

The Complexity of Diversity: Rethinking Gaps and Leveraging Differences

SUMMARY OF PRESENTATIONS

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Note: The following notes were compiled by designated scribes at the conference and pulled together afterwards by editors at the NCID. Although this document endeavors to capture the essence of each expert's presentation, researchers should contact speakers and review their related publications to access these studies more fully.

Part 3: Gaps in the System

Self-Reinforcing Gaps: The Challenge of Interaction

Large gaps exist between racial groups around the world in economic success, educational attainment, exposure to environmental hazards, and access to power. A cause of those gaps is segregation—not only residential segregation, but vocational and social segregation as well.

One of the lessons of complexity theory is that segregation can be self-reinforcing. Systems can tip into segregated configurations that are remarkably stable, even if the people in those segregated communities desire greater integration. The dynamics of segregation, by both identity group and income, are also complex. Solutions to these gaps may require changes in the very structure of our legal, educational, and political systems.

Among the questions that merit further exploration are:

How do incentives at the level of the individual create social dynamics that make segregation self-reinforcing?

How does segregation unfold when people care about both the identity and the economic status of their neighbors?

How does the process of segregation change when the number of identity groups increases?

As we become more diverse, does this reduce or exacerbate the problem of segregation?

Can greater integration across diverse groups prevent conflict?

What are the dynamics of a social uprising, and can uprisings be predicted?

Inequality and Segregation

Ravij Sethi, Barnard College

Despite the rapid expansion of the Black middle class in the United States, major urban centers with significant Black populations continue to show extreme levels of racial separation. Modeling experiments can help explain why racial segregation continues to characterize the urban landscape in the United States even though survey evidence suggests that all groups favor more integration than they did in the past.

Sethi and collaborators used simulations to look at neighborhood sorting based on income as well as race.

Imagine a world with no discrimination, no racial income disparities, tolerant preferences over racial composition, and individual uncoordinated decisions about where to locate. How much segregation would we observe? First, consider the extreme case in which the two income distributions are identical, and the Black minority is substantial. Under complete segregation, you can choose to live in either an all-Black or all-White neighborhood. Even if all households prefer some integration, segregation will be stable as long as individuals prefer racially homogeneous neighborhoods populated by their own group to racially homogeneous neighborhoods populated by other groups.

As income disparities between groups widen, so do mean neighborhood incomes under segregation, and at some point affluent Blacks will outbid the less affluent Whites to live in a higher-income, predominantly White neighborhood. At this point, segregation becomes unstable, and mixing of neighborhoods will result.

At the other extreme, when income disparities are large, segregation by race is almost equivalent to stratification by income, and segregated neighborhoods again persist.

With small income disparities, the way that households sort themselves purely by income will be stable as long as preferences for integration are strong enough. However, segregation is also stable under these conditions. Households belonging to the lower income group will end up with neighbors with lower incomes relative to otherwise identical White households.

Integration becomes viable as income disparities lessen, but historical patterns of segregating may trap a city in segregation with all of its attendant educational and employment disadvantages for future generations. Even though income

distributions converge, there is not necessarily more integration. If the overall share of Black households is sufficiently high, segregation persists. The implication for college admissions and other institutions is that you need interaction across groups. Aggregate diversity is not sufficient. Rather, campuses need smaller sub-groups that are diverse.

Multidimensional Residential Sorting

Elizabeth Bruch, UCLA

Studies of segregation typically look at “snapshots” of neighborhood compositions and not the underlying processes that drive changes. Bruch’s goal is to link movement by individuals among neighborhoods to patterns of change and better understand the interdependence of racial and economic factors in racial segregation. Namely, how does residential sorting on income worsen segregation by race? Or can it offset racial segregation?

By using agent-based modeling to study neighborhood dynamics, the researcher can create, analyze and experiment with artificial worlds populated by interacting agents. It captures relationships at the micro-level—individual decisions about where to live—and the macro-level outcome—the race and income composition of the neighborhood.

There is usually not a simple, obvious, or direct relationship between individual behavior and macro-level outcomes because human behavior is interdependent. Instead, there are domino and spiral effects.

