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Unlearned Lessons From *Letter From Birmingham Jail*

The Work Begun, the Progress Made, and the Task Ahead

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A major tenet of Martin Luther King, Jr.'s civil rights agenda involved dismantling legal segregation in the United States. King viewed social isolation of the races as a barrier to the American ideals of democracy, freedom, and equality. Despite many advances, racial isolation remains a feature of daily life in America, and the authors report the results of a study that illustrates how it supports and anneals segregation in the workplace. The authors draw from *Letter From Birmingham Jail* to gain insights into King's notions about segregation, our responsibility to diminish it, and whether the arguments put forth in it have relevance for contemporary business thought leaders.

Keywords: *Martin Luther King, Jr.; Black employment; employment opportunity; job search; racial segregation; workplace diversity*

On the evening of April 3, 1968, Dr. Martin Luther King, Jr., delivered what is now known as his "I've Been to the Mountaintop" speech in support of a group of 1,300 striking Memphis sanitation workers seeking better wages, safer working conditions, and equitable racial treatment on the job. King's visit to Memphis and his speeches and protests while there were a component of his "Poor People's Campaign." The campaign represented an increasing focus on the importance of equality in the workplace and access to

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jobs as an element of a comprehensive social justice program. Dr. King told the crowd that night at the Memphis Mason Temple, "I've seen the Promised Land. I may not get there with you. But I want you to know tonight, that we, as a people, will get to the Promised Land" (King, 1968, p. 8). In retrospect, those words were especially prescient. The following evening, he was felled by an assassin's bullet while standing on the balcony of the Lorraine Motel. Exactly one week after King's assassination, President Lyndon B. Johnson signed the Civil Rights Act of 1968, ending *de jure* residential racial segregation in the United States.

Although it is generally well-known that Dr. King's civil action was focused on curing what he termed "the disease" of racial segregation in American life, it may be less known that he drew a linkage between the debilitating effects of residential segregation and the barriers to full participation in economic opportunity. Bayard Rustin, the organizer of what is commonly known as the "March on Washington,"¹ recalled the growing linkage between segregation in residential life and economic opportunity that was increasingly evidenced in King's speeches, writing, and strategies for civil rights action.

When Martin went to Memphis to help the garbage workers, he called attention to the fact that segregation and discrimination had profound economic implications. He said to me then, "We've gotten them the right to go in and buy a hamburger, now we've got to get them the right to buy it" [noting that legal right to purchase is nullified by exclusion from gainful employment]. (Wilkins, 1978, p. A16)

Given his training in philosophy, King may have been aware of Immanuel Kant's belief that an occupation provides independence, autonomy, and self-respect: "Without occupation man cannot live happily. If he earns his bread, he eats it with greater pleasure than if it is doled out to him" (Kant, 1775/1963, as cited in Bowie, 1998, p. 1084).

If the disease of segregation (as viewed by King) still inflicts many American cities, how does it influence efforts to diversify business organizations that operate within them? If racial segregation in the communities in which we live indeed does influence efforts to diversify firms, should business leaders and scholars work to ameliorate the ills of segregation? What roles and contributions are appropriate?

Management scholars have been critical of the lack of social issues in management theory (Bartunek, 2002; Hinnings & Greenwood, 2002; Margolis & Walsh, 2001; Walsh, Weber, & Margolis, 2003). Hinnings and

Greenwood (2002), Wood (1991a; 1991b), Perrow (2000) and others have written extensively about the early scholarship in organization and management theory that addressed the influence of organizations on the structure and patterns of privilege and disadvantage in society (Freeman, 1984, 1994; Margolis & Walsh, 2001; Wood & Jones, 1995).

In order for the work to really matter, our scholarship must speak beyond the walls of the corporation or the business school. This sentiment has been echoed in the writing of a number of management scholars, and even Presidents of the Academy of Management (Hambrick, 1994). One step toward expanding the audience for our scholarship is to establish linkages between our work and other disciplines (Brief et al., 2005). To this end, our challenge is to conduct studies that explore this business and society interface and shed light on the processes, mechanisms, and policy implications of extant theory. This special issue offers us an opportunity to look deeply at the intersection of society and business through the continuing ill of residential segregation that had been a central theme of Dr. King's speeches, writing, and policy action.

Our article takes three steps toward exploring the connections between racial segregation and urban labor markets and proposing a role for business thought leaders. First, we draw insights from King's *Letter From Birmingham Jail* (King, 1963) to interpret the linkage in his views between segregation, economic opportunity, and ideals of American democracy and capitalism. Put differently, King is well recognized for his work on diminishing segregation, but what do his writings tell us about his views on its impact on economic life? Second, recognizing that segregation persists, we extend our analysis to its contemporary impact and report the results of an analysis that examines the linkage between three forms of segregation on the job search prospects of urban Blacks. These findings have implications for business organizations seeking to increase diversity within and across firms, and we provide some initial ideas about ways business thought leaders may ameliorate the effects we report. Finally, we return to *Letter From Birmingham Jail* to determine if the moral persuasions King makes to clergy have relevance to us as contemporary business leaders and scholars.

Segregation and Economic Opportunity in King's *Letter From Birmingham Jail*

In late 1967, Dr. King and the leadership of the Southern Christian Leadership Council conceived of a "second stage" of the movement concerned with addressing economic inequalities and building on the gains

made in ending legalized discrimination in many forms. The group envisioned that the campaign would speak to a broader set of stakeholders than prior efforts, focusing on all minority groups and poor Whites. Without its most visible and charismatic leader, the campaign ended less than three months after King's death. Because it was curtailed at a nascent stage, we have limited information to determine how the campaign would have responded to recalcitrant segregation and limited opportunities for minorities seeking employment in low-skill industries. In this absence, we turn to one of King's influential texts, his *Letter From a Birmingham Jail* to gauge his ideas about segregation and economic opportunity.

The text now known as the *Letter From Birmingham Jail* was crafted during King's confinement for protesting the slow pace of desegregation in Birmingham. Because King was not allowed a typewriter or library for reference, the letter was written on the margins of newspapers and a notepad provided by his attorneys (King, 1963). The text has multiple references to segregation; we present a few that have relevance to the ideas presented here. The intended audience of the letter was fellow clergy, and it was a response to their request in a public letter that King and other protestors temper their demands for rapid change in Birmingham.

Early in the text, King explains why he made the decision to come to Birmingham and join the protesting strikers, because he was not a resident of the area. "There can be no gainsaying of the fact that racial injustice engulfs this community. Birmingham is probably the most thoroughly segregated city in the United States." Here, he notes the injustice of institutional evils, like segregation, and the moral obligation to resist them and make efforts to end them, even if it involves actions outside of one's own community. Although King's Boston University doctorate was in theology, his early training at Morehouse College was under the renowned sociologist Walter Chivers.

Under Chivers, King became acquainted with theoretical linkages between segregation, derogation, and prejudice (see Chivers [1934] for his theory of racial discrimination effects on Blacks' personalities). Chivers was a strong believer that sociological knowledge had to be linked to action, that leadership was a response to crisis, and that morality was an essential element (Willie, 1982). After graduating from Morehouse in 1948, King continued his training at Crozer Seminary, where he became enthralled with the writings of great philosophers such as Plato, St. Augustine, Hobbes, Locke, Nietzsche, and Niebuhr (Yates, 2002). According to Yates, he became especially interested in the "social gospel" of the activist theologian and minister Walter Rauschenbusch, which called Christians to social responsibility over individual responsibility. While pursuing his doctorate at Boston University, King

became enamored with Hegel's dialectical notions of synthesizing seemingly contrary theses. King's synthesis of these sociological, theological, and philosophical ideas is evidenced in the following passage:

All segregation statutes are unjust because segregation distorts the soul and damages the personality. It gives the segregator a false sense of superiority and the segregated a false sense of inferiority. Segregation, to use the words of the Jewish philosopher Martin Buber, substitutes an "I it" relationship for the "I thou" relationship and ends up relegating persons to the status of things. Hence segregation is not only politically, economically and sociologically unsound, it is morally wrong and sinful. Paul Tillich has said that sin is separation. Is not segregation an existential expression of man's tragic separation, his awful estrangement, his terrible sinfulness? Thus it is that I can urge men . . . to disobey segregation ordinances, for they are morally wrong. (King, 1963, pp. 3-4)

King focuses on the inferiority- and superiority-enhancing aspects of segregation—its buttressing of notions of people as things—and he argues that it has economically and morally damaging impact. He calls for active disobedience of statutes that support segregation, both explaining reasons for his protest and urging others to aid in ending it. As Bowie reminds us, Kant put forth the imperative that one should treat the humanity in a person as an end and never as merely a means (Bowie, 1998; Kant, 1775/1963).

