

Chapter 3

Building Trust in a Segregated Society: The United States

It is very appropriate then that from this Cradle of the Confederacy, this very Heart of the Great Anglo-Saxon Southland, that today we sound the drum for freedom as have our generations of forebears before us done, time and time again through history. Let us rise to the call of freedom-loving blood that is in us and send our answer to the tyranny that clanks its chains upon the South. In the name of the greatest people that have ever trod this earth, I draw the line in the dust and toss the gauntlet before the feet of tyranny . . . and I say . . . segregation today . . . segregation tomorrow . . . segregation forever.

Inaugural address of Governor George C. Wallace of Alabama, January 14, 1963

Ain't gonna let segregation turn me around
Turn me around, turn me around
Ain't gonna let segregation turn me around
I'm gonna keep on a-walkin', keep on a-talkin'
Marchin' up to freedom's land

Children's song from the civil rights movement in the United States

All persons shall be entitled to be free, at any establishment or place, from discrimination or segregation of any kind on the ground of race, color, religion, or national origin, if such discrimination or segregation is or purports to be required by any law, statute, ordinance, regulation, rule, or order of a State or any agency or political subdivision thereof.

Title II, Section 202, Civil Rights Act of 1964¹

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Americans once were a trusting people. In 1960, almost 60 percent of Americans believed that “most people can be trusted.” Throughout the 1960s over half of Americans were trusters, but the 1970s brought a precipitous decline so that by the 1990s about 38 percent of Americans gave trusting responses (Uslaner, 2002, 6-7). By 2006 and 2008, barely more than a third did.²

The United States *should be* a high trusting country. It was America, after all, where Tocqueville (1945, 122-123) uncovered “self-interest rightly understood,” the idea that people base their actions on core values (religious for Tocqueville) that lead them to think beyond gains for themselves. “Self interest rightly understood” is now widely acknowledged to be the root of generalized trust.

America was destined to be a trusting society. Trust rests upon a sense of optimism and economic equality. Optimistic people are willing to take the risks involved in trusting people they don't know and who may be different from themselves. Their belief that the world is a good place and that it is going to get better is a (psychological) insurance policy that makes people feel more secure. Optimists are also more likely to have a sense of control—to believe that *they can make the world better through their own actions*. Herbert Croly (1965, 3), the Progressive theorist, expressed what became known as the American Dream well:

Our country is...figured in the imagination of its citizens as the Land of Promise. [Americans] believe that somehow and sometime something better will happen to good Americans than has happened to men in any other country....the future will have something better in store for them individually and collectively than has the past or the present.

Henry Steele Commager (1950, 5) argued, “Nothing in all history had succeeded like America, and every American knew it.” In public opinion polls from the late 1930s to the 1960s, Americans believed that their children would have a better life than they did (Uslaner, 1993, 76). This creed is essential to American culture; it was the promise that guided immigrants to come to

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a land where streets were paved with gold. David Potter (1954) called Americans a “people of plenty.”

Control over our environment is also central to American values. The *Economist* (1987, 12) expressed this ideal well, and linked it to the more general belief that tomorrow will be better than today: “Optimism, not necessity, has always been the mother of invention in America. To every problem—whether racial bigotry or putting a man on the moon--there has always been a solution, if only ingenuity and money were committed to it.”

America was also an egalitarian society—if not yet economically, then at least socially. . Lord Bryce (1916, 873-874), like Tocqueville a 19th century European visitor to the United States, saw social equality as the key to understanding why Americans were more trusting and generous than Europeans:

People meet on a simple and natural footing, with more frankness and ease than is possible in countries where every one is either looking up or looking down... This naturalness...enlarges the circle of possible friendships...It expands the range of a man’s sympathies, and makes it easier for him to enter into the sentiments of other classes than his own. It gives a sense of solidarity to the whole nation, cutting away the ground for the jealousies and grudges which distract people...

Americans were both optimistic and trusting in the 1960s, a period of great prosperity that historian William O’Neill (1986) called the “American high.” American income was also more equitably distributed in the post-World War II period through the 1970s than it was in other periods of American history (Piketty and Saez, 2004, esp. Table 2).

Economic and social equality helped to solidify the idea of America as a “melting pot,” with the national motto *E pluribus unum* (one out of many). This overarching national identity breaks down barriers among groups—and helps lead to generalized, rather than particularized, trust.

But then trust began to drop as inequality began to rise. To be sure, inequality initially

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rose more slowly than trust fell. Other factors in American life such as urban discontent and the war in Vietnam may have started the downward slide in trust. By the mid-to-late 1970s trust and inequality moved strongly in opposite directions (Uslaner, 2002, 183-187). And as inequality increased, Americans no longer were so sure that life would be better for the next generation or even for the average person today. As Americans became less confident in the future, they had less faith in each other (Uslaner, 2002, 166).

