Half Full or Half Empty? The Changing Economic Status of African Americans, 1967–1996

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WE HEAR SO MUCH about crime, drugs, school dropouts, low-quality schools, low wages, unemployment, teen pregnancy, children in single-parent homes, etc., among African Americans that it is hard to imagine that things are getting better. And, even if they are, the part of us that demands social justice wonders whether a sorry past excuses a sorry present. But every student of change understands that lasting improvement occurs slowly and that anyone with an eye to the future needs to examine the past. Half full is half empty, but half full and filling is better than half empty and emptying.

This essay offers a brief history of change in the labor market status of African Americans over the past three decades. Beginning with the good news, I examine trends in wages, education, occupations, and industry. Although I conclude on a pessimistic note concerning employment, I believe the gains have been so impressive that they deserve much greater recognition and appreciation than they have generally received.

Most of the numbers reported here are calculated from the March Annual Demographic Supplement to the Current Population Survey

(CPS), 1968–1997. The Survey is collected by the U.S. Census Bureau for the Bureau of Labor Statistics and usually includes responses for individuals in 50,000–60,000 households. The wage and employment levels are for the year preceding each Survey, so the analysis spans the thirty years 1967–1996.

Growing Inequality in the Structure of Wages

The past three decades have brought remarkable changes in the structure of wages. Wage gaps have widened in the aggregate as well as in several narrowly focused dimensions. In particular, the wages of those with more education have increased sharply in comparison with wages of those with less.

Table 1 describes educational differentials in weekly wages for black and white men. Look first at the figures in the bottom panel of the table. During the first five-year period, 1967–1971, young white male college graduates earned 40.5 percent more on average than white males with no more than a high school diploma. The corresponding differential for black men was 51.9 percent. The higher premium for black college graduates, it is important to note, was a recent development. At the time of the 1960 U.S. Census, schooling paid black men far less than it paid white men. But since the mid-1960s, the economic incentives for staying in school as long as possible have been pretty much the same for blacks and whites. That does not mean that African American men had the same average earnings as whites; as we shall see shortly, that was far from the case. But the advantage that blacks with a lot of schooling had over their brethren with little schooling was actually a little greater than it was for whites.

Over the past thirty years, Table 1 reveals, the rewards of being well educated have grown strikingly. The differentials of the 1990s are far greater than in the 1960s. This is true whether we examine the wage disadvantage experienced by high school dropouts (shown in the top panel of Table 1), the advantage those with some college (the center panel) had over high

Table 1 Percentage Differences in Average Weekly Wages Between Men with the Indicated Levels of Education and Wages of High School Graduates Less than 10 Years Out of School

Years	*White*	*Black*
	HIGH SCHOOL DROPOUT	
1967–71	−18.1	−20.8
1972–76	−21.6	−26.2
1977–81	−22.7	−25.9
1982–86	−26.9	−28.8
1987–91	−26.8	−29.6
1992–96	−30.1	−27.4
	SOME COLLEGE	
1967–71	19.2	22.0
1972–76	19.8	19.4
1977–81	18.7	25.6
1982–86	27.5	33.2
1987–91	33.5	38.9
1992–96	35.0	50.8
	COLLEGE GRADUATES	
1967–71	40.5	51.9
1972–76	41.7	45.5
1977–81	40.3	57.1
1982–86	63.3	86.5
1987–91	83.2	83.9
1992–96	96.1	97.4

NOTE: Wages are imputed for those who did not work 40+ weeks or 35+ hours. The imputation includes the usual demographic factors—age, race, education—as well as weeks worked and usual hours per week (bottom coded at 35). To preserve dispersion, the imputation also includes a randomly selected empirical residual from the full-time/full-year sample used to generate the fitted values. College graduates include those with postgraduate education. The wage used for college graduates is a fixed-weight average of the average for those with exactly 16 years of schooling and the average for those with more.

school graduates, or the advantage enjoyed by college graduates (bottom panel). After a brief and slight decline in the mid-to-late 1970s, the college wage premium for men has continued to grow and is now at the highest level at any time in the entire postwar period. In their first decade out of school, young male college graduates currently earn roughly twice as much as high school graduates, a premium almost double that of three decades earlier, and one as great for blacks as for whites.

While the wages of college graduates were rising relative to those of high school graduates, the wages of high school dropouts were falling relative to those of high school graduates. Again, there are no major racial differences in the pattern. Education is paying ever larger dividends in the labor market.