After establishing his view of segregation as a disease afflicting the residents of Birmingham and America, the text proposes a cure: moderate citizens and clergy should take action to end segregation. He challenges the notion, popular in some circles even today, that societies naturally evolve toward equity and social integration over time, without the sustained effort of individuals who value social progress.

We will have to repent in this generation not merely for the hateful words and actions of the bad people but for the appalling silence of the good people. Human progress never rolls in on wheels of inevitability; it comes through the tireless efforts of men willing to be co-workers with God, and without this hard work, time itself becomes an ally of the forces of social stagnation. (King, 1963, p. 5)

Reflecting on the passage of time and nature of progress, we join many in noting King's prophetic wisdom. His training in the Black church and theology is well recognized, as is the force of his kinetic orality documented in his now-famous speeches (West, 2001). What may be less appreciated is his

integration of these traditions with classical sociological theory. By synthesizing moral and theological arguments with social science theory, King infused his writing and speeches with persuasive metaphors that had broader influence than an approach that drew from a single intellectual domain. First, the suggestion in *Letter* that segregation influences the psyches of segregated minorities and unrestricted majorities has seen support in studies linking racial attitudes and stereotyping to metropolitan area segregation as well (Bobo, 1999; Bobo & Zubrinsky, 1996). Second, King posited that without intervention, rather than slowly declining over time, segregation of American Blacks would be a durable feature of American life. Such a belief calls for vigilance of the inertial forces that constrain social change. By forwarding this view, King was departing from the long-standing “assimilationist” view common to the “Chicago” school of sociology (Park, 1930, 1950). In King’s speeches we can hear the voices of his intellectual forebears drawn as much from the field of theology (e.g., Hegel, Buber, Tillich), as the early urban sociologists (e.g., Blau, Dubois, Frazier, Giddings). In the next section, we attempt to engage in such synthesis by applying sociological methods to King’s notion that segregation produces negative impacts on economic life. King admonishes readers of his *Letter*: “I am sure that none of you would want to rest content with the superficial kind of social analysis that deals merely with effects and does not grapple with underlying causes” (King, 1963, p. 1). We approach this challenge by utilizing a unique data set that allows for an analysis of the influence of racial isolation on the labor market outcomes of Blacks seeking jobs in the low-skill labor market.

The Contemporary Influence of Segregation on Employment Outcomes of Urban Blacks

Since 1968 and King’s death, segregation by race in American life has declined but remains considerable. American Blacks are particularly isolated from other groups, and their high degree of segregation cannot be fully explained by education, income, or other class-related skews across racial groups (Cutler, Glaeser, & Vigdor, 1999).² It may be somewhat expected that in Memphis at the time of King’s assassination, Blacks lived a considerably isolated existence. Nearly 39% of Memphis residents were Black (Gibson & Jung, 2005), yet the average Black resident of Memphis lived in a neighborhood that was 69% Black (Cutler, Glaeser, et al., 1999). What may surprise some readers is that the contemporary rates of segregation in Memphis have not changed dramatically over the years. Analysis of U.S. census data indi-

cates that in 2000, Blacks composed 43.2% of the Memphis population, and the average Black lived in a neighborhood that was 75% Black (U.S. Census Bureau, 2002). Segregation by race also characterizes the lives of young people then and now. In 1968, the average Black student in the Memphis school system attended a school that was almost completely composed of other Blacks (i.e., 98%; Logan & Oakley, 2004). Nearly five decades after the *Brown* decision ending segregation in public schools, the average Black student in Memphis attended a school that was 82.7% Black (Logan & Oakley, 2004). Over the years, Blacks in Memphis have become more residentially segregated and only slightly less segregated in schools (Logan & Oakley, 2004). And Memphis is not unusual in this regard.

Forty years after King's death and the end of legalized segregation, studies and polls indicate that few White Americans would say that they were personally opposed to Blacks living in their neighborhoods, yet most would avoid neighborhoods with more than a small minority of Blacks living there (Emerson, Yancey, & Chai, 2001). High levels of racial segregation characterize American neighborhoods, workplaces, and educational institutions. In 2000, Black Americans composed 12.9% of the U.S. population, yet the average Black American lived in a neighborhood that was 59.1% Black, and the average Black student attended a school that was 56.8% Black. Douglas Massey, one of the foremost scholars on segregation describes the continuing high levels of Black–White segregation in the United States as follows:

Data thus reveal that a majority of all African Americans, and the large majority of urban African Americans, continue to experience high levels of residential segregation in U.S. cities, and that about half of all urban Blacks and more than 40% of all African Americans experience hypersegregation, a degree of racial separation that is little different from that achieved in South Africa under apartheid. (Massey, 2004, p. 11)

As the statistics cited above indicate, there has been limited progress on the path to racial integration in our cities and schools since the era of King's activism. In a related sense, there is evidence that even within schools, Blacks and Whites remain considerably segregated from each other and are less likely to form close friendships. In a recent large-scale empirical study of friendship segregation in public multiracial junior high and high schools, Quillan and Campbell (2003) conclude the following:

Disturbingly, we find especially high levels of segregation of Blacks, including Black Hispanics, from all other racial groups. Our results suggest that Black–non-Black is an important dividing line in multiracial schools, a division

that will likely become more evident as the share of school populations who are neither White nor Black increases (Quillan & Campbell, 2003, p. 560).

An additional analysis by Quillan and Campbell appeared to indicate that patterns of segregation in personal relationships will likely persist rather than decline over time, as assimilationist theory would suggest.

Despite years of effort, integration within and across workforces remains elusive, especially for Blacks (Huffman & Cohen, 2004; Mouw, 2002; Reskin, McBrier, & Kmec, 1999; Sorenson, 2004; Williams & O'Reilly, 1998). Carrington and Troske (1998) find that Blacks are disproportionately employed in settings where owners, managers, and customers are also Black. They estimate that almost 25% of business establishments include no minorities and another 25% have less than 10% minority composition. Using Equal Employment Opportunity Commission data at the firm level, Robinson and colleagues find that nearly 50% of Black workers would have to change jobs to achieve an equal racial distribution across employment contexts (Robinson, Taylor, Tomaskovic-Devey, Zimmer, & Irvin, Jr., 2005).

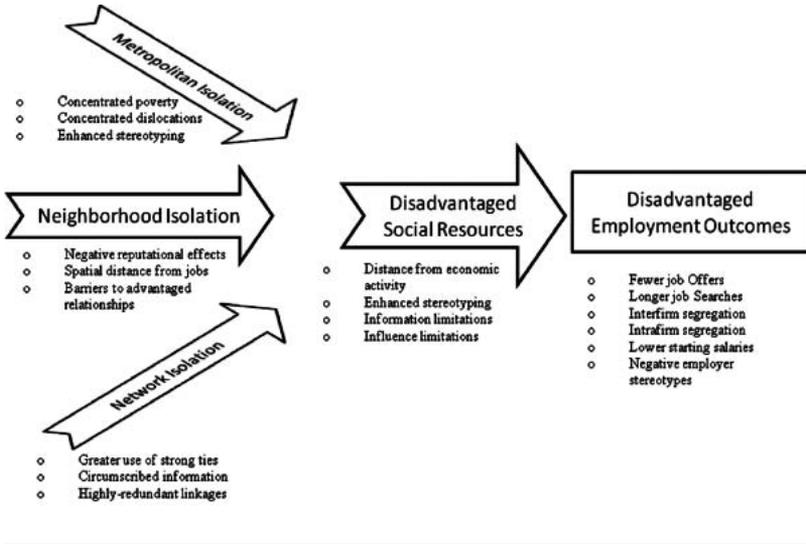
To ground our discussion of residential and workplace segregation, we go beyond reporting summary statistics that explicate the extent of these patterns to the application of social science methods that can aid our understanding of how segregation influences economic outcomes. A recent set of studies has documented the negative relationship between metropolitan-area residential segregation and the likelihood of self-employment (Fairchild, 2008a, 2008b, *in press*) and the present study investigates the influence of segregation on the labor market outcomes of Black job seekers.

The central portion of this article, a study of segregation and job outcomes, is organized into three subsections reflecting the metropolitan area, neighborhood, and personal network level influences on job search outcomes for urban Blacks. Each subsection develops hypotheses linking multilevel segregation to job search outcomes, and the data set employed provides a unique opportunity to test these hypotheses with a single set of respondents. These are followed by an accounting of the research methods and report of data used to provide an illustration of how segregation in contemporary life may constrain efforts within firms to establish a more fully integrated workplace.

