.2 percent.

<sup>1</sup>The Memphis SMSA was enlarged in 1963 to include Crittenden County, Ark. All data from the 1960 and 1950 censuses, unless otherwise noted, are for Shelby County, Tenn, only. The terms "Negro," "black," and "nonwhite" are used interchangeably in this report as Negroes comprise over 99 percent of the Memphis nonwhite population.

As in other metropolitan areas in the 1960's, whites in Memphis extended their movement to the suburbs while blacks increased their concentration in the innercity. For example, De Soto County, Miss., bordering Shelby County to the south, experienced substantial growth of its white population during the 1960's as did Crittenden County to the west. Concurrently, many of the blacks moved out of these counties. Population data for Shelby County, in which the city of Memphis is located, showed that whites in the 1940's were increasing at a rate three times faster than that of blacks; in the 1960's, however, blacks in Shelby County were increasing nearly one-and-a-third times as fast as whites. Moreover, before Memphis annexed a large suburban area in 1969 (reflected in the city's 1970 census data), the black population had been increasing at a rate approximately five times faster than that of whites, or 15.3 percent versus 3.4 percent between 1960 and 1967.2

In migration was important to the rapid growth of the Memphis SMSA during the 1940's and 1950's, but less so during the 1960's. One fourth of the growth of Shelby County in the fifties resulted from a net inflow of migrants (averaging 3,521 annually), whereas only 15 percent of the county's growth (or 1,885 per year) from 1960 to 1967 could be attributed to net in migration.<sup>3</sup>

<sup>&</sup>lt;sup>2</sup>Current Population Reports, Series P-28, No. 1453 (Washington: U.S. Department of Commerce, Bureau of the Census, 1967).

<sup>&</sup>lt;sup>5</sup>Current Population Reports, Series P-25, No. 432 (Washington: U.S. Department of Commerce, Bureau of the Census, 1968) and 1960 Census of Population (Washington: U.S. Department of Commerce, Bureau of the Census).

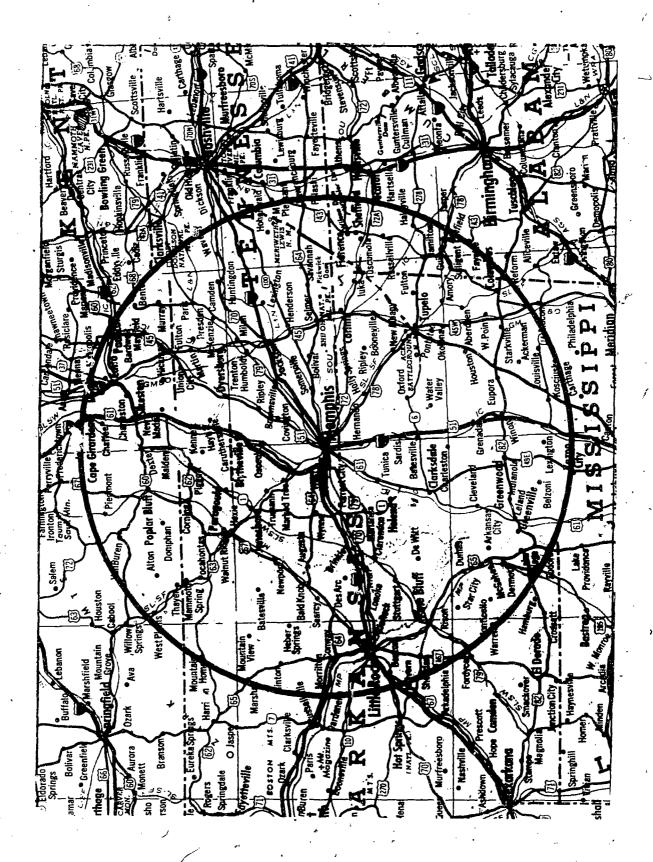


Figure 1. Midsouth Region

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TABLE 1. POPULATION OF THE MEPHIS METROPOLITAN AREA AND COMPONENTS, BY RACE, 1940-70

•	1940		1950		1960 1970 _		1970 _:
Area and race	Number	Number	Percent change from preceding period	Number	Percent change from preceding period	Num ber	Percent change from preceding period
Total, white and Negro							
'SMSA'	400,723	529,577	32.2	674,583	27.2	770,120	14.2
Shelby County, Tenn	358,250	482,393	34.7	627,019	30.0	722,014	15.2
Memphis	292,941	396,000	35.2	497,524	25.6	623,530	25.3
Crittenden County, Ark	42,473	47,184	11.1	47,564	.8	48,106	17.1
, White:	٠.	,					
SMSA	213,583	317,881	48.8	418,398	31.6	478,706	14.4
Shelby County, Tenn.	202,955	302,208	48.9	398,937	32.8	453,452	13.7
Memphis	171,406	248,333	44.9	312,799	26.0	379,224	21.2
Crittenden County, Ark	10,628	15,673	47.5	19,461	24.2	25,254	29.8
Negro:					• .		
SMSA	187,140	211,696	13.1	255,995	20.9	291,414	13.8
Shelby County, Tenn.	155,295	180.185	16.0	227,892	26.5	268,562	17.8
Memphis	121,536	147,287	21.2 -	184,725	25.4	244,306	<sup>2</sup> 32.3
Crittenden County, Ark	31,845	31,511	- 1.0	28,103	- 10.8	22,852	- 18.7

<sup>&</sup>lt;sup>1</sup> The Memphis SMSA is comprised of Shelby County, Tenn. (which includes the city of Memphis) and Crittenden County, Ark.

SOURCE: 1940 Census of Population. 1950 Census of Population, 1960 Census of Population, 1970 Census of Population (Washington: U.S. Department of Commerce, Bureau of the Census).

Contributing to the flow of migrants to Memphis, the demand for farm labor in the Midsouth declined steadily during the fifties and early sixties. Memphis, the largest metropolitan area in the region, offered the hope of jobs to many laborers and tenant farmers displaced by declining employment opportunities in agriculture. For some, however, it was only a staging point for further migration to the North or to the west coast. In the tri-State Delta area surrounding Memphis (Arkansas, Mississippi, and Tennessee), man-hours of labor in farmwork dropped nearly 65 percent, from 1.4 million in 1950 to 0.5 million by 1966.4 Much of this decline was associated with cotton, the chief crop of the Delta, as a result of mechanization, increased use of chemicals, and agricultural policies which decreased cotton acreage. In 1951, 0.53 million man-hours were devoted to cotton, but by 1966, this had declined to 0.09 million man-hours, a decrease of approximately 85 percent.5

The result of falling demand for farm labor in the South was large-scale out-migration with the greatest dislocation among farm operators, unpaid family workers, and seasonal workers. The displacement rate among family workers in the 1950's was greater for blacks in southern agriculture than for whites: The number of blacks in agricultural employment declined at an average annual rate of 5.3 percent in comparison with a rate of 3.7 percent for whites.<sup>6</sup> Although the decline in demand for farm labor in the South slowed somewhat during the 1960's (from an average annual loss of 155,600 jobs in the 1950's to 136,778 jobs in the 1960's),7 the decline in numbers of the South's rural population slowed even more (from an average annual loss of 159,800 persons in the 1950's to 61,286 persons in the 1960's).8 This suggests that many of those

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<sup>\*</sup>Changes in Farm Production and Efficiency-A Summary. Report, Statistical Bulletin No. 233 (Washington: U.S. Department of Agriculture, 1967), p. 14.

<sup>&</sup>lt;sup>5</sup>The Mississippi Research and Development Center, "The Mississippi Delta Study: A Draft Summary Report" (Cambridge, Mass.: Organization for Social and Technical Innovation, 1968), p. 19 (Mimeographed.)

<sup>&</sup>lt;sup>6</sup> Virgil, L. Christian, Jr., and Adamantios Pepelasis, "Negro Agricultural Employment and Surplus Labor in the Economy of the South," Proceedings of the Twenty-Third Annual Meeting of the Industrial Relations Research Association, December 1970 (in process). The South was defined as the 11 States of the Confederacy plus Kentycky, Oklahoma, and West Virginia.

<sup>&</sup>lt;sup>8</sup> 1950 Census of Population, 1960 Census of Population, 1970 Census of Population (Washington: U.S. Department of Commerce, Bureau of the Census).

displaced from agricultural employment in the South remained in rural areas during the 1960's, thus expanding the South's rural nonfarm population.

This pattern undoubtedly contributed to the slower rate of growth in the Memphis SMSA population during this period. As a consequence, future population growth of Memphis may be less likely to result directly from agricultural displacement in the rural Midsouth, as it once did, and more likely to depend on natural causes, migration from rural nonfarm areas, and economic growth and development in the Memphis metropolitan area.

# Industrial Structure and Market Conditions

The economy of Memphis, like that of the Midsouth in general, has been steeped in agriculture throughout most of the period since the city was founded in 1819. Major products have been wood products from the region's forests and cotton, king since the days when Mississippi River steamboats stopped at plantations to bring aboard the "white gold" to be delivered to Memphis and New Orleans. Memphis still calls itself "the largest spot market for cotton in the world."

The city first grew as a marketing center for the Midsouth's agricultural products and later as a whole-saling and distribution center. It has become a manufacturing, financial, and governmental center, and now exhibits balanced growth in all sectors. With the exception of the finance, insurance, and real estate and the government sectors, short-run growth rates over the 1964-69 period were above the trend of long-term rates for the 1948-62 period. (See table 2.) Employment in manufacturing, retail trade, and services, increased rapidly during the later period, with major growth in chemicals and allied products, nonelectrical machinery, retail general merchandise, banking, business services, and medical and other health services.

Nearly one-quarter of the SMSA's total nonagricultural employment is in manufacturing concentrated in lumber and wood products, food products, chemicals, and electrical machinery. (See table 3.) The wholesale and retail trade sectors, accounting for 25.6 percent of the SMSA's work force, dominate employment in the private sector. Government, with 17.6 percent of the area's employed nonagricultural labor force, is the largest single employer in the metropolitan area.

Movements in unemployment rates for the SMSA

TABLE 2. EMPLOYMENT GROWTH RATES FOR MAJOR INDUSTRY SECTORS IN THE MEMPHIS SMSA<sup>1</sup>

•	Employment	growth rates
Industry sector	Long-run (1948-62)	Short-run (1964-69)
Total nonagricultural employ-		
ment	1.79	5.31
Construction	.56	1.60
Manufacturing	.73	6.35
Transportation and public		
utilities	( <sup>2</sup> )	5.56
Trade:	1	
Wholesale ¿	1.80	3.99
Retail	.53	5.25
Finance, insurance, and		
real estate	4.32	3.87
Services	3.27	6.64
Government	6.54	5.27

<sup>1</sup> Employment growth rates for the Memphis SMSA, spanning 1948 to 1962 and 1964 to 1969, were constructed by assuming employment  $(E_t)$  to be an exponential function of time  $(E_t = Ae^{rt})$ . Long-run growth rates are from Thomas E. Johnson, "Population and Employment Trends" (Atlanta: Tennessee Department of Employment Security with the Southern Regional Education Board, 1967).

<sup>2</sup>Data not available.

SOURCE: County Business Patterns-U.S. Summary (Washington: U.S. Department of Commerce, Bureau of the Census, 1965-70) and U.S. Department of Labor, Bureau of Labor Statistics

generally follow national trends. Memphis, at the end of the 1960's, had a tight labor market, with an average annual unemployment rate in 1969 of 2.9 percent. Following the 1961-62 recession, unemployment declined from 4.4 percent in 1963 to 2.9 percent in 1966, then leveled off and rose slightly to 3.1 percent in 1967. Available for 1967 only, an estimate of unemployment for Memphis poverty areas, where Negroes are heavily concentrated, was placed at 6.4 percent. 10

Patterns of labor force participation in Memphis are similar to those in national statistics. In both 1950 and 1960, the most recent periods for which data were available, the rates were higher for white than Negro men and for Negro than white women. (See table 4.) Contrasting sharply with national patterns, however,

<sup>&</sup>lt;sup>9</sup>1970 Manpower Report of the President (Washington: U.S. Department of Labor, 1970), table D-8, p. 286.

<sup>&</sup>lt;sup>10</sup>"The Memphis Area Comprehensive Manpower Plan" (Memphis: Tennessee Department of Employment Security, 1969), p. 7. (Mimeographed.)

#### TABLE 3. ESTIMATED NONAGRICULTURAL EMPLOYMENT FOR THE MEMPHIS SMSA, JANUARY 1969

Employment status and industry	Number	Percen
Total civilian labor force	309,600	
Unemployed	8,200	1
Employed	301,400	
Nonagricultural wage and salary workers	259,800	100.0
Manufacturing	59,800	23.0
Durable goods	29,500	11.3
Lumber (except furniture)	5,100	_
Sawmills and planing mills	3,400	-
Furniture and fixtures	3,200	-
Fabricated metal products	3,600	-
Machinery (except electrical)	4,700	-
- Electrical machinery \	6,100	-
All other 1	6,800	-
Nondurable goods	30,300	11.7
Food products	9,700	<b>-</b> .
Bakery products	2,000	-
Apparel	2,400	-
Paper products	4,600	_
Printing and publishing	3,000	_·
Chemicals	/ 4,700	-
All other <sup>2</sup>	5,900	-
Mining	200	.1
Construction	13,100	• 5.0
Transportation, communication, and public utilities	19,700	• 7.6
Trade	66,400	25.6
Wholesale	24,400	9.4
Retail	42,000	16.2
Finance, insurance, and real estate	13,600	5.2
Service	41,300	15.9
Government	45,700	17.6

Includes stone, clay, and glass; primary metal industries; transportation equipment; professional, scientific, and controlaling instruments; ordnance; and miscellaneous manufacturing.

TABLE 4. CIVILIAN LABOR FORCE AND PARTICIPATION RATES, BY RACE AND SEX, FOR SHELBY COUNTY, TENNESSEE, AND THE UNITED STATES, 1950 AND 1960

	/ /	1950		1960				
Sex and race	Civilian labor force	Labor force participation rates		Civilian labor force	Labor force participation rates			
,	Shelby County, Tenn.	Shelby County, Tenn.	U.S.	Shelby County, Tenn.	Shelby County, Tenn.	U.S.		
Male:				1 V V				
White	92,425	83.5	86.4	111,694	82.5	83.4		
Negro	47,450	79.3	85.9	46,523	71.4	83.0		
Female:		·						
White	40,330	33.9	32.6	54,289	36.6	36.5		
Negro	27,195	39.0	46.9	31,221	40.5	48.2		

SOURCE: 1950 Census of Population, 1960 Census of Population (Washington: U.S. Department of Commerce, Bureau of the Census).

<sup>&</sup>lt;sup>2</sup> Includes tobacco, textile mill products, petroleum and coal

products, rubber, and leather.

SOURCE: Tennessee Department of Employment Security, February 1969.

labor force participation rates for Negro men and women in Memphis were considerably below those for the United States in each year. Participation rates for both black and white men declined from 1950 to 1960, with the rate for blacks in Shelby County falling more sharply. And although participation in the labor force of both black and white women increased between 1950 and 1960 in the United States and Shelby County, the rate in Shelby County for Negro women in 1960 remained below that for the United States.

The low level of labor force participation of blacks in 1950 and 1960, particularly for black men in 1960, is symptomatic of the employment problems of blacks during this period in Memphis. It may measure in part the differences in economic conditions between the two periods or the unwillingness of Memphis employers to hire blacks. Moreover, it undoubtedly reflects the relative decline during the 1950's of low-skilled employment because of technological changes. Indeed, while total employment in Shelby County increased 16.5 percent (from 191,061 to 222,585) from 1950 to 1960, employment in semiskilled and low-skilled operative, laborer, and service occupations increased only 5.7 percent (from 69,126 to 73,072). Since Negroes have traditionally been heavily concentrated in these vanishing jobs (77.7 percent of all Negroes employed in Shelby County were in operative, laborer, and service occupations in 1960<sup>12</sup>), they often become structurally unemployed and leave the labor force—a fact further suggested by the actual decline over the sixties of Negro men in the labor force. Although the tight labor market of the 1960's coupled with antidiscrimination legislation could be expected to open jobs and increase labor force participation of blacks in Memphis, substantial shifts of blacks into skilled occupations would be necessary to avoid further depressing the labor force participation rate of Negro men and women.

## Schools

Public and private elementary and secondary schools in Shelby County enrolled nearly 181,000 students in 1968. Approximately 44 percent of these students were Negroes. The Memphis City School System, with 125,000 students and 53 percent Negro in 1968, was by

111950 Census of Population, 1960 Census of Population (Washington: U.S. Department of Commerce, Bureau of the Census).

12 Ibid.

far the largest system. It was followed by Shelby County Schools with an enrollment of 41,000 students, 32 percent of whom were Negroes, and various private schools whose combined enrollment totaled nearly 15,000, few of whom were Negroes. As a result of annexation of portions of Shelby County by the city, the Memphis City School System planned by 1973 to absorb over half the enrollment of Shelby County Schools. 13

Desegregation efforts were begun by the 'Memphis City School System in October 1961, and by the Shelby County School System in 1963. High schools in the city system, however, were not desegregated until the 1966-67 school year. Similarly, faculty desegregation in the regular program of the Memphis City Schools did not begin until the 1966-67 school year.

In litigation before the U.S. District Court for the Western District of Tennessee, 14 the Memphis City School System asserted that 47.3 percent of its pupils were attending desegregated schools in 1969. These figures were deceptive, however, as noted by the court, since the school system counted all pupils in biracial schools as integrated. The city held, for example, that in one school with 1,569 Negroes and one white, 1,570 pupils were integrated.15 Earlier evidence showed that over 98 percent of the city's Negro students in junior and senior high schools in 1968 were concentrated in schools with less than 2.8 percent white students. <sup>16</sup> Yet, because of the token distribution of Negroes and whites, in schools whose pupils were of the other race, it could be said that over 50 percent of the students were experiencing some kind of desegregation.

The outward movement of whites to the suburbs and the concentration of blacks in the inner city compounded the city school system's problems with desegregation. One inner-city elementary school, for example, changed from 371 whites and five Negroes in 1963-64 to 878 Negroes and no whites, in 1969-70. Another elementary school changed from 592 whites and 265 Negroes in 1965-66 to 1,360 Negroes and six whites in 1969-70.17 The trend was everywhere evident—as the

<sup>7</sup>Northcross v. Board of Education of the Memphis City Schools.

<sup>13 &</sup>quot;Community Facilities Study: Schools" (Memphis: Memphis and Shelby County Planning Commission, 1968), p.

<sup>14.</sup>Northcross v. Board of Education of the Memphis City Schools, 312 F. Supp. 1150, 1161 (W.D. Tenn. 1970). I 5 Ibid.

<sup>&</sup>lt;sup>16</sup> Attendance data for the Memphis City School System by school and race for the 1968-69 school year held by author. For additional evidence, see Directory of Public Schools in Large Districts with Enrollment and Staff by Race, Fall 1967 (Washington: U.S. Department of Health, Education, and Welfare, Office of Education, 1968).

percentage of Negroes increased in an area, whites moved away. While noting this increasing pattern of de facto segregation, U.S. District Court Judge Robert M. McRae declined under existing precedents to order the pairing of schools or busing of students in order to achieve desegregation. The court did, however, order elimination of transfers where students transferred from school zones in which they were a racial minority to those in which they were a racial majority.<sup>18</sup>

Some 21.1 percent of the faculty members in the Memphis City Schools on January 30, 1970, were assigned to schools in which they were part of the racial minority. This was based on a total of 5,904 faculty members, of whom 42.7 percent were Negro. In its May 1, 1970, ruling, the court ordered the city schools to obtain outside assistance in developing and executing a more effective plan of faculty desegregation. 19

On April 6, 1970, a ruling by U.S. District Court Judge Bailey Brown approved zoning of school districts in Shelby County which would create one all-white and one all-Negro elementary school, 10 elementary and three secondary schools which would have a majority of Negro pupils, and 18 elementary and five secondary schools which would have a majority of white pupils.<sup>20</sup> Faculty was to be assigned so that the ratio of white to Negro teachers in each school would be, within a tolerance of 10 percent, the same as in the system as a whole.

Differences in the quality of education for blacks and whites generally defy measurement. Income and its relation to housing, diet, health, and family environment, as well as other variables, may affect performance in the classroom quite apart from the quality of educational inputs per se. But achievement scores measuring class performance offer some estimate of the combined impact of these forces. In 1969, Metropolitan Achievement Test scores for students in Memphis City Schools having more than 90 percent Negro students fell progressively below those in schools having more than 90 percent white students. At grade one, the achievement level of students in 90-percent-Negro schools was 1 year, 8 months, and of students in the 90-percent-white schools it was 2 years, 2 months. At grade eight, the achievement level of students in the 90-percent-Negro schools was 6 years, 7 months, and of students in the 90-percent-white schools it was 9 years, 2 months.<sup>21</sup>

The eight colleges and universities within Shelby County—the University of Tennessee Medical Units, Memphis State University, State Technical Institute, Southwestern, Christian Brothers College, Memphis Academy of Arts, Siena College, and Le Moyne-Owen College—had a combined enrollment in 1970 of approximately 25,000. Although some were enrolled in each school, Negroes were primarily concentrated in Memphis State—the largest institution, with a 1970 enrollment of nearly 18,000—had approximately 1,800 Negro students. Le Moyne-Owen, a predominantly Negro college, had a 1970 enrollment of 703 students.

### Poverty

Poverty—reflected by income, poor housing, and receipt of welfare—was heavily concentrated in the Negro community of Memphis at the beginning of the 1960's. Despite some improvement during the sixties, the problems of poverty remain very much those of the black community, reflecting the inefficient use and development of human resources.

Gains in family income may have been made in the 1960's, but it is apparent that Negroes in 1959 faced a much higher probability of being poor than did whites. (See table 5.) Approximately 3 of every 5 Negro families in Shelby County (10 percent above the national average) had incomes below \$3,000; this compared with 1 of every 7 white families—5 percent above the national norm. Thus, Negroes accounted for two-thirds of the poor families—double their share of the total number of families in the county. The Negro family 1959 median income of \$2,666 was 54.4 percent of the white family median income of \$4,903.

