

Millions of African-Americans remain stuck

They are poorer, less likely to own homes and more likely to be imprisoned than whites

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Editor's note: Twelve months on from the killing of George Floyd, The Economist is publishing a series of articles, films, podcasts, data visualisations and guest contributions on the theme of race in America. To see them visit our [hub](#)

THE PLACE that is now known as George Floyd Square is these days blocked to cars, creating an effective memorial. Walk in from the Powderhorn Park end and you see posters giving advice about proper behaviour, rather like those signs outside a church advising that shorts and flash-photography are forbidden. A few doors down from the Cup Foods grocery store, the last place that Mr Floyd entered before he was murdered, an arts centre has been converted into a museum for all the protest signs that were waved on the street outside. Within the arts centre there is discussion of the importance of protest gardening. In a park nearby stand around 150 white plastic headstones, each of them marked with the name of an African-American killed by the police, their dates, a fist that was the emblem of the Black Panther party and the words "Rest in Power". The combination of hippydom with symbols that are drawn from black radicalism gives the place something of the feel of the 1960s.

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Powderhorn is nothing like such places as West Baltimore, Chicago's South Side or East Cleveland, where neighbourhoods are full of abandoned houses, entrenched poverty, violence and heavy-handed policing. About half its residents are white, 30% Hispanic and 15% African-American, a patchwork that is as rare in Minneapolis as in other cities. Barbecue restaurants run by African-Americans coexist with places selling tacos and cafés in which everything is vegan, fair trade or both. This menu echoes the alliance of white liberals with African-Americans and Hispanics that keeps Democrats in power in almost all of America's big cities. In Minneapolis the mayor, Jacob Frey, is young, Jewish and progressive, and the chief of police, Medaria Arradondo, is an African-American. This alliance can be uneasy—Nakima Levy Armstrong, a lawyer-professor turned activist, accuses the city council of being obsessed with "bike lanes and things white folks care about". But it mostly holds together.

Minneapolis is an unlikely avatar of American racism. The city to which Mr Floyd moved from Houston was built by Scandinavian immigrants, who exploited the steep natural weir on the Mississippi river to create the milling capital of the world. These immigrants brought with them a distinctively Scandinavian form of capitalism. There is still an expectation that large companies will give away 5% of their pre-tax profits, and the chamber of commerce compiles a list of companies that have done so. "The list is long and you do not want to not be on it," says David Mortenson, boss of Mortenson, a *Fortune* 500 construction company founded by his Swedish great-grandfather that is based in the city. One of these causes is refugee resettlement. Minnesota is home to large Hmong and Somali refugees from civil wars. Both groups are thriving: from time to time delegations of Swedes visit to try to work out why Somalis do so much better in Minneapolis than they do in Malmo.

Within this progressive utopia, though, are areas of concentrated poverty, where inhabitants are segregated by race and a boy is more likely as an adult to go to prison than to own a home or get married. Head north from Powderhorn Park towards downtown, where the old brick mills and warehouses on the Mississippi have been converted into attractive apartments and offices, and you find yourself in Phillips. Number-crunching by Raj Chetty and colleagues at Harvard University found that a black child born poor here 35 years ago would live today in a household where the average annual income is just \$23,000 (£17,000). The number is a bit lower for boys, slightly higher for girls.

This poverty, passed from parent to child, is a feature of many big cities. Mr Floyd was raised in public housing in Houston, but seemed to find an exit via a sports scholarship to a community college in Florida. When that did not work out he bounced between part-time work, jail and struggles with drugs, finding hope through a religious awakening and moving to Minneapolis to start afresh. One of his jobs there was at a nightclub where Derek Chauvin worked off duty. Mr Floyd left one neighbourhood scarred by deep poverty only to land in another.

A pattern of deprivation

The persistence of deprivation in the same places, generation after generation, reflects how cities were settled. The South, where a majority of African-Americans still live, had formal segregation. Something similar was created in the north after the great migration of 6m black people, who moved from the bayous to the great lakes between 1916 and 1970 to flee Jim Crow and get better jobs. On arrival in Minneapolis, blacks who tried to make their homes in white areas were chased out by mobs and lawyers.

