

**A Secular, National and Regional Analysis of the Impact of  
Labor Market Discrimination on African American  
Socio-economic Development - 1870-2000**

**Linwood F. Tauheed, Ph.D.<sup>1</sup>**

**June 17, 2008**

---

<sup>1</sup> The author wishes to thank two of his students for prior research supporting this effort. Mr. Camdon Fells a former undergraduate student at the University of Missouri Kansas City (UMKC), and Ms. Yvonne Hampton, a former graduate student at UMKC and current Doctoral Student at the University of Missouri Columbia.

The author also wishes to thank the Illinois Transatlantic Slave Trade Commission for funding..

## Table of Contents

<b>List of Figures</b> .....	<b>3</b>
<b>List of Tables</b> .....	<b>3</b>
<b>Abstract</b> .....	<b>4</b>
<b>Thesis Statement</b> .....	<b>4</b>
<b>Baseline Assumptions</b> .....	<b>4</b>
<b>Framework for Research</b> .....	<b>4</b>
<b>Key Definitions</b> .....	<b>5</b>
<b>Data</b> .....	<b>5</b>
<b>Key Findings</b> .....	<b>6</b>
<b>Supporting Narrative</b> .....	<b>6</b>
Comparative Descriptive Analysis of Variables .....	6
Introduction .....	6
Father Presence Rate (Father Absence Rate) .....	7
Unemployment Rate .....	9
Labor Force Participation Rate .....	10
Occupational Income Score .....	12
Wage and Salary Income (1999 Dollars) .....	13
Literacy Rate and Educational Attainment .....	15
Analysis of Variable Interrelationships .....	17
The Theory of Human Capital: Education, Unemployment, and Labor Force Participation .....	17
The Theory of Human Capital: Unemployment, Occupational Income Score and Wage and Salary Income .....	19
The Theory of Human Capital: Comparison to African American Descriptive Analysis ...	19
Critiquing the Theory of Human Capital: 1870-1930 Period .....	20
Critiquing the Theory of Human Capital: 1930-1960 Period .....	21
Critiquing the Theory of Human Capital: 1960-2000 Period .....	22
Conventional Explanation(s) for the decreasing African American Child FPR .....	22
“Vestiges of Slavery” and Cultural Dysfunction .....	22
Social Program Effect .....	23
Contesting the Conventional Explanation - “Jim Crow” and Structural Impediments .....	23
The Empirical Counter Argument .....	24
Correlations between the economic (UER, LFPR and OIS) and social (FPR) variables .....	24
<b>Conclusion</b> .....	<b>25</b>
<b>Recommendations/Implications – National, Regional</b> .....	<b>25</b>
National .....	25
Regional .....	26
<b>Reading List</b> .....	<b>27</b>
<b>Tables and Figures</b> .....	<b>29</b>
<b>References</b> .....	<b>37</b>

## **List of Figures**

Figure 1 - Ratios of Father Presence Rates	8
Figure 2 - Ratios of Unemployment Rates	10
Figure 3 - Ratios of Labor Force Participation Rates	11
Figure 4 - Ratios of Occupational Income Scores	13
Figure 5 - Ratios of Wage and Salary Incomes (1999 Dollars)	15
Figure 6 - Ratios of Literacy Rates and Educational Attainment	17
Figure 7 – “A” Human Capital Model	18
Figure 8 - Father Presence (US - Children 0-16 – African American/White)	30
Figure 9 - Father Presence (Regional - Children 0-16 -- African American/White)	30
Figure 10 - Unemployment (US - Labor Force 16-64 - African American/White)	31
Figure 11 - Unemployment (Regional - Labor Force 16-64 - African American/White)	31
Figure 12 - Labor Force Participation Rate (US - Labor Force 16-64 - African American/White)	32
Figure 13 - Labor Force Participation Rate (Regional - Labor Force 16-64 - African American/White)	32
Figure 14 - Occupational Income Score (US - Labor Force 16-64 - African American/White)	33
Figure 15 - Occupational Income Score (Regional - Labor Force 16-64 - African American/White)	33
Figure 16 - Wage and Salary Income (1999 Dollars) (US - Labor Force 16-64 - African American/White)	34
Figure 17 - Wage and Salary Income (1999 Dollars) (Regional - Labor Force 16-64 - African American/White)	34
Figure 18 - Literacy Rate (US - Labor Force 16-64 - African American/White)	35
Figure 19 - Literacy Rate (Regional - Labor Force 16-64 - African American/White)	35
Figure 20 – Educational Attainment (US - Labor Force 16-64 - African American/White)	36
Figure 21 – Educational Attainment (Regional - Labor Force 16-64 - African American/White)	36

The figures all have the same structure. There is an upper section graphing the major variable on the figure, with axis on the left. And, a lower section graphing the size of the relevant population with axis on the right. The bottom axis displays Census Years from 1870 (1850 for some variables) through 2000. Reference lines are placed at Census Years 1930 and 1950. The legend at the bottom of all figures indicates the left and right axis variables.

## **List of Tables**

Table 1 - Selected IPUMS variables for Labor Force Males	5
Table 2 - Selected IPUMS variables for Children	6
Table 3 - Consumer Price Indices (CPIs) to be multiplied by Wage and Salary Income	14
Table 4 – Educational Attainment as recode of Educational Attainment Recode	16
Table 5 - African American/White Ratios – Nationally/Regionally	29

## ***Abstract***

This work is an attempt to bring attention to two areas that the Illinois Transatlantic Slave Trade Commission has been charged to research. Commission Duties – Item 4; to examine forms of discrimination in the public/private sector against freed African slaves/descendents 1865-present; and Commission Duties – Item 5; to examine the lingering negative effects of the institution of slavery and the matters described in Item 4 on living African Americans and on society in the U.S.

In researching these two areas and fulfilling this charge this study challenges many of the theories and the “conventional wisdom” used to explain the current state of the African American family, and aims to point out the economic causal factors that have contributed significantly to the decrease in Father Presence in the African American community. Rather than “cultural” factors, this study finds it more plausible that economic factors are most causal.

These economic causal factors found their root in racial discrimination, motivated by racial prejudice, resulting in an imbalance in the use of power by whites in the Labor Market, aggravated by the competition for jobs during the economic crisis of the Great Depression, and exacerbated by the increasing pace of the shift to a service economy in the post World War II period and particularly since the 1970s.

## ***Thesis Statement***

This study advances the following thesis:

In the 1870 through 2000 period; racial prejudice, coupled with disparities in Labor Market power between African American and White Labor Force Males, within the context of competition in “Labor Markets” for employment, is the primary cause of the continuing and growing socio-economic disparities between African Americans and Whites. Social disparities resulting from this economic disparity include a decreasing Father Presence Rate for African American Children.

## ***Baseline Assumptions***

This study is based on a number of Baseline assumptions here stated as:

- Power differences exist in the Labor Market between African American and White Labor Force Males.
- These power differences, coupled with racial prejudice of Whites against African Americans, lead to discriminatory practices in Labor Market activities from hiring and firing actions, occupational entrance and exit, and wage and salary income offerings
- The tendency to exercise power in Labor Markets is directly related to the level of competition for jobs and income.

## ***Framework for Research***

This study utilizes a mainstay theory within orthodox economics, the Theory of Human Capital Theory, to set a baseline for the analysis of the interrelationship between educational and economic variables. However, this study also offers a critique of Human Capital Theory as inadequate to explain the African American socio-economic data, unless ‘power’ is brought into the analysis, something that orthodox economics attempts to avoid.

We also critique various sociological “vestige of slavery”/“cultural dysfunction”/“welfare dependency” theories as unable to explain the African American socio-economic data; and as unnecessary since properly modeled economic explanations can explain the data, as long as ‘power’ is brought into the analysis.

The focus for the use socio-economic data within the research framework presented here is the disparity between African American and White Family Structure with regards to the level of Father Presence within the household.

### **Key Definitions**

**Unemployed:** a person not working, but actively seeking employment.

**Labor Force:** the sum of the number of persons employed and the number of persons unemployed.

**Labor Force Participation Rate:** the ratio of the number of persons in the Labor Force to the total population. (Population for Labor Force in this study is persons aged 16 through 64).

**Unemployment Rate:** the ratio of the number of unemployed persons to the number of persons in the Labor Force.

**Father Presence Rate:** The ratio of the number of children aged 16 or younger, without a father present in the household (including step/father or adopted father), and the number of children aged 16 and younger.

### **Data**

The primary dataset for this study is the Integrated Public Use Microdata Series (IPUMS) (Ruggles et al., 2008) of census data from 1850 through 2000, which is individual data grouped by household. From the IPUMS we selected a set of socio-economic variables for African American and white non-Hispanic males, age 16 through 64 in the Labor Force (Labor Force Males), and family structure variables for African American and white non-Hispanic Children age 0 through 16 (Children).

The variables selected for Labor Force Males were:

**Table 1 - Selected IPUMS variables for Labor Force Males**

<b>Variable</b>	<b>Explanation</b>
Age	Reports the person's age in years as of the last birthday. Only African American and White males ages 16 through 64 were selected.
Census Region	Identifies the region where the housing unit was located. Only African and White males from the following Regions (States) were selected. <ul style="list-style-type: none"> <li>• <b>Northeast</b> - Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont, New Jersey, New York, Pennsylvania</li> <li>• <b>Midwest</b> - Illinois, Indiana, Michigan, Ohio, Wisconsin, Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota</li> <li>• <b>South</b> - Delaware, District of Columbia, Florida, Georgia, Maryland, North Carolina, South Carolina, Virginia, West Virginia, Alabama, Kentucky, Mississippi, Tennessee, Arkansas, Louisiana, Oklahoma/Indian Territory, Texas</li> <li>• <b>West</b> - Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah, Wyoming, Alaska, California, Hawaii, Oregon, Washington</li> </ul>
Census Year	Reports the year when the household was enumerated or included in the census. The Census Years 1870 through 2000 were selected.
Employment status	Indicates whether the respondent was part of the labor force -- working or seeking work -- and, if so, whether the person was currently unemployed.
Literacy	Indicates whether the respondent could read <b>and</b> write in any language. This is a recoding of the IPUMS variable which indicates whether the respondent can read <b>and/or</b> write

<b>Variable</b>	<b>Explanation</b>
Labor Force Status	A dichotomous variable indicating whether a person participated in the labor force. – working or seeking work. Only African American and White males “in the labor force” were selected.
Occupational Income Score	A constructed variable that assigns occupational income scores to each occupation. Procedurally, Occupational Income Score assigns each occupation in all years a value representing the median total income (in hundreds of 1950 dollars) of all persons with that particular occupation in 1950.
Race	Respondents race as reported (or attributed by enumerator - before 1960). Only African American and White males were selected.
Wage and Salary Income	Reports each respondent's total pre-tax wage and salary income - that is, money received as an employee - for the previous year. (Wage and Salary Income is adjusted by the using the Consumer Price Index (CPI) for all years (1870-2000) to its value in 1999 Dollars.

The variables selected for Children were:

**Table 2 - Selected IPUMS variables for Children**

<b>Variable</b>	<b>Explanation</b>
Age	Same as Table 1 except; only African American and White Children ages 16 and younger were selected.
Census Region	Same as Table 1.
Census Year	Same as Table 1, except; the Census Years 1850 through 2000 were selected.
Literacy	Same as Table 1.
Location of Father in the Household	A constructed variable that indicates whether the person's father lived in the same household (not 0) and, if so, gives the person number of the father.
Race	Child’s race as reported by respondent (or attributed by enumerator - before 1960 - based on respondent’s race). Only African American and White Children were selected.

### ***Key Findings***

- The “Vestiges of Slavery”/”Cultural Dysfunction” theses to explain disparities in socioeconomic status between African Americans and Whites cannot be sustained.
- There is significant correlation between rates of Unemployment, Labor Force Participation, and Occupational Status, and Father Presence making these data the likely explanation. This explanation holds regardless of race, i.e. the same set of explanations hold for African American and White data.

### ***Supporting Narrative***

#### Comparative Descriptive Analysis of Variables

##### Introduction

In this section we present a descriptive analysis of various time series, (from 1970 to 2000 unless otherwise indicated), of computed averages for a number of variables (Father Presence Rate 1850-2000, Unemployment Rate 1910 and 1930-2000, Labor Force Participation Rate, Occupational Income Score, Wage and Salary Income 1940-2000, and Combined Literacy Rate 1870-1930 and Educational Attainment 1940-2000), for the relevant African American and White populations (Children and Labor Force Males).

Analyses are made of the above time series, noting comparisons and contrasts between the general trends for African Americans and Whites, both nationally and regionally. Analyses are also made of the ratio of time series values computed by dividing the African American values by the White values, again nationally and regionally (see Table 5 - African American/White Ratios – Nationally/Regionally). The comparison/contrast of ratios allows a succinct appraisal of the relative gains (and losses) for African Americans vs. Whites not necessarily apparent when observing the trend data itself.

#### Father Presence Rate (Father Absence Rate)

In recent years increased attention has been called to the issue of Father Absence in the African American community. For this study we define Father Absence consistent with the common definition, as a child age 16 or younger, without a father (including step/father or adopted father) present in the household. The IPUMS variable “Location of Father in Household” is recoded as a dichotomized variable to indicate father presence for each child (0 if “Location of Father in Household” = 0, 1 otherwise) and then averaged for Children to determine the Father Presence Rate. The Father Presence Rate (FPR) is used in most places in this study instead of the Father Absence Rate (FAR) for reasons to be explained later. When used the FAR is calculated as 100% minus the FPR.

There is a belief that the current low rate of Father Presence for African American Children (at 41%) relative to the FPR for White Children (at 83%) has been historical. However, as Figure 8 illustrates, nationally, the FPR for African American Children averaged approximately 77% from 1870 to 1920, increasing from 75% in 1870 to 79% by 1920 but remaining essentially stable. In the same period the FPR for White Children averaged approximately 90%, also remaining essentially stable, making the approximately 13 percentage point FPR gap between African American and White Children stable also.

The 1850 and 1860 census only enumerated free African Americans; therefore the calculated African American Child FPR for these years did not include rates for enslaved Africans. The African American FPR for free African American Children in 1850 and 1860 were lower than the rate for all African American Children in 1870. In 1850 the African American Child FPR was 66% increasing to 70% in 1860. Projecting this to 1870 the rate would have been 74%, lower than the 75% FPR for the national African American Child population. This would make the calculated FPR for the Children of newly freed African Americans (who represented an estimated 91% of the national African American child population) slightly higher than the national African American Child FPR. Thus, the 1850-1860 FPR gap between African Americans and White Children is reduced by the addition of newly freed African American Children to the dataset in 1870.

The decline to the current national African American FPR begins after 1920, declining steadily from 79% in 1920 to 69% in 1960 (10 percentage point decline in 40 years), and then decreasing at an increasing rate to 42% by 1990 (27 percentage point decline in 30 years). There is a decrease of rate of decline from 1990 to 2000 with the 2000 African American Child FPR virtually identical to the 1990 FPR at 41%.