Literature Review: Racial Segregation Influences on Black Job Seekers

The primary empirical questions in this analysis involve the multilevel influence of racial isolation—in the metropolitan areas in which individuals live, in their residential neighborhoods, and in their personal relations—and how each

Figure 1
Graphical Description of Multilevel Racial Isolation Framework



contributes to the often bleak labor-market prospects for Black job seekers. The central ideas presented here are that (a) racial segregation in metropolitan areas segments labor markets; (b) residence within racially homogeneous neighborhoods circumscribes access to advantaged personal relationships; and, in turn, (c) personal network homogeneity influences the ability to connect to potential jobs. The theoretical bases for these analyses draw from three bodies of work, and they are reviewed briefly here. Figure 1 provides a graphical representation of the primary thrust of this article that racial isolation in metropolitan areas, in neighborhoods, and in close personal relationships combines to limit urban Blacks’ ability to find jobs and the quality of jobs when Blacks are employed.

Physical Distance: The Influence of Metropolitan Area Residential Segregation

Residential segregation has loomed large in discussions of factors influencing the socioeconomic challenges of urban Blacks. Research indicates a causal relationship in which residential segregation leads to more poverty and social dislocations, and not vice versa (Cutler & Glaeser, 1999). There have been essentially two prevailing, and somewhat competing, perspectives in the literature: the ethnic enclave perspective and the socioeconomic isolation perspective. They are each briefly reviewed below.

In an effort to explicate the potentially positive benefits of segregation by race in metropolitan areas, K. L. Wilson and Martin (1982) formulated the ethnic enclave hypothesis. They argued that a high degree of spatial segregation by race would be accompanied by a high degree of racial/ethnic vertical and horizontal integration within and across firms managed by members of similar ethnic groups. This high degree of intraethnic interconnection, the theory held, would benefit minority communities by providing a higher likelihood of locating employment and higher salaries once a job was secured. Since then, a broad literature has studied many different ethnic groups and contexts using similar approaches, arguing that segregated enclaves benefit ethnic minorities because they encourage intraethnic bounded rationality, enforceable trust, and mutual stakeholding (Light & Bonacich, 1988; Portes & Jensen, 1989; Portes & Sensenbrenner, 1993). Because minority employers are more likely to hire intraethnic job seekers, the spatial proximity created by segregation leads to a greater likelihood of mutually desired employee–employer matching (Aldrich, 1973; Bates, 1994). Some have argued that Black segregated enclaves are unlikely to produce the virtuous employer–employee effects because a relatively small cadre of Black employers is generally unable to absorb substantial proportions of Black job seekers (Butler, 1995). It is our sense that when King mentioned to Rustin the “right to buy” hamburgers, he was suggesting that the persistence of a Black enclave was insufficient as an economic strategy for Blacks, or for the nation. Positive ethnic enclave effects have been found among ethnic groups that have high rates of self-employment and relatively smaller populations (e.g., Cuban immigrants in Miami) when compared to other ethnic groups with low rates of self-employment and relatively large populations (e.g., Blacks, Mexicans; Werbner, 2001).

More consistent with our sense of King’s reasoning, the socioeconomic isolation perspective generally states that segregation (a) concentrates poverty and associated social problems (Massey & Denton, 1993), (b) creates physical barriers to the establishment of economically advantaged relationships (W. J. Wilson, 1996), and (c) exacerbates non-Blacks’ existing negative stereotypes about Blacks (Farley, Steeh, Krysan, Jackson, & Reeves, 1994). Massey and Denton (1993) note the tendency of segregation to concentrate poverty and unemployment as well as low levels of educational attainment in metropolitan areas. Similarly, Cutler and Glaeser (1999) found that in cities with higher levels of segregation Blacks were more likely to exhibit intergenerational social problems (e.g., higher rates of unemployment, substance abuse, single-parent households, and lower educational attainment in the second generation).

Blau (1974, 1977) was among the first to develop the notion that spatial distance influences social distance. In Blau's conception, residential racial segregation creates physical distance, which constrains the opportunity for the formation of relationships. Residential segregation within a metropolitan area is positively associated with social distance because in cities where Blacks are spatially isolated from other groups, the likelihood of forming relationships with non-Blacks declines (i.e., hampering the establishment of diverse social networks).

Allport's (1954) influential treatise on prejudice proposed the contact hypothesis, which was among the first to argue that sustained, face-to-face contact by individuals of equal status diminishes prejudice (Dovidio, Gaertner, & Kawakami, 2003; Sigelman & Welch, 1993). We can only conjecture whether King was directly exposed to ideas similar to Allport's in his academic training. However, it is clear that under the tutelage of Chivers, King became aware of the notion among social scientists that the physical environment has a strong influence on the psyche. In cities where Blacks tend to live apart from other groups, even when income levels are taken into account, non-Blacks are less likely to have opportunities to form relationships that diminish negative stereotypes and are more likely to develop negative views of Blacks because their knowledge is secondhand (and heavily influenced by media reports of social ills in Black neighborhoods). Here we argue, as King might have theorized, that higher rates of Black residential isolation within cities is likely to increase segmentation of labor markets and diminish the likelihood that Blacks will have success (i.e., receive job offers) when seeking employment. We intend to use these data to illustrate that racial isolation in metropolitan areas, in neighborhoods, and in close personal relationships combines to limit urban Blacks' ability to find jobs and the quality of jobs when Blacks are employed. If segregation "envelopes" employment outcomes of urban Blacks and constrains their entry into firms, then these might be evidenced in differences in job search outcomes across cities, which the data in Table 1 are intended to illustrate.

Utilizing data from the Multi-City Study of Urban Inequality (MCSUI; Bobo et al., 2000), which we describe in more detail below, we undertook an initial descriptive analysis to determine whether the labor market prospects of Black job seekers differed by city. Table 1 provides the likelihood of receiving a job offer, time spent seeking employment, and average hourly starting wage for Black job seekers in three U.S. cities. As these data indicate, there are substantial differences in the time spent looking for employment and likelihood of receiving a job offer from a job search across each of the cities. Of course, other factors that differ across cities may influence these mean

Table 1
MSA Differences in Received Offers, Search Time,
and Average Wages for Black Job Seekers

MSA	Received a Job Offer (%)	Number of Days Searched	Average Hourly Wage (\$)
Atlanta	10.1**	84.830**	12.51
Boston	13.0**	194.403**	10.35
Los Angeles	9.2**	216.949**	13.34

Source: Data from the Multi-City Study of Urban Inequality (Bobo et al., 2000).

Note: MSA = metropolitan statistical area. Detroit was also included in the original study but necessary variables used in this study were not collected in the Detroit sample.

** $p < .01$.

differences (e.g., relative age, education, and relevant experience of Black job seekers, differences in industry sectors operating in each city, etc.). We examine these questions in a model with a set of such controls in our analysis below.

Residential segregation differs substantially across these cities and is expressed independently of racial proportions. For example, analysis of census data indicates that in 1990, Blacks made up 25% of the total population in Atlanta, yet the average Black in Atlanta lived in a neighborhood that was 66% Black. In Los Angeles, Blacks represented nearly 11% of the population (10.5%), and the average Black resident lived in a neighborhood that was 69% Black. In Boston, Blacks represented only 6% of the population and the average Black lived in a neighborhood that was 54% Black. These proportions and rates of segregation have not changed considerably since 1990. In fact, using the most recently available U.S. census data (2000), the weighted-average residential isolation for Blacks in the metropolitan areas of the study declined a modest 2.9%. A closer examination by metropolitan area reveals that the isolation of Blacks in Los Angeles actually increased during the period (U.S. Census Bureau, 2002). If segregation influences employment prospects for Black job seekers independently of these factors, such an effect might be revealed in multivariate analyses designed to measure the distinct influence of segregation with control for other factors that influence employment outcomes. Thus, the first hypothesis is that residential segregation across a metropolitan area will contribute to the isolation of Blacks from the mainstream labor market.

Hypothesis 1: Rates of residential segregation in a metropolitan area will vary inversely with the likelihood of urban Blacks' receiving a job offer.