With a high incidence of poverty nationally for families headed by women, 22 it is important to note that 20.6 percent of nonwhite families in Memphis were headed by women in 1960, with this figure rising in 1970 to 28.5 percent. White families headed by women in Memphis composed 8.7 percent of all such families in 1960, with this figure remaining relatively stable through 1970 at 9.4 percent. As an outgrowth of this pattern, nonwhite families headed by women in all likelihood grew during the 1960's in relative importance as a component of Memphis' poverty problems.

<sup>&</sup>lt;sup>18</sup> lbid.

<sup>19</sup> Ibid.

<sup>&</sup>lt;sup>20</sup>Robinson v. Shelby County Board of Education, 311 F. Supp. 97, 105 (W. D. Tenn. 1970).

<sup>&</sup>lt;sup>21</sup> Northcross v. Board of Education of the Memphis City Schools

<sup>&</sup>lt;sup>2 2</sup>Joseph A. Kershaw, Government Against Poverty (Washington: The Brookings Institution, 1970), p. 17.

TABLE 5: FAMILY POVERTY IN SHELBY COUNTY, TENNESSEE, BY RACE, 1959

Race	All fa	milies	Families w	Percent of all families with in	
	Number	Percent	Number	Percent	comes below \$3,000
CTotal	151,064	100.0	41,554	100.0	27.5
Negro	47,728 103,336	31.6 68.4	27,291 14,263	65.7	57.2 13.8

SOURCE: 1960 Census of Population (Washington: U.S. Department of Commerce, Bureau of the Census).

Housing conditions also underscore Negro poverty at the beginning of the 1960's. Nearly four times as much Negro as white housing in 1960 was deteriorating or dilapidated. (See table 6.) Indeed, Negroes occupied over 60 percent of all housing in Shelby County classified as deteriorating or dilapidated.

The number of recipients of welfare benefits administered by the Tennessee Department of Public Welfare in Shelby County, another measure of the incidence of poverty, more than doubled from 1960 to 1970. The largest increase by category of aid was for those receiving Aid to Families with Dependent Children (AFDC), a measure which undoubtedly reflects the rising number of Shelby County families headed by women during the 1960's. (See table 7.) Indeed, AFDC assistance became the largest category of public assistance in Shelby County by 1970, serving 36,105 children.

A study of characteristics of Shelby County AFDC families in 1964 estimated that 94 percent of these families were Negroes. About 50 percent of the heads of these families had an eighth-grade education or less, and 40 percent had worked as domestics. Of those not working—nearly two-thirds of the total—almost half gave

their reason as poor health or disability. <sup>23</sup> A 1968 study of AFDC recipients in 11 metropolitan areas revealed that 79.5 percent of Shelby County Property is that less than 12 years of education and recomment experience, or experience as unskilled blue-collar workers only. The relative size of this group in Memphis was the largest among 11 cities studied. <sup>24</sup> Od-Age Assistance (OAA) accounted for 9,069 cases in 1970 and comprised the second largest number of public assistance cases in Shelby County. The study of recipient characteristics in 1964 showed that 83.0 percent were Negroes. <sup>25</sup> The other two categories, Aid to the Disabled (AD) and Aid to the Blind (AB), extended coverage to 4,158 persons in 1970. The second fastest growing assistance category

<sup>23</sup>Donald D. Stewart, *Poverty in Memphis and Shelby County* (Memphis: Memphis State University, Bureau of Social Research, 1965), pp. 64-65.

?4 Cities studied included: Providence, R.I.; New York City; Rochester, N.Y.; Chicago; San Jose, Calif.; Philadelphia; Atlanta; New Orleans; Phoenix, Ariz.; Raleigh, N.C.; and Memphis. Perry Levinson, "How Employable Are AFDC Women," Welfare Review, vol. 8. No. 4, (July-August 1970), p. 14.

2 5 Stewart, op. cit., p. 62.

TABLE 6. HOUSING CONDITIONS IN SHELBY COUNTY, TENNESSEE, BY RACE, 1960

	Total		White		Negro ·	
Condition of house	Number	Percent	Number	Percent	Number	Percent
All housing units	184,868	100.0	128,565	100.0	56,303	100.0
Sound	149.599 24,853 10,416	81.0 13.4 5.6	115,064 10,744 	89.5 8.4 2.1	34.535 14.109 7,659	61.3 25.0 13.7

SOURCE: 1960 Census of Population (Washington: U.S. Department of Commerce, Bureau of the Census).



TABLE 7. PUBLIC ASSISTANCE PROGRAMS: CASES AND EXPENDITURES FOR SHELBY COUNTY, TENNESSEE, 1960 AND 1970, AND EXPENDITURES FOR STATE OF TENNESSEE, 1970

		Shelby Cou	ınty, Tenn.	State of Tennessee			
Public assistance program	Number of cases		Average expenditure per recipient		Average expenditure per recipient,	U.S. rank	
	June 1960	June 1970	June 1960	June 1970	June 1970		
Total	11,759	24,919	_	- :			
Old-Age Assistance	7,324	9,069	\$42.70	\$52.44	\$50.40	48	
Aid to Families with Dependent Children.	1 3,146	<sup>2</sup> 11,692	17.79	29.19	. 29.20	42	
Aid to the Blind!	389 ′	311	50.15	75.09	71.05	43	
Aid to the Disabled	900	3,847	48.11	74.86	67.95	38	

<sup>&</sup>lt;sup>1</sup>Covers 10,657 children in addition to at least one adult recipient per case.

<sup>2</sup> Covers 36,105 children in addition to at least one adult recipient per case.

SOURCE: Tennessee Department of Public Welfare. State expenditures are from Welfare Review, vol. 8, No. 6, (November-December 1970).

during the sixties, AD accounted for 92.0 percent of those receiving AD and AB assistance. More than three-quarters of both groups in 1964 were Negroes.<sup>26</sup>

Average monthly payments for public assistance programs in Shelby County equaled or exceeded averages for the State State averages, however, were low relative to those for the Nation. Tennessee ranked in the lowest 20th percentile among the 50 States for all programs except Aid to the Disabled, in which it ranked 38th.

# Race Relations, Community Organization, and Political Power

Despite the extreme poverty of the Negro community, Memphis basked in general racial tranquility during the early 1960's. Even when there were open demonstrations with picketing, sit-ins, and marches during 1960 and 1961, and later in 1964, the issues surrounding these confrontations were settled without widescale conflict. The targets of the civil rights movement in Memphis were theaters, restaurants, libraries, and educational facilities. Surface changes achieved in public institutions, however, evidently obscured the

perpetuation for Negroes of economic and educational inequities as evidenced by the reporting of one writer:

In view of its heavy Negro population and its Deep South location, the progress of Memphis toward the elimination of race discrimination is remarkable... Memphis has made conspicuous, though still token, strides toward desegregation and equality of treatment in schools and employment. In the desegregation of public, cultural, and recreational facilities, of places of amusement and of public accommodation, Memphis desegregation has gone well beyond the token stage.<sup>2</sup>

The relatively calm relationship of blacks and whites in Memphis was shattered in 1968 by a costly strike against the city by a 1,300-man, predominantly Negro union representing employees of the city's Public Works Department. The major issues of the strike were recognition and a dues-checkoff. These issues were enlarged by the black community to include black identity and racial pride when the city and its mayor, who was unpopular in the black community, refused to grant the union recognition. Dissatisfied with the white power structure's response to their problems, the Memphis black community could readily identify with the union and its black numbers, since the city's refusal to recognize the union was similar to the white power structure's seeming unwillingness to recognize blacks as

<sup>&</sup>lt;sup>27</sup>Benjamin Muse, *Memphis* (Atlanta: Southern Regional Council, 1964); pp. 1-2.

<sup>&</sup>lt;sup>28</sup> F. Ray Marshall and Arvil Van Adams, "The Memphis Public Employees Strike," Racial Conflict and Negotiations: Perspectives and First Case Studies, ed. by W. Ellison Chalmers and Gerald W. Cormick (Ann Arbor, Mich.: Institute of Labor and Industrial Relations, University of Michigan-Wayne State University, 1971).

<sup>26</sup> Ibid., p. 66

equals and as persons with the right to control decisions affecting their own lives. Organization of the black community in support of the strikers with marches, picketing, and an economic boycott of downtown white merchants assumed an important role in settling the strike by strengthening the bargaining power of black union members who, because of their low skills, otherwise would not have had enough power to force the city to recognize and share power with them.

Before the strike was settled, Memphis experienced. riots, disorders, and the assassination of Dr. Martin-Luther King, Jr. In the aftermath of the strike, both Negro and white leaders struggled to restore racial calm, and discussion groups of blacks and whites sprang up overnight. Fresh commitments to ameliorating the problems of Negroes were made by local government and businessmen.

Indeed, led by white businessmen, the community responded dramatically in the wake of the strike. The formerly stolid Memphis Area Chamber of Commerce completed its reorganization, begun prior to the strike, by establishing a Human Resources Division which served as a staffing agency for efforts to aid the black business community and to employ the hard-core unemployed. Widespread interest was shown in these programs by white businessmen. City government followed by creating a Manpower Commission to "mobilize the resources of the City of Memphis to provide jobs and opportunities for economic self-improvement for the underprivileged citizens of Memphis." Pledges were completed to a \$4 million Greater Memphis Program whose purpose was "the pursuit of excellence in economic development, in community development, [and] in quality of life for all people." These events were unprecedented in the city's history.

At the same time, blacks were developing growing racial awareness and pride. The events of the strike awakened middle-class blacks to the living conditions of poor blacks. The blacks' rejection of a paternalistic approach to their grievances was symbolized by the sign "I Am a Man" carried in the marches during the strike. Organization of the black community by leaders of the union and the black religious community was unprecedented. Historically divided into political and religious factions, the black community and its ad hoc organization, Committee on the Move for Equality (C.O.M.E.), united around the union in support of the union's effort to seek economic justice for its members. This organization of blacks, with its demand for a voice in decisions affecting their lives, was subsequently carried to other issues in the community-education, income, and

An example of blacks' drive for participation is their

attempt in 1969 to gain representation on the fivemember Memphis Board of Education. By virtue of a State law requiring members to be elected at large, the Negro community, as a political minority, had been unable to elect a black member to the board, even though over half the students were Negro children. Direct pressure on the white community to rectify this situation included a Negro boycott of schools on selected days. At its peak the boycott had 62,000 children out of classes. The resolution of this confrontation, reached after extensive negotiations between Negro and white leaders, included black acceptance of a moratorium on direct pressure against the school board and the whites' promise of immediate appointment of two black advisors to the board and legislative efforts to require election of board members by district, thereby assuring election! of blacks from districts with heavy concentrations of black voters. Furthermore, a study of the school system's administrative structure would be made to determine the best method for appointing a Negro assistant superintendent and a Negro coordinator. Terms of the agreement were subsequently fulfilled.

. The ability of blacks to mount coercive pressure to restructure white-dominated education and city government institutions in Memphis was due largely to strong and coordinated black community organizations. The existence of this power and its utilization by the black community, if sustained, represent a powerful force for institutional change.

Political power, historically held by blacks in Memphis, has not always been used to improve conditions in which blacks live. Memphis was long known as the home of E. H. Crump and the Crump political machine. From the time E. H. Crump became mayor in 1909, and even until his death in 1954, he heavily influenced the political scene in Memphis, Shelby County, and Tennessee. He had rigid control over city government for 40 years. His death left a void of political leadership in Memphis that was not soon filled. Some say his influence still permeates the city's contemporary political scene, in thought if not in deed, for Mr. Crump symbolized the paternalistic attitude of many white Southerners toward the Negro. He in fact was good to those Negroes who followed him, and he often bragged of their support at the polls. Liberals often complained, "Negroes don't vote in Memphis, they are voted."29 The one important legacy of the Crump ere is the fact that Negroes do vote. Even though this vote was prostituted by the Crump machine today it is important

<sup>&</sup>lt;sup>6</sup>29James Kilpatrick, "Mr. Crump and the Organization: An Assessment," Memphis 1819-1969, a Sesquicentennial Supplement to The Commercial Appeal, May 25, 1969, p. 110.

in the hopes of Negroes (and whites) for change within the system.

The size of this vote increased rapidly in the late fifties from nearly 10,000 registered voters to over 50,000. As of March 31, 1969, Negroes constituted 30.5 percent of the 315,051 registered voters in Shelby County and 34.3 percent of the 260,730 registered voters in Memphis.<sup>30</sup> Although the Memphis black community has frequently been broken into political factions and its vote dissipated, in 1969 Negroes held three of the 13 city council seats, one of the six State senate seats, three of 16 State representative seats, and one seat on the 11-member Shelby County Quarterly Court.

#### Summary

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From its beginning as a small river town in 1819, Memphis has grown to an urban area that contains over three-quarters of a million people and is the economic center of the Midsouth. Its population, nearly 40 percent Negro in 1970, has grown over the past three decades, but at a diminishing rate as total rural to urban migration, which contributed to its earlier growth, slowed in the 1960's. In recent years Negroes have become concentrated within the central city while whites have continued their movement to the suburban areas.

Employment during the 1960's exhibited strong growth in all sectors. Manufacturing continued to grow in importance along with trade, finance, services, and government sectors. Labor market conditions were generally tight during the mid-1960's. The labor force

<sup>3 o</sup> Data from Shelby County Election Commission in author's possession.

participation rate of men declined during the 1950's while that of women increased. Relative to the national average, Negroes in Memphis (particularly Negro men in 1960) had substantially lower labor force participation rates than whites; this factor is related to the structural unemployment in this period of many blacks who were concentrated in low-skilled jobs which failed to expand in proportion to the community's skilled and white-collar employment.

Desegregation of elementary and secondary education facilities proceded slowly, as did faculty desegregation, during the 1960's. The outward movement of whites from the inner city compounded the problems of desegregation. Achievement levels of blacks within the city school system were lower than those of whites at early grades; the gap widened in later grades. Poverty was disproportionately concentrated among Negroes in 1959, with 3 out of 5 Negro families having incomes below \$3,000. Moreover, the proportion of Negro families headed by women, for whom the incidence of poverty is high, increased during the 1960's. Poor housing and dependence on welfare were also prevalent in the black community.

These conditions—housing, employment, education, poverty—helped unite the Negro community in support of a strike, for recognition against the city in 1968 by a predominantly Negro union. With growing racial awareness and pride among many blacks, their desire for participation in community affairs was subsequently carried forward by a potentially powerful black coalition.

The response of whites to the strike was substantial. The strike awakened them to the conditions in which many blacks were living. Led by white businessmen, the city expanded the number and scope of its public and private programs to improve the economic and social condition of its poor. These efforts were based on the belated recognition by some that the city's future economic growth and development were inherently related to the quality of life afforded all its citizens.

# III. METROPOLITAN EMPLOYMENT PATTERNS

Negroes' share of private employment in Memphis' tight labor market increased from 1966 to 1969, but the increase was greater for women than for men. Negroes' share of women's employment swelled from 17.2 to 25.8 percent, while Negroes' proportion of men's employment increased only slightly from 29.1 to 29.7 percent. (See table 8.) Negro women's enlarged share of private employment was itself a measure of their expanded employment opportunities, since it indicated that their concentration in public sector and private household employment—jobs they held in large numbers in 1960—diminished at the end of the sixties. Nearly 48 percent of all Negro women employed in Memphis in 1960, for example, were employed as service workers in private households.

Occupational gains made by Negro women and men also varied. Negro women increased substantially their share of jobs in all but professional and craftsman occupations. Their movement into technical, sales, and clerical jobs was particularly encouraging; however, like Negro men, they remained in 1969 disproportionately concentrated in semiskilled and unskilled employment (primarily operative, laborer, and service occupations). For Negro men occupational gains were more moderate, although in white-collar and skilled employment, they made important gains in sales and craftsman occupations. Employment in sales occupations was especially notable, since historically Negroes have been virtually excluded from this "highly visible" occupation.

Occupational distributions by race and sex further describe gains made by Negroes in white-collar and skilled employment between 1966 and 1969. (See table 9.) The proportion of Negroes holding these jobs

increased for men from 7.6 to 13.8 percent and for women from 9.9 to 17.3 percent. Even in blue-collar jobs, Negro women improved their occupational position as they increased their relative numbers in semiskilled operative jobs while lowering their proportion in predominantly unskilled laborer and service occupations. It was in the latter occupations in 1966 that 6 out of every 10 Negro women in the private sector were employed. Yet, despite occupational gains made by Negro men and women, 1 out of 4 Negro women was employed in a service occupation in 1969, and 86.2 percent of Negro men were employed in operative, laborer, and service occupations. These proportions were approximately three to four times as great as those for whites.

'Still another measure of the occupational position of blacks and whites in Memphis is the average money value of their respective occupational distributions. Such a measure (an index of occupational position) is constructed by summing 1966 U.S. median occupational earnings for men and women weighted by the proportion of the group's EEO-1 employment in each occupation. These indexes, one each for black and white men

Index of Occupational Position =  $\sum_{i=1}^{9} p_i y_i$ 

where  $p_i$  = proportion of a group's EEO-1 employment in occupation i.

 $y_i = 1966$  U.S. median income by sex for the employed labor force in occupation t.

Income weights used to compute indexes of occupational position:

14 /15

<sup>&</sup>lt;sup>1</sup>The index of occupational position is computed for each race-sex group in the following manner:

TABLE 8. OCCUPATIONAL EMPLOYMENT IN PRIVATE, NONAGRICULTURAL ESTABLISHMENTS, BY RACE AND SEX, FOR THE MEMPHIS SMSA, 1966 AND 1969

		.19	66		٠.	19	69 ,	•
Sex and occupation	. "	Number	,	Percent		Number	•	Percent
· ·	Total '	Negro	White	Négro	Total'	Negro	White	Negro
MEN AND WOMEN:			3 2 2					
All occupations	91,674	23,402	68,171	25.5	119,869	34,019	85,187	28.4
Managerial	7,593	119	7,459	1.6	10,796	361	10,388	· 3.3
Professional	2,692	17	2,669 7	.6 ·	4,079	⊼6	3,973	1.9
Technical	2,324.	70	2,249	3.0	3,384	275	3,080	8.1
Salės	7,796	198	7,589	2.5	13,298	1,091	12,167	8.2
Clerical	14,722	429	14,283	2.9	20,211	1,296	18,832	. 6.4
Craftsman	10,763	1,059	9,692	9.8	13,761	1,969	11,761	14.3
Operative	22,413	8,316	14,079	37.1	30,511	13,392	16,855	\43.9
Laborer	13,238	8,502	4,717.	64.2	14,705	10,209	4,416	69.4
Service	10,133	4,692	5,434	46.3	9,124	5,350	3,715	58.6
MEN:			·		. ,	्र <sub>विक्</sub> र		
All occupations	63,990	18,632	45,286	29.1	79,504	23,607	55,451	29.7
Managerial /	6,921	94	6,813	1.4	9,796	268	9,487.	2.7.
Professional	1,782	Q 9	1,767	.5	2,908	49	2,841	1.7
Technical	1,480	5	1,426	3.4	2,382	128	2,234	5.4
Sales	5,050	97	4.946	1.9	8,859	590	8,234	6.7
Clerical	4,069	172	3.896	4.2	4,898	358	4,515	7.3
Craftsman	10,402	997	9,393	9.6	13,288	1,876	11,383	14.1
Operative	17,985	6,895	11,079	38.3	21,141	9.068	11,864	42.9
Laborer	10,755	7,534	3,206	70.1	11,876	8,709	3,119	73.3
Service	5,546	2,783	2,760	50.2	4,356	2,561	1,774	58.83
₩OMEN:	. ·				٠.			:
All occupations	27.684	4.770	22,885	17.2	40,365	10.412	29,736	25.8
Managerial	672	25	646	3.7	1,000	93	901	9.3
Professional	910	. 8	902	.9	1,171	27,	1,132	, 2.3
Technical	844	19	823	2.3	1,002	147	-846	° 14.7
Sales	2,746	101 •	2,643	3.7	4,439	501	3;933	11.3
Clerical	10,653	257	10.387	2.4	15,313	938.	14,317	6.1
Craftsman	361	62	299	17.2	473	93	378	19.7
Operative	4,428	1,421	3.000	32.1	9,370	4,324	4,991	46.1
Laborer	2,483	968	1,511	39.0	2,829	1,500	1,297	53.0
Service	4,587	1,909	2,674	41.6	4,768	2,789	1,941	58.5
Setates	7,30/	1,505	2,074	7.1.0				1 : 35.3

<sup>&</sup>lt;sup>1</sup> Total employment for all EEO-1 data includes Spanishsurnamed Americans, Orientals, and American Indians, not shown separately.

SOURCE: U.S. Equal Employment Opportunity Commission, EEO-1 Reports.

U.S. Median Income of Persons by Sex and Occupation: 1966

Occupation	Male	. Female
Manageriál	\$9,384	\$4,431
Professional	8,542	4,944
Technical	8,542	4,944
Sales	6,537	•2,155
Clerical	6,069	. 3,632
Craftsmen ,	6,911	3,485
Operatives '	5,665	2,986
Laborers	3,520 '	2,705
Service workers	4,134	1,880

SOURCE: U.S. Bureau of the Census, Statistical Abstract of the United States: 1969, 90th ed. (Washington: U.S. Department of Commerce, Bureau of the Census, 1969), p. 327.

and women, approximate the 1966 money value of each group's occupational distribution in private employment. Because blacks and whites are treated as having the same earnings in each occupation, the indexes measure solely the variation in occupational distribution of blacks and whites. Hence, the larger a group's index, the greater the proportion of the group's employment in

<sup>&</sup>lt;sup>2</sup>The index probably overstates Negroes' occupational position by failing to measure intraoccupational differences between black and White employment which are not accounted for in the broad occupational categories of EEO-4 data.

higher paying occupations. The difference between the index's value in 1969 for Negro men in Memphis (\$4,898) and for white men (\$6,813) reflects the clustering of black men in lower paying occupations than those held by whites. (See table 10.) The ratio of these two indexes measures the relative occupational positions of the two groups.