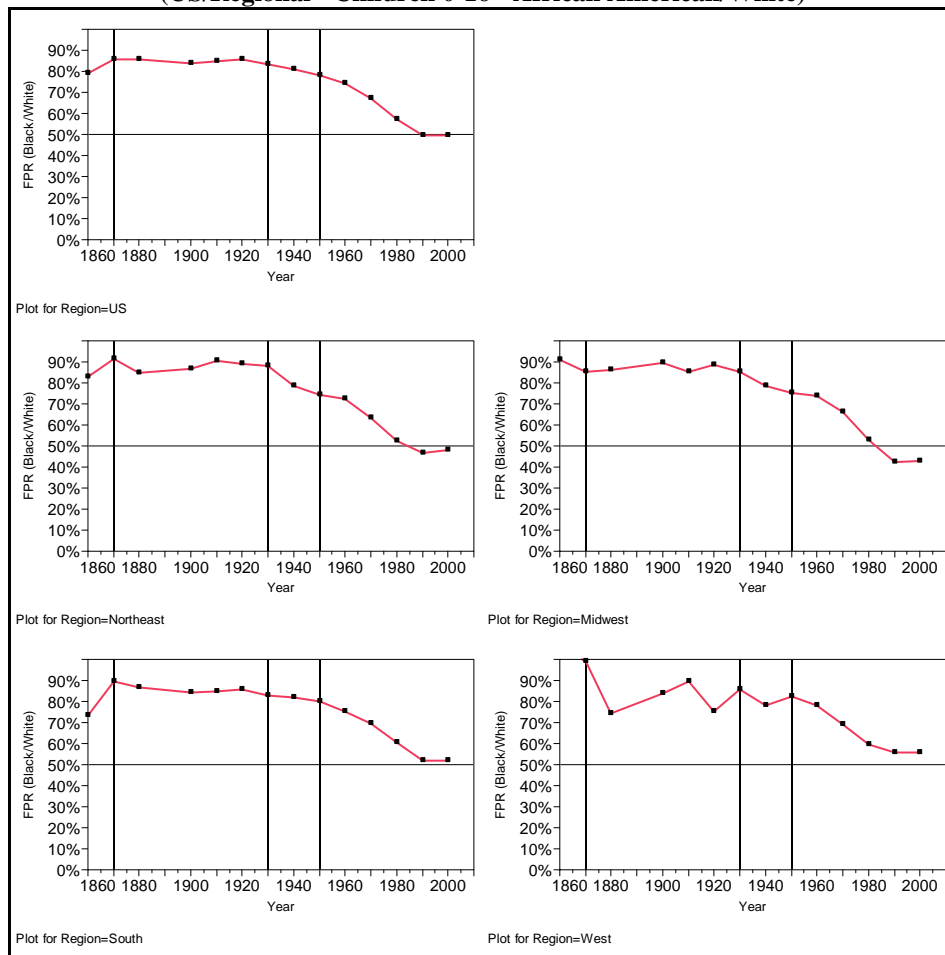
Regional patterns are highly correlated to each other and to the national pattern. We see essentially the same pattern with regards to stability in the 1870 through 1920 period, although there are differences in the levels of FPRs between the regions. The Midwest and Northeast Regions have the highest FPRs averaging approximately 80% during the period, the South averages approximately 77% and the West has the lowest averaging approximately 75%. We also see the same pattern of steady decline in the 1920 to 1960 period and increasing rate of decline from 1960 through 1990 and essentially zero decline from 1990 to 2000.

Because of the domination of slavery in the economy of the Southern Region of the US the situation there deserves special attention (see Figure 9). In 1870, 93% of African American Children lived in the South (1.96 million to 2.11 million nationally) with an estimated 95% being Children of

newly freed African Americans. The African American FPR for Southern Children in 1870 was 75%, the same as the national rate. However, the African American FPR for free African American Children in 1850 and 1860 were 57% and 63% respectively. The projected rate for this population in 1870 is 70%, significantly lower than the 75% for all African American Children in the South in 1870. Calculations would make the African American FPR for Children of newly freed African Americans in the South (95% of Southern African American Children) slightly higher than the national rate of 75% and significantly higher than the 70% projected rate for the Children of African Americans in the South who were free prior to 1870. Thus the 1850-1860 FPR gap between African Americans and White Children in the South is reduced significantly by the addition of newly freed African American Children in the South to the dataset in 1870.

When comparing the African American/White FPR ratios nationally we see the African American/White FPR ratios (see Figure 1) to be essentially stable from 1870 through 1920, decreasing slightly from 86% in 1870 and then recovering to 86% in 1920. It is after 1920 that we see a consistent decline in the ratio decreasing to 74% by 1960 and decreasing at an increasing rate to 50% by 1990 where it levels off at maintaining at 50% in 2000.

**Figure 1 - Ratios of Father Presence Rates  
(US/Regional - Children 0-16 - African American/White)**



Regionally, the patterns are highly correlated to each other and to the national pattern, with these differences. After maintaining roughly the same ratios as nationally for the 1870 through 1920 period in all regions, the rate of decline for the post 1920 period becomes greatest in the Northeast and Midwest and least in the South. The Western region ratios are intermediate in all periods between the

Midwest and Northeast, and the South<sup>2</sup>. In particular in the 1930 to 1950 period (Depression to post WW II) the rate of decline in the Northeast and Midwest is especially rapid and again least in the South. Thus the 1990 and 2000 period finds the ratio at its lowest in the Midwest (43% and 43%), next lowest in the Northeast (47% and 48%), and next lowest in the South (52% and 52%). The ratio in the West at 56% and 56% is the highest only because of an earlier recovery from decline (recovery in 1980 versus 1990 for the other regions).

### Unemployment Rate

There is a belief that the current rate of unemployment for African American Labor Force Males (AALFMs) relative to the Unemployment Rate (UER) for White Labor Force Males (WLFMs), at two to three times the White UER, has been historical. The 2000 national UER calculated from the IPUMS was 12.4% for AALFMs versus 4.3% for WLFMs, the historic “tripling”. However, Figure 10 illustrates that UERs were virtually identical, and in fact lower for AALFMs than for WLFMs from 1910 (when employment status was first recorded) through 1930. The rates began to diverge from that period, marked by the Great Depression, reaching 8.6% and 4.3% respectively by 1960, the “historic” doubling.

The UERs for AALFMs and WLFMs have are highly correlated as we would expect, moving together for the entire period, cycling up and down as the business cycle (economic activity) goes down and up (counter-cyclical movement). When there has been an increase/decrease in UER for WLFMs there has been an increase/decrease for AALFMs. However, nationally since 1930 the rate of increase/decrease for AALFMs has been greater/lesser than the rates of increase/decrease for WLFMs. Therefore, the disparity between the UER for AALFMs and WLFMs has increased as the UER cycles

Regionally, (see Figure 11) we see that the UERs for both AALFMs and WLFMs have historically followed the same cycles, but have averaged higher in the Midwest, Northeast and West (from higher to lower), than in the South. Again, focusing on the South because of its historical significance, AALFM and WLFM UERs in the Southern Region have historically been characteristic for the entire nation; although the UER for AALFMs and WLFMs have been lower than in the other regions of the US. And, since the majority of the African American population has been concentrated in the South, Southern patterns have dominated the national demographics at least until 1970. In the more industrialized regions of the US (Northeast and Midwest) the UER for AALFMs has historically been nearly doubled and tripled the UER for WLFMs from as early as 1930.

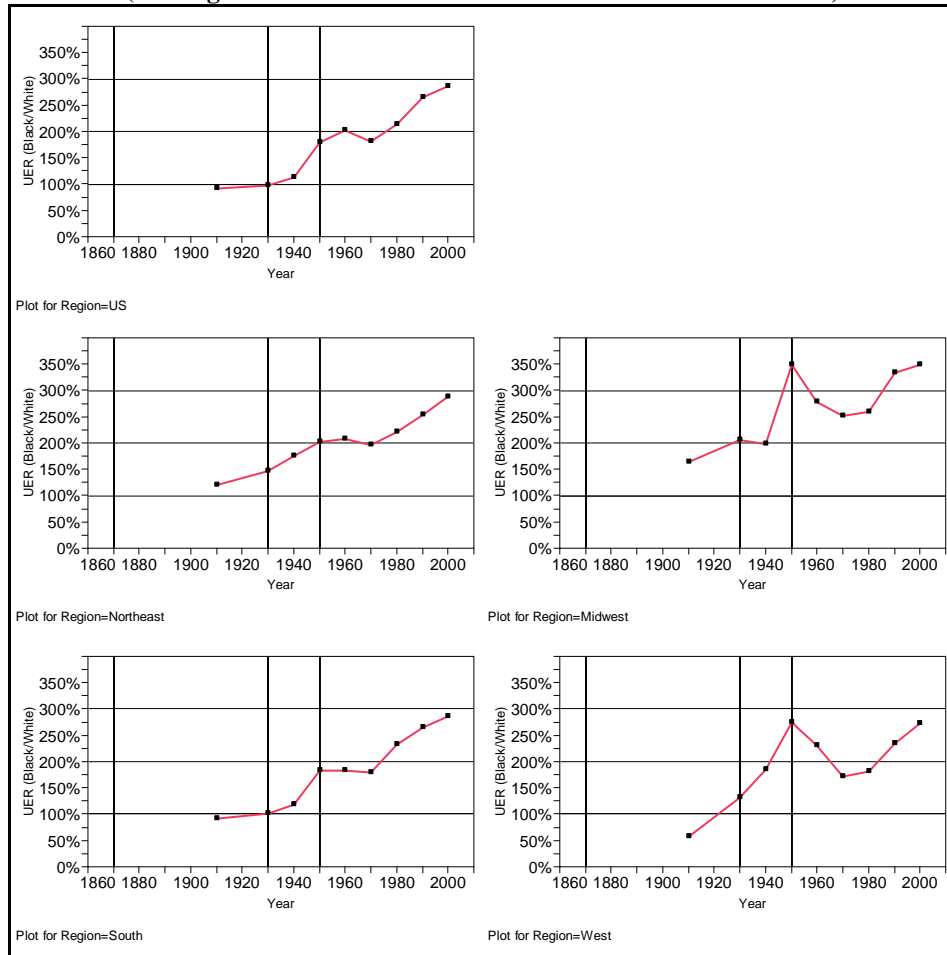
A look at Figure 2 reveals additional regional details from the AALFM/WLFM UER ratios. Starting from near parity (100%) in the 1910 to 1930 period in the South and Northeast (and from an apparent advantage at significantly below 100% in the West although we must be mindful of sampling error) we see the rapid increase in ratios to “doubling” (200%) by 1950 in the Northeast and South and more than and less than “tripling” (300%) in the Midwest and West respectively. The regional patterns in the South and Northeast are highly correlated to each other and to the national pattern.

The Midwest ratio was already high in 1930 at 200% and so the increase to approximately 350% by 1950 is in fact relatively not as great as for the South and Northeast, however the increase for the West, starting at below 100% to approximately 275% in 1950 is substantially greater that for other regions. It should be said that these may be due to sampling error because of small sampling sizes in the Midwest and West. However the Midwest ratios from 1960 through 2000 are also significantly higher than other regions and in the West the 1960 is also higher than all but the Midwest coming down to Northeast and South ratios by 1970.

---

<sup>2</sup> The high variability in the Western ratios is most likely the result of sampling error due to the relatively small sample sizes in the West prior to 1950.

**Figure 2 - Ratios of Unemployment Rates  
(US/Regional - Labor Force - 16-64 - African American/White)**



All regions show substantial increases in ratios from 1970 to 2000 reaching an approximate tripling (300%) with the Midwest being the highest at 348%.

### Labor Force Participation Rate

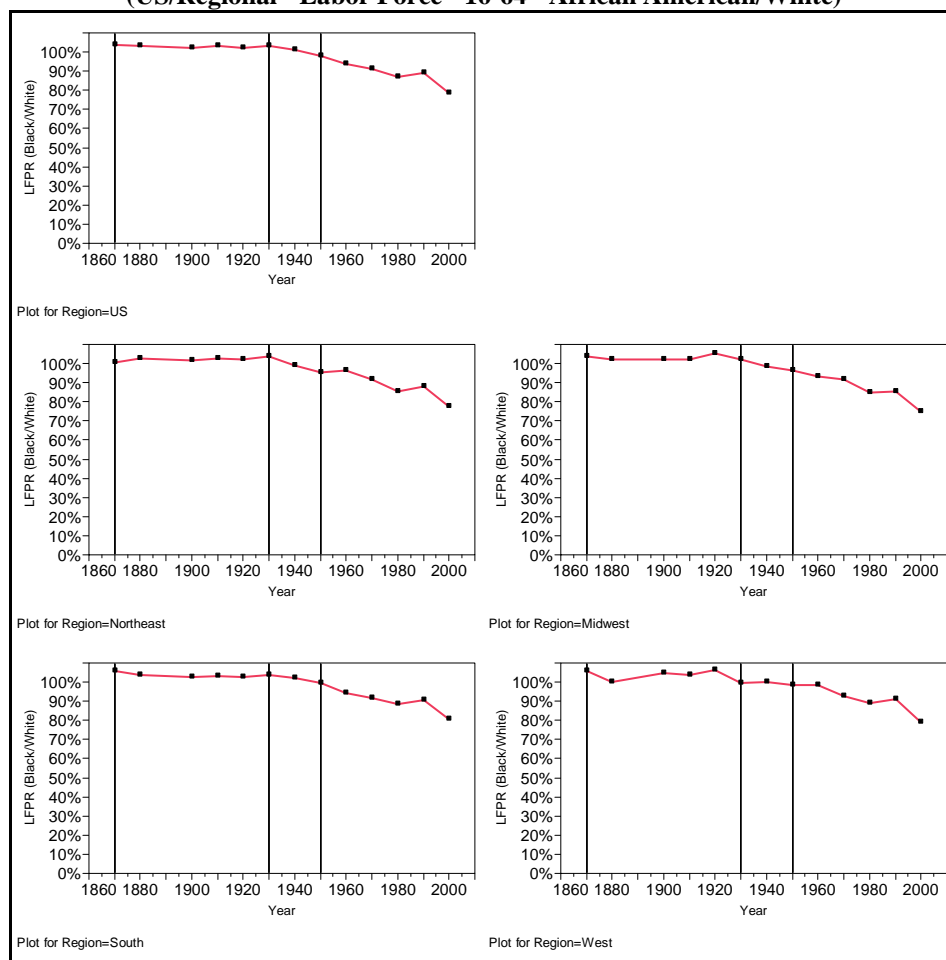
As for currently high African American UERs there is a belief that the current low Labor Force Participation Rate (LFPR) for AALFMs relative to WLFMs has been historical. In 2000 the national AALFM LFPR calculated from IPUMS data was 65% versus 83% for WLFMs.

A point must be considered when interpreting the labor force time series. The definitions for labor force were different in the census in the 1870-1930 periods and the 1940-2000 periods. From 1870 through 1930 a person was considered to be in the labor force if they reported a gainful occupation; this regardless of whether they were employed or ‘not working and looking for work’, which is the modern definition. From 1940 the “modern” definition of “in the labor force” was used. Thus, the pre 1940 LFPR is biased upwards. However, if it is consistently biased upwards pre-1940 there still remains the stability of the rate from 1870 to 1930 for both AALFMs and WLFMs. An inversion of the LFPRs for AALFMs and WLFMs would occur only if AALFMs were more likely (or WLFMs less likely) to report a gainful occupation when they were not “in the labor force” in the modern sense. However, the Minnesota Population Center which compiles IPUMS data, does report that “[s]ome scholars argue that the change from a gainful employment to a labor force definition creates a disjuncture in the measurement of married female labor.”

Like UER disparities this gap is not historical but has emerged recently (since 1950 - see Figure 12). In 1940 the national AALFM LFPR calculated from IPUMS data was 90% versus 89% for WLFMs. In fact, the AALFM LFPR was higher than the rate for WLFMs from 1870 through 1940; 95% to 91% respectively in 1870, increasing to 97% to 94% respectively in 1910 and then decreasing to the 1940 levels. Nineteen-forty was the last year the AALFM LFPR was not higher than for WLFMs.

The AALFM LFPR was relatively steady from 1870 (95%) to 1930 (94%) and has steadily declined since 1930 from 94% to the current 65% level. Regionally, the LFPRs for both AALFMs and WLFMs show a high rate of correlation by race between regions and follow the national pattern as indicated by Figure 13. As a point of comparison the WLFM LFPR remained relatively steady from 1870 (91%) through 1960 (89%), declining slightly since to the 2000 level of 83%.

**Figure 3 - Ratios of Labor Force Participation Rates  
(US/Regional - Labor Force - 16-64 - African American/White)**



AALFM/WLFM LFPR ratios, as illustrated in Figure 3, show the same pattern as the LFPRs themselves, both nationally and regionally. The ratios have been steady and generally above 100% from 1870 through 1930. There has then been a continuous, steady decline from 1930 to 2000.

### Occupational Income Score

From Figure 14 it is clear that the Occupations Income Score (OIS) for African AALFMs has historically been lower than the OIS for WLFMs. Nationally, there has been a steady, nearly linear,

increase in OIS for WLFMs from 20.07 in 1870 to 30.69 in 2000. This steadily increasing pattern for WLFM OIS holds regionally as well as illustrated in Figure 15.

In contrast to this steady increase for WLFMs; OIS for AALFMs can be viewed in three periods; period one (1870 to 1910), period two (1910 to 1960), and period three (1960 to 2000). In the first period we see a steady increase in OIS nationally from 13.07 to 19.38, with a sharp increase from 1900 to 1910 (15.86 to 19.38 respectively) which we will further dissect regionally. In the second period we see regression to 1900 levels and then stagnation with AALFM OIS initially falling below the 1910 level to 17.01 in 1920, only reaching 1910 levels again in 1950 and 1960 (19.51 and 19.11 respectively). The third period sees AALFM OIS again increasing, with an initial sharp increase from 19.11 in 1960 to 23.12 in 1970 and a less rapid increase to 25.97 in 2000.