Bruch’s work studies the interactions of income and race in Los Angeles, California, a city that is 40% white, 40% Hispanic, 10% Black, and 10% Asian. Black-white segregation is decreasing, but still high. Hispanic-white segregation is increasing, and Asian-white segregation is stable. Income segregation in Los Angeles has been increasing since the 1970s. Sixty-five percent of the people in poor neighborhoods are Hispanic.

Several assumptions underlie her work:

- Minorities are poorer on average than Whites in income and wealth.

- Minorities have lower rates of homeownership than whites.

- Segregation of owned and rental housing is not trivial.

- Economic differences among race groups limit minorities' abilities to purchase housing.

- Historical ownership patterns may mean that Black renters are

living in different parts of the city than White owners.

She created agents using 1990 census data to estimate probabilities that an individual would move into a neighborhood based on race and income. She gave the “agents” starting conditions and “rules” for changing neighborhoods and then ran three simulations:

Residential mobility based on racial composition

Residential mobility based on economic composition

Residential mobility based on racial and economic composition

Her results show that even with an increase in income, it was unlikely that Black renters would move; that Whites tend to avoid Hispanic and Black areas; and that Blacks tend to live with Blacks and Whites.

When sorted on the basis of race, there was an overall increase in segregation. When sorted on the basis of income, there was a decreased likelihood of segregation. When sorted on race and income, the two factors had off-setting effects.

Self-Reinforcing Gaps and the Law

Daria Roithmayr, University of Illinois

Racial inequality reinforces itself. Despite changes in law and society that allow for more integration, Whites have a monopoly on higher status because an early White advantage in better housing, education, and jobs reinforces that White advantage. Racial inequality is “locked in.”

An example of how an early slight competitive advantage can lead to a monopoly is seen in the case of Microsoft’s Windows operating system. With each new consumer who uses the Microsoft operating system, there is more ability for Microsoft to control the market. The more users, the more Microsoft is in a position to continue to monopolize the operating system market. The barrier to introducing an alternative operating systems grows insurmountable.

Structural feedback loops reinforce the White competitive advantage, locking in racial discrimination.

Locations: "Jim Crow segregation" concentrated disadvantage with respect to Blacks who owned less in terms of real and personal property, with less wealth. It was a relative advantage for Whites. A current example is public school funding. Even small differences in public school funding will produce sorting on wealth and income.

Social networks reinforce inequality. A member of a network refers other members for jobs. Those with higher wage employment make it more likely that their acquaintances will receive higher wage employment. Minorities are disproportionately reproducing this structural inequality.

Coordination and compatibility mean that whatever group captures the market first, usually locks it in.

Roithmayr calls it “lock-in” because competitors cannot overcome the “switching cost” — the cost for a community or institution to switch from racially exclusive to racially inclusive policy. For example, diversity within the workplace can be a source of racial conflict or enrichment that can fuel exploration and innovation. Employers must decide whether to fund and manage diversity. If the workplace is not innovation-focused, employers will often choose to keep a homogeneous workplace, not because of racial stereotypes, but simply because they believe there will be more compatibility in the workplace and it will function better.

To remedy “lock in” segregation, it is necessary to change the way the law and other institutions view and respond to discrimination. Instead of treating it as intentional and affecting an individual, we need to consider its institutional nature. One remedy is to dismantle the current system for funding public schools. We could regionalize or centralize public school funding so that the level of funding is

not longer tied to wealth concentration in neighborhoods or communities.

Bearing the “switching costs” needs to be seen as a necessity by businesses and communities. Our legal system needs to rethink the notion of equal protection. It should be expanded to include structural inequality and not just discrimination against an individual.

Memory in the System: How do Injustice, Unfairness, and Inequality Persist over Time?

Michael Chwe, UCLA

Even if there is no present unfairness, injustice can persist. Consider income and class mobility:

Seventeen percent of Whites born into the lowest income decile end up there as adults.

Forty-two percent of Blacks born into the lowest income decile end up there as adults

What explains this?

1. Family wealth

Wealth allows upfront investment in education, houses, and small businesses, for example. It insures against risk. Wealth allows the encouragement and development of patience, which can be necessary for sustaining the education needed for higher paying jobs.

People with no wealth get hammered financially and developmentally by shocks such as unemployment, illness, crime, family problems, or natural disasters such as Katrina.

