INTRODUCTION

This study rests on two kinds of research: (1) qualitative sources such as books, articles, reports, and the like, which are cited, Chicago style, in the endnotes; and (2) quantitative sources, the numbers collected by a variety of public and private agencies. Scattered through the endnotes are references to the Methodological Notes. These notes explain how these numbers from quantitative sources were compiled and manipulated. Historians of my generation were trained to take notes from literary sources on 4 by 6 note cards. That is what is cited in the endnotes. From quantitative sources, I usually make a series of amateurishly rendered tables, charts, timelines, and tracing paper maps. These are the note cards I use for observations on the economy, budgets, local demographics, including residential location, and city structure. Since many readers (including me) do not like to wade through tables, charts, and other quantitative apparatus, none of this appears in the text; yet it needs to be cited. What follows is some of the theory and arithmetic that underpin the tables, charts, and so forth.

NOTE 1: BUDGET TIME LINE SERIES

This book relies heavily on analyses of public spending because: (1) the allocation of money is an important aid in understanding the policy priorities of each regime; and (2) abrupt changes in public spending reliably signal regime change. Both can be tracked in the municipal budgets. Spending changed dramatically over time, both in overall amount and the things on which government spent its money. During the century covered in this study, public spending matured from necessities to conveniences to amenities. These are matters of choice, and urban policy making regimes made these choices.

Observations in table 3.1 and in the text about regime succession and changing policy priorities rest heavily on inferences drawn from municipal budget time line analysis, 1860–1930. Nineteenth century budgets are annoyingly inconsistent; budget categories and line items change and mutate over time, some vanishing as others are added. Capital and operating budgets were initially combined, but in the 1870s, thankfully, they became separate accounts. To achieve consistency and make budgets a meaningful
barometer of change, I have taken all budget line items for the years 1860–1930 and rearranged them in spreadsheets under budget taxonomies corresponding to the four areas of urban policy: economic development, urban growth, service distribution, and wealth redistribution. Totals can then be tabulated for each of the policy taxonomies year by year, resolving the problem of changing line items. The annual budgets reconfigured by policy taxonomy show the changes in policy priorities over time. When examined in the context of mayoral and city council election results, budget priorities are remarkably accurate in detecting regime succession and subsequent new policy priorities. In addition, the budgets make possible the calculation of such useful shorthand measurements as spending per capita, debt per capita, and rates of taxation per capita, which can also be derived on a consistent time line basis. These can then be compared with other cities.

A frustrating omission, transcending regimes and party affiliation, is that budgets studiously avoid reporting the number of employees on the municipal payroll. In some instances, the number of employees can be gleaned from other sources, such as a newspaper account or a Chamber of Commerce report. To estimate the number of city employees, I have used a system borrowed from public administrators and business accountants which assumes that 80 percent of an operating budget is spent on salaries. Average salaries taken from census data and divided into 80 percent of the operating budget yield a reasonable estimate of the number of municipal employees. These estimates check out well when real data are available. Decennial census reports showing the number of public employees were also used as counterweights.


NOTE 2: THE SYSTEM OF SOCIAL STRATIFICATION

The commentary in the text on social stratification in Cleveland was derived in the following manner.

The social stratification time lines (1860–1930) are based on occupational data. I compiled a time series of tables showing classes for each census year, and a political ward level map showing the residential location of each class for each census year. The classes are derived from seven occupational categories: (1) Proprietors, managers, and officials; (2) Professionals; (3) Clerical workers; (4) Skilled workers; (5) Semiskilled workers; (6) Unskilled workers; and (7) Personal and domestic servants. The seven categories are the same as those used by Kenneth L. Kusmer, *A Ghetto Takes Shape: Black Cleveland, 1870–1930* (Urbana: University of Illinois Press, 1976), see Appendix I; and Ronald R. Weiner and Carol A Beale, “The Sixth City: Cleveland in Three Stages of Urbanization,” in Thomas F. Campbell and Edward M. Miggins (eds.), *The Birth of*
Modern Cleveland, 1865–1930 (Cleveland: Western Reserve Historical Society, 1988), pp. 19–53. A similar classification scheme is offered by Donald A. Deskins, Jr., Residential Mobility of Negroes in Detroit, 1837–1965 (Ann Arbor: Department of Geography, University of Michigan, 1972), Table A1.1. A somewhat more sophisticated system is used by Olivier Zunz, The Changing Face of Inequality: Urbanization, Industrial Development, and Immigrants in Detroit, 1880–1920 (Chicago: University of Chicago Press, 1982), see Appendix 3. Zunz’s system allows for a more detailed accounting of white collar occupations, important for the turn of the century period when modern commercial, government, and corporate bureaucracies emerged. On this topic, see also Zunz, Making America Corporate, 1870–1920 (Chicago: University of Chicago Press, 1989). I have used the less detailed version because it makes data and observations in this work consistent with Kusmer’s earlier work in Cleveland and Deskins’s in Detroit.