In comparison to WLFM OIS the three periods see a closing of the gap between WLFM and AALFM OIS in the first period, a widening of the gap in the second period as WLFM OIS increases while AALFM OIS stagnates, and an initial closing of the gap from 1960 to 1970. The gap remains steady from 1970 to 2000 as AALFM OIS only increases on pace with the increase of WLFM OIS.

A look at regional data (see Figure 15) reveals regional differences in AALFM OIS trends in the three periods. During all periods OIS is lower for AALFMs in the South than in other regions (except in 2000 when OIS in the South is slightly higher than the Midwest). However, in period one the most rapid increase in OIS occurs in the South, next rapid in the Midwest, next the Northeast and least in the West. Also, in period one OIS in the West is initially the highest with OIS in the Midwest and Northeast being intermediate between the South and the West. Because of low rate of increase of OIS in the West By 1910 OIS in the West, Midwest and Northeast are virtually identical and all are higher than in the South even after a more rapid increase.

In the beginning of period two we see initial sharp declines in AALFM OIS in the South and the West from 1910 to 1920, with OIS in the South dropping to 16.16 (from 19.02) and in the West dropping to 17.89 (from 21.37). From 1920 to 1940 AALFM OIS in all regions essentially stagnates; in fact AALFM OIS in the Northeast and Midwest remain level (stagnant) at around their 1910 levels through 1960 (end of period two). OIS in the South and West begins to increase from 1940 through 1960, but neither reaches 1910 levels by 1960.

In the third period all regions experienced rapid increases in the 1960's (1960 to 1970) and then leveled off to the rate of increase for WLFM OIS regionally, maintaining the 1970 gap.

The pattern of the three periods for AALFM OIS relative to the steady increase in WLFM OIS is especially evident when we look at the AALFM/WLFM OIS ratios in Figure 4. Nationally, the ratios in the first period generally show no increase or decrease (except for a sharp increase from 1900 to 1910 and an equally sharp decrease from 1910 to 1920<sup>3</sup>). The same stagnation also applies nationally to the second period. Thus nationally we see stagnation in the OIS ratio from 1870 to 1960. We then see a sharp increase in the OIS ratio from 1960 to 1970, and then a slight increase the remainder of period three.

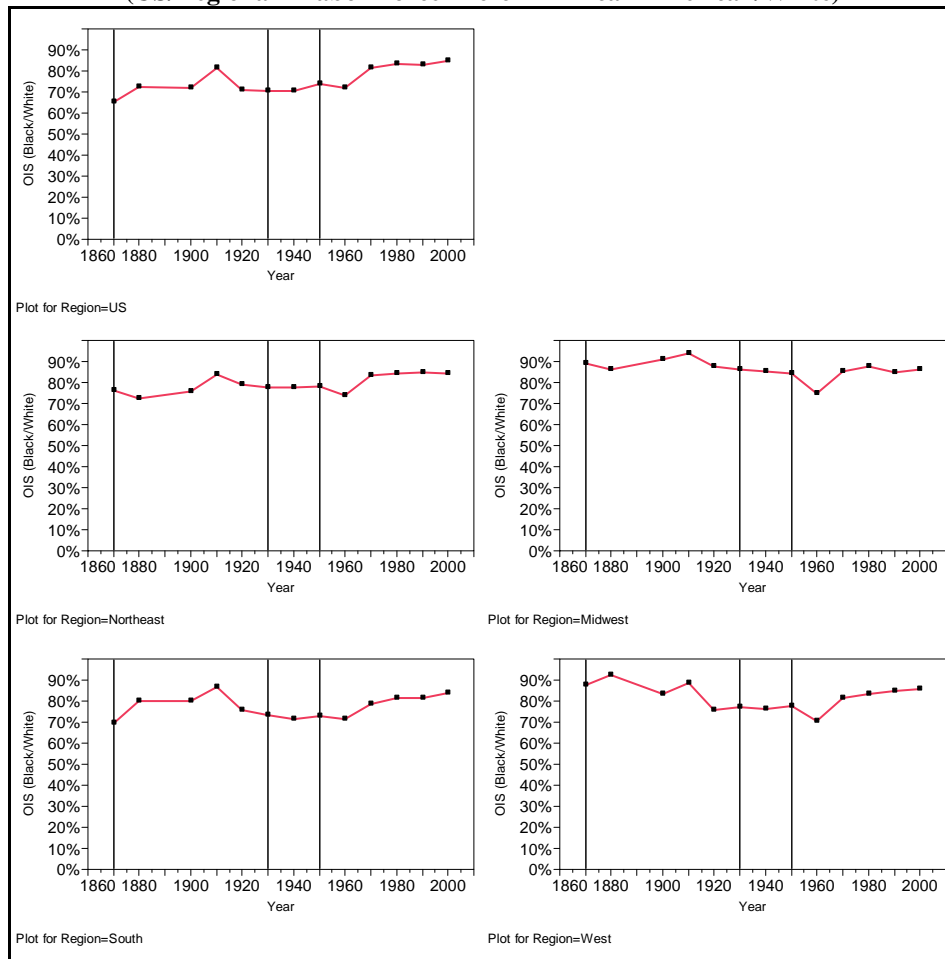
Regionally, we see the national pattern in the OIS ratios of stagnation, stagnation and increase in the three periods mirrored in the Northeast pattern. The South and Midwest present a pattern of stagnation, decrease and then increase. The amount of increase in the South/Midwest third period is less than the amount of decrease in the second period, and therefore the South/Midwest third period average is not as high as the first period average. The West pattern presents as decrease, stagnation and then increase. As in the South/Midwest pattern, the amount of increase in the third period pattern is less than the amount of decrease in the first period, and also the third period average is not as high as at the beginning of the first period. Comparatively through the three periods, and on average, the

---

<sup>3</sup> There is a possibility the 1910 "increase" is a statistical artifact of the classification scheme for developing the Occupational Income Score from the 1910 occupational classifications which were "dramatically reorganized" in 1910 according to the IPUMS developers.

South has the lowest ratios, the Northeast the next lowest, the Midwest the next lowest, and the West the highest.

**Figure 4 - Ratios of Occupational Income Scores  
(US/Regional - Labor Force - 16-64 - African American/White)**



Wage and Salary Income (1999 Dollars)

Wage and Salary Income (WSI) has been collected by the census since 1940 and records pre-tax income, as an employee, for the previous year. The Census Year WSI from 1940 to 2000 has been “inflated” to its value in 1999 Dollars by multiplying it by the Consumer Price Index (CPI - an index of inflation). Since the CPI in 1999 is 1 this makes the 1999 values (recorded in 2000) the index year values. The prior to 2000 WSI values (1989 dollars for 1990, 1979 dollars for 1980, etc.), adjust upwards since the pre-1999 indices are greater than 1 as shown in Table 3. The use of inflated values allows a comparable comparison of spending power for all years.

**Table 3 - Consumer Price Indices (CPIs) to be multiplied by Wage and Salary Income  
To produce WSI 1999 Dollars**

Census Year	1940	1950	1960	1970	1980	1990	2000
WSI 1999	1939	1949	1959	1969	1979	1989	1999
CPI	11.99	7	5.725	4.54	2.314	1.344	1

As Figure 16 shows there has been an historical disparity between the WSI of AALFMs and WLFMs. Nationally, the disparity has grown in absolute terms in every decade since the 1940’s

except 1970 to 1980. Generally, after rapid increases in AALFM and WLFM WSI from 1940 to 1970, AALFM WSI stagnates from 1970 to 2000, and WLFM WSI declines slightly from 1970 to 1980 and then increases slowly from 1980 to 2000. The 1970's saw a slight convergence of AALFM and WLFM WSI as a result of the decrease in WSI for WLFMs.

While regional patterns generally follow the national pattern from 1940 to 2000, for the 1970 to 1980 period the regional patterns display two different sub-patterns. In the South and West we see increases in WSI for AALFMs and slight increase or no increase (West) for WLFMs, leading to decreases in the disparity. In the Northeast and Midwest we see relatively similar decreases in WSI for both AALFMs and WLFMs. From 1980 to 2000 for AALFMs we see slight increase in WSI in the South and West; decline in the Midwest and stagnation in the Northeast. For WLFMs in the same period we see rapid increase in the Northeast, slight but still noticeable increases in the South and West and slight increases (initial decline and then increase) in the Midwest.

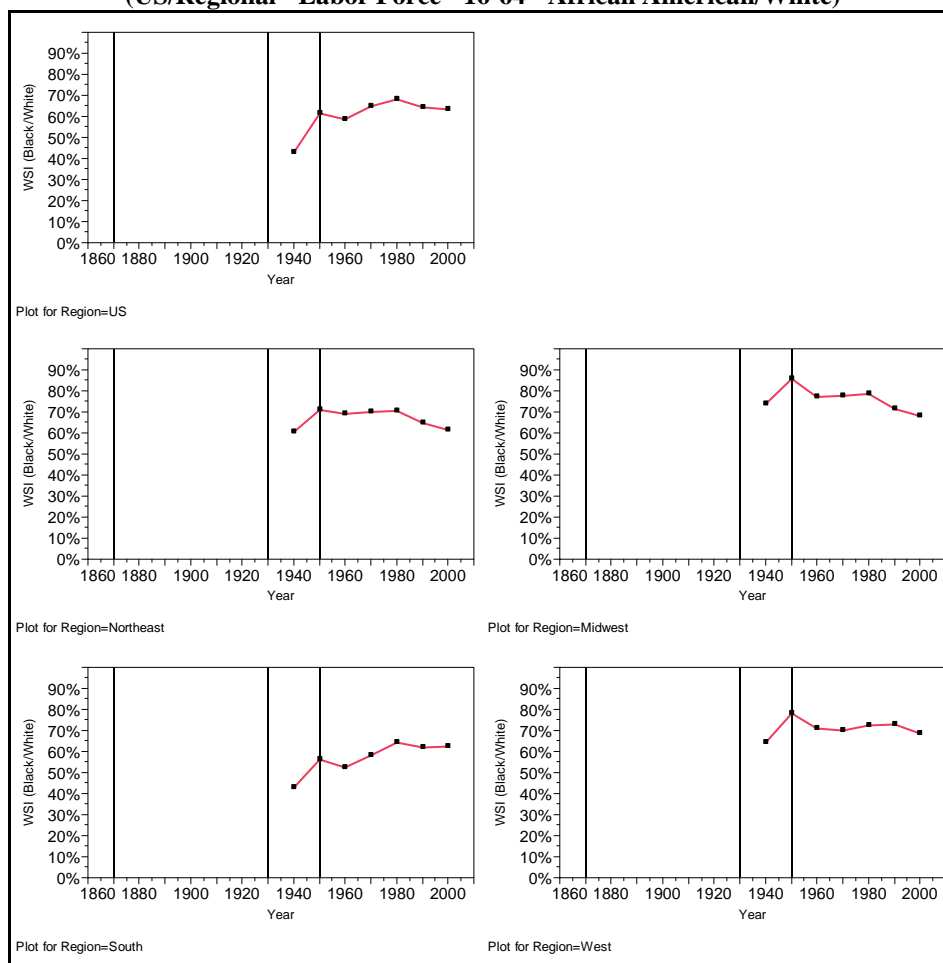
A look at AALFM/WLFM WSI ratios nationally and regionally (see Figure 5) presents a general pattern of sharp increase from 1940 to 1950 (nationally from 43% in 1940 to 63% in 1950), and stagnation from 1950 to 2000 (nationally the ratio averages approximately 64%). The sharp 1940-1950 increase is seen in all regions; there is then from 1950 to 1960 an only slightly less sharp decrease, nationally and in the Northeast and South, and a sharper decrease in the Midwest and the West.

We then see a period stagnation from 1960 to 1980 in the Northeast, the Midwest and the West, but increase in the South in the same period. It should be noted that the South overall has the lowest ratios and so the 1960-1980 increase in the South still does not bring it to the level of the other regions by 1980. From 1980 to 2000 we see continued stagnation in the West; stagnation in the South, and decrease in the Midwest and Northeast. In all regions except the South, after the initial sharp 1940-1950 increase and 1950-1960 decrease, the 2000 ratios are either substantially lower than in 1960 (69% in 1950 to 62% in 2000 in the Northeast; and 77% in 1950 to 68% in 2000 in the Midwest), or slightly lower (71% in 1950 to 69% in 2000 in the West). In the South the 2000 level (63%) is higher than in 1960 (52%), but the South ratio at 63% in 2000 is equal to the national ratio and is virtually tied for lowest with the Northeast (62%).

The AALFM and WLFM WSI time-series and the AALFM/WLFM WSI ratios compare Wage and Salary Income for those who have been employed in the previous year. Some of the AALFM/WLFM WSI disparity would be due to lower occupational level, and therefore is partially reflected in the previously discussed Occupational Income Scores (OIS - which has been lower and essentially static from 1870 to 2000 for AALFMs in comparison to WLFMs), and some of the difference is due to higher AALFM UERs in the previous year.

Thus, the WSI variable, which gives an account of the economic challenges faced by AALFMs relative to WLFMs even when they are in the Labor Force, is particularly significant since the purpose of economic activity for both AALFMs and WLFMs, is to earn income to provision for family life. The weakness of the WSI variable is its limited series (1940 to 2000). However, since the OIS and UER variables together imply WSI outcomes, and since these variables are available for more Census Years, they are used in the variable interrelationship discussion below to infer the value of WSI in the 1870 through 1930 period.

**Figure 5 - Ratios of Wage and Salary Incomes (1999 Dollars)  
(US/Regional - Labor Force - 16-64 - African American/White)**



### Literacy Rate and Educational Attainment

Finally, for this section of descriptive analyses we discuss combined Literacy Rate (LR) and Educational Attainment (EA) for Labor Force Males. These two variables (LR and EA) are not directly comparable, but since they were recorded for different sets of years (LR for 1870-1930, and EA for 1940-2000), they are combined and taken contiguously to give a sense of educational status for the entire period from 1870 through 2000. The IPUMS variable “Literate” is a multi-valued variable indicating whether the respondent can read and/or write. It has been recoded for this study as a dichotomous variable indicating whether the respondent can read **and** write (literate = 1) or not (=0). The IPUMS variable “Educational Attainment Recode” is an ordinal variable indicating an increasing number of years of education essentially grouped into preschool, primary, secondary (middle school, high school), and college undergraduate, and graduate categories. We have recoded this variable as Educational Attainment, as can be seen in Table 4, so that the codes ‘roughly’ represent years of education.

**Table 4 – Educational Attainment as recode of Educational Attainment Recode**

Educational Attainment Recode	Educational Category	Educational Attainment
0	N/A or No schooling	0
1	None or preschool	1
2	Grade 1, 2, 3, or 4	3
3	Grade 5, 6, 7, or 8	7
4	Grade 9	9
5	Grade 10	10
6	Grade 11	11
7	Grade 12	12
8	1 to 3 years of college	14
9	4+ years of college	16

A look at Figure 18 - Literacy Rate (US - Labor Force 16-64 - African American/White), reveals the very rapid pace of improvement in national LRs for AALFMs from 1870 through 1930, when recording of the variable was discontinued in the Census. From a LR of only 18% in the first Census after the end of slavery AALFMs achieved a LR of 82% by 1930. In the same time period the LR for WLFMs improved from 90% to 97%.

Regionally, looking at Figure 19 - Literacy Rate (Regional - Labor Force 16-64 - African American/White), we see a repeat of the rapid rate of convergence of AALFM LRs with those of WLFMs. This is particularly of note in the South where, having the furthest to go, the rate of closure is the greatest. The rate of closure is next greatest in the Midwest where by 1930 the disparity has virtually disappeared, next greatest and approximately equal in the Northeast and West where by 1930 the disparity has been eliminated.

Because the LRs for WLFMs are close to 100%, and show less of a percentage point change from 1870 to 1930, the AALFM/WLFM LR ratios in Figure 6 are mirror images of the LRs in Figure 18 and Figure 19, and show the same rapid convergence to parity (100%) nationally and regionally.

A look at Figure 20 – Educational Attainment (US - Labor Force 16-64 - African American/White) for the 1940-2000 period reveals a continuation of the convergence of level of education, this time by average years of education. Starting from an average AALFM EA in 1940 of 6 years, compared to 9 years for WLFMs, the disparity decreases to an AALFM EA of 12.8 years of education, compared to and EA of 13.5 years for WLFMs.

