

# Sundown Towns and Racial Exclusion: The Southern White Diaspora and the “Great Retreat”\*

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Racial segregation is a pernicious feature of life across America. Urban economists and economic historians have studied the forces behind residential segregation, zoning, and housing inequity (e.g., Boustan, 2011; Logan and Parman, 2017*a,b*). This paper explores another historically pervasive yet less-known institution for racial exclusion: the sundown town. Documented by sociologist and historian James Loewen (2005),<sup>1</sup> sundown towns were all-white and appeared across the U.S. between 1890 and 1960. Blacks, as well as Asians, Mexicans, and Jews, were excluded through formal and informal means, including incarceration and violence if they remained in town after sunset.

Figure 1 plots the locations of sundown towns as identified by Loewen (2005). The South, where racism was institutionalized via mobility and labor laws targeting Black workers, saw relatively few sundown towns. Instead, sundown towns were especially common in the “old West”. In the Midwest, sundown towns were part of a backlash against inflows of Black Southerners during the Great Migrations of the early and mid-20th century. In the West, such

towns were often established by poor white farmers seeking to evade competition with Blacks after emancipation (Dippel, 2005).<sup>2</sup>

In this paper, we first document the spread of sundown towns outside the South, giving rise to what Loewen (2005) termed a “Great Retreat” of Blacks from the U.S. interior. We then relate this pervasive racial exclusion to the Southern white diaspora (Gregory, 2005), rooted in the historical migration of Southern whites across the country following the Civil War (see Bazzi et al., 2021; Dippel, 2005). Lastly, we connect the presence of the Ku Klux Klan and lynchings to sundown towns, as mechanisms via which whites, both Southern and non-Southern, enforced racial exclusion.

## I. Data

Information on the locations of sundown towns in the late 19th and early 20th century was collected by Loewen (2005). His team of researchers compiled data on white-only towns using archival evidence, historical newspapers, oral accounts, and Census data. Sundown towns did not always have a formal ordinance to keep out Blacks or other minority groups. Rather, to satisfy their definition, it sufficed to exclude Blacks from settling by any means. We plot the location of these towns in Figure 1. Sundown towns were much less pervasive in the South than in the Midwest (especially Illinois, Indiana, and Ohio) and in populated areas of the West.

The Loewen (2005) data do not include a date for when a town became a confirmed or highly likely sundown town. We there-

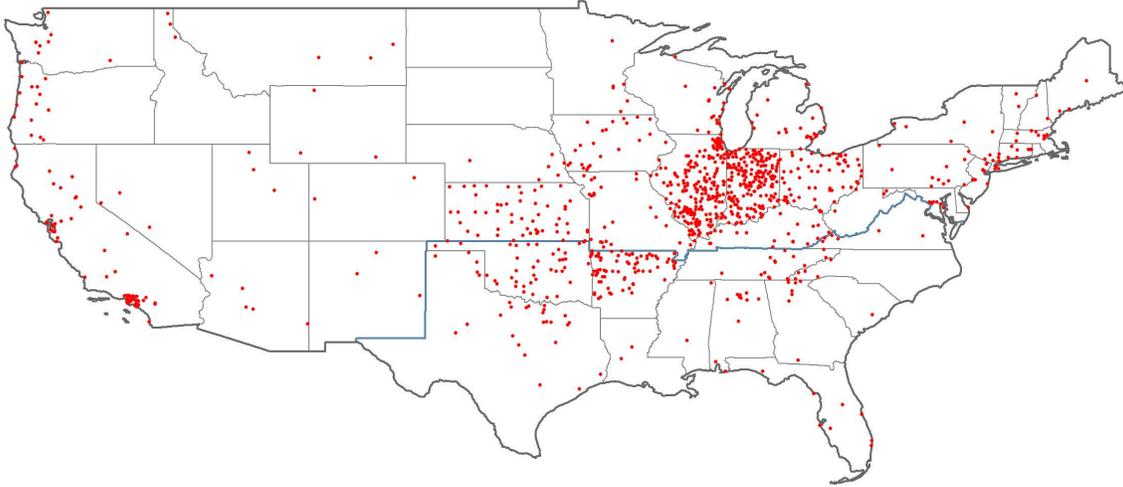
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<sup>1</sup>Other studies of sundown towns outside of economics include Crowe (2012), O’Connell (2019), and Taylor (2020).

<sup>2</sup>Dippel (2005) shows that Southern white migrants in states like Oregon, Ohio, and Illinois tried to establish a statewide ban on Black migrants as an even more extreme form of racial exclusion in terms of spatial reach.

