Minority Mayors and the Hollow-Prize Problem

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The number of African American and Hispanic mayors of American cities has grown steadily since 1967, the year that Cleveland elected Carl Stokes the first minority mayor of a major American city.[1] Over the past three decades, cities in all parts of the country have elected black and Hispanic mayors, including the five largest: New York, Los Angeles, Chicago, Houston, and Philadelphia. As the new century begins, almost one-third (25/76) of major American cities have minority mayors. The election of minority mayors is a clear sign of political progress by minorities since passage of the civil rights acts of the 1960s.

At the same time, many questions remain regarding the degree to which minority urban populations benefit from the election of minority mayors. On one hand, as many scholars have shown, when minorities gain increased political representation in city governments, they usually acquire tangible, albeit often modest, benefits (Browning, Marshall, and Tabb 1984; Browning, Marshall, and Tabb 1997; Eisinger 1984; Karnig and Welch 1980; Woody 1982). But another group of commentators has emphasized the structural and institutional limitations encountered by African American elected urban officials that inhibit them from delivering significant benefits to their minority constituents (Keller 1978; Nelson 1992; Nelson and Meranto 1977; Preston 1976; Reed 1987; Reed 1988).

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One of the earliest articulations of the limitations on minority mayors and other city officials was offered by H. Paul Friesema (1969), who suggested that minority mayors inherit what he labeled a "hollow prize." Just as blacks were beginning to take control of mayors' offices, Friesema predicted, white business and residential flight to the suburbs would deplete cities' tax bases, leaving inadequate resources to fund services. Fiscal shortages would leave black-controlled cities dependent on white-controlled state legislatures and the federal government.

Thirty years later, it is now possible to test Friesema's hypothesis. In this article, we examine the 76 U.S. cities which had populations of at least 200,000 in 1990. For each city and each year, we determined whether a minority mayor held office for six months or more.[2] To test the hollow-prize hypothesis, we collected U.S. census data on a number of indicators of the economic and social conditions of cities. We then compared conditions in cities with minority mayors to conditions in cities with white mayors.

Minority Mayors, 1967-99

As illustrated in Figure 1, the total number of African American and Hispanic mayors has increased consistently since 1967.[3] For each year, we also determined which cities with minority mayors had minority populations of 50% or greater.[4] Figure 1 shows that, with the exception of the earliest years under examination when the total number of cities with minority mayors was quite small, in almost every year a solid majority of the cities with minority mayors had a majority of minority residents. Of the 37 first-time elections of minority mayors, 17 (45.9%) had majority–minority populations the year of the election. This should come as no surprise, given the persistence of strong racial voting patterns in the U.S. (Kaufmann 1998; Metz and Tate 1995; Tate 1995).

A Hollow Prize?

