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"The Rich Get Richer and . . . ."
The Problem of Race and Inequality in the 1990s

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Myers served as president of the National Economic Association from 1987 to 1988. He has been a member of the Committee on the Status of Minority Groups in the Economic Profession for the American Economic Association and the policy council of the Association of Public Policy Analysis and Management, and consultant to the Baltimore Urban League, the New Jersey State and Local Expenditures and Revenue Accounting Office, and the U.S. Congressional Committee on the Judiciary, Subcommittee on Crime. He served on the academic advisory board of the National Forum for Black Public Administrators, the board of directors of the National Council of Black Studies, the editorial boards of the *Journal of Policy Analysis and Management* and *Social Science Quarterly* and the board of editors of the *Review of Black Political Economy*.

In 1990, Myers was recognized by the *Review of Black Political Economy* as one of the top 20 black economists in the United States. He was educated at Morgan State University and the Massachusetts Institute of Technology, where he earned his doctorate in economics.

Myers is a specialist in the impacts of social policies on the poor. He has pioneered in the use of applied econometric techniques to examine racial disparities in crime, to detect illegal discrimination in credit markets, to assess the impacts of welfare on family stability, and to evaluate the effectiveness of government transfers in reducing poverty. He has authored and co-authored four books and monographs and numerous journal articles and technical papers.

He began his academic career at the University of Texas, Austin where he was an assistant professor of economics from 1976 to 1980. From 1980 to 1982 he was senior staff economist at the Federal Trade Commission. In 1982 he joined the faculty of the Graduate School of Public and International Affairs at the University of Pittsburgh. In 1986, Myers joined the faculty of the University of Maryland, College Park, as Professor in the Department of Economics and Director of the Afro-American Studies Program where he remained until July of this year.

Myers is married to Sheila Ards, Assistant Professor of Public Policy at the Humphrey Institute, University of Minnesota. Their daughter, Andrea Mari, was born in 1985.

The empirical results discussed in this paper are based on joint research with William A. Darity, Jr., of the University of North Carolina at Chapel Hill economics department. A monograph on trends in racial inequality in the United States, based on the joint research, is forthcoming. Research support for the monograph from the Upjohn Institute is gratefully acknowledged.
Law and Inequality

Introduction

President Hasselmo, Dean Schuh, Mrs. Wilkins, Dr. Hooks, out-of-town guests, distinguished visitors, colleagues and friends. Roy Wilkins devoted his life to the battle for human rights and social justice.\(^1\) His vision of racial equality guided the NAACP’s successful efforts to break down many of the most blatantly discriminatory barriers in American life.\(^2\) The movement towards racial equality through equality of opportunity for all peoples was not only a triumph for Roy Wilkins and the NAACP but for the American ideal of democracy.

But yet, in this last decade of the twentieth century, the American ideal of democracy is being challenged by the nagging question of race. Until the recent Los Angeles riots\(^3\) and brief spurts of racial unrest elsewhere in the nation, the elimination of racial inequality in American life was not at the top of the political agenda. It still is not, but it has moved noticeably from the bottom of the long list of priorities that our public policymakers have set for making this a better world for all of us.\(^4\)

At the beginning of the 1980s, many Americans thought of racial inequality in the same terms as we now think of the threat of communism: It no longer exists. The ranks of corporate America apparently were swelling with articulate, well-trained African

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1. "[F]or [Roy Wilkins'] accomplishments, he was given the Medal of Freedom, the country's highest civil honor." A Celebration: The Roy Wilkins Chair in Human Relations and Social Justice (July 29, 1992) (chair dedication brochure, on file with author).

2. Roy Wilkins helped further numerous NAACP cases and causes. For instance, in the early 1930s he worked undercover to expose the army's unconscionable practice of paying blacks as little as $.10 per hour for hard labor shifts extending up to 12 hours. He also picketed the 1934 Crime Conference in an attempt to humiliate the Justice Department into condemning and cracking down on lynching blacks. Roy Wilkins also played a vital role in well-known NAACP cases such as Missouri ex rel. Gaines v. Canada, 305 U.S. 337 (1938) and Brown v. Board of Education, 347 U.S. 483 (1954). See generally Roy Wilkins & Tom Mathews, Standing's Fast (1982).


Americans, Hispanics, Asians and Native Americans. There were more black elected officials, for example, at the beginning of the 1980s than there had ever been in America's history. Racial inequality? “What's the problem?” seemed to be the response.

The problem of race nags for reasons beyond the fact that it remains unresolved. In just the short span of the past several years the traditional mechanisms for reducing racial inequality—preferential hiring, affirmative action, set-asides, quotas—have been struck down repeatedly in the courts. Meanwhile, many indicators of social and economic well-being of minority group members are on the downturn. Income gaps between black and white family heads are widening; the fraction of black families headed by females and the proportion of black children growing up in poverty soar; the non-white/white gap in infant mortality rates widens; prisons are


7. See Wards Cove Packing Co. v. Antonio, 490 U.S. 642 (1989) (holding that using only statistical evidence to show a racial disparity in a portion of an employer’s workforce is insufficient to show a prima facie case of disparate impact under Title VII); City of Richmond v. J.A. Croson Co., 488 U.S. 469 (1989) (applying strict scrutiny to strike down minority set-aside program); Podberesky v. Kirwan, 956 F.2d 52 (4th Cir. 1992) (striking down racial preferences for scholarships); Janowiak v. Corporate City of South Bend, 836 F.2d 1034 (7th Cir. 1987), cert. denied, City of South Bend v. Janowiak, 489 U.S. 1051 (1989) (striking down an affirmative action program used in hiring).