Figure 1. : Sundown Towns Identified by Loewen (2005)



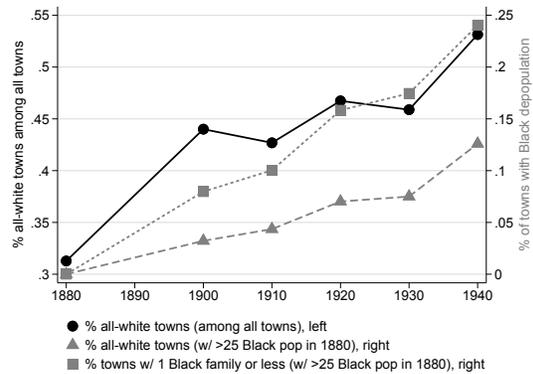
*Note:* Each red dot identifies a town from Loewen (2005) that was deemed a definite or highly likely sundown town as in Taylor (2020). The thick blue line shows the boundary between Southern and non-Southern states.

fore replicate his approach for each decade between 1880 and 1940 to chart the spatial evolution of sundown towns, using the complete-count Census to identify places that used to have non-trivial Black populations but later excluded them. For each city, town, and place, we compute population by race (white, Black, American Indian, Asian, others) and in total.<sup>3</sup> We use the crosswalks provided by the Census Place Project (Berkes, Karger and Nencka, 2021) to ensure consistent place identifiers and coordinates over time.

We then identify likely sundown towns among all towns that existed in 1880 and had at least 1,000 residents. We characterize as sundown towns those that had at least 25 Black residents in 1880 but which, in subsequent Censuses through 1940, had either (i) zero Black population, or (ii) less than one Black family (five individuals). Some sundown towns occasionally retained one Black family, usually to employ them in service occupations (Loewen, 2009). Figure 2 plots the share of white-only towns across all American towns (left y-axis) and

the share of likely sundown towns outside the South according to our definitions (right y-axis). The figure shows a steady growth in all-white towns for all three measures.

Figure 2. : The Rise of Sundown Towns



*Note:* Share of towns with all-white populations among all towns with at least 1,000 population in 1880 (left y-axis), and shares of towns outside the South of more than 25 Black residents in 1880 with (i) all-white populations or (ii) with one Black family or less among all towns with at least 1,000 population (right y-axis).

To explore the relationship between Southern white migrants and sundown towns, we combine the Loewen (2005) sundown town data with Census information on the share of Southern-born individuals in counties outside the South in 1900. This is prior to the establishment of most sundown towns according to Loewen (2009) and cap-

<sup>3</sup>Only the non-institutionalized part of the population is considered for this. This excludes military, inmates, patients, and others, on the basis that the Census would have registered Black Americans incarcerated in the local prison, for instance.

tures the early foundations of the Southern white diaspora across America.

## II. Empirical Framework

We use the following equation to estimate the relationship between Southern white migration and the establishment of sundown towns as well as related downstream outcomes in county  $c$  outside the South:

$$(1) \quad y_c = \beta\% \text{ Southern whites 1900}_c \\ + \alpha_{s(c)} + \mathbf{X}'_c \boldsymbol{\gamma} + \epsilon_c.$$

We control for state fixed effects,  $\alpha_{s(c)}$ , and a vector of 1900 controls that includes log population density, employment shares in manufacturing, land shares devoted to farming, average farm value, and the share of Canadians, Germans, Irish, Italians, and Mexicans. Other historical controls include cotton suitability in 1850, vote shares for John C. Breckinridge (the pro-slavery Southern Democrat) in 1860, and Union Army enlistment and mortality rates during the Civil War.

Given the endogeneity of migration choices, we use a shift share instrument for the Southern born white share in 1900 following a procedure developed in Bazzi et al. (2021). The instrument is based on (i) the 1870 share of whites from Southern state  $j$  living in non-Southern county  $c$  ( $\pi_{jc}$ ), many of whom had migrated in the immediate aftermath of the Civil War, and (ii) the change in the total number of whites from Southern state  $j$  who lived outside the South from 1870 to 1900 ( $M_{j,1870-1900}$ ). The predicted stock of Southern whites in county  $c$  in 1900 can then be expressed as

$$(2) \quad Z_{c,1900} = \sum_{j=1}^J \pi_{jc,1870} M_{j,1870-1900}.$$

Scaled by the 1870 population, this delivers a strong and excludable instrument for the Southern white share in county  $c$  in 1900.