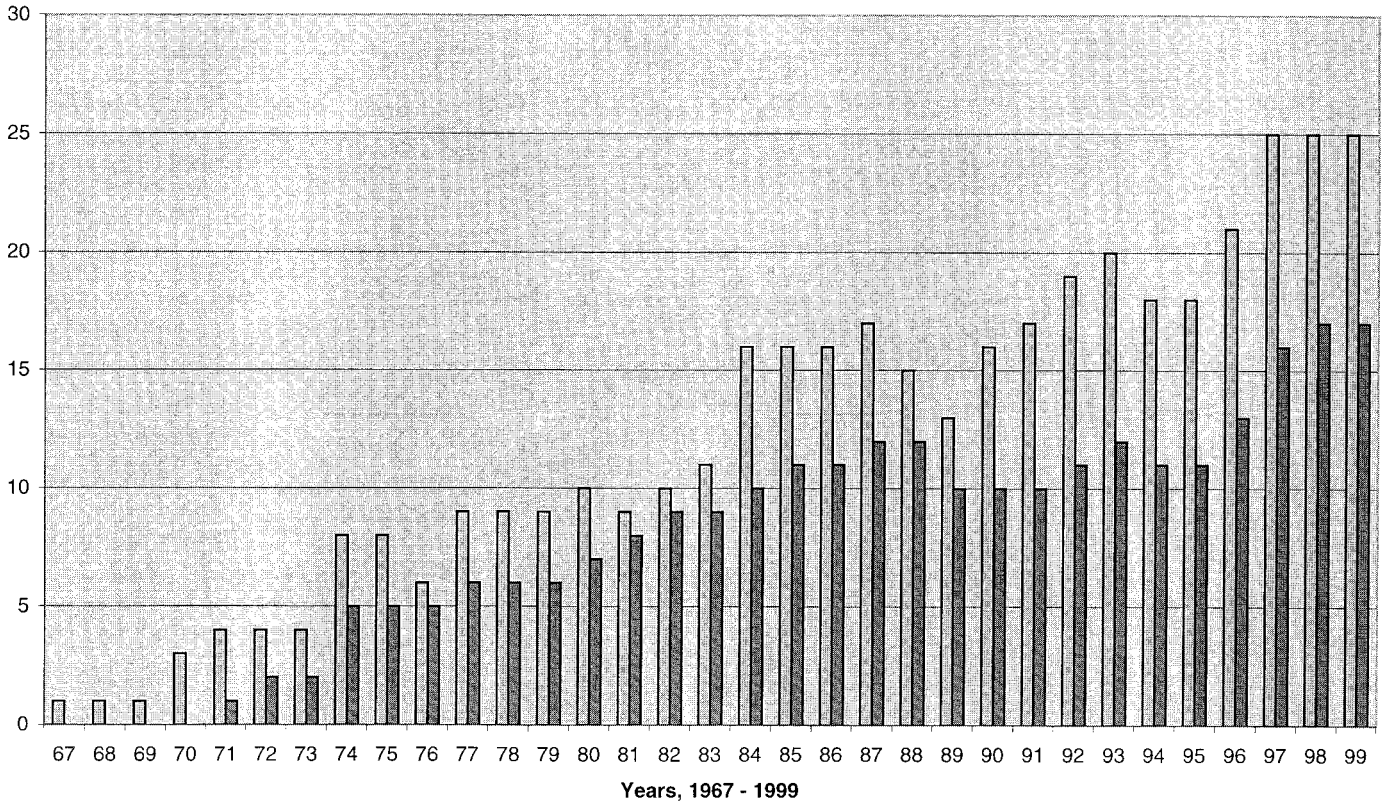
There are many different ways to assess the economic and social conditions of cities. We chose a series of indicators that reflect economic and social health: population of the city relative to the region, per capita income of the city relative to the region, the city's poverty rate, and the extent of concentrated poverty (i.e., census tracts with poverty rates of 40% or more). Population of a city relative to the region is a good measure of the competitiveness of a city vis-à-vis its suburbs. Helen Ladd and John Yinger (1991) have argued that per capita income is a good first approximation of the revenue-raising capacity of a city and poverty is closely related to the expenditure needs of cities. Concentrated poverty has also been shown to be associated with social problems, such as crime and drugs, that place strains on cities (Jargowsky 1997; Massey and Denton 1993; Wilson 1987, 1996).

Population

One of the underlying problems cities have faced in recent years is population loss. Cities that lose population face declining tax bases, yet they still must maintain the same infrastructure and provide the same services (plow the streets, repair the sewer and water lines, etc.). Many central cities in the Northeast and Midwest reached their peak populations as early as 1950 or 1960, and have been gradually shrinking since that time. This is especially true of cities long-governed by minority mayors. Between 1980 and 1990, for example, Atlanta lost 31,005 residents (−7.3%), Cleveland lost 68,206 (−11.9%), and Detroit lost 175,365 (−14.6%). While numerous Southern and Western cities have

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Figure 1
Minority Mayors, 1967–99

