

**WORK-IN-PROGRESS.**

**Salt and pepper disparities:  
race-gender income gaps among mature persons, 1965 – 2007**

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## Abstract

This paper examines the extent of contemporary and cumulative racial discrimination against African American men and women. Specifically, this study examines intertemporal changes in discrimination among mature Americans during the post-Jim Crow era, that is, 1965 – 2006. For a large nationally representative sample of American households, we examine intertemporal changes in racial wage and property income disparity for mature individuals. Utilizing a Oaxaca-Ransom decomposition, secular changes in the extent of racial wage disparity are a measure of change in current market discrimination; secular changes in the extent of racial property income disparity are a measure of changes in cumulative discrimination. We pay especial attention to differences between the South and other national regions, as the majority of African Americans do now and always have resided in the South. Historically, periods of progress in African American wellbeing have been followed by periods of regress that are often initiated by some combination of social change, government policy, and macroeconomic instability. Accordingly, we construct an overlapping series of five synthetic intertemporal cohorts of new seniors (ages 50 – 64) and retired individuals (ages 65 and above). Cohorts are separated by the troughs of recessions. Finally, we note that regardless of race, men and women experience dissimilar opportunities in the market and in society; hence, gender dissimilarity is incorporated into our analysis. Thus, our analysis examines intertemporal changes in racial wage and property income by gender, region, and cohort. We find 1) large reductions in Post-Jim Crow contemporary discrimination; 2) large contemporary discrimination among the most recent cohorts; 3) substantial cumulative discrimination with little change since the middle 1960s; 4) very low property income the overwhelming majority of American households, regardless of race, gender, region, or cohort.

## **Introduction**

African Americans are a disproportionately Southern population. From 1865 to 1910, about 90 percent of African Americans resided in the South. From 1910 to the mid-1960s the percentage of African Americans residing in the South declined; nevertheless, the majority of African Americans have continued to reside in the South. Today, about 58 percent of African Americans reside in the South and represent 13 percent (40 million) of America's total population of 304 million persons.

From 1877 to 1965 most African Americans live under Jim Crow. Jim Crow was the Southern system of de jure racial segregation. Utilizing the rhetoric of "separate but equal," Jim Crow was designed for permanent racial domination by whites; hence, also, permanent political oppression and economic exploitation of African Americans. Important civil rights legislation of the middle 1960s caused Jim Crow to collapse; formal racial equality before the law was at hand.

During 2008 an African American male was elected President of the United States of America. Does the rise of an African American to the presidency of the United States testify to the abolition of persistent racial discrimination within contemporary American socioeconomic processes? Is it empirically meaningful to say that today's American economic outcomes are effectively purged of cumulative intertemporal effects of past racism? In particular, does persistent racial discrimination – either past or present – have a substantive affect on the lifechances of the typical African American relative to the typical white individual?

By persistent racial discrimination, we mean a process whereby otherwise identical African Americans and whites receive differential treatment within market and extra-market processes and institutions; this differential treatment is substantively large and continues across time, is reproduced across geographical boundaries, and is sustained across gender boundaries.

For example, otherwise identical individuals may have unequal access to employment and may be paid differential wages because of differences in racial affiliation. Or, differences in racial affiliation may be such that otherwise identical individuals may have unequal access to informal information channels, social clubs, schools, and other institutions that have a positive effect on income and wealth accumulation.

Persistent discrimination implies both contemporary and long-term intertemporal and intergenerational (cumulative) effects. As such, it is indicative of widespread, endemic, and persistent differences in treatment due to the formation of racial identities as social norms (Darity, Mason, and Stewart, 2006; Mason, 1995, 1999). Persistent racial discrimination then is the result of some mixture of intragroup altruism and intergroup antagonism with respect to access to public and private resources. Such discrimination is usually accompanied by both prejudice and bigotry, but it is driven by the formation of social identity norms.

Persistent discrimination is a social process that differs from both idiosyncratic racial prejudice and racial bigotry. Racial prejudice is an idiosyncratic phenomenon whereby racial discrimination occurs because individuals make decisions based on inaccurate, incomplete, or biased information. Similarly, racial bigotry implies that discrimination occurs because individuals make decisions on the basis of emotive behavior that is also economically irrational. Prejudice should be eroded over time as interracial interactions increase and individuals obtain better, more accurate, or more complete information regarding persons who belong to alternative social groups. As an economically irrational emotive experience, widespread bigotry should not persist over long periods of time, though individual-specific and non-systematic incidences of bigotry are likely to be with us for all time.

In contradistinction to both prejudice and bigotry, persistent racial discrimination affects the cumulative life outcomes of individuals, both within market and extra-market social processes. Accordingly, it is helpful to examine the income and wealth circumstances of mature individuals to assess the current and cumulative effects of persistent racial discrimination (“discrimination” hereafter) on the relative life-chances of African Americans.

By mature, we mean persons 50 years of age and above. Mature persons have arrived at their peak earnings capacity and maximal wealth accumulation after a lifetime of social and economic decision-making and opportunities. For African Americans, these decisions and opportunities have been influenced by a greater or lesser degree of discrimination over a lifetime. Hence, for otherwise identical African Americans and whites, differences in their income and wealth circumstances during maturity reflect the combined effects of contemporary and lifetime social and economic discrimination. Intertemporal changes in interracial income and wealth gaps provide information on the nature and extent of persistent of racial discrimination in American life.

This study examines intertemporal changes in discrimination among mature Americans during the post-Jim Crow era, that is, 1965 – 2006. Specifically, for a large nationally representative sample of American households, we examine intertemporal changes in racial wage and property income disparity for mature individuals. We pay especial attention to differences between the South and other national regions, as the majority of African Americans do now and always have resided in the South. The South is also the region where Jim Crow was practiced. Historically, periods of progress in African American wellbeing have been followed by periods of regress that are often initiated by some combination of social change, government policy, and macroeconomic instability. As such, recessions are often pivotal points for altering the longterm

trend of changes in racial wage and property income; accordingly, we use the trough of recessions to date the entry into our analysis of newly mature cohorts. Finally, we note that regardless of race, men and women experience dissimilar opportunities in the market and in society; hence, gender dissimilarity is incorporated into our analysis. Thus, our analysis examines intertemporal changes in racial wage and property income by gender, region, and cohort.

Secular changes in the extent of racial wage disparity are a measure of change in current market discrimination. Secular changes in the extent of racial property income disparity are a measure of changes in cumulative discrimination. Section I presents the historical context of our discussion. We provide an extended political economic discussion of Jim Crow and its effects on racial disparity. Sections II and III present the literature review and empirical strategy, respectively. The data set, variables, and sample filters are presented in section IV. Descriptive and analytical results are offered in sections V and VI, while section VII is used to summarize and discuss the results of this study. We find

## **I. Historical context: 1865 – 1965<sup>1</sup>**

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<sup>1</sup> This discussion of the historical context of racial discrimination against African Americans is taken from and remains the copyrighted property of Mason, Patrick L. (2008). *African Americans and the Political Economy of Race: individualist and stratification perspectives on persistent inequality*, Tallahassee, FL: Unpublished Manuscript. It is included here by permission of the author. All rights are reserved.