Viewed from this perspective, Negro men increased their relative numbers in higher paying occupations from 1966 to 1969, but so did whites. Consequently, Negro men's relative occupational position improved only slightly from 71.1 to 71.9 percent. The story for women was different, however. White women's occupational

distribution in Memphis remained virtually constant while that of Negro women improved. The upshot of this was that the relative occupational position of Negro women rose from 75.3 to 82.8 percent. Furthermore, Negro women were more evenly distributed in higher paying occupations relative to white women than were Negro to white men.

The comparison of indexes of occupational position for Negroes and whites in Memphis with those representing the South and the United States reveals that Negroes were worse off by occupational distribution in Memphis—both in absolute and relative terms—than in the South or the United States. Only for men in 1966

TABLE 9. OCCUPATIONAL DISTRIBUTION OF PRIVATE, NONACRICULTURAL EMPLOYMENT, BY RACE AND SEX, FOR THE MEMPHIS SMSA, 1966 AND 1969

[Percent distribution]

Sex and		1966			. 1969	
occúpation	Total	Negro	White	Total	Negro,	White
IN AND WOMEN:						
$\Lambda_{i}^{t}$ occupations	100.0	100.5	100.0	100.0	100.0	100.0
Managerial	8.3	.5	10.9	9.0	1.1	12.2
Professional	2.9	.1	3.9	3.4	.2	4.7
Technical	2.5	.3	3.3	2.8	.8	3.6
Sales	8.5	.8	11.1	11.1	3.2	14.3
C. erical	16.1	1.8	21.0	16.9	3.8	22.1
Ciaftsman	11.7	4.5	14.2	11.5	5.8	13.8
Operative	24.4	35.5	20.7	25.5	39.4	19.8
Laborer	14.4	3₹.3	6.9	12.3	30.0	5.2
Service	11.1	20.1	8.0	7.6	15.7	4.4
MEN		٠.	-			
A occupations	100.0	100.0	100.0	100.0	100.0	100.0
fanagerial (	10.8	.5	15.0	173	1.1	17.1
ofessional	2.8	.0	3.9	3.7	.2	5.1
hnical	2.3	.3	3.1	3.0	.5	4.0
S. 's	7.9	.5	10.9	11.1	2.5	14.9
C <sub>1</sub> ical	6.4	.9	8.6	6.2	1.5	8.1
Ci sman	16.3	5.4	20.7	16.7	8.0	20.5
Op. ative	28.1	37.0	24.5	26.6	28.4	21.4
Lab er	16.8	40.4	7.1	14.9	36.9	5.6
Sen 18	8.7	14.9	6.1	5.5	11,.9	3.2
WOMEN:						
All oc ations	100.0	100.0	100.0	100.0	100.0	100.0
Mi gerial	2.4	.5	2.80	2.5	.5	3.0
Ssional	3.3	.2	3.9	2.9	.3	3.8
nnical	3.0	.4	3.6	2.5	1.4	2.9
Mas	9.9	2.1	11.5	11.0	4.8	13.2
Clericai	38.5	5.4	45.4	37.9	9.0	48.2
Craftsman	1.3	1.3	1.3	1.2	ي.	1.3
Operative	16.0	29.8	13.1	23.2	41.5	16.8
Laborer	9.0	20.3	6.6	<b>6</b> 7.0	14.4	4.4
Service	15.6	40.0	11.7	11.8	26.8	6.5

NOTE: Detail may not add to totals because of rounding

SOURCE U.S. Equal Employment Opportunity Commission, EEO-1 Reports.



TABLE 10. INDEXES OF OCCUPATIONAL POSITION, BY RACE AND SEX, FOR THE UNITED STATES, THE SOUTH, AND THE MEMPHIS SMSA, 1966 AND 1969

		1966		1969						
Sex and arta	Negro index of occupational position (1)	White index of occupational position (2)	(1) ÷ (2)	Negro index of occupational position (3)	White index of occupational position (4)	(3) ÷ (4)				
MEN:										
United States	\$4,963	\$6,612	75.1	\$5,208	\$6,756	77.1				
South	4,662	6,582	70.8	4,951	6,753	73.3				
Memphis SMSA	4,672	6,571	71.1	4,898	6,813	71.9				
WOMEN:\	}		i	1		1				
United\States	2,835	3,260	87.0	2,941	3,290	89.4				
South	2,706	3,212	84.3	2,811	3,242	86.7				
Memphis SMSA	2,529	3,230	78.3	2,718	3,283	82.8				

SOURCE: Calculated from EEO-1 Reports, weighted by 1966 median income (see footnote 1 in this chapter).

did the relative occupational position of blacks relative to whites exceed that for the South. This advantage not only disappeared by 1969, but the gap between the relative occupational position of blacks and whites in Memphis and the United States widened even further for men from 4.0 percent in 1966 to 5.2 percent in 1969. Clearly, Negro men in Memphis were not sharing the same gains in higher paying occupations relative to white men as were Negro men in the remainder of the South, or the United States.

Negro women, on the other hand, improved their relative occupational position in Memphis compared to their position in the South and the Nation as a whole. Although the gap between the relative occupational position of women in Memphis and the United States was larger than that for men in 1966, the difference narrowed from 8.7 to 6.6 percent in 1969. Based on this pattern and their enlarged share of private sector employment, Negro women in Memphis were making substantially greater employment and occupational gains at the close of the sixties than were Negro men.

Negroes' share of employment varied considerably among the metropolitan area's nine major industrial employers; their share of skilled and white-collar employment varied somewhat less. Examination of these patterns reveals the extent to which they changed from 1966 to 1969. In 1966 the nine industries accounted for 53 percent of total employment in the EEOC survey; in

#### Wholesale Trade

The growth and development of Memphis as an agricultural marketing center provided the impetus for the city's development as a distribution center for the region. The city's continued population growth, its access to the markets of the Southwest and Southeast, and its excellent transportation facilities make it a prime candidate for continued growth as a regional wholesale and distribution center.

Negro women increased their share of female employment in wholesale trade from 1966 to 1969—largely in clerical and operative occupations—but remained heavily underrepresented relative to their share of female metropolitan employment. (See table 11.) Clerical occupations comprised 72 percent of the industry's female employment, and though these jobs frequently require a minimum of training or education beyond high school, Negro women held only 39 of the industry's 864 women's clerical positions in 1969.

Among white-collar and skilled occupations the pattern for Negro men was somewhat better than that for women. In fact, expansion of these jobs for Negro men averted a net loss of employment for them in wholesale trade. At the close of the sixties the industry's job structure was changing; with this change many Negro men, who were concentrated in declining semiskilled and



<sup>1969</sup> these industries employed 47 percent of persons covered by the survey.

<sup>&</sup>lt;sup>3</sup> Industry definitions are based on the Standard Industrial Classification Code two-digit industry. Industry data include only those firms which reported in the EEOC survey in both 1966 and 1969.

unskilled occupations, could not be upgraded for lack of skills and lost their jobs. In most instances, the increase of skilled and white-collar employment for Negro men was small, but the mere evidence of change was important to the hopes of Negro men for future employment in wholesale trade.

## Medical and Health Services

Memphis is the medical center of the Midsouth and one of the outstanding medical centers in the Nation. Consequently, medical and health services represent one of the largest industries in the metropolitan area. In 1967 an industrial survey by the Memphis Light, Gas, and Water Division listed 24 major public and private hospitals. With over three-quarters of the industry's employment in the private sector, total private employ-

ment reached 11,788 in 1969, a 20.3-percent increase from 1966. Emphasis on health care by Federal and State governments portends continued growth for this already rapidly growing industry.

Private employment, three-quarters of which is female, was clustered in professional, technical, clerical, and service occupations. (See table 12.) From 1966 to 1969 the industry's growth was concentrated primarily in these female-dominated occupations. During this period Negro women made important advances in technical employment, increasing their share of these jobs from 2.6 percent to 15.9 percent, or a net increase of 111 technical jobs. Similarly, sizable gains were recorded for Negro women in professional, clerical, and service occupations—gains which were not shared by Negro men. Indeed, the occupational distribution of

TABLE 11. OCCUPATIONAL DISTRIBUTION OF EMPLOYMENT IN WHOLESALE TRADE,
BY RACE AND SEX, FOR THE MEMPHIS SMSA, 1966 AND 1969

		, 1	966	, ř		-1	969	•
Sex and occupation	·	Number		Percent		Percen		
; ·	Total	Negro	White	Negro	Total	- Negro	White	Negro
MEN:								
All occupations	3,689	.926	2,754	25.1	3,975	1,002	2,960	25.2
Managerial	486	5	479	1.0	602	23	576	3.8
Professional	40	} o	40	.0	103	1	102	1.0
Technical	182	3,	178	1.6	238	15	218	6.3
Sales	857		847	`.6	867	19	846	2.2
Clerical	435	24	411	5.5	471	46	423	9.8
Craftsman	243	`35	208	. 14.4	442	119	. 323	26.9
Operative	931	506	424	54.4	794	463	330	58.3
Laborer	480 -	316	164	65.8	421	291.	130	69.1
Service	35	32.	- 3	91.4	37	25	12	67.6
WOMEN:								
All occupations	994	23	969	2.3	1,186	69	1,114	5.8
Managerial	13	0	13	.0	22	0	<sup>c</sup> 22	.0
Professional	2	0	2 ,	.0	20	0	, 20	.0
Technical	7 .	0	7	.0	7	0	6	.0
Sales	30	. 1	29°	3.3	25	0	25	.0
Clerical	823	11	810	1.3	864	39	823	4.5
Craftsman	18	0	18	.0	29	3.	26	10.3
Operative	67	1	66	1.5	155	17	138	-11.0
Laborer	21	. 1	20	4.8	51	2	49	3.9
Service	13	9	. 4	69.2	13	8	. 5	61.5

SOURCE: U.S. Equal Employment Opportunity Commission, EEO-1 Reports.

<sup>&</sup>lt;sup>4</sup>County Business Patterns: 1966-U.S. Summary and County Business Patterns: 1969-U.S. Summary (Washington: U.S. Department of Commerce, Bureau of the Census, published in the years 1967 and 1970, respectively). Note that employment totals in County Business Patterns do not match those for EEO-1 data because of differences in coverage definitions.

TABLE 12. OCCUPATIONAL DISTRIBUTION OF EMPLOYMENT (PRIVATE) IN MEDICAL AND HEALTH SERVICES, BY RACE AND SEX, FOR THE MEMPHIS SMSA, 1966 AND 1969

		1	966			19	969	
Sex and occupation	Number			Percent		Percent		
, •	Total	Negro	White	Negro	Total	Negro	White	Negro
MEN:								
All occupations	1,211	339	864	28.0	1,313	418	-888	31.8
Managerial	46	υ	45	.0	63	0	63	.0
Professional	153	- 1	146	.7	199	5	190	2.5
Technical	158	10	147	6.3	201	10	190	5.0
Sales	. 5	0	5	.0	19	0	19	.0
Clerical	34	3	31	8.8	57	6	51	10.5
Craftsman	71	1	70	1.4	100	2	. 97	2.0
Operative	73	11	62	15.1	40	6	34	15.0
Laborer	43	27	16 .	62.8	64	23 -	41	35.9
Service	628	286	342	45.5	570	366	203	64.2
WOMEN:		l				- N		
All occupations	2,951	553	2,396	18.7	4,219	1,113	3,081	26.4
Managerial	50	0	50	.0	60	0	60	.0
Professional	482	3	479	.6,	811	17	784	2.1
Technical	657	-17	639	2.6	806	128	672	15.9
Sales	18	2	16	11.1	16	3	13	18.8
Clerical	537	17	520	3.2	801	44	<sup>20</sup> 753	5.5
Craftsman	1 1	0	1	.0	25	3	22	12.0
Operative	112 -	36	76	€ 32.1	163	58	104	35.6
Laborer	17	16	[ 1	94.1	17	M	0	100.0
Service	1,077	462	614	42.9	1,520	_843	673	55.5

SOURCE: U.S. Equal Employment Opportunity Commission, EEO-1 Reports.

Negro men changed little over this period except for their increased numbers in service occupations. At the close of the sixties Negro men and women remained conspicuously absent from management occupations.

# Retail Trade-General Merchandise

Like medical and health services, the retail sector grew rapidly during the sixties with population growth and the trend toward longer shopping hours necessitating more and more employees. Employment in general merchandise—the largest industry in the retail sector—was composed predominantly of women in sales and clerical occupations.

The location of the industry's large firms in the downtown district at the center of the city's Negro population made these firms (many of which began to expand to the suburbs in the sixties) natural targets in the late sixties for pressure groups from the Negro

community concerned with employment. Whatever the effect of these groups, Negro men and women made substantial gains from 1966 to 1969 in sales and clerical employment and also in operative and laborer occupations. (See table 13.) Participation during this period by several of the industry's employers in national and local programs to employ the disadvantaged—a large number of whom were black—undoubtedly contributed to the increased number of Negroes in operative and laborer occupations (and perhaps the overall decrease of white employment in these occupations). Gains for Negro men and women in managerial and professional occupations were more moderate.

# Food and Kindred Products

Memphis' population and its location as a distribution center and market for the Midsouth's agricultural products were attractive features to the food industry. The



employment growth rate of this industry, however, was slightly below that of the metropolitan area's. Future growth of the industry is expected to parallel population changes in the Midsouth, and, if so, growth will continue to be moderate.

Employment in food and kindred products was grouped primarily in operative and laborer occupations. Negro men and women were concentrated in these jobs and hence comprised a substantial proportion of the industry's total employment. Both groups increased their share of total employment from 1966 to 1969 with the largest gains occurring for Negro men in laborer and operative occupations. (See table 14.) Among white-collar and skilled occupations Negro men made important advances in craftsman sales, and management occupations while Negro women made similar gains in clerical jobs.

#### Lumber and Wood Products

The Midsouth's rich forests spawned Memphis' lum-

ber and wood products industry. Though it remains an important source of employment to the community, the industry's history in Memphis has been that of a declining industry with its employment decreasing slowly from 6,500 in 1948 to 5,200 in 1969. This fact is further suggested by EEO-1 data which reflect a decrease in male employment between 1966 and 1969 partially offset by an increase in female employment. (See table 15.)

Employment in this predominantly male, blue-collar industry is clustered in craftsman, operative, and laborer occupations. Blacks dominate employment in these occupations and the industry. Moreover, black men were affected less than white men, in relative terms, by the decline of male industry employment. In spite of their loss of low-skill laborer jobs, Negro men improved their overall occupational position within the industry between 1966 and 1969, largely by increasing their

TABLE 13. OCCUPATIONAL DISTRIBUTION OF EMPLOYMENT IN RETAIL TRADE (GENERAL MERCHANDISE), BY RACE AND SEX, FOR THE MEMPHIS SMSA, 1966 AND 1969

	1	v 1	966		•	. 1	969	,
Sex and occupation		Number		Percent Negro		Percent		
	Total	Negro	White		Total	Negro	White	Negro
MEN:			•					
All occupations	2,394	494	1,898	20.6	2,757	653	2,102	23.7
Managerial	539	1	537	.2	627	9	617	1.4
Professional	14	0	. 14	.0	49	1 7	42	14.3
Technical	29	3	26	10.3	14	1	13	7.1
Sales	409	14	395	3.4	568	37	530	6.5
Clerical	133	11	122	8.3	172	22	150	12.8
Craftsman	194	12	182	6.2	256	17	239	6.6
Operative	419	129	290	30.1	386	171	215	44.3
Laborer	410	115	295	28.0	470	224	246	47.7
Service	247	209	37	84.6	·215	165	50	76.7
WOMEN:			,			,	<b> </b> .	
All occupations	4,383	267	4,116	6.1.	4,967	421	4,539	8.5
Managerial	246	1	245	.4	262	4	258	1.5
Professional	22	0	22	.0	75	3	72	4.0
* Technical	21	, 0	21	.0	25	0	25	0.
Sales	1,815	52	1,763	2.9	2,015	145	1,869	7.2
Clerical	1,667	32	1,635	1.9	1,871	79	1,789	4.2
Craftsman	13	0	13	* .0	55	4	49	7.3
Operative	155	18	137	11.6	167	36	130	21.6
Laborer	207	35	172	16.9	259 ^	51	208	19.7
Service	237	129	108	54.4	238	99	139	41:6

SOURCE: U.S. Equal Employment Opportunity Commission, EEO-1 Reports.

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<sup>&</sup>lt;sup>5</sup> Employment and Earnings Statistics for States and Areas, 1939-1969 (Washington: U.S. Department of Labor, Bureau of Labor Statistics, 1970).

TABLE 14. OCCUPATIONAL DISTRIBUTION OF EMPLOYMENT IN FOOD AND KINDRED PRODUCTS, BY RACE AND SEX, FOR THE MEMPHIS SMSA, 1966 AND 1969

				<u></u>						
		1	966		1969					
Sex and occupation	Number			Percent		Percent				
•	Total	Negro	25White	Negro .	Total	Negro	White	Negro		
MEN:										
All occupations	3,176	1,027	2,148	32.3	3,644	1,487	2,156	40.8		
Managerial	286	0	285	.0	401	9	391	2.2		
Professional	81 .	0	81	.0	114	5	109	4.4		
Technical	35	2	33	5.7	48	^ 3	. 45	6.3		
Sales	457	14	443	- 3.1	456	37	419	8.1		
Clerical	110	18	92	16.4	78	8	70	10.3		
Craftsman	457	56	401	12.3	574	115	459	20.0		
Operative	1,098	419	679	38.2	1,102	584	518	\$3.0		
Laborer	567	443	1 24	78.1	795	663	132	83.4		
Service	85	75	10	88.2	. 76	63	13	82.9		
WOMEN:	1.							•		
All occupations	649	56	593	8.6	672	110	561	16.4		
Managerial	8	0	8	.0 ~	8	0	8	.0		
Professional .':	3	0	3	.0	7	2	5	28.6		
Technical	2	0	2	0.	0	0	0	.0		
Sales	10	3	7	30.0	, 8 ·	3	5	37.5		
Clerical	213	1	. 212	.5	228	11 :	216	4.8		
Craftsman , .	3	0	3	.0 \	4	1	3	25.0		
Operative	107	17	90	15.9	274	51	223	18.6		
Laborer	290	27	263	9.3	, 126	° 27	99	21.4		
Service	13	- 8	5	61.5	17	15	2	88.2		

SOURCE: U.S. Equal Employment Opportunity Commission, EEO-i Reports.

numbers in craftsman occupations. Negro women, on the other hand, increased their share of laborer occupations—jobs that were declining for men—and also of operative occupations.

#### Chemicals

Employment in the chemical industry, clustered in pharmaceuticals and agricultural chemicals, grew from 5,308 in 1966 to 6,498 in 1969,<sup>6</sup> an increase of 22 percent. The industry's rapid growth was shared equally by men and women as measured by EEO-1 data, although for men, employment in professional, clerical,

laborer, and operative occupations declined, as did employment for women in sales, operative, and service occupations. (See table 16.)

In comparison with other industries in the metropolitan area, blacks did not fare well in the chemical industry, a fact explained largely by the failure of blacks to move into the industry's rapidly expanding skilled and white-collar occupations. Illustrating this point: Of the 136 new clerical jobs opened to women from 1966 to 1969 (ignoring the number of jobs created by turnover), seven were held by Negroes. Similarly, Negro men filled only nine of the 160 new jobs in management and experienced similar patterns in sales and craftsman occupations. Negro women did increase their share of total industry employment by enlarging their number of laborer and operative jobs. The loss for Negro men of laborer jobs, however, was not offset by gains in other occupations and, therefore, employment of Negro men in the chemical industry declined by the end of the sixties, both absolutely and relatively. Without efforts to upgrade blacks and increase their participation in skilled and white-collar occupations, the changing job structure

<sup>&</sup>lt;sup>6</sup>County Business Patterns: 1966-U.S. Summary and County Business Patterns: 1969-U.S. Summary (Washington: U.S. Department of Commerce, Bureau of the Census, published in the years 1967 and 1970, respectively). Note that industry employment totals in County Business Patterns do not match those for EEO-1 data due to differences in coverage definitions.

of this industry will undoubtedly make it a greater sanctuary for whites than it already is.

# Machinery (Except Electrical)

The nonelectrical machinery industry, dominated by men, is comprised primarily of large-employer units engaged in the production of agricultural machinery and industrial goods. Adjustments in employment by firms in the EEO-1 sample led to a small decline in total employment at the close of the sixties although overall industry employment increased during the period.

Few gains could be shown by Negroes in skilled and white-collar employment from 1966 to 1969. (See table 17.) At best, Negroes held their own in these jobs or slightly improved their relative occupational standing.

For all practical purposes, Negroes remained in 1969 nearly where they were in 1966, heavily clustered in semiskilled and unskilled occupations. One positive feature for Negro employment: Negro men were affected less than white men by the decline of employment as reflected by EEO-1 data. In fact, Negro men actually increased their numbers employed.

#### Railroads

Memphis' location makes it a natural rail transportation center for the large southeastern and southwestern markets, as well as a large segment of the midwestern market. Eight trunk-line railroads serve Memphis. Like lumber and wood products, though, railroads in Memphis represent a declining industry.