It should be noted that because of “top truncation” (years of college greater than 4 are coded as if they were 4) computed averages will be downward biased as averages approach 16 years, and disparities that might exist between AALFMs and WLFM will be underestimated because of uncaptured disparities in years of graduate education. However, higher estimates are still informative particularly if they follow the trends set by movement from lower to higher years of EA.

Regionally, looking at Figure 21 – Educational Attainment (Regional - Labor Force 16-64 - African American/White), we see again a repeat of the convergence in years of education we have discussed nationally. Again the rate of convergence is the greatest in the South, which again has the greatest ground to make up. By 2000 all regions show only small differences.

These small differences are particularly noticeable when we review the AALFM/WLFM EA ratios in Figure 6. Nationally the EA ratio has increased from 65% in 1940 to 95% in 2000, while regionally the EA ratio has increased from 63% in 1940 to 95% in 2000 in the South, the region of greatest closure. In all other regions the EA ratios have increased from the mid-80% in 1940 to the mid-90% by 2000.

**Figure 6 - Ratios of Literacy Rates and Educational Attainment  
(US/Regional - Labor Force - 16-64 - African American/White)**

a

### Analysis of Variable Interrelationships

Taken together the descriptive analysis in the previous section paints a compelling picture of the historical and modern, national and regional socio-economic situation of African American Children and Labor Force Males relative to White Children and Labor Force Males. However, to generate an holistic and systematic picture it is helpful to put the discussed variables, (Father Presence Rate, Unemployment Rate, Labor Force Participation Rate, Occupational Income Score, Wage and Salary Income, and Literacy Rate/Educational Attainment), into a theoretical model. We do so first with regards to how these variables (all but the Father Presence Rate which we address later) relate to the Theory of Human Capital.

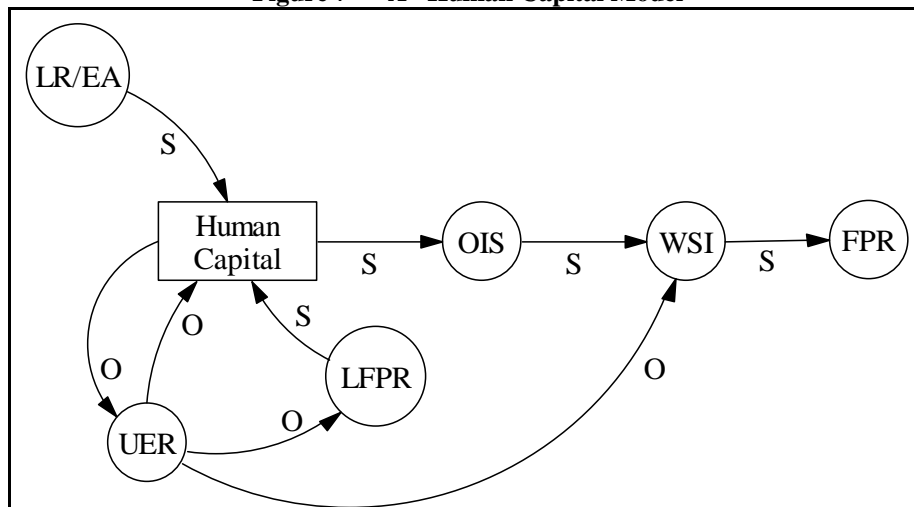
#### The Theory of Human Capital: Education, Unemployment, and Labor Force Participation

The modern Theory of Human Capital (HC), is the mainstay of the orthodox approach in economics, and comes primarily from the work of Jacob Mincer (1958) and Gary Becker (1964) The theory refers to the level of human productive capability based on the level of education, experience, and training possessed by a worker. A prediction of the theory is that an increase in the level of HC leads to an increase in productive capability which leads to an increase in worker income, since an assumption is that workers are paid according to their “marginal productivity”, i.e. according to the additional productive output the worker brings to their work. In essence, workers are paid what they are worth and if workers are paid less it is due to lesser levels of HC. Additionally, employer perceived levels of worker Human Capital affects employer hiring decisions. Given the need to hire the most productive employee among available potential employees, employers will hire the employee with the highest level of HC. Therefore, workers looking for work with lower levels of HC lose out in hiring and either work for lower wages or suffer higher rates of unemployment particularly in “tight” Labor Markets (when jobs are scarce). Thus Mincer’s and Becker’s work is an attempt to explain both the high level of unemployment and the low level of income even when employed, of AALFMs relative to WLFMs.

The relationship theorized is that HC and UER are forward linked in ‘opposite’ directions; in terms of averages for various populations an increase in HC leads to a decrease in the UER. We can also invert the linkage backwards from UER to HC since periods of unemployment lead to a decrease in experience and therefore to a decrease in HC (UER to HC are backwards linked also in ‘opposite’ directions). By corollary, a decrease in UER leads to an increase in HC via “learning by doing” (Arrow, 1962).

Between HC and basic skills/formal education (LR/EA) the relationship works in the ‘same’ direction; an increase in LR/EA results to an increase in HC. The opposite (O) direction forwards and backwards linkages between HC and UER and the same (S) direction forwards linkage between LR/EA and HC is modeled in Figure 7.

Figure 7 – “A” Human Capital Model



While not directly addressing LFPR, the relationship between UER and LFPR (and indirectly between HC and LFPR) is understood to operate, at least partially, through the “discouraged worker effect”; whereby “unemployment tends to cause workers to withdraw from the labor force” (Schweitzer & Smith, 1974, p. 249). This effect is influenced by the length of the unemployment period for the unemployed worker; the longer the period of unemployment, the more likely the unemployed worker is to become discouraged and to stop looking for work. Therefore, the length of downturns in the business cycle (recessions and depressions) is directly correlated to the “discouraged worker effect”; therefore the length of unemployment works in the opposite direction to LFPR (see Figure 7). LFPR works in the same direction as HC; workers who are not working because they have withdrawn from the labor force (decrease in LFPR) cannot gain work experience (decrease in HC).

The UER-LFPR interaction is not linear (an increase in UER leads to a proportional decrease in LFPR and a subsequent decrease in UER leads to comparable proportional increase in LFPR). The interaction is highly and dynamically non-linear whereby long periods of unemployment leading to discouragement may leave the worker discouraged even through some period of the economic recovery, making the decrease in LFPR from long periods of unemployment somewhat permanent; this is known as the “scar” effect (p. 250).

This non-linear effect will be exacerbated if, because of discriminatory action in the labor market, the length of periods of unemployment in economic contractions is increased, and the length of periods of employment in economic expansions is decreased. It is an old adage that AALFMs are “last hired and first fired” (Sundstrom, 1992) The adage becomes operational as the increase of length of unemployment during business downturns occurs as employers in anticipation of a business cycle downturn, begin early to cutback on employment or enact layoffs, disproportionately laying off AALFMs (first fired); and then do not rehire them until well into the upturn (last hired).

#### The Theory of Human Capital: Unemployment, Occupational Income Score and Wage and Salary Income

The Theory of Human Capital makes predictions about income (here WSI) based on the level of HC. The prediction is that HC is forward linked to WSI in the same direction where an increase in HC leads to an increase in WSI. But, earned WSI is not only related to the level of HC but also to employment; one must be working to have WSI. UER is also forward linked in the opposite direction to WSI; an increase in the UER leads to a decrease in WSI.

A caution...we must be careful about how we conceptualize the UER-WSI relationship. Because the UER is a rate, and only has meaning as a calculated summary statistic (the total number of

unemployed persons divided by the total number of persons in the labor force), it cannot say anything specifically about the status of an individual worker in the labor force who, at any particular time, is either 100% unemployed or 100% employed. A person who is unemployed at the time of the census may have been employed for the entire prior year over which WSI is summed, or may have been unemployed for all or some part of that prior year. If the latter is the case their WSI will have been decreased (perhaps to 0) for that prior year. We assume that if a person is unemployed at the time of the census; because unemployment is not a point phenomenon but has a duration; it raises the likelihood that that person was unemployed at some period in the prior year, which is consistent with the HC model. It is in this sense that we must interpret the UER-WSI relationship.

In order to keep the HC effect on WSI operationally separate from the UER effect, we model HC as related to WSI through the occupation a certain level of HC will allow participation in, with a higher level of HC forward linked in the same direction to occupational level represented by OIS. These relationships; between HC, OIS, UER and WSI are also shown in Figure 7.

### The Theory of Human Capital: Comparison to African American Descriptive Analysis

Taking the HC Model (see Figure 7) systematically we state the following predictive chain of outcomes, starting with an increase (decrease) in education (LR/EA)

1. An increase (decrease) in LR/EA leads to an increase in HC.
2. This leads to:
  - a. An increase (decrease) in OIS, which leads to an increase (decrease) in WSI
  - b. A decrease (increase) in UER, which leads to:
    - i. An increase (decrease) in WSI
    - ii. An increase (decrease) in HC via an increase (decrease) in “job experience”/“on-the-job-training”, leading to a return to 2a above.
    - iii. An increase (decrease) in LFPR which leads to an increase (decrease) in HC via an increase (decrease) in “job experience”/“on-the-job-training”, leading to a return to 2a above.

In summary, an increase (decrease) in LR/EA has a circular and cumulative increase (decrease) on HC and eventually WSI. Increases in HC through education begin a “virtuous circle” (Myrdal, 1996) with regards to WSI, while decreases in HC begin a “vicious circle” with regards to WSI. How do these predictions relate to the empirical evidence as presented in the descriptive analyses of the IPUMS times-series for UER, LFPR, OIS, WSI, and LR/EA?

We start with the theoretical/predicted effects, versus the empirical/historical evidence of the effects of LR/EA on the rest of the system. The analysis divides quite naturally into three time periods; 1970 through 1930, 1930 through 1960, and 1960 through 2000.

### Critiquing the Theory of Human Capital: 1870-1930 Period

In the 1870-1930 period we take note of a number of variable characteristics.

1. The AALFM LFPR, both nationally and regionally, in the period is marginally higher than for WLFMs, and relatively stable for both. Within the context of the HC model in Figure 7, this pattern of equality and stability makes constant the effect of LFPR on HC, a theoretical condition sought after in economics known as *ceteris paribus* (all things being constant).
2. We cannot calculate the UER for the entire 1870-1930 period from the IPUMS, since only 1910 through 1930 employment status data is available. However, in that period the AALFM UERs in the South and nationally were essentially equal to that of WLFMs. Since most African Americans lived in the South in this period, the African American population distribution in the South dominates the statistic. Other sources of UER data informs us that “before 1930, the overall unemployment rate for black Americans differed little from that for whites.” (Vedder & Gallaway, 1993, p. 57). The data as presented by Vedder and Gallaway, although not differentiated by sex and calculated for the White/Nonwhite

population instead of AALFMs and WLFMs, also demonstrates the essentially low and relatively stable UER. Again, we have a *ceteris paribus* condition with regards to the effect of UER on HC. More importantly this equality and stability is consistent in the model with an equal and stable LFPR.

The *ceteris paribus* condition for UER and LFPR eliminates the need to account for their effect on HC, and the effect of UER on WSI. Therefore, the significant effects to analyze are the effect of LR/EA on HC, the effect of HC on OIS, and the effect of OIS on WSI.

Again, in the 1870-1930 time period we see (see Figure 18 and Figure 19) the rapid and continuous improvement in the LR for AALFMs and an increase in LR parity between AALFMs and WLFMs (see Figure 6). This should lead to an increase in HC parity between AALFMs and WLFMs. This convergence in AALFM/WLFM HC should lead to a convergence in parity for OIS. Observing Figure 4 we do not see this convergence in the 1870-1930 period, in fact we see no change and even a decrease in OIS parity in the West.

We conclude that Human Capital Theory cannot explain the non-convergence. It is not simply that as Vedder and Gallaway write “In the early decades of this century, most blacks worked in occupations with traditionally low rates of unemployment, particularly farming. They were seriously underrepresented in such high unemployment (but also high paying) areas as manufacturing and mining.” (1993, p. 57). Myrdal reports that in the South “Negros were the domestics and the laborers”, but also that “Negros were also, to a large extent, the craftsmen, and the mechanics. They were carpenters, bricklayers, painters, blacksmiths, harness makers, tailors and shoemakers.” (1996, p. 280)

The question is not why AALFMs have or do not have high or low paying jobs; the question is - Why is there not a convergence in OIS given that there is a convergence in HC, resulting from the convergence in LR? Darity (1982) and Shulman (1987) have previously addressed the inability of HC Theory to explain wage (WSI) differentials between Black and White workers<sup>4</sup>. We have moved one step back in the causal chain to question the ability of HC Theory to explain the lack of occupational advancement for AALFMs (and therefore differentials in WSI although IPUMS WSI data is not available for this period).

#### Critiquing the Theory of Human Capital: 1930-1960 Period

The 1930-1960 period was dominated economically by the Great Depression (1930-1945) where in 1940 we see increases in UER and decreases in LFPR for both AALFMs and WLFMs (see Figure 10, Figure 11, Figure 12, and Figure 13). By 1950 we see a decrease in UER (post-WWII), and the “historic doubling” disparity has emerged in UER between AALFMs and WLFMs.

Educationally, we see continued increase and convergence in AALFM and WLFM EA (see Figure 20, Figure 21, and Figure 6). This implies increase and continued convergence in HC, which implies increased and continued convergence in OIS, which implies continued increase and convergence in WIS. Additionally, even though we no longer have a *ceteris paribus* condition with regards to UER and LFPR, increase and convergence in HC implies convergence in UER and LFPR even while there are increases in UER and LFPR for AALFMs and WLFMs. Even though there is an implied increase and convergence in HC, this does not mean an absolute decrease in UER and increase in LFPR since the level of the economy as a whole affects the number of jobs available.

Instead of convergence, a disparity between AALFM and WLFM UER emerges and begins to increase. The disparate distribution of UER between AALFMs and WLFMs has to be explained by some theory other than HC Theory. Once we have a disparity developing in UER and LFPR we can have a theoretical decrease in the informal education (“on-the-job-training, work experience)

---

<sup>4</sup> It should also be noted that the “Statistical Theory of Discrimination” (Aigner & Cain, 1977), which is intended to address some of the inadequacies of HC Theory also cannot account for the lack of convergence, particularly with equal and stable UER between AALFMs and WLFMs. We do not address this issue in this paper.

contribution to HC. This can explain the divergence we see in this period in OIS, but the question to be asked, and the question that HC Theory cannot answer is: What causes the increase in UER and decrease in LFPR for AALFMs relative to WLFMs in the first place?

One explanation given is that the increase in government relief programs during the Depression led to a decrease in incentives for African Americans to take gainful employment since they were concentrated in low-skill-low-paying occupations and there was less difference between low pay and relief checks. However, Sundstrom (1992) points out that “[t]his gap [in UER] was substantial even in 1931, before government relief policies might have discouraged lowskilled workers from taking low-paying jobs in the private sector.” (p. 427)

With regards to LFPR Myrdal writes “it is probable that the unemployment among Negroes during the ‘thirties was a contributory factor [to decreased LFPR], in that Negroes who had lost their jobs, more often than whites, were discouraged from offering their services and, thus, ceased to belong to either the actual or the potential labor force” (1996, pp. 299-300). Sundstrom posits that “[t]he hypothesis that racial bias by the clients of such services heightened as jobs for whites became scarce cannot be dismissed.” (p. 428)

While Arthur Ross (1940, p. 552) argued that “the displacement of Negro workers occurred primarily in the ‘Negro jobs’ and not very prominently in the new industrial occupations held since the war [WWI]”, Myrdal argued that this occupational discouragement “starts from the top and goes downward” (1996, pp. 281-282), meaning the higher OIS occupations become unavailable for AALFMs resulting in stagnation in OIS, and possibly even a decrease in OIS (ex. In the West) as WLFMs push AALFMs even out of ‘Negro jobs’. Support for the “top-down” displacement thesis comes from data about Black migration into the more industrial Northeast and Midwest from 1910 through 1970, that “the unemployment rate] of more-educated Black migrants was higher than that for less-educated Black migrants” (Shrestra, Smith, & Evans, 2003, p. 113).

This increase in competition for jobs leads to labor market “segmentation by race” (Welch 1995), that is, specific races dominating particular jobs in certain sectors of the job market, and “because the supply of blacks exceeded their ... job opportunities, many Blacks found only low paying work in secondary peripheral industry jobs” (Welch 1995, 35).