9. Proportion of Black Female-Headed Families

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10. Black female infant mortality rates (age 0-1) are .0164 and black male infant mortality rates (age 0-1) are .0199. Antonio McDaniel, Projections of the African American Population by Cause of Death, 3 Challenge: J. Res. on Black Men 14, 15
bursting at the seams with increasing numbers of young black and hispanic males, many of whom have virtually made careers of such illegal pursuits as drug selling and weapon sales.\textsuperscript{11} All threaten to destroy the fabric of minority communities.

The problem of persistent racial inequality nags at the end of the decade because it remains still unresolved after centuries of frightful attempts to put it all behind us. The founding fathers confronted it by wondering about how to count in a democracy persons who, in practice, have no rights.\textsuperscript{12} We considered forming a colony and sending our unwanted back to Africa or to some other far off place.\textsuperscript{13} We fought a brutal civil war over it. We promulgated centuries of exclusionary immigration acts just to keep those, like Chinese, from enjoying the fruits of our democracy.\textsuperscript{14} We even formed

\begin{itemize}
\item In 1988 white infant mortality rates were 8.5 per 1,000 live births, while 1988 black infant mortality rates were 17.6 per 1,000 live births. [2 MORTALITY] NATIONAL CENTER FOR HEALTH STAT., U.S. DEP'T OF HEALTH AND HUM. SERVICES, PUB. NO. (PHS) 91-1101, VITAL STATISTICS OF THE UNITED STATES, pt. A. § 2, at 1 (1988).
\item Young black males, facing diminished legitimate economic opportunities, are attracted to this declining [drug] market for two interrelated reasons beyond their ill fates in the legal market. First, black consumers, more likely to be addicts than white consumers, represent a segmented market. Second, with the reduction in [drug] prices, addict consumption increases. The reduction in drug prices, then, has the effect of generating more business for black sellers.\textsuperscript{15} Samuel L. Myers, Jr., Drugs and Market Structure, 1 CHALLENGE: J. RES ON BLACK MEN 1, 18 (1990).
\item Slavery was an important and contentious issue at the Constitutional Conventions. The institution of the three-fifths compromise, where slaves counted as three-fifths of a person for purposes of apportionment and taxes, demonstrated the strength of the proslavery states. JOHN HOPE FRANKLIN & ALFRED A. MOSS, JR., FROM SLAVERY TO FREEDOM 76-77 (6th ed.)(1988).
\item The idea of returning blacks to Africa arose as early as 1714. By 1777, a Virginia legislative committee, led by Thomas Jefferson, developed a plan for deportation of African Americans. After a man named Paul Cuffe actually carried 34 blacks back to Africa in 1815, the concept gained additional support and instigated the formation of the American Colonization Society. The society dispersed agents to raise money and to interest African Americans in emigration to Liberia, Africa. The organization helped 1,420 blacks emigrate by 1830. Approximately 15,000 blacks eventually left the U.S. under the scheme of black colonization. The plan ultimately failed due to logistical and economic problems and opposition. Id. at 155-157.
\item In 1882, Congress passed the first Chinese exclusion act, effectively excluding immigration of Chinese laborers for 10 years. The act also prohibited the naturalization of Chinese immigrants and imposed other detailed restrictions. Congress renewed these basic prohibitions and added additional restrictions in 1892 and 1902. In 1904, Congress extended the 1882 exclusion act indefinitely, classifying virtually all Chinese as laborers. The Chinese exclusion acts were not repealed until 1943.
\end{itemize}
separate institutions and physical facilities—at no minor cost—to create a dual society of white and non-white.15

The words of the great American scholar, W.E.B. DuBois, sounding the alarm at the beginning of this century remain true today: "[T]he problem of the Twentieth Century is the problem of the colorline."16

In 1992, the color divide continues to exist, but with a new twist. White and nonwhite America share unequally in the wealth of the nation, but there are visible "successes" achieved using the color divide itself as the basis for rewards. Some people call it reverse discrimination.17 I call it race-based strategies. And, like it or not, the vast majority of Americans do not like them.18

The fundamental dilemma, as I see it, for resolving the nagging question of race, is how to develop non-race-based strategies for reducing racial inequality. My parents' generation led a Civil Rights revolution that paved the way for those of my generation to benefit from a more equal set of opportunities. My generation recognized that equal opportunity was not enough. The past quarter century saw the evolution of a massive government supported effort to create equal results through various race-based strategies.19 Those efforts were not altogether successful in further reducing racial inequality, as recent statistics of the widening racial gaps in measures of social and economic well-being reveal.20 Those efforts,

15. After slavery was abolished, the South legally imposed a biracial system of segregation known as Jim Crow laws. See LESLIE H. FISHEL, JR. & BENJAMIN QUARLES, THE BLACK AMERICAN 128-132 (1970). This system was retained until the Supreme Court ruled that "separate but equal," was unconstitutional, at least in public education. Id. at 499-501 (citing Brown v. Board of Educ., 347 U.S. 483 (1954)).
20. For instance, "[b]etween 1969 and 1983 the jobless rate among all blacks soared from 6% to 20%. Officially, the jobless rates for blacks fell to 12% by 1988, but unofficially, a depression-level one out of four black workers are unemployed."
nonetheless, no longer enjoy public support.21 A new generation, already restless and angry, is left with the nagging problem to resolve without the benefit of traditional race-based strategies.

It is thus with great humility that I approach the task ahead in implementing the vision that so many dedicated and committed citizens embraced when they helped to create the Roy Wilkins Chair in Human Relations and Social Justice. The already difficult task of developing a scholarly research agenda that will help to resolve such problems as the widening racial inequality in American life is made even more difficult when the intended beneficiaries of these long-term efforts are beginning to revolt.22 But yet, it is a testament to the foresight and the vision of those who have worked hard to create this endowment that we have placed the problems of human relations and social justice on the front burner of our policy agenda.