## III. Results

Table 1 reports estimates of equation (1). For each percentage point (p.p.) increase

in the Southern white migrant share, counties outside the South were, on average, 0.6 p.p. more likely to have at least one sundown town (column 1). The IV estimate in column 2 is based on a strong first stage, and, although more than three times larger, is not statistically different from the OLS estimate (p-value=0.19).<sup>4</sup> Going from zero to the mean share of Southern-born whites (2.2 percent) implies a nearly 20 percent increase in the probability of having a sundown town relative to the mean of 25 percent.

In columns 3 and 4 of Table 1, we connect sundown towns with racial terror and white supremacist mobilization. The estimates suggest a strong positive correlation of sundown towns with lynchings and KKK chapters. This is consistent with the rich historical detail in Loewen (2005), who describes how threats of and actual violence against Blacks were widely deployed in the origins and enforcement of sundown towns: “The increased frequency of mass ‘spectacle lynchings,’ [...] played a major role in the spread of sundown towns. Such events, reasonably enough, convinced African Americans in many towns that they were no longer safe.” (p. 97). Likewise, in relation to the KKK, he states that Klan rallies “gave whites a sense of power, a feeling that they could do whatever they wanted to African Americans” (p. 99).

Returning to our IV specification, column 5 establishes a link between the Southern white diaspora and the agglomeration of racial violence and exclusion as seen through the confluence of sundown towns, lynchings, and KKK organization. A one p.p. higher share of Southern whites in 1900 is associated with a 2.1 p.p. increase in the probability that a county had a sundown town, a reported lynching, and a KKK chapter in the early 20th century.<sup>5</sup> This is a large effect given that such an in-

<sup>4</sup>See Bazzi et al. (2021) for extended robustness checks that support instrument validity and a causal interpretation based on this shift-share strategy.

<sup>5</sup>These findings on racial exclusion and violence outside the South resonate with similar findings on segregation and racial violence within the South as in Cook, Logan and Parman (2018*b,a*).

Table 1—: Southern Migrants, Sundown Towns, and Racial Violence

	Sundown town		Lynching	KKK	Sundown town and Lynching and KKK
	(1)	(2)	(3)	(4)	(5)
% Southern Whites 1900	0.006 (0.003)	0.022 (0.013)			0.021 (0.009)
Sundown town = 1			0.055 (0.019)	0.116 (0.029)	
Estimator	OLS	IV	OLS	OLS	IV
Observations	1,699	1,699	1,699	1,699	1,699
Outcome mean	0.251	0.251	0.079	0.375	0.021
Adj. R <sup>2</sup>	0.267		0.138	0.281	
K-P F-statistic		22.742			22.742

*Notes:* Regressions of an indicator for the presence of a sundown town on the share of Southern-born whites in 1900 (columns 1 and 2); indicators for any lynchings of persons of color (from Seguin and Rigby, 2019, for 1883-1941) and any KKK presence from 1910-1940 (from the Virginia Commonwealth Library, 2021) on the presence of a sundown town (columns 3 and 4); and an indicator for the joint presence of any sundown towns, lynchings, and KKK chapters on Southern-born whites in 1900 (column 5). Sample includes non-Southern counties only. The instrumental variables regressions instrument the share of Southern-born whites in 1900 using a shift-share IV based on the 1870 distribution of Southern-born whites and the corresponding shift between 1870 and 1900. All regressions include state fixed effects. 1900 controls include log population density, employment shares in manufacturing, land shares for farming, average farm value, and population shares of Canadians, Germans, Irish, Italians, and Mexicans. Other historical controls include cotton suitability in 1850, Breckinridge vote shares in 1860, and Union Army enlistment and mortality rates during the Civil War. Conley (1999) standard errors in parentheses, using a 250 km bandwidth.

hospitable environment for Blacks could be found in just two percent of counties outside the South. Note that our results do not imply Southern whites were the sole driver of local racial exclusion outside the South; rather, they were an important, and perhaps causal, contributor to the spread of such norms and institutions.

#### IV. Conclusion

This paper documents the spread of all-white sundown towns in the early 20th century and links their diffusion, in part, to the growing Southern white diaspora after the Civil War. We hope that this article will stimulate further work in economics on two related fronts. First, more research is needed on the historical roots of racial exclusion through sundown towns, building on the foundation laid by Loewen (2005). Second, our new research agenda explores the deep cultural legacy—including the spread of these exclusionary institutions—associated with Southern white migration

across the country after the Civil War. While Bazzi et al. (2021) uncovers some of this legacy, much remains to be done in understanding this “other great migration” and its role in the diffusion and persistence of racism throughout American history.

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