We therefore have a story of increased competition for jobs generally, leading to the displacement of AALFMs even from the occupations they traditionally held, as WLFMs begin to take whatever work they can. To make room for WLFMs, AALFMs are pushed from work (increase in UER), become discouraged by longer periods of unemployment (decrease in LFPR) and are pushed from occupations their increased HC would qualify them for, if only jobs were offered (divergence in OIS). The dynamics that emerged during the Depression continue in the post-WWII period, now probably helped along by the “vicious circle” in the HC model between HC, UER, and LFPR described above. These dynamics were initiated not by the actions and behaviors of AALFMs but by discriminatory practices in the Labor Market. And, drastically for any chance of recovery from Depression era discriminatory practices, “[t]he general increase in unemployment during the ‘thirties made white workers try even more to ‘drive the Negroes out’” (Myrdal, 1996, p. 289); an exercise of Labor Market power by white workers.

#### Critiquing the Theory of Human Capital: 1960-2000 Period

Except for a brief decade (1960-1970) the 1960-2000 period dynamic, by and large, appears to be a continuation of the Depression era “vicious circle” dynamic. There is the increasing disparity between AALFM/WLFM UER, LFPR and WSI, in spite of an increased parity in EA. However, there is the slight increase in parity in OIS.

Given that this increase in OIS parity might be attributable to civil rights and affirmative action; the increase in OIS parity becomes a consequence of the increase in HC in this and prior periods that have heretofore been unrewarded. The increase in EA parity; combined with affirmative

action practices in the Labor Market results in a greater return to investments in EA relative to prior periods when discriminatory practices were stronger and unchallenged. The pent up, unrewarded EA, represented by AALFMs working at jobs they are overqualified and overeducated for gets an opportunity to reap its investment, although the time frame for such harvest is short (1960-1970).

The increase in UER and LFPR running counter to this suggests that there may be class differences in outcomes. Lower OIS AALFMs may be experiencing increasing UER and LFPR, while higher OIS AALFMs are experiencing decreasing UER and LFPR. The view that class has become the factor maintaining the current and declining condition of poor African Americans is consistent with the theories of William J. Wilson (1980; 1987) as long as we understand that the process of decline in AALFM economic conditions begins in the 1930's as a result of Depression era Labor Market competition and not later as Wilson theorizes. And as long as we realize that race has not become insignificant, but only less significant and only for a brief period.

#### Conventional Explanation(s) for the Decreasing African American Child FPR

Finally, we turn to the relationship between WSI and the Father Presence Rate (FPR).

##### “Vestiges of Slavery” and Cultural Dysfunction

From the IPUMS we calculated the African American Child Father Absence Rate (FAR = 1 - FPR) as 41% in 2000, trending upwards from 31% in 1960; the comparable rate for Whites is 17% in 2000 trending upwards from 7% in 1960. There is nothing new about this information.

The “conventional wisdom” is that the current lack of fathers in African American households is a “vestige of slavery”; that the sense of familial importance was severed by enslavement, resulting in lesser value being placed on family by African American males, particularly exacerbated by a matriarchal African American family structure. Sociological research promoting this theory comes primarily from the tradition of E. Franklin Frazier (1939), who was trained in the Chicago school of sociology by Robert Park. Frazier contributed heavily to Myrdal's 1944 classic An American Dilemma (1996) in this regard. This line of research has been promoted prominently by Moynihan and others (Glazer & Moynihan, 1963), and continues in the work of Ogbu (1991).

This “cultural dysfunction” explanation for the decreasing African American Child FPR held by social scientists was popularized most notably by Daniel Patrick Moynihan in his 1965 study, “The Negro Family: A Case for National Action” (Moynihan, 1965). The Moynihan Report was contracted by the United States Department of Labor to steer legislation for the Great Society programs of the 1960's. It asserted that “the white family has achieved a high degree of stability and the family structure of lower class Negroes is highly unstable.” (p. 8) Based on this assumption the report concludes, “[t]hree centuries of injustice have brought about deep-seated structural distortions in the life of the Negro American. At this point, the present tangle of pathology is capable of perpetuating itself without assistance from the white world” (1965, p. 32).” By our calculation the number Children with fathers living in the household has been decreasing for both African American and White Children since 1960. This also is not new information. However, in Moynihan's version of the “cultural dysfunction” thesis, certain groups and individuals (African Americans in particular) tend to persist in a state of poverty because they have distinct beliefs, values and ways of behaving that are incompatible with economic success in a patriarchal, capitalistic society.

In economist Gunnar Myrdal's version he writes of “the low standards of efficiency, reliability, ambition, and morals actually displayed by the average Negro.” (1996, p. 1125) In Myrdal's analysis of the increasing numbers of broken homes in African American communities, he asserts that “family disorganization was not only a legacy of slavery, but also “poverty and ignorance were...obstacles to acculturation.” (p. 1126) While Myrdal's study contains an enormous amount of data useful to this study and for any study looking for economic and social structural explanatory factors; Myrdal does not take into account these structural impediments that have contributed to the social position of African Americans in the United States. It should be noted that Myrdal was noticing the decrease in

African American Father Presence in the 1940s (prior to 1960), at which time the rate of Father Presence for whites had not yet started to decrease (see Figure 8 and Figure 9).

### Social Program Effect

One final commonly held idea with regards to Father Presence in the African American community is that the social programs of the 1960's played a considerable role in fathers not living with their Children in the household. However, the above description of the decreasing trend of African American Child FPR, since the 1920s, was obviously well before the implementation of the "Great Society" programs of the 1960's. And, as previously stated disparities in UER and LFPR were already seen to emerge in 1931, even before Depression era relief programs had been implemented [see Sundstrom (1992)].

### "Jim Crow" and Structural Impediments

Criticisms of the "vestiges of slavery" and "cultural dysfunction" theories have emerged along the lines of the research of Dubois (1935) and Woodson (1919). Baker (1998) documents the intellectual struggle between the Frazier/Myrdal/Robert Park versus the Dubois/Woodson/Franz Boas/Melville Herskovits traditions in sociology/anthropology through 1954. Cross (2003) traces the Dubois/Woodson re-emergence and presents his research showing that African Americans emerged from Enslavement with enough cultural integrity with regards to family structure. Cross (2003) documents the existence and importance of deliberate structural constraints placed on African Americans post-Enslavement responsible for hobbling African American cultural integrity. He reaches the conclusion that the level of cultural integrity was not enough to overcome the structural constraints placed in the path of African American during the period of Jim Crow. This contradicts the Frazier theory that African American cultural dysfunction is primarily responsible for the differences in family structure, and goes back to Enslavement.

### The Empirical Counter Argument

Viewing Figure 8 and Figure 9, there clearly is no "slavery effect" for African American FPR for the Children of newly freed African Americans, and as previously stated the African American Child FPR increased in the 1870 to 1920 period from 75% to 79%. While there is the constant disparity between the African American and White Child FPR of about 13% (88% to 75% in 1870 and 92% to 79% in 1920), explanations other than as a "vestige of slavery" and "cultural dysfunction" are available to explain that disparity, as we will discuss later.

Thus, we find that the "cultural" explanation for the current rate of African American Father Absence cannot be sustained. Though the conditions of slavery were de-humanizing, and families were split, the sense of family importance remained intact. The FAR in 1870 for African Americans was 25% compared to 12% for whites. The FARs for African American Children continued to trend downwards with that of whites until 1920 when the African American rate began to increase. Even more important to discounting the "cultural deficiency" hypothesis is the fact that the African American FPR actually increased from 1850 to 1870. This is most notable in the Southern Region of the United States where there is a sharp decrease in the African American FAR from 1850 to 1870. Keeping in mind that the 1850 and 1860 censuses did not count enslaved Africans, who were 95% of the African American population in the South, the only conclusion to be reached is that newly freed African Americans quickly reconstructed stable families at a rate higher than those of free African Americans.

While the "vestiges of slavery" are a reality of life in America, this study demonstrates that slavery did not eliminate the sense of familial importance for African Americans; economic factors are most likely to be the cause.

In fact, the 13% disparity in the FAR in 1870 theorized as a vestige of slavery is exceptional because it is not larger. One would expect the African American FPR for the Children of newly freed

African Americans to be lower than the projected rate for the Children of African Americans who had been free for at least 10 or 20 years. This is especially so since the period of enslavement was a time when enslaved Africans not only had no control over the stability of their families, but family stability was not on the list of slaveholder interests. Their interests were to extract the maximum profit from their chattel property in enslaved Africans which meant selling them whenever the opportunity arose to generate more income by the sale than keeping them in place.

The conventional wisdom posits that the economic interests of the slaveholder, resulting in their placing no value in enslaved African family stability, leads them to break up enslaved African families when it served their economic interests or their interests in disciplining the enslaved by showing complete control over their lives; while this same situation becomes part of the cultural value system that African Americans placed on their own family stability. Thus we have economic explanations for the actions of slaveholders, but moral reasons, masquerading as cultural values, for the actions of the formerly enslaved.

#### Correlations between the economic (UER, LFPR and OIS) and social (FPR) variables

But, why two sets of reasons? Clearly the situation does not go back to slavery... clearly! Rather than the disparity being a vestige of slavery it reveals itself as a vestige of economic differences between the socioeconomic structure of AALFMs and WLFMs. This is the conclusion we reach in this study by comparing descriptively the rate of Father Presence and other factors by race that theoretically should have a strong correlation with the rate of Father Presence based on our assumptions.

An exploratory review of the UER, LFPR, OIS and FPR time-series; nationally in Figure 10, Figure 12, Figure 14, and Figure 8, and regionally in Figure 11, Figure 13, Figure 15, and Figure 9; looking correlationally reveals a compelling picture. In the 1870-1930 period we have stability in absolute rate and disparity between AALFMs and WLFMs in UER and LFPR, and stability in disparity in OIS; and stability in absolute rate and disparity between African American and White Children in FPR. For this period (1870-1930) the constant disparity between AALFM and WLFM OIS is sufficient to explain the constant disparity between African American and White Child FPR. An economic reason only!

Post 1930 we have continued stability in disparity for OIS; but increases in disparity and increases in absolute rate for AALFM UER, and decreases in absolute rate for both AALFM and WLFM LFPR. We also have increases in disparity and decreases in absolute rate for both African American and White Child FPR. The level of correlation within the African American set of variables and within the White set of variables is visually unmistakable. The level of correlation between the African American and White set of variables is also visually unmistakable. Continuing to theorize the constant AALFM/WLFM OIS disparity as sufficient to explain the constant disparity between African American and White Child FPR; we theorize that the increasing disparity in AALFM/WLFM UER and LFPR is sufficient to explain the increasing disparity between African American and White Child FPR. Again, an economic reason only!

### **Conclusion**

**Taken together the set of economic variables analyzed in this study are able to explain Father Presence Rates, regardless of the race of Labor Force Males; the same relationships hold regardless of race.**

This study challenges many of the theories used to explain the state of the African American family, and aims to point out the structural causal factors that have contributed significantly to the decrease in Father Presence in the African American community. Rather than “cultural” factors, this study finds plausible economic structural factors are most likely causal. These economic structural causal factors found their root in the continuing use of power by whites in the Labor Market

exaggerated by the economic crisis of the Great Depression, and exacerbated by the increasing pace of the shift to a service economy in the post World War II period and particularly since the 1970s.

With this evidence, it is clear that the “vestiges of slavery”/”cultural dysfunction” theses articulated by Myrdal and Moynihan to provide some sort of explanation of the complex issues burdening the African American family does not hold. Hence the evidence suggests structural impediments set up barriers to successful provisioning for black families.

## ***Recommendations/Implications – National, Regional***

### National

1. Agenda for the Academic and Research Community
  - a. Conduct research related to the cultural resiliency of African Americans immediately post-slavery, particularly with regards to family structure, Human Capital and occupational status.
  - b. Conduct research related to the suppression of African American occupational advancement via public and private discrimination from 1870 through 2000.
  - c. Conduct research related to the impact of the Great Depression on the occupational advancement of African Americans.
  - d. Conduct research related to the development of African American Human Capital.
2. Agenda for the Public/Governmental Sector
  - a. Provide funding for the research efforts in the above Agenda for the Academic and Research Community.
  - b. Provide funding for the development efforts in the below Agenda for Community Based, Non-Governmental and Advocacy Organizations.
  - c. Enact legislation and policies aimed at increasing African American Human Capital, particularly focused on upper level occupational levels, and the movement of workers from low-skilled to higher-skilled occupational levels.
  - d. Enact legislation to eliminate the effect of unequal power in the Labor Market.
  - e. Enact legislation to increase small and micro business development since small and micro businesses are the greatest creators of jobs in this economy.
3. Agenda for Community Based, Non-Governmental and Advocacy Organizations
  - a. Develop and promote community directed and culturally connected programs to **re-stabilize** African American Families.
  - b. Develop and promote community directed and culturally connected programs for the intergenerational transfer of Human Capital from elders to juniors within the community.
  - c. Develop and promote community directed and culturally connected programs to increase the number of community owned small and micro businesses and to increase customer bases.
  - d. Develop and promote community directed and culturally connected programs to increase the number of culturally relevant public schools and improve educational attainment and achievement.

### Regional

As we have seen there are regional differences in socio-economic conditions and differences in the economic structures generating these differences. Therefore, the above recommendation and implications at the National level must be varied based on regional differences in Labor Market structure, particularly occupational structure.

1. Agenda for the Academic and Research Community
  - a. Regional versions of the above National Section 1a through 1d.
  - b. Conduct research related to the interdependencies and interconnections between regions.
2. Public/Governmental Sector
  - a. Regional versions of the above National Section 2a through 2e.
3. Community Based, Non-Governmental and Advocacy Organizations
  - a. Regional versions of the above National Section 3a through 3d.

## Reading List

- America, R. (2005). The Theory of Restitution. In *African Americans in the U.S. Economy* (pp. 327-333).
- Batchelder, A. B. (1964). Decline in the Relative Income of Negro Men. *The Quarterly Journal of Economics*, 78(4), 525-548.
- Becker, G. S. (1957). The economics of discrimination. [Chicago]: University of Chicago Press.
- Becker, G. S. (1964). Human capital; a theoretical and empirical analysis, with special reference to education. New York,: National Bureau of Economic Research; distributed by Columbia University Press.
- Brimmer, A. F., & Harper, H. (1970). Economists' Perception of Minority Economic Problems: A View of Emerging Literature. *Journal of Economic Literature*, 8(3), 783-806.
- Cherry, R. (1995). The Culture-of-Poverty Thesis and African Americans: The Work of Gunnar Myrdal and Other Institutionalists
- Collins, W. J. (2003). The Labor Market Impact of State-Level Anti-Discrimination Laws, 1940-1960. *Industrial and Labor Relations Review*, 56(2), 244-272.
- Collins, W. J. (2004). The housing market impact of state-level anti-discrimination laws, 1960-1970. *Journal of Urban Economics*, 55(3), 534-564.
- Collins, W. J., & Margo, R. A. (2000). Residential segregation and socioeconomic outcomes - When did ghettos go bad? *Economics Letters*, 69(2), 239-+.
- Collins, W. J., & Margo, R. A. (2003). Historical Perspectives on Racial Differences in Schooling in the United States. *NBER Working Papers* Retrieved October 18, 2007, from <http://www.vanderbilt.edu/Econ/wparchive/workpaper/vu03-w13.pdf>
- Conrad, C., Whitehead, J., Mason, P. L., & Stewart, J. (Eds.). (2005). *African Americans in the U.S. Economy*. Lanham, MD: Rowman & Littlefield.
- Corcoran, M., Gordon, R., Laren, D., & Solon, G. (1992). The Association between Men's Economic Status and Their Family and Community Origins. *The Journal of Human Resources*, 27(4), 575-601.
- Cotton, J. (1998). On the permanence or impermanence of Black-White economic inequality. *Review of Black Political Economy*, 26(2), 47.
- Cross, W. E. J. (2003). Tracing the historical origins of youth delinquency & violence: Myths & realities about black culture. *Journal of Social Issues*, 59(1), 67-82.
- Cruse, H. (1984). *The crisis of the Negro intellectual* (1st Quill ed.). New York: Quill.
- Darity, W., Jr., & Frank, D. (2005). The Economics of Reparations. In *African Americans in the U.S. Economy* (pp. 334-338).
- Darity, W., Jr., & Myers, S. L., Jr. (1983). Changes in Black Family Structure: Implications for Welfare Dependency. *The American Economic Review*, 73(2), 59-64.
- Darity, W., Jr., & Myers, S. L., Jr. (2001). Why did black relative earnings surge in the early 1990s? *Journal of Economic Issues*, 35(2), 533.
- Darity, W., Jr., Dietrich, J., & Guilkey, D. K. (1997). Racial and ethnic inequality in the United States: A secular perspective. *The American Economic Review*, 87(2), 301.
- Davis, D. B. (1997). A Review of the Conflicting Theories on the Slave Family. *The Journal of Blacks in Higher Education*, 100.
- Dubois, W. E. B. (1906). The Economic Future of the Negro. *Publications of the American Economic Association*, 7(1), 219-242.
- Fogel, W. (1966). The Effect of Low Educational Attainment on Incomes: A Comparative Study of Selected Ethnic Groups. *The Journal of Human Resources*, 1(2), 22-40.
- Foner, P. (2005). The Rise of the Black Industrial Working Class, 1915-1918. In *African Americans in the U.S. Economy* (pp. 38-46).