In this chapter I examine levels of trust in American society and how living in a diverse integrated neighborhood with heterogeneous friendship networks can lead to greater faith in others. The effects are considerable—in part due to the high levels of segregation and inequality in the United States compared to other Western countries. Segregation and especially inequality lead to low levels of trust, especially for minorities. African-Americans and Hispanics have markedly lower levels of trust than do whites—but whites have become less trusting over time. The evidence I present in this chapter suggests that having friends of different backgrounds in diverse and integrated neighborhoods can boost faith in others—for whites, African-Americans, and Hispanics. The effects are somewhat greater for whites than for blacks, both the effects for both are substantial—especially in comparative perspective. I also show that diversity *does* drive down trust, but that Allport's optimal conditions build trust more than diversity leads to lower faith in people.

Cracks in the Melting Pot

The Liberty Bell (in Independence Hall in downtown Philadelphia) is a classic symbol of American freedom. The bell rang on July 8, 1776 to call citizens to the first public reading of the Declaration of Independence. However, the bell is cracked. The fissure ultimately made the bell unable to be rung.³

The crack also highlights the fissions in the melting pot. While Bryce and others (including Tocqueville) were duly impressed with the equality and sociability of Americans, the descendants of early settlers did not always treat new immigrants as equals. During boom times

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Americans could be welcoming and inclusive, but when the economy was struggling, the dominant white Protestants could be hostile to people who did not look like themselves (Fetzer, 2001). From the mid-19th century through the 1930s, Catholic and Jewish immigrants were widely viewed as "so much slag in the melting pot" (cited in Higham 1981, 277) by the Protestant majority. The Know-Nothing Party in the 1850s sought to restrict the voting rights of Catholics, while other associations sought to end immigration from ethnic and religious minorities because they were seen as genetically inferior (McCloskey and Zaller 1984, 68-69). Over time Catholics and Jews entered the mainstream and "became white" (Goldstein, 2006). By 2008, white Americans rated Jews and Catholics at 65 and 66 on a "feeling thermometer" scale (in the American National Election Study) ranging from 0 to 100, with whites at 73 and Christians at 76. Catholics became undistinguishable from other Americans on generalized trust (in the 2006 and 2008 General Social Survey), while Jews are substantially more trusting (by 11 percent), though this may reflect their higher level of education.

Some groups, however, have a much higher hurdle to overcome to become accepted as fully American (much less white): Asian-Americans, Hispanics, and especially African-Americans. Whites proclaim that they view each of these groups positively, with average thermometer ratings of 64, 63, and 66, respectively (for Asian-Americans, Hispanics, and African-Americans). Asian-Americans are the most integrated of these minorities, often called a "model minority."⁴ Asian-Americans have more education than do whites—and (see below) live among whites in integrated neighborhoods. Asian-Americans are, unsurprisingly, as trusting as whites—even as they have higher levels of education.⁵

The two largest minorities—African-Americans and Hispanics—are less well integrated into "white society." For African-Americans, the history of racial discrimination, from slavery to Jim Crow (discriminatory laws primarily in the South),⁶ needs no elaboration. Race is—and continues to be—the major divide in American society. Myrdal (1964, lxxi, italics in original) argued that race was the defining issue challenging the idea that the United States could become "one out of

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many”:

The “American Dilemma”...is the ever-raging conflict between...the “American Creed,” where the American thinks, talks, and acts under the influence of high national...precepts, and, on the other hand, the valuations on specific planes of individual and group living, where...group prejudice against particular persons or types of people...dominate his outlook.....

Myrdal wrote, “Discrimination against the Negro...is so great that it becomes qualitative....the fettering of the Negro spirit is not accomplished so much by simple discrimination as by the prejudice inherent even in the most friendly but restrictive expectancy...” Three decades after the original publication of Myrdal’s An American Dilemma, Campbell, Converse, and Rodgers (1976, 456) restated the same thesis: “The history of the black experience in America is not one which would naturally inspire confidence in the benign intentions of one’s fellow man” (Campbell, Converse, and Rodgers, 1976, 456). It is not surprising that minorities in the United States—and elsewhere—are less trusting of their fellow citizens.

The Social Capital Benchmark Survey (SCBS), which has both national and subnational samples, has higher estimates of trust than those in other surveys, but for this and other surveys whites are considerably more trusting than minorities. For the SCBS, 54 percent of respondents--and 61 percent of whites in the subnational sample--give trusting responses; 31 percent of Hispanics and 28 percent of African-Americans are trusters. For the General Social Survey—which has the longest and most complete time series on trust of any American survey- in 2006 and 2008, 34 percent of all respondents, 39 percent of whites, but just 16 percent of Hispanics and 15 percent of African-Americans have faith in others.⁷ The estimate for Hispanics is identical to that for the 1989-90 Latino survey I shall employ below (de la Garza, Garcia, and Garcia, 1998).⁸

Whites have become less trusting over time—closely tracking increases in inequality. In 1960 and 1964, almost 60 percent of whites were trusters; as late as 1972-73, 53 percent of whites

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believed that “most people can be trusted.”⁹ Trust levels among African-Americans are less precisely estimated because of smaller samples of blacks in national surveys. In 1964 22 percent of African-Americans were trusters. In the General Social Survey 19 percent of African-Americans were trusting from 1972-80 and 15 percent thereafter. The 1996 National Black Election Study, with almost 1200 African-American respondents, had 18 percent trusting respondents.