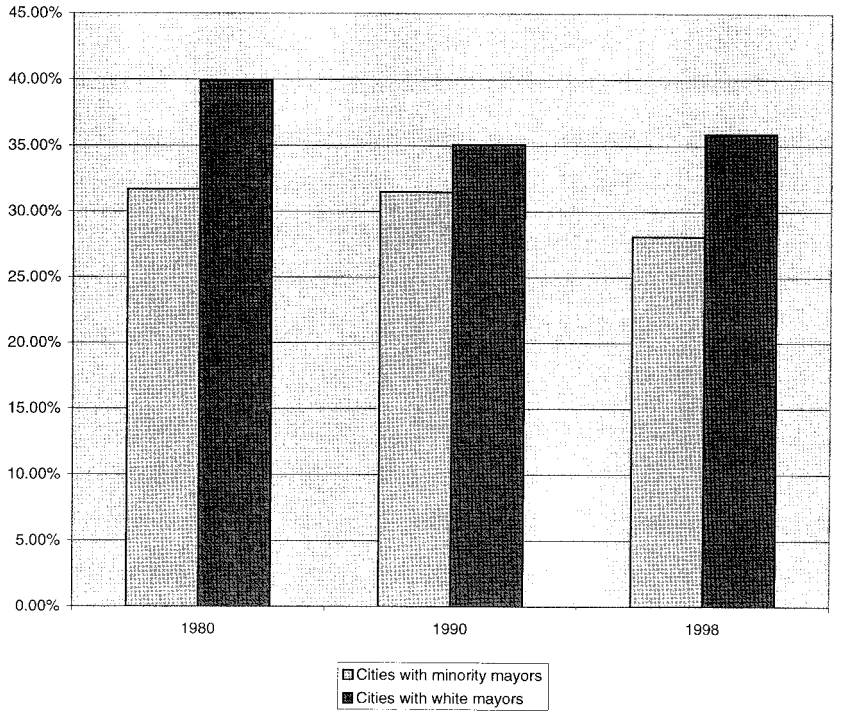


Sources for all figures: Original data on minority mayors compiled by Peter Dreier, updated and supplemented by the authors. Data on population, per capita income, poverty, and poverty concentration is from the U.S. Bureau of the Census, *Census of Population and Housing* (Washington, DC: Government Printing Office, various years).

grown in recent decades, suburban growth has often outpaced central city growth in these regions. Thus, while many central cities are declining in absolute terms, many others are falling behind regional population growth.

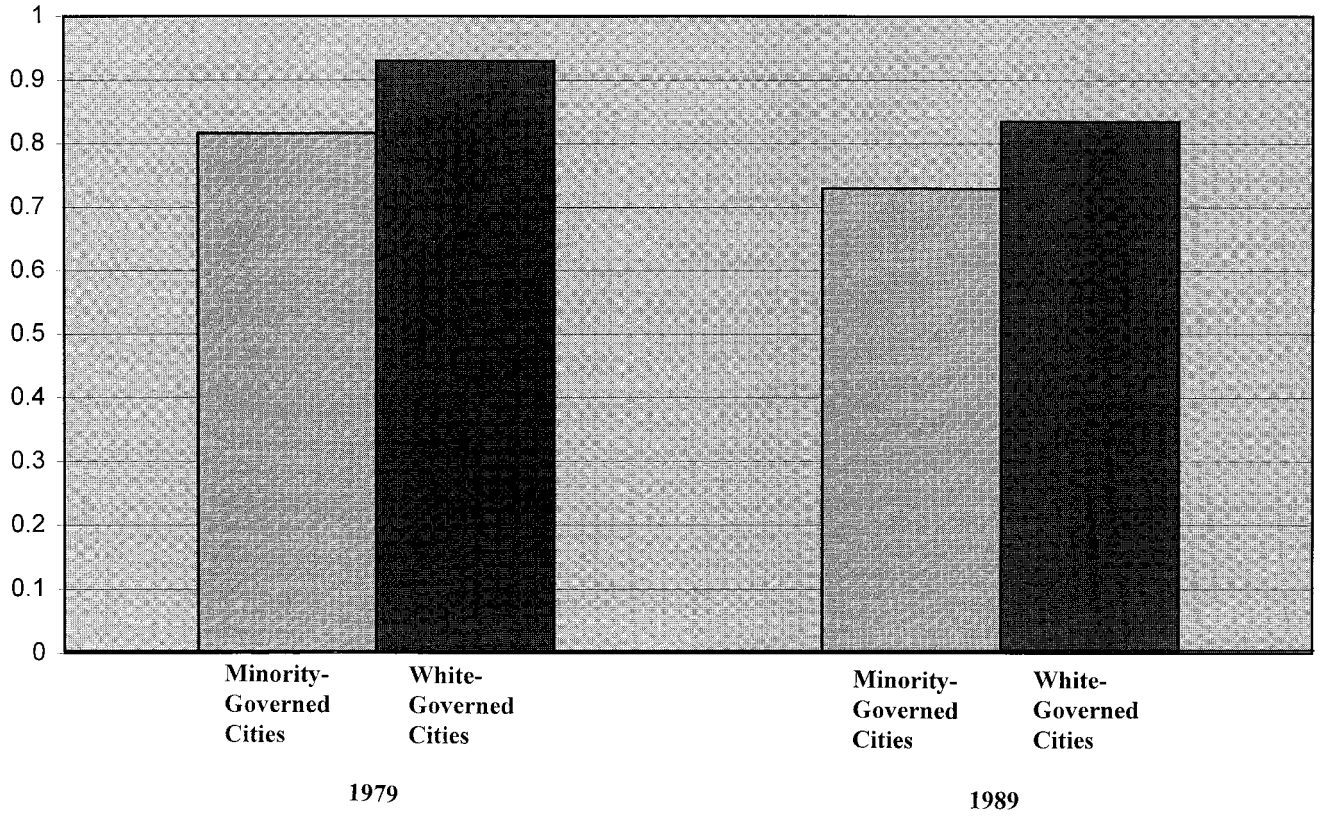
Figure 2 documents averages for city population as a percentage of regional population in 1980, 1990, and 1998. In each of these three years, cities with white mayors constituted greater proportions of their regional populations. For example, in 1980, urban areas with white mayors made up, on average, approximately 40% of their regional populations; those with minority mayors constituted less than 32% of their regional populations. While the two types of cities were more similar in this regard in 1990, more recent data indicates white- and minority-led cities are heading in opposite directions. In 1998, white-led cities housed just under 36% of their re-