The data sources for the tables and maps are: samples taken from the 1870 and 1900 Manuscript Census (Microfilm); ten year samples taken from Cleveland City Directory (various publishers, 1860–1930); the printed U.S. decennial census, 1860–1930 [especially valuable for the period when the Populist Regime was succeeding the Merchant Regime is U.S. Census, Report on the Social Statistics of Cities (1880)]. For the twentieth century, see the valuable series of census tract reports prepared by Howard Whipple Green for the Cleveland Real Property Inventory (under various titles, 1910–1936). The Cleveland Public Library has preserved the annual wall size City Directory street and ward maps which were used as the base for my own pencil/tracing paper maps. Page size ward maps are found in David D. Van Tassel and John J. Grabowski (eds.), The Encyclopedia of Cleveland History (Bloomington: Indiana University Press, 1987), pp. 211–218.

Two measurements were used to gauge the concentration of each occupational group in a given ward. The first technique requires calculating means and standard deviations of each occupational group. Any ward with a concentration of a single occupational group more than one standard deviation above the group’s mean may be described as a residential quarter for that group. The maps show the number of standard deviations each group is above the mean. These maps are also useful for showing the “class” support for political candidates when compared with ward level election results. The second technique is that used by sociologists to show residential segregation, variously called the Index of Dissimilarity or Index of Segregation. The technique is used by Kuzmer, Zunz, and Deskins for their purposes but is most succinctly explained in Charles M. Dollar and Richard J. Jensen, Historian’s Guide to Statistics: Quantitative Analysis and Historical Research (New York: Holt, Rinehart and Winston, 1971), pp. 121–126. These indices were calculated for each census year by ward, and after 1910 by census tract, and yield results similar to the mean/standard deviation technique. See Weiner and Beale, “Sixth City,” pp. 43–50. One can then make an observation like the following: “Tom L. Johnson in five municipal elections never ran well in working class wards.” This statement is based on ward maps of Johnson’s elections and ward maps showing where people of various occupational groups lived.

NOTE 3: CITY STRUCTURE

Urban growth policy was formulated by the various regimes for a city under constant structural change. Cleveland, while passing from Merchant to Populist to Corporate to
Realty regimes, simultaneously advanced through three distinct stages of city structure: (1) the mercantile or walking city, (2) the industrial, streetcar, or hub and spoke city, and (3) the automobile or multinucleated city. The Merchant Regime made urban growth policy for the walking city; the Populist and Corporate regimes called the shots for the streetcar city; and the Realty Regime presided over the transition from the streetcar to the multinucleated automobile city.


Park, Burgess, and McKenzie were the creators of the Concentric Ring Model. At its center is the central business district (CBD) around which all other land uses form. Modified for the walking city of the merchant era city, the CBD nucleus hosts all manner of business enterprise surrounded by a ring of affluent housing, a second ring of middle income housing, and a third ring of lower income housing at the periphery of settlement. In the mercantile era, Cleveland’s CBD was in the Flats, the surrounding ring east and west housed the city’s most affluent residents, the next ring the middle class, and a third the working class ring of settlement.

Homer Hoyt’s Sector Model uses railroad tracks and streetcar lines as the skeleton of the city. Specific land uses form around these lines, giving rise to a city of a segregated economic and social geography. The CBD is still the city’s nucleus, but it houses only retail, financial, and service activities dependent on face-to-face contact with customers. Light and heavy industries locate in sectors paralleling rail lines. Wholesaling clusters near the CBD. The population segregates by class, made possible by the streetcar lines. High income groups live at the periphery of settlement in sectors at the end of streetcar lines. Following the streetcar lines inward toward the CBD are sectors housing middle income families, and, last, nearest the CBD and the factory districts, are the sectors containing the working classes and the poor. This is the classic formulation of the industrial era city. This is the city for which the Populist and Corporate regimes made policy.

The Multiple Nuclei Model created by Harris and Ullman uses the automobile street and highway system as the city’s skeleton. The nodes where major streets and highways intersect become the city’s nuclei, replacing the single CBD-nucleus mercantile and industrial era cities. In the automobile city, the CBD is just one of several nodal focal points. The scale of the city, of course, is also larger, spreading from the original political city to the suburbs and exurbs beyond. It is a regional model superimposed on the old industrial city. Inner city land uses remain much the same, but industrial nuclei form in the suburbs and the working class follows. High income residences cluster around high grade retail and service nodes. The multinucleated regional city was a creation of the Realty Regime. The Realty Regime’s Stanley L. McMichael noticed the effects on the CBD in the 1920s and subsequently forecast the demise of the CBD as a retail center.