The larger story is twofold. First, trust among the majority whites was high in the United States at well over fifty percent until the mid-1970s. Only a handful of other countries—the Nordic nations, the Netherlands, Canada, and (now) Australia—now have a majority of their respondents as trusters. Whites in the United States have become less trusting and America now ranks below other industrialized nations on trust—and above them on inequality.¹⁰ Second, minorities—notably African-Americans and Hispanics—have much lower levels of trust than do whites. At least for African-Americans, there is far less evidence of a downward trend in trust as we see for whites with a weaker tie to inequality.¹¹ Trust was low and remains low.

African-Americans are not mistrusting because they don’t know whites or have white friends. Twenty seven percent of African-Americans have a friend of a different race, compared to only 17 percent of whites, even as they are less considerably trusting (see Figure 3-1).¹² As 11 percent of the population, blacks are simply more likely to have friends of a different race than are whites (70 percent). African-Americans are more likely to live in racially isolated neighborhoods than are whites (see Figure 3-2). While Asian-Americans and Hispanics largely live in integrated neighborhoods, whites—and especially African-Americans—are more likely to live among people like themselves.

[Figures 3-1 and 3-2 about here](#)

Residential Isolation in the United States

Segregation among minority groups is ubiquitous. New immigrants seek out people like

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themselves to ease their transition into a new country (deSouza Briggs, 2005, 72). Ethnic enclaves provide havens of familiar food, religious institutions, and conversation and periodicals in one's native language. Wirth (1927, 1938) wrote of how the ethnic ghetto isolated Jewish immigrants at the turn of the century (see Chapter 2), but Massey and Denton (1993, 32-33) disputed the notion of a self-contained ghetto. Enclaves at the turn of the 20th century in the United States, much like many other Western countries today, were a mish-mash of ethnic groups (but see Lieberman, 1961, 55): "...even at the height of their segregation early in this century, European ethnic groups did not experience a particularly high degree of isolation...ethnic enclaves proved to be a fleeting, transitory stage in the process of immigrant isolation." For most ethnic groups—including Hispanics and Asians--as succeeding generations achieve economic success, they move into majority white neighborhoods (Cutler, Glaeser, and Vigdor, 2005, 206; Massey and Denton, 1993, 87).

In the 19th century, segregation was not pronounced in the United States. From the end of the 19th century through 1940, segregation became commonplace as African-Americans moved from the South to the North. White immigrant groups lived in enclaves that were moderately segregated—but in close proximity to each other. African-Americans, though not so numerous, and whites also lived near each other in both the North and the South (Massey and Denton, 1993, 17).

By 1910, the index of racial segregation in Northern cities increased by almost 30 percent from its 1860 level and by 1940 Northern cities whites and blacks largely lived in different worlds. Segregation was on a consistent upward march: By 1940 70 percent of African-Americans would have to move for neighborhoods to resemble overall demographic patterns of the city; by 1970, the share had increased to 80 percent. Most African-Americans lived in census tracts that were more than two-thirds black (Cutler, Glaeser, and Vigdor, 1997, 471; Massey and Denton, 1993, 30-31).

The large-scale influx of blacks into the North created the modern American ghetto.

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Wilkes and Iceland (2004, 33) argue that “...black segregation is unique.” No other group has experienced such hypersegregation: African-Americans live apart from other groups, concentrated in small areas, and centralized in the center of an urban area. There were no hypersegregated American Indian or Asian American cities in 2000 and just two Hispanic hypersegregated metropolitan areas—but 29 communities with black-white hypersegregation (Massey and Denton, 1993, 74; Wilkes and Iceland, 2004, 29-32). Fewer than 15 percent of African-Americans live in areas where blacks constitute less than 10 percent of the population and a third live in census tracts that are two-thirds or more African-American (Clark, Putnam, and Fieldhouse, 2010, 29). Because of this isolation of African-Americans, the United States has far more pronounced segregation than other English speaking countries (Johnston, Poulsen, and Forrest, 2007).¹³

Industrialization in the early 20th century created a need for blue-collar workers in the North. As blacks moved North for better jobs, whites took action to ensure that their neighborhoods remained white. Real estate agents were the central actors enforcing segregation. Their professional association’s code stated: “...a realtor should never be instrumental in introducing into a neighborhood a character of property or occupancy, members of any race or nationality, or any individuals whose presence will clearly be detrimental to property values in that neighborhood” (Morrill, 1975, 155). Insurance companies would direct whites and blacks to different neighborhoods, make mortgage requirements and down payments more onerous for African-Americans, and refuse to make some loans at all. Many communities had restrictive covenants, sometimes implicit but often explicit—as in Baltimore’s 1910 ordinance establishing distinct areas in the city for whites and African-Americans. Strong demand from the large number of new migrants to large cities led to price spikes for housing—so rents and house prices were much greater than those in white areas (Johnston, 1991, 252; Massey and Denton, 1993, 36, 41-42).