- Harris, W. (2005). An Uncertain Tradition: Blacks and Unions, 1865-1925. In *African Americans in the U.S. Economy* (pp. 47-57).
- Huffman, W. E. (1981). Black-White Human Capital Differences: Impact on Agricultural Productivity in the U.S. South. *The American Economic Review*, 71(1), 94-107.
- James, Q. W. (2002). Slavery and the black family. *Public Interest*(147), 3.
- Darity, W., Jr. (1982). The Human Capital Approach to Black-White Earnings Inequality: Some Unsettled Questions. *The Journal of Human Resources*, 17(1), 72-93.
- Kalmijn, M., & Kraaykamp, G. (1996). Race, Cultural Capital, and Schooling: An Analysis of Trends in the United States. *Sociology of Education*, 69(1), 22-34.
- Lundberg, S., & Startz, R. (1998). On the Persistence of Racial Inequality. *Journal of Labor Economics*, 16(2), 292-323.
- Malveaux, J. (1988). Race, Class, and Black Poverty. *The Black Scholar*, 19(3), 18.
- Marable, M. (2005). History of Black Capitalism. *African Americans in the U.S. Economy*, pp. 231-236
- Mason, P. L. (2005). Persistent Racial Discrimination in the Labor Market. In *African Americans in the U.S. Economy* (pp. 141-150).
- Masters, S. H. (1972). Are Black Migrants from the South to the Northern Cities Worse off Than Blacks Already There? *The Journal of Human Resources*, 7(4), 411-423.
- Michele, N. K. C. (1999). Researching fatherhood. *Black Issues in Higher Education*, 16(5), 22.
- Myrdal, G. (Ed.). (1996). *An American Dilemma: the Negro problem and modern democracy*. New Brunswick, NJ: Transaction Publishers.
- Newman, K. S. (1988). *Falling from grace: The downward mobility in the American middle class*. New York: The Free Press.
- Noguera, P. A. (1997). Reconsidering the "crisis" of the black male in America. *Social Justice*, 24(2), 147.
- Ruggles, S. (1994). The origins of African-American family structure. *American Sociological Review*, 59(1), 136.
- Sacerdote, B. (2002). *Slavery and the Intergenerational Transmission of Human Capital NBER Working paper Series*. U.S. Massachusetts.
- Shapiro, T., & Kenty-Drane, J. L. (2005). The Racial Wealth Gap. In *African Americans in the U.S. Economy* (pp. 175-184).
- Smith, J. P. (1984). Race and Human Capital. *The American Economic Review*, 74(4), 685-698.
- Stewart, J. B. (1997). Recent perspectives on African-Americans in post-industrial labor markets. *The American Economic Review*, 87(2), 315.
- Williams, R. M., & Spriggs, W. E. (1999). How does it feel to be free?: Reflections on Black-White economic inequality in the era of "color-blind" law. *Review of Black Political Economy*, 27(1), 9.
- Wilson, W. J. (1980). *The declining significance of race : Blacks and changing American institutions* (2d ed.). Chicago: University of Chicago Press.
- Wolters, R. (1971). The Negro in American Industries. *Industrial and Labor Relations Review*, 25(1), 116-123.

## Tables and Figures

Table 5 - African American/White Ratios – Nationally/Regionally

US - African American/White Ratios							
Year	FPR	UER	LFPR	OIS	WSI	Literate	EA
1870	86%	.	104%	65%	.	20%	.
1880	86%	.	103%	72%	.	34%	.
1900	84%	.	102%	72%	.	58%	.
1910	85%	91%	103%	81%	.	72%	.
1920	86%	.	102%	71%	.	79%	.
1930	83%	96%	103%	71%	.	85%	.
1940	81%	113%	101%	71%	43%	.	66%
1950	78%	180%	98%	74%	62%	.	68%
1960	74%	202%	94%	72%	59%	.	75%
1970	67%	182%	91%	81%	65%	.	82%
1980	57%	213%	87%	83%	68%	.	89%
1990	50%	264%	89%	83%	64%	.	93%
2000	50%	285%	78%	85%	63%	.	95%

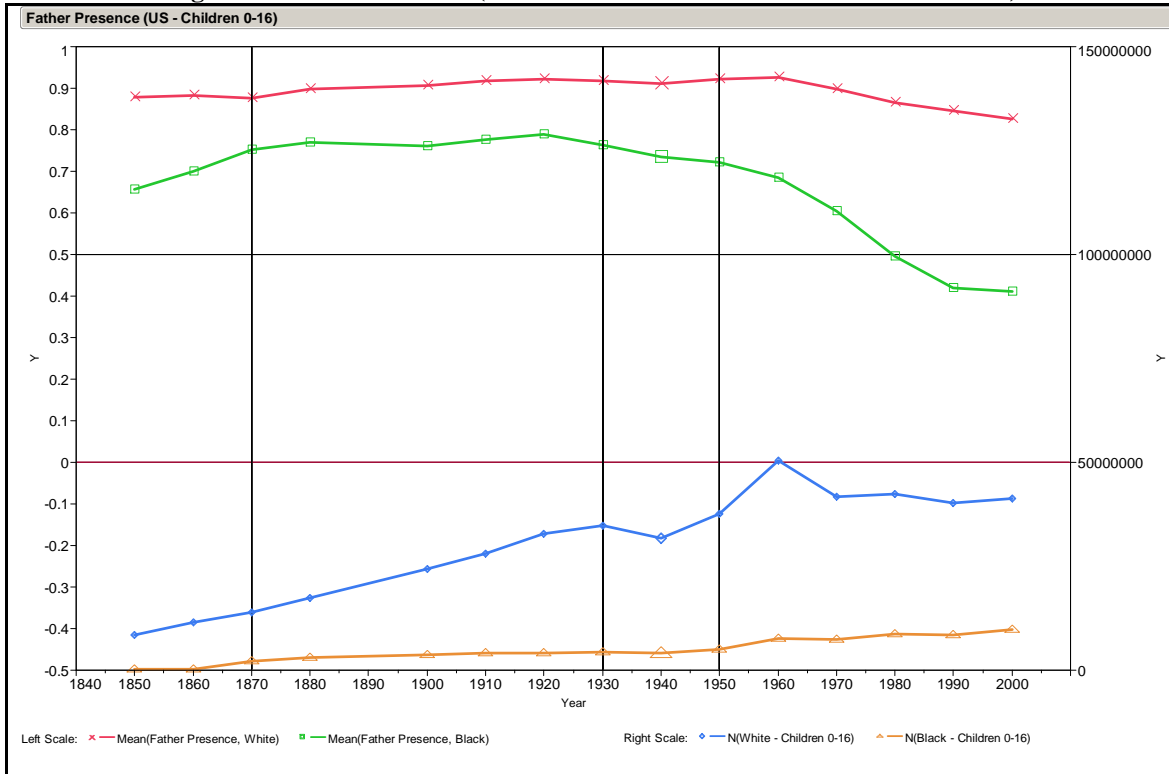
Northeast - African American/White Ratios							
Year	FPR	UER	LFPR	OIS	WSI	Literate	EA
1870	92%	.	101%	76%	.	80%	.
1880	85%	.	103%	72%	.	82%	.
1900	86%	.	102%	76%	.	92%	.
1910	90%	121%	102%	84%	.	98%	.
1920	89%	.	102%	79%	.	99%	.
1930	88%	146%	103%	78%	.	100%	.
1940	78%	175%	99%	78%	61%	.	82%
1950	74%	202%	95%	78%	71%	.	92%
1960	72%	207%	96%	74%	69%	.	83%
1970	63%	196%	91%	83%	70%	.	87%
1980	53%	222%	85%	85%	71%	.	91%
1990	47%	253%	88%	85%	65%	.	94%
2000	48%	288%	77%	84%	62%	.	94%

South - African American/White Ratios							
Year	FPR	UER	LFPR	OIS	WSI	Literate	EA
1870	90%	.	106%	69%	.	16%	.
1880	87%	.	104%	80%	.	33%	.
1900	84%	.	103%	80%	.	57%	.
1910	85%	91%	103%	86%	.	70%	.
1920	86%	.	103%	76%	.	76%	.
1930	83%	100%	104%	73%	.	81%	.
1940	82%	119%	102%	71%	43%	.	64%
1950	80%	182%	99%	73%	56%	.	61%
1960	75%	182%	95%	71%	52%	.	70%
1970	70%	180%	91%	79%	58%	.	78%
1980	60%	233%	89%	82%	65%	.	88%
1990	52%	265%	90%	82%	62%	.	92%
2000	52%	286%	80%	84%	63%	.	95%

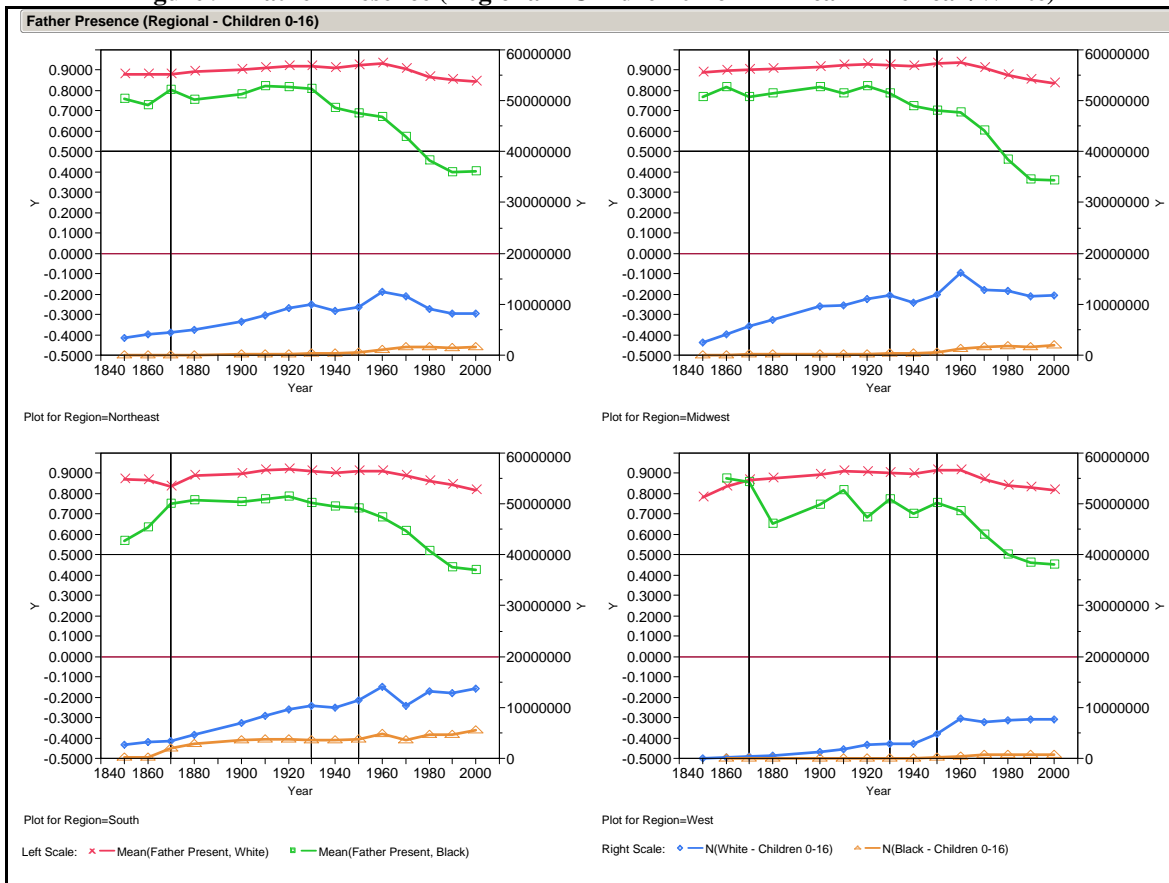
Midwest - African American/White Ratios							
FPR	UER	LFPR	OIS	WSI	Literate	EA	
85%	.	104%	89%	.	47%	.	
86%	.	102%	86%	.	57%	.	
90%	.	102%	91%	.	82%	.	
85%	163%	102%	94%	.	92%	.	
88%	.	105%	88%	.	95%	.	
85%	205%	102%	86%	.	97%	.	
79%	198%	98%	85%	74%	.	82%	
75%	349%	96%	84%	86%	.	91%	
74%	279%	93%	75%	77%	.	83%	
66%	252%	92%	85%	78%	.	87%	
53%	259%	85%	88%	79%	.	93%	
43%	333%	85%	85%	71%	.	95%	
43%	348%	75%	86%	68%	.	96%	

West - African American/White Ratios							
FPR	UER	LFPR	OIS	WSI	Literate	EA	
99%	.	106%	88%	.	86%	.	
74%	.	100%	92%	.	81%	.	
84%	.	105%	83%	.	95%	.	
89%	57%	104%	89%	.	88%	.	
75%	.	106%	76%	.	97%	.	
86%	131%	99%	77%	.	100%	.	
78%	185%	100%	76%	64%	.	84%	
83%	275%	98%	78%	78%	.	79%	
78%	231%	98%	70%	71%	.	84%	
69%	172%	93%	81%	70%	.	89%	
59%	182%	89%	83%	72%	.	95%	
56%	235%	91%	85%	73%	.	97%	
56%	272%	79%	86%	69%	.	97%	

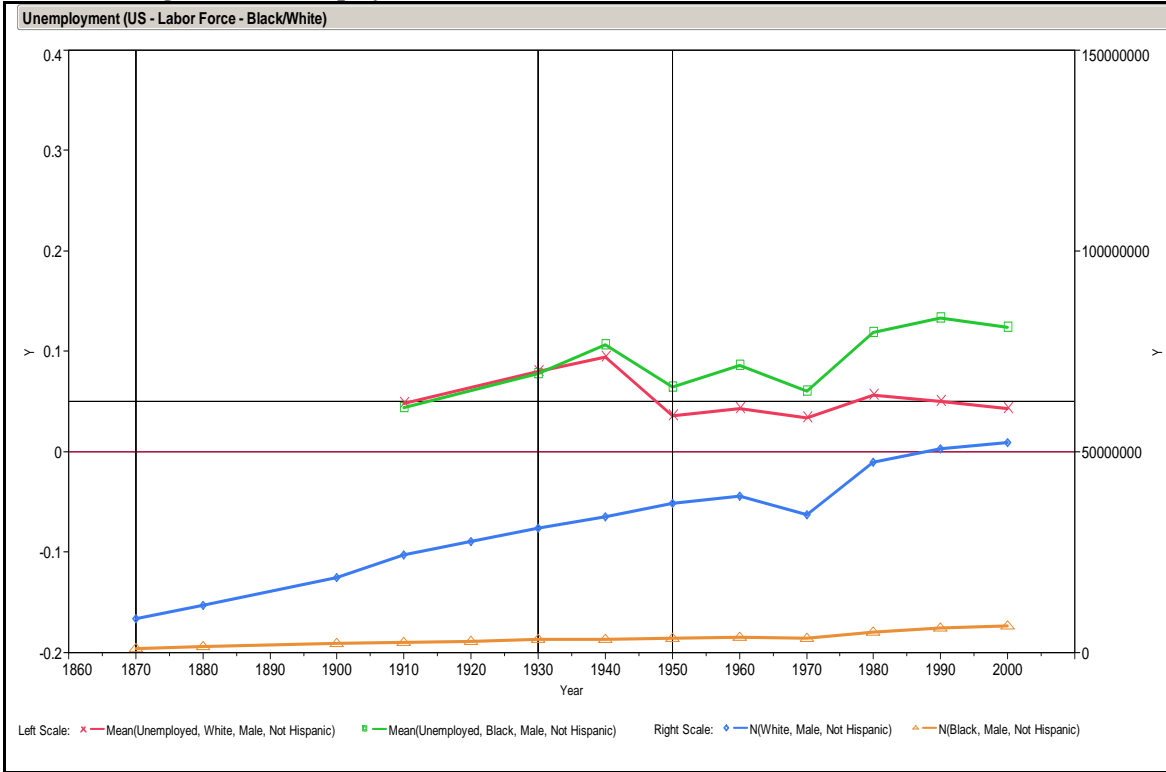
**Figure 8 - Father Presence (US - Children 0-16 – African American/White)**