**TABLE 5. Examples of racial preferences in help wanted advertisements: Selected Newspapers and Years, 1950-1960**

| January 3, 1960   | January 2, 1960  | January 3, 1960  | January 3, 1960  |
|---|--|--|--|
| LABORATORY TECHNICIAN<br>Experienced, Modern southside medical center.<br>White. Salary open. Call Vincennes 6-3401   | COMPANION. <b>White. Lite hswk. for single lady.</b> Must drive. Local refers.<br>CR 1-7704                  | COOK, housekeeper, <b>Negro preferred</b> , experience essential, prominent family, permanent position, high salary, MA 7-5369                               | NURSE (practical) white, for small nursing home, Silver Spring area.<br>Car nec. Good salary. EV 4-6161  |
| WAITRESS--White. Good tips. 7611-15<br>Stoney Island RE 4-8837  | <b>GIRL, white, 25-40.</b> Lite household duties. Rm, board, sal. Apply eves. after 5, 10572 S. Vermont Ave. | COOK-hswkr., fine position, top salary + bonus. Start Jan. Must be capable, white; ref. HU 2-7222  | <b>BOYS-WHITE</b><br>Age 14 to 18. To assist Route manager full or part-time. Must be neat in appearance. Apply 1346 Conn. Ave. NW, room 1006, between 9 to 11 a.m. or 3:30 to 4:30 p.m. |
| WHITE-Firing (Stokers) and Manage Unf. Apt. Bldg.; Sal. \$350 + Apt. Age to 50. D.P. accepted. Write MXB 152, Tribune | HOUSEKEEPER-- <b>European or Oriental</b> --2 adults, pri. quarters, under 45. Ref. GR, 2-4891               | COOK-HOUSEKEEPER <b>EUROPEAN</b><br>OWN ROOM AND BATH.<br>FAMILY OF FOUR. LONG ISLAND HOME. \$70 WEEKLY. 7-3212 TIMES.                                       | DINING ROOM AND CLUB MANAGER AND ASSISTANT MANAGER OVERSEAS-FAR EAST<br>...White, married or single, 2-year contract...Call NA, 8-5189 Monday 8:30-12:00                                 |
| Man. empl. White, for small mfg. hse. North. 4-rm. furn. apt. and sa. Write MXB 303. Tribune                          | HSKPR., white, 22-45, 2 school boys. Must live in. Refs. BR, 2-7041  | COUPLE, \$400-500, white for business couple with 2 adult children. Private home Forest Hills. Man to work in business. BO 3-2649.                           | DRIVERS (TRUCK)<br><b>Colored</b> , for trash routes; over 25 years of age; paid vacation, year-around work; must have excellent driving record. Apply SHAYNE BROS.) 1601 W St., NE      |
| <b>WHITE married men</b> who can furnish and opr. late air cond. Cadillac Limo.--Good opportunity. ID 2-4864          |  | HOUSEKEEPER-cook, <b>European</b> ; must be honest, clean, reliable; own room & bath; other help; recent references; good salary; 70's East Side. RE 4-25581 | PAINTER--White, for apts. in S.E. area; exp. Apply rm. 7, 140 Eye St., NW  |

| Chicago Tribune (cont'd)  | LA Times (cont'd) | NY Times (cont'd)   | Washington Post (cont'd)  |
|---|-------------------|---|---|
| <p><b>SINGLE, white man</b>--work in first class tables. Room, board + \$60 per month, CR 2-0299</p>  |                   | <p>HOUSEKEEPER, white, sleep out, 5 1/2 days. 10 thru dinner, experienced, must love children; recent references; East Side TR 9-6001</p> | <p><b>MEN-COLORED</b><br/>\$125 WEEK<br/>I will teach three men the selling profession. Earnings will start from the first day on the job. If you are ambitious you can earn as high as \$250 a week after 30 days training. Apply 705 Park Rd., NW, 9:30 to 12 noon only. See Mr. Jackson.</p> |
| <p>Brand new organization has openings in all departments for men 18 t 25, white, for immediate employment. Guaranteed weekly salary \$95. Car furnished. Call Mr. Fulton, DE 2-0589, between 9:30 and 1.</p> |                   |   | <p><b>AMBITIOUS MEN (WHITE)</b><br/>National concern requires services of 3 neat-appearing young men, 18-35, to work in the library dept. for executive position...<br/>For appointment call MR ALBRIGHT, ME, 8-1484, 9 a.m. 'til 2 p.m.</p>  |
| <p><b>TOW TRUCK DRIVERS</b><br/>White, also work around station. See Carl, 530 N. La Salle St.</p>  |                   |   | <p><b>SERVICEMEN, OFFICE WORKERS, Etc. (White),</b> EX 3-0397 8-6:30 Mon.</p>   |
| <p><b>DOORMAN-WHITE</b><br/><b>age 30 to 45 married...Neat in appearance and at least 5'11" or taller in height...Address MEK 149, Tribune</b></p>  |                   |   | <p><b>STUDENTS</b><br/>Boys, white, 14 yrs. and over, jobs immediately available. Apply 3:30-4:30 p.m., Rm. 724 9th St., NW. See Mr. Faulkner</p>   |



The stagnation in racial equality during the mid-1970s and 1980s is also correlated with changes in federal anti-discrimination policy. According to Leonard (1991:105), “affirmative action under the contract compliance program virtually ceased to exist in all but name after 1980s.” He provides rather strong evidence that the federal government gutted the Office of Federal Contract Compliance Program, the enforcement vehicle for affirmative action within the federal government. Leonard writes that by the mid-1980s affirmative action “no longer aided blacks.” Along with Anderson (1996) and Leonard (1996), Rodgers and Spriggs (1996) also find that federal enforcement activities declined substantially in the 1980s. Accordingly, they find that contractor status made a greater contribution to firms’ relative employment of nonwhite workers during the 1990s than contractor status made during 1980s when there were major changes in the nature and behavior the federal anti-discrimination and affirmative action machinery.

During the mid- to late-1970s, the macroeconomy was characterized by rising unemployment, stagnant wages for college graduates, and declining wages for non-college graduates. Stratification theory suggests that as unemployment increases and the average wage rate stagnates during periods of severe recession, job competition increases. Mason (1995, 1999) has argued that racial discrimination in employment is directly related to the intensity of job competition. If so, as the economy enters a period of recovery and unemployment falls racial wage disparity should begin to decline. Changes in governmental policy affect the rate at which racial wage disparity is lowered during the recovery and the extent at which such disparity expands during downturns.

### *Discussion*

We draw several conclusions from this review of race, racial disparity, and political economic history. First, race is a social construction that is not synonymous with class (socioeconomic status), dysfunctional behavior, family structure, poverty status, or educational status. As such, an economic theory of race as a social construction would greatly aid our understanding of the political economy of race. Second, major periods of progress and regress in racial equality and the fight against racial discrimination in the market have been ushered in by government policy rather than the unfettered operation of competitive markets. Three, competition and racial discrimination in the labor market are not antithetical. Four, macroeconomic stabilization policy, that is, the national attempts to fight unemployment and inflation, have a disproportionate labor market impact on African Americans.

For these reasons, it is important for historical economic analyses of race and socioeconomic outcomes to incorporate changes within and between macroeconomic periods demarcated by recessions. Four recessions have occurred since the demise of Jim Crow: 1974-75, 1981-82, 1990-91, and 2000-01. These recessions have varied by length and by intensity, but each has had an impact on racial disparity. The National Bureau of Economic Research reports that there was a 16-month inflationary recession from November 1973 to March 1975.<sup>2</sup> There was a 6-month recession from January 1980 to July 1980, with a one-year recovery from July 1980 to July 1981. The next recession occurred over the 16 months of July 1981 – November 1982. The one-year “recovery” of 1980-81 – the shortest recovery of the post World War II era – was only a brief respite in a long period of stagnation from December 31, 1979 to December 31, 1982.<sup>3</sup> A third major recession occurred from July 1990 to March 1991. A 10-year expansion

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<sup>2</sup> See the NBER web page at <http://www.nber.org/cycles.html>.

<sup>3</sup> Measuring output in 1992 dollars, the gross domestic product actually moved slightly downward from \$4.63 trillion to \$4.62 trillion during the three-year interval (Dornbusch, Fischer, and Startz, 1998, appendix).

followed this recession. The most recent recession lasted just 8 months, starting in March 2001 and reaching its trough in November 2001.