I would like to focus my remarks today primarily on the problems faced by African Americans. There are many parallels to these problems faced by other minority group members. But there are additional and often substantive differences as well. Since I have been given only a limited amount of time to speak, I will narrow my focus to comparisons of blacks and whites.

The Rich Get Richer . . .

Much has been said in recent years about the fact that the during the 1980s the rich got richer and the poor got poorer.23 The


21. See supra note 18.

22. Black students, for example, are beginning to demand recognition of their needs. Students protested at the University of Massachusetts at Amherst when the student newspaper (The Collegian) failed to publish an editorial condemning the verdict of the Rodney King case in Los Angeles. John Leo, A Tempest in the Newsroom, U.S. News & World Rep., June 8, 1992, at 18. Similarly, black students marched to voice their demand for a black cultural center to be permanently located at the University of North Carolina at Chapel Hill campus. Vern E. Smith, A Place to Call Their Own, Newsweek, Oct. 12, 1992, at 92.

23. Around the time of the L.A. riots, the Wall Street Journal ran several articles and editorials on the subject of income disparity growth. One article stated that researchers from the Center on Budget and Policy Priorities found, in a study on income disparities, that the top fifth of Louisiana's population in terms of income earned 8.7 times that of the bottom fifth in 1979. By the late 1980s this number grew to 14.5. This problem is not unique to Louisiana, or even the South however, as 43 states saw the income gap widen over the 1980s. Lucinda Harper, Gap Between Income of Rich and Poor is Called Widest in South and Southwest, Wall St. J., Aug. 28, 1992, at A2. In a Wall Street Journal Counterpoint article, MIT economist Paul Krugman, illustrated the growing income gap by stating that the fraction of workers with incomes too low to bring them above the poverty line soared to 18% in 1990,
reasons for this include the changes in the tax laws, the deregulation of many industries, the expansion of banks into risky investments vehicles, the reduction in real welfare benefits and related social programs, the decline in federal support for state and local investments in poverty-reduction efforts and so on. In other words, the rich got richer and the poor got poorer because of the public policies of the 1980s that favored the rich and disfavored the poor.

What has not received much attention, however, is the racial disparities inherent in the numbers that tell us that the rich got richer and the poor got poorer. The numbers are all readily available from the various publications of the Bureau of Census's Current Population Reports. And what they show is that the refrain should be: "The rich got richer and the black poor got poorer."

In 1967, 2.8 percent of white families had real incomes less than $5,000 in 1991 dollars. Ten years later, 2.0 percent of white families had incomes below $5,000. And by 1990, 2.3 percent of white families had incomes below $5,000. That is, there were proportionately fewer whites at the bottom of the income distribution in 1990 than there were in 1967.

But these inter-year differences are slight. For the entire period of 1967 to 1990—a span of an entire generation—there was little change in the proportion of white families that were truly poor and disadvantaged. Of course there were substantial changes in the percentages of whites who were advantaged. The proportion of white families with incomes of $100,000 or more in real dollars soared from 2 percent in 1967 to 6.6 percent in 1990. Just during the 1980s, this well-off fraction of the white population expanded from over 3 percent in 1980 to 7 percent in 1989.

The black rich, representing a correspondingly smaller percent of the black population, also got richer. Five-tenths of one per-

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25. Id. at B9. (Figures are taken from Table B-6, entitled "Families, by Total Money Income, Race, and Hispanic Origin of Householder: 1967-1991.").

26. Id.

27. Id.

28. Id. (defining the truly poor and disadvantaged as those with incomes below $5,000 in real dollars).

29. Id.

30. Id.
cent of black families had incomes of $100,000 or more in 1967;\textsuperscript{31} five-tenths of one percent of black families had incomes of $100,000 or more in 1980.\textsuperscript{32} By 1990, however, 1.3 percent of black families had incomes at or in excess of $100,000.\textsuperscript{33} So, the black rich got richer too.

But the black poor got poorer.

In 1967, 8.4 percent of black families had incomes below $5,000 (in real 1990 dollars).\textsuperscript{34} By 1977, 6.8 percent of black families had such low incomes.\textsuperscript{35} But this percentage jumped to 9.9 during the 1982 recession and never went down.\textsuperscript{36} Over the decade of the 1980s we saw the upward creep of the percentage of black families with incomes at the bottom of the income distribution.\textsuperscript{37} By 1990, almost 11 percent of black families had incomes below $5,000.\textsuperscript{38}

Stated differently, from 1967 to 1990 the percent of black families with incomes below $5,000 jumped by almost one-third, with much of that increase occurring since the 1980s.\textsuperscript{39}

Thus, the rich got richer, and the black poor got poorer.

The bottom line, therefore, is that there is a very clear racial dimension to the notion that "the rich got richer and the poor got poorer." And it is that dimension on which we need to focus when discussing national trends in public policies concerning race and poverty in America.

In what follows, I will briefly note some of the problems of education, jobs, crime and drugs, and family structure and their relationship to widening racial inequality in America. I will discuss what I think is wrong about the approaches we have taken toward dealing with race and poverty. And finally, I hope to challenge you to think about what we can do to reduce racial inequality without creating even greater hostility from the majority of Americans who may believe that racial equality means making the average person worse off in order to make the black poor better off.

\begin{footnotes}
\item[31.] Id. at B10.
\item[32.] Id.
\item[33.] Id.
\item[34.] Id.
\item[35.] Id.
\item[36.] Id.
\item[37.] Id.
\item[38.] Id.
\item[39.] See supra notes 34-38 and accompanying text.
\end{footnotes}
Education and Earnings

Everybody agrees that the schools are a mess. Experiments such as Baltimore City's agreement to have a private firm run several local public schools are all enthusiastically endorsed. The drive toward a mandatory Afrocentric curriculum is gaining momentum. The promise of a national private school system is attracting support from top-leadership. From the corporate board rooms to the inner-city housing projects, there is an almost irrational rush to accept the new in addressing the problems of the schools. The rush to accept new untried models is a testament to the pessimism and despair with which we view the public schools.