Historically, railroads and their white-dominated craft unions have produced numerous examples of overt discrimination against Negroes. Even in 1969, Negro men were heavily concentrated in low-paying laborer occupa-

TABLE 15. OCCUPATIONAL DISTRIBUTION OF EMPLOYMENT IN LUMBER AND WOOD PRODUCTS, BY RACE AND SEX, FOR THE MEMPHIS SMSA, 1966 AND 1969

•		• 1	966			· i	969	
Sex and occupation	Number			Percent		Percent		
	Total	Negro	White	Negro	Total	Negro	White	Negro
MEN:								
All occupations	3,452	2,210	1,239	64.0	2,975	1,945	1,025	65.4
Managerial	224	. 4	220	1.8	268	9	258	3.4
Professional	33	0	33	.0	22	0	22	.0
Technical	19	0	19	.0	- 10	0	8	.0
Sales	34	0	34	.0	' 21	0	21	.0
Clerical	71	8	63	11.3	75	12	63	16.0
Craftsman	533	148	385	27.8	543	233	310	: 42.9
Operative	969	653	315	67.4	864	657	206	76.0
Laborer	1,529	1,378	149	90.1	1,136	1,015	120	89.3
Service	40	19	21	47.5	36	19	17	52.8
WOMEN:				'				
All occupations	207	79	1 28	38.2	. 377	223	154	59.2
Managerial	6	. 0	, 6	.0	7	0	7	.0
Professional	6	0	6	.0	2	Ó	2	.0
Technical	4	0	4	.0	2 1	0	1	.0
Sales	3	0	3	0.	1	0	1.	.0
Clerical	104	1	103	1.0	1 20	5 ,	115	4.2
Craftsman	3	3	0	100.0	4	3	1	75.0
Operative	11	7	4	63.6	113	86	27	76.1
Laborer	64	62	'. 2	96.9	121	121	0	100.0
Service	6	6	0	100.0	8	8	0	100.0

SOURCE: U.S. Equal Employment Opportunity Commission, EEO-1 Reports.



TABLE 16. OCCUPATIONAL DISTRIBUTION OF EMPLOYMENT IN CHEMICALS, BY RACE AND SEX, FOR THE MEMPHIS SMSA, 1966 AND 1969

		}	966	<del></del>		<del></del>	969	
Sex and occupation		Number		Percent	•	Percent		
	Total	Negro	White	Negro	Total	Negro	White	Negro
MEN:		June of the last o				٧		
All occupations	1,773	475	1,291	26.8	2,007	431	1,564	21.5
Managerial	284	3	278	1.1	444	12	423	2.7
Professional	98	l	97	1.0	92	3	89	3.3
Technical	62	1	61	1.6	40	1	37	2.5
Sales	264	4	260	1.5	322	6	315	1.9
Ćlerical	105	2	102	1.9	90	7	83	7.8
Craftsman	204	15	189	7.4	379	28	351	7.4
Operative	322	112	210	34.8	252	135	117	53.6
Laborer	396	305	88	77.0	340	204	136	60.0
Service	38	32	6	84.2	48	35	-13	72.9
WOMEN:		İ	į		3			ļ
All occupations	782	104	673	13.3	1,037	159	869	15.3
Managerial	, 5	l o	5	.0 .	20	0	20	.0
Professional	4	0.	4	.0	. 9	0	9	.0.,
Technical	6	2	4	33.0	8	0	8	.0
Sales	17	2	15	11.8	4	0	4	.0
Clerical	352	3	344	* .9	488	10	472	2.0
Craftsman	2	0	2	.0	1	1	0	100.0
Operative	176	7	, 169	4.0	123	29.	93	23.6
Laborer	168	56	112	33.3	362	.104	256	28.7
Service	52	34	18	65.4	22	15	7	68.2

SOURCE: U.S. Equal Employment Opportunity Commission, EEO-1 Reports.

tions, whereas whites held 92.4 percent of skilled craftsman occupations. (See table 18.) Following their pattern in lumber and wood products, and nonelectrical machinery, Negroes in Memphis were affected less than whites in relative terms by the decline in industry employment. For Negro women in this predominantly male industry, the picture at the close of the sixties was bleak: Not one Negro woman held a clerical job.

Banking

The largest of the eight industries included under finance, insurance, and real estate, banking is almost entirely a white-collar industry. (See table 19.) It became even more so between 1966 and 1969. The bulk of banking's employment is centralized in the financial district of downtown Memphis. Branch banking is popular, though, and as the population spread to the suburbs in the sixties, banks followed.

In no other private industry did Negroes find as many clerical jobs opened to them as they did in banking during the late sixties. Indeed, every bank in 1969 had its Negro tellers. Conspicuously absent, however, was the employment of Negroes in comparable proportions in other white-collar occupations. In particular, Negro men were virtually excluded from management occupations, holding only 4 of 413 such jobs in 1969. As a consequence, whites continued to dominate industry employment in 1969 as they did in 1966.

# Public Sector Employment

Employment in the public sector-consisting of Federal, State, county, and city governments-generally provided Negroes with more white-collar employment

than did the private sector. Most of this employment, however, at least in State, county, and city governments, was in agencies serving a predominantly black clientele. Beyond these jobs, Negroes were heavily concentrated in laborer and service occupations just as they were in the private sector.

Nearly 63 percent of State government employment in Shelby County was clustered in public welfare and in health and hospitals, both of which had large Negro clienteles. (See table 20.) Over 87 percent of all Negroes employed by the State were employed in these agencies, which together accounted for 74 percent of all Negroes employed in white-collar occupations. Similarly, 77 percent of all Negroes employed by Shelby County were employed in health and hospitals, as were 69 percent of all Negroes in white-collar occupations. (See table 21.)

"Data for State, county, and municipal employment, available for 1967 only, do not contain employment by sex and exclude educational employees. Data are taken from For ALL the People ... By ALL the People (Washington: U.S. Commission on Civil Rights, 1969).

In the Memphis city government, employment of Negroes in white-collar occupations was much the same as that in State and county governments. Approximately 94 percent of all Negroes employed in white-collar occupations by the city were employed in health and hospitals. (See table 22.) An exception to this pattern in city government, however, was the employment of 10 blacks in management by public utilities, which also employed nearly 2,000 blacks in laborer and service occupations.

The absence in 1967 of Negro officials and managers from government agencies whose function related to

TABLE 17. OCCUPATIONAL DISTRIBUTION OF EMPLOYMENT IN MACHINERY (EXCEPT ELECTRICAL),
BY RACE AND SEX, FOR THE MEMPHIS SMSA, 1966 AND 1969

		. 1	966			- 1	969	
Sex and 'occupation	Number			Percent		Percent		
	Total	Negro	White	Negro ·	Total	Negro	White	Negro
MEN:								•
All occupations '	3,431	721	2,709	21.0	3,247	780	2,466	24.0
Managerial	. 308	1	306	.3 <sup>1</sup>	277	3	274	1.1
Professional	113	0	. 113	.0	113	0	112	.0
Technical	179	4	175	2.2	175	3	172	1.7
Sales	31	0	31	.0	23	. 0	23	0.
Clerical	206	0	206 .	.0	194	1	193	.5
Craftsman	643	17	626	2.6	630	38	592	6.0
Operative	1,560	524	1,036	33.6	1,531	568-	963	(37.1
Laborer	341	153	188	44.9	257	152	105	59.1
Service	50	22	. 28	44.0	47	15	32	31.9
WOMEN:				. •				
All occupations	188	5	183	2.7	194	·12 ·	182	6.2
Managerial	3	0	3	.0	3	0	3	.0
Professional	` 0	0	0	.0	. 0	0	0	.0
Technical	3	0	3	.0٠	4	0	4	.0
Sales	0	0	. 0	.0	0	.0	, 0 .	.0
Clerical	181	4	177	2.2	182	12	170	6.6
Craftsman :	<sup>7</sup> 0	0	0	0.	0	0	0 "	.0
Operative	0,	0 '	0	.0	. 0	p	0.	.0
Laborer	0	0	0	.0	0	O	0	.0
Service	1	1	0	100.0	5	0	5	.0

SOURCE: U.S. Equal Employment Opportunity Commission, EEO-1 Reports.



<sup>&</sup>lt;sup>8</sup>Comparison between public and private employment of Negroes in professional and technical jobs in hospitals showed that Negroes held a larger proportion of these jobs in the public sector than in the private sector. In the public sector—comprised of State, county, and city governments—Negroes held 513 professional and technical jobs in health and hospitals, or made up 36.7 percent of all persons holding these jobs in 1967. In contrast, 2 years later in 1969, Negroes held only 160 professional and technical jobs in private medical and, health care, or made up 7.9 percent of all persons holding these jobs.

TABLE 18. OCCUPATIONAL DISTRIBUTION OF EMPLOYMENT IN RAILROADS BY RACE AND SEX, FOR THE MEMPHIS SMSA, 1966 AND 1969

	1	19	966		· ·	1	969	<del></del>
Sex and occupation	Number			Percent	Number			Percent
	Total	Negro	White	Negro	Total	Negro	White	Negro
MEN:			,	,	,			
All occupations	5,155	1,139	4,015	20.7	3,810	943	2,864	24.8
Managerial	141	0	141 .	.0	171	1	170	.6
Professional '	9	0	.9 .	.0	` 16	0	16	.0
Technical	30	. 0	30 ′	.0	25	0	25	.0
Sales	. 25	. 0	25	.0	11	0	11	.0
Clerical	686	4	682	.6	495	5	490	1.0
Craftsman	1,676	115	1,560	6.9	1,417	108°	1,309	7.6
Operative	1,303	143 .	1,160	11.0	829	130	699	15.7
Laborer	1,236	836	400	67.6	.810	678	129	83.7
Service	49	41		83.7	36	21	15	58.3
WOMEN:		,		}		4		
All occupations	121	17	104	14.0	105	8	97	7.6
Managerial :	0	:0	. 0	.0	\ 0	0 .	0	1.0
Professional	0	· 0	0	.0	}. 0	0	0	.0
Technical	0.	0.	0	.0	1	0	1	.0
↑ Sales	4	0	4	.0	, 0	. 0	e	.0
Clerical	99	. 0	99	.0	93	0	93	.0
Craftsman	0.	0	. 0	.0	0	0	. 0	.0
Operative	ı	0	1.	0	1	0	1	.0
Laborer	13	13	0.1	100.0	7	'6	1	85.7
Service	4	, 4	0 ,	100.0	3	2	1	66.7

SOURCE: U.S. Equal Employment Opportunity Commission, EEO-1 Reports.

finance, administration, and general control was particularly evident among State, county, and city governments in Shelby County. In fact, if Negro employment in public welfare and health and hospitals is excluded, Negroes held only 90, or 3.8 percent, of the total 2,350 white-collar jobs in State, county, and city government in 1967<sup>9</sup>—a figure only slightly above their 2.4 percent of 1966 white-collar employment in the private sector.

In Shelby County and Memphis City Government, public safety employment occupations—which could not be matched with those in private employment—also exhibited variation in Negro employment. (See table 23.) Indeed, the Memphis Fire Department in 1967 all but excluded Negroes except in clerical and operational occupations. On the other hand, the city and county police departments employed Negroes in supervisory and investigative occupations, although in small numbers. In further contrast, Negroes found substantial employment in all occupations in the city's correctional institutions,

but only token employment in these jobs in Shelby County. In summarizing its report on State and local government in seven metropolitan areas including Memphis, the U.S. Commission on Civil Rights reported:

The basic finding of this report is that State and local governments have failed to fulfill their obligation to assure equal job opportunity. In many locations, minority group members are denied equal access to responsible government jobs at the State and local level and often are totally excluded from government except in the most menial capacities. In many areas of government, minority group members are excluded almost entirely from decisionmaking positions, and, even in these instances where they hold jobs carrying higher status, these jobs tend to involve work only with the problems of minority groups and tend to permit contact largely with other minority group members. 19

In Federal employment within the Memphis metropolitan area, Negroes were concentrated in lower paying jobs in all four Federal pay plans. This situation improved somewhat between 1967 and 1969. (See table 24.) Gains made during this period in each pay plan by

<sup>&</sup>lt;sup>9</sup> For ALL the People . . . By ALL the People, derived from data on pp. 162, 171, and 180.

<sup>&</sup>lt;sup>10</sup> Ibid., p. 131.

#### TABLE 19. OCCUPATIONAL DISTRIBUTION OF EMPLOYMENT IN BANKING, BY RACE AND SEX, FOR THE MEMPHIS SMSA, 1966 AND 1969

•		' 19	966			1	969	
Sex and occupation	**	Number		Percent		Ņumber		Percent
	Total	Negro	White	Negro	Total	Negro	White	Negro
MEN:								
All occupations	1,064	° 118	946	11.1	1,321	.147	1,173	11.1
· Managerial	337	1	336	.3	413	4	409	1.0
O Professional	. 7	0.	7	.0	. 35	0	35	.0
Technical	0	0	0	.0	66	3	63	4.5
Sales *	· 38	0	38	.0	83	2	81	2.4
Clerical	517	14	503	2.7	602	58	543	9.6
Craftsman	15	0	15	.0	14	12	2	85.7
Operative	4	0	4	.0	3	1	. *3	33.3
Laborer	8	8	0	100.0	A 3	3	) 0	100.0
Service	138	95	43	68.8	102	64	38	62.7
WOMEN:		ľ				1		
All occupations	1,719	106	1,613	6.2	1,993	180 ·	1,811	9.0
Managerial :	13	0	13	.0	24	0 .	24	.0
Professional	1	0	1	.0	8	/0	8	0.
Technical	2	0	2	.0	10	0 .	10	0.
Sales	, 4	0	4	.0	15	1	14	6.7
Clerical	1,613 .	27	, 1,586	1.7	1,880	-128	1,750	6.8
Craftsman	0	0	0	.0	0	0	0	.0
Operative ,	0	, 0	0	.0	0	0	0	0.
Laborer	0	0	0	0	0	0	0	.0
Service	86	79	7	91.9	56	51	5	91.1

SOURCE: U.S. Equal Employment Opportunity Commission, EEO-1 Reports.

TABLE 20. NEGRO EMPLOYMENT IN TENNESSEE STATE GOVERNMENT, BY OCCUPATION AND FUNCTION, FOR SHELBY COUNTY, TENNESSEE, 1967

	Nun	nber		Number of Negro employees						
Occupation	All . employees	Negro employees	Percent Negro	Financial administration and general control	Community development	Public welfare	Health and hospitals	Public safety	All other fields	
Total	1,510	411	29.1	6	13	72	286	10	24	
Officials and managers	85 696 214 122 64 329	9 96 26 32 13 235	10.6 13.8 12.1 26.2 20.3 71.4	0 3 3 	1 3 0 0 9	0 23 15 30 - 4	7 48 4 - 2 225	0 6 0 2 - 2	1 13 4 0 2 4	

SOURCE: U.S. Commission on Civil Rights.



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TABLE 21. NEGRO EMPLOYMENT IN SHELBY COUNTY GOVERNMENT, BY OCCUPATION AND FUNCTION, 1967

	Number			Number of Negro employees						
Occupation	All employees	Negro employees	Percent Negro	Financial administration and general control	Community development	Public welfare	Health and hospitals	Public utilities <sup>1</sup>	All other fields	
Total	11,182	391	33.1	79	9	01	301	0	2	
Officials and managers	63 333 277 178 33 298	1 48 22 22 23 33 265	1.6 14.4 7.9 12.4 100.0 88.9	0 5 16 11 -	0 0 0 9 -	- 0 -	1 43 5 1 33 218	0 - 0 - 0	0 0 1 1	

<sup>&</sup>lt;sup>1</sup> Excludes public safety employees. (See table 23).

SOURCE: U.S. Commission on Civil Rights.

TABLE 22. NEGRO EMPLOYMENT IN MEMPHIS CITY GOVERNMENT, BY OCCUPATION AND FUNCTION, 1967

	Nun	ber	,	Number of Negro employees					
Occupation .	All employees	Negro employees	Percent Negro	Financial administration and general control	Community development	Health and hospitals	Public utilities <sup>1</sup>		
₹Total	18,210	4,226	51.5	36.	625	1,431	2,134		
Officials and managers	433	12	2.8	o	0	2	10		
Professional and technical	1,311	4 26	_ 32.5	. 4	.0	422	0		
Office and clerical	1,039	145	14.0	\$ 13	2 -	125	5		
Craftsmen and operatives	1,486	206	13.9	2	59	22	123		
Laborers	2,494	2,412	96.7	11	497 .	0	1,904		
Service workers	1,447	1,025	70.8	6	67	860	92		

<sup>&</sup>lt;sup>1</sup>.Excludes public safety employees. (See table 23). .

SOURCE: U.S. Commission on Civil Rights.

blacks, however, were limited primarily to medium-range pay grades with few gains recorded among higher pay grades. For example: Of the 107 new GS-12 and 13 jobs, Negroes held only one; of the 143 new wage board jobs paying \$10,000 to \$13,999, Negroes held only two; of the 112 new PFS-12 through 15 jobs, Negroes held only three. Examining further the distribution of Negroes among pay plans, Negroes enlarged their share of general

schedule employment in 1969, but for the most part they remained clustered in predominantly blue-collar wage board employment and in the postal service, which has long been a popular white-collar occupation for Negroes. Based on this evidence, employment of Negroes in the Federal Government between 1967 and 1969 did not differ substantially from employment of Negroes in the private sector.

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### TABLE 23. NEGRO EMPLOYMENT IN PUBLIC SAFETY OCCUPATIONS IN SHELBY COUNTY AND MEMPHIS CITY GOVERNMENTS, 1967

	,, Men	nphis	Shelby	County .
Agency and type of occupation	Total employees	Negro employees	Total employees	Negro employees
Police Department:				· · ·
Total employees	834	46	269	27
Administrative	77 `	0	17	. 0
Supervisory	. 178	4	38	2
Investigative	31	4	68	4
Uniformed patrolmen	499	29	146	21
Clerical, technical, and others	49	9	o 146	1 0
Cicical, technical, and others	, ,		••	
Fire Department:		•	· ' '	
Total employees	1,091	23	(¹)	
Civilian employees	. 36	9	\	
Officials, managers, professional,	""			
and technical	18	0	`	
Office, clerical, and others	18	و. ا	·	į
, Ottice, cicrical, and others			<b>'</b>	- 5
Uniformed force	1,055	14	2	ļ
Administrative	39	0		`
Supervisory	286	0		
Operational	730 ·	14		
Opolitional Transfer of the Control				ļ
Correctional institutions:		,		]
` Total employees	148	53	111	8
Regular personnel	128	33	5	. 0
Officials, managers, professional				•
and technical	55	15	2	1 0
Office, clerical, and others	73	. 18	3	0
Ranked personnel	20	20	0106	8 .
Administrative	0	0	, 0	\ 0.
Supervisory	2	2	27	\2
Operational	18	18	79	6

<sup>&</sup>lt;sup>1</sup>Shelby County has no fire department.

SOURCE: U.S. Commission on Civil Rights.

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TABLE 24. FEDERAL EMPLOYMENT, BY PAY SYSTEM AND RACE, FOR THE MEMPHIS SMSA, 1967 AND 1969

	No	ember 1967		No	vember 19	69
Pay system and grade or salary	Total employees	Neg emplo	,	Total employees	Ne emplo	gro oyees
	employees	Number	Percent	Chipioyees	Namber	Percent
Total, all pay systems	11,513	3,698	32.1	12,018	3,833	31.9
Total, general schedule or similar	4,958	473	9.5	5,284	\$79	11.0
GS-I through 4	1,926	408	21.2	1,882	484	25.7
GS-5 through 8	1,169	46	3.9	1,267	46 .	3.6
GS-9 through 11	1,108	. 16	1.4	1,256	46	3.7
GS-12 through 13	626	2	.3	733	<b>→</b> 3	.4
GS-14 through 15	124 "	1:	.8	141	0	.0
GS-16 through 18	5	0	.0	5	. 0	0.
Total, wage board	3,778	2,179	57.7	3,612	2,083	57.7
Up through \$5,499	2,184	1,824	າ 83.5 ·	·810	741	91.5
\$5,500 through \$6,999	861	329	38.2	1,596	1,197	75.0
\$7,000 through \$7,999	448-	24	5.4	617	113	18.3
\$8,000 through \$8,999	136	-1	.7	295	25	8.5
\$9,000 through \$9,999	114	₹ 1	9	102	5	4.9
\$10,000 through \$13,999	. 35	0	.0	178	2	1.1
\$14,000 through \$17,999	_		_	14	0	l o
\$18,000 and over	7	-	- ,	<u> </u>	-	-
Fotal, postal field service	2,642	1,023	38.7	2,997	1,153	38.5
PFS-1 through 4 <sup>1</sup> ····································	2,203	941	42.7	2,292	1,039	45.3
PFS-5 through 8	373	79	21.2	467	103	22:1
PFS-9 through 11	55	2	3.6	95	7 -	7.4
PFS-12 through 15	10	1	10.0	122	4	3.3
PFS-16 through 18	1	0	.0 /	19	ò	.0
PFS-19 through 20	-		-	2	0	.0
Total, other pay systems	135	, <sub>à 23</sub>	17.0	125	18	: 14.4
Up through \$6,499	, 75	23	30.7	45	13	28.9
\$6,500 through \$9,999	29	0	.0	43	<i>a</i> - 5	11.6
\$10,000 through \$13,999	17	0	.0	18	.م.0	.0
\$14,000 through \$17,999	10	lo	0	11	0	0.
\$18,000 and over	1. 4	• 0	.0	8	0	1.0

<sup>1</sup> Includes 4th class postmasters and rural carriers.

SOURCE: U.S. Civil Service Commission.

## IV. DETERMINANTS OF NEGRO EMPLOYMENT PATTERNS

Employment patterns of Negroes and whites are the product of a complex set of economic and social forces. Employer discrimination in hiring and promotion practices based on race has undoubtedly contributed to variation in these patterns among firms and industries, but additional factors over which employers exercise little direct control are also important. These factors represent economic and social characteristics of labor inputs and the markets in which these inputs are employed. Among the factors relevant to the discussion of employment patterns of Negroes and whites in a labor market like that of Memphis are: Human capital (the skills and knowledge of the individual); migration; industry growth and skill requirements; housing patterns, job locations, and transportation systems; unions; and job information. Together these factors and their institutional determinants reflect a more broadly based mechanism for discrimination than overt employer action, particularly where it is shown that their impact on employment patterns is differentiated by race.

#### Human Capital

Human capital can be formed by an individual through investment in formal education, on-the-job training and experience, medical care, and nutrition, and even through acquiring information about the economic

system. Of primary interest here, though, is the human capital that is created by formal education and the relation of the education to the kind of jobs blacks and whites hold.