2. Individual aspects fixed early in life

For example, early malnourishment has permanent consequences.

3. Peer interaction and group membership

Job referrals

Persons tend to marry persons with similar levels of education

Ethnic entrepreneurship (Korean dry cleaners, Greek pizza owners, Indian motel owners)

“Peer pressure” and educational decisions

4. Institutions—political systems

In comparisons of different countries, the greater the size of ethnic minorities, the less likely that income will be redistributed across society.

An institution can persist even when the underlying rationale has changed. For example, the tenure system in academia developed assuming the traditional male-headed family. We are stuck with institutions that are not explicitly sexist but embody previous sexist assumptions.

5. Expectations

People in a minority group decide not to invest in their own education because they believe that no one employs members of their minority group. And prospective employers may not employ people from that minority group because they believe that group members do not invest in education. In short, expectations matter.

Because there is “memory” in the system, one must think about how injustice is perpetuated over generations. Among the remedies for fixing persistent poverty are reparations, such as symbolic payments to Japanese Americans put into concentration camps or West German payments to Holocaust victims. However, this tort law-based perspective places very strict requirements on redistribution and raises conceptual problems: Who gets compensated? Who pays? Who exactly are the injured?

Remedies assume injuries are a deviation from the norm. Yet very large injustices —slavery or patriarchy, for example — are not deviations but integral to the existing world.

We can look to the past and other social traditions for other ideas on remedying injustice. Of all the factors in persistent poverty, the easiest to correct in the complexity context is wealth distribution. The world has a huge amount of wealth, much of it transferable if you use money. Land is harder to redistribute. The nation-state provides a mechanism for redistributing wealth.

We also have demonstrated capacity for large economic growth, an example being the East Asian economies. The scale of wealth transfers necessary to change the persistence disparities is not really that large. The great creation of wealth is a huge advantage that we can exploit.

A “public policy” perspective is more flexible than a tort-based perspective. Ideally, this perspective involves avoiding “presentist” bias in the remedy; paying it over time and using the redistribution to smooth over risks; and providing health insurance, unconditional public services, and subsidies at the earliest ages, with a focus on youngest children where there is a 5 to 1 payback ratio for early childhood programs.

Diversity: the History of an Idea

Richard Thompson Ford, Stanford University

As Ford demonstrates in *Racial Cultures*, Supreme Court rulings on the use of race in college admissions have shaped our concept of diversity and bear significant implications for race relations. Diversity has come to mean selection for cultural difference rather than recognizing other reasons for race consciousness in affirmative action.

The Supreme Court rulings in affirmative action cases— *Bakke vs. Stanford Medical School* and *Grutter vs. Bollinger*— have made racial and cultural identity the sole rationale for affirmative action. Racial and cultural identity is benign when understood as one of many dimensions for affirmative action, but it is dangerous when enshrined as the only and primary reason for affirmative action. The decisions give racial diversity a centrality that it does not merit.

In 1969, the University of California-Davis Medical School, in an effort to remedy societal discrimination and increase the number of black physicians practicing in underserved communities, had an admissions policy that sought to increase the number of underrepresented students admitted. Alan Bakke, a white male, was rejected and sued the Medical School on the basis of discrimination.

The U.S. Supreme Court, in a majority decision written by Justice Powell, determined that:

1. rigid numerical quotas cannot survive constitutional scrutiny
2. the institutional purpose of reparation of discrimination was not sufficiently compelling, unless the university could identify specific instances of discrimination perpetrated by the institution
3. A non-quota based system might survive constitutional scrutiny if it was designed to promote diversity

Twenty-five years after the Bakke decision, Justice O'Connor endorsed Powell's decision and upheld the University of Michigan Law School's race-conscious admissions policy. The Grutter decision installs diversity —and only diversity— as a rationale for affirmative action.

The decisions reject other grounds for affirmative action, such as remedying the effects of societal discrimination—for example, Stanford's desire to train physicians more likely to practice in underserved communities.

There is a real cost imposed by these opinions: they constrain the range or dimensions of the issue. Differences need to be underscored. This is well understood as evidenced by industries that help students write university admissions essays. Highlighting one's racial identity is a strategic design to improve an applicant's chance of admission. Emphasizing this narrow definition

of oneself in effect makes the student body less diverse, if the students all have to conform to this self-perception as it maps onto ethnic diversity.