Prior to 1991, the average recession lasted just 11 months while the average boom lasted 43 months. Excluding the 1973-75 and 1981-82 recessions, the two most severe post-World War II recessions, the average recession lasted just 9 months. Hence, the 1973-75 stagflation and 1980 – 1982 stagnation represent periods of exceptional adjustments in the American economy. The Federal Reserve System reacted to the stagflation of 1974-75 and the following years of inflation by making a fundamental change in macroeconomic policy, that is, it became much more concerned with fighting inflation than fighting unemployment. Carpenter and Rodgers (2005) show that the African American employment-population ratio is more sensitive to restrictive monetary policy than the white employment-population. This is so because interest rate increases by the FED increase African American unemployment (especially among teenage African Americans) more so than white unemployment. In particular, they find that African Americans are not necessarily disproportionately employed in interest rate sensitive industries, but that African Americans have a relatively more difficult time finding employment during recessions. Importantly, they also find that contractionary monetary policy does not decrease labor force participation rates; hence, the fall in employment-population is due entirely to the rise in unemployment.

## **II. Literature Review**

(Results from specific papers)

## **III. Empirical strategy**

*Descriptive Analysis*

Our analysis provides both detailed descriptive statistics and an analytical assessment of the data. We examine changes in labor and property income during 1965 – 2006. We are particularly interested in secular changes in the extent of contemporary and cumulative racial disparity since the demise of formal segregation during the mid-1960s. Accordingly, we construct an overlapping series of five synthetic intertemporal cohorts of new seniors (ages 50 – 64) and retired individuals (ages 65 and above). (See Table 6). Cohorts are separated by the troughs of recessions. For cohort 1, individuals are age 50 and above in 1965, 51 and above in 1966, 52 and above in 1967, and so forth. Individuals age 50 in 1965 reached their peak earnings while Jim Crow remained the law of the land. We construct a second cohort of mature adults beginning with persons age 50 and above in 1974. The youngest individuals in this second cohort were middle age persons of at least 41 years of age at the end of Jim Crow; hence, they were mature workers unlikely to substantially increase their human capital prior to retirement. Jim Crow limited the job mobility of these workers prior to 1965. Also, the desire to recoup on their investments in firm-specific human capital after 1965 would lower their employment mobility.

**Table 6. Format of Overlapping cohorts and their distinguishing characteristics**

| Cohort                  | Age of cohort entrants in 1965 | Distinguishing characteristic   | Discrimination hypothesis         |
|-------------------------|--------------------------------|---|-----------------------------------|
| Cohort 1<br>1965 – 1973 | 50                             | Completed all education and obtained peak earnings of adult worklife prior to end of Jim Crow | maximum (complete) discrimination |
| Cohort 2<br>1974 – 1980 | 41                             | Limited job mobility prior to or after end of Jim Crow  | high discrimination               |
| Cohort 3<br>1981 – 1990 | 34                             | Completed post-school on-the-job training prior to end of Jim Crow                            | medial discrimination             |
| Cohort 4<br>1991 – 2000 | 24                             | Began adult worklife after end of Jim Crow  | low discrimination                |
| Cohort 5<br>2001 – 2007 | 14                             | Completed secondary and post-secondary education after end of Jim Crow                        | Minimum (no) discrimination       |

The third cohort begins in 1981. This cohort includes young adults who were at least 34 years of age in 1965 and these workers are likely to have completed all of their schooling and post-school on-the-job training prior to the demise of Jim Crow. We initiate our fourth cohort in 1991, with individuals who were no less than 24 years of age in 1965. The youngest workers in this cohort began their adult worklife at the end of Jim Crow. Hence, some of their on-the-job training was received in a desegregated environment and would likely be of a higher quality than the on-job-training provided to the youngest members of previous cohorts. The final cohort utilizes persons at least 50 years of age during 2001; hence, the youngest members of the cohort were 14 years old in 1965. Cohort entrants would have completed their entire secondary, post-secondary, and on-the-job training during the post-Jim Crow era.

Our variables of interest for each cohort are labor earnings and property income. Wages measure the current returns to individual skill, opportunity, effort, and luck. Property income includes capital gains or losses, increases in home equity, dividends, interest, rent on real property, pension payments, and other sources of income that reflect a market return on financial assets. Of course, some forms of property income are more liquid than others and there are also differences in discretionary spending, for example, rental income is immediately received as cash and may be utilized without selling off one's rental property, while increases in home equity represent paper income that cannot be converted into cash without selling one's residence. Nevertheless, all forms of property income represent current returns on the accumulation of past savings. As such, property income varies positively with wealth accumulation. By examining both wages and property income we have indicators of both an individual's current labor market status and his cumulative economic and social opportunities.

As we move from the 1<sup>st</sup> to the 5<sup>th</sup> cohort, there is a decline in racial gap in the quantity and quality of education, on-the-job training, and labor market experience. As such, our null hypothesis is a monotonic intertemporal reduction in the racial gaps in wages and property income. The alternative hypothesis is non-monotonic change in racial disparity.

**H<sub>0</sub> (Monotonic intertemporal decline in racial income disparity):**

- i. maximum (complete)  $\geq$  high  $\geq$  medial  $\geq$  low  $\geq$  minimum,**
- ii. maximum discrimination  $>$  minimum discrimination, and**
- iii. minimum discrimination  $\rightarrow 0$ .**

**H<sub>1</sub>: maximum (complete)  $<$  high or high  $<$  medial or medial  $<$  low or low  $<$  minimum (no)**

Consider the final column of Table 6. A strongly monotonic decline implies that the racial gaps in wages and property income are consistently smaller for each new cohort. For example, a strongly monotonic decline in the racial wage gap means that black-white male wage disparity is highest for the 1965 cohort (maximum), next highest for the 1974 cohort (high), falls again for the 1981 cohort (medial), falls even lower for the 1991 cohort (low), and reaches an absolute minimum for the 2001 cohort. Ideally, there would be no racial discrimination observed for the 2001 cohort. A weakly monotonic decline in racial income disparity means that the gaps may have stagnated some years, but they never increased. For example, a weakly monotonic decline in the racial wage gap means that black-white male wage disparity is highest for the 1965 cohort, next highest for the 1974 cohort, remains unchanged for the 1981 cohort, falls lower for the 1991 cohort but shows no additional change for the 2001 cohort.

We present tables for earnings and property income for two age groups (new seniors ages 55-59 and new retirees ages 65-69), both men and women, four national regions, and two racial groups (blacks and whites). We also include separate tables of female and male racial ratios.

The descriptive statistics presented in the tables present a distributional analysis. We include the mean for both categories of income, as well as income measures at the 10<sup>th</sup>, 25<sup>th</sup>, 50<sup>th</sup>, 75<sup>th</sup>, and 90<sup>th</sup> percentile. In addition, we present three measures of disparity: standard deviation, skewness, and kurtosis. Each cohort has two columns: the “percentile” column shows the level of income (or racial income ratio) associated with a particular income percentile; and, the “moment” column presents the mean, standard deviation, skewness, and kurtosis.