The federal government did little to block segregation. The Supreme Court in 1917 ruled that a residential segregation law in Louisville, Kentucky was unconstitutional. However, neither

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the courts nor any other agency of the government took strong actions to block segregation. Franklin D. Roosevelt's New Deal included an experimental public housing program that grew rapidly during and after World War II. These projects were overwhelmingly segregated and remained so through the 1970s. In 1962 President John F. Kennedy signed an executive order banning discrimination in federal properties. Yet, despite his actions, two civil rights laws outlawing discrimination even in both public and private housing, and a stronger code by realtors in the 1970s, segregation persisted. Not until 1988 was the Department of Housing and Urban Development given any resources to begin investigations of discrimination and to take action against violators (Coulibaly, Green, and Jones, 1998, 69-71, 82, 93, 118; Johnston, 1991, 252-253; Massey and Denton, 1993, 36, 41-42, 195-196, 210-211).

Over recent decades, segregation between whites and African-Americans has slowly decreased (Iceland and Weinberg with Steinmetz, 2002, 110), although it has increased for Hispanics and Asians as many new immigrants have come to the United States (Iceland and Scopilliti, 2008, 85). Cities have become more diverse (less white) and overall segregation levels have fallen (Iceland, 2009, 113).

Decreasing segregation for African-Americans is *not* strongly linked to upward mobility for blacks—as it is for other groups. Even wealthy blacks are largely isolated from whites (Massey and Denton, 1993, 85; Watson, 2009, 23). For most groups, segregation reinforces economic inequality. Of course, it does so for African-Americans as well, but it also leads to social isolation even for blacks who have succeeded economically. The departure of middle and upper income blacks from the ghetto has led to even greater inequality for those left behind (Wilson, 1987). While racial segregation may have declined, *income segregation* has dramatically increased since 1970, especially isolating poor African-Americans. They are less likely to live among people who are not poor—and this mixing of economic and racial segregation has occurred in almost every metropolitan area (Jargowsky, 1996, 990; Massey, 1996, 397; Soss and Jacobs, 2009, 123). Two-thirds of African-Americans now live in neighborhoods with at least 20 percent in poverty

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compared to six percent of whites—and this leads to a sharp drop in income for most blacks from one generation to the next (Sharkey, 2009, 9-11).

The most diverse communities in the United States are New York City, Oakland (California), Jersey City (New Jersey), and Los Angeles.¹⁴ The most segregated communities are Detroit, Cleveland, Gary (Indiana), and Monroe (Louisiana). There is no overlap in these “top” ranked areas. The least diverse areas—three cities in Pennsylvania (Altoona, Scranton, and Johnstown), one in West Virginia (Parkersburg), and one in Iowa (Dubuque)—do not show up in the most integrated communities.

African-Americans are more segregated than any other group, with a mean multi-group entropy score of .23, followed by whites at .19, Hispanics at .11, and Asian-Americans at .09. (The medians are virtually identical to the means.) The most segregated cities are not necessarily the largest: The correlations between the entropy measures and population size range from .30 for African-Americans to .39 for Hispanics). Nor are segregation patterns similar across different groups: The correlations range from .30 to .40 except for two groups that are segregated in the same communities: African-Americans and Hispanics. The entropy correlation for the two groups correlate at .85. Blacks and Hispanics are most segregated in two smaller cities (Lawrence, Massachusetts and Reading, Pennsylvania) and one big city (Chicago). Whites, as the largest population group, are most isolated where overall segregation is greatest (Detroit; Monroe, Louisiana; and Cleveland). Asians are most segregated in smaller communities (Lafayette, Louisiana; Amarillo, Texas; Ann Arbor, Michigan) and one big city (New York).

Can “Optimal Contact” Build Trust?

In the face of such high levels of segregation between blacks and whites and also of declining trust, can “optimal contact” build trust? I test this argument with data from the SCBS, (see Chapter 2), which has the advantage of including local subsamples for 40 “communities” and I could match data on diversity and segregation for the 20 that correspond to standard metropolitan statistical areas.¹⁵ I merge the aggregate data on diversity and segregation with

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survey data on trust. I then estimate models of trust for all respondents, whites, and African-Americans. There are not sufficient numbers of respondents to estimate models for Hispanics or Asian-Americans. For Hispanics, I use the 1989-90 Latino National Political Survey that includes questions on trust, friendship networks, and the perceived diversity of their neighborhoods. There are no city codes to merge demographic data with the survey data, so I will have to make do with perceptions of community diversity/segregation.

I estimate the models for trust by probit analysis, with standard errors clustered by community¹⁶ and assess the impacts of each variable by the change in the probability of trusting obtained by setting each variable first at its minimum and then at its maximum while leaving all of the other variables at their “natural” values—what Rosenstone and Hansen (1993) call the “effects” of a variable. Positive effects indicate that trust increases as one “moves” from the minimum to the maximum value of the predictor in question (other things being equal). I present these effects in Figure 3-3. For these models and others I present the effects for the core variables of interest in figures, which provide a more vivid presentation of results than do tables.¹⁷

For the SCBS I can test the effects of segregation and diversity on trust to see which matters more. However, using the simple measure of segregation does not work well for American communities. Segregation is measured as the share of people in a neighborhood who would have to move to make the area resemble the larger community. If both a neighborhood and a community are overwhelmingly white—as we see in the least segregated cities in the data set, Yakima, Washington—the area can be “segregated” but not diverse.