In the post-Bakke world, admission committees want to know everything about the racial/ethnic background of an applicant's ancestry but do not address the applicant's current experiences of discrimination. For example, they cannot take into account poor schooling or discrimination a student may have received from a teacher. The result is to “finesse and obscure the salience of contemporary racism.”

This focus on cultural identity has ramifications on college campuses. Research by Claude Steele shows that Blacks underperform when at risk of confirming the stereotype that Blacks are less capable of academic work. Students may learn to care less about performance, and that can lead to lack of motivation, ultimately resulting in a group norm.

Steele found that it is possible to counteract this underperformance by real integration in “living and learning” communities comprised of all races where students come to see what they have in common and share concerns about academic work that makes academic performance seem less racialized.

Removing the other rationales from the law comes with a great and unfortunate cost—an important trade-off for U-M victory, which is better than outlawing affirmative action, but a cost nonetheless. The explicit emphasis on cultural difference cannot be good for race relations on college campuses.

Big Ideas

Ethnic Violence

Ashutosh Varshney, University of Michigan

Integration across multiethnic lines is a method of peace and segregation a method of violence. There is a link between the structure of a multiethnic society and the existence of ethnic violence. Conflict may be inevitable in a multiethnic society, but violence is not. Ethnic peace is not an absence of conflict, but an absence of violence.

A puzzle to scholars of ethnic violence has been why, despite ethnic diversity, some places manage to remain peaceful while others regularly flare up in violence. Conversely, some long-term peaceful communities can suddenly explode.

To understand this puzzle, it is necessary to look not only at possible factors in societies that break out into riots but also for factors in those that manage to maintain peace. How do we account for the variation? Suppose in a society with a history of violence we look for inequalities and interethnic rivalry, but we don't look for these factors in peaceful societies. Then how can we make theories about the causal role of these factors?

Civil society is that space in our lives that exists between our family and the state. It makes it possible to have interactions between individuals and families, and it is independent of the state.

There are both interethnic and intraethnic civil ties in a society. Bonding and bridging play different roles in conflict, but if communities have little communication across ethnic lines, then when the society has a spark of conflict—a rumor, the defeat of a candidate, or more seriously, the desecration of a shrine—it can lead to a flare-up of violence.

A society has different possible forms of association across ethnic lines. There are everyday forms of engagement, such as children playing together in the neighborhood and visiting each other's families. Such interactions can create warm feelings across groups, but alone, they are not enough to contain serious shocks to the community.

There are the organized associations, such as political parties, sports clubs, and associations with deeper economic ties, such as trade unions or societies of lawyers, doctors and other professionals.

At what level must we analyze the societies? Using a 46-year database of Hindu-Muslim riots in Indian cities, Varshney found that riots are an urban phenomenon. Violence appeared in fewer than 4 percent of villages. Even within the urban

population, only a few cities were riot-prone. Six percent of the population of India accounts for the riots.

What are the mechanisms that allow the spark or cause the spark to become a fire—an outbreak of violence? City-specific factors were important in determining which cities would flare into violence and which could tolerate conflict. If and only if there is interethnic civic engagement, then tension can be eliminated or managed to avoid riots. Associational ties are more important than everyday ties because political reasons and criminals can tear the everyday ties apart without the institutional safeguards. When trade unions and associations of doctors, lawyers, and so forth are integrated, then the intercommunity ties are strong.

The argument is not law-like but rather points to the probability of violent outbreaks when a spark occurs. The level of conflict that can be tolerated is like the ability of a community to withstand an earthquake. If the civic connection is associational, then it can withstand a Richter 7. If the interactions are just those of everyday life, then Richter 4 is tolerable. If there are no associations across ethnic lines, then even a 1.5 shock can break things apart.

It is also possible for self-policing among intraethnic communities to lead to peace: for example, when elders in an ethnic association or leaders of civic organizations counsel against violence.