These figures are averages. A more refined way of looking at recent trends in wage inequality is provided in Table 2. In the years 1967–1971, white men at the 90th centile (at the bottom of the top tenth of the wage distribution, that is) earned 3.38 times as much per week as white men at the 10th centile (at the top of the bottom tenth of the distribution). Black men near the top of the earnings distribution had an even bigger advantage

Table 2 Ratios of Weekly Wages, 90th Percentile/10th Percentile (Ratios are measured relative to the 1967 value, 3.38, for white men)

	MEN		WOMEN	
Years	*White*	*Black*	*White*	*Black*
1967–71	1.00	1.16	0.99	1.51
1972–76	1.13	1.17	0.96	1.10
1977–81	1.29	1.28	0.96	0.99
1982–86	1.56	1.53	1.09	1.06
1987–91	1.61	1.62	1.21	1.17
1992–96	1.75	1.72	1.30	1.24

NOTE: As in Table 1, wages are imputed for those men not full-time/full-year. However, observations for women are restricted to full-time/full-year. The centile location is 100n/(N+1). The average for centiles 5.5 − 14.5 is the first decile wage; the average for centiles 85.5 − 94.5 is the ninth decile wage.

over those close to the bottom than the 3.38 figure for whites; the wage difference between black males at the 10th and 90th centiles was 16 percent higher than it was for whites.

What has changed since the 1960s? The phenomenal growth in wage inequality among men over the next three decades is the most important trend visible in Table 2. By the 1990s, the spread between the 10th and the 90th centiles was approximately 75 percent greater than it had been 25–30 years earlier for both white and black men.

This increase in the dispersion of wages means that wages that were below the mean were falling relative to the mean, while wages above the mean were rising relative to the mean; the lower the wage, the greater the relative decline, and the higher the wage, the greater the relative increase. If the increased dispersion of wages shown in Table 2 was equally the result of rising real wages for those at the top and falling real wages for those at the bottom—probably not far from the truth—it would mean that the purchasing power of the 90th centile wage increased 37.5 percent, while the 10th centile wage fell 37.5 percent between the late 1960s and the mid-1990s.

The trend toward increased inequality was much less pronounced for female workers. The increase in wage dispersion was 30 percent for white women, well under half of that for men of both races. Among black women, somewhat puzzlingly, inequality was at its greatest at the beginning of the period studied, in 1967–1971.[1] It then fell to the same level as that for white women and grew thereafter at the same slow pace as among white women.

Racial Differences in Wages

In an earlier paper, James P. Smith and I compared the wage position of black men relative to white men using the 1940–1980 decennial U.S. Censuses. Comparing ratios of average wages, we found remarkable progress for black men during the 1940s, followed by a distinct slowing in the 1950s. In the 1960s, the wages of black men again increased substantially more than those of whites.

What has happened since? In the 1970s, 1980s, and 1990s, the sharp growth in wage dispersion would lead us to expect that the black/white ratio of average wages would fall because wages were becoming more disperse and the average wage of blacks was below that of whites. This gloomy scenario has not come about. Black males have not fallen further behind whites; they have made further gains, though not large ones. And black women have improved their economic position quite spectacularly.

Table 3 sets forth the evidence on median wages indexed to 1967 values for white men (i.e., the 1967 average wage for them is 100.0). For white men, the 1967–1971 average of 106.1 had fallen to 92.9 by 1992–1996. This represents a 12.4 percent drop in real wages over this thirty-year period.[2]

The 1967–1971 median wage earned by black men was 71.5 percent of that of white males in 1967, and it fell to 66.1 percent for the most recent interval, a decline of 7.6 percent. Over the three decades, the median wages of black and white men moved on approximate parallel paths. Both were declining somewhat, though the drop was a bit less for black men than for white men.