While diversity is more of a surrogate for the minority share of the population and segregation is not, there is at least a moderate relationship between residential segregation and the non-white share of a city’s population. The two most “integrated” communities (Lewiston, ME and Bismark, ND) are almost all white. The segregation measure has the interpretation of the share of members of each neighborhood that would have to move in order to make that area representative of the larger community. For a very homogenous community, few would have to

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move but we would not consider that area “integrated” in our normal discourse. So I create an interaction term between the measures of diversity and segregation that captures the idea of an integrated *and* diverse community. A simple multiplication of the segregation and diversity indices would yield maximum values for highly segregated and diverse communities and minimum values for integrated but less diverse communities. So my interaction term has lower values for *integrated and diverse communities* and higher values for segregated communities, leading to the expectations of *negative* signs for this interaction (and the composite measures discussed below) to indicate greater trust.

For the models I estimate for the United States, I include the diversity measure and the interaction between diversity and segregation. I also use two measures of the heterogeneity of social networks—how many friends you have of a different background and the diversity of membership in groups to which you belong. Neither is an ideal measure of the depth of contacts, as Allport (1958) hypothesized. However, they are the best available measures and especially group diversity may approximate the “optimal condition.”

The usual practice in estimating models such as this is to include the measures of group and friendship diversity as well as the interaction terms. However, including the simple measures induces strong collinearity in the model. Brambor, Clark, and Golder (2006, 68) argue that “the analyst must have a strong theoretical expectation that the omitted variable...has no effect on the dependent variable in the absence of the other modifying variable” and “...the...modifying variable...is measured with a natural zero. Both conditions hold here. I have argued that a more diverse social network is insufficient to lead to greater trust—and the segregation and diversity measures both have natural zero points (Iceland, 2004, 8). Including the simple measures of friendship and group diversity does not gain us anything theoretically since I expect that their coefficients should be insignificant—and doing so induces substantial collinearity, driving all coefficients to insignificance.

I use the interaction term by itself and to create two more complex interactions reflecting

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my theoretical framework. Diversity and segregation should not matter as much as *living in an integrated and diverse neighborhood and having diverse social networks*. I thus interact the segregation/diversity measure with the breadth of friendship networks and groups people join. The interactions give us measures of whether people have diverse social networks (friendships and group memberships) *in diverse and integrated neighborhoods*.

These interaction terms lead to complications in interpretations. The usual tests of significance are not applicable to interaction terms in probit models. Nor can one estimate changes in probabilities for each term independently (Ai and Norton, 2003). Instead, I derive probabilities for each of the four terms (diversity, segregation/ diversity interaction, and the three-way interactions) by setting the other three measures at their median values and the variable of interest at its minimum value (with the remaining variables at their “natural values”). I then “reset” the variable of interest to its maximum and estimate another set of probabilities. The difference in these probabilities are the effects.

I estimate the models (with standard errors clustered by municipality) for all respondents and then separately for whites and African-Americans and present the effects for core variables in Figure 3-3.¹⁸ We know that African-Americans are less trusting and that the determinants of trust are different for blacks and whites (Uslaner, 2002, 35-36). Since African-Americans are likely to live in segregated communities, the effects of segregation might be different for blacks and whites. Since segregation is so pervasive, there might not be direct effects of either segregation or diversity on the levels of trust of African-Americans—but where blacks do live among whites and have close white friends, I would expect that such ties would shape trust for African-Americans and whites.

There is also evidence that older people and especially more highly educated people are more trusting (Uslaner, 2002, ch. 4). So I include race, age, education, and the share of African-Americans and the mean level of education in a city. I also include a measure of whether people treat you as dishonest, since negative treatment may lead to distrust.¹⁹ I wanted to estimate a

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model for trust based upon Uslaner (2002, ch. 4, esp. 99). However the SCBS did not have measures of optimism or control, so the model here is a truncated one.

Figure 3-3 about here

For all respondents and whites, diversity *does* seem to drive down trust substantially. For all respondents, living in the most diverse city (Houston) will reduce your probability of trusting others by 27 percent compared to residing in the least diverse city. The effect for whites is 29 percent, but diversity is insignificant for African-Americans (with a minuscule effect). The interaction of segregation and diversity seems to have a perverse positive effect: Living in the most integrated diverse city (Seattle) is predicted to lead to a 22 percent decline in trust for all respondents in the most diverse integrated city (Seattle) compared to the most segregated diverse city (Detroit). This result is anomalous since trust is far higher in Seattle (70 percent) compared to Detroit (49 percent). This result vanishes in the estimations for both whites and African-Americans and is likely due to the collinearity between the interaction term and diversity and the two three-way interactions (all with correlations above .6).