Figure 2
City Population as a Percentage of Regional Population



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Figure 3
Per Capita Income (Central City/Suburbs): Minority-Governed versus White-Governed Cities, 1979 and 1989



gions' respective residents, and minority-led cities constituted slightly over 28% of theirs. Since cities with minority mayors have less population relative to their regions, they are more dependent on their surrounding suburbs for such resources as skilled workers and political support in state legislatures. This makes the job of minority mayors more difficult.[5]

Income

Ultimately, the fiscal capacity of city governments depends on the incomes of their residents. A substantial income gap between a central city and its suburbs could have a dynamic effect, as residents are "pushed" by concentrated poverty out of the city and "pulled" by concentrated resources to the outlying suburbs (Orfield 1997). David Rusk has gone so far as to suggest that "the city–suburb per capita income ratio is the single most important indicator of an urban area's social health" (1995, 31). The income gap produces many negative spin-off effects. The loss of disposable income in the central city and its increase in the suburbs accelerates the suburbanization of retail jobs, leaving central-city residents isolated from entry-level jobs opportunities. In addition, central city sales tax revenues decline.

As shown in Figure 3, the central cities in our sample have per capita incomes that are, on average, substantially less than those in the surrounding suburbs and the income gap between minority-led central cities and their surrounding suburbs is significantly greater than it is between white-led central cities and their suburbs.[6] By 1989, the minority-led cities were approaching the 70% of suburban per capita income that Rusk identified as the "point of no return." "At this point," Rusk predicted, "city–suburb economic disparities become so severe that the city, in a broad sense, no longer is a place to invest or create jobs" (1995, 75–76). Although there is nothing scientific about Rusk's 70% mark, it is clear that beyond a certain point, urban deterioration can become part of a self-perpetuating cycle of decline.