The three models are useful for interpreting the empirical data collected for Cleveland. The data come from samples taken from the business listings of the *Cleveland City
Directory for 1860, 1870, 1880, 1890, 1900, 1910, 1920, and 1930. The entries were sorted into categories conforming to the federal government’s Standard Industrial Classifications (SIC) and were assigned a number from the SIC 4-digit scheme. For example:

Division D Manufacturing
D2 Nondurables
  201 Meat Products
  2011 Meat Packing Plants

The addresses of the SIC-coded businesses were also coded with a geographical identifier. A quarter-mile grid was spread over a City Directory Street and Ward Map, and each address from the sample was given an x-y grid coordinate corresponding to its street address. To illustrate, the Acme Meat Packing Plant (SIC 2011) at 500 Front Street might have an x-y coordinate of N2. Once done, all businesses in each of the SIC categories were sorted into their matching x-y cells on the grid. The resulting eight grids (1860, 1870, etc.) can then be compared for changes in business location, e.g., manufacturing, wholesale, retail, services, the professions, etc., over time. The whole can be transferred to graph paper maps for easy viewing. The result is an extraordinary overview of Cleveland’s evolving city structure through merchant, industrial, and automobile eras. The three land use models provide a template for understanding these land use patterns.


NOTE 4: CENTROGRAPHIC TECHNIQUES

Movement of SIC-coded businesses, occupational groups, ethnic and racial groups, and classes of people can be tracked using centrographic techniques. Centrography establishes the mean center of a population, e.g., wholesale businesses, professionals, Irish and African-Americans, or the Cleveland Social Register population. American historians are familiar with centrography from textbook maps showing the mean center of the American population in each census year, a time series of dots showing the center of population advancing from Cumberland, Maryland to Danville, Illinois and so on. For the purposes of this book the mean centers of the above mentioned populations were tracked each decade from 1870 to 1930. Centrography charts changes in city structure and social geography. The centrographic methodology was first used by the American Census Bureau in the 1870s to establish the mean center of the American population. The methodology had a briefer acceptance among Soviet geographers, surviving until Joseph Stalin discovered that none of the animals, minerals, or vegetables were to be found at their mean centers. The Soviet Centrographical Laboratory was summarily purged.

The literature on centrography is as follows: J. E. Hilgard, “The Advance of Population in the United States,” Scribner’s Monthly, IV (June, 1872), 214–218; Francis Amasa

NOTE 5: ECONOMIC DEVELOPMENT

I have taken pains in the text to separate economic development from urban growth policy because each addresses a separate economic issue. Economic development policy addresses the export sector of the economy, and urban growth policy guides the local sector of the economy, land use in particular. I have tried to draw careful distinctions between the two because today they are at times willfully confused. Urban growth policy is often substituted for economic development policy.

For the past decade, Cleveland has been engaged in building sports palaces for its professional teams, one each for the Indians, Cavaliers, and Browns. When principal, interest, and fees are at last paid, sometime in the first quarter of the new century, the cost will approach a billion dollars, most of which will come from the pockets of taxpayers in the form of a regressive sales tax on cigarettes and liquor, known locally as the “Sin Tax.”

To sell these projects to local taxpayers, the regime in power, a reincarnated realty regime, explained to a public reeling from the loss of thousands of manufacturing jobs that these projects were being built in the interest of economic development, the hot button new jobs issue. Here is a classic case of the policy makers willfully or ignorantly misleading the electorate. The stadiums are about urban growth policy, not economic development policy.

Although these distinctions are made at various places in the text, perhaps a restatement here coupled with the methodology employed will serve to clarify the matter.

An urban economy is dualistic: It has an export sector and a local sector. The export sector produces goods and services for sale outside the region. The sale of such goods and services brings new (other people’s) money into the economy, which can then be invested in a variety of things, including new plant and still more jobs. Economic development policy is the conscious attempt by local leaders to add capacity to the export sector. This was initially done in Cleveland by the Merchant Regime when it connected Cleveland to national markets via a transportation system so that local enterprises could sell their products outside the immediate region. Succeeding regimes tried to encourage the growth of backward and forward linkages from initial export-sector industries, for example, chemicals as a forward linkage from the oil industry. The three stadiums built during the 1990s do not meet these criteria because they fail to bring in
other people’s money; as entertainment venues, they merely recycle the money already in the local economy. And they are not the forward or backward linkages of any local industry.