Integration is not simply an “alternative” to diversity. The diversity measure is a surrogate measure for the share of a city’s population that is white. For the 20 SCBS communities in this analysis, the correlation between the diversity index and the percent of a city’s population that is white is -.917 for the 20 SCBS cities with comparable measures from Iceland (2004), compared to just -.305 for the segregation measure.²⁰ The diversity index may simply show low levels of trust in communities with large non-white populations rather than a reluctance of people to interact with people of different backgrounds.

Friendship networks matter in integrated and diverse areas *for blacks and whites equally*. Having friends of different backgrounds in communities with lower segregation boosts trust by 27 percent for all respondents and for whites and by 30 percent for African-Americans. This effect offsets the “loss” for diversity for all respondents and whites and is the only measure of

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segregation or diversity that matters for African-Americans. All respondents and whites get an additional boost if they join a group with diverse membership in an integrated community—by 13 and 19 percent. It is ironic that African-Americans do *not* become more trusting from membership in diverse group memberships—because they are considerably more likely than whites to be members of groups with diverse memberships. *The central result is that diverse friendship networks in integrated diverse communities build trust, for both whites and African-Americans.*

Membership in diverse groups only seems to matter for whites. It may be that group ties may be more “optimal” or close for whites than for blacks. And this suggests that the optimal conditions are not as easily met for minority groups as they are for the majority (which we shall encounter elsewhere). Nevertheless, social ties in an integrated and diverse setting does seem to matter for both whites and African-Americans—more than diversity (however conceived) leads to lower levels of faith in others.

I also estimate a model for particularized trust, using the racial trust measures in the SCBS. Particularized trust is having faith *only* in your own group. I measure such in-group favoritism as having a very high level of trust for one’s own race (white, African-American, or Asian) but *not* trusting other races.²¹ Particularized trust is negatively related to generalized trust ($\tau\text{-}c = \text{-}.280$). So I expect that the results for particularized trust, which I present in Figure 3-4, should mirror those for generalized trust—similar effects but reversed signs. Since particularized trust is a categorical variable, I estimate the models by ordered probit—but this means that there is no simple overall “effect” for each variable. I present results for the probability of strong particularized trusters (only trusting their own race), which are a distinct minority (three percent of respondents) and for the cutpoint between generalized and particularized trusters (a zero value for the index). This “middle category” is by far the most prevalent, comprising almost 70 percent of respondents.

Figure 3-4 about here

For all respondents, living in a segregated area without diverse friendships leads to a predicted sharp rise in the probability of particularized trust—by nine percent overall and 14 percent for whites, outside the bounds of the share of particularized trusters. The effects are even greater for the cutpoint: 13 and 14.4 percent, respectively. *Residential and social isolation leads to strong in-group trust at the expense of a generalized faith in others, at least for whites.* For African-Americans, the effects seem to be either small or perhaps perversely negative. I am tempted to dismiss these results since the SCBS yields very high levels of trust in racial out-groups for blacks, who have low levels of generalized trust. Living in a segregated neighborhood and belonging to groups that are all of your own race seems to increase in-group favoritism overall and for African-Americans in particular. Living in a segregated and diverse area seems to have little effect by itself on whites, but for African-Americans seems to reduce in-group bias. For everyone, diversity leads to more in-group trust. The effects are small for particularized trust, but greater for the cutpoint. The evidence for particularized trust is not as powerful as it is for generalized trust, most likely because of the skewed distributions of this measure of in-group trust. The clearest pattern is for segregation and homogenous social networks for whites—which strongly predicts in-group favoritism.²²

Trust, Context, and Social Ties for Hispanics

Hispanics are less segregated from whites than are African-Americans. However, they still fare badly on many socio-economic indicators. On home ownership, education, and income, Hispanics are considerably below whites and similar to African-Americans (Rodriguez, 2006). And there is evidence that segregation is increasing (Martin, 2007, 43) and that they face considerable discrimination (Zubrin, 2006, 60, 149). Segregation has increased as more immigrants from Latin America have entered the United States—and seek out others from their home country. Hispanics are hardly monolithic and form their identity based upon their country

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of origin—making trust across Latino groups (Porter and Washington, 1993, 141) and a strong sense of identification with the mother country is likely to lead to strong in-group trust.

Perceptions of discrimination reinforce this identity and also will be associated with the low out-group trust as found in multiple surveys. While only 27 percent of Hispanics report personal experiences of discrimination in the 1989-90 survey, more than a third say that different Latino groups—Mexican-Americans, Cuban-Americans, and Puerto Ricans, face discrimination, about the same share who see bias against African-Americans.