The Negroes' educational position in Memphis was similar to the national pattern in that Negro men and women 14 years old and over in 1960 were severely disadvantaged by having fewer years of education relative to their white counterparts. This was less true for Negro women than men. Negro men had 7.9 (median) years of education compared with white men's 11.6 years.

On the other hand, Negro women had 8.5 (median) years of education compared with white women's 11.8 years. In actual (median) years of education, Negro women were better off than Negro men in Memphis.<sup>3</sup>

By failing to adjust for scholastic achievement, however, the measurement of Negroes' and whites' stock

<sup>3</sup> Education data are from 1960 Census of Population (Washington: U.S. Department of Commerce, Bureau of the Census)

<sup>&</sup>lt;sup>1</sup> Gary S. Becker, "Investment in Human Capital: A Theoretical Analysis," *Journal of Political Economy*, LXX, Supp. (October 1962), p. 9.

<sup>&</sup>lt;sup>2</sup> For a discussion of education and training's relation to the relative earnings of blacks and whites, see: J. D. Gwartney, "Discrimination and Income Differentials," The American Economic Review, LX, No. 3 (June 1970), pp. 396-408; W. L. Hansen and others, "Schooling and Earnings of Low Achievers," The American Economic Review, LX, No. 3 (June 1970), pp. 408-418; and Randall D. Weiss, "The Effect of Education on the Earnings of Blacks and Whites," The Review of Economics and Statistics, LII, No. 2 (May 1970), pp. 150-159.

of human capital, based on years of formal schooling, underestimates the actual skill differential between blacks and whites in Memphis. Hence, differences between blacks' and whites' scholastic achievements, discussed carlier, further widen the skill differential between the groups. The gap may be even greater for those Negroes living in Memphis but educated in the typically inferior black school systems of the rural South.

Together these data imply that an occupational structure based solely on educational attainment would place Negroes relatively worse off within skilled occupations than whites, though less so for women than for men. In the preceding chapter such a pattern was evident in public and private employment of Negroes in Memphis at the close of the sixties.

#### Migration

Migration may also be treated as a form of human capital investment as individuals move in response to economic and other incentives. Because they influence a variety of attitudes and problems, migration trends are likely to have important implications for employment patterns as well as race relations generally. If people are drawn into a labor market because of job opportunities, their attitudes will be different and they will be more welcome than when they are forced into urban areas because of inadequate opportunities for them in agriculture. Moreover, changes in the quality of the labor force will be influenced by the education and training of people entering a labor market compared with those of people who are leaving it.

During the fifties, diminishing employment of blacks and whites in agriculture in the Midsouth brought (or forced) many blacks and whites to Memphis and other urban areas in quest of better economic opportunities. Blacks were particularly responsive to changes in agricultural employment. Of Negroes 5 years old and over who migrated to Memphis from 1955 to 1960, about 4 out of

5 came from nonmetropolitan backgrounds, white migrants during this period were more equally divided between metropolitan and nonmetropolitan sources. (See table 25.) Moreover, the accent was on youth, as approximately 53 percent of both migrant groups were under 25 years of age.

The educational characteristics of Negroes and whites migrating to and from Memphis during the late 1950's suggest that on the whole Memphis was a net exporter of human capital among those 25 years old and over in 1960. The educational level of both in-migrants and our-migrants in this age bracket exceeded that of the existing population, but the number of out-migrants was greater than the number of in-migrants. Among Negroes, 23.3 percent of those leaving Memphis during this period had 4 years of high school education or more, whereas only 16.1 percent of Negroes entering Memphis had an equivalent level. (See table 26.) For white out-migrants and in-migrants these proportions were 63.7 percent and 62.0 percent. The effect of this pattern was to widen the skill gap-measured in years of formal educationbetween blacks and whites 25 years old and over in 1960.

No comparable education data were available for migrants 24 years of age and younger. However, from 1955 to 1960 the net in-migration of 10,686 whites, aged 15 to 24 years, in comparison with the net out-migration of 1,222 Negroes in this age group suggests that the skill gap between Negroes and whites in Memphis may have been widened even further. Other migration studies have shown, for example, that educated individuals are more likely to migrate than are noneducated individuals. This is supported by Memphis data for Negroes and whites aged 25 and over. If this is true for those 15 to 24 years of age, then the net gain of educated whites with the net loss of educated Negroes in this age group would lead to a further widening of the skill gap between Negroes and whites in Memphis.

To the degree that these interrelated patterns—the enlargement of the skill differential between Negroes and whites and the number of rural Negroes who migrated to the Memphis SMSA—persisted in the 1960's, they represented a deterrent to change of Negro employment patterns in relation to those of whites. Two factors in the 1960's, however, may have abated these trends:

(1) The reduced rate of decline in the demand for

<sup>&</sup>lt;sup>4</sup>See section on Schools in chapter on Background and Setting.

<sup>&</sup>lt;sup>5</sup> See, for example, L. A. Sjaastad, "The Cost and Returns of Human Migration," Journal of Political Economy, LXX, Supp. (October 1962); Samuel Bowles, "Migration as Investment: Empirical Tests of the Human Investment Approach to Geographical Mobility," The Review of Economics and Statistics, LII, No. 4 (November 1970), pp. 356-362; Marshall R. Colberg, Human Capital in Southern Development (Chapel Hill: The University of North Carolina Press, 1965), pp. 30-41.

<sup>&</sup>lt;sup>6</sup> Some migrants from metropolitan areas may have rural backgrounds.

<sup>&</sup>lt;sup>7</sup>Bowles, op. cit., p. 361. Also see Rashi Fein, "Educational Patterns in Southern Migration," Southern Economic Journal, July 1965, p. 122 ff.

TABLE 25. DISTRIBUTION OF PERSONS WHO MOVED IN AND TO THE MEMPHIS SMSA, 1955-1960, BY RACE AND 1955 PLACE OF RESIDENCE

	Persons 5 years o	old and over who		1955 place of residence							
Race	i ·	o the Memphis 1955 and 1960	Same SMSA		Different SMSA		Nonmetropolitan area				
	Total	Percent	Total	Percent	Total	Percent	Total	Percent			
Total	299,370	100.0	212,491	71.0	35,813	12.0	51,066	. 171			
Negro		32.9 67.1	86,108 126,383	87.3 63.0	2,444 33,369	2.5 16.6	10.090 40,976	10.2 20.4			

SOURCE: 1960 Census of Population (Washington: U.S. Department of Commerce, Bureau of the Census).

manpower in cotton production accompanied by increased movement of displaced farmworkers into the rural nonfarm sector, and (2) the increased employment opportunities for skilled blacks in Memphis. The latter factor was particularly important because it was the lack of these opportunities in the late 1950's that undoubtedly led many educated blacks, young and old, to seek opportunities elsewhere. The movement of Negroes into white-collar and skilled employment between 1966 and 1969 represented an important key to checking further migration of black human capital from Memphis.

# Industry Growth and Skill Requirements—

The disparity in blacks' and whites' formal education, achievement levels, and other forms of human capital is clearly important in determining Negroes' occupational distribution. However, accepting that black employment would be adversely affected, skill requirements of

TABLE 26. EDUCATIONAL DISTRIBUTION OF PERSONS 25 YEARS OLD AND OVER, BY RACE AND MOBILITY STATUS, 1 FOR THE MEMPHIS SMSA, 1960

[Percent distribution]

		White			Negro				
Educational level	Residents 25 years old and over	In-migrants	Out-migrants	Residents 25 years old and over	In-migrants	Out-migrants			
Elementary school:						•			
Less than 8 years.	13.0	10.4	4 9.1	53.1	54.5	38.1			
8 years	13.0	10.3	8.7	16.1	14.0	15.8			
High school:	-								
1-3 years	21.1	17.3	` 18.6	17.2	15.5	22.8			
4 years	32.5	32.4	33.1	9.0	7.8	14.0			
College:									
1-3 years	11.7	14.6	14.8	2.5	3.9	5.9			
4 years or more	8.7	15.0	15.8	2.0	4.4	3.4			

<sup>&</sup>lt;sup>1</sup> In migrant status represents those residing outside the Memphis SMSA in 1955, but in the Memphis SMSA in 1960. Out-migrant status represents those residing within the Memphis SMSA in 1955, but not in 196C.

SOURCE: 1960 Census of Population (Washington: U.S. Department of Commerce, Bureau of the Census).



industries drawing from this pool of unequally prepared black and white labor would determine to a substantial extent the distribution and relative occupational position of Negroes employed. Moreover, the ranking of whites above Negroes based on an objective criterion such as skills would make employment growth and market tightness an additional determinant of Negro employment patterns.8

Industries with skill requirements greater than those of others would be expected ceteris paribus to employ a smaller proportion of Negroes. Similarly, the relative occupational position of Negroes in these industries would be lower, as whites, with their skill advantage, hold skilled and white-collar employment in disproportionate numbers.

The ranking of Negro and white workers according to skills would make Negro employment sensitive to the demand for labor. Employers would choose their workers from as far up the ranking as possible, but as the demand for labor expanded, the dividing line between the employed and the unemployed would shift closer to the lower end of the ranking where Negroes were concentrated. Hence, in Memphis' tight labor market with a total unemployment rate between 1966 and 1969 of about 3 percent, industry growth would in all likelihood rely heavily on black labor—at least in the short run without extensive white in-migration. Consequently, industry growth in Memphis is expected to increase Negro employment relative to that of whites and to improve Negroes' relative occupational position.

To test these hypotheses, multiple regression analysis was used with data from 1966 and 1969 EEO-1 survey reports. Relative occupational indexes<sup>10</sup> for men and women in the Memphis labor market were constructed for 25 two-digit industries in each survey period. To measure skill requirements, a surrogate—the proportion of total EEO-1 employment in unskilled laborer and service occupations, by sex—was used in each period. Compound annual growth rates spanning 1964 to 1969 were calculated for each industry. <sup>11</sup> The equations to be

estimated by sex for 1966 and 1969 and the expected sign of each regression coefficient follow:

$$P = a_0 + a_1 S + a_2 G + e_1$$

$$(+) \qquad (+)$$

$$R = b_0 + b_1 S + b_2 G + e_2$$

$$(+) \qquad (+)$$

where

P = percent black

R = relative occupational index

S = proportion laborer and service employment

G =compound annual growth rate.

Estimation of the equations produced these results: Negroes' share of industry employment in Memphis was significantly related (measured by the standard t-test) to industry skill requirements in 1966 and 1969; this was slightly more true for men than for women. (See table 27<sup>12</sup>.) As expected, an increase of industry skill requirements (a decrease in the proportion of unskilled laborer and service occupations) was associated with a decrease in the share of industry employment held by Negroes. The elasticities of Negroes' share of industry employment with respect to skill requirements in 1969 (evaluated at the means) were 0.4 for men and 0.3 for women. The smaller impact of skill requirements on Negro women probably reflected their educational standing, which was higher than that of Negro men, both relative to whites and in absolute terms. This suggests that the general increase of industry skill requirements from 1966 to 1969 in the Memphis SMSA resulted in a smaller share of industry employment for Negroes, but more so for men than women. Although the coefficient for employment growth carried the expected positive sign, except for women in 1966, it was not statistically significant from zero.

Employment growth was an important determinant of Negroes' relative occupational position, however. The

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<sup>&</sup>lt;sup>8</sup> An objective ranking of whites above blacks based on skills may be reinforced by a subjective ranking based on overt discrimination. For a study of the impact of aggregate demand on employment of Negroes and whites; see Lester C. Thurow, Poverty and Discrimination (Washington: The Brookings Institution, 1969), pp. 49-58. Thurow concludes that low unemployment levels can be a major instrument for improving the employment position of Negro adults relative to whites.

<sup>&</sup>lt;sup>9</sup> In the presence of an unemployment rate extending upward to 5 and 6 percent, growth industries would be able to select from white workers further up the ranking. This emphasizes the importance of market tightness as the determinant of industry growth's impact on Negro employment.

<sup>&</sup>lt;sup>10</sup> See the chapter on Metropolitan Employment Patterns.

<sup>1</sup> County Business Patterns-U.S. Summary (Washington:

U.S. Department of Commerce, Bureau of the Census, published in the years 1965-70) was the source of these data. For the method used to construct employment growth rates see the section on Industrial Structure and Market Conditions, table 2, footnote 1, in the chapter on Background and Setting.

<sup>1.2</sup> Since the dependent and independent variables are given in percentage terms, weights are attached to the different observations in each regression for the above equations. A given percentage error will be more severe in a large industry than in a small industry. Hence, the observations in each regression are weighted by the total employment in each industry from County Business Patterns: 1966-U.S. Summary and County Business Patterns: 1969-U.S. Summary (Washington: U.S. Department of Commerce, Bureau of the Census, published in the years 1967 and 1970, respectively). The large intercept term is a scaling factor in the weighted regression and does not indicate anything about Negroes' share of industry employment or their relative occupational Position.

TABLE 27. REGRESSION RESULTS FOR INDUSTRY MODEL, MEMPHIS SMSA

|n = 25|

		Percent	black (P)		Re	lative occupa	tional index (	(R)
. Characteristic	Men		Women		Men .		Women	
\	1966	1969	1966	1969	1966	1969	1966 4	1969
Constant	56010.81	78187.33	64035.56	60773.06	111914.52	201524.14	156297.55	194576.82
(t)	(1.73)*	(2.62)†	(2.12)‡	(2.26)‡	(1.41)	(2.30)‡	(2.37)‡	(1.94)*
Proportion laborer and service em-								
ployment (S)	0.4717	0.5 273	0.2845	0.4121	0.4332	0.4952	0.5073	0.3798
(t)	(3.25)§	(3.67)§	(2.64)†	(3.40)§	(1.22)	(1.18)	(2.16)‡	(.84)
Compound annual growth rate				1				
(G)	0.9472	0.8478	- 0.4386	0.7932	6.1889	3.8613	5.3036	5.9627
(t)	(1.16)	(1.51)	(.57)	(1.61)	(3.11)§	(2.35)‡	(3.15)§	(3.25)§
R <sup>2</sup>	.45	.54	.24	.45	.44 ,	.35	.46	.38
F.,	8.89§	13.07§	3.49‡	9.08§	8.47§	5.93 §	9.51 §	6.76 §
Zero order correlation coefficient								
$C_{SG}$	.40	.45	.24	.25	.40	.45	.24	.25

<sup>\*</sup>Significant at .10 level.

‡Significant at .05 level. §Significant at .01 level.

extent to which an industry shared in the economy's expansion of employment was positively correlated with Negroes' relative occupational position. The impact of growth, though, was larger for women than men, again probably reflecting their educational standing. The elasticities of Negroes' relative occupational index with respect to the compound annual growth rate in 1969 were 0.5 for women and 0.3 for men. These results for employment growth further support the use and importance of unbalanced labor markets for improvement of Negroes' employment opportunities. Skill requirements, as a determinant of Negroes' relative occupational position, also carried the expected positive sign, but were significant only for women in 1966. Even in the latter case, based on standardized regression coefficients, 13 employment growth was relatively more important in explaining Negro women's relative occupational position than skill requirements.

The fact remains, however, that employment growth—although undoubtedly a prerequisite of

change—was not the only factor affecting Negroes' relative occupational position in Memphis. Nor were skill requirements the only factor affecting Negroes' share of industry employment. Employment growth, together with skill requirements, accounted for only approximately 40 percent of the variation in Negroes' relative occupational position and share of industry employment. Clearly, other structural forces in Memphis were important in determining Negroes' employment patterns. Indeed, an extensive set of institutional constraints, in addition to that of education, were important in explaining these patterns. Included among them, and discussed in the following paragraphs, are housing, unions, and job information systems.

#### Housing Patterns, Job Locations, and Transportation Systems

The cost of transportation in time and money may be a significant deterrent to Negro employment when jobs



<sup>†</sup>Significant at .02 level.

<sup>1 3</sup> Standardized regression coefficients estimate the change in a dependent variable from its mean, measured in standard deviations, associated with a change in each independent variable of one standard deviation from its mean. In standardized form, regression coefficients can be ranked to determine their relative contribution to explaining variance in the dependent variable.

are moving from the central city to the suburbs to which many Negroes cannot move for lack of money or because of implicit or explicit housing codes against them.<sup>14</sup> Furthermore, concentration of Negroes in inner-city ghettos tends to reinforce other forms of discrimination. Employers located outside the ghetto may discriminate against Negroes out of real or imagined fears of retaliation from white customers for bringing Negroes into white residential areas, or they simply may feel little pressure not to discriminate. Additionally, Negroes may have less information and less opportunity to learn about jobs distant from their places of residence or those of their friends.<sup>15</sup>

Housing segregation of Negroes and whites in Memphis is increasing. In 1960 the index of residential segregation was 92.0 on a scale of 100.0; this denoted almost total segregation of housing. This contrasted with the 1940 index for Memphis of 79.9 and the 1950 index of 86.4. The Census tracts containing, 4,000 or more Negroes apiece in 1967 encompassed 75 percent of the city's 1967 Negro population.

Comparing the location of Negro housing with that of major employment sectors shows that Negroes reside fairly close to employment opportunities in manufacturing; finance, insurance, and real estate; medical and health services; and government. (See figure 2.) Indeed, the distance between Negro housing and existing major employment sectors does not seem to be a problem in Memphis as elsewhere. From the center of Negro concentration in South Memphis to the northside industrial area, for example, is a distance of 5 miles. The distance to industrial areas at the southeastern edge of the city is 7 miles. The distance from these industrial sites to the nearest concentration of Negro housing is

even shorter. For those persons using public transportation from the center of South Memphis to these points, the travel time one way varies between 40 and 50 minutes to the northside and I hour to the southeast—including one transfer in each case—and costs 35 to 40 cents.

Perhaps the one important factor determining the impact on Negro employment of transportation cost in time and money is the rate of return on this travel. Negroes (and whites) are not likely to travel far to reach low-wage, unattractive jobs. For this reason, expansion of typically low-wage retail employment to the suburbs in Memphis to meet the burgeoning demand for goods and services there is likely to affect adversely Negro employment in this sector. On the other hand, growth of high-wage manufacturing employment in the suburbsmuch like that experienced by Memphis in the late 1960's-in the face of continued concentration of Negroes in the inner city is likely to have relatively less impact on Negro employment. The growth of manufacturing employment in the suburbs can be expected to continue in Memphis if a packet of information offered to prospective employers by the Industrial Development Department of the Memphis Light, Gas, and Water Division is a guide. Of 18 typical industrial sites offered employers, only one is located in a pocket of Negro concentration.

In the near future, the general impact of increased racial housing segregation on Negro employment in Memphis is expected to be less a result of the increased cost of transportation in time and money than of the tendency of housing segregation to reinforce other forms of discrimination, in particular, that of decreased labor market information. The growth of employment in the suburbs with concentration of Negroes in the inner city of Memphis will place an even greater burden on the formal labor market information system as blacks become further separated from informal job information networks. Moreover, there will undoubtedly be resistance by some blacks, based on their own preferences, to jobs in white suburban areas in what formerly may have been non-Negro employment, e.g., sales and clerical occupations. This resistance coupled with the propensity of employers in the suburbs to discriminate may have a further adverse effect on Negro employment in Memphis.

# segregation's effect on employment opportunities of blacks, see John Kain, "Housing Segregation, Negro Employment, and Metropolitan Decentralization," Quarterly Journal of Economics, LXXXII, No. 2 (1968), pp. 175-197; and Joseph Mooney, "Housing Segregation, Negro Employment, and Metropolitan Decentralization," Quarterly Journal of Economics, LXXXIII, No. 2 (1969), pp. 299-311. Kain concluded that housing segregation and transportation costs have had an adverse effect on black employment in Chicago and Detroit. Mooney concluded in a study of 25 SMSA's that market tightness, measured by unemployment rates, may be more important for black employment than housing segregation.

14 For a study of the impact of job movement and housing

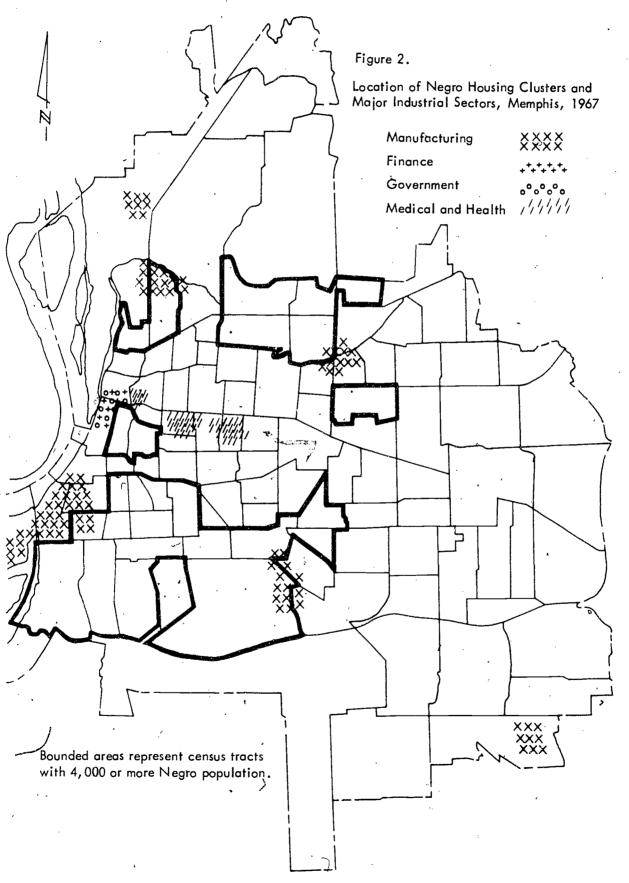
15 Kain, op. cit., pp. 179-80.