The picture for women, white and black, is much brighter. Instead of

Table 3 Median Weekly Wages of Full-Time Year-Round Workers (Wages are PCE deflated and measured relative to 1967 values for white men)

	MEN		WOMEN	
Years	*White*	*Black*	*White*	*Black*
1967–71	106.1	71.5	58.9	46.6
1972–76	109.2	76.0	63.3	56.7
1977–81	104.6	73.0	63.9	60.4
1982–86	98.4	65.1	67.7	63.5
1987–91	97.6	66.6	71.0	65.7
1992–96	92.9	66.1	72.8	65.5

NOTE: Wages are imputed for men who were not full-time (usual hours less than 35 per week) or full-year (less than 40 weeks worked). Observations for women are restricted to those who were full-time/full-year.

declining or remaining stagnant, the median wage of black women compared with that of white males in 1967 increased by a remarkable 40.6 percent over the next three decades. For white women, the gain over the same period was a healthy 23.6 percent.

These are significant facts, but no single measure of black/white wage differentials ("the" gap) is adequate. Table 4 uses an alternative, more complex method for comparing wages of black men and black and white women to the wages of white men. Table 4 is divided into four panels. Panel A compares wages of all black men with those of white men. In panel B, the wages of black men are matched to those of white men of the same age and education. Panels C and D compare black women and white women, respectively, with white men.

The top row of each of panel gives as a reference the position of white men in their own wage distribution. If, for example, we assign each man a wage centile, analogous to a test score percentile, then because there would be equal numbers at each centile from 0 to 100, the average would be 50. The next three measures provide, respectively, population percentages exceeding the three wage quartiles, the 25th, 50th, and 75th centiles. In the referenced distribution, 75 percent of white men have wages above the first quartile simply because that defines the first quartile. Similarly, 50 percent exceed the median or second quartile, and 25 percent exceed the third quartile.

The first point of comparison is the average centile location of the wages of other groups in the wage distribution of white men. In 1967–1971, the average centile location of black men in the distribution of white men's wages was 27.2. That means that if we were to select a number of white men at random for comparison with an equal number of randomly selected black men in those years, the black man has the higher wage in only 27.2 percent of the pairs. Conversely, in 72.8 percent of the pairs the white man would come out on top.

Things have changed modestly for the better in the years since. The probability of being the higher-paid worker increased for black men from

Table 4 Comparisons with Weekly Wages of White Men: Centile Averages and Percentages Exceeding Indicated Quartiles in the Wage Distribution of White Men

		QUARTILE		
Years	*Average centile*	*First*	*Second*	*Third*
	A. ALL BLACK MEN, UNCORRECTED FOR AGE AND EDUCATION			
Reference	50.0	75.0	50.0	25.0
1967–71	27.2	41.8	19.7	7.0
1972–76	30.4	48.1	22.7	7.3
1977–81	33.3	52.8	26.4	8.9
1982–86	33.3	53.0	25.8	8.9
1987–91	34.7	54.9	28.4	10.4
1992–96	36.5	58.0	30.8	11.3
	B. ALL BLACK MEN, MATCHED ON AGE AND EDUCATION			
Reference	50.0	75.0	50.0	25.0
1967–71	31.4	47.6	24.9	10.2
1972–76	34.5	53.8	28.1	11.1
1977–81	36.5	57.5	30.6	11.4
1982–86	35.8	57.0	28.6	10.5
1987–91	37.2	58.4	31.4	12.5
1992–96	38.8	59.8	34.3	14.2
	C. FULL-TIME/YEAR-ROUND BLACK WOMEN			
Reference	50.0	75.0	50.0	25.0
1967–71	11.9	15.1	4.7	0.7
1972–76	18.0	26.0	7.3	1.6
1977–81	24.0	38.5	11.9	2.4
1982–86	30.4	51.7	18.2	3.8
1987–91	32.2	54.4	22.2	5.0
1992–96	35.2	60.2	26.4	7.5
	D. FULL-TIME/YEAR-ROUND WHITE WOMEN			
Reference	50.0	75.0	50.0	25.0
1967–71	17.7	23.8	7.9	2.2
1972–76	21.6	31.9	10.1	2.5
1977–81	26.1	42.7	13.5	3.3
1982–86	33.2	56.7	22.2	5.6
1987–91	35.8	59.9	27.6	8.1
1992–96	39.5	66.7	33.1	10.9

NOTE: The reference line shows corresponding comparisons of white men with themselves.

27.2 percent to 36.5 percent by 1992–1996. This was a gain of more than a third during a comparatively short period.