The level of segregation for Hispanics is far lower than it is for African-Americans. A third of Hispanics say that their friends are a 50-50 mix of Anglos and Hispanics and an additional seven percent say that they are mostly Anglos. The results are almost identical when people are asked with whom they socialize. Perhaps the closest indicator of Allport's "optimal conditions" are the people you relax with and respondents clearly have diverse networks: 55 percent say that these networks are half or more with Anglos. There are thus many opportunities for interactions with people of different backgrounds. The survey also asked about the Hispanic density of one's neighborhood. So I interact each measure of the heterogeneity of one's networks with the level of diversity of one's neighborhood. Since the three indicators are closely related, I estimate a separate model for each. I use instrumental variable probit since I cannot assume that the heterogeneity of networks is exogenous—that is, it is unrelated to other social factors. The instrumental variable technique derives predicted values for each measure of social ties in segregated/integrated neighborhoods and these estimates are used as predictors of trust in turn.²³

The model for trust includes these instrumental variable estimates for heterogeneous ties in diverse neighborhoods. Hispanics who live in more integrated neighborhoods (with smaller percentages of Hispanics) and who either have diverse friendship or social networks are 31 percent more likely to trust others. If they "go to relax" with people of different backgrounds and live in integrated neighborhoods, they are 35 percent more trusting.

The model also includes other variables related to trust (Uslaner, 2002, ch. 4): race,

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perceptions of discrimination, perceptions that Hispanics face more discrimination than other groups, income, education, age, type of neighborhood (what share is residential), and beliefs that one's financial future will be bright. Other than neighborhood type (people living in residential neighborhoods are more trusting), education, and income, no other variable is significant.

For Hispanics, the "usual" suspects in models of trust—age, perceptions of fairness, optimism for the future—are not significant. This mirrors results for African-Americans (Uslaner, 2002, 35-36). Personal experiences of discrimination do not lead to less trust—likely because they may know others who have faced discrimination even if they have been free from bias themselves. The insignificant result for perceptions of group discrimination are more puzzling—until we realize that all three interaction terms have moderate correlations (about .20) with the belief that Hispanic groups face considerable discrimination.²⁴ Hispanics who live in segregated neighborhoods and who do not socialize with Anglos may shun such contacts (or neighborhoods) because they feel unwelcome. We shall see this pattern again for African-Americans in Chapter 7.

Reprise

For whites, African-Americans, and Hispanics, living in an integrated and diverse neighborhood and having friends of different backgrounds leads to greater trust. For whites and blacks, diversity—or living in a largely minority neighborhood—does reduce trust. But the gain from approximating Allport's "optimal conditions" is greater than any loss from diversity. Living in a more diverse neighborhood might lead to an aversion to differences (Putnam's views). It might also reflect a "selection effect." Neighborhoods that are overwhelmingly black are likely to be poor. Whites living in such "diverse" (but not integrated) areas might reside there by financial necessity rather than by choice—and they will have little contact with African-Americans (Bradburn, Sudman, and Gockel with Noel, 1970, 247-249).

So far there *is* evidence that contact matters when the context is right—and it matters for whites, African-Americans, and Hispanics. It matters mightily—the impacts are strong, about 30 percent for each group—and at least as large as we find for other predictors. The effects are telling

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in a society with a relatively high degree of segregation—and a segregation that is based upon unequal status and resources. Contact under the right conditions can be a great equalizer.

Or can it? Trust is lowest in the communities with the highest level of segregation (Houston, Los Angeles, and Atlanta) and highest in the least segregated areas (Boulder, Colorado and St. Paul, Minnesota). Whites are more likely to live in integrated and diverse communities than African-Americans: 58 percent of whites live in communities that are less segregated and more diverse than the median area (in the merged survey and aggregate data for 20 communities), while 57 percent of African-Americans reside in communities that are more segregated. Whites also are more likely to have mixed friendship groups in such communities: 57 percent rank above the median, compared to 63 percent of African-Americans falling below the median. African-Americans may gain from diverse contacts in a multiracial setting, but most of them don't live in communities where the "optimal conditions" hold.

Segregation thus creates an unequal world for blacks and whites—not only economically, but also socially. The choice of where people live also reflects their values (Chapter 7), so the task of building trust in an integrated and diverse community is even more complex than this analysis reveals.

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NOTES

1. Text of Wallace's inaugural address is available at http://www.archives.state.al.us/govs_list/inauguralspeech.html. "Ain't Gonna Let Nobody Turn Me Around" lyrics at <http://www.songsforteaching.com/folk/aintgonnaletnobodyturnmearound.php>; text of the Civil Rights Act of 1964 available at <http://coursesa.matrix.msu.edu/~hst306/documents/civil64.html>, all accessed January 11, 2011..
2. The 2006 and 2008 data come from the General Social Survey. Other data cited come from this source unless otherwise noted.
3. See <http://www.ushistory.org/libertybell/>.
4. See <http://www.asian-nation.org/headlines/2009/06/model-minority-image-balancing-praise-c-aution/>.
5. In the combined 2006 and 2008 General Social Survey, 41 percent of Asian-American respondents believed that "most people can be trusted," compared to 40 percent of whites, an insignificant difference. Asian-American respondents had on average 15 years of education, compared to 13.7 for whites.
6. See <http://www.jimcrowhistory.org/history/creating2.htm>.
7. The New York Times Millennium Survey (1999) reports 39 percent of respondents as trusting. The 2001 World Values Survey—which I find problematic for many countries—reports 36 percent of Americans as trusting—both far closer to the GSS than to the SCBS.
8. For a description of this national survey, see <http://www.icpsr.umich.edu/icpsrweb/ICPSR/studies/6841/detail>
9. The 1960 estimates are from the Civic Culture survey, the first time the trust question was

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asked in a national survey in the United States. The 1964 estimates are from the American National Election Study. The 1972-73 and later surveys are from the General Social Survey.