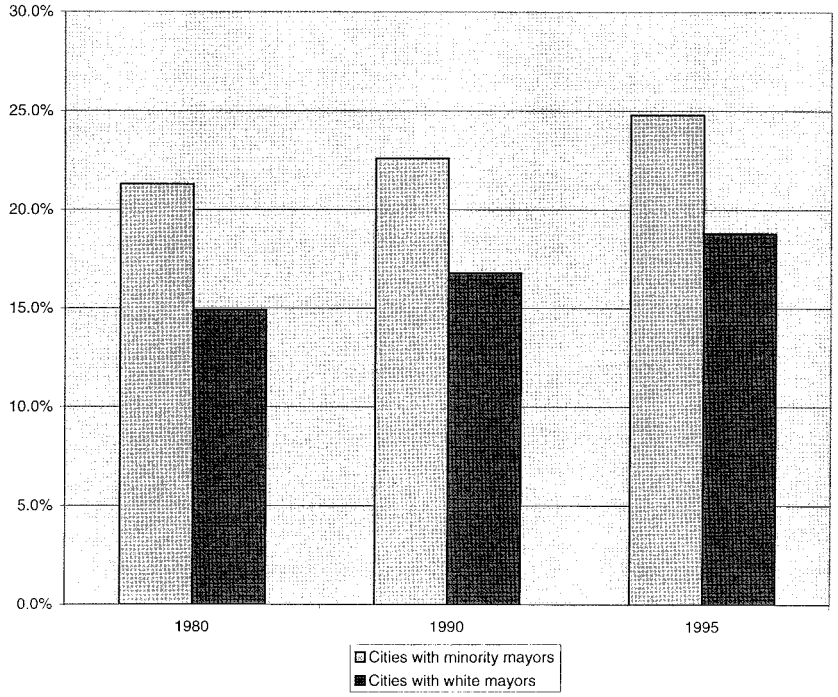
Poverty

Figure 4 shows that the poverty rates for all cities have increased since 1980. It also shows that minority-led cities have much higher average rates of poverty than white-led cities, with this figure climbing to just under 25% in 1995, as compared to an average of slightly under 19% for white-led cities. Higher poverty rates increase cities' needs to spend money to provide such services as policing and fire fighting, while at the same time they decrease cities' ability to raise revenues (Ladd and Yinger 1991, 86).

The extent of poverty is not the only factor that causes problems. Research has shown that the extent

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Figure 4
Rate of Poverty



of concentrated poverty also makes governing cities difficult (Jargowsky 1997; Kraus 2000; Massey and Denton 1993; Wilson 1987). High-poverty areas suffer from social disorganization and related problems, including high levels of crime, drug abuse, single-parent households, unemployment, and high-school dropouts. In addition, higher poverty areas also tend to have very low population densities, making the delivery of services in those areas inefficient. Figure 5 shows that minority-led cities have many poor people and that many of these poor people tend to be concentrated in ghettos or barrios.[7] In 1990, cities governed by minority mayors had, on average, almost 18% percent of their populations living in areas of concentrated poverty. This is a very high percentage, given the fact that nationwide that year only 3.2% of the population lived in high-poverty census tracts (Jargowsky 1997, 38).

Discussion

When a minority wins the mayoralty of a city, does he or she win a "hollow prize?" By a hollow prize, we mean a city depleted of the resources needed to significantly improve the quality of the lives of the city's residents. As with many questions, the answer one gives depends on whether one views the glass as half full or half empty. The trend to elect more minority mayors in America's larger cities is positive for urban minority communities. Although the residential population of cities has generally declined and become poorer, at least compared to the surrounding suburbs, the daytime working population of cities has expanded and contains many high-wage earners. Compared to an earlier era, central cities have fewer retail, wholesale, and manufacturing jobs, but their central business districts are dynamic components of the growing service sector of the nation's economy. The agglomeration economies found in the downtowns of major cities attract the most productive and highest-paid jobs in regional economies. A study of 114 central cities found that the wages of central city jobs in 1997 averaged 10.5% higher than jobs located in the suburbs, and the gap was widening (U.S. Department of Housing and Urban Development 2000, 4). This is especially true for global cities like New York and Los Angeles, which sit "atop the urban hierarchy" (Beauregard 1989). Central cities have also become centers of tourism, entertainment, and conventions (Judd and Fainstein 1999).

The obvious strategy for minority mayors would be to enact commuter taxes that would enable the city to tap the incomes of commuters and use the resources to attack the problems of concentrated, largely minority, poverty. Thirty years ago, Dr. Martin Luther King Jr. advocated just such a strategy.