17 Ibid.

#### Unions

The evidence of unions' impact nationwide on Negro employment is mixed. As an example, craft unions

<sup>16</sup> Karl E. Taeuber and Alma F. Taeuber, Negroes in Cities: Residential Segregation and Neighborhood Change (Chicago: Aldine Publishing Company, 1965), table 4, p. 41. The index of housing segregation may be interpreted as showing the minimum percentage of Negroes who would have to change the block on which they live in order to produce an unsegregated distribution—one in which the percentage of Negroes living on each block is the same throughout the city.



which control the supply of labor in their trades can influence Negro employment opportunities by barring blacks from their unions and imposing closed shop conditions which require the employer to get his labor from the union. Hence, if the union bars Negroes from membership, they are effectively barred from the unionized sector of the trade. On the other hand, industrial unions without power to control the supply of labor have been more concerned with formalizing patterns of job segregation. 18 Beyond these cases, however, the labor movement at the national level has been indispensable in the movement for civil rights, improved education, and other social legislation. It has sought nondiscrimination agreements with employers and conducted vigorous antidiscrimination drives. Moreover, the labor movement has promoted Negro interests through its own egalitarian policies: Equal seniority, wages, and benefits for all workers regardless of race, and the elimination of occupational wage differentials. 19

In Memphis evidence of the impact of unions on Negro employment is similarly mixed. Estimates of union membership in Memphis are between 40,000 and 50,000, or about 15 to 20 percent of nonagricultural employment. On the surface, craft union policies appear to be more discriminatory than those of industrial unions, although the effect of the latter's policies in some instances may be equally discriminatory.

The use of seniority systems by industrial unions and employers, for example, has been both a positive and negative force on improving. Negro employment opportunities in Memphis and elsewhere. Where Negroes have been limited to certain jobs by established patterns of segregation, their advancement has been prevented by lack of seniority in lines of progression leading to better jobs. This form of exclusion is usually based on departmental seniority.

In Memphis the trucking industry represents an example of this practice. <sup>20</sup> Negroes are concentrated in city driver classifications, whereas whites are grouped in over-the-road classifications. Negro transfers to the more favorable working conditions of the over-the-road classifications, however, have been discouraged by use of departmental seniority in collective bargaining agreements. Under this form of seniority, transfers between departments—for example, from city driver to over-the-road—result in loss of seniority with all of its accrued benefits. As a result, Negroes are discouraged from

seeking better jobs. This practice is also evident among other Memphis employers providing their own local and long-distance hauling service.

However, where Negroes have acquired plant seniority, which opens all bargaining unit jobs to them, it has helped them upgrade themselves. Such is the case for Negroes at two of Memphis' largest employers: International Harvester, and Firestone Tire and Rubber Company, organized by the United Rubber Workers. In Memphis "... Firestone, and Firestone alone, of all rubber tire companies in the South, both integrated its seniority rosters, opening up all blue-collar jobs to Negroes, and at the same time maintained its leadership by far in the utilization of Negroes. Moreover, the integration occurred in the 1950's before the Civil Rights Act made it mandatory."<sup>22</sup>

Although the impact of industrial unions in Memphis on Negro employment is mixed, the record of Memphis' craft unions is not. Exclusionary policies of many craft unions, particularly in the building trades, have virtually eliminated Negroes from unionized sectors of employment except in the so-called trowel trades.

Membership in referral unions in the Memphis building trades numbered 6,682 in 1967, 1,111 or 16.6 percent of whom were Negroes. This membership was distributed between the mechanical trades (Electrical Workers, Iron Workers, and Plumbers) with 1,834 members, only 16 of whom were Negroes, and the general construction trades (Asbestos Workers, Carpenters, Laborers, Operating Engineers, and Roofers) with 4,848 members, 1,095 of whom were Negroes.

In its 1966 hearings on apprenticeship and training opportunities of Negroes in Memphis, the Tennesse State Advisory Committee to the U.S. Commission on Civil Rights reported:

The Committee found that the building trade unions in Memphis have made little or no progress in opening their

<sup>&</sup>lt;sup>21</sup>The International Harvester local was placed under trusteeship in 1960 by the International after a long series of disputes over ractal matters. This event followed earlier vigorous opposition in 1953 by white local members to the movement of Negroes into previously all-white jobs, a movement supported by the company and the international union. John Hope II, "3 Southern Plants of International Harvester Company," Selected Studies of Negro Employment in the South (Washington: National Planning Association, 1953), p. 105. Also see F. Ray Marshall, The Negro and Organized Labor (New York: John Wiley & Sons, Inc., 1965), p. 179.

<sup>&</sup>lt;sup>22</sup>Herbert R. Northrup, *The Negro in the Rubber Tire Industry* (Philadelphia: University of Pennsylvania Press, 1969), pp. 100-101.

<sup>&</sup>lt;sup>23</sup>Data on minority membership in referral unions in the Memphis SMSA are from the 1967 Local Union Report EEO-3, Office of Research, U.S. Equal Employment Opportunity Commission.

<sup>&</sup>lt;sup>18</sup> F. Ray Marshall, "Job Problems of Negroes," *The Negro and Employment Opportunity*, ed. by Herbert R. Northrup and Richard L. Rowan (Ann Arbor, Mich: The University of Michigan, 1965), pp. 11-13.

<sup>19</sup> Ibid.

<sup>&</sup>lt;sup>20</sup> From field notes of the author.

membership or their training programs—programs often conducted in cooperation with the employers and the Federal Bureau of Apprenticeship and Training—to Negro applicants. There are several all-white locals. The trade union officers failed, more than any other group, to respond to the Committee's invitation to assist it in gathering the facts on employment opportunity in Meniphis.

In 1969, there were 46 apprenticeship programs covering 632 apprentices registered with the Bureau of Apprenticeship and Training (BAT) in Memphis. Although only 14 of the programs were in the building trades, these programs accounted for 92 percent of all registered apprentices. (See table 28.) Negroes comprised 10.6 percent of all registered apprentices and were concentrated mainly within the building trades in the Carpenters, Plasterers, Cement Masons, and Painters. The Plumbers in 1969 also accepted their first two Negro apprentices. However, programs of the Electricians, Glaziers, Iron Workers, and Steamfitters remained all white. 25

As of December 31, 1969, 42 of the 46 registered programs were considered to be in compliance with the U.S. Department of Labor's nondiscrimination order (29 CFR 30) by the Memphis office of the Bureau of Apprenticeship and Training. In use, however, this order was somewhat meaningless, as the BAT lacked the staff to conduct extensive field reviews of compliance with unions and employers. Even if BAT had had an adequate staff, however, its enforcement power was limited. Its only compliance tool was deregistration of a program—a tool which carried little penalty for the offender. Indeed, the Memphis office of the BAT had never deregistered a program in enforcing 29 CFR 30 since the orders were issued in 1964.

Although craft unions in Memphis have given tacit acceptance to equal employment opportunity for Negroes by agreeing to affirmative action programs in compliance with Federal laws and regulations, few have taken action to recruit blacks and, consequently, few Negroes have become apprentices or craftsmen. The lack of change in some craft unions' patterns is due in large part to racist attitudes and policies of these unions, but also to the scarcity of Negro applicants who are capable of meeting entrance requirements for apprenticeship programs.

Partly to increase the number of minority apprentices, an Apprenticeship Information Center (AIC) was established in Memphis in August 1968. The AIC's

TABLE 28. APPRENTICES IN REGISTERED JOINT APPRENTICESHIP PROGRAMS IN THE CONSTRUCTION INDUSTRY FOR MEMPHIS, DECEMBER 31, 1969

Program `	Apprentices
Total	. 583
Memphis Bricklayers #1 of Tennessee .	1 1 777
Carpenters #345	. 1
Cement Masons #521	.
Electricians #474	
Glaziers #242	Y
Iron Workers #167	i
Lathers #55	1
Painters #49	
Plasterers #133	
Plumbers #17	
Roofers #115	1
Sheetmetal Workers #4	
Steamfitters #614	. 49
Tilelayers #1 of Tennessee	1

<sup>&</sup>lt;sup>1</sup> Includes bricklayers, stonemasons, and tuck pointers.

SOURCE: Memphis office of the U.S. Department of Labor, Bureau of Apprenticeship and Training.

function was to recruit, screen, test, counsel, and refer applicants to unions—with an emphasis on black applicants. By August 1969, the AIC had produced 75 new apprentices, 15 of whom were black. However, few blacks were placed by this program in formerly all-white apprenticeship programs. Only in the Plumbers, where the AIC placed one Negro, was there a sign of change in established patterns; the Plumbers also recruited one Negro on their own.

In reflecting on problems of the Negro in apprenticeship in Memphis, an official of the AIC said:

We give the General Aptitude Test Battery (GATB), but frequently Negroes fall below program requirements. This is due to three factors: they haven't prepared themselves academically for these trades, they are not test conscious, and they are skeptical of the whole idea. Negroes have been kept out of this area for so long that they aren't convinced that our efforts are on the up and up.<sup>27</sup>

To further assist Negroes' entry into apprenticeship, an Apprenticeship Outreach Program (AOP) offering special tutoring and followup services was established in Memphis in February 1970. It was cosponsored by the AFL-CIO Human Resources Development Institute and the Memphis Building Trades Council. In its inception

<sup>&</sup>lt;sup>24</sup> "Report of the Memphis Open Meeting" of the Tennessee State Advisory Committee to the U.S. Commission on Civil Rights, held in Memphis in 1966, p. 10. (Mimeographed.)

<sup>&</sup>lt;sup>25</sup> Author's field notes from the Memphis office of the U.S. Department of Labor, Bureau of Apprenticeship and Training.

<sup>&</sup>lt;sup>26</sup> lbid.

Includes wiremen (construction electricians) and linemen.

<sup>&</sup>lt;sup>3</sup> Includes tilelayers, marble masons, and terrazzo workers.

<sup>&</sup>lt;sup>27</sup>Personal interview with an official of the Apprenticeship Information Center, Memphis, Tenn., March 1969.

by the New York Workers' Defense League, the AOP was to include services offered by the AIC (recruitment, screening, testing, counseling, and referral) in addition to those of tutoring and followup. In Memphis, except for some recruitment and referral by the AOP, these services remained basically divided between the agencies. Nevertheless, during its first year of operation ending February 1971, the AOP, with the cooperation of the AIC, was responsible for placing 31 indentured workers; included among these were two Negroes indentured to the Plumbers, three to the Electricians, and one to the Iron Workers. Moreover, the number of referrals by the AOP to all-white apprenticeship programs seemed to indicate that, with continued Federal antidiscrimination pressure, other breakthroughs would follow for Negroes in Memphis craft unions.

#### Job Information

Another reason why Negroes are underrepresented in white-collar occupations is that they and employers use different sources for job information.<sup>28</sup> This appears to be the case in Memphis, at least as reflected through 1969.

According to interviews conducted with employers in all occupations in the spring of 1969, employee referrals were employers' most consistently used source of applicants. Of the 52 employers who responded, 83.0 percent used this source. These employers also ranked this source most frequently as effective for recruitment of white-collar employees; 58.1 percent ranked it as effective. The use of current employees or the internal labor market as a primary source of recruitment helps explain why, for example, 195 of the 654 Memphis firms filing EEO-1 reports in 1966 hired no Negroes, and only 162 firms hired one or more Negroes in a white-collar position. Other sources of white-collar employees used by employers, in order of importance, were: Private employment agencies, newspapers, and colleges.

<sup>28</sup> In Support of this hypothesis, see Melvin Lurie and Elton Rayack, "Racial Differences in Migration and Job Search: A Case Study," Southern Economic Journal, July 1966, pp. 81-95; Edward C. Koziara, Karen L. Koziara, and Andrew G. Verzilli, "Racial Differences in Migration and Job Search: A Case Study-Comment," Southern Economic Journal, July 1970, pp. 97-99; "Employers in Riot Cities Speak Out," Monthly Labor Review, December 1968, p. 43. For contrasting evidence, however, see Harvey J. Hilaski, "How Poverty Area Residents Look For Work," Monthly Labor Review, March 1971, pp. 41-45.

Negro leaders interviewed indicated overwhelmingly that the Tennessee Department of Employment Security (TDES) was the source most frequently used by Negroes seeking employment. Nine out of 11 Negro leaders responding indicated this; significantly, none ranked it as effective for obtaining white-collar employment for Negroes. Similarly, among employers, 81.0 percent of those responding used the State employment office, but only 30.9 percent viewed it as an effective recruitment source of white-collar employees. Sources seen by Negroes as effective for finding white-collar employment were: Employee referrals, the Urban League, and references from Negro leaders. By comparison, employers who were interviewed ranked the latter two sources sixth and ninth respectively in frequency of use. Indeed, less than one-third of employers interviewed used Negro agencies, Negro colleges, or Negro newspapers. Employers' main sources (except newspapers) of whitecollar employment—employee referrals, private employment agencies, placement offices at primarily white colleges—all effectively screened out Negroes.

The low assessment of the TDES by Negroes and employers is particularly significant since it is the primary formal source of labor market information for both groups. Negroes appear to—use it because it is the only means they are accustomed to using; they have little faith in it. One Negro leader said:

The Tennessee Department of Employment Security hasn't been effective at all for Negroes in white-collar jobs. We've picketed them and other employers and this is the only way we've gotten Negroes into better paying jobs. They've long put Negroes in menial jobs and given the better jobs to white people.<sup>29</sup>

One young Negro, when asked how his age group felt about the efforts of the State employment service in placement of Negroes in jobs, gave the following response:

They view it pretty bad, poor. Sometimes you have to go there five or ten times without getting a job. You may get a job, but it doesn't pay you as much as it does the white boy. If you don't have adequate clothing on, they will tell you to go back home and come back again later. They may ask you about your education, but this might have nothing to do with your ability to do the job. 30

A spokesman for a welfare organization of Negro mothers said:

Sometimes you can go to the employment office and get a good job. Sometimes, though, some of the employees holler at us and tell us to go home and clean up. If we look too nice, they

<sup>&</sup>lt;sup>29</sup> Interview with an official of the Memphis chapter of the NAACP, April 1969.

<sup>&</sup>lt;sup>30</sup> Interview with a member of the black militant organization, the Memphis Invaders, April 1969.

will say, "You don't need work!" They give some folk jobs who live close to where the job is, like in private homes or restaurants. One lady was told she was too black and another that she was too fat. They want a fair-skinned person a lot of times.<sup>31</sup>

To some, perhaps many, blacks the image of the Federal-State employment service in Memphis was that of a white racist institution. This image, however, appeared to be the product of several interrelated factors not all of which were within the control of the TDES. In dealing with many blacks, the employment service was faced with the task of placing in jobs those who were only marginally employable (or in some instances unemployable). Employment was limited by necessity to low-skill, menial jobs; thus using the Federal-State employment service was a story of frustration and failure for many disadvantaged blacks.

The blame for the employment service's failure to serve blacks must also be shared by employers whose. hiring practices influence the TDES' referrals. Inasmuch as the budget of State employment offices prior to 1969 was based primarily on the number of placements made, it created an incentive to refer applicants who had the best chances of being hired. Employer discrimination resulted in the referral of blacks and whites on a segregated basis—a practice that apparently continued in Memphis by implicit agreement even after employers were prevented from asking for referrals on a racial basis. Such a determination was made in 1969 through staff interviews by the Memphis City Advisory Subcommittee to the U.S. Commission on Civil Rights.<sup>32</sup> The practice of gearing budgets to the number of placements is no longer used by the State employment service, though placements are still used in evaluating the overall performance of different offices.

Further, the low assessment of the TDES by employers as a source of white-collar employees—if not their willingness to discriminate against Negroes—often leads them not to list white-collar jobs with the Federal-State employment service, or at least not to use the service as a primary recruitment source of white-collar employees. This practice also effectively screens out blacks who use the employment service.

Beyond these factors, there seemed to be a crucial shortage of employment service personnel capable of relating to both blacks and employers. In the midsixties the nationwide emphasis of the employment service shifted from a means of matching people with existing

# TABLE 29. EMPLOYMENT IN THE MEMPHIS OFFICES OF THE TENNESSEE DEPARTMENT OF EMPLOYMENT SECURITY, BY RACE, 1966

•	-	Negro employed		nployees
Orlice	Total	- White employees	Number	Percent of total
Poplar Avenue ,	48	46	2	4.2
Main Street	13	7	6	46.2
Union Avenue	14	10	4	28.6
Cleveland Street.	31	24	7	22.6

SOURCE: Tennessee State Advisory Committee to the U.S. Commission on Civil Rights.

jobs to a manpower center concerned with providing its clients with suitable employment or equipping them to fill jobs considered suitable. This shift in emphasis has required considerable flexibility in programs, policies, and personnel of the employment service. The inability of some current employees to adapt themselves to this shift has contributed to the problems of the employment service in Memphis. Added to this is the practice of gearing salaries of employment service personnel to State salary schedules, which are generally lower than Federal schedules or those of private industry; this practice compounds problems by making the employment service unable to compete for trained professionals.

In some instances, the failure to fully desegregate the Federal-State employment service staff also represented a color barrier and lack of identification to the minds of some blacks. Testimony in 1962 before the Tennessee State Advisory Committee to the U.S. Commission on Civil Rights disclosed that the TDES was operating segregated facilities.<sup>33</sup> In 1966, an official of the Memphis office of the TDES testified before a similar hearing that his agency had made progress in desegregation of its four offices. The Advisory Committee found:

The Main Street office (formerly Negro) now handles unskilled and domestic placements only. The Poplar Avenue office (formerly white) handles all other placements. Union Avenue is a claims office and Cleveland Street is the Youth Opportunity Center.... The Poplar office traffic now is roughly fifty-fifty between the two races, where prior to 1962 it was 100 percent white.<sup>34</sup>



<sup>31</sup> Interview with an official of the Memphis Welfare Rights Organization, April 1969.

<sup>32 &</sup>quot;Working Papers for Memphis City Advisory Subcommittee to the U.S. Commission on Civil Rights," January 1969, p. 20. (Mimeographed.)

<sup>3 3</sup> Hearings Gefore the U.S. Commission on Civil Rights in Memphis, Tennessee, June 25-26, 1962 (Washington: U.S. Commission on Civil Rights, 1963), p. 234.

Commission on Civil Rights, 1963), p. 234.

34"Report of the Memphis Open Meeting" of the Tennessee
State Advisory Committee to the U.S. Commission on Civil
Rights, held in Memphis in 1966, p. 4. (Mimeographed.)

Though clientele of the TDES had been desegregated by 1966, the personnel of its Poplar Avenue office, which handled skilled and white-collar placements, had not been effectively desegregated. (See table 29.) Placement and counseling personnel for skilled and white-collar employment in 1969 remained predominantly white. The problem was not unique to the Memphis office, however, as it occurred throughout the State system. One State employment service official expressed the desire to employ more blacks, but cited as a reason for the failure to do so the inability of blacks to pass State civil service exams.<sup>35</sup>

Clearly, the problems of the TDES are not all of its own making. The TDES is part of a larger institutional

structure, which includes education, housing, employment, and many other factors which determine the framework in which it operates. Indeed, it is far from certain that altering employment service practices, whose effect is discriminatory, will in fact produce needed change in market information and jobs available to the black community unless this change is accompanied by change in employer recruitment and hiring practices. Certainly, however, change in the TDES is a necessary step to improving Negro employment opportunities.



<sup>&</sup>lt;sup>3 5</sup>Telephone interview with a State official of the Tennessee Department of Employment Security, Nashville, Tenn., Febtuary 1970.

#### V. REMEDIAL PROGRAMS

The myriad programs and agencies whose purpose is to provide education, work experience, and training to the economically disadvantaged in Memphis have been. enumerated by the Memphis Area Manpower Coordinating Committee. (See table 30.) The number of those expected to be unemployed or underutilized during the 1970 fiscal year was estimated to be 71,300.1 Approximately 48,400 of these persons have annual incomes below the poverty level and 39,900 of these have one or more of the following characteristics: Under 22 years old; 45 years old or older; member of a minority group; school dropout; or physical or mental handicaps.<sup>2</sup> These disadvantaged persons, the poor, form the major target population for manpower programs. An additional 22,900 persons comprised of the nonpoor who are unemployed or underutilized complete the estimated fiscal 1970 universe of need for Memphis manpower programs.

By virtue of their low incomes and low skill levels, Negroes are disproportionately represented among the disadvantaged in Momphis. Hence, the performance of manpower programs is important in Negroes' hopes for improving their skills and employment opportunities.

During the mid-1960's, the array of programs available in Memphis expanded rapidly, including those of older established institutions-the vocational education program and the Federal-State employment service-as well as new ones created by Federal manpower legislation during the 1960's.3 Indeed, by 1969 there were approximately 21 federally supported manpower programs operating, or scheduled to operate, in Shelby County administered by 10 different agencies. In addition, there were numerous private, State, and local programs whose function it was to provide education, work experience and training, and social services to the disadvantaged.4 Also included among these were organized efforts to expand the black business community by supporting black capitalism. One measure of the success (and of the problems) these programs and agencies have had in Memphis in helping the disadvantaged, particularly disadvantaged Negroes, lies in the attitudes they have created among Negroes and employers in the community. The purpose of this chapter is to gauge these attitudes.

<sup>2</sup> lbid., p. 6.

<sup>&</sup>lt;sup>1</sup> "The Memphis Area Comprehensive Manpower Plan" (Memphis: Tennessee Department of Employment Security, 1969), p. 5. (Mimeographed.)

The term "underutilized" includes those persons who are: (1) Employed part time for economic reasons, (2) employed full time, but with family income at or below the poverty level, and (3) individuals not in the labor force but who should be.

<sup>&</sup>lt;sup>3</sup> For a description of Federal manpower programs see: Garth L. Mangum, Federal Training and Work Programs in the Sixties (Ann Arbor, Mich.: Institute of Labor and Industrial Relations, 1969); Kershaw, op. cit., pp. 20-43; Sar A. Levitan and Garth L. Mangum, Making Sense of Federal Manpower Policy: Policy Papers in Human Resources and Industrial Relations No. 2 (Ann Arbor, Mich.: Institute of Labor and Industrial Relations, 1967).

<sup>&</sup>lt;sup>4</sup> See James H. Kellow, A Study of the Structure and Functions of Public Employment, Retraining, and Welfare Agencies in Memphis and Shelby County (Atlanta: Southern Regional Education Board, 1967).