For a normal distribution, that is, for distributions characterized the familiar bell curve, the mean, mode, and median are identical and thus provide an identical measure of what is true for the typical randomly selected individual. The normal distribution is perfectly symmetric, implying that the probability of observing an individual with extremely high earnings is equal to the probability of observing an individual with extremely low earnings and both probabilities are “small.” Statistically, this says there are not many persons in either the right (high income end) or left tail (low income end) of the distribution, most persons are bunched in the middle. Skewness is a measure distributional symmetry. For the normal distribution skewness = 0. If skewness is positive (negative) the distribution has a long right (left) tail, implying that there are a small number of people with extremely high (low) income. In this case the median is less (more) than the mean, which is sensitive to outliers. Also, for the normal distribution, kurtosis = 3. Hence, when there is positive excess kurtosis, that is, kurtosis > 0, the distribution has “thick” tails and a flat peak in the middle. This implies greater disparity. The standard deviation is a more common measure of disparity. It captures the average value of squared deviations from the

mean. Sometimes, we also report on the coefficient of variation, which is the standard deviation divided by the mean. We present the coefficient of variation because it helps determined whether this particular measure of disparity is relatively large or small. Changes in the standard deviation, skewness, or kurtosis are alternative ways of capturing the nature and extent of changes in the distribution of income. Whether the mean is higher or lower the median (the 50<sup>th</sup> percentile) tells us whether the extreme values are at the upper or lower end of the income distribution.

By examining changes in the level of income at the 10<sup>th</sup>, 25<sup>th</sup>, 50<sup>th</sup>, 75<sup>th</sup>, and 90<sup>th</sup> percentiles we get a better understanding of which “classes” within a race-gender group are improving or declining over time. Our ratio tables then compares the income levels for persons at the same class level, same region, same sex, and same age group, but different racial group.

#### *Analytical model*

Our regression based approach utilizes three equations to examine the nature and extent of racial disparity in the labor market: a pooled sample of all individuals, a sample of African Americans only, a sample of whites only.

$$(1) W = X\beta + \theta t + \varepsilon \quad (\text{pooled sample of both African Americans and whites})$$

$$(2) W^A = X^A\beta^A + \theta^A t + \varepsilon^A \quad (\text{African Americans})$$

$$(3) W^w = X^w\beta^w + \theta^w t + \varepsilon^w \quad (\text{whites})$$

For each regression, the dependent variable is the natural log of weekly wages or property income. Wage equations are estimated via ordinary least squares regression, while a Tobit specification is used to estimate property income equations since many persons have no property income. The wage and property income covariates are captured by the matrix X. The wage covariates include marital status, age, years of education, self-employment, and a linear time trend. The property income equation substitutes homeownership for self-employment; otherwise,



the covariates are the same. The trend variable (t) captures the intertemporal changes in the rate of return to unobservables, skill-biased technological change, and the impact of governmental policies.

Next, following Oaxaca and Ransom (1994) we decompose the interracial wage difference into three effects:

$$\begin{aligned} \ln W^w - \ln W^A &= \bar{X}^w (\hat{\beta}^w - \hat{\beta}) + t(\hat{\theta}^w - \hat{\theta}) && \text{(white advantage),} \\ &+ \bar{X}^A (\hat{\beta} - \hat{\beta}^A) + t(\hat{\theta} - \hat{\theta}^A) && \text{(African American disadvantage), and} \\ &+ (\bar{X}^w - \bar{X}^A) \hat{\beta} && \text{(differential characteristics).} \end{aligned}$$

The white advantage consists of both differential rates of return to their attributes (relative to the rates of return for the pooled sample) and a differential rate of growth. Similarly, the African American disadvantage consists of the same two factors. The characteristics differential measures the extent of racial disparity due to mean differences in observable characteristics.

We test two null hypotheses: H1) persistent racial discrimination within the market has monotonically declined since 1965; and, H2) social disparity has declined since 1965. We cannot reject H1 if we find a persistent decline in white advantage and African American disadvantage as we move from cohort 1 to cohort 5. We cannot reject H2 if we find a persistent decline in disparity due to differential characteristics as we move from cohort 1 to cohort 5.

#### **IV. Data**

The data are taken from the 1965 – 2007 March files of the Current Population Survey (CPS). The CPS files are provided by Unicon Research Corporation.<sup>4</sup> The earnings and property income outcomes refer to the year prior to the survey. All individuals are 50 years of age and above during the current year. All individuals are native-born Non-Hispanic African Americans

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<sup>4</sup> Unicon Research Corporation. (2007). CPS Utilities: Annual Social and Economic Supplement, 1962-2007. Los Angeles, CA.

and whites. The CPS does not contain a Hispanic identifier prior to 1971. Nativity is available only during 1994 – 2007. All income data are inflation-adjusted to 2007 dollars using the Consumer Price Index – All Urban Consumers.

For 2003 – 2007 individuals may select more than one racial category. In order to maintain consistency with previous surveys and with the prevailing social norms of the immediate post-Jim Crow era, African Americans include all persons who self-identified as “black only” plus any combination of black and other racial or ethnic group; hence, persons who self-identity as “black” and some other racial group are an ethnic group among African Americans. Persons from the US Virgin Islands and Puerto Rico are considered native-born Americans.

We construct a series of five overlapping artificial cohorts. Cohort 1 consists of persons age 50 and above in 1965. Cohort 2 consists of persons age 50 and above in 1974. Cohorts 3 and 4 consist of persons age 50 and above in 1981 and 1991, respectively, while persons age 50 and above as of 2001 are in the final cohort. Each cohort, except cohort 5, is followed for at least 15 years; hence, for cohort 1 we merge annual data from 1965 to 1980. For cohort 2 we merge annual data from 1974 to 1990, while we merge data for 1981 – 2000 for cohort 3, 1991- 2007 for cohort 4, and for 2001 – 2007 for cohort 5. Therefore, for each cohort (except cohort 5) we follow the youngest individuals from age 50 to the earliest retirement years and we also allow each cohort to fully overlap with one other cohort.

From 1968 to 2007, the CPS data contains a single variable which combines income from interest, dividends, and net rentals.<sup>5</sup> However, the question was not always asked with identical wording. Specifically, for 1980 – 2007 the question asks whether and how much household income from the previous year was obtain from savings account or money market funds; bonds,

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<sup>5</sup> The Unicon CPS mnemonic code for this variables is “incint.”

treasury notes, individual retirement accounts, or certificates of deposit; or, interest earning checking account or other investments which paid interest. For 1976 – 1979 the question asks whether and how much household income from the previous year was obtain from “interests savings accounts, bonds, etc..” In 1975, the question asks whether and how much household income from the previous year was obtain from “interests savings accounts, bonds, etc.”; and, “dividends, net rental income or royalties, and estates or trusts.” Finally, for 1968 – 1974 the question asks whether and how much household income from the previous year was obtain from dividends, interests on savings accounts or bonds, net rental income or income from estates and trusts.

Capital gains, capital losses, and changes in home equity are measured separately from the 1980 survey forward. Household income from retirement, other than social security and veteran’s benefits, is available from 1976 forward. Household income from social security and railroad retirement is also recorded from 1976 forward.<sup>6</sup>

Accordingly, we construct four increasingly broad measures of capital income. Our most basic measure of property income includes only dividends, interest, and net rental income. Our second property income category adds capital gains, capital losses, and changes in home equity to our basic measure of property income. Next, we add social security and railroad retirement income to our basic measure of property income. Finally, we examine private sector pensions.

## **V. Descriptive Results**

### *Education*

For most individuals, formal education represents the primary method of obtaining essential employment skills. Formal education is also the central mechanism for producing skills that yield lifetime access to vital social, economic, and other information. Moreover, formal

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<sup>6</sup> The Unicon CPS mnemonic code for this variables are “incret,” “\_inccs,” and “incvet.”

education is important for transferring economic wellbeing form parents to children. Given these important functions of formal schooling, it is a long accepted notion among economists that both labor and property income should increase with higher years of education. In the absence of persistent discrimination, we might reasonably expect that changes in race-gender differences in years of education will be fully reflected in reductions in racial disparities in wage and property income.