Even in the north, the threat of extreme violence was never far away.

Although most of the 4,400-odd lynchings recorded by the National Memorial for Peace and Justice in Montgomery, Alabama, took place in the South, this was a northern phenomenon too. In Duluth, a city in northern Minnesota, six African-American circus workers were accused in 1920 of raping a white woman. An examination by a physician found no evidence of this. Three were lynched anyway. A black-and-white photograph shows two men stripped to the waist and hanging by ropes from a pole, with a third man dead on the ground. They are surrounded by a large group of white men in suits and hats, some of them smiling. Duluth has had an awakening too: it put up a memorial to the victims last October.

Racial boundaries were often enforced by restrictive covenants on homes. The Mapping Prejudice project at the University of Minnesota has uncovered thousands of these, forming a ring around downtown Minneapolis. One clause in such a deed reads: "This property shall not be sold, mortgaged or leased to or occupied by any person or persons other than members of the Caucasian race." These clauses reflected racial classifications common at the time. Some referred to Aryans, the category placed first by the Minnesota Eugenics Society run by Charles Fremont Dight, who believed the key to progress was a mix of socialism with state-sponsored sterilisation of the feeble-minded. He counted Adolf Hitler among his correspondents.

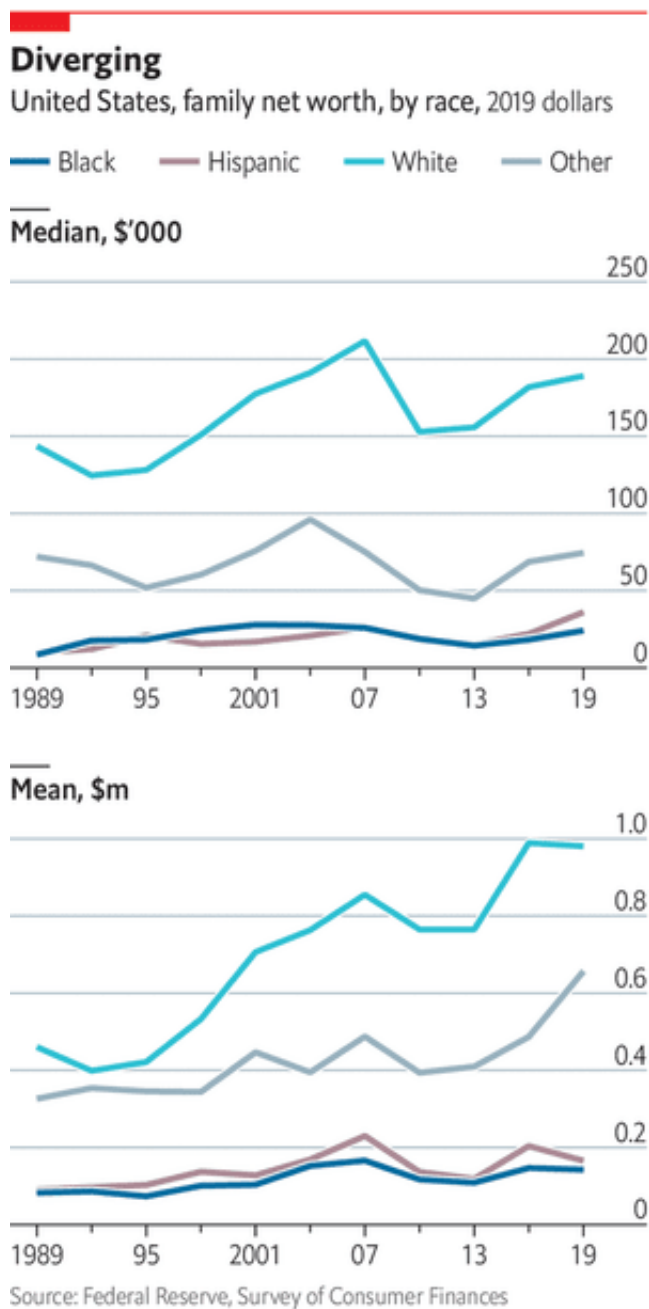
When the Federal Housing Administration, created as part of the New Deal, began to underwrite mortgages in the 1930s, these racial covenants helped determine where to lend—and where not to. Light-skinned borrowers received subsidised credit to buy or build new homes, dark-skinned ones did not. In 1948, in *Shelley v Kraemer*, the Supreme Court ruled that such covenants, which were common in most big cities, could not be enforced. But anyone who sold to a black family could still be sued for damaging the value of nearby properties.