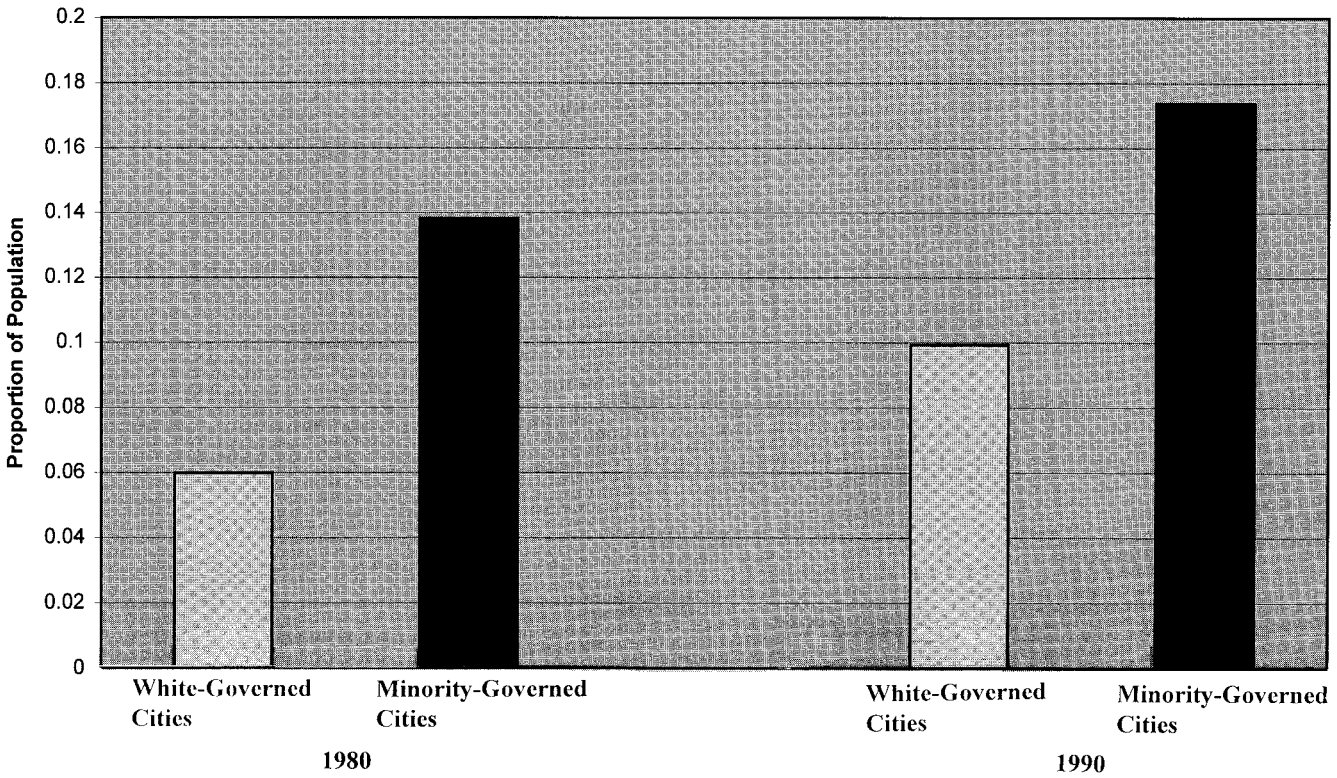
> Now, since they're just going to keep us in here [in the ghetto] . . . what we're going to have to do is just control the central city. We got to be the mayors of these big cities. And the minute we get elected mayor, we've got to begin taxing everybody who works in the city who lives in the suburbs. (Quoted in Cone 1991, 226)

The problem with King's suggestion is that no city can impose an earnings tax on commuters without the permission of its state legislature. A comprehensive study of fiscal stress found that only 18 out of 86 cities used some form of earnings tax; most cities are prohibited from doing so by state law (Ladd and Yinger 1991, 126).[8] Even though central cities play dynamic roles in the rapidly changing global service economy, the benefits of this growth are difficult to capture for existing residents.

The main problem for minority mayors is that their cities contain large numbers of poor people. This is to be expected. According to our data (Figure 1), since 1967, minorities constituted a majority of the population in exactly two-thirds (66.6%) of the years that minority mayors held office. Historically, African Americans and Hispanics have been more economically disadvantaged than whites. In 1990, for example, the poverty rates for African Americans, Latinos, and whites were 29.1%, 24.7%, and 9.0% respectively (Jargowsky 1997, 42). Not surprisingly, minority mayors tend to govern cities that have higher rates of poverty. Even if minority-governed cities had the same tax capacity as white-governed cities, they would still be worse off because poor areas require more government spending

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Figure 5
Proportion of the Population in High-Poverty Census Tracts, White- and Minority-Governed Cities, 1980 and 1990



to produce equal service outcomes. For example, to ensure equal health or safety, more housing inspectors and police patrols need to be deployed in poor neighborhoods. Janet Rothenberg Pack (1998) found that for every one-percentage-point increase in their poverty rates, cities spent an additional $27.75 per capita on nonpoverty-related basic services, like police and fire (see also Ladd and Yinger 1991, 85–86).