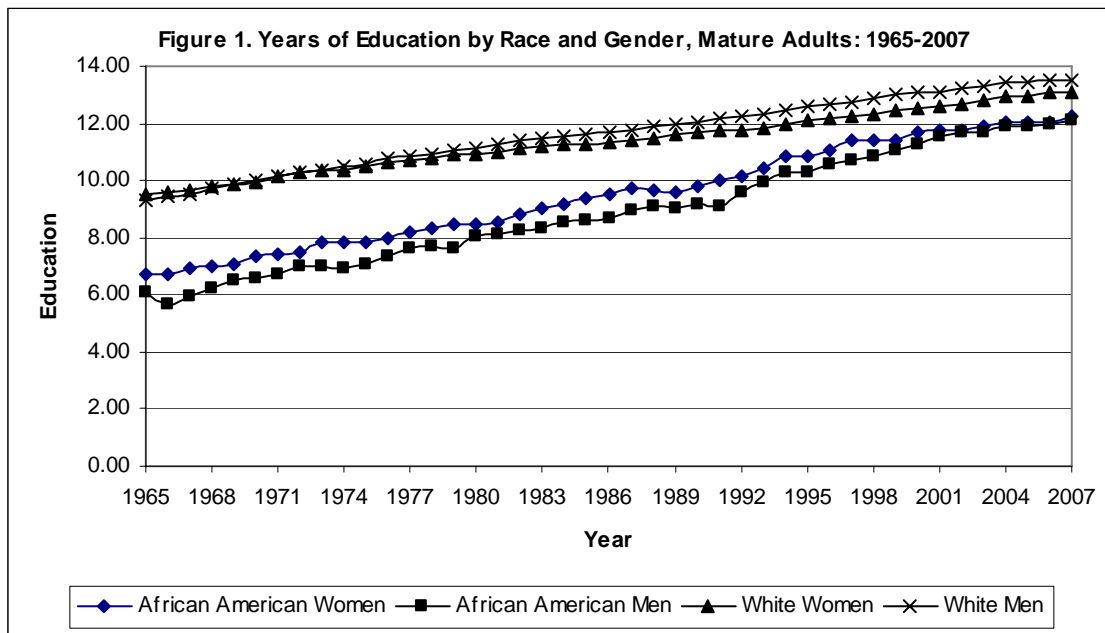


Figure 1 shows dramatic reductions in race-gender education gaps among mature adults. In 1965 the typical mature African American had only an elementary education. African American women averaged 6.73 years of education, while African American men obtained 6.09 years of education. The typical mature white American was a high school dropout; 9.49 years of education for women and 9.30 years of education for men. During the intervening four decades all race-gender groups increased their average level of education. On average, all mature race-gender groups are now high school graduates. Further, there has been a long term and persistent decline in race-gender education differences. By 2007 mature African American women

averaged 12.26 years of education and their male counterparts averaged 12.10 years of education. White women averaged 13.12 years of education and white men averaged 13.50 years of education.

*Income: national patterns*

The average level of education increased for all groups, while the racial gap in years of education continuously declined. Nevertheless, despite the well established positive correlation between individual education and individual income, the data does not show similar egalitarian changes in racial disparity in income and wealth.

Tables 7a – 10b present descriptive statistics by five-year age groups: persons 50-54, 55-59, 60-64, 65-69, 70-74, and 75 and above. Individuals obtain their peak labor income during their mid- to late 50s. (See Tables 7a and 7b). Workers at the high point of their worklife are reaping the full benefits of formal schooling and on-the-job training from their younger years along with the benefits of decision-making knowledge, information, and contacts obtained from decades of labor market experience. From the late 50s through retirement (typically, at age 65) labor market income tends to fall as there is relatively no skill accumulation, less mobility, and increasing skill depreciation. From age 65 onward, labor market income declines as retired workers spend less time in the market and move to employment pursuits that pay less than their principle prior occupation. Also, persons with greater property income are less likely to continue to work beyond retirement age.

During the 1960s and 1970s property income was higher among individuals age 75 and above than among persons ages 65-69 or ages 70-74. (See Table 9a and 9b). But, from the 1981 cohort onward property income is higher among the newly retired (persons 65-69 years of age) than among older workers. In addition, as workers age there may be a correlation between

property income and those remaining in the sample. For example, it may be the case that individuals with low or no property income are more likely to pass away before individuals with higher levels of property income. If this selection bias exists then property income for persons in their 70s and greater ages are less representative of what's true for the typical retiree than the property income for newly retired persons.

Given the considerations regarding the life-cycle returns to skill, our assessment of changes in the extent of racial discrimination in the contemporary labor market focuses on the outcomes of pre-retirement years when individual earnings are at their peak levels, that is, ages 55 – 59. Similarly, the selection bias effects associated with property income as mature individuals age suggest that it is appropriate to focus on newly retired persons of the 65-69 age group to assess the impact of changes in the extent of cumulative racial discrimination.

African American women and men made dramatic wage and property income progress relative to white women and men during 1965 – 2006. For example, among 55-59 year old persons, Tables 7a and 7b show that mean weekly wages of African American women and men grew by more than 152 percent and 62 percent, respectively, increasing from \$285 to \$719 and from \$566 to \$917. By contrast, the wages of white women and men grew by 62 percent and 45 percent, respectively. The most rapid period of weekly wage growth occurred between the entry of the 1965 and 1974 cohorts, as the weekly wages of African American women increased by 39 percent and the weekly wages of African American men increased 23 percent. The slowest period of growth occurred between the entry of the 1974 and 1981 cohorts, when the weekly wages of persons 55-59 years of age grew by 11 percent and –2 percent for African American women and men, respectively.

Table 8a shows that for the 1965 cohort the mean weekly wage of African American women age 55-59 was just 50 percent of the mean weekly wage of African American men age 55-59. This ratio increased without diminution, reaching 78 percent for the 2001 cohort. Among white persons age 55-59, the gender weekly wage ratio was 0.51 for the 1965 cohort, 0.47 for the 1974 and 1981 cohorts, and rose to 0.52 and 0.57 for the 1991 and 2001 cohorts, respectively. So, gender disparity in weekly wages declined more consistently and more rapidly among African Americans than among whites.

Table 8b shows a decline in racial weekly wage disparity among both women and men, even as it also indicates there is substantial enduring racial disparity in weekly wages. For the 1965 cohort, for women at their peak earnings age, the African American – white weekly wage ratio was 0.58. By the time of entry of the 1991 cohort, this ratio was 0.90 and it did not change with the entry of the 2001 cohort. The most rapid move toward equality occurred between the entry of the 1965 and 1974 cohorts, when the ratio climbed from 0.58 to 0.77. African American men ages 55-59 made much less progress. The male weekly wage ratio was also 0.58 for the 1965 cohort, but it was only 0.65 by the time of entry of the 2001 cohort, reflecting a slight decline of 2 percentage points from 0.67 for the 1991 cohort. The male ratio increased from 0.58 to 0.64 and from 0.61 to 0.67 between the 1965 and 1974 cohorts and the 1981 and 1991 cohorts, respectively. But, African American men lost ground relative to white men between 1974 and 1981 as the weekly wage ratio moved downward from 0.64 to 0.61.

**[Insert Tables 7a, 7b, 8a, and 8b]**

At the national level, for women 55-59 years old, we cannot reject the null hypothesis of a (weakly) monotonic intertemporal decline in racial weekly wage disparity. For men, however,

we can reject the null hypothesis; from 1974 onward, there is no clear trend in male weekly wage disparity.

Among 65-69 year old persons, Tables 9a and 9b show that the annual interest, dividend, and rental income (IDR) of African American women and men grew by more than 192 percent and 259 percent, respectively, increasing from \$308 to \$898 and from \$459 to \$1,649. By contrast, the IDR of white women and men grew by 18 percent and 1 percent, respectively. The most rapid period of IDR growth occurred between the entry of the 1965 and 1974 cohorts, as the interest, dividend, and rental income of African American women increased by 84 percent and the interest, dividend, and rental income of African American men increased 71 percent. The slowest period of growth for African American women and men occurred between the entry of the 1991 and 2001 cohorts, when the IDR of persons 65-69 years of age declined by 15 percent and 9 percent, respectively.