Table 2
Neighborhood Differences in Received Offers, Search Time,
and Average Wages for Black Job Seekers

Proportion of Blacks in Neighborhood	Received a Job Offer (%)	Number of Days Searched	Average Hourly Wage (\$)
Low < 2 <i>SD</i>	11.4**	199.891**	18.49
Moderate < 1 <i>SD</i>	6.7**	205.506**	12.87
High > 1 <i>SD</i>	7.7**	216.497**	13.63
Very High > 2 <i>SD</i>	5.8**	287.794**	7.97

Source: Data from the Multi-City Study of Urban Inequality (Bobo et al., 2000).

** $p < .01$.

Neighborhood Composition: Reputational and Spatial Distance Effects

Not only does segregation vary across cities, but it also varies within cities. There are Blacks who live in less segregated neighborhoods, even within highly segregated cities, and there may be an independent neighborhood composition influence on their job search outcomes. Indicators of the potential disadvantages of residence in a predominantly Black neighborhood have been documented elsewhere in the literature. First, qualitative interviews with employers have revealed negative stereotypes about the work ethic and behaviors of residents from predominantly Black or “central city” sectors of metropolitan areas, even after adjusting for their levels of general agreement with negative stereotypes about Blacks (Neckerman & Kirschenman, 1993). Second, in many urban areas, predominantly Black neighborhoods are spatially distant from central business districts, relatively rich potential areas of employment opportunities, contributing to a “spatial mismatch” between Black job seekers and employer firms (Holzer & Offner, 2004). Finally, Blacks living in highly segregated neighborhoods are less embedded in the network of jobs and firm owners than either Whites or other Blacks who live in more integrated neighborhoods (W. J. Wilson, 1996). Because of Blacks’ relatively limited representation as firm owners or employers, they may be less likely to have “connecting” ties to those who make hiring decisions within firms (e.g., only 5% of Blacks are firm owners; Office of Advocacy, 2001).

Using MCSUI data (Bobo et al., 2000), Table 2 provides an initial exploratory analysis of the likelihood of receiving a job offer, mean time spent seeking employment, and average hourly starting wage for Black job seekers by the proportion of Blacks in the respondent’s residential neighborhood.

Although the effects are not perfectly linear, they suggest that the duration of job searches is positively associated with the percentage of Blacks in a Black job seeker's neighborhood and that the likelihood of receiving a job offer during the most recent job search is negatively associated. As with the estimates presented above, these results are not controlled for other factors that may vary across cities or groups and, thus, are descriptive. In the model presented below, these relationships are investigated with a generous set of statistical control variables. Taken together, these studies suggest that higher proportions of Blacks within a job seeker's residential neighborhood should be negatively associated with employment outcomes.

Hypothesis 2: Neighborhood homophily will be associated with longer job searches and lower wages for urban Blacks who received jobs.

Personal Network Ties: The Influence of Same Race Referrals

In terms of racial homophily within social networks, the bulk of evidence has shown a bias toward a high degree of homogeneity (Granovetter, 1973; 1985; Laumann, 1966; Marsden, 1987, 1988; McPherson, Smith-Lovin, & Cook, 2001). The tendency toward relations with members of the same race was acknowledged in the earliest writing on the concept of tie strength. In an article that was largely theoretical, Granovetter (1973) cited his own analysis of data originally collected by Charles Korte and Stanley Milgram (1970) on acquaintance chains and interracial relationships (i.e., relationships that extend across racial groups). In their study, Korte and Milgram asked White senders to forward a booklet to [Black]³ or White target persons through a chain of personal acquaintance. They were interested in examining the rates of completion and removes (degrees of separation) for White senders when the target was Black or White. Replicating the results found in past studies within a single race, the vast majority of senders were not able to complete their chains. However, White senders had a far lower completion rate to Black targets than to White targets (13% vs. 33%).

A replication of the study by Lin and colleagues showed similar discrepancies in the completion rates to Black and White targets, concluding that communication chains stay largely within racial groups and that crossing racial boundaries is uncommon in communication networks (Lin, Dayton, & Greenwald 1977). White senders tended to lack personal knowledge of Black targets or the social milieu in which Blacks operated, making it much harder for them to develop effective strategies to reach them. Studies generally show

that racial homophily in personal relationships is fairly durable, even after adjusting for other forms of demographic difference (e.g., education, affluence, residence, occupational level, etc.; McPherson et al., 2001). Marsden (1987) found that more than 90% of Americans do not include someone of another race in their strong tie networks and that members of their strong tie networks are much more likely to know each other if they are of the same race (e.g., increasing the overall density and redundancy of information within an individual's network).

How might homophily in personal relations influence the job search prospects of Black workers? The literature suggests that referrals from current employees play a substantial role in locating a job (Elliott, 2001; Mouw, 2002; Neckerman & Kirschenman, 1993; Sorenson, 2004). Firm owners frequently utilize referrals from a number of sources to aid in locating employees (e.g., personal friends, current employees). Employers perceive that the information they glean from referrals is more reliable and nuanced than that acquired through interviews, tests, or written applications (Williamson, 2000; Williamson, Cable, & Aldrich, 2002). Because of high levels of segregation by race within firms, referral hiring aids in replicating and reinforcing existing racial patterns. Mouw (2002) reports that same-race employee referrals contribute nearly as much to the variance in racial composition of firms as geographic location. Similarly, Elliott (2001) reports that referrals from currently employed workers account for nearly all of the differences in informal job search outcomes across racial groups. Furthermore, Elliott reports that Blacks rely on insider referrals to a greater degree than other groups when seeking jobs and this reliance tends to reinforce existing distributional and positional racial segregation within firms (e.g., Blacks tend to be referred into positions within firms in which Blacks are overrepresented). This leads us to our third hypothesis.

Hypothesis 3: Homophily in job search assistance will be associated with longer job searches for urban Blacks who received jobs.

Data, Operationalizations, and Method

The Multi-City Study of Urban Inequality is a detailed data source for researchers interested in labor market dynamics (Bobo et al., 2000; Holzer, Kirschenman, Moss, & Tilly, 2000a, 2000b). A consortium of investigators supervised the collection of an extensive survey of more than 8,500 residents in four large U.S. metropolitan areas: Atlanta, Boston, Detroit, and Los Angeles.⁴ Critical to the present analysis, the sampling method also included

an oversample of predominantly minority and low-income areas because an explicit interest of the researchers was the challenges in the labor market for those who tend to have the greatest challenge in finding jobs (Bobo et al., 2000). As intended by its philanthropic funders, the data set has spawned a broad body of research on a range of topics relevant to life in urban cities generally, and on segregation specifically (Adelman, 2005; Goldsmith, Hamilton, & Darity, 2006, 2007; Hersch, 2006; Semonyov & Herring, 2007). The survey includes data on a large number of elements relevant to job market experiences and residential segregation. The survey was administered in person, via one-on-one interviews. From these data, a relatively in-depth lens into the intersection of socioeconomic status, neighborhood context, job search patterns, and intergroup relations for urban residents may be examined. Because of the sampling stratification used in the data collection, individual person-level weights were applied for descriptive analyses and three of the statistical analyses employ weighted least squares regression models.

The first analysis utilized a weighted least squares regression model predicting duration of job search and a logistic regression predicting the likelihood of receiving a job. The variables used in these analyses are reviewed here. A companion study, described below, examined the influence of multilevel homophily on the views of employers. Means and standard deviations for the variables used in the analyses are found in Table 3.⁵

Dependent Variables

To test the influence of the hypothesized individual-level, neighborhood-level, and metropolitan-area-level residential segregation influences on the labor market outcomes of Blacks, three dependent variables were used. One of these, received a job offer, examined the likelihood that Black job seekers were able to secure employment after their most recent job search (i.e., within the last five years). The remaining two dependent variables, time spent searching for last job and average starting salary, were used to examine the influence of hypothesized factors on the labor market outcomes of Black respondents who did receive jobs. These dependent variables were constructed from a battery of survey items focusing on features of the respondent's last job search. The first item queried respondents about their success in the last search (i.e., received a job offer, $n = 181$; did not receive a job offer, $n = 2,998$). The other items surveyed the number of days spent searching during their last attempt to locate a job, and the average starting salary received after securing employment. (These last two variables were constructed based on those who received job offers).