**Figure 9 - Father Presence (Regional - Children 0-16 -- African American/White)**



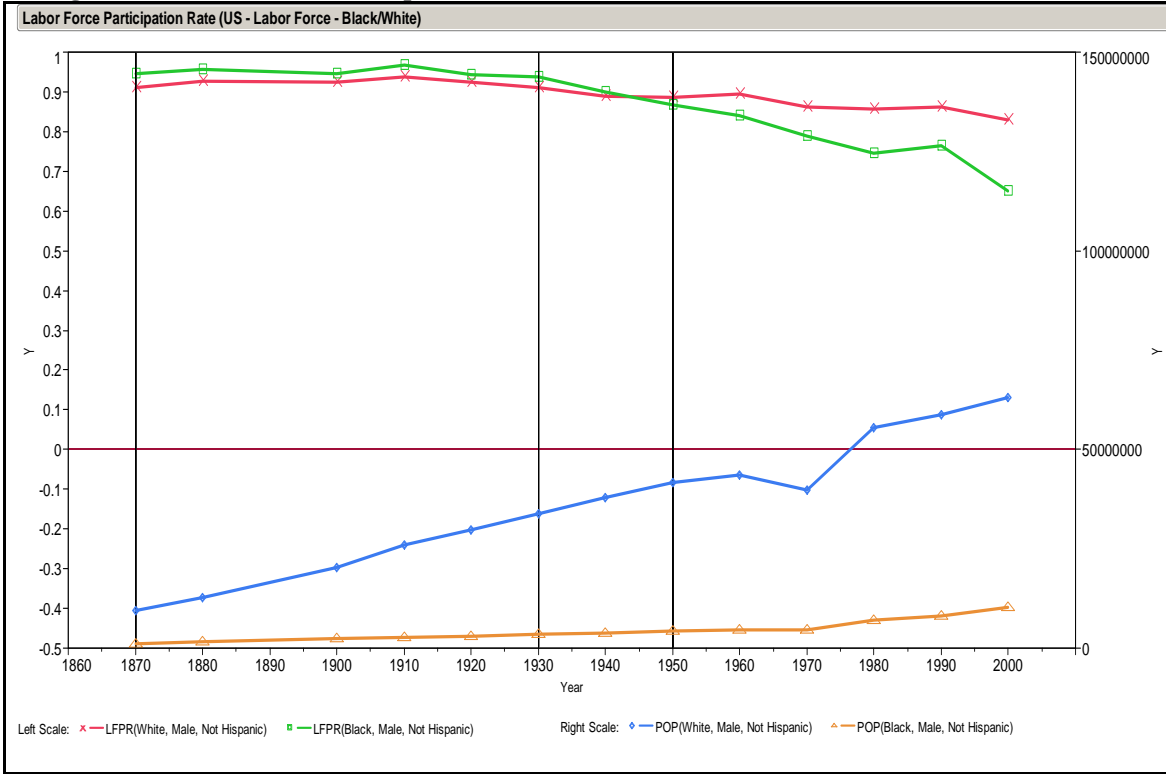
**Figure 10 - Unemployment (US - Labor Force 16-64 - African American/White)**



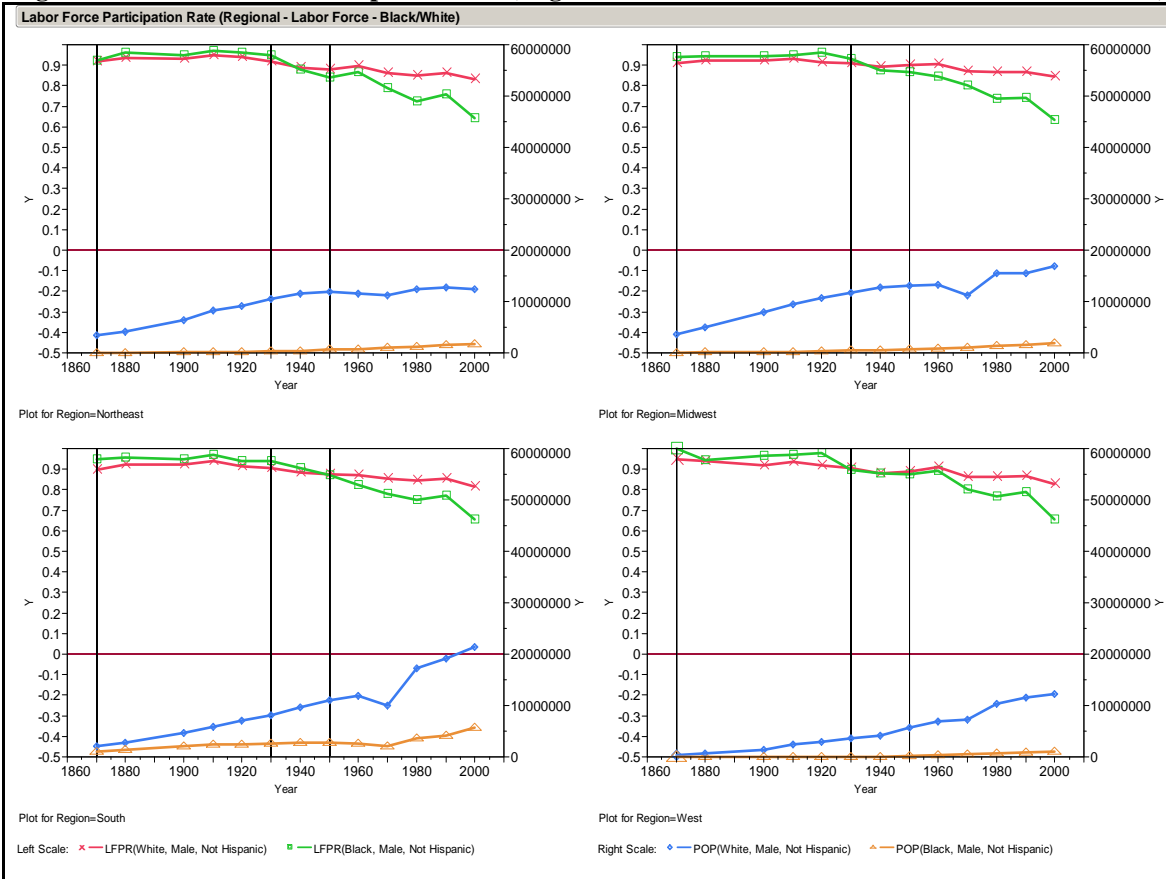
**Figure 11 - Unemployment (Regional - Labor Force 16-64 - African American/White)**



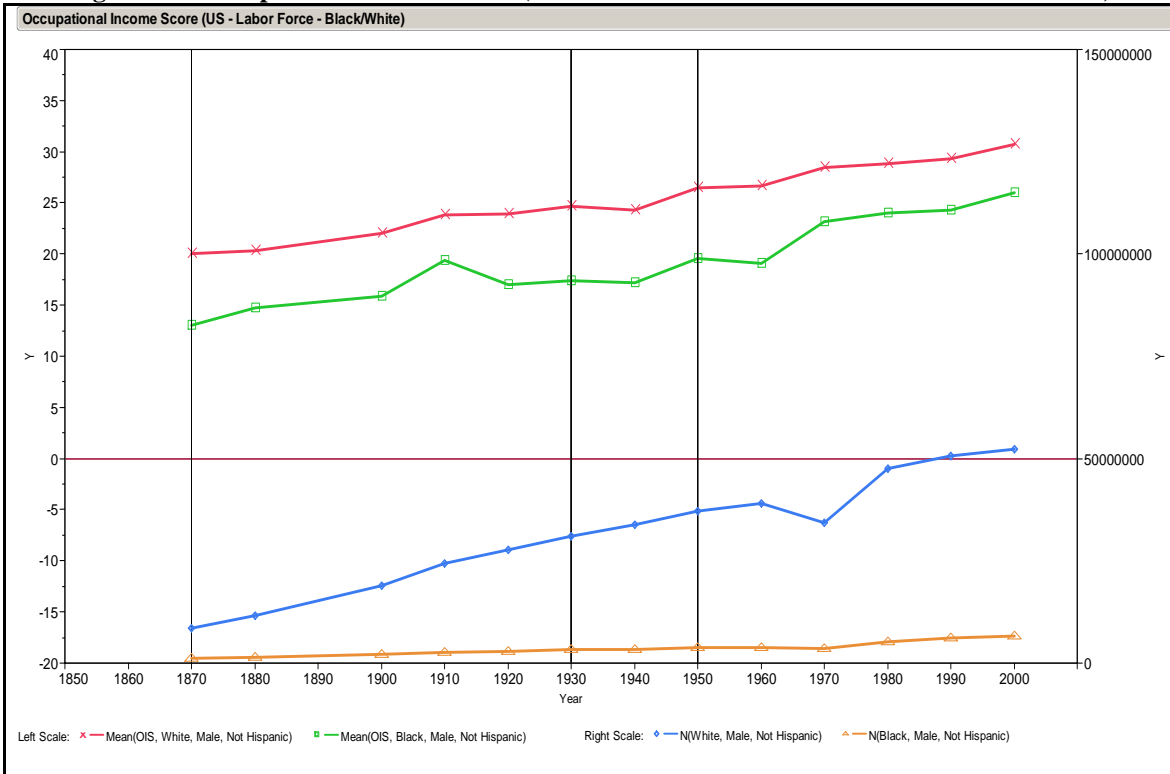
**Figure 12 - Labor Force Participation Rate (US - Labor Force 16-64 - African American/White)**



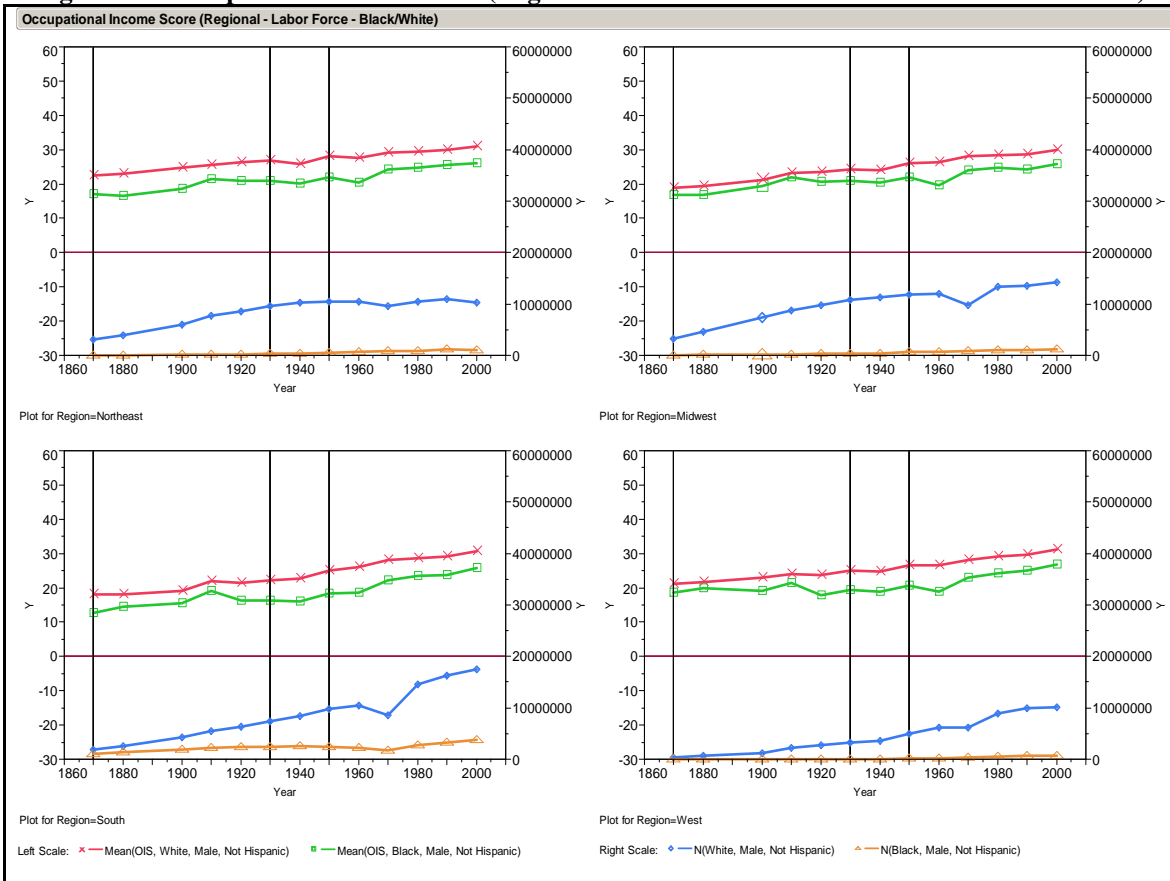
**Figure 13 - Labor Force Participation Rate (Regional - Labor Force 16-64 - African American/White)**



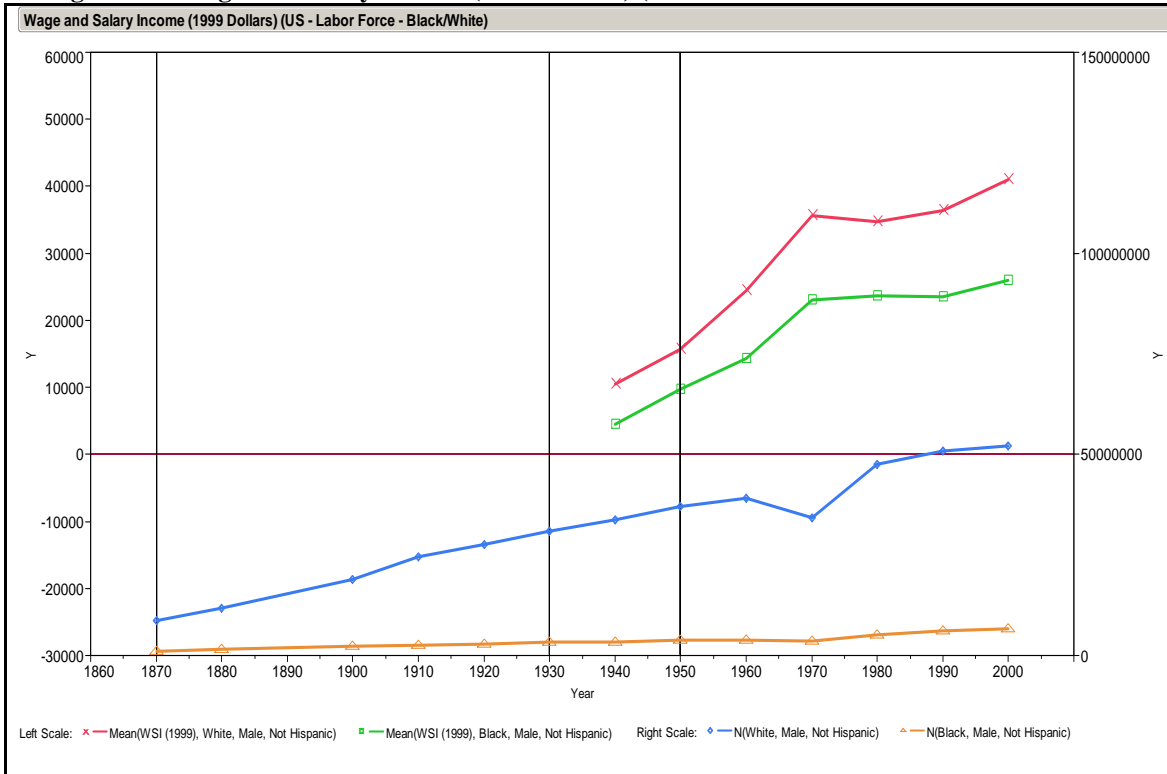
**Figure 14 - Occupational Income Score (US - Labor Force 16-64 - African American/White)**