Table 10a shows that for the 1965 cohort the mean IDR of African American women age 65-69 was 67 percent of the mean IDR of African American men age 65-69. This ratio increased to 72 percent for 1974 and thereafter persistently declined to 0.54 by the time entry of the 2001 cohort. Among white persons age 65-69, the gender interest, dividend, and rental income ratio was 0.59 for the 1965 cohort, 0.82 and 0.90 for the 1974 and 1981 cohorts, respectively, but declined to 0.77 and 0.68 for the 1991 and 2001 cohorts, respectively. Considering the entire period, gender disparity in interest, dividend, and rental income increased among African Americans and declined only modestly among whites.

Table 10b shows a decline in IDR racial disparity among both women and men, even as it also indicates there are extraordinary cumulative effects of racial discrimination. Among the 1965 cohort, for newly retired women, the African American – white IDR ratio was 0.11. By the



time of entry of the 1991 cohort, this ratio was 0.26 and it increased only marginally to 0.27 with the entry of the 2001 cohort. The most rapid move toward equality occurred between the entry of the 1981 and 1991 cohorts, when the ratio climbed from 0.18 to 0.26. African American men ages 65-69 made greater progress. The male interest, dividend, and rental income ratio was 0.09 for the 1965 cohort, but it was only 0.33 by the time of entry of the 2001 cohort, reflecting a slight decline of 1 percentage point from 0.34 for the 1991 cohort. The male ratio increased from 0.23 to 0.34 between the 1981 and 1991 cohorts, respectively.

**[Insert Tables 9a, 9b, 10a, and 10b]**

Accordingly, for women, we cannot reject the null hypothesis of a strongly monotonic intertemporal decline in IDR disparity; we cannot reject the null hypothesis of a weakly monotonic intertemporal decline in IDR disparity for men. It is useful to note that the \$1,649 annual interest, dividend, and rental income for African American men of the 2001 cohort yields just \$137.42 per month. White male monthly interest, dividend, and rental income was \$412.75 for the 2001 cohort, much better than for African American men but not a particularly impressive result after a lifetime of work and savings.

Public policy has a strongly equalizing effect on property income. Social security income and railroad retirement income are public policy interventions. Property income is highest when we add public sector pension income (social security and railroad retirement) to interest, dividend, and rental income (IDRSS). Among newly retired African American women (Table 9a) and men (Table 9b), annual IDRSS rose from \$4,700 to \$7,934 and from \$6,827 to \$10,389, respectively, between the 1965 and 2001 cohorts. By comparison, among 65 – 69 year old white women and men, annual IDRSS rose from \$7,861 to \$10,588 and from \$12,078 to \$14,602, respectively, between the 1965 and 2001 cohorts. As a result, by the time of entry of the 2001

cohort monthly interest, dividend, rental, and public pension income was \$661.17 and \$865.75 for African American women and men, and \$882.33 and \$1,216.83 for white women and men.

IDRSS showed high and increasing levels of gender and racial equality between the 1965 and 2001 cohorts. For example, the African American female-male IDRSS ratio was 0.69 in for the 1965 cohort and 0.76 for the 2001 cohort. The white female-male IDRSS ratio was 0.65 in for the 1965 cohort and 0.73 for the 2001 cohort, though it peaked at 0.78 for the 1981 cohort. The female racial ratio for IDRSS was 0.60 for the 1965 cohort, but 0.75 for the 2001 cohort. During the same period, the male racial ratio for IDRSS rose from 0.57 to 0.71.

Importantly, racial disparity in private pension income exhibits a strongly monotonic intertemporal decline, for both women and men. For the 1965 cohort, the female and male private pension ratios were 0.51 and 0.46, respectively, but these ratios increased consistently to 1.16 and 0.63 for the 2001 cohort. There are no racial differences in access to employers with private pensions.<sup>7</sup> Regardless of race, 60 percent of American workers are employed at private employers who provide a pension plan.<sup>8</sup> Forty-eight percent of white males 25 – 64 years of age participant in private employer pension plans, but the inclusion rates for white women, African American women, and African American men are 39 percent, 35 percent, and 36 percent. Assuming that the rate of return on invested savings is not higher for African Americans than for whites, the decline in pension income disparity may have occurred because African Americans are saving a higher fraction of their income – even as African Americans are less likely to participate in the pension plan of private employers.

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<sup>7</sup> See Mason, Patrick L. (2008). African Americans and the Political Economy of Race: individualist and stratification perspectives on persistent inequality. Tallahassee, FL: unpublished manuscript.

<sup>8</sup> More precisely, for individuals 25 – 64 years of age, 59 percent, 57 percent, and 62 percent of African American women, African African men, and all white workers are employed at private employers that provide a plan. The take-up rates these workers are 35 and 36 percent for African American women and men and 39 and 48 percent for white women and men.

*Poverty and home ownership: national patterns*

The poverty and homeownership rates of families represent alternative metrics for capturing the effects of contemporary and cumulative discrimination, respectively. Among women 55 – 59 years of age, during 1965-73 35 percent of African American women and 10 percent of white women resided in impoverished families. By 2001-2006 the African American female household poverty rate for this age group was 18 percent while the white poverty was 8 percent. Similarly, among men 55 – 59 years of age, during 1965-73 23 percent of African American men and 6 percent of white men lived in impoverished families. By 2001-2006 the African American male household poverty rate for this age group was 48 percent while the white poverty was 6 percent. To the extent that differential rates of poverty are an indicate proxy for contemporary social and economic discrimination, we cannot reject the null hypothesis of a strong monotonic decline in contemporary racial discrimination. All the same, for pre-retirement persons at the peak of their lifetime earnings capacity there is still a very large racial gap in poverty, though it is very much less than the racial gap of 1965-73.

When we consider homeownership, there is much less relative progress. For new retirees, that is, persons 65 – 69 years of age, 62 percent African American women were homeowners in 1965-73, while 79 percent of white women were home owners. The 17 percentage point gap remained through to the final cohort, when the homeownership rate among African American had increased to 71 percent (less the homeownership rate of white women in 1965-73) but the homeownership rate of white women was now at 88 percent. Among 65 – 69 year old men, the African American homeownership rates were 64 percent in 1965-73 and 73 percent in 2001-2006; the white homeownership rates were 85 percent in 1965-73 and 90 percent in 2001-06. Hence, the initial male racial homeownership gap of 21 percentage points was reduced to a gap