10. On inequality, see both Deininger and Squire (1996) and the WIDER World Economic Inequality Database (available at http://www.wider.unu.edu/research/Database/en_GB/database/).
11. I estimated trust for African-Americans from a variety of national surveys over time (though with perilously small samples for some years). The simple correlation between trust for all respondents and annual Gini indices is -.77, compared to -.36 for African-Americans' trust.
12. These results come from creating a dummy variable for having friends of a different race using the entire General Social Survey data set from 1972-2008.
13. The Alesina data give different results: The United States ranks 20th of 97 countries, ahead of the United Kingdom (39th), New Zealand (46th), and Australia (56th); and industrialized non-English speaking countries such as Finland (55th), Switzerland (61st), and Belgium (80th).
14. All of these results come from Iceland's (2009) data base of 325 Standard Metropolitan Statistical Areas.
15. Some "communities" were either too large (states such as Indiana, Montana, and New Hampshire) or too poorly defined ("rural Southeast South Dakota," "Central Oregon," and "East Tennessee") to merge survey and aggregate data. I cannot use the General Social Survey (which has a more reliable estimate of trust), since codes for residence are not readily available. The larger number of cases for the local subsamples in the SCBS) make the results of merging data more reliable overall. The average sample size for the 20 "communities" is 509, with the minimum being 449 (Houston-Baytown-Sugarland, TX) and the maximum being 1409 (Charlotte-Gastonia-Concord, NC-SC). Nine had

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samples with fewer than 500 respondents.

16. Clustering the standard errors “corrects” for variations in the individual-level coefficients that may be due to variations across communities.
17. More detailed results are available upon request.
18. The most highly educated respondents are 34 percent more likely to trust others than the least educated. Negative effects indicate less trust for the higher values of the predictor. African-Americans (coded 1) are 21 percent less trusting than non-blacks (coded zero). Race, age, and especially education (both at the individual and city level) have powerful effects. If people treat you as if you were dishonest, you will be less likely to trust them. predictors—education, age, the average level of education in a city, and the percent African-American in a city matter more for whites than for African-Americans. Even being treated as dishonest leads to a sharper drop in trust for whites (15 percent) than for blacks (11 percent)—which seems remarkable since 42 percent of African-Americans compared to half as many whites believe that people treat them as if they were dishonest. The answer to this puzzle may rest in a more general account of why African-Americans are less trusting: Even if a black person has not experienced discrimination, (s)he will certainly know someone who has faced such bias—and such knowledge can readily translate into distrust. Personal experiences play a lesser role in explaining the level of trust for African-Americans than for whites (Uslaner, 2002, 35-36). Such an explanation may also account for the weaker, indeed insignificant, effects of joining a group with diverse membership on blacks. People who have long faced discrimination might well demand more than group diversity to prove that people of different backgrounds are trustworthy. Closer personal ties through friendship in integrated settings seemingly reduces the trust gap for blacks.
19. Putnam (2000, 135-136) treats honesty as simply a measure of trust. Uslaner (2002, 72, n.18) shows that the two are related but not the same thing: In the 1972 American

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National Election Study included both the generalized trust question and whether “most people are honest.” The correlation (tau-c) between the two measures is modest (.345) and barely more than half of respondents who said that “most people are honest” agreed that “most people can be trusted.”

20. The SCBS has a Herfindahl measure for each “community.” The zero-order correlation for the 41 “communities” between fractionalization and percent white for the aggregated data is -.959. The aggregate data show a strong negative correlation between trust and diversity ($r = -.662$, $N = 41$). When I add the shares of population in a community who are African American and Hispanic to a regression, diversity is no longer significant ($t = -.032$), while the African-American and Hispanic population shares are significant at $p < .001$ and $p < .10$, respectively ($t = -3.41$ and -1.62 , one-tailed tests). See also the discussion in Chapter 2.
21. The index runs from -2 (high trust in one’s own race and both other races) to +1 (high trust in your race but little trust in either of the other races). The overall racial trust measures are highly skewed in the SCBS (with about 60 percent trusting people of different races), so this is a very conservative measure.
22. Education, age, and treated dishonestly are all highly significant in each model. The mean level of education is not significant in any of the estimations.
23. For the first estimation of the interaction of friendship heterogeneity and the diversity of one’s neighborhood, speaking Spanish, being born in Cuba, being a member of a Hispanic organization, and living in a neighborhood that is mostly non-residential lead to less diverse ties in a segregated neighborhood. More highly educated and higher income people have more diverse networks in integrated neighborhoods. There were no effects for being born in the United States, having a parent born in the United States, age, expectations of future financial status, being black, having faced discrimination, or perceiving that Hispanics face more discrimination than other groups. These results

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indicate that strong in-group ties lead people to have fewer friends of different backgrounds (in more segregated areas).

24. Thus there might be moderate collinearity driving the coefficients to insignificance.