**Figure 15 - Occupational Income Score (Regional - Labor Force 16-64 - African American/White)**



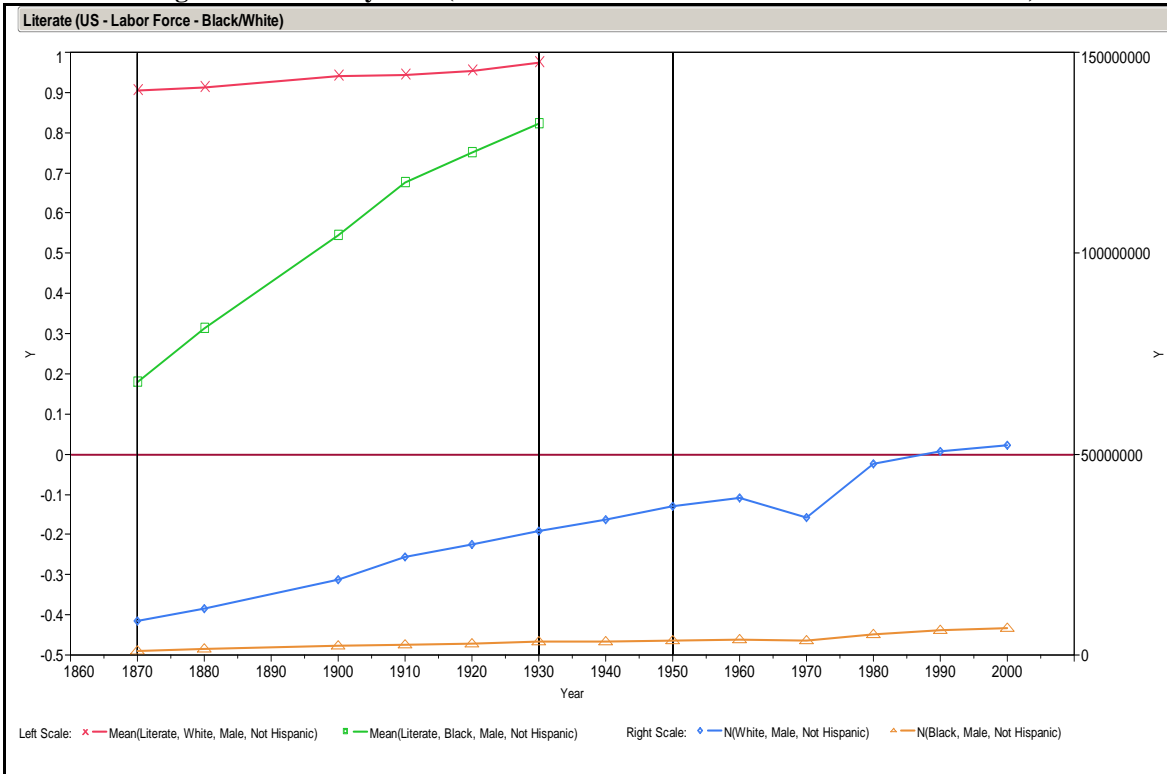
**Figure 16 - Wage and Salary Income (1999 Dollars) (US - Labor Force 16-64 - African American/White)**



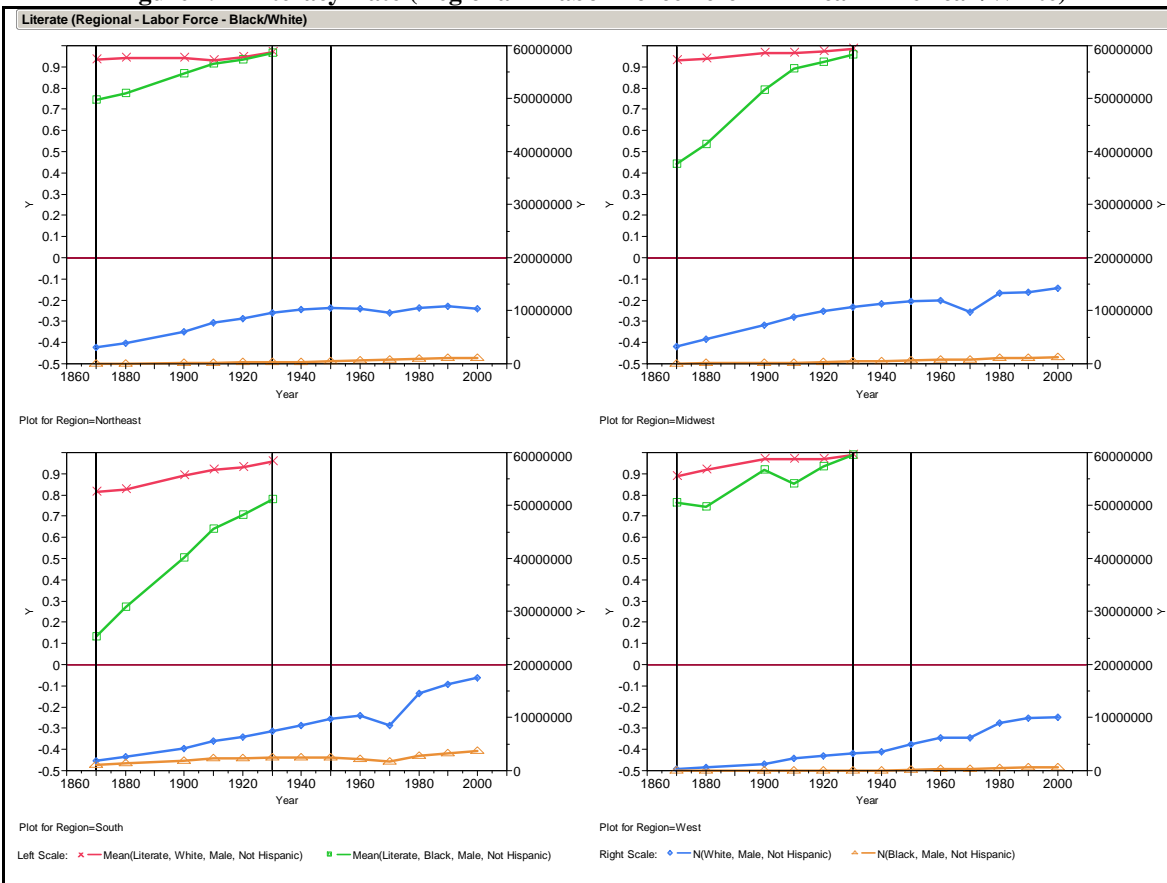
**Figure 17 - Wage and Salary Income (1999 Dollars) (Regional - Labor Force 16-64 - African American/White)**



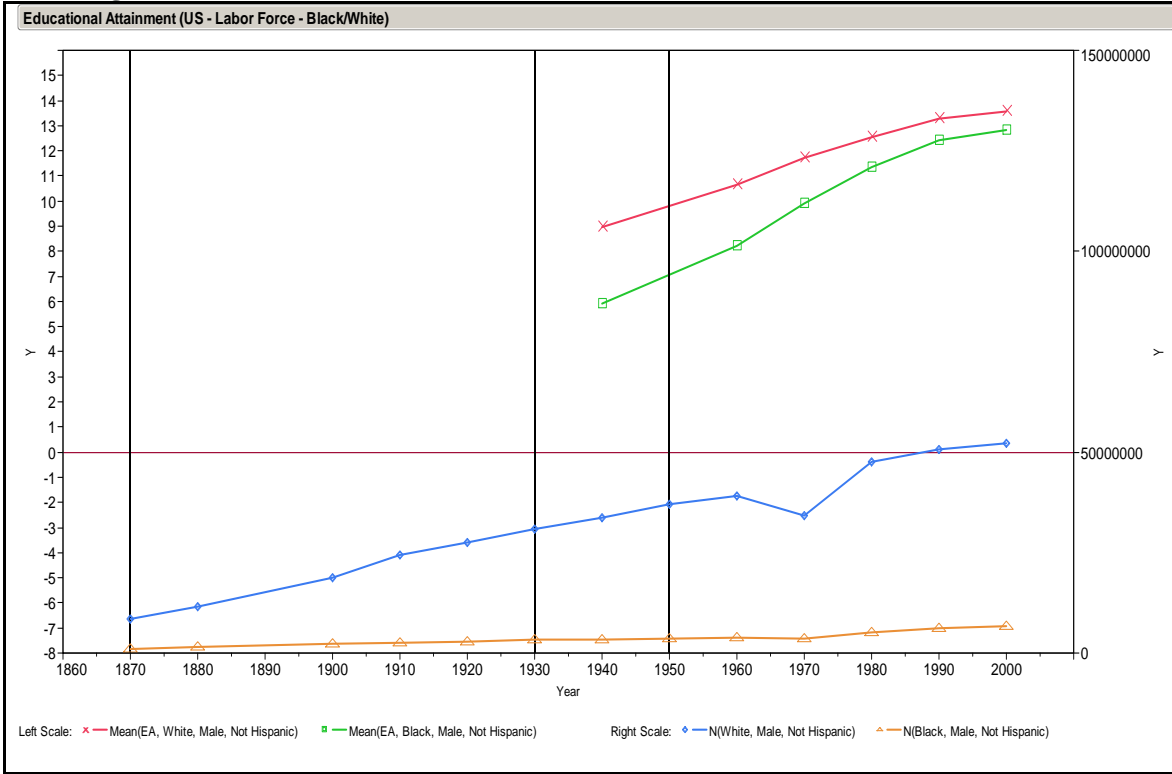
**Figure 18 - Literacy Rate (US - Labor Force 16-64 - African American/White)**



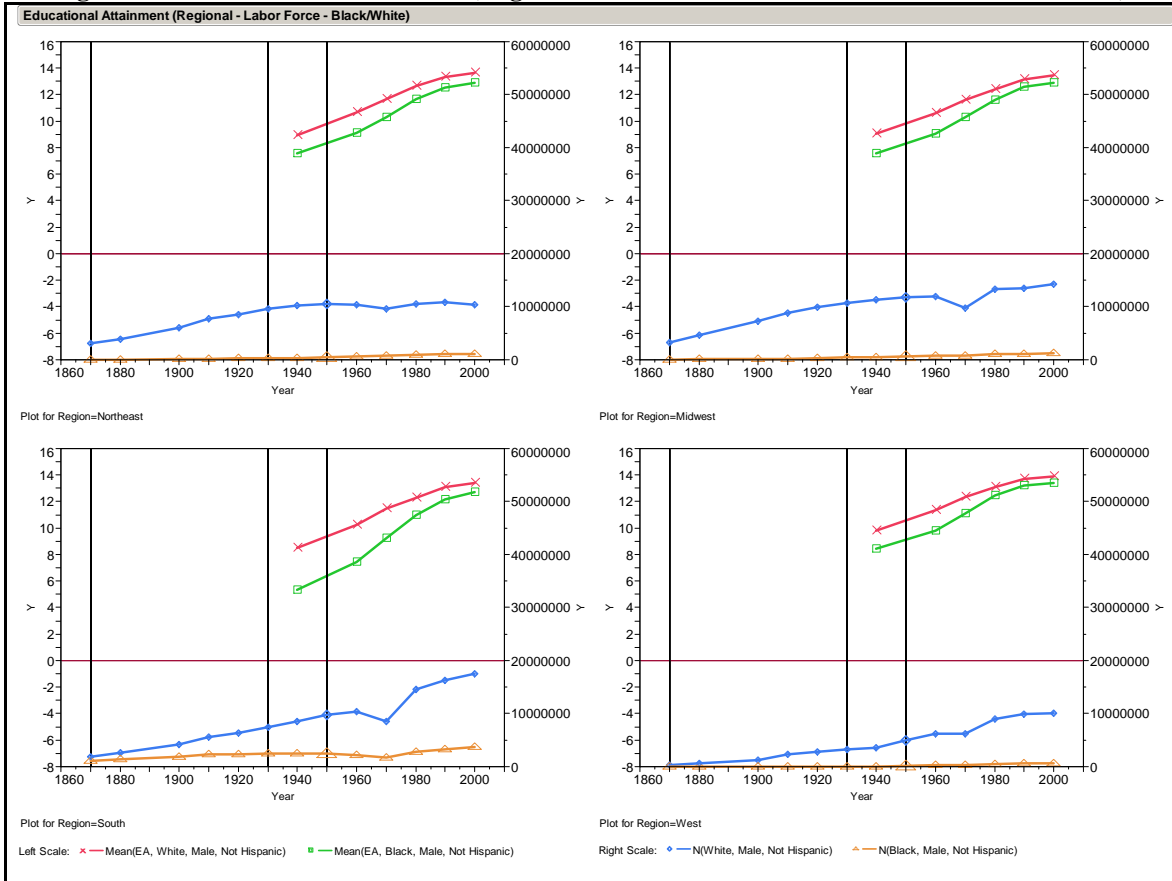
**Figure 19 - Literacy Rate (Regional - Labor Force 16-64 - African American/White)**



**Figure 20 – Educational Attainment (US - Labor Force 16-64 - African American/White)**



**Figure 21 – Educational Attainment (Regional - Labor Force 16-64 - African American/White)**



## References

- Aigner, D. J., & Cain, G. G. (1977). Statistical Theories of Discrimination in Labor Markets. *Industrial and Labor Relations Review*, 30(2), 175-187.
- Arrow, K. J. (1962). The Economic Implications of Learning by Doing. *The Review of Economic Studies*, 29(3), 155-173.
- Baker, L. D. (1998). *From savage to Negro: anthropology and the construction of race, 1896-1954*. Berkeley: University of California Press.
- Becker, G. S. (1964). *Human capital; a theoretical and empirical analysis, with special reference to education*. New York,: National Bureau of Economic Research; distributed by Columbia University Press.
- Cross, W. E. J. (2003). Tracing the historical origins of youth delinquency & violence: Myths & realities about Black culture. *Journal of Social Issues*, 59(1), 67-82.
- Darity, W., Jr. (1982). The Human Capital Approach to Black-White Earnings Inequality: Some Unsettled Questions. *The Journal of Human Resources*, 17(1), 72-93.
- DuBois, W. E. B. (1935). *Black reconstruction*. New York: Harcourt, Brace.
- Frazier, E. F. (1939). *The Negro family in the United States*. Chicago: University of Chicago Press.
- Glazer, N., & Moynihan, D. P. (1963). *Beyond the melting pot; the Negroes, Puerto Ricans, Jews, Italians, and Irish of New York City*. Cambridge, Mass.: M.I.T. Press.
- Mincer, J. (1958). Investment in Human Capital and Personal Income Distribution. *The Journal of Political Economy*, 66(4), 281-302.
- Moynihan, D. P. (1965). *The Negro family: The case for national action*. . Washington D.C.: Office of Planning and Research, U.S. Department of Labor.
- Myrdal, G. (Ed.). (1996). *An American Dilemma: the Negro problem and modern democracy*. New Brunswick, NJ: Transaction Publishers.
- Ogbu, J. U. (1991). Low performance as an adaptation: The case of Blacks in Stockton, California. In M. A. Gibson & J. Ogbu (Eds.), *Minority status and schooling* (pp. 249-285). New York: Grand Publishing.
- Ross, A. M. (1940). The Negro Worker in the Depression. *Social Forces*, 18(4), 550-559.
- Ruggles, S., Sobek, M., Alexander, T., Fitch, C. A., Goeken, R., Hall, P. K., et al. (2008). Integrated Public Use Microdata Series - Version 4.0 (Publication., from Minnesota Population Center:
- Schweitzer, S. O., & Smith, R. E. (1974). The Persistence of the Discouraged Worker Effect. *Industrial and Labor Relations Review*, 27(2), 249-260.
- Shrestra, N. R., Smith, W. I., & Evans, C. L. (2003). Black Migration at the Margins. *International Journal of Population Geography*, 9, 113-139.
- Shulman, S. (1987). Discrimination, Human Capital, and Black-White Unemployment: Evidence from Cities. *The Journal of Human Resources*, 22(3), 361-376.
- Sundstrom, W. A. (1992). Last Hired, First Fired? Unemployment and Urban Black Workers During the Great Depression. *The Journal of Economic History*, 52(2), 415-429.
- Vedder, R. K., & Gallaway, L. (1993). Declining Black Unemployment. *Society*(3), 57-63.
- Welch, d. M. (1995). Sociology of Work. Unpublished manuscript, Kansas City, Missouri.
- Wilson, W. J. (1980). *The declining significance of race : Blacks and changing American institutions* (2d ed.). Chicago: University of Chicago Press.
- Wilson, W. J. (1987). *The truly disadvantaged : the inner city, the underclass, and public policy*. Chicago: University of Chicago Press.
- Woodson, C. G. (1919). *The education of the Negro prior to 1861*. Washington, DC: Associated Publishers.