Data on firms from the federal Census of Manufactures and occupational data from the Census of Population was tabulated by SIC industrial category for the years 1860, 1870, 1880, 1890, 1900, 1910, 1920, and 1930 in a time-line series. Distinctions were made between export and local industries and between durable and nondurable goods industries in each census year.

This allows for two important calculations: the first is the basic–nonbasic ratio, which is a ratio between export-sector and local-sector industries. If the economy is developing rather than merely growing, a declining basic to nonbasic ratio will occur. Secondly, distinctions are made between durable and nondurable goods industries. Nondurable goods industries are tied to forestry and agriculture. If a city’s economy is to develop, it must escape from the tether of nondurable goods industries. The constant (usually westward) movement of agricultural staples and forestry gives rise to new cities (such as Toledo, Grand Rapids, Detroit, Chicago, and Milwaukee) with greater short-term ability to produce cheaper nondurables derived from these products. Durable goods industries have the advantage of offering greater long-term stability, considerably larger employment opportunities, and local value-added spending by the firm. However, if the city’s economy is to develop rather than merely grow, forward-linkage industries must be spun off from the original durable goods industries.

Tabulating manufacturing and employment data by SIC category establishes the trends from which these observations can be drawn. Judgments on the wisdom of the four regime’s economic development policies can also be made. The Merchant Regime’s economic development policy of long-distance transportation connections allowed Cleveland to make the transition from nondurable to durable goods production. The hesitant Populist Regime and more enthusiastic Corporate Regime spent enough on bridges, dredging, and docking facilities to ensure the permanence of durable goods industries, but Corporate and Realty regimes refused to direct capital to forward-linkage industries. And there Cleveland’s economy drifted on the eve of the Great Depression.

Cleveland’s economy was a cork bobbing and swaying amongst the waves, rhythms, and cycles of nineteenth and twentieth century economic history. These oscillations are the subject of Bryan J. L. Berry, Long Range Rhythms in Economic Development and Political Behavior (Baltimore: The Johns Hopkins University Press, 1991) and David Hackett Fischer, The Great Wave: Price Revolutions and the Rhythm of History (New York: Oxford University Press, 1996). These works enable the local historian to place Cleveland’s economic development in a national and international context.

To chart the course of Cleveland’s economic development, I have pirated the data from the tables in Naphtali Hoffman, “The Process of Economic Development in Cleveland, 1825–1920” (Ph.D. diss., Case Western Reserve University, 1980). The argumentative text of the dissertation is a plodding decade-by-decade exposition drawn from the tables which takes interpretive issue with Richard V. Knight, Employment Expansion and Metropolitan Trade (New York: Praeger, 1973). Knight’s thesis asserts that economic development occurs (rather than mere growth) when high Value Added per Employee (VAPE) develop and spin off other high VAPE backward- and forward-linkage industries. The essential comparison is that local VAPE must be significantly higher than national VAPE for the same industries. Hoffman argues that while Cleveland’s economy
did develop rather than grow, Knight’s “High VAPE thesis” fails to explain it. Hoffman concludes that (1) VAPE in manufacturing in Cleveland was not increasing during the period 1825–1920, (2) the city’s leading industries did not experience significant growth in VAPE during the period, and (3) VAPE for Cleveland’s manufacturing sector was not significantly higher than manufacturing VAPE for the United States during the same period.

I have reshuffled these same data to reach somewhat different conclusions. Using Hoffman’s tables and the Census Bureau’s decennial Reports on the Manufactures of the United States, I have sorted all data by industry into Standard Industrial Classification (SIC) categories (4-digit level) for the years 1825–1930. I then aggregated all industries into either durable or nondurable goods producers and calculated VAPE for both. This rendering of the data, represented in tables 3.2, 3.3, and 3.4, yields rather different results. Durable goods industries, including primary metals and forward-linkage fabricated metal products industries, did increase in VAPE during the period, though both were fatefully stagnant during the Populist Regime (1878–1895), and VAPE in all durable goods industries was significantly higher than national averages. Hoffman’s VAPE manufacturing averages were dragged down by the declining VAPE in nondurable goods, also shown in tables 3.2 and 3.3. We both reach the same conclusion: that Cleveland’s economy developed rather than grew during the period, but Richard Knight’s “High VAPE thesis” does explain why. Knight’s methodology is useful to historians because value-added data was so commonly collected and published in the nineteenth century and because VAPE is a measurement that nineteenth century businessmen and decision makers so readily understood.