Table 3
Means and Standard Deviations of Variables Used in Analyses

Variable	<i>M</i>	<i>SD</i>
Dependent variables		
Duration of job search (days)	189.77	474.36
Received job offer (%)	10.12	
Starting hourly wage	17.90	96.91
Relative views of Blacks	1.12	.51
Racial isolation predictors		
Blacks in neighborhood (%)	53.44	26.15
Weak tie helped get job (non-Black)	2.45	
Strong tie helped get job (non-Black)	4.01	
Black tie helped get job	17.28	
Black MSA segregation (clustering)	.680	.092
Control predictors		
Respondent male	48.35	
Respondent married	63.59	
Children under 18 in home	40.92	
Single with children	17.85	
Foreign-born	7.02	
High school or vocational graduate	42.26	
College graduate	17.35	
Respondent's age	43.36	15.97
Veteran status	15.31	
Years experience	14.15	22.77
Homeowner	33.73	
Percentage of life in city	63.18	35.07
MSA size (population logged)	15.48	.47
Industry/Firm predictors		
Natural and environmental	.2319	.42202
Construction	.0366	.18786
Manufacturing	.1413	.34829
Transportation and utilities	.0531	.22416
Wholesale	.0239	.15280
Retail	.1172	.32166
Finance, insurance, and real estate	.0519	.22173
Business services	.0613	.23980
Entertainment and recreation	.0242	.15376
Professional services	.1947	.39597
Public administration	.0326	.17763
Employment size of firm (log)	3.6501	2.22682

Source: Data from the Multi-City Study of Urban Inequality (Bobo et al., 2000).

Note: MSA = metropolitan statistical area. Bivariate correlations were performed to test for collinearity and are available on request.

Primary Independent Variables

The analytical models reported below have three primary independent variables constructed to tap the degree of racial isolation in a Black job seeker's metropolitan area, residential neighborhood, and personal job-seeking relationships.

Metropolitan area isolation. The degree of integration in the metropolitan area and across neighborhoods was operationalized using the index of racial residential *clustering*, which is a quantitative measure of the degree of density within physical space of a group residing in a metropolitan area. The index of relative clustering has been described as a measure of the presence of an ethnic enclave within a metropolitan area (Iceland, Weinberg, & Steinmetz, 2002). This measure differs from the neighborhood composition index described in the next subsection in that it measures the degree of clustering of Black neighborhoods throughout the entire metropolitan area. An ethnic enclave may not exist if discrete predominantly Black neighborhoods are spatially distant from each other.

Neighborhood isolation. There is a companion census data set to the MCSUI that provides demographic data on the racial composition of a Black respondent's neighborhood. From these data, variables were constructed for the proportion of each racial group in the respondent's neighborhood (Bobo et al., 2000). It is important in this analysis to distinguish between neighborhood composition and metropolitan area segregation because such a distinction allows for an analysis that simultaneously controls for intrametropolitan area endogeneity and residential selectivity, in which Blacks with greater employment prospects tend to live in neighborhoods that have fewer Blacks.

Network isolation. The MCSUI survey queried respondents about whether they received any assistance from someone else during their last job search, along with information about the one person that provided the greatest assistance (e.g., closeness of relationship, race; Bobo et al., 2000). From these responses, the person primarily responsible for job search assistance was recategorized into strong and weak tie assistance (i.e., strong ties were friends and relatives; weak ties were associates or strangers), and whether the assistance was from a Black or non-Black person. If Blacks tend to receive their assistance only from other Blacks, then they would be racially isolated in their job search and vulnerable to receiving redundant information (Granovetter, 1985).

Control Variables

The models used in the analysis below predict labor market outcomes for Black workers and employer attitudes as a function of individual-level, household-level and metropolitan-area-level predictors. The primary independent variables test the influence of racial diversity in the strong-tie network, neighborhood, and metropolitan area of Black respondents. A number of other variables have been shown elsewhere to influence our dependent variables and have also been shown to skew with racial segregation. These are included in these analyses as statistical controls so that the independent influence of racial isolation predictors can be determined, net of other factors that influence labor market outcomes for Black job seekers.

The individual-level control variables are male, foreign-born, educational attainment, and military veteran status. To adjust for gender differences in labor market outcomes, a dummy variable for male respondents was included in the models. Foreign-born job seekers are generally found to face considerable barriers in locating employment, including language and education (Meisenheimer, 1992). Some studies indicate that employers may hold fewer negative stereotypes about foreign-born Blacks and may actually exhibit preferences toward hiring them, when compared with native-born Blacks (Moss & Tilly, 2001). A dummy variable for birthplaces outside of the United States was included. Educational attainment (human capital) influences on job market outcomes are well documented, and the model includes dummy variables for having completed high school and college. Veteran status is associated with workforce experience that may assist in locating a job, and is controlled here.

The household control predictors in the models were marital status, presence of children, and household assets. Marital status may influence job market prospects because married persons may have access to financial and other resources that are helpful during job searches that singles may not (e.g., a second source of income, informational, emotional support; Rosenbaum & Gilbertson, 1995). The presence of children under the age of 18 in a household generally requires additional efforts that may limit the time and resources available when seeking a job. Those with the interaction of these two factors, single parents with children, should have the least available resources to search for jobs. In these models, marital status and presence of children are operationalized in three dummy variables (i.e., married with children, married without children, single with children; single without children is the reference category). A growing body of research has pointed to the substantial role of differences in household assets on a number of economic and social outcomes, and these analyses indicate that Blacks are often asset poor (Oliver & Shapiro,

1997; Shapiro, 2004). Shapiro (2004) describes the transformative potential of assets in their ability to be used to fund or as collateral to secure loans to support a number of economic and social pursuits. This study operationalizes household asset worth in the form of homeownership of the primary residence.

The metropolitan-area-level control variables are size of city (log [population]), and percentage of employers in the area labor market who are Black (ranging from 3% in Boston to 11% in Atlanta). Studies indicate that minorities have better labor market prospects in larger cities and areas where their racial group has greater representation among those making hiring decisions (owners of firms and managers; Holzer & Ihlandfeldt, 1996).

Firm-level control variables were included in the analyses of Blacks who had received jobs, and the analysis of racial isolation influences on employer views of Blacks. According to Carrington and Troske (1998), a substantial degree of interfirm segregation and wage gaps results from differences in the distribution of groups across industries (i.e., Blacks tend to work in industries where wage rates are lower), and in firm size (i.e., Blacks tend to work in smaller firms). To control for these effects, the analyses of job search duration and wages control for industry sector—based on 3-digit Standard Industrial Classification (SIC) Codes—and firm size in number of employees (logged). The next section provides the results of the influence of multilevel homophily on Blacks' labor market outcomes.

Results

Multilevel Racial Isolation Influences on Job Search Success

Table 4 provides a summary of the results of a hierarchical logistic regression predicting the likelihood of job search success (i.e., receiving a job offer) from the respondent's most recent job search. In each stage, the model examines the influence of racial isolation at the metropolitan area, neighborhood, and personal network level, along with statistical controls described above.

Results indicate that residential clustering of Blacks in each metropolitan area exerts a strongly negative influence on the likelihood of having received a job after the most recent job search. The metropolitan-area segregation coefficients remained statistically significant throughout each stage of the logistic regression, which added neighborhood composition and personal network racial isolation predictors, along with added control variables at each stage of the regression. (The predictors for neighborhood and personal network isolation were insignificant in all models). These results suggest that highly clustered residential enclaves within cities spatially restrict the likelihood of Black

Table 4
Logistic Regression Predicting Likelihood of
Job Search Success (*N* = 3,179)

Variable	Stage of Regression							
	1		2		3		4	
	<i>B</i>	<i>SE</i>	<i>B</i>	<i>SE</i>	<i>B</i>	<i>SE</i>	<i>B</i>	<i>SE</i>
Constant	-4.064	4.261	-0.872	4.590	6.990	6.693	-13.965	21041.53
Metropolitan residential isolation	-5.873*	2.775	-6.074*	3.326	-7.395*	3.428	-7.842*	3.496
Blacks in neighborhood (%)			-.293	.445	-.358	.449	-.352	.455
Strong tie help (non-Black)					-.310	.584	-.211	.592
Weak tie help (non-Black)					-.046	.643	.041	.650
Black tie help					-.229	.571	-.270	.580
Chi-square	8.749(3)		22.752(6)		64.064(19)		70.225(30)	
-2 Log Likelihood	483.425		469.422		428.110		421.949	
Metropolitan area controls	Yes		Yes		Yes		Yes	
Household controls	No		Yes		Yes		Yes	
Individual controls	No		Yes		Yes		Yes	
Industry/Firm controls	No		No		No		Yes	

Source: Data from the Multi-City Study of Urban Inequality (Bobo et al., 2000).

Note: Dependent variable is likelihood of receiving an offer after most recent job search.