This practice was only finally stopped by the Fair Housing Act of 1968. But after the act was passed, a large number of whites fled to the suburbs, sometimes along new federal highways that were either built right through black neighbourhoods or were actively planned to wall them in. Chicago constructed a 14-lane expressway that separated a predominantly black neighbourhood with lots of public housing from the rest of the city. In Montgomery, Alabama, the federal highway follows a snaking path that seems to make little sense—unless you know which parts of town were black and which white.

Despite this, the first half of the 20th century and the Civil Rights Act of 1964 marked big progress for African-Americans. In 1900 life expectancy for black Americans was just 33 years, against 48 for white ones. By 1960 the gap had narrowed to seven years. After that, progress stalled. One of the most counter-intuitive facts about economic progress for African-Americans is that most of it happened before the civil-rights legislation of the 1960s. Rates of black home-ownership in 2021 are lower than rates of white home-ownership were in 1870. In Minneapolis, three-quarters of white families own homes but only a quarter of black families do, the second widest gap in the country. A survey by Robert Putnam and Shaylyn Romney Garrett in their book "The Upswing" concluded that there was "essentially no relative economic progress" for black men after 1970.

This presents a paradox. All but the most determined pessimist would concede that racism has declined since Martin Luther King was assassinated in 1968. So why have the life prospects of African-Americans, particularly men, stopped improving? The answer often given by campaigners is still racism, but transmuted into a new hidden and insidious form. This is true, yet it is more complicated than that word implies.

The great stalling



Shortly after African-Americans were guaranteed voting rights by Lyndon Johnson and a coalition of Democrats and Republicans in Congress, the great migration ended. Deindustrialisation swept through northern cities that would soon form the rustbelt. Racism did not do this: recession, shifting trade patterns, technological change and the appeal of non-unionised workforces in the South were more responsible. But, as the sociologist William Julius Wilson puts it, racist housing policies had put African-Americans in places where job losses were worst, and racist education policies had over generations left them with fewer skills to adjust and compete. Decades later the scarring is still visible. Only 60% of African-American men are employed, compared with 66% of white men and 73% of Hispanics.

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At the same time two things happened to black neighbourhoods. The first was a crime spike, the causes of which are still disputed. African-American men were more likely to be both victims and perpetrators. For black men who dropped out of high school, a spell in prison became a normal stop on the road to middle age, damaging their prospects on release and making African-American families less stable. By the mid-2000s two in every 100 black men were behind bars (the share has since fallen). The spree of

lawlessness began to wane in the 1990s, for reasons that were as mysterious as they were welcome. But crime remains higher in predominantly African-American spots: 40% of black Americans say they are afraid to walk around after dark, compared with 30% of whites. This is one reason why defunding the police is so unpopular in black neighbourhoods.

The second big change was that not only did many whites leave for the suburbs, but so did many middle-class African-Americans who could get out. Thus began also a reverse migration to the South. In northern cities where the population has shrunk, residential segregation is harder to undo because little new housing is now being built. Minneapolis, which in the 1970s built the majority of its public housing in the suburbs, now builds it in more deprived areas, concentrating poverty there. The city and state also paused a politically awkward effort to integrate schools. As a result, even as cities have grown more diverse and gentrified, at a neighbourhood level black-white residential segregation is still stuck in the 1970s.

Those left behind have not fared well. Black boys born 30 years ago in the area now known as George Floyd Square would go on to live in households with an average annual income of \$17,000 a year in their 30s. One in ten would spend time in prison. This was the neighbourhood where Mr Floyd found himself outside Cup Foods that night in May 2020, with a police officer on top of him. But what brought Derek Chauvin there? ■

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