TABLE 30. MANPOWER PROGRAMS, SHELBY COUNTY, TENNESSEE, FISCAL YEAR 1969

Program name	Operating agency	Target groups	Services offered .	Numbe served
leighborhood Youth Corps-				
out-of-school program	War on Poverty Committee.	Members of low-income	Counseling, work ex-	215
		families, out of school,	perience, and job	
, •	•	16 years old or over.	development and	}
	,		placement.	
• •	1-			
eighborhood Youth Corps-		•.		
out-of-school summer			, '`	
program	War on Poverty Committee.	Members of low-income	Orientation to world of	340
,		'families, out of school, .	work.	
•	•	16 years old or over.		[
ア.	· .		•	
ighborhood Youth Corps—		•	, ,	, -
in school program	Memphis Board of Education.	Low-income high school	Part-time employment.	/ 370
**.		students, 16 years old		ľ.
•		or over.	· · ·	h .
	;		1400	
eighborhood Youth Corps—	•	,		
n-school summer program	Memphis Board of Education.	Low-income high school	26 hours per week, 10	750
•	, "	students, 16 years old .	weeks of employment.	3
•	]	or over.		1
				•
DTA on the job training	Urban' League.	Disadvantaged, unemployed	Counseling to trainees,	450
<del></del>	,	persons.	reimburse employers	
			for training costs.	
	,		'/ '	ľ .
OTA institutional			/ .	
raining ,	Meinphis Board of Education.	Disadvantaged, unemployed	Remedial education,	230 ಚ
		persons in need of voca-	counseling, vocational	"
•		tional skills.	training.	1
	1			âss
OTA coupled training	Arlington Hospital for	Disadvantaged, unemployed.	Remedial education,	330
	Mentally Retarded.	•	counseling, institu-	**
•		•	tional and on-the-job	ļ
	.	<i>"</i>	training.	
IPC content only	National Alliance of Business	Disadvantaged imampled	Remedial education,	325
BS-contract only	National Alliance of Business-	Disadvantaged, unemployed.	courseling, medical	323
	men.	e*-		
			services, on the job	
			training.	'
ark Incentive Decarem	Tennessee Department of	AFDC welfare recipients.	Counseling, referral to	300
ork Incentive Program	Employment Security.	AFDC wentate recipients.	educational and voca-	300
ı	Employment Security.		tional training or other	1
	' '	,	services as needed, job	ļ.·
•	•	~··	placement.	}
		•	placement.	1
Iult Basic Education	Memphis Board of Education.	Persons with less than an	Basic education.	2,338
tan Basic Daucation	s.	eighth-grade education.	Dane Cudcation.	2,336
	, at	ognin-grade cudeation.	•	,
ult education	Memphis Board of Education.	Employed persons who	Short-term yocational	6.225
an caucation	Moniphis Board of Education.	desire to learn new voca-	training.	3,22
•	, , ,	tional skills or upgrade	raning.	· .
$\mathcal{F}$	· ·	present skills.		
,		prosont sants.	,	·
emphis Area Vocational	<b> </b>		,	
	l i		ا ما د د د د د د د	001
	Memphis Roard of Education	Parsons who desire voca-	Remedial education and	, 4111
School	Memphis Board of Education.	Persons who desire vocational training.	Remedial education and a variety of vocational	900

E.

TABLE 30. MANPOWER PROGRAMS, SHELBY COUNTY, TENNESSEE, FISCAL YEAR 1969 - Continued

Program name	· Operating agency	Target groups	Services offered	Number served
Memphis Area Project South	War on Poverty Commi.	Low-income families.	Job placement.	2,614
Project Assist/Action	Urban League.	Underemployed persons.	Counseling, remedial edu- cation, job placement.	200
Day care	War on Poverty Committee.	Children of working mothers residing in low-income areas.	Child care.	230
Educational Opportunity			`	Ì
Grant	Le Moyne-Owen College.	Low-income college students.	Financial assistance.	80
College Work-Study Program	Memphis State University.	Low-income persons who desire to attend college.	Financial assistance through part-time employment.	350
Experimental	Shelby County Board of Education.	Male inmates of Shelby County Penal Farm.	Remedial education, counseling, voca- tional training.	135
Summer Youth Achievement.	War on Poverty Committee and Memphis Housing Authority.	Youth residing in public housing projects.	Work experience.	110
Summer Beautification Program	War on Poverty Committee.	Low-income men, 16 years old or over with a poor social history.	Work experience, income supplement.	60
Vocational Rehabilitation	Tennessee Department of Employment Security.	Persons with physical or mental problems which interfere with their ability to work.	Medical examination and treatment, prosthetic devices, vocational training; education, and other services needed to enhance employability.	1,700

SOURCE: "The Memphis Area Comprehensive Manpower Plan" (Memphis: Tennessee Department of Employment Security, 1969). (Mimeographed.)

#### Federal and Local Manpower Programs

Negroes familiar with existing manpower programs in Memohis generally expressed discontent with them for three reasons: (1) The absence of information about them in the black community, (2) their lack of coordination, and (3) their insufficient level of services. Spokesmen agreed that despite duplication of services in some programs, the needs of the community were not being mer Most felt, however, that among those services available, meaningful steps were being taken toward

resolving economic and social problems of the disadvantaged.

The first charge—the absence of program information available to the black community—was made particularly clear by the inability of nearly one-half, or 12 out of 25, of the Negro spokesmen interviewed, to respond to questions about existing manpower programs. These spokesmen included government officials, high school counselors, Negro businessmen, and even civil rights spokesmen—the very people to whom this information would be most accessible. Outreach programs were undoubtedly important in reaching the disadvantaged, and particularly the hard-core poor, with information and services. Yet, in Memphis the very agency assigned to recruitment for most federally funded manpower

programs, the Federal-State employment service, rated itself as only moderately capable of outreach.5

Coordination of program effort also appeared to be a problem. Cooperative planning and coordination of manpower programs in Memphis were the function of the Cooperative Area Manpower Planning System (CAMPS)-a local committee comprised of representatives of various manpower programs. This committee. whose purpose it was to minimize confusion and duplication of programs in Memphis, was part of an informal regional and national planning body that was formalized by Executive order of the President in August 1968. The important question was whether it worked,

In discussing effort toward coordination by CAMPS in Memphis, an official of the War on Poverty Committee (WOPC) said:

There is a sinful lack of coordination of all manpower programs. CAMPS has expanded its membership to bring in representatives of more groups. It proposed submitting all proposals to their committee, but met with considerable resistance. Nobody wanted encroachment on their own ground. Everybody protects their own little thing.6

An official of the Apprenticeship Information Center, a component of the Federal-State employment service, when asked about coordination, said:

There are so many people involved they just can't keep up with one another. These people are dealing in numbers and until we give up trying to help our own cause, we won't get anywhere.

A substantial proportion of the problems of program coordination and duplication centered on the Federal-State employment service and its difficulty in servicing the needs of the black community in Memphis. Recruitment and placement services paralleling those of the Federal-State employment service arose among several agencies. For example, Memphis Area Project South (MAP-South), funded primarily by the Office of Economic Opportunity through the Memphis War on Poverty Committee, provided job placement-services to individuals from low-income families, duplicating similar services offered by the Tennessee Department of Employment Security (TDES). So did Project Assist/ Action, a remedial education and placement program for high school and college dropouts supported by the U.S. Department of Labor through the Atlanta region of the National Urban League.

The TDES' problems in serving the disadvantaged

were particularly evident in its recruitment for federally supported training programs such as the Manpower Development and Training Act on-the-job training program sponsored by the Memphis Chapter of the National Urban League and the Job Opportunities in the Business Sector (JOBS) contract program sponsored by the National Alliance of Businessmen (NAB). In practice, the Delta Education Corporation (a private training company providing supportive services for the JOBS contract program), the Urban League, and employers supplemented efforts of the TDES by doing their own recruiting. Individuals recruited in this manner were then sent to the TDES for certification as "disadvantaged" for eligibility in the respective program. A 1967 study reporting this practice by the Urban League interviewed the manager of the TDES, who explained that he had not been asked by the Urban League to provide a substantial number of applicants.8 In 1969 an official of the Delta Education Corporation had a different view of the problem: He indicated that his program would dwindle away if he had to depend on TDES to send him 'applicants.<sup>9</sup>

Problems with coordination of selection, training, and placement were evident in the vocational education system and its high school, post-high school, and adult education programs. The vocational education system was criticized frequently by Negro spokesmen for its lack of coordination with industry skill needs and its selection and placement of trainees. When asked to evaluate the vocational education program, one Negro spokesman said:

It has the potential of doing a tremendous job, but it has unused capacity. How do you expect a dropout to go back to the system he dropped out from? It hasn't been able to reach those people who need it. They advertise, but it's a waste of money when trying to reach the disadvantaged. They are trying to meet the skill needs of tomorrow, but we learned that some of our referees were being taught unusable skills. The ingredients are there to fill the needs of employees, but they can't get jobs. it's a lack of coordination and a lack of information. 10

In testimony before the Tennessee State Advisory Committee to the U.S. Commission on Civil Rights in 1966, the Director of Vocational Education for Memphis City Schools, when asked if the school system had done anything to find out employer needs in factory jobs, replied:

No and yes. High school programs, no. Other than your distributive education and your office occupation, we cannot

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<sup>&</sup>lt;sup>5</sup> Agency self-evaluation conducted by the Memphis Manpower Commission in August 1969. (Mimeographed.)

Interview with an official of the War on Poverty Committee, Memphis, Tenn., March 1969.

<sup>7</sup> Interview, with an official of the Apprenticeship Information Center, Memphis, Tenn., March 1969.

Kellow, op. cit., p. 85.

Interview with an official of the Delta Education Corpora-

tion, Memphis, Tenn., March 1969.

10 Interview with an official of the War on Poverty Committee, Memphis, Tenn., March 1969.

carry the skill far enough for the high school youngster. But now in our adult school in Memphis, Vocational and Technical School... we use advisory committees from industry and from the data processing institute.<sup>11</sup>

When asked this question in 1969, an official of the vocational education system replied:

We try to read extensively on various programs in determining the need for skills in the community. We belong to the research council of the Great Cities—a group comprised of 16 cities. This group along with other professional associations is used by our people to keep current. Some changes that we have made recently in our program include the addition of courses in aircraft maintenance. Most of our courses are set up on industry's request.<sup>12</sup>

When asked about coordination with other agencies on selection and placement of its trainees, the official reported:

We use the employment service to select applicants, but only for the MDTA programs. All other applicants must apply at our school. The employment service could not possibly test all the applicants we have, so with their permission and supervision we test our own people. We use the General Aptitude Test Battery (GATB) as used by the employment service.

[Concerning placement] we don't have any direct contact with the placement people for this purpose, though we suggest that our people use the Tennessee Department of Employment Security. We also have a list of other placement agencies and we encourage our people to go to as many of these as possible. Our teachers are on a ten-month contract with school only lasting nine months. We encourage them to make contact with industry during the last month to look for jobs. Many of our teachers have placed people all over town and we now have contacts in many places.<sup>13</sup>

Interviews with other private and government agencies contained examples of the lack of program coordination that existed despite efforts of groups like CAMPS. In March 1968, the Memphis Manpower Commission was established by a city council resolution. The purpose of this Commission was to coordinate manpower activities, to disseminate information to the community about existing programs, and to provide planning and guidance for manpower activities. Its nine members appointed by the mayor were chosen to represent, insofar as possible, all elements of the community: Racial groups, geographical spread, economic class, work force, private industry, civic affairs. and government. Specifically, its membership was to be composed of "not less than three members of minority ethnic groups, two from private industry, two from organized labor, one from education, and the remainder, including the Chairman, from the general public." <sup>14</sup>

Serving the Commission as a staffing agency was the Human Resources Division of the Memphis Area Chamber of Commerce which also served as the staffing agency for several other programs concerned with employment of the disadvantaged, including the National Alliance of Businessmen and the Memphis Employers' Merit Employment Association. It was unlikely that the diverse membership of the Commission—the second agency in Memphis concerned with coordinating manpower programs—would provide the coordination needed by functioning manpower programs, since it did not include representation from them or have control over them. Moreover, there was no evidence by late 1969 that it did.

The real test of programs-and the one ingredient without which no program can attract the disadvantaged even if all information, planning, and coordination is provided—is whether these programs produce results. Existing programs often did not produce these results in necessary numbers. For example, the Neighborhood Youth Corps out-of-school program, directed by the War on Poverty Committee, is designed to give an individual work training and to motivate him to return to either vocational or academic high school. In fiscal 1969, over 800 persons applied to this program which could serve only 215.15 Nearly 3 out of 4 youth were rejected. Indeed, between 1966 and 1968 alone 4,097 youth dropped out of school in the Memphis City School System. 16 Clearly the NYC out-of-school program hardly touched the surface of the problem. The Work Incentive Program (WIN) for mothers receiving Aid to Families with Dependent Children provides them with counseling, vocational training, and job placement. In 1968, 7,356 families received AFDC assistance; yet, in fiscal 1969 WIN served only 300 AFDC recipients in Shelby County. Expansion of WIN's services was undoubtedly needed. In 1970 the number of families headed by women in Shelby County was 26,942-15,674 of whom were Negroes-yet federally funded day care centers in fiscal 1969 served only 230 working mothers. Still another indication of the need and demand for specialized manpower services that were unavailable is found in the sizable number of applica-



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<sup>11 &</sup>quot;Report of the Memphis Open Meeting" of the Tennessee State Advisory Committee to the U.S. Commission on Civil Rights, held in Memphis in 1966, p. 19. (Mimeographed.)

<sup>&</sup>lt;sup>12</sup> Interview with an official of the vocational education program of the Memphis City School System, March 1969.

<sup>13</sup> Ibid.

<sup>&</sup>lt;sup>14</sup> "Proposed Memorandum of Understanding," Memphis Manpower Commission, August 27, 1968. Copy in author's possession.

<sup>15&</sup>quot;The Memphis Area Comprehensive Manpower Plan" (Memphis: Tennessee Department of Employment Security, 1969), p. 8. (Mimeographed.)

<sup>&</sup>lt;sup>16</sup> Data on dropouts from the Memphis City School System in author's possession.

tions on file with the Delta Education Corporation, the Memphis Urban League, and MAP-South—applications that could not be acted on for the lack of jobs. The financial commitment that would be necessary to meet the needs of the community would be difficult to estimate from these examples. What is easy to see, however, is that the effort to provide specialized education, work experience, and training programs to the disadvantaged in Memphis has only scratched the surface.

Employers committed to helping in the solution to Negroes' employment problems usually were involved in one of two ways. The larger number participated in private programs like those of the National Alliance of Businessmen (NAB) and the Memphis Employers' Merit Employment Association (MEA) to hire and upgrade Negroes. The second group, some of whom also participated in private programs, went further and entered into cost-sharing contractual manpower programs, such as the MDTA-OJT and JOBS contract programs, with the U.S. Department of Labor. These programs provided the disadvantaged with on-the-job training and supportive services. Both forms of employer involvement escalated sharply following the riots and disorders of early 1968 and the Memphis Public Works Department strike. 17 As one Negro spokesman expressed the mood of employers at that time,"... they [employers] were going out everywhere and asking for four or five Negroes."18 Indeed, the impact of the strike-with its boycott of downtown merchants, disorders, and unfavorable publicity for the city—on the commitment of employers to the alleviation of the black community's problems should not be underestimated.

Groups like the MEA, formed along the lines of the older Plans for Progress program, and the NAB, whose membership overlapped, provided coordination of private efforts by employers to hire and upgrade Negroes. These efforts concentrated primarily on providing jobs to the disadvantaged. The MEA also attempted to upgrade current employees. There was confusion over the numbers of people who had been assisted by these programs. Published reports by the respective programs conflicted with assessments of these programs by Negro spokesmen and other agency officials.

The MEA's membership in August 1968 numbered 72 firms. A survey of 48 MEA members conducted during August 1968 indicated that 2,007 new jobs had been

created for Negroes since MEA's formation 10 months earlier, raising total Negro employment in these firms to 7,428. <sup>19</sup> Moreover, of this total, more than 1,700 Negroes had been promoted or hired into craftsman and white-collar positions. <sup>20</sup> Few Negro spokesmen were familiar with this program; those who were aware were skeptical of the reported rapid growth of jobs for Negroes.

The NAB, in addition to its sponsorship of the JOBS contract program, which served 325 of the unemployed disadvantaged in fiscal 1969, also sponsored a private program to hire the disadvantaged. Under NAB's yoluntary pledging program, 3,193 jobs for the disadvantaged had been pledged by 120 employers during the year ending March 21, 1969. In addition, 816 jobs were pledged for summer youth, bringing the total number of full-time and part-time jobs pledged by 182 employers to 4,009.21 One agency official questioned these numbers and reported that some employers were counting Negroes already employed in order to meet their pledge of jobs to the NAB.<sup>22</sup> In another case, an employer reported that Negroes hired in the NAB program by one company were hired as strikebreakers.23 If these examples are a guide, pledges cannot be equated with the actual number of new jobs created by the NAB for the disadvantaged.

The JOBS contract program and the MDTA-OJT program reimburse employers for costs incurred in providing training and supportive services for the disadvantaged. Nevertheless, the number of employers participating in these programs was small relative to the number participating in private programs. Only 19 firms were participating in the JOBS contract program and slightly over 30 in the MDTA-OJT program in March 1969, whereas in the same period 182 employers pledged jobs in the NAB program and 72 in the MEA program.24 The tenure of the respective programs in Memphis did not account for this difference. The MDTA-OJT program, begun in 1966, was the oldest; the other programs began shortly thereafter. One explanation of this pattern could be based on limited Federal resources available for contract programs; however, a second and equally plausible explanation, based on

<sup>&</sup>lt;sup>17</sup>See the section on Race Relations, Community Organization, and Political Power in the chapter on Background and Setting.

<sup>&</sup>lt;sup>18</sup> Interview with an official of the Delta Education Corporation, Memphis, Tenn., March 1969.

<sup>&</sup>lt;sup>19</sup> "10 Month Hiring Program Puts 2,007 Negroes on Jobs," The Commercial Appeal, August 29, 1968.

<sup>10</sup> lbid. 7

 $<sup>^{2\,\,\</sup>mathrm{I}}\,\mathrm{Data}$  from the National Alliance of Businessmen in author's possession.

<sup>&</sup>lt;sup>2 2</sup> Taken from field notes of the author. Name withheld by nondisclosure agreement.

<sup>&</sup>lt;sup>23</sup> Ibid.

<sup>&</sup>lt;sup>24</sup> Data for the MDTA-OJT program are drawn from interviews with an official of the Memphis Urban League, Memphis, Tenn., March 1969.

interviews, is the aversion of some Memphis employers to federally funded programs—an aversion created by provincial attitudes as well as fear of Federal intervention in their business affairs. From the sample of employers interviewed it is difficult to estimate the number of community employers with this feeling but it seems significant that this feeling was expressed by several of the community's larger employers. One summed up his feelings concerning federally funded programs by declaring, "Our function is to pay taxes—not spend them." 25

In both the JOBS contract Rogram and the NAB voluntary pledge program there was question as to whether many of those hired among the disadvantaged were not in fact the "cream of the crop"-the very ones likely to be helped by a tight labor market. A frequent comment heard from those participating in the NAB program was "these employees were no different than the ones I already had working for me."26 In many instances this may well have been true. In their fervor to meet NAB pledges, some employers bypassed the Federal-State employment service as a recruitment agency and instead certified the persons they had hired as disadvantaged with use of the TDES' criteria.27 The breadth of these criteria undoubtedly included many marginally disadvantaged persons. As one employer indicated, "There were no problems at all with the two summer youths we hired. This makes us doubt that we really participated with the NAB program as it was designed to be."28 While these criteria also applied to those recruited in the JOBS contract program, there appeared to be more care given by some contract employers, including the Delta Education Corporation, to avoid selecting only the "cream." Nevertheless, on the whole the criticism must stand for them as well.

Employers' relatively higher level of participation in private programs than contract programs in Memphis has important implications for hopes of improving employment opportunities of the disadvantaged and, in particular, those of Negroes: For indeed, the two programs are not perfect substitutes. The absence of training and supportive services—including counseling, remedial education, health care, and transportation—in private programs like those of the MEA and the NAB makes it unlikely that individuals, regardless of their degree of

disadvantage, will find the encouragement and facilities necessary to upgrade their skills. Though most employers indicated that lack of skills was the largest impediment facing Negroes in opening new jobs to them, the number willing to offer training programs, even federally subsidized ones, was small relative to the need for such programs.

The vocational education program provided an important source of training with its high school, post-high school, and adult education programs. It also provided training services for the MDTA institutional and coupled programs-the latter of which combined institutional with on-the-job training. Negroes have had complete access to vocational education programs in Memphis only since the 1966-67 school year when Memphis Tech, offering courses not available in Negro high schools, was desegregated. Since then, the Memphis Area Vocational-Technical School offering adult post-high school education has been built downtown near the Negro community. Also, the Adult Education Center, which offers a broad range of vocational courses, has opened a downtown branch. Indeed, by 1969, training through the vocational education program was readily available to the Negro community in Memphis. Still, Negroes did not take part in post-high school and adult education programs in large numbers.<sup>29</sup> Only in the MDTA institutional programs did Negro adults participate in substantial proportions.

This pattern was the result of several factors, one of which was the lack of reward visible to many Negroes for their education. Where employers historically have failed to utilize Negroes in skilled employment—despite their educational efforts, or to offer advancement opportunities in jobs presently held by them—even after educational improvement, there is small wonder that Negroes view additional education as having little value. But equally as important for the disadvantaged, the vocational education system has not utilized outreach techniques or provided important linkages between training and jobs in its adult programs. In short, the vocational education system has not been an effective component of manpower programs.

MDTA programs are an exception to this record. Though the number of trainees is limited, MDTA institutional programs have been successful in reaching the Negro-community. Classroom training for 154 persons, 136 of whom were men, was available in fiscal 1968 with this number rising to 230 in fiscal 1969. Three-quarters of those persons reached in 1968 were Negroes. The typical trainees were young, unmarried

<sup>25</sup> Field notes of the author.