* $p < .10$.

job seekers' finding employment, supporting the socioeconomic isolation and segmented labor market explanations (e.g., W. J. Wilson, 1996) rather than the ethnic enclave thesis (e.g., K. L. Wilson & Martin, 1982) for Black job seekers. These results indicate that, *ceteris paribus*, Blacks living in metropolitan areas in which they are more clustered in residential space are less likely to receive offers during their job searches. These findings align with past research indicating negative effects of metropolitan area segregation on unemployment (Cutler & Glaeser, 1999) and suggest that rather than contributing to ethnic enclave economies, segregation actually truncates the job opportunities of urban Blacks (W. J. Wilson, 1996).

Multilevel Racial Isolation Influences on Job Search Duration

Table 5 provides a summary of the results of a weighted least squares regression predicting the length of time spent seeking employment during the last successful job search. As with the prior model, each step of the model examines the influence of racial isolation at the metropolitan area, neighborhood and personal network level, along with statistical controls described above. The model includes additional firm-level controls not used in the prior analysis for industry (based on 3-digit SIC codes) and employment size of firm in which the respondent worked (logged).

Results of these regressions indicate that personal network ties play a substantial role in the duration of job searches for Black job seekers who found employment. Black job seekers who received assistance from strong or weak ties had longer job searches than those that did not report any personal assistance. Relatively speaking, strong ties were associated with searches of shorter duration than when the primary assistance came from a weak tie (i.e., an associate or stranger). Assistance from a Black respondent had a decreased influence on job search duration, consistent with suggestions that Blacks receive their primary assistance in locating employment from other Blacks, and that this assistance may lead them to firms that are more likely to hire Blacks. These findings may appear counterintuitive, given the substantial theorization about job assistance and tie strength in the organizational literature (Granovetter, 1983, 1985). However, a substantial body of literature in the urban sociology suggests something altogether different occurs for Blacks, and especially in highly segregated areas (Moss & Tilly, 2001; Mouw, 2002; Neckerman & Kirschenman, 1993). These results should be taken into account in tandem with those of the regression predicting starting hourly wages, which are reported in Table 6.

Multilevel Racial Isolation Influences on Wages

Table 6 provides a summary of the results of a weighted least squares regression predicting the average starting hourly wages received from the last successful job search. In each stage, the model predictors and controls are the same as the prior model predicting duration of last job search in days.

These regressions indicate that the hourly wages of Blacks are influenced by both metropolitan area segregation (depressing wages), and personal (non-Black) network ties (increasing wages). The third stage of the hierarchical regression illustrates the monetary effects of racial isolation, and the enhancing effects of integration. Receiving primary assistance in locating a job from a Black person tended to depress wages and weak tie and strong tie assistance

Table 5
Weighted Least Squares Regression of Job Search Duration (N = 181)

Variable	Stage of Regression							
	1		2		3		4	
	B	SE	B	SE	B	SE	B	SE
Constant	-3593.751*	1488.876	-2682.094**	1293.832	-2351.385	1485.863	-3259.183	1502.268
Metropolitan residential isolation	-349.313	1900.840	-1076.047	939.069	-1357.402	955.309	-1860.038*	867.446
Blacks in neighborhood (%)			70.131	100.208	187.036*	95.480	135.209	98.683
Strong tie help (non-Black)					236.651**	94.388	321.792*	135.249
Weak tie help (non-Black)					516.677***	126.366	481.268**	149.704
Black tie help					-238.871**	110.147	-266.647*	140.385
Adjusted R ²	.129		.673		.775		.811	
F statistics	9.925		24.178		33.720		26.746	
Metropolitan area controls	Yes		Yes		Yes		Yes	
Household controls	No		Yes		Yes		Yes	
Individual controls	No		Yes		Yes		Yes	
Industry/Firm controls	No		No		No		Yes	

Source: Data from the Multi-City Study of Urban Inequality (Bobo et al., 2000).

Note: Dependent variable is number of days spent looking for a job. Person-level weights supplied by survey.

* $p < .10$. ** $p < .01$. *** $p < .001$.

Table 6
Weighted Least Squares Regression Predicting Average
Wage Rates (N = 181)

Variable	Stage of Regression							
	1		2		3		4	
	<i>B</i>	<i>SE</i>	<i>B</i>	<i>SE</i>	<i>B</i>	<i>SE</i>	<i>B</i>	<i>SE</i>
Constant	-76.821*	36.484	-12.249	33.751	-.627	33.636	-104.230**	38.187
Metropolitan residential isolation	35.231	41.439	19.786	41.875	-58.601*	27.770	-83.152**	26.566
Blacks in neighborhood (%)			-7.268*	4.025	-2.452	2.514	-1.101	1.637
Strong tie help (non-Black)					11.076**	3.432	5.548	3.763
Weak tie help (non-Black)					37.425***	4.279	21.411***	4.814
Black tie help					-11.129**	3.926	-1.590	4.292
Adjusted <i>R</i> ²	.129		.673		.775		.811	
<i>F</i> statistics	9.925		24.178		33.720		26.746	
Metropolitan area controls	Yes		Yes		Yes		Yes	
Household controls	No		Yes		Yes		Yes	
Individual controls	No		Yes		Yes		Yes	
Industry/Firm controls	No		No		No		Yes	

Source: Data from the Multi-City Study of Urban Inequality (Bobo et al., 2000).

Note: Dependent variable is hourly starting compensation. Person-level weights supplied by survey.

* $p < .10$. ** $p < .01$. *** $p < .001$.

increased wages. However, in the fourth step (which controls for industry sector and firm size), only the residential isolation and weak tie assistance predictors maintained significance.

Taken together, results of Tables 4 and 6 suggest that racial isolation at the metropolitan area level creates barriers that lower the likelihood that Blacks will receive job offers at all, and lowers the hourly wages that employers will pay them. In essence, clustered Black enclaves first segment labor markets, and contribute to market closure that depresses metropolitan area demand for Black labor. Results of Tables 5 and 6 indicate that racial

isolation in personal networks (i.e., use of Black assistance) decreases the length of time Blacks seek jobs, but those jobs are generally at lower wages than those found with non-Black assistance (or without assistance at all).

Discussion

Segregation and Black Employment

The results indicate that the sociological notion linking social exclusion and economic dysfunction, prominent in the sociological writings of scholars like Chivers and Blau and in the speeches of King, was likely true. Racial isolation operates in multiple ways and across levels to limit the labor market outcomes of urban residents. We argue that the multilevel effect of racial isolation outside of firms contributes to high levels of segregation within and across firms.

First, our findings show that high levels of segregation by race indeed contribute to the creation of ethnic enclaves, but the economies within segregated Black enclaves are not as vibrant as some accounts suggest. Rather than facilitating successful linkages between employers and job seekers, it appears that segregation creates a social and spatial barrier that diminishes the likelihood that Blacks living in highly segregated cities will get jobs at all. Second, our results suggest that for urban Blacks, the benefits provided by personal networks, a central theme in social capital research, are evidenced only among those who actually find employment. Also, the assistance provided by social networks differs by the race of those providing assistance. Use of other Blacks for job search assistance resulted in searches of shorter duration, suggesting that Black ties are better able to guide other Blacks to firms in which they are likely to be hired. However, Blacks who found support in their job searches from other Blacks received less compensation than those who received help from non-Blacks during their job search.

Racial isolation appears to contribute to higher levels of interfirm segregation (via referrals from other Blacks) and to lower wages, even after adjusting for industry and human capital related differences. Hopefully, these results expand our view beyond the importance of intraorganizational social relationships to the importance of extraorganizational sociospatial factors (e.g., racial segregation) that influence organizational demography and efforts to diversify organizations.

It appears that the opportunities to establish and benefit from social ties are spatially influenced. Racial isolation in personal networks may be nested within neighborhood racial isolation, which in turn is nested in metropolitan area

isolation. At multiple levels, Black job seekers can be disconnected from the formal and informal networks that assist in locating employment and, unfortunately, Blacks rely to a greater degree than others on strong and same-race ties in their job searches. This relative overreliance on same race and strong ties relationships may be a prime contributor to Blacks' high unemployment, segregation within and across firms, and relatively lower wages. These results also may help explain reasons for variance in the efficacy of workforce diversity programs across firms (Williams & O'Reilly, 1998). This is in line with King's notions of the impact of segregation on the economic prospects of Blacks.