In addition to the average centile, the table provides three other measures, showing, respectively, the percentages of each group whose wages exceed the three quartiles of the reference, white men's wage distribution. Among black men in the initial 1967–1971 period, 41.8 percent had wages in excess of the first-quartile wage for white men. Thus, a substantial majority of black men (100.0 − 41.8 = 58.2 percent) had wages no higher than those of white males in the bottom quarter. Only 19.7 percent of black men had wages above the median (which is the second quartile) for white men, and a mere 7.0 percent had wages in the top quarter of the white male distribution.

Over the following three decades, black men made impressive progress. The proportion with wages in the lowest one-fourth of the white men's distribution fell from 58 percent to 42 percent. The fraction of black men with wages above the median for white men jumped from 19.7 percent to 30.8 percent, an increase of more than 50 percent. The proportion of black men whose wages put them in the top quarter of the white male distribution rose by 61 percent, from 7.0 to 11.3 percent.

Panel B of Table 4 refines the comparison by considering black and white men of the same age and education. The first point to notice is that the convergence of black and white wages within the age-education matched populations suggests that the gains just noted are not exclusively a matter of blacks "catching up" in the amount of schooling they acquired. They remain even after the effects of education on wages are removed from consideration. By 1992–1996, controlling for age and education made little difference to the results, suggesting that the gains resulting from the increase in schooling received by the average black male worker have been largely exhausted.

The matched age-education comparisons continue to reveal large black/white differences in male wages. We can look to the past and be proud of the obvious gains that have been achieved. With respect to racial differences in wages, the United States of today bears only scant resem-

blance to the U.S. portrayed in Gunnar Myrdal's 1944 classic, *An American Dilemma*. But in spite of enormous progress, the existing differentials among men are so large that it is inconceivable that we have achieved anything approximating full equality of opportunity.

If the economic progress made by black men in postwar America can be considered rapid, then the gains for women revealed in the two lower panels of Table 4 can only be described as spectacular. The proportion of African American women with wages in the top quartile has multiplied tenfold in only thirty years (the figure jumped from 0.7 to 7.5)! The average black woman worker was at the 12th centile of the white male distribution just a generation ago; now she is at the 35th centile. Equally striking, just 15.1 percent of working black women had wages above the bottom quartile for white males; by the mid-1990s, fully six out of ten were above that line. In the late 1960s, African American women were far behind not only white men but also black men in the wage competition. By now they have narrowed the gap between them and white men, and have just about caught up with African American men; their average centile in the 1990s was 35.2, only trivially different from the 36.5 for black men.

White women have also moved upward very rapidly. The rate of increase has been a little slower than the spectacular gains of their black sisters, but they started out ahead of them and are still a little ahead in wages. The differences are small, however, and would be smaller still if the higher average educational levels of white women were taken into account.[3]

Educational and Occupational Progress

The advances that black men and women (especially the latter) have made toward parity in wages would not have been possible had they not made strong gains in education. Table 5 shows how full-time school enrollment rates for young men and women aged 16–24 have changed in recent decades. The enrollment data show smooth upward trends for black men and women and for white women as well, with all three groups narrowing or eliminating the large gap between them and

white men that existed at the end of the 1960s. White men aged 16–24 were then considerably more likely than members of the other three groups to be attending school full time. Three decades later, the school enrollment rate for white men was one point lower than it had been a generation earlier. The rate for black men rose by 5 points in the period, that for white women by 8.3 points, and that for black women by a striking 11.1 points. By this measure, only black men are now significantly behind white men, and the gap between the two groups has been cut in half.

Table 6 shows the percentages of college and professional degrees that

Table 5 Changes, 1967–1971 to 1992–1996, in the Representation of Black Men, Black Women, and White Women

	Percentages representation in the white men weeks wage distribution			
	QUARTILE			
Group/period	*First*	*Second*	*Third*	*Fourth*
A. ALL BLACK MEN, UNCORRECTED FOR AGE AND EDUCATION				
1992–96	42.0	27.2	19.5	11.3
1967–71	58.2	22.1	12.7	7.0
Change	−16.2	5.1	6.8	4.3
B. ALL BLACK MEN, MATCHED ON AGE AND EDUCATION				
1992–96	40.2	25.5	20.1	14.2
1967–71	52.4	22.7	14.7	10.2
Change	−12.2	2.8	5.4	4.0
C. FULL-TIME/YEAR-ROUND BLACK WOMEN				
1992–96	39.8	33.8	18.9	37.5
1967–71	84.9	10.4	4.0	0.7
Change	−45.1	23.4	14.9	6.8
D. FULL-TIME/YEAR-ROUND WHITE WOMEN				
1992–96	33.3	33.6	22.2	10.9
1967–71	76.2	15.9	5.7	2.2
Change	−42.9	17.7	16.5	8.7

SOURCE: Table 4.

were awarded to African American men and women in the most recent year (1995–1996) and the earliest year that such data are available (1975–1976), and also examines the gender balance among both black and white degree recipients.