The schooling that most young black children are receiving is not a mess simply because of the low pay of the teachers, the difficulty in attracting top talent to ghetto schools, mismanagement

40. One need only look to the vast amount of books and studies dealing with the problems facing American schools to see this statement has a general consensus. See generally CHARLES E. SILBERMAN, CRISIS IN THE CLASSROOM (1970); PAUL WOODRING, THE PERSISTENT PROBLEMS OF EDUCATION (1983); and GERALD LEINWAND, PUBLIC EDUCATION (1992) (quoting a portion of NATIONAL COMMISSION ON EXCELLENCE IN EDUC., A NATION AT RISK (1983)).


43. The Edison Project was designed by Christopher Whittle to create a network of private schools. The project has gained credibility with the help of former Yale University President Benno Schmidt. Public Education, Privatized, N.Y. TIMES, June 11, 1991, at A22.

44. E.g., id.

45. This is a problem, however, because teachers receive pay not commensurate with their skills and education. The mean salary for teachers has remained only slightly above the mean salary for all workers since the 1930s. PAUL WOODRING, THE PERSISTENT PROBLEMS OF EDUCATION 80-81 (1983). From 1970 to 1980 teacher salaries failed to keep pace with inflation, and their purchasing power decreased by approximately 15%. Id. at 81.

46. Shirley M. McBay states that African American students attend highly segregated schools "where resources are extremely limited and teachers are the least experienced and the least prepared to meet their needs." Shirley M. McBay, The Condition of African American Education: Changes and Challenges, in THE STATE OF BLACK AMERICA 1992, supra note 8, at 141, 152. Furthermore, Ronald Ferguson finds that minority students perform less well on standardized math and reading examination in school districts where teachers have lower teacher certification scores. Ronald F. Ferguson, Racial Patterns in How School and Teacher Quality Affect Achievement and Earnings, 2 CHALLENGE: J. RES. ON BLACK MEN 1 (1991).
or lack of resources, poor parental involvement, drugs, crime, violence and the breakdown of traditional values and the nuclear family.

No.

Increasingly the issue seems to be that what we are teaching in school is not particularly relevant to the needs of the job market nor the realities of the changing market place.

One important need of the job market is the ability to think critically and to analyze abstractly and empirically using numerical computation skills. We don't teach that to inner-city students. And if we were to do so, there would be more riots and more racial tension and more conflict in our neighborhoods than we ever saw in South Central Los Angeles. Why? Because once we teach these poor people at the bottom of the social and economic heap how to think critically, they will criticize. They will wake up to the significant racial inequalities in America, and they will rebel. They might even vote, for that matter, but they will end up voting into office someone very unlike you and me. They may decide that they want Sister Souljah to be their congresswoman.

The reality of the changing marketplace matters as well. Increasingly, the route to upward mobility is ownership. Not just ownership of flashy cars and clothes, for which many in our poorest communities nonetheless go into debt to finance. No, I mean own-

47. Schools comprised of predominantly minority students are generally located in low income or poverty stricken areas and therefore, receive fewer funds for their education. In Texas, for instance, education officials report that the richest school district spends $19,300 per pupil and the poorest, $2,100. Gerald Leinwand asserts that this becomes "a local map of social class and ethnic diversity. The rich school[s]... are largely white while poor ones consist mainly of racial minorities." GERALD LEINWAND, PUBLIC EDUCATION 125-126 (1992).


49. Silberman finds truth in the statement that black children do not learn because they are not taught. Students and teacher interact less, and teachers from low-income classrooms discuss the curriculum with less than half the frequency of teachers from middle-income classrooms. In low-income schools, the demands placed on low-income children, generally black, are few and modest; they involve learning to take orders and low expectations for student achievement. CHARLES E. SILBERMAN, CRISIS IN THE CLASSROOM 89 (1993).

50. Ownership of human and nonhuman wealth is crucial to the economic well-being of individuals and groups in a capitalistic system. The group or individual that owns and employs more assets will have higher current earnings or consumption. Second, ownership of wealth is important because wealth holders organize production in a capitalistic system.

ership of property. I mean ownership of productive, income earning assets.

The rich got richer not simply because their salaries went up. The rich, at least the white rich, got richer because of increases in the share of their incomes that accrue from productive assets. Whereas 95 percent of families earning at least $75,000 per year had income from interest, dividends, rent, royalties, estates or trusts, only 29 percent of the families earning less than $15,000 had such property income. And then most of those families were white.

In 1990, approximately 46 million families received property income. Almost 42 million of them were white. Of the 2.8 million blacks who received property income (interest, dividends, rents, royalties or income from trusts or estates), most were affluent and most of their property income came from interest.

Even among black families with incomes of at least $100,000, all of them derive property income from interest. Far fewer get income from dividends or rents.

Thus the black poor and even the black non-poor share an important characteristic: They do not own anything that produces income except their human capital. The rich get richer not because they have better jobs which they get by going to better schools. The rich get richer because they own the means of production: income producing assets that are reshaping how we do business in the world economy.