Studies of racial violence in the U.S. are particularly interesting. In the U.S. in the 1960s, riot violence was concentrated in three cities. There are no known explanations for why this was so. But suppose that segregation was really high in those cities with little opportunity for interracial associations in labor unions, churches and so forth. That could be an explanation for the violence, but only if there wasn't equal segregation elsewhere. Much remains to be learned.

Ethnic Diversity and Interethnic Violence

Ravi Bhavnani, Michigan State University

Focusing on Africa, Bhavnani approaches diversity, ethnicity, and violence as a complex adaptive system.

Ethnic groups are constantly in flux. The groups grow, shrink, emerge, and disappear. Violence may emerge in groups dominated by tolerant voices, and some groups dominated by extremists may remain non-violent.

Rebellion is less likely in highly diverse societies than homogenous ones. There must be the correct political environment to foster violence. Diversity is a poor proxy for the salience of ethnic identity because it fails to capture the depth of cleavages in a multiethnic society.

The most commonly used measure of ethnic conflict (ELF) fails to distinguish between ethnic difference and ethnic fragmentation. For example, the ELF scores for Switzerland and Sri Lanka are essentially the same, yet there is a huge difference in violence in the two countries.

Ethnic salience is relative. It can vary depending on whether groups are concentrated or dispersed. There is variation all the way down to neighborhood level. Salience of ethnicity also varies within groups.

Salience of ethnicity within countries also changes through time. For example, within a year of an election, ethnic identification increases by 30%.

The Rwandan uprising of 1994 is an example of the complex puzzle facing scholars. What explains the mass participation by *reluctant* or *unwilling* Hutu in Tutsi-directed violence, given the common culture, language, and religion; intermarriage; mixed communities; and peaceful relations from 1965-1990 dubbed the “good years”? What explains the scale and duration, and thus the *intensity* of violence, which was simply unprecedented? Why were previous episodes of violence localized and contained?

Bhavnani’s research seeks explanations in the development of behavioral norms that reinforce group behavior and may either prevent or promote violence. Ethnic “behavioral” norm may be defined as:

A set of rules instituted and enforced *within* an ethnic group to shape the behavior its members toward rivals. It delineates what “wrong” actions are in “right” times, and what “right” actions are in “wrong” times. It includes punishment for deviation from the norm.

Norms make it possible to promote or prevent violence by increasing

cohesiveness among members of an ethnic group or by enlarging the set of participants in group actions.

To look for the conditions under which norms developed that promoted or prevented violence, the study used many diverse agents, and varied initial conditions for groups for animosity, tolerance, and presence of influential members. Animosity was the disposition to engage in violence. Tolerance was the propensity to punish co-ethnics. Influence was the opportunity to interact with others.

Strength of punishment was also varied across groups. A random agent A would select an agent B through the group network for an interaction to either engage in violence or oppose violence. If A punished B, B updates her animosity and tolerance using an update rule that is either individual, neighborhood based, or “global” common expectations for the group.

Groups with high animosity and high tolerance could be expected to develop a norm that promoted violence in ethnic group clashes. A group with low animosity and low tolerance would be expected to develop a norm that prevented violence.

Results of the model show:

- Formation of ethnic norms to promote or prevent violence was not a low probability event.
- Ethnic norms were *not* equally likely to form in groups with similar aggregate preferences.
- Violence promoting norms can emerge in groups dominated by moderates and violence preventing norms can emerge in those dominated by extremists.
- Strong punishments are a prerequisite for the emergence of norms related to violence.
- Neighborhoods affect norm formation. Instances of unexpected norm creation occurred with interactions were unrestricted.
- The type of norm that emerges depends on updating rules.
- Entrepreneurs effectively promote and prevent violence, especially when punishment is weak

Conclusions:

Ethnic groups are heterogeneous social entities. There is:

- Variation in levels of group identification across members
- Individual variation in commitment to “collective” ideals, goals, behavior

These differences result in collective action problems in the transition from conflict to violence

Diversity is a poor proxy for the salience of ethnicity.

We need to need to understand how political conflicts are newly framed in ethnic terms. The move from conflict to violence is a phase shift

Episodes of violence vary in their scale, duration, and spatial distribution, and they involve different mechanisms and dynamics of organization, recruitment, and participation.

Group segregation may serve to both exacerbate and dampen violence, and its effect is context-dependent