Segregation and Employer Attitudes

Up to this point, our analysis has focused on the influence of social isolation on Black job seekers (i.e., the supply side). Two of the prime benefits of the MCSUI data set are (a) the rich detail of individual, household, and neighborhood factors that influence the job search prospects of those seeking employment; and (b) the oversample of Black respondents, permitting multivariate analyses of job search outcomes of those who face the greatest challenges in the job market. In *Letter From Birmingham Jail*, King indicates his belief in segregation's tendency to create derogation and superiority in the mind of the segregator. Therefore, one question we considered was whether these factors could influence those on the demand side (i.e., firm owners and hiring managers). Although we were primarily drawn to the MCSUI household survey because of its usefulness in examining the prospects of Black job seekers, the data set also includes a comparably sizable body of firm owners and managers (Bobo et al., 2000). One segment of the survey queried whether respondents were self-employed (with employees) and if they were responsible for hiring and wage setting in their present job. From these responses, a profile of employers in the metropolitan areas of the survey was constructed ($n = 587$). The study also includes a companion battery of questions that focus on the agreement of respondents with a set of statements that are stereotypes about Blacks (e.g., Blacks are less intelligent, Blacks are more likely to be in gangs or consume illicit drugs, Blacks are more likely to be poor, etc.). These statements were 7-point Likert-type measures, with 1 = *strong disagreement* with the stereotyped statement, 4 = *neutrality* and 7 = *strong agreement*. (See the appendix for the full set of stereotype statements.) Using these measures, first an index was created of average agreement with stereotypes about Blacks (i.e., average Likert-type measure across all measures for Blacks). Second, an index was created of the agreement with

stereotypes about all groups (i.e., average Likert-type measures for all five primary racial or ethnic groups). Using these two measures, an index of relative agreement with Black stereotypes was constructed (average agreement with stereotype statements about Blacks/average agreement with stereotype statements about all groups). Indices greater than 1.0 suggest that the individual feels that Blacks are less representative of negative stereotypes than other groups, and indices below 1.0 suggest that the respondent feels that Blacks are more representative.

The third step involved following a method used by Marsden (1987) to determine the size and composition of close confiding networks (e.g., strong ties). The study surveyed respondents about three persons outside of the home with whom they discuss deep personal matters, including their racial demography. One of the prime theses of intergroup contact theories is that sustained interracial contact between individuals of equal status is negatively associated with agreement with stereotypes (Allport, 1954; Chivers, 1934; Sigelman & Welch, 1993). If these theories are valid, increasing exposure to Blacks in an employer's neighborhood (suggesting similar asset wealth) and in close confiding relations should be associated with less stereotyping and derogation of Blacks (and we assume, greater likelihood to hire them). Table 7 provides the results of an additional weighted least squares regression predicting the influence of multilevel racial isolation on the relative agreement of employers with stereotype statements about Blacks (positive coefficients indicate relatively negative views of Blacks, negative numbers indicate relatively positive views of Blacks).

Aligned with research on interracial contact and stereotyping, the increasing proportions of Blacks in the neighborhood of an employer respondent were found to be negatively associated with agreement with stereotypes about Blacks (in an initial stage regression without controls for personal strong tie relations). However, this influence was only statistically significant in the second stage of the hierarchical regression. Stages 3 and 4 of this regression indicate that the presence of Blacks in the close confiding networks of employers diminished agreement with these stereotypes. As important, the effect of neighborhood composition was insignificant in regressions that included Black strong tie predictors and industry controls, aligning with notions in intergroup contact theory that sustained, mutually beneficial interracial relationships are negatively associated with stereotyping. In other words, sustained intergroup contact has the potential to reduce stereotyping (Allport, 1954; Bobo, 1999; Bobo & Zubrinsky, 1996; Chivers, 1934; Emerson et al., 2001; Sigelman & Welch, 1993).

Table 7
Weighted Least Squares Regression of
Employer Black Views (*N* = 587)

Variable	Stage of Regression							
	1		2		3		4	
	B	SE	B	SE	B	SE	B	SE
Constant	1.726***	.325	1.577***	.331	1.324**	.424	1.278**	.457
Metropolitan Black residential isolation	-.644	.438	-.404	.442	.177	.458	.040	.46
Blacks in neighborhood (%)			-.482***	.150	.012	.205	.043	.205
Blacks in strong tie network (%)					-.549***	.157	-.567***	.157
Adjusted <i>R</i> ²	.007		.038		.075		.086	
F statistics	1.205		4.284		4.186		3.044	
Metropolitan area controls	Yes		Yes		Yes		Yes	
Household controls	No		Yes		Yes		Yes	
Individual controls	No		Yes		Yes		Yes	
Industry/Firm controls	No		No		No		Yes	

Source: Data from the Multi-City Study of Urban Inequality (Bobo et al., 2000).

Note: Dependent variable is relative agreement of employers with negative Black stereotypes.

Person-level weights supplied by survey.

p* < .01. *p* < .001.

The Task Ahead and What Businesses and Scholars Can Contribute

Taken in its entirety, the research on Black–White segregation in American life suggests modest progress during recent decades (Massey, 2004; Orfield & Lee, 2006). During the same period, the rising inclusion of a small number of Blacks into visible positions in formerly all-White institutions have led many to accept notions of a racially integrated social and

economic life (e.g., in the upper echelons of corporations, leadership positions in the political sphere, and admired roles in pop culture and the arts). The greater experience and acceptance of Blacks in authoritative, even aspirational roles belie the reality that segregation scholars know only too well: Integration in America, especially for Blacks, is much greater in the popular media than in day-to-day life. There is an “illusion of inclusion” that has lulled even many business scholars into a false sense of progress regarding segregation in America. The data presented here, and elsewhere in the social science literature, suggest that the challenge in establishing King’s ideals in the workplace begins outside of the workplace, and certainly outside of the upper echelons of the corporation.

We undertook the study we report here for three reasons: first, we wanted to apply the methods of social science to examine whether the ideas about segregation King persuasively argued in *Letter* have relevance today; second, we wanted to explicitly link the influence of segregation to outcomes in the economic sphere, including the diversity of the workforce; third, we believe such an approach is a synthesis of social science, theology, and philosophy present in King’s writing and speeches. The findings suggest how interrelated and mutually reinforcing levels of social disconnection contribute to persistent racial segregation in American life, including the workplace. Residential segregation limits the opportunity to compete in the open marketplace and to build interracial relationships that would lead to better paying jobs for all Americans. In this way, residential segregation strengthens segregation in the workplace, and blunts efforts to establish economic opportunity for Blacks. The considerable levels of segregation, even today, lead us to agree with King that without action of persons of goodwill, societies tend toward inertia and stagnation and do not naturally integrate.

What are the implications of these findings for business organizations and business thought leaders? If the promise of democracy, freedom, and equality remains unfulfilled, what can we do about it? We attempt to provide some preliminary answers by drawing from King’s *Letter From Birmingham Jail*, among other sources.

Focus on Root Causes

King calls on his audience to focus on root causes of societal ills, and we join other scholars who have recently noted that extraorganizational factors, like persistent segregation, have been less examined in studies of organizational outcomes like workforce diversity (Brief et al., 2005). In recommending a

greater linkage in research to extraorganizational factors that influence efforts to diversify firms, like segregation, we heed Wood and Jones's (1995) admonishment that scholars attempting to link social and financial performance in firms attend to the linkages between the actions of firms and resultant effects among stakeholders, using strong theory development as a guide. Fortunately, the approach used here, linking metropolitan area segregation to labor market effects from both the supply and demand sides, is one that has clear precedent in the social science disciplines of economics and sociology (Bobo, 1999; Bobo & Zubrinsky, 1996; Charles, 2003, 2005; Dawkins, 2004, Fairchild, 2008a, 2008b).

In both government and corporate policy, the pressure to build demographic diversity has tended to focus on outcome measures like the proportion of demographic representation in hiring for workforce composition and managerial positions. This has been fruitful. Our results clearly show that structural disadvantages vary within a given minority group, and likely differ across groups. Perhaps physical distance and geography play a greater role in explaining workforce demography patterns than past models in organization studies have acknowledged. If indeed segregation is a macrostructural factor that segments markets and strengthens the barriers that influence the demography of who enters or even applies at various firms, then organizations may find that equal employment programs that work in one area may not work as well in others. Similarly, if employee referrals play a significant role in hiring, then these results may help explain how ethnic "ghettos" are created within firms and industries, especially for jobs that do not require college degrees.