The U.S. Constitution does not guarantee equal access to local public services. Nevertheless, much of the case for federal aid to cities has hinged on the claim that federal aid is needed to compensate for past discrimination against minorities and older cities and equalize resources for the provision of local public services. (Our data shows that the socioeconomic situation of all larger cities, on average, has deteriorated, but the problem is more serious in those governed by minority mayors.) Clearly, political support for a federal "affirmative action" program for cities has declined. Federal aid to cities peaked in 1978 at 15% of city revenues (it was more than 25% for some big cities); today it is less than 3% (Kincaid 1999, 36). For the most part, minority mayors cannot turn to the federal government to address the hollow-prize problem.

The hollow prize problem is serious if it is rooted in past discrimination. But it presents an even greater flaw in American democracy if it is caused partly by a reaction to minority empowerment. In that case, minority mayors do not just inherit distressed cities, they *cause* them simply by being elected, not through any policies they pursue. In his study of Gary, Indiana, Robert Catlin (1993) argued that after Richard Hatcher won reelection in 1971, the white business community began leaving the city in large numbers, apparently interpreting solid black political power as a sign of inevitable economic decline. A comparative study of cities led by white mayors and black mayors in the 1970s and 1980s found that cities led by African Americans suffered sharp decreases in retail sales per capita whereas white-led cities enjoyed significant increases (Brown 1997, 18). Other researchers have documented white flight in response to black empowerment (Nelson and Meranto 1977; Thompson 1999). More research, with extensive controls, is needed to test the hypothesis that electing minority mayors has an independent negative effect on jobs and investment because of the racial fears of whites.

Increasingly, solutions to the hollow-prize problem lie in the politics that take place between jurisdictions, not within them. Whites and minorities have sorted themselves into separate political systems. Geographical avoidance behavior, or political secession, has evolved into a sophisticated art that is short-circuiting the messy, but necessary, processes of political accommodation and compromise (Judd and Swanstrom 1998, 425). The political isolation of minority central cities and inner-ring suburbs surrounded by lily-white outer-ring suburbs means that, increasingly, whites and minorities do not have to deal with each other politically. Nevertheless,

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there are grounds for cooperation: Minorities need access to the jobs and opportunities that are located out in the suburbs and suburbanites should be interested in redeveloping cities in order to address the problems of excessive sprawl, including the loss of green space, traffic congestion, and air pollution. By utilizing existing infrastructure, so-called "smart growth" is also more efficient.

Absent massive federal and state aid, the hollow-prize problem can only be addressed as part of some sort of power-sharing arrangement between central cities and suburbs. Regional governance, however, presents a painful dilemma for urban minority voters. Just as they are acquiring power over central city governments, they are being asked to give up some of this power to regional governance structures. Without regional political reforms, however, it appears that the hollow-prize problem will only worsen.

Notes

1. Throughout this paper, we use the term "minority" to refer to African Americans and Hispanics. In doing so, we do not assume that African American and Hispanic voters have the same preferences, nor do we intend to minimize the significant diversity within each of these groups. Rather, we group Hispanics and African Americans together because of the relative disadvantage members of both communities have experienced in comparison to whites in the United States.

2. The original data on minority mayors was compiled by Peter Dreier of Occidental College. We thank him for permission to use his data, which we have supplemented and updated. We also want to thank Mine Doyran and Chris Latimer for helping with the data collection.

3. For all of our data, we use the years that minority mayors are in office, not the years elected to office.

4. We used straight-line estimates for population for all years between censuses. So, for example, in order to determine a city's minority population in 1975, 50% of the increase in the minority population between 1970 and 1980 was added to 1970 minority population.

5. David Rusk (1995) contrasted elastic cities, which grow with their regions, with inelastic cities, which do not expand as their regions expand. Rusk argued that inelastic cities suffer from myriad problems, ranging from acute segregation by race and class to extreme fiscal stress. Our data show that minority-led cities tend to be more inelastic.

6. In order to calculate the per capita income in the suburbs, we subtracted total income in the central city from total income in the region, using 1980 and 1990 population figures, and then divided the results by the population of the suburbs for the given years.

7. The data in Figure 5 were compiled by Paul Jargowsky (1997) from census reports.

8. In 1999, the New York State Legislature repealed New York City's tax on in-state commuters. Even though the tax was less than one-half of one percent, it raised significant funds because the average New York City commuter earned $88,000 a year. If New York City's ability to tax commuters from other states is repealed by the courts, as legal experts expect, New York City will lose about $360 million annually (Fuchs 1999; Herszenhorn 1999).

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