<sup>26</sup> Ibid.

<sup>&</sup>lt;sup>27</sup>Criteria for classification as disadvantaged included poor persons who did not have suitable employment and who were either: (1) School dropouts, (2) under 22 years of age, (3) 45 years of age or over, (4) handicapped, or (5) members of a minority group.

<sup>28</sup> Field notes of the author.

<sup>&</sup>lt;sup>29</sup> Ibid.

Negro men with little job experience; 48 percent were high school dropouts.<sup>30</sup> Courses taught included metal machine operation, welding, auto body work, clerking and general office work, clerk-typing, and upholstering. The MDTA coupled program was not yet underway in 1969. It would combine 4 weeks of classroom training—provided by the vocational education system—and 8 weeks of on-the-job training for 360 psychiatric aides at the new mental hospital in Arlington, Tenn. This program was particularly significant since it would provide linkages between training and employment for the disadvantaged.

In summary, the contribution of manpower programs in Memphis to resolving employment problems of the disadvantaged, particularly those of Negroes, was limited. The Federal-State employment service experienced difficulty in reaching disadvantaged blacks. Even if it had, however, the lack of program resources made it unlikely that the disadvantaged could have been provided with services. In most instances, assistance reached numbers in the hundreds, whereas need numbered in the thousands. Furthermore, focus by the community's employers on providing jobs to the disadvantaged without additional training and supportive services left little hope for lasting solutions to the deeply entrenched employment problems of the disadvantaged. The vocational education program remained for Negroes the most underutilized manpower training resource in the com-

#### Black Economic Development

Black economic development may take several forms, each involving to a different degree black ownership and control of resources. The primary forms include: Community corporations, agricultural cooperatives, and expansion of black entrepreneurs or black capitalism.<sup>3</sup> <sup>1</sup> The principal difference in these forms of economic development is the distribution of ownership. Whereas community corporations and agricultural cooperatives provide a broad distribution of resource ownership and control, black capitalism concentrates ownership and

control in the hands of a few. In Memphis there is a growing enchantment among blacks and whites with the latter form of economic development, including a black owned and operated shopping center, an industrial mall, and a corporation for the development and expansion of black enterprises.

On its surface, black capitalism is attractive to some blacks in Memphis because it offers a piece of the action. To others seeking separatism, it offers a chance for development of parallel black-dominated economic institutions. Even to whites it is attractive because it provides a means to ease the pressure of Negroes' demands on them and it conforms to the Puritan ethic of work and self-help. It is especially attractive to some blacks and whites because it can potentially create a segregated labor market providing immediate employment and training for blacks. Many blacks feel that the growth in numbers of black entrepreneurs will lead to new "success images" in the black community and provide an important source of leadership. Before endorsing black capitalism as a realistic solution to manpower problems, however, it is necessary to consider what resources it requires and what its implications are.

Since one expressed goal of these schemes is "raising the economic level of the disadvantaged community,"32 they should provide employment and training, because the first step in helping the poor, in particular the black poor, is the provision of income and investment in human capital, not property assets. The fiscal year 1970 estimated universe of need for training programs in Memphis was 71,300 unemployed or underutilized persons, of whom a significant proportion would be Negro. Expenditures for black businesses to meet this need would be enormous. Such an investment would also be economically inefficient in view of existing employment and training resources not requiring huge investments in new capital. Moreover, if the manpower for these capitalistic ventures is not taken from this universe of need, but from existing skilled black manpower, then society is subsidizing the development of a black middle class without addressing itself to the problems and needs of the disadvantaged. Such programs have a laudable goal, but are founded on poor econo-

The development of black entrepreneurs is a worthy objective, but not if it causes blacks to divert pressure from white institutions where greater gains are to be made. The eager support of many whites of all political persuasions for black capitalism is reason enough to be

<sup>&</sup>lt;sup>30</sup>Data from the U.S. Department of Labor, Manpower Administration, in author's possession.

<sup>&</sup>lt;sup>31</sup>See articles by Gar Alperovitz, Frances Fox Piven, Oscar A. Ornati, F. Ray Marshall, Louis O. Kelso and Patricia Hetter, and Robert Theobald and Sar Levitan on "Community Self-Determination: The Bill and the Debate," *New Generation*, L, No. 4, Fall 1968.

<sup>3 2</sup> Statement of purpose of the Memphis Chapter of the National Business League for the Freedom Center Shopping Plaza. Tract in author's possession.

suspicious that they see an opportunity to shirk their responsibility for opening job opportunities to blacks.

It is important that black capitalism not be considered a substitute for manpower programs, but rather a part of a comprehensive social policy including eco-

nomic development, education, manpower, and income maintenance systems. Black capitalism is merely a way some blacks can advance. For the disadvantaged in Memphis there is little hope that black capitalism will offer any immediate relief.

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### VI. CONCLUDING OBSERVATIONS AND RECOMMENDATIONS

Analysis of the causes of Negro employment problems in Memphis suggests that they are caused by a complex of forces which can be counteracted only through comprehensive policies and programs. Fundamentally, these problems appear largely due to institutionalized discrimination, which is, more broad, more pervasive, and more difficult to combat than overt employer action. For example, blacks' educational disadvantage relative to whites', reflecting the inadequacies of many black schools, is clearly and obviously associated with the Negroes' job inferiority. Blacks' disadvantage to whites, based on years of formal education and on scholastic achievement, is readily documented, both for blacks raised in Memphis and for those rural blacks who migrated to the city. Much more subtle is the disadvantage faced by blacks arising from inadequate health care. nutrition, and cultural environment. Yet, accepting the fact that black employment would be adversely affected by these inequities, it appears that skill requirements of industries drawing from this labor pool of unequally prepared blacks and whites were not the complete determinant of blacks' relatively poorer share of industry employment or occupational position. Also important in varying degrees were employment growth, housing segregation, unions, job information, and employer discrimination.

Institutionalized forms of discrimination—e.g., education, housing, unions, and information systems—are inextricably linked to poverty and the lack of economic power in the black community. Moreover, they are closely interrelated with blacks' inefficient use of politi-

cal power. Whereas economic power determines in large part the responsiveness of private institutions to blacks, political power determines the responsiveness of public institutions. Both forms of power are tied to the level of community organization among blacks.

Community organization that can deliver votes can also create economic power in excess of the sum of that of the community's individual members. This was demonstrated by the Memphis black community's support of the 1968 Public Works Department strike and again in 1969 in its confrontation with the Memphis Board of Education. The ability of blacks to impose costs through economic boycotts and social turmoil on white-controlled institutions—an ability directly related to the level of community organization—was an important determinant of institutional change in each case. Hence, effort to sustain this organization should form the basis of any program designed to remove institutional barriers and improve economic and social conditions of blacks in Memphis.

For whites, it is no longer practicable to accept less than complete equality for black citizens, either in the quality of life afforded them or in the control of decisions affecting their tives. The growth and development of Memphis depends on the quality of life of all its citizens, and this fact has now been recognized by some members of Memphis' white business community. It must soon be recognized by all. Sadly, in its past, Memphis (and America) has too frequently let racial confrontation be its spur to action in resolving the economic and social problems of its minority popula-

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tion. The cost of this policy has been great in terms of lives and property, and should no longer be endured. This is a decision Memphis and its leadership of the 1970's must make. Whether the city will accept responsibility for meaningful institutional change without further confrontation depends on this leadership. Perhaps more than any other factor, the growth and development of Memphis in the 1970's depends on its response to this challenge.

Specific recommendations derived from this study for improvement of Negro employment opportunities in Memphis follow; they are separated into two categories. The first addresses Negro employment problems in Memphis whose scope and treatment extend beyond the capacity of local agencies; the second pertains to problems whose amelioration lies within the capacity of local agencies and organizations.

# Recommendations for Federal and State Agencies

Recommendation: Programs should be expanded in the Midsouth to develop skills of blacks and whites desiring to migrate from rural environs of the region, and to expand employment opportunities available for those remaining, in order to create viable alternatives to ease pressure placed on urban centers by in-migration.

The patterns of migration to and from the Memphis SMSA indicate that many Negro problems originate in the rural Midsouth. Though these patterns suggest that rural to urban movement in the Midsouth has diminished in the sixties, the economic development and expansion of Memphis without concomitant development of the Midsouth would undoubtedly produce continued and perhaps a celerated migration to Memphis.

The precise form to be taken by rural development in the Midsouth cannot be prescribed, but attention clearly must be given to the characteristics of the people in those areas. Attention must be given to education to prepare rural people for urban life as well as life in the changing rural environment. Manpower programs—especially job information, training, and mobility assistance—can ease the migrant's transition to urban living. Since job training in rural areas is very difficult (because of inadequate facilities, geographic dispersion of trainees, and limited on-the-job training opportuni-

ties), attention should be given to the proper mix between those kinds of things which can be done for the rural migrant where he is and the training which should be provided in his urban destination.

Effective manpower programs should facilitate rechanneling the present black movement to ghettos into a more rational movement to places with the best job opportunities for the people involved. Although major attention probably must be given to the movement of people to better job opportunities, it should be recognized that some people will not benefit very much from education or manpower programs. For these, and others who elect to sacrifice higher incomes in order to remain in rural areas, rural development and public service jobs might be made available. Rural development could take the form of strengthened agricultural cooperatives, which have sprung up throughout the Midsouth, and the establishment of industries providing jobs to the rural unemployed and underemployed.

Recommendation: The Federal-State employment service should be restructured to increase its responsiveness to employers and minority groups.

The Memphis office of the Federal-State employment service-one of more than 2,200 such offices in the Nation-provides still another reason for reexamination of the employment service's Federal-State funding relationship. It is not the objective of this study to determine the optimum form of financing for the employment service. Others have considered the subject in greater depth. What is clear, however, is that many of the employment service's problems stem from inadequate funding of increased work-service loads and institutional constraints linking compensation of personnel to State salary schedules. These schedules are for the most part inadequate to attract and retain personnel requifed to meet the employment service's specialized manpower needs. Although increased funding of the employment service cannot resolve all of its problems, it can greatly facilitate the satisfactory outcome of many of them.

In Memphis, effort to restructure the Federal-State employment service should include use of Negro personnel in all offices and functions sufficient to reflect the racial composition of the employment service's clientele. Retraining programs should include sensitivity training for alk-white counseling and placement personnel. Better liaison between the employment service and employers should be encouraged. Improved contacts might be achieved through regular assignment of placement personnel to field work and job development in firms they service, better enabling them to assess needs of employers and match people with jobs. The employment service should accord high priority to Executive Order

11598, which requires the mandatory listing of job vacancies by Federal contractors and Federal agencies with the employment service. Information about these jobs should be further disseminated to Negro and other minority leaders and other agencies in Memphis concerned with minority employment.

More recently, the Federal-State employment service in Memphis has shown signs of change through its implementation of the Memphis Conceptual Model, which utilizes a job bank for better distribution of orders and a job information center which provides self-service to the job-ready and more intensive service to the nonjob-ready. Hopefully, with this program, personnel of the employment service will more realistically reflect the racial composition of the city through use of Negroes as preprofessionals and as coaches on employability development teams. The actual performance of this program, however, remains to be evaluated.

Recommendation: The Memphis Apprenticeship Information Center (AIC) and its services should be merged into the recently created Apprenticeship Outreach Program (AOP). Moreover, the outreach concept used by the AOP should be extended to journeymen.

In order to insure Negroes' participation in formerly all-white apprenticeship programs in the trades, a substantial amount of work needs to be done by the Memphis and Shelby County School Systems and their guidance personnel to disseminate apprenticeship information, to create awareness and interest in the trades among students, and to recommend curriculums providing the necessary academic background for the trades. The AIC as an agency of the Federal-State employment service has helped meet these needs through providing guidance counselors with apprenticeship information and by visiting junior and senior high schools to present film programs and to discuss apprenticeship opportunities with students.

However, in order to overcome the educational disadvantage of many blacks and to further insure their completion of apprenticeship programs, special tutoring and followup services offered by the AOP are needed. Although coordination of services offered by the AIC and AOP is of value, it is not a completely satisfactory solution to improvement of minority employment opportunities in the trades. A better solution would bring all services under one roof. In order to bring these services together and especially to insure the direct involvement of the local labor movement, the AIC and its functions should be merged into the AOP with the resultant AOP program retaining its present identity, separate and distinct from the Federal-State employment service. Also, the outreach concept used by the AOP program should be extended to journeymen in the Memphis building trades to help offset the shortage there of Negro journeymen.

Recommendation: The U.S. Department of Labor should enlarge funds available to Memphis for manpower programs providing on-the-job training and supportive services and expand information about these programs available to the Memphis business community. Employers should also be encouraged by local employer associations to participate in these programs. Other programs providing special services to the disadvantaged should be expanded by Federal agencies.

Private programs like those of the National Alliance of Businessmen and the Memphis Employers Merit Employment Association are we ful for opening jobs to the disadvantaged where economic expansion makes this possible, but they do not treat the deeply entrepched employment problems of the disadvantaged, black or white. The community's resources could be more meaningfully employed in providing programs which attempt to reach the source of these problems. The NAB and the MEA should encourage support of these programs by members of the Memphis business community.

The rapid growth in the sixties of families with dependent children receiving public assistance in Memphis suggests the exigency for expansion of programs to meet the needs of this group. Foremost among their needs are training and job experience. Enlargement of day-care facilities for these families and others headed by women also represents a crucial need for Memphis. The sizable number of dropouts from Memphis City Schools further suggests that programs need to be expanded which encourage and enable these young people to continue their education and training.

Recommendation: The U.S. Equal Employment Opportunity Commission should consider filing a Commissioner's Charge against selected firms in the chemical industry for discrimination on the basis of race through exclusion of Negroes from clerical and sales occupations.

Negroes held only 2.6 percent of 1,517 white-collar jobs in 12 firms comprising the 1969 EEO-1 survey of the chemical industry, whereas Negroes held 6.0 percent of total 1969 SMSA white-collar employment. Furthermore, even with the industry's rapid growth of employment from 1966 to 1969, Negroes' employment in white-collar occupations showed little propensity for change in comparison with other industries—for example, banking, medical and health services, and retail general merchandise.

In clerical occupations, for example, whose skill requirements vary little from industry to industry, Negro women's relative gains from 1966 to 1969 in the chemical industry were small in comparison with those made by them in other industries. Similarly, the number



of Negro men in sales showed virtually no change in the chemical industry during this period.

These patterns indicate that Negroes were not sharing the same opportunities in the chemical industry as in other industries drawing from the same pool of labor. Moreover, the degree of variation in these patterns suggests that overt acts of employer discrimination may have played an important role in their determination.

Recommendation: Effort should be made by Federal agencies in Memphis to increase Negroes' share of Federal employment in higher pay grades.

Negroes' share of Federal employment in higher pay grades in Memphis is appalling in all pay plans. Even in wage board employment where they represented 57.7 percent of total 1969 employment, Negroes held only 5.4 percent, or 32 out of 589, of the wage board jobs paying \$8,000 or more. If the Federal Government is to enforce equal employment opportunities in the private sector, it should assure that these opportunities exist within its own sector.

Unfortunately, there is no central Federal agency assigned responsibility for enforcement of equal employment opportunities for minority groups in Federal employment. Even the U.S. Civil Service Commission has no real enforcement power over agency utilization of minority manpower. Responsibility for upgrading Negroes in Memphis rests solely with the respective Federal agencies.

These agencies should take immediate steps to assure increased employment of Negroes in higher pay grades. These steps should include a complete review of Negroes' personnel files to formally identify those eligible for promotion. A further option might include establish ment of a Federal Executive Board in Memphis by the U.S. Office of Management and Budget. Such a board, comprised of agency directors, has been used in other cities to plan and coordinate Federal activities; one of its functions in Memphis would be to sponsor training and work-experience programs in order to upgrade Negroes in Federal employment. In addition, responsibility for review and improvement of minority employment opportunities in Federal employment should be centralized in one Federal agency. Federal legislation giving this authority to the U.S. Equal Employment Opportunity Commission should be supported for this purpose.

# Recommendations for Local Agencies and Organizations

Recommendation: In order to further implement its

affirmative action program for equal employment opportunity, the City of Memphis and its mayor should present an annual report to the city council and the public delineating progress and problems in improvement of minority employment in all city government functions.

The City of Memphis is the largest employer of Negroes in the metropolitan labor market. Hence, its leadership in the field of equal employment opportunity is important. The city council's establishment of an affirmative action equal employment opportunity program by resolution at the end of the 1968 Public Works Department strike represented an important step forward in exercising this leadership. To provide feedback to the community and its leaders concerning results of this program, an annual reporting procedure should be established. The mayor, as chief executive, should be charged with this responsibility. Included with the report should be annual city employment by race and sex using the reporting format established in the U.S. Commission on Civil Rights' 1967 study of minority employment in State and local governments, For ALL the People . . . By ALL the People.

Recommendation: The Shelby County Commission should establish an affirmative action program to implement its equal employment opportunity policy in county government employment.

The Sheloy County Commission established an equal employment opportunity policy in county government employment by resolution in 1969, but provided no affirmative action program to implement the policy. Such a program should be created and should include: Expansion of recruitment sources; evaluation of job requirements and their relevance; provision of work experience and training to upgrade current employees; and establishment of an annual reporting procedure to monitor program results.

Responsibility for the program should be vested in the Shelby County Commission and administered by the Commission's Director of Personnel. An annual report should be made to the Commission and the public outlining progress and problems in improvement of minority employment in all county government functions. The report should include county government employment by race and sex using the reporting format established in the U.S. Commission on Civil Rights' 1967 study of minority employment in State and local governments, For ALL the People. ... By ALL the People.

Recommendation: Memphis City Government and the Memphis Transit Authority should offer reduced fares to low-income persons for work purposes.



In order to mitigate the potential impact of housing segregation (whether the consequence of race or income) and job decentralization, the monetary cost to poor workers of public transportation should be lowered. This might be accomplished through the use of a work-travel coupon, the eligibility and cost of which would be based on income and needs.

Work-travel coupons would provide low-cost public transportation to the inner-city poor twice daily for each working day of the month. Coupons could be sold on a monthly basis—to minimize cost due to loss or theft—and administered by one of the community's manpower agencies. The cost would be borne in proportion by the user and the City of Memphis. Revenues supporting the city's share of costs might be derived from a surcharge attached to the safety inspection fee of Shelby County vehicles at the Memphis Testing Station. Preliminary program cost estimates suggest that the surcharge would be less than \$1 annually for each vehicle: Funds for study and experimentation with the program might also be obtained from Federal sources.

Recommendation: The Memphis Board of Education and the vocational education program should strive to increase the relevance of their training to employers' skill needs. Increased participation by the disadvantaged in post-high school and adult education programs should also be encouraged by closer coordination with manpower agencies providing outreach and placement services.

The vocational education program in Memphis is the most underutilized manpower training resource in the community. Effort should be focused on expanding its utilization. Increasing the relevancy of its training to employers' skill needs represents one means of accomplishing this objective. This might be achieved through appointment of employers and vocational education graduates to advisory committees in each skill area. To further expand the disadvantaged's utilization of voca-

tional education programs, linkages should be tightened between recruitment, training, and placement. This will require increased coordination of vocational education programs with organizations such as the employment service and other manpower agencies offering outreach and placement services.

Recommendation: The Memphis Manpower Commission (MMC) should expand its efforts in the following areas: Provision of information to the community about manpower services; planning and program development for meeting future community skill needs; and monitoring of community equal employment opportunity progress.

Effort to expand information to the disadvantaged about manpower services—supplementing efforts of outreach programs—is important. But equally as important, the community should be better informed about problems of the disadvantaged and what is being done about these problems—moreover, what is not being done.

Using local university resources, research based on 1970 census data should be conducted by the MMC in cooperation with CAMPS to develop a comprehensive plan of manpower services needed by the Memphis metropolitan area in the seventies. Furthermore, cooperative agreement should be sought by the MMC with the U.S. Equal Employment Opportunity Commission to obtain annual aggregate EEO-1 survey that for Memphis so that progress, or the lack thereof, in Negroes' employment opportunities can be monitored. An annual report of this progress covering the private sector should be provided to the Memphis city council and the public.

These recommendations, derived from the analysis of this study, form the basis of a comprehensive program designed to treat employment problems of Negroes in Memphis. Commitment of the community to these programs thus far has only touched the surface. Whether a commitment of substance will oe made remains to be seen

#### WHERE TO GET MORE INFORMATION

For more information on manpower programs and services in your area, contact your local employment service office or the nearest office of the Regional Manpower Administrator at the address listed below.

Location	Sta	tes Served	
John F. Kennedy Bldg. Boston, Mass. 02203	Connecticut Maine Massachusetts	New Hampshire Rhode Island Vermont	
341 Ninth Avenue - Rm 1025 New York, N.Y. 10001	New Jersey New York	Puerto Rico Virgin Islands	
P.O. Box 8796 Philadelphia, Pa. 19101	Delaware Maryland Pennsylvania	Virginia . West Virginia	
D.C. Manpower Administrator 14th and E Streets, NW, Washington, D.C. 20004	District of Columbia		
1371 Peachtree Street, NE. Atlanta, Ga. 30309	Alabama Florida Georgia Kentucky	Mississippi North Carolina South Carolina Tennessee	
300 South Wacker Drive Chicago, Ill. 60606	Illinois Indiana Michigan	Minnesota , Ohio Wisconsin	
911 Walnut Street Kansas City, Mo. 64106	lowa Kansas	Missouri Nebraska	
1100 Commerce Street - Rm. 6B7 Dallas, Tex. 75202	Arkansas Louisiana New Mexico	<b>O</b> klahoma Texas	
Federal Office Bldg. 1961 Stout Street Denver, Colo. 80202	Colorado Montana North Dakota	South Dakota Utah Wyoming	
450 Golden Gate Avenue San Francisco, Calif. 94102	Arizona California Hawaii Nevada	American Samoa Guam Trust Territory	

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