In each category, from associates (i.e., two-year college degrees) to Ph.D.s and degrees from professional schools (law, medicine, business, architecture, etc.), the proportion of African Americans rose in almost every category over this period of a little less than two decades. However, the black share of the population was increasing at roughly the same rate, and the increase was largely due to that fact.

What stands out is that women, black and white, were catching up with and indeed passing men in most of these categories. In 1976–1977,

Table 6 Trends and Gender Differences in Post–High School Education

	PERCENTAGES OF DEGREES AWARDED TO AFRICAN AMERICANS [a]		NUMBER OF FEMALE/MALE RECIPIENTS	
Degrees awarded	*Men*	*Women*	*Black*	*White*
	1976–1977 ACADEMIC YEAR			
Associates	7.3	9.1	1.16	0.92
Bachelor's	5.1	7.9	1.33	0.84
Master's	4.6	8.9	1.70	0.91
Ph.D.	3.1	6.0	0.63	0.34
Professional	3.4	6.5	0.44	0.22
	1995–1996 ACADEMIC YEAR			
Associates	8.2	10.1	1.89	1.51
Bachelor's	6.3	9.1	1.77	1.21
Master's	4.7	7.7	2.05	1.38
Ph.D.	2.7	5.1	1.24	0.83
Professional	4.7	9.1	1.38	0.66

NOTE: According to the CPS, African American men represented 10.9 and 13.0 percent of all men aged 24 years in 1976 and 1995, respectively; African American women represented 12.3 and 15.1 present of all women in the two respective years.

[a] Numbers refer to percentages within gender.

black women were already earning more associate, bachelor's, and master's degrees than were black males. By 1995–1996, they were far ahead of them in every category, earning 77 percent more bachelor's, for example, and more than twice as many master's degrees. This obviously is a major reason why African American females have made such impressive wage gains. It is also striking that white females are now collecting 51 percent more associate degrees, 21 percent more bachelor's degrees, and 38 percent more master's than are their male counterparts. Again, this is clearly reflected in the higher paychecks they have been collecting.

Table 7 provides evidence on changes in fields of concentration for black students in higher education between 1981 and 1996, the earliest and most recent years for which such data are available. It also shows the growth between 1981 and 1996 in the number of degrees collected by African Americans in these fields. The most striking change evident here is the shift

Table 7 Changes in Fields of Concentration Among African American College and Professional Degree Recipients

	MEN		WOMEN	
Major field	*Percent of 1981 graduates*	*Ratio 1996/ 1981 graduates*	*Percent of 1981 graduates*	*Ratio 1996/ 1981 graduates*
Bachelor's degree				
Business	26.5	1.19	19.1	1.81
Education	10.6	0.72	19.1	0.77
Engineering	8.2	1.51	1.2	3.15
Master's degree				
Business	25.2	1.68	7.3	3.90
Education	33.5	0.97	60.0	1.00
Engineering	3.6	2.38	0.3	6.26
First professional degree				
Medicine (M.D.)	25.1	0.87	28.0	1.85
Law (L.L.B. or J.D.)	51.1	1.28	57.9	2.50

NOTE: According to the CPS, the number of African American men aged 24 increased by 37 percent between 1981 and 1996, while the number of women increased by 35 percent.

of black students out of education into more remunerative fields. The biggest gains, again, were made by African American women.

More detail on this shift out of education is supplied in Table 8. In the period 1967–1971, almost a quarter of all black male college graduates were employed as elementary or secondary school teachers, and a stunning six out of ten black females with a college education. The proportions have plunged since then, dropping to just 6.7 percent for black men and 19.6 percent for black women.

Perhaps the most outstanding indication of expanding opportunities is the reduction in the proportion of black women employed in occupations that the Census Bureau classifies as devoted to "personal service." In the 1967–1971 period, 24.1 percent of all hours worked by African American women were in personal service (17.0 percent in private households). By 1992–1996, the concentration of black women in personal service work had plunged by three-quarters, to a mere 5.6 percent.