As scholars, we should utilize our social science methods to produce persuasive analyses that inform discussions of moral issues like urban unemployment for Blacks and environmental justice. Such an approach would fit well within the "New Pragmatism" perspective offered by Wicks and Freeman (1998). We follow King in arguing that these are moral issues that deserve our attention. We agree with Weaver and Trevino (1994) that the practice of business ethics calls for an integration of normative and empirical skills. A barrier to enacting our normative ideals (e.g., respect, equality of opportunity) may be our limitations in understanding the root causes of the problems we face. We believe that segregation is the enemy of a fully open and democratic economic system, and we should focus on what to do about structural impediments as well as individual ones that distance us from living out King's ideals.

A Potential Role for Business Thought Leaders

Indirectly, the *Letter* also suggests a potential role for scholars. The first of these, mentioned above, is to utilize our social science and critical skills to seek root causes of problems, rather than their symptoms. The second is to recognize our responsibility as opinion leaders to engage with so-called social challenges in the communities in which we operate.

The *Letter From Birmingham Jail* was ostensibly a response to eight prominent Alabama clergymen (they were all White). These eight ministers had earlier written a letter, published in the media, urging King and other social activists to slow their pressure for social justice. At the time, religious organizations played a significant political and symbolic role in Southern communities and an important organizing role in the Black community. As argued by Cornel West, the Black church is “the major institution created, sustained and controlled by Black people themselves; that is, it is the most visible and salient cultural product of Black people in the United States” (West, 2001, p. 426). By reaching across the racial divide within the church, King labored to point out the important role that White church leaders could play in what appeared to be a political or governmental concern:

I have heard many ministers say: “Those are social issues, with which the gospel has no real concern.” And I have watched many churches commit themselves to a completely otherworldly religion which makes a strange un-Biblical distinction between body and soul, between the sacred and the secular. . . . Yes, these questions are still in my mind. In deep disappointment, I have wept over the laxity of the church. But be assured that my tears have been tears of love. There can be no deep disappointment where there is not deep love. Yes, I love the church. How could I do otherwise? (King, 1963, p. 7)

Business ethicists have expressed similar sentiments. Jones and Wicks, among others, propose that an essential premise of stakeholder theory is that “the interests of *all* (legitimate) stakeholders have intrinsic value, and no set of interests is assumed to dominate the others” (Jones & Wicks, 1999, p. 207). Likewise, Werhane calls for us to delineate between passive and active moral rights. Passive rights oblige us to recognize and defend the rights of others (e.g., segregation in a society, even when we are not hampered by it) and active rights call for action on the part of the claimant (e.g., right of Blacks to protest the yoke of legal segregation; Werhane, 1985, p. 9). We recognize that businesses and business schools can be powerful instruments of economic action, but do we see them as instruments of social

change? Do we relegate and separate the “social” from the “serious business”? As noted by Freeman, some subscribe to a separation thesis that creates a distinction between “economic” and “social” spheres of action (Freeman, 1994). King’s social action was imbued with academic and intellectual rigor and a strong theological and philosophical grounding. Perhaps, as business ethicists have suggested, we should consider a greater integration of the concepts across fields to aid in our overall persuasiveness (Jones & Wicks, 1999; Weaver & Trevino, 1994; Wicks & Freeman, 1998).

Business scholars should continue their efforts to encourage business leaders to recognize their role in social matters that occur outside of their organizations. However, we might also take direction from leaders like King in aiding business leaders in recognizing their ability to influence social change within organizations and outside of them and, in some cases, we may determine that social change calls for more dramatic action (e.g., protest and action on campuses to divest South African investments during Apartheid). Second, we should attempt linkages with our colleagues operating in fields like theology. Rev. Jesse Jackson provided the following reflection about the important role King’s synthesis of intellectual knowledge and oratorical force was to the movement:

At the time we were unable to defend ourselves because Whites had the professors and the professional people that could use words to subjugate us and make us feel inferior. They also had the power to limit our opportunities and thus make their views become self-fulfilling prophecies. Martin had the intellectual force and the oratorical ability to counter that and to help us begin to change our minds about ourselves. (Wilkins, 1978, p. A16)

Where are the new leaders who can reach across fields and assist in creating a synthesis between social science knowledge, normative beliefs, and economic action? We believe there are precious few. We join Joanne Ciulla (1995) in applauding efforts like the inclusion of Cornel West (theologian), Richard Rorty (philosopher), and Muhammad Yunus of the Grameen Bank (practitioner/economist) in the Ruffin Lectures on Business Ethics (sponsored by a business school), and hope for similar innovations such as conferences and journal publications that help forge a better understanding of how we can synthesize social science and moral action.

On the night before his death, King told the audience that he had envisioned an integrated future that he would likely not see. Four decades later, considerable evidence suggests that we have yet to see “the mountaintop” of a racially and economically integrated America. As Massey and Denton remind us:

Most Americans vaguely realize that urban America is still a residentially segregated society, but few appreciate the depth of Black segregation or the degree to which it is maintained by ongoing institutional arrangements and contemporary individual actions. They view racial segregation as an unfortunate holdover from a racist past, one that is fading progressively over time. (Massey & Denton, 1993, p. 1)

In this article, we have attempted to highlight elements of King's writing that suggest a role for business leadership and business scholars and we have attempted to illustrate one of these roles by providing an analysis of the impacts that contemporary social and residential segregation has in influencing racial integration in the workplace. We marvel at King's synthesis of disciplines to persuade audiences in multiple ways and our hope is that our field assists in that effort.

Appendix

Survey of Respondent Agreement With Stereotypes Regarding Black Labor

All Multi-City Study of Urban Inequality items were administered via human interviews in a face-to-face context. These items were read to the respondent and were coded according to their responses (Holzer, Kirschenman, Moss, & Tilly, 2000a). A reliability analysis returned a Cronbach's alpha of .6499 and a confirmatory factor analysis resulted in three factors. All survey items were 7-point Likert-type scales with 1 = *strong disagreement* and 7 = *strong agreement*, except for the final two items, which were reverse coded (Holzer et al., 2000a).

The survey questions, from Holzer et al. (2000a), are as follows:

Item 1: In the first statement, a score of 1 means that you think almost all of the people in that group are "rich." A score of 7 means that you think almost everyone in the group is "poor." A score of 4 means you think that the group is not toward one end or the other and, of course, you may choose any number in between that comes closest to where you think people in the group stand. Where would you rate Blacks on this scale, where 1 means tends to be rich and 7 means tends to be poor?

Item 2: Where would you rate Blacks on this scale, where 1 means tends to be intelligent and 7 means tends to be unintelligent? A score of 4 means you think that the group is not toward one end or the other and, of course, you may choose any number in between that comes closest to where you think people in the group stand.

Item 3: Where would you rate Blacks on this scale, where 1 means tends to prefer to be self-supporting and 7 means tends to prefer to be on welfare? A score of 4 means you think that the group is not toward one end or the other and, of course, you may choose any number in between that comes closest to where you think people in the group stand.

(continued)

Appendix (continued)

Item 4: Where would you rate Blacks on this scale, where 1 means tends to be easy to get along with and 7 means tends to be hard to get along with? A score of 4 means you think that the group is not toward one end or the other and, of course, you may choose any number in between that comes closest to where you think people in the group stand.

Item 5: I want to know if you think they tend to speak English well or tend to speak English poorly. Where would you rate Blacks on this scale, where 1 means tends to speak English well and 7 means tends speak English poorly? A score of 4 means you think the group is not toward one end or the other and, of course, you may choose any number in between that comes closest to where you think people in the group stand.

Item 6: Where would you rate Blacks on this scale, where 1 means tends not to be involved with drugs and gangs and 7 means tends to be involved with drugs and gangs? A score of 4 means you think the group is not toward one end or the other and, of course, you may choose any number in between that comes closest to where you think people in the group stand.

Item 7: Finally, for each group I want to know whether you think they tend to treat members of other groups equally or tend to discriminate against members of other groups. Where would you rate Blacks on this scale, where 1 means tends to treat members of other groups equally and 7 means tends to discriminate against other groups? A score of 4 means you think that the group is not toward one end or the other and, of course, you may choose any number in between that comes closest to where you think people in the group stand.

Notes

1. The formal title of the political rally was the “March on Washington for Jobs and Freedom.”

2. In this text, the words “social isolation” refer to multilevel structures that separate groups. “Segregation” is used to refer to the residential and spatial expressions of isolation processes.

3. In the original studies, the authors used the common vernacular at the time, “Negro.” We have updated their language to reflect today’s more common usage.

4. Detroit was also included in the original study, but necessary variables used in this study were not collected in the Detroit sample.

5. Bivariate correlations were performed for all variables in the analysis and are omitted here because of space considerations. Collinearity diagnostics were performed and there were no highly correlated predictors. A full set of correlations is available and will be provided on request.

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