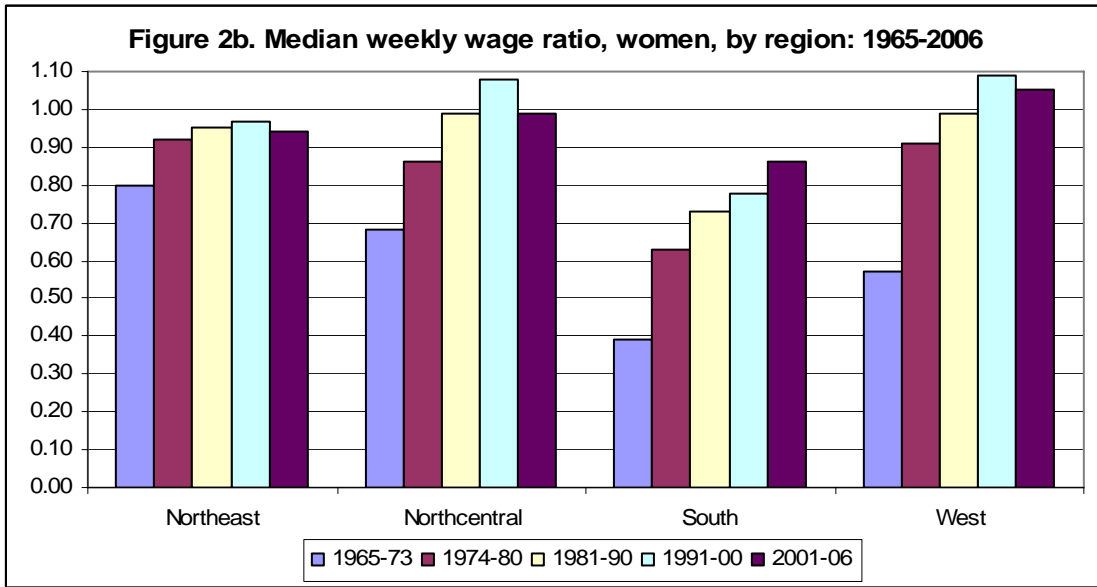
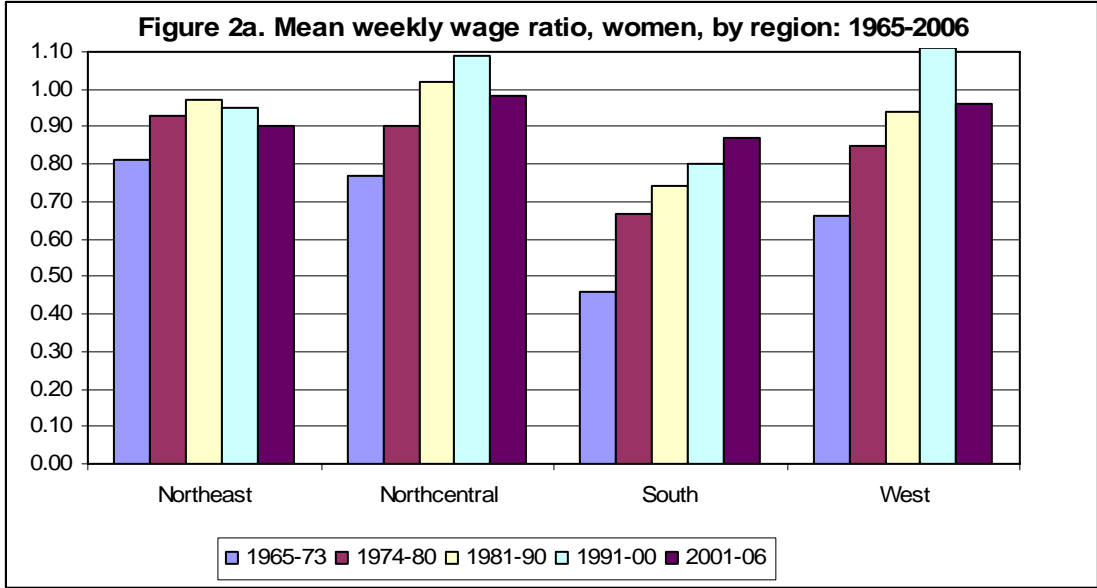
of 17 percentage points. To the extent that differential homeownership rates represent the effect of cumulative discrimination, we may that effects of cumulative discrimination are lower now than at any previous point in history but there is still a very large gap in homeownership.

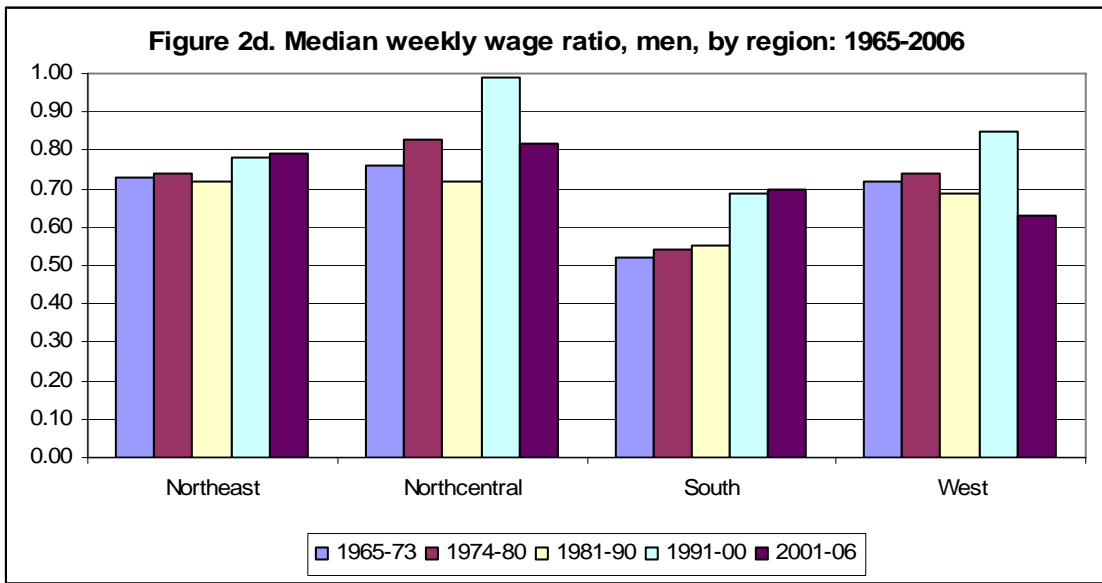
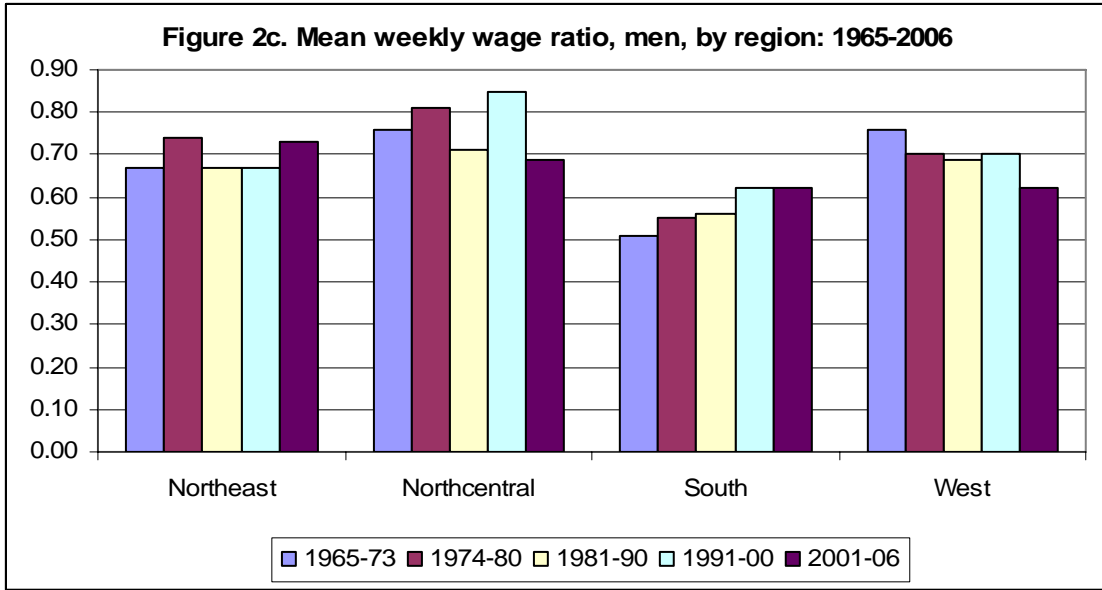
*Weekly wages: regional patterns*

Across regions, considering average weekly wages for persons 55-59 years of age, both African American men and women have experienced dramatic weekly wage changes relative to white men and women. But, these wage changes have been dissimilar and discontinuous. The greatest progress occurred in the South, where the median (mean) female ratio rose from 0.39 (0.46) to 0.86 (0.87) across the five intertemporal cohorts. (See Figures 2a,b and Table 12a). The median (mean) male ratio rose from 0.52 (0.51) for the 1965 cohort to 0.70 (0.62) for the 2001 cohort. (See Figures 2c,d and Table 12b). Racial disparity among men increased in the West as the male median weekly wage ratio declined from 0.72 to 0.63 between 1965-73 and 2001-06. For men in the Northcentral states, the mean weekly wage ratio declined from 0.76 to 0.69, though erratic movements in the median eventually show an increase from 0.76 to 0.82 during 1965 – 2006. For both men and women, the South is the only region where interracial wage changes were consistent with the null hypothesis of monotonic intertemporal decline in disparity; nevertheless, for women, the South remains the region with the highest weekly wage disparity, while the South and West are tied as the regions with the highest male weekly wage disparity.<sup>9</sup>

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<sup>9</sup> For 2001-2006, the mean ratio is 0.62 for the West and the South, while the median ratio is 0.70 for the South and 0.63 for the West.