Even if we miraculously transformed the public schools into the vibrant, intellectually stimulating places that the rich and near rich can afford, we still will not have addressed the issue of why the rich are rich. It won’t hurt, of course, to have a cadre of thinkers with powerful analytical skills from the inner-city. And we ought to want to inspire our next generation of teachers to invest in the challenge of bringing critical thinking skills to the poorest of Americans. But let’s also be aware that we have to be prepared to confront the logical consequences of instilling these valuable capa-

52. Id. (over 90% of the families receiving property income are white).
53. Id.
54. Id.
55. Id. at 101. (over half of the 2.8 million blacks receiving property income earned at least $35,000, and over 90% of these blacks derived property income from interest).
56. Id. (81,000 black families received property income, and 81,000 black families derived property income from interest).
bilities in our disadvantaged youth: they will figure out that a college degree or an MBA is not what it takes to make it in America.

This is not to say that education does not matter in the determination of wage and salary earnings. Greater educational attainment does yield higher wages and salaries for persons who work. And unfortunately, among blacks who fail to attain at least a high school education, earnings have diminished over the years relative to whites. And worse, black males who are non-family heads out of the labor force are falling behind in educational attainment. And that translates to lower earnings.

The relative earnings position of young black males with little education, moreover, deteriorated substantially. In 1970, for every dollar that a white male under 25 years of age who had not graduated from high school earned, similarly situated black males earned $1.11. By 1988, this advantage disappeared completely: for every dollar young, uneducated white males earned, blacks earned only 35 cents.

It is tempting to blame this deterioration on low educational attainment and perhaps to the low labor force attachment of young black males. But even within the age group of under 25 year olds, the position of better educated black males deteriorated as well. In other words, while education matters, the problem of racial inequality cuts across different levels of achievement among black males in America.

57. A recent study by Ashenfelter and Kreuger on education and its influences on earnings involved examining the earnings of twins with different levels for education. The study used twins to decrease the effects of unmeasured factors, such as intelligence and social class, which could influence a person's success in school. The researchers found that each additional year of education has the effect of increasing income by 16%. Peter Passell, Twins Study Shows School is Sound Investment, N.Y. TIMES, Aug. 19, 1992, at B7.

58. Darity & Myers, supra note 8, at 121. One explanation given by researchers is that "industry has a massive effect on workers with high school or less education in the Midwest, accounting for over one-third of the increased racial earnings differential. . ." John Bounds & Richard B. Freeman, What Went Wrong? The Erosion of Relative Earnings and Employment Among Young Black Men in the 1980s, 107 Q.J. ECON. 201, 215 (1992).

59. Darity & Myers, supra note 8, at 132.

60. Id. at 129-132.

61. Id. at 133.

62. Id.

63. In 1988 black males (25 years or younger) with some college earned $.74 for every dollar earned by a comparable white man. This is a decrease from 1982 when the black-to-white earnings ratio for the same age and gender was 0.87. Black males in this group were better off in 1970 when the ratio was 0.95! Id.
The Marginalization of Black Males

This leads us to the issue of the marginalized status of young black males in American society. Before the 1992 presidential campaign got into full swing, there was a brief upsurge of public interest in the plight of the black male.64 There was the usual recitation of the bleak statistics on crime, imprisonment and related social ills that disproportionately affect young black men in America. Many black fraternal organizations, church groups, social clubs and community organizations rushed to lend a hand through mentoring programs and scholarships and the like,65 hoping to save "an endangered species."

The statistics point to the increasing incarceration rates, the rise in homicide rates, the escalating mortality rates, the low labor force participation rates and a whole host of social and economic indicators confirming a severe crisis among black males in America.66

The mounting evidence, moreover, points to a causal relationship between the deterioration of the position of the black male and the destruction of the black population.67 And white America is implicated.

Many black leaders see the problem as white America's perceptions of blacks. White America harbors negative images of African American males, images that help to explain blacks' overrepresentation among those arrested and incarcerated.68

A resounding theme of black scholars, national leaders and commentators is that the problem of black males is intimately re-

65. See id. at 105-106, 115, 125-128.
68. See e.g., Hearings, supra note 64, at 218 (statement of Blair Underwood, spokesman, Twenty-first Century Commission on African American Males). Blair Underwood, star of television's L.A. Law, described an episode of L.A. Law in which he portrayed an innocent black man out for a jog, who was arrested on the basis of implied guilt due to his skin color and presence in an upper class neighborhood. Underwood said this was not fiction for African American males because it was based on his personal experience in Los Angeles. Id.
lated to the images of blacks held by whites. After a feast of several highly publicized incidents portraying black men as crooks, drug addicts, thieves — and seeing Marion Barry taking a hit from a crack cocaine pipe — it is no wonder that whites have such a negative image of blacks.

Now the great concern by whites about blacks has all died down. More important issues are now before us: the break-up of the Soviet Union, the competitiveness of the U.S. economy, the nagging recession. That is, all died down until the alarm generated by the riots in Los Angeles. Still, little is being said or done about the plight of young black males in society.

The concern that whites have about black males is based on fear. They are afraid of the hoodlums, the drug dealers, the young gangsters who have adopted American materialism with a deadly flair. We cannot construct sufficient prison space or execute enough persons in order to remove enough criminals to make our streets truly safe.

Moreover, black males are not wanted or useful in our increasingly technology-oriented economy. Unlike previous eras, in which manufacturing provided jobs for a much larger proportion of black manual laborers, the new era, dominated by service and high-tech industries, offers few jobs for these workers. Young black males no longer occupy large quarters of the lower tiers of the labor mar-

69. Id. at 212 (statement of Clifford L. Alexander, Former Secretary of the Army for the Carter Administration, former Chairman, EEOC, and Special Consultant to President Johnson on Civil Rights).

70. For example, the 1988 Bush campaign relied on Massachusetts' furlough program and Willie Horton, a black convicted murderer who committed crimes while on furlough, to portray Bush's opponent, Dukakis, as lenient on criminals. Many viewed the commercials using Willie Horton's image as an attempt to play on whites' fears and stereotypes of blacks. Jack E. White, Bush's Most Valuable Player, TIME, Nov. 14, 1988, at 20.

71. See Bound & Freeman, supra note 58, at 215 n. 11.

72. Walter E. Massey foresees that the only way African Americans can obtain these high technology positions is through education. Walter E. Massey, Science, Technology, and Human Resources: Preparing for the 21st Century, in THE STATE OF BLACK AMERICA 1992 157, 160-162 (National Urban League, Inc. ed., 1992). However, colleges and post-baccalaureate programs have been having difficulty retaining African American students. Id. at 161. Moreover, educational achievement has been eluding blacks due to the institutional problems mentioned earlier in this paper. See supra notes 46-47 and accompanying text.
Almost by design, they are disappearing from the labor market altogether.\textsuperscript{74}

And then there is the issue of the social managers — especially public sector administrators and policy analysts, informed and trained by academic “social policy experts.” They have defined the parameters of the debate about the “problems of black males” in ways that may preclude creative strategies for solving these problems.\textsuperscript{75} They have embraced the “culture of poverty” perspective.\textsuperscript{76} They accept the notion that pathology and dysfunction are at the root of the problem.\textsuperscript{77} The problem lies with the poor, whose behavior we no longer seem to be able to affect.

Some policymakers embrace a view that places “culture” at the center of the problem and the solution.\textsuperscript{78} And yet, even the controversial National Academy of Sciences report on the status of

\textsuperscript{73} In manufacturing, for instance, 20\% of operators, fabricators, and laborers were unemployed. \textit{Bureau of Lab. Stat., U.S. Dep’t of Lab., Bull. No. 2289, Displaced Workers, 1981-1985, at 4 (1987).} In 1990 approximately 33\% of black men were employed in these occupations. \textit{Bureau of Lab. Stat., U.S. Dep’t of Lab., Employment & Earnings, Sept. 1990, at 58.} This figure may be somewhat deceptive since the total percentage of blacks in these occupations decreased slightly from 1980 to 1988, \textit{Bureau of the Census, U.S. Dep’t of Commerce, Statistical Abstract of the United States: 1981, 403 (1982) [hereinafter 1981 Abstract]; Bureau of the Census, supra note 5, at 391, despite the more rapid increase of the black population compared to the white population. See 1981 Abstract, supra, at 25; Bureau of the Census, supra note 5, at 12 (the black population increased 14\% while the white population increased only 10\% during the same time period).}

\textsuperscript{74} The U.S. Bureau of the Census predicts a 5\% increase in the labor force participation rate of white men by the year 2,000, yet it only foresees a 1.4\% increase in the black male participation rate. \textit{1990 Abstract, supra note 5, at 378.}

\textsuperscript{75} This preclusion of creativity in approaching strategies to alleviate the “problems of black males” may be attributed to the futility with which policy professionals view their efforts as a result of adherence to the “culture of poverty,” see infra note 76, and “structural transformation,” see infra note 77.

\textsuperscript{76} The “culture of poverty” approach is a way to explain group disadvantages by blaming the victim. The theory “places strong emphasis on the autonomous character of the cultural traits once they come into existence. In other words, these traits assume a ‘life of their own’ and continue to influence behavior even if opportunities for social mobility improve.” \textit{William Julius Wilson, The Truly Disadvantaged: The Inner City, The Underclass and Public Policy 137 (1987).}

\textsuperscript{77} William J. Wilson maintains that “structural transformations in the economy . . . create social isolation . . .” whereby “middle-class institutions . . . [flee] the inner-city ghettos leaving underclass residents without mediating influences . . . .” \textit{William Darity, Jr., et. al., Black Underclass: Critical Essays on Race and Unwantedness § 3.6 (forthcoming 1993).} Wilson maintains that these structural transformations “reinforce dysfunctional behaviors among those in the inner city.” \textit{Id.} Wilson believes that structural isolationism led to “a rise of pathological behaviors that defeat the underclass’s attempts to rise out of poverty.” \textit{Id.}

\textsuperscript{78} Policymakers have given advocates of “black self-help” programs serious attention, and some of those advocates maintain that culture causes the inner city problems addressed by self-help programs. Wilson, supra note 76, at 158.
blacks rejects the cultural explanation of black poverty.\textsuperscript{79} Factors such as the decline in the economic opportunities of young black males and the resulting destabilization of black families seem more germane to explaining the crisis at hand. While enhancing self-esteem and increasing black unity and responsibility may be desirable on other grounds, it is not likely to solve the problems of black poverty.

Policy analysts and researchers embracing culture of poverty perspectives place the responsibility of the plight of young black males on the shoulders of the victims. Unheard, unfortunately, are the voices of the victims. Young black males, particularly those without high school educations, are not all pathological misfits. Many have the same ambitions and motivations that successful entrepreneurs through the ages have had. The inner-city drug trade is one obvious example of how these ambitions and motivations direct themselves in the absence of legitimate opportunities.

I have examined drug dealing among black youth and find no evidence that criminal tastes or pathology cause participation in this entrepreneurial — albeit illegal — activity. Instead, it is lack of employment opportunities.\textsuperscript{80} If we harnessed these entrepreneurial talents and applied them to legitimate markets, then young black males could turn out to be our best salesmen in the newly emerging world market place.

**Widening Family Earnings Gaps**

Mention is made of the marginalization of young black males because it has significant implications for the widening of earnings gaps between black and white families. Racial earnings gaps among family heads have widened in recent years. The ratio of black to white family income in 1990 was below what it was for every single year from 1967 through 1980.\textsuperscript{81}


\textsuperscript{80} Christopher Jencks refutes William Julius Wilson’s approach to the African American underclass, or the “undeserving poor,” stating that hypotheses regarding black and ghetto culture cannot be explained “unless [they are] embedded in a larger story about cultural change.” Christopher Jencks, Rethinking Social Policy: Race, Poverty, and the Underclass 122 (1992). For example, black male joblessness has been blamed on black males living in central city locations with poor job opportunities. Id. at 123. Jencks asserts that structural changes in the economy as a whole must be reevaluated with respect to the labor market instead of focusing solely on central-city economies. Id. at 124.

\textsuperscript{81} Myers, supra note 11, at 7.
In relative terms black families are losing economic ground. "If this decline in the relative economic status of black families is projected into the next decade, the result will be a persistence of racial income inequality that turns the clock back to the income position black families experienced 30 years ago." Moreover, because of changes in family structure, the black family is more vulnerable today than it was at the start of the 1960s.

At least part of the explanation for the decline in the economic status of black families in recent years is related to the increasingly marginalized status of black males, as evidenced by increases in incarceration and violent deaths. This marginalization translates into fewer marriageable mates and thus fewer opportunities for the formation of two-parent families.

To put it simply, as crime and violence and black male mortality increase, black families become more unstable and less able to become stable because of the continued destruction in the ability of black men to care for their families. This reduces the economic base for the black family unit, resulting in greater poverty among those at the bottom. The cause of all these is related to the marginalization of black males in society: they are neither needed nor wanted for the continued functioning of the economy.

The consequence is a widening of racial inequality, which itself is an indicator of the lesser importance of blacks and the black poor in particular to society.

The existing patterns of marginalization of black males, the growth in female-headed families and the resulting decline in family incomes, and the rise in racial inequality suggest a pessimistic outlook for the future. Estimates of the ratio of black to white family incomes to year 2000 reveal a bleak outlook. Assuming no new recessionary effects, no changes in the growth of female-headed families and no additional deterioration in the plight of young black males — at best the ratio of black-to-white family earnings in the year 2000 will still be only about what it was in 1977.

82. Darity & Myers, supra note 8, at 119.
83. Id. at 120.
84. Id. See infra note 9. In 1991 black female householders had a median income of $11,414, whereas the figure for black married-couple families was $33,307 and $41,506 for white married-couple families. White female householders also fare better than their black counterparts, earning a median income of $19,547 in 1991. U.S. Bureau of the Census, supra note 24, at 41-42.
85. Darity & Myers, supra note 67, at 18.
86. Darity & Myers, supra note 9, at 8.
87. Id. at 5.
Black families will earn at best 63 cents for every dollar white families earn by year 2000.88

This sad conclusion can be averted if the growth of poor, female-headed families is curbed. As long as young men continue to be marginalized, however, the prospects for increasing the share of black families with male heads seems remote. Strengthening female-headed families, while obviously beneficial in the short-run, offers little hope for reducing the earnings gap further. Since the culprit in this link remains the deteriorating position of young black males with little training or education beyond high school, the solution must lie in salvaging what otherwise could be a lost generation of men. Failure to reverse the neglect of these disadvantaged members of our communities will only mean that future inequality will be more difficult to eradicate.

When Will Racial Equality Be Reached?

This pessimistic assessment of the long-term relative position of black families is countered by evidence of recent improvements in black real per capita incomes. The general trend was a rise in the ratio of black to white per capita money incomes through 1978. There was a steep slide beginning in 1978 and ending in 1982.89 Since 1982 the general trend appears to be a new rise, but this has not reached the pre-1978 levels.90

I have estimated a forecast when, based on the past trends, racial equality in per capita incomes would be achieved if the past trends persisted. The model is estimated using the data points for each of 23 years from 1967 to 1990 and yields a positive slope. In other words, the long-term trend in the ratio of black to white per capita incomes seems to be an upward trend. Even if this apparent upward trend were to continue it could be roughly 12 generations before racial parity is reached in per capita incomes.

Concluding Comments

Let me summarize some central conclusions that can be drawn from the preceding arguments:

1. The rich got richer but it was the black poor that got poorer. Thus, there is an explicit racial dimension of the inequality problem, that may be at the heart of why white America has not been too concerned about the widening of inequality during the 1980s. If the white poor had gotten poorer, and the black

88. Darity & Myers, supra note 8, at 137.
89. Id.
90. Id.
rich had gotten richer, you can bet that everybody would know about it.

2. The black poor are not being trained to think critically, to become owners or managers. Indeed, conventional public policies focus on the black poor's alleged cultural deficiencies and ignore the potentials that the poor have in contributing productively to the revitalization of their communities. I believe that this is evidence of the low value we place on the talents of the black poor.

3. The problem is not simply one of class, since well off blacks also suffer from lack of ownership of productive resources and are also stigmatized in our society because of their race.

4. But the black poor are structurally caught in a poverty cycle that would be difficult to break without addressing the question of their usefulness in the economy. This is particularly true of young black males: because they are not wanted or useful, they turn to crime and violence; the crime and violence contribute to their withdrawal from the productive economy and then they become less and less useful.

5. The impact of this marginalization of young black men is to contribute to the increase in female-headed families which further reduces the resource base of black families which contributes to the widening in earnings inequality.

6. But yet, even as black families are becoming worse off, many black people are prospering. Looking at those numbers, however, does not reassure. If the current "improvement" in per capita income persisted, it would take a dozen generations before blacks and whites had equal incomes.

7. Even if they had equal incomes, however, they still would have unequal wealth, because of their long-standing legacy of lack of access to productive capital in America.

What must be done?

First, we must recognize that poor blacks themselves should be involved in helping to solve the problems of minority communities. In these days when there is a decline in minority enrollments in graduate programs,91 when fewer and fewer minority students are pursuing degrees in policy analysis fields,92 and fewer of these

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91. From 1980 to 1991 the number of African Americans enrolled in Ph.D. programs in the United States declined from 424 to 300 students. Sheila Ards & Maurice Woodard, African Americans in the Political Science Profession, 25 PS: Pol. Sci. & Pol. 252, 252-253 (1992). Additionally, since 1975 there has been a 17.1% decline in the number of African Americans receiving doctorates. Id.

92. Preliminary research by Anne R. Edwards, formerly Assistant Dean at the Irving B. Harris Graduate School of Public Policy Studies at the University of Chicago, seems to show few African American students enroll in Ph.D programs, including those at public policy schools. The research is compiled from the results of a survey taken of Ph.D. graduates from various universities. Memorandum from Anne R. Edwards, Assistant Dean at the Irving B. Harris Graduate School of Public
talented minorities seem to be returning to our ghetto communities as teachers, we must now look to these very ghetto communities for the talent and the capacity for developing solutions. We need them to assist in a meaningful way in the design, formulation and implementation of solutions to the vast array of problems that plague our communities. We need to listen to inner-city residents and to learn to think about the problems of violence and drugs among young black males within the broader context of the poor opportunities, declining social support systems, and increasing economic distress. We need to embrace young black males as part of the solution.

And it seems to me that the solution will entail a revolutionary discussion of ownership. Until blacks believe that they have a significant stake in ownership of their own communities, they will continue to despair and erupt sporadically in what white America views as irrational, self-defeating violence.

The fact that we have not had many outward attacks of violence on white America over the past 25 years missed the whole point of what happened in Los Angeles. The point is that there has been inward violence mounting for some time; the indicators of economic inequality are like a barometer of the potential for social revolt in our communities. The violence by blacks against blacks failed to get our attention. The violence by blacks and other racial minorities in the teeming urban cores of our nation against the

Policy Studies at the University of Chicago to the APPAM Institutional Representatives 2 (Oct. 29, 1992) (on file with author).

For instance, if the survey responses represent the overall Ph.D. population at Brandeis University, which possesses a solid history of producing black social policy analysts, black students comprise 10% of Ph.D students. Only 5% of respondents claimed to hold a policy school position. Five percent of 126 respondents is approximately 6 policy school positions. This means that if only 10% of this 5% are black, less than 1 black student responding to the survey has an academic position at a policy school. These findings probably overstate the representation of blacks since the response rate for the survey was less than 35% (out of 1,177 surveys sent out, only 407 were returned), and based on the survey's purpose, minorities were probably more likely to return the survey.

93. In general, poverty stricken areas have difficulty attracting talented workers, as indicated by the earlier discussion on education and teachers. See infra note 46.

94. Statistics show that homicides of blacks increased steadily during the second part of the nineteenth century. JENCKS, supra note 80, at 182. From 1985 to 1988 violent crime by young blacks (age 15 to 24) increased. Id. In 1988 among this age group, murder rates of black males numbered 101.8 per 100,000, while in 1985 this same figure was only 66.1. Id. This is indicative of black-on-black violence, since 90% of all arrested are the same race as the victim. Id. at 183. Thus, increases in the numbers of black victims is a "fairly reliable index" for increases in black murders. Id.

95. "Modern-day victims of crime received little attention, whether white or black until very recently. . . . The effects of crime on black victims and black commu-
rest of us will certainly get our attention if we are foolish enough to wait for it to happen.

Roy Wilkins — a Minnesota native son — promoted a vision that unified the U.S. civil rights movement in the post-World War II era. That vision continues to capture the imagination of peoples throughout the world. Unfortunately, Wilkins’ vision of human rights and social justice seems to have been dimmed in the United States. Recent years have seen scores of successful constitutional challenges to governmental efforts designed to help racial minorities. These decisions have struck down affirmative action policies, such as race preference in hiring and school admissions,96 and set-aside programs.97 Programs designed to implement the civil rights agenda are slowly being dismantled. And yet, since Roy Wilkins’ death, there has been a dearth of critical analysis among policy makers, intellectuals, journalists and elected officials about what will replace these efforts. In the absence of such debate, little is being done to resolve the racial conflicts confronting our nation.

I consider it a distinct honor to be associated with this pioneering effort to promote Roy Wilkins’ vision and to fulfill his commitment to human rights and social justice through research and scholarship at the Hubert H. Humphrey Institute of Public Affairs and at the University of Minnesota. I owe much thanks to former Associate Dean Paul Light for energetically and effectively convincing me to accept this challenge; to the community of friends, associates and admirers of Roy Wilkins for contributing so generously to this undertaking; to the members of the search committee and the broader community of color that made this opportunity inviting; and to my family for making the difficult sacrifice of uprooting their lives in Washington, D.C., to make this move possible. To you all, I owe a great debt.

96. Janowiak v. Corp. City of South Bend, 836 F.2d 1034 (7th Cir.), cert. denied, City of South Bend v. Janowiak, 489 U.S. 1051 (1989) (striking down an affirmative action program used in hiring people for the police and fire departments); Regents of the Univ. of Calif. v. Bakke, 438 U.S. 265 (1978) (striking down a special admissions program reserving school places for minorities).