Although there was no similar concentration of black men in one sector of employment in the 1960s, the three decades since have seen a parallel story of occupational movement on their part away from traditionally low-paying jobs (agriculture, personal services, service stations) into jobs more representative of the distribution of jobs for all men.

Table 8 K–12 School Teachers as a Percentage of Total Employment of College Graduates

	MEN		WOMEN	
Years	*White*	*Black*	*White*	*Black*
1967–71	9.8	23.1	48.2	59.0
1972–76	9.0	20.1	42.7	50.4
1977–81	7.3	10.2	31.3	37.1
1982–86	6.0	11.1	25.5	31.2
1987–91	5.3	8.7	21.5	24.0
1992–96	5.0	6.7	20.9	19.6

NOTE: Percentages refer to fractions of aggregate annual hours reported by those college graduates whose occupation is teacher.

Half Full

Having gone to great lengths to illustrate the positive, and I absolutely believe it dominates, I close on a negative note. Table 9 indicates trends and levels of full-time equivalent employment rates for men and women aged 16–24 and 30–44. In the late 1960s, black males aged 16–24 and 30–44 were only a bit less likely than their white counterparts to have full-time jobs. In the three decades since then, a substantial gap has widened for both age groups. The percentage point difference among the younger group has grown from 2 to almost 14 points, and for the older group, from 6 to 12 points. One reason for this disturbing development is the continuing

Table 9 Full-Time Employment Rates, Ages 16–24 and 30–44

	Percent employed full-time			
	MEN		WOMEN	
Years	*White*	*Black*	*White*	*Black*
	AGES 16–24			
1967–71	45.4	43.4	34.7	29.6
1972–76	48.2	38.4	36.7	26.3
1977–81	49.6	34.2	39.0	25.2
1982–86	45.0	29.9	37.8	23.3
1987–91	47.5	34.3	39.4	27.9
1992–96	45.3	31.6	36.9	27.0
	AGES 30–44			
1967–71	91.1	85.0	37.1	50.8
1972–76	89.1	79.7	40.7	51.2
1977–81	88.3	77.9	48.6	56.8
1982–86	85.8	72.9	54.8	60.1
1987–91	87.7	76.3	60.6	64.0
1992–96	87.2	75.2	61.6	62.9

NOTE: Numbers are simple averages of single-year-of-age-specific full-time-equivalent (FTE) employment rates. The individual FTE is weeks worked/52 for those who usually worked at least 35 hours. For those who usually worked less, weeks worked are each counted as one-half.

concentration of large numbers of African Americans in decaying inner-city neighborhoods from which businesses have fled. This is a serious problem for society.

Black women have not been affected nearly as much by this trend, perhaps because more of them have been staying at home and developing skills that are in demand. The employment rate for black females aged 16–24 has dropped only 2.6 points over the period, and for black women in their thirties and early forties it has climbed by a dozen points.

How much of the change described above can be attributed by affirmative action employment policies? I personally believe that Bound, Freeman, and others have placed too much weight on such policies, both in terms of the 1960s gains for African Americans and the mixed picture for black males since then. James P. Smith and I have written extensively on this subject. Though it is difficult to be precise, there are excellent reasons to believe that, aside from a short-run blip in the relative wages of young male college graduates in the early 1970s, affirmative action operated more to consolidate gains in the economic status of black Americans and to maintain long-established trends, trends firmly founded in cohort improvements in the quality and quantity of schooling, than to abruptly change underlying relations.

Where does this leave us? I suppose the first and most obvious point is that the progress we have seen in the relative economic status of black Americans was well under way before the modern antidiscrimination legislation and the various forms of enforcement were introduced.

School desegregation was prohibited with the *Brown v. Board of Education* Supreme Court decision of 1954. Even so, many desegregation plans were not introduced until the 1970s (Light and Welch 1987), and states like South Carolina and Mississippi regularly compiled and published "Statistics of Negro Schools" until well into the 1960s. It usually takes a long time for the effect of a court decision or of new legislation to percolate through the system.

Many of us believe that the primary effect of social legislation, including interpretations of earlier legislation by the courts, is to consolidate and tie

up the loose ends of changes that have already been realized. The clearest example that I know is a study by Landes and Solmon (1972) of compulsory schooling legislation. This legislation took almost a full century to spread among the U.S. states, and the best predictor of the timing of adoption of a law that required attendance in school up to a given age was the date that voluntary attendance in the state reached 90 percent. In effect, the laws forced the relatively small trailing minority to adopt the behavior of the much larger majority.