For all regions, except the South, African American women lost ground relative to white women between the 1991 and 2001 cohorts. In the northeast, the black-white female weekly wage ratio declined from 0.97 to 0.94, while it dropped from 1.08 to .99 in the northcentral region. Similarly, the Western female median weekly wage ratio fell from 1.09 to 1.05. In the South, for women ages 55-59, the African American – white weekly wage ratio rose from 0.78 to 0.86 between 1991-2000 and 2001-2006. Likewise, in the South and Northeast, for men ages 55-

59, the African American – white weekly wage ratio rose from 0.69 to 0.70 and from 0.78 to 0.79, respectively, between 1991-2000 and 2001-2006. However, during this same period, the Northcentral median male ratio declined from 0.99 to 0.82 and the Western median male ratio declined from 0.85 to 0.63.

Outside of the South, African American men loss ground during 1981-1990 relative to 1974-1980 as the median weekly wage ratio declined from 0.74 to 0.72 in the Northeast, from 0.83 to 0.72 in the Northcentral states, and from 0.74 to 0.69 in the West. Indeed, outside of the South, the median African American male weekly wage ratio was lower during 1981-1990 than 1965-1973 and, within the South, this ratio barely increased from 0.52 to 0.55. Similar to the case for women, the 1991-2000 cohort witnessed impressive moves toward equality. For each region, this cohort had the highest or second highest median weekly wage ratio.

The up and down changes in male disparity is not consistent with the notion that changes in racial weekly wage disparity among men is a directly proportional to changes in racial skills gap differences among men, since the latter declined uniformly and consistently across regions during 1965 – 2007.

#### *Property income: regional analysis*

The rise in the mean property income ratio occurs entirely because of the increase in the relative property income of the black elite – those persons at or above the 90<sup>th</sup> percentile. There was no change in racial disparity in interest, dividend, and rental income for persons below the 90<sup>th</sup> percentile (Tables 13a and 13b). Measured at the median (the 50<sup>th</sup> percentile), the ratio shows no progress for either gender group, for any cohort, for any region. At the 75<sup>th</sup> percentile, the IDR ratio exhibits sporadic and inconsequential change; in particular, the actual income levels are too low to have a meaningful affect on the lives of individuals.

Consider, for example, IDR of Northeastern African American men, the African American race-sex group with the highest absolute level of income at the 75<sup>th</sup> percentile and who also had the highest income relative to their comparative white race-sex group (Table 13b). During 1965-73, Northeastern African American men 65 – 69 years of age had \$0 of IDR. However, annual IDR of this group grew over the next three cohorts, moving to \$125 (1974-80) and peaking at \$426 (1981-90) before eventually declining to \$68 (2001-06). So, the income ratio rose steadily from 0.00 during the first cohort to 0.11 during the 1990s, though it declined to 0.02 during 2001 – 2006. Even so, at its peak during the 1990s, annual IDR for 65 – 69 year old Northeastern African American men was \$418, that is, just under \$35 per month.

Among Northeastern African American women, mean IDR rose from \$337 to \$828 during 1965 – 2006. 1991 – 2001 was the period of slowest growth as income decreased from \$1,273 in 1991-00 to \$828 in 2001-2006. (See Mason, 2008, Table 2.3). Inequality declined during 1965-1980 as skewness fell from 14 to 9 and kurtosis fell from 257 to 106. The standard deviation rose from \$2,107 to \$3,375, but the coefficient of variation, that is, the standard deviation divided by the mean, declined from 6.33 to 4.75. However, inequality increased from 1974-80 to 1981-90: skewness rose from 9 to 14 and kurtosis rose from 106 to 225. From 1981 onward IDR inequality declined slightly. During 1974-2006 IDR for women at the 75<sup>th</sup> percentile decreased by 39 percent, falling from \$46 per year to \$28 per year; IDR of women at the 90<sup>th</sup> percentile declined by 6 percent, falling from \$1,331 to \$1,252. 1981-90 was the peak cohort for women at the 75<sup>th</sup> and 90<sup>th</sup> percentiles, with IDR at \$89 and \$1,629, respectively.

Elite Northeastern African American female new retirees strongly increased their IDR relative to their white counterparts. At the 90<sup>th</sup> percentile, the ratio rose from 0.04 to 0.15. (See



Table 9a). Most of this gain occurred between 1968-73 and 1974-80 when the ratio rose from 0.04 to 0.12.

Adding capital gains, capital losses, and annual home appreciation to interest, dividend, and rental income (IDRCH) leads to a dramatic reduction in inequality along with large increases in the mean and median levels of property income. Median IDRCH rises from \$2,246 in 1965-73 to \$2,928 in 1974-1990; thereafter, it declines to just \$26 per year during 2001-06. (See Mason, 2008, Table 2.3). At the 75<sup>th</sup> percentile IDRCH declines from \$11,210 in 1965-73 to \$5,327 during 2001-06.<sup>10</sup> This is a 52 percent decrease. At the 90<sup>th</sup> percentile IDRCH rises from \$16,798 in 1965-73 to \$17,448 in 1981-90, but declines to \$10,563 by 2001-06. This is a 37 percent decline over the entire 41 year period and 39 percent decline from the peak of 1981-90. Overall, inequality increased during 1965-2000 before declining slightly during the final period.

During the post-Jim Crow era the mean IDRCH ratio for African American women relative to white women fell from 0.54 to 0.49 during 1968-2006. (See Mason, 2008, Table 2.6). The median ratio rose from 0.21 during to 1968-73 to 0.29 during 1981-90, but declined sharply thereafter to just 0.01 during 2001-06. The typical African American woman made modest progress in capital gains (losses) and home appreciation relative to her white female counterpart in the Northeast during 1968-1990, but suffered great deterioration in relative capital gains and home appreciation during the next two decades.

During the post-Jim Crow era the mean IDRSS ratio increased for African American women relative to white women, rising from a ratio of 0.64 (1968-1980) to 0.75 (2001-06). The ratio peaked at 0.78 during 1991-00. The median ratio rose from 0.73 to 0.88, also peaking in 1991-00 at 0.89. Social security payments have a strongly equalizing effect on property income.

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<sup>10</sup> IDRCH rises slightly from \$10,059 to \$10,899 between 1974-80 and 1981-1990, but this increase is not statistically significant.

Adding social security payments to interest, dividends, and rent (IDRSS), shows that both median and mean income rises monotonically during 1965-2006. Median IDRSS was \$5,023 during 1968-73 and \$8,478 during 2001-06. After rising during 1968-1990, all measures of inequality decline during 1981-2006. For example, skewness declines from 8 to 1, indicating a near symmetric distribution, while kurtosis declines from 115 to 5, