Black statistics: A look at the figures on social change

Sharp differences continue in white views and black views regarding the situation of blacks in America. In 1978, 73 percent of whites responding to a Gallup poll thought blacks in general had as good a chance as whites of obtaining in their community any job for which they were qualified; only 38 percent of black respondents concurred. In a 1980 poll, 75 percent of whites thought the quality of life for blacks had gotten better over the last ten years, but fewer than half—45 percent—of black respondents gave that answer. The majority of blacks thought their quality of life had stayed about the same or gotten worse.

Other statistics can support contrasting answers to the question, How have blacks fared in the last decade? The broad generality of the question is likely to produce an oversimplified answer and give rise to debates that may do more to obfuscate than to clarify. On the optimistic side of the debate, numerous blacks have achieved prominence and success, and some social scientists have suggested that what were problems of racism have been transformed into problems of class. In *The Declining Significance of Race* (1978), William J. Wilson writes:

It would be nearly impossible to comprehend the economic plight of lower-class blacks in the inner city by focusing solely on racial oppression, that is, the overt and explicit effort of whites to keep blacks in a subjugated state. It would also be difficult to explain the rapid economic improvement of the black elite by rigidly postulating the view that the traditional patterns of racial discrimination are still salient in the labor-market practices of America industries. In short, unlike in previous periods of American race relations, economic class is now a more important factor than race in determining job placement for blacks (p. 120).

Other optimistic observers have relied on income and occupational data to support what has been termed the "dramatic improvement" thesis, which might be loosely paraphrased as a kind of declaration of victory: that thanks to the energy and initiative of individual blacks, thanks to the inherent desire of most Americans for equity, and thanks to federal and state policies of affirmative action, those who had in the past been thwarted by racism are now more comfortable members of the middle class,
and those still trapped in the ghettos should be viewed as a group whose problems stem from poverty rather than race.

A major report of the National Urban League (The State of Black America 1980) is a stark contrast to the "dramatic improvement" view. In the introduction the League's president, Vernon Jordan, states:

For black Americans the decade of the 1970's was a time in which many of their hopes, raised by the civil rights victories of the 1960's, withered away; a time in which they saw the loss of much of the momentum that seemed to be propelling the nation along the road to true equality for all its citizens (p. i).

It becomes imperative to see clearly. What has been happening to black America in the past decade? What do the statistics mean? What can we expect in the 1980s? Researchers at the Institute for Research on Poverty have explored these questions from a number of different perspectives. Their studies indicate that although the socioeconomic position of blacks in America still lags behind that of whites, progress is being made. And they point to programs that can promote further narrowing of the gap.

**Education**

The last ten years have brought considerable advancement in one sphere—school desegregation. Although the Brown decision (separate is inherently unequal) was delivered in 1954, implementation was sporadic until the late sixties, when the federal government began systematic enforcement efforts and the Supreme Court sanctioned increasingly strong measures including, in a 1971 decision, busing for the purpose of racially balancing public schools. In a study of the 2,000 school districts that contained an analyzable number of both white and minority students, a team headed by two Institute researchers, Karl Taeuber and Franklin Wilson, examined the impact of school desegregation policy on racial and socioeconomic characteristics of the nation's schools and residential communities. They measured the success of school desegregation by using an index of dissimilarity: in completely segregated school districts the index would be 100; in totally desegregated schools (where each school had the same percentage of black students as the black percentage in the school district) the index would be zero. They found that the index declined from 42 in 1968 to 21 in 1976. The decline was greatest in the South, and in smaller sized school districts; the index remained highest in large—especially the central-city—districts. Implementation of school desegregation programs (drafted under pressure from the courts, the DHEW Office of Civil Rights, or state agencies) was the major factor responsible for the declines in the level of school segregation.

Many of the school districts in the study just described were small southern districts, whereas a majority of the nation's black pupils attend school in fewer than 100 very large districts in the North, South, and West. In another study (see box), Taeuber, Wilson, and others therefore examined 87 of the larger school districts, each containing more than 10,000 black students in 1968. All of those districts in 1968 had segregation indices above 50; eight years later, 37 had scores below 50. Districts in which blacks were a minority in 1968 were more likely to show a decline in segregation by 1976 than those districts in which black pupils outnumbered white pupils. In the areas with the largest black population (New York City, Chicago, Detroit, Philadelphia, Los Angeles, Washington, D.C., and Baltimore), segregation in 1976 was still above an index of 50.

"Exposure indices" were also calculated to portray the changing racial composition of schools. The index of exposure of blacks to whites, for instance, is the average percentage of whites in the schools attended by black pupils. These measures indicated substantially increased opportunities for within-school contact between the races in most of the large school districts. This was especially true for those districts experiencing large-scale desegregation, even though many such districts experienced heavy declines in white enrollment (white flight). The report con-
cludes with a ray of hope about the long-run linkages between housing segregation and school segregation:

Most desegregation plans offer to many families the opportunity to send their children to geographically proximate public schools during some portion of the grade span. That portion is likely to be greater the more racially balanced is the local residential area. School desegregation plans may thus offer incentives for local moves that enhance residential integration (p. 39).

An attempt to avoid a less satisfactory alternative is not the best motivation for residential integration, but to the extent that the races are mingled, there should be some diminution of prejudice and fear. Diana Pearce, who spent the summers of 1978 and 1979 as a visiting researcher at the Institute, is carrying out a study of metropolitan areas comparing cities which have and have not undergone desegregation of the public school system to ascertain effects of desegregation on residential discrimination.

In the area of educational attainment there are generally encouraging signs. The Urban League report notes that the enrollment of black Americans in colleges by 1976 approximated their percentage in the population (10.2 percent of enrolled students; 11 percent of the population). They were still, however, far behind in graduate enrollment: 4 percent of the dentistry enrollment, 5.9 percent in medicine, and 4.5 percent in law. A disproportionately large number of these advanced students were still at historically black universities.

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ter cities, creating black enclaves in the suburbs. Though analysis of recent migration awaits 1980 census data, Wilson suggests that suburbanization among blacks is not necessarily leading to greater integration. It does, however, represent an upgrading of the housing situation for blacks. Wilson is not so sanguine about the possibilities of improved economic opportunities for suburban blacks. Wage differences "stem from forces inherent in the labor market—such as racial discrimination. Thus residential decentralization for blacks would seem to be, on the whole, of dubious economic benefit to them" (p. 194).

Samuel L. Myers, Jr., an Institute visitor in 1979–1980, and Kenneth E. Phillips look at the other side of the residential equation. They have examined the effects on poor blacks of the dispersal of the central city ghetto.

There has been a renewed desire to make large urban areas comfortable, safe, and convenient places to live. Either by design or consequence, black inner-city residents have been displaced and new pocket ghettos are becoming the future problems of the suburban towns. For whatever reasons, the ghetto is being dispersed and it is difficult to see how poor blacks will benefit. However, more comprehensive evidence, emerging from the 1980 Census, may show that the scattered black residences, the isolated black pockets of what was once a community, indeed, have fared well (p. 301).

If there are substantial employment losses as a result of decentralization of black residential communities, the ghetto dispersal argument appears to degenerate into merely dispersal of the ghetto problem (p. 300).

In reviewing the arguments related to ghetto dispersal, Myers and Phillips are less than enthusiastic: "Whether by design or by accident, ghetto dispersal may be a suboptimal means of improving the economic status of poor urban blacks" (p. 298).

Reynolds Farley and Suzanne Bianchi, with Diane Colasanto of the Institute, studied Detroit in 1976, a time when the center of the city was increasingly black and the suburbs increasingly white. They found that some of the barriers to integration were based on misperceptions by both blacks and whites. Using interviews, they found that most whites tended to feel that they were more liberal than their neighbors, and 73 percent said they would feel comfortable with one black family in their neighborhood. The authors did not address the question of whether these whites felt what they said they felt, or were merely paying lip service to what they felt they ought to have felt. But, as George Orwell sardonically noted: "Hypocrisy is a check upon behaviour whose value from a social point of view has been underrated." In any event, Farley, Bianchi, and Colasanto have suggested six steps to encourage future residential integration:

Make whites aware that other whites are not as prejudiced as they may think.
Make whites aware that blacks of equal [economic] status will be their new neighbors if residential integration becomes a reality.
Make blacks aware that whites are not as hostile to neighborhood integration as they [blacks] may think.
Make both blacks and whites aware that it is illegal to discriminate in the sale or rental of housing. [The researchers found that 52 percent of blacks and 37 percent of whites in Detroit did not know that the 1968 Civil Rights Act banned such discrimination.]
Prosecute realtors or home owners who violate the Civil Rights Act of 1968 or who threaten the civil rights of those blacks who enter a white area.
Have national and local leaders stress the importance of equal housing opportunities (p. 113).

Examining the factors that might influence black decisions to move into white neighborhoods, these researchers found no influence from either an overestimate of housing costs or the feeling that by moving they were deserting the black community. On the contrary, blacks had realistic assessments of the housing market, and a sense of black solidarity did not affect decisions to move. The only factor that mattered to blacks was how they could expect to be treated by their white neighbors: not surprisingly, they did not want to subject themselves to hostility.

Attitudes favorable toward reduced housing segregation increased during the 1970s, the decade throughout which federal law proscribing all forms of racial discrimination in housing was in place and during which a network of federal, state, and local agencies fought discrimination and encouraged integrated neighborhoods. Yet change in the underlying structure of housing segregation appears to have been glacially slow. Institute researchers hope that analyses of the forthcoming 1980 census data will cast new light on the barriers to and opportunities for change.

Politics

Progress in residential dispersal and desegregation may have a negative effect on black political power. That the concentration of blacks in the cities has added up to political strength is obvious. Big cities such as Detroit, Cleveland, Atlanta, and Los Angeles have (or have had) black mayors. By 1979, 4,600 elected officials at state, county, and municipal levels were black. And though it is often suggested that given the financial plight of the cities, municipal control can gain nothing for the constituents of those in power, Peter Eisinger of the Institute has demon-

(continued on p. 14)
commodities purchased by the poor rise in price faster than other commodities, and conversely, in times of trends toward equality, these prices rise more slowly than prices of commodities less frequently purchased by the poor.

But that is not the whole story. Other complications enter. For example, the declining rate of growth in inequality at the end of the nineteenth century appears to have been caused by the decline in the proportion of the labor force that consisted of unskilled immigrants from lower-income countries. Then the inequality gap widened once again, with the further resumption of unbalanced technological progress. This was the era of cheap energy: of an energy-using, labor-saving economy.

But why, following a seemingly self-perpetuating trend of inequality, was there a marked reversal? What happened to the country after 1929? According to Williamson and Lindert and their general-equilibrium model, the leveling that began then was the result of both technological and demographic forces. Total factor productivity had evened out among the sectors of the economy (agriculture for example had become highly capital-intensive and virtually insignificant). Americans conscientiously limited the size of the work force by having fewer babies and halting immigration altogether. Proportionally there were many fewer unskilled workers.

The future

Complex though the causes of the American inequality experiences have been, it is clear that during periods of high inequality national income per capita grew no faster than during periods of leveling and lower capital accumulation. In fact, growth in income per capita has been quite stable across periods of full employment since 1839. There was, then, no growth-equality trade-off. According to the authors: “The link between income inequality and the rate of growth in income per capita is very tenuous and pliable. It depends critically on the sources of both the inequality and the growth” (p. 290). Thus there is no necessity for choosing between growth and equality. Certain kinds of investments which enhance the assets of the poor may enable developing countries to eat their cake and have it too: growth with equality. The word “may” is of course necessary, because there is no such thing as ceteris paribus.

As for the United States, the authors refuse to be as dismal as their discipline. They raise the question, If an economy which is strongly labor saving and energy using promotes inequality, then should not the era we are entering—one of energy conserving and labor using—lead us farther along the road to equality? Furthermore, shouldn’t this nation have room for and need of the new wave of immigrants coming from Latin America?

Black statistics

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strated that in fact the accession of blacks to municipal leadership results in positive measurable gains for the black residents of that city.

In a comparative study of 43 cities with more than 10 percent blacks, using data on affirmative action required under the Equal Employment Opportunity Act of 1972, Eisinger found that although both black-run and white-run administrations respond to black voting blocs by using affirmative action techniques to lower such barriers to black public employment as civil service requirements and city hiring practices, under black mayors this trend is accelerated significantly. In some cities the mayor has personally pushed for the implementation of affirmative action plans; in other cities (Detroit and Atlanta), mayors have appointed black personnel directors to modify recruitment, testing, evaluation, and grievance procedures to increase minority employment. Eisinger concludes:

The presence of a black mayor has clear incremental effects on levels of black employment and on affirmative action effort, enabling us ultimately to conclude that a significant portion of black gains is a product of black political power. This is particularly the case in the area of hiring administrative officials and professionals... The penetration by blacks of these job categories ensures black influence in bureaucratic policymaking, the internal administration of various agencies... information gathering and control... and implementation of policies (pp. 31-32).

In a separate study Eisinger examined one of the tools enabling black mayors to respond concretely to the needs of urban blacks: the residency requirement. He found that in virtually every major city with a black mayor, this ancient device of machine politics—a requirement that municipal employees live within the city limits—has been passed or, if already on the books, enforced. The residency regulation provides employment for the unemployed blacks in a city by eliminating workers who live outside the city from the competition for local public sector jobs; it stabilizes in the city some portion of the nonminority population that wants to hold onto city jobs, and it keeps within the city the taxpayer moneys that are expended in the salaries of public employees. Thus the rule supplies not only jobs, but also money—no small amount.

Yet in politics as elsewhere the gains have been slow. One estimate indicates that if blacks continue to be elected at the rate that prevailed in the 1970s, by the year 2000 they will hold only 3 percent of the elective offices. Of 103 counties where blacks were a majority of the population in the 1970s, only one-third elected black officials. In 1972, only 50 percent of black eligibles were registered to vote.9
Income and employment

But of course the bottom line for measuring black advancement in our society is income, which means chiefly earned income, and that means jobs. How does black income compare with white income? What has happened to the ratio over the last ten years? How have black employment and unemployment fared in a decade of recurrent recession and continuous inflation? Proponents of the “dramatic progress” viewpoint in the early 1970s pointed out that the incomes of blacks had risen in relation to white incomes and that the earned income of black women in the labor force had begun to equal that of white women. William Darity and Samuel Myers, who ultimately challenge the optimistic interpretation, cite these apparently encouraging figures: In 1968 the ratio of the mean earnings of black men in the labor force to white men in the labor force was .586. In 1978 it was .686. In 1968 the ratio for black women was .759, and in 1978, .995. Taken together these numbers mean that the ratio of the mean wages of all blacks to all whites rose from .605 in 1968 to .748 in 1978. This promising convergence has been attributed to a number of factors: affirmative action, a decline in discrimination in the labor market, and—the most hopeful sign of all—the convergence in human capital characteristics (meaning that black youth is better equipped through education and training to compete with white youth). The remaining differences in wages, say the optimists, will disappear as blacks, with more schooling, grow more like whites in their productivity characteristics.

Other scholars have questioned such assertions. It has been shown that although there is an apparent convergence in individual black and white incomes, it is not reflected in a comparable convergence in family incomes. It has also been pointed out that black families who achieve higher incomes are less likely to stay permanently in the upper-income brackets than are whites. In fact, Darity and Myers have demonstrated that when the data on black-white individual incomes are examined over time, taking into account not only those actively in the labor force but also those of both races who received no income and were not actively searching for work (the potential labor force), the apparent dramatic progress vanishes. Using the Census Bureau’s Current Population Surveys from 1968 to 1978 for adults (aged 14 or older), Darity and Myers found that within the potential labor force black men displayed only slight convergence with white men, and they lost ground from 1974 on: in 1968 the ratio of black to white male earnings was .597; by 1978 it had climbed only to .616, after falling from a high in 1974 of .630. The optimistic data, Darity and Myers argue, were derived from a biased sample—biased because it did not take into account the many blacks who (unable to get work or for some other reason) withdrew from the labor force entirely.

Further breakdown of the data by Darity and Myers disproves as well the assumption that convergence in the human capital characteristics of young black and white men has meant a corresponding convergence in their relative earnings. Quite the contrary. “The annual relative earnings for black males in the 14-24 and 25-34 age groups have fallen in the decade since 1968” (p. 7). The so-called “vintage hypothesis” would imply that more recent cohorts would be closer in their relative performance in the marketplace. Yet not only are they not closer in wages, but the greatest gap in employment occurs in this group. In the 1970s the unemployment rate for black youth 16-24 years old was about 28 percent. The comparable figure for whites was 9.9 percent. White high school dropouts have lower unemployment rates (16.7 percent) than black youth with some college education (21.4 percent) and about the same unemployment rate as black college graduates (16.5 percent).

Using a model of income determination, Myers and Darity explored what variables seem to be related to an individual’s income. To incorporate the effects of business cycles, their study made estimates at two different periods, when the economy was expanding and when it was contracting. They found that the largest changes in inequality had nothing to do with less discrimination or the vintage hypothesis: the salient factor in the decade following 1968 was South-to-North migration. In summary, their data show that opportunities appear to be worsening for younger blacks, and equivalent background characteristics do not necessarily translate into equivalent wages.

The Urban League provides a number of reasons for the loss of ground in jobs and relative wages. One is that blacks suffer more from business fluctuations than do whites. During the 1974–1975 recession, blacks lost their jobs at almost double the rate experienced by whites, and as recovery got under way they were called back at a slower rate (last hired, first fired). Between 1975 and 1978, unemployment among whites dropped by 1.7 million, while black unemployment remained almost unchanged. Black teenage unemployment has been close to 30 percent since 1971. In 1969 only 5.6 percent of all black women in the labor force and heading families were unemployed, but by 1978 their unemployment rate was 15.4 percent. Of black families headed by women, almost three out of five were living in poverty in 1977.

Poverty

Historically, unemployment and poverty have been linked. People for whom work is low-paying and intermittent or nonexistent are very likely to be poor—if not while they are working then certainly when they are too old or ill to work. Government measures have altered that situation. Social welfare programs, especially in the last ten
years, have lessened the connection between joblessness and poverty.

Recent data assembled by Sheldon Danziger and Robert Plotnick of the Institute demonstrate that poverty has since 1965 declined faster for nonwhites than for whites (see Table 1). Nonwhites entered the period with a considerably higher incidence of poverty—four times greater, even if one uses the income measure established by the Census Bureau, which includes government cash transfers. By 1978 this ratio had dropped to 3 to 1; and when in-kind transfers are included as well, the proportion for 1980 is 2 to 1. Breaking the figures down by age (under and over 65) and sex, Danziger and Plotnick found that declines in the poverty of nonaged nonwhite men were much greater than for nonaged white men, but the level of poverty for nonwhite men was still about twice as high as for white men. Nonwhite women, however, had fared only about as well as white women; and neither fared as well as males. The aged especially had gained, but elderly whites showed a lower incidence of poverty than elderly blacks.

### The condition of black America

The achievements of black America over the last decade are difficult to assess. Some black leaders see a glass half empty. Others, using the same data, see the glass as half full. Many individuals have attained the education and opportunities requisite for advancement, yet progress is slow and government transfer programs have borne the burden of alleviating the hardships of poverty, from which a disproportionate number of blacks have been unable to escape. The period of economic dislocation and uncertainty that now exists in American society finds a much larger proportion of blacks than whites below poverty levels, and it is at these levels that hard times are the hardest.

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**Table 1**

Persons with Incomes below the Poverty Line, 1965-1980 (percentage of total population)

<table>
<thead>
<tr>
<th></th>
<th>Market Income</th>
<th>Census Income</th>
<th>Adjusted Income</th>
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<tbody>
<tr>
<td>Nonwhite</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1965</td>
<td>49.2%</td>
<td>43.8%</td>
<td>28.6%</td>
</tr>
<tr>
<td>1978</td>
<td>38.1</td>
<td>28.4</td>
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</tr>
<tr>
<td>1980</td>
<td>-</td>
<td>-</td>
<td>7.5</td>
</tr>
<tr>
<td>Percentage change</td>
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<td>-35.2</td>
<td>-73.8</td>
</tr>
<tr>
<td>White</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1965</td>
<td>17.5</td>
<td>11.8</td>
<td>7.7d</td>
</tr>
<tr>
<td>1978</td>
<td>17.4</td>
<td>8.7</td>
<td>n.a.</td>
</tr>
<tr>
<td>1980</td>
<td>-</td>
<td>-</td>
<td>3.6</td>
</tr>
<tr>
<td>Percentage change</td>
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<td>-26.3</td>
<td>-53.2</td>
</tr>
<tr>
<td>Both</td>
<td></td>
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<tr>
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<td>12.1</td>
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<td>1978</td>
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<td>-</td>
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<tr>
<td>Percentage change</td>
<td>-5.2</td>
<td>-26.9</td>
<td>-66.1</td>
</tr>
</tbody>
</table>

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**Sources:** Market and census income calculated by S. Danziger and R.D. Plotnick from March Current Population Survey tapes. Adjusted income before 1980 estimated from Smeeding (see box), and for fiscal year 1980 from an unpublished paper by G. W. Hoagland of the Food and Nutrition Service, U.S. Department of Agriculture.

**Note:** Nonwhite used because figures for blacks alone are available only from 1967. Blacks constitute approximately 90% of the nonwhite classification.

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7. Ibid.
8. Ibid., p. 360, citing figures from Robert Hill, Research Director of the National Urban League.