I believe that a similar argument can be made for the school desegregation decision. It clearly did not take the ninety years from emancipation to the *Brown* decision for desegregation to be challenged. Why 1954 and not 1864? Actually, following the prohibition of slavery in 1863, there is some evidence of a trend toward improvement in the quality of the separate and unequal black schools. This trend ended, and the quality of Southern schools attended by America's black children reached a nadir over a couple of decades following the Supreme Court's "Slaughterhouse" decisions holding that the enforcement of civil rights was the purview of the individual states. Then, inexplicably except for the steady stream of litigation from the NAACP, things got better. As measured by such nominal characteristics as teacher salaries, students per teacher, the number of school days each year, attendance rates, expenditures per pupil, etc., segregated schools for blacks and whites were more equal in 1954 than at any earlier time in the twentieth century (Welch 1974).

Regarding the 1964 Civil Rights Act and Title VII of that Act, which prohibited discrimination by employers on the basis of race, national origin, and gender, similar observations hold for the relative economic status of African Americans (Smith 1984). We saw changes that, by historical standards, should be regarded as remarkable before the legislation could have had much effect. In fact, we now know that at the time Myrdal's dire warnings were written, black/white income ratios were rapidly increasing.

The ingredients of progress were partly the rural-to-urban migration that followed the growing divergence between labor productivity on- versus off-the-farm. There was also convergence in schooling levels. Over four

decades, the gap among young men entering the job market fell from five to less than two years. The cause of the convergence seems to be convergence in the quality of schooling—the resources poured into the schools—that flowed through to the wage premium associated from added schooling. Even "free" schooling is expensive because there are alternative uses of time. We learned from the 1960 Census that, among those schooled in the 1920s and 1930s, an extra year of schooling was worth about 20 percent as much for a black man as for a white man (Welch 1976). By 1970, we saw that those entering the job market in the 1960s with newer and, presumably, more equal quality of schooling received approximately equal returns. Over a short time, added schooling became an important route to higher income, and the response, in terms of years in school, was dramatic.

At this point I should reveal a bias that I have had since I first began trying to understand the phenomena of racial discrimination and of race differences in income. It is trivial to understand how we can use the body politic to discriminate with publicly provided services. Anyone with a scintilla of concern who reads the historical record of the resources provided, including monitoring, to segregated schools cannot doubt that the instrument is blunt and effective. Discrimination in employment is harder to understand.

A dollar earned does not change its color depending on the color of the employees who assist in earning it.

This brings me back to the beginning of this section; the first and most obvious point is that the progress we have seen in the relative economic status of black Americans was well under way before the modern antidiscrimination legislation and the various forms of enforcement were introduced. Since the introduction of the new legislation, the trends have been more or less what had previously been established. On this basis, I believe that it is hard to argue for a major role of the legislation regarding employment discrimination. I am personally an advocate of such legislation, but I think its role has been more that of consolidation than a source of fundamental change. I should like to believe that the gains we have seen in

the relative economic status of black Americans have resulted from positive responses to more equal opportunity.

Half empty? Of course! There is no shortage of problems to occupy all advocates of social justice. But, half full as well. All is not bleak; there is reason for pride. We are a diverse people, but differences between demographically distinct groups tend to erode over time.

Notes

1. Recall that the CPS data underlying these calculations are samples and are subject to luck-of-the-draw sampling noise. There is no reason of which I am aware to believe that the initial observation reflects a fundamental differential.

2. Wages are deflated by the Gross National Product deflation for consumer expenditures (all goods). See the Economic Report of the President, 1998.

3. Caution may be in order for the gender comparisons, however. The wage distributions for men refer to average weekly wages for men working full time. Men who work a greater number of weeks each year typically earn higher wages than do those who work fewer weeks, and I have used this fact to impute wages for men who either do not work or work part time (less than 35 hours per week). The distributions summarized in Table 4 include all men with observed wages for those working full time and estimated wages for others. It is less clear that women who work either part year or part time would earn less than their full-time/full-year peers. I restrict the observations of women's wages to those who were full time and full year (at least 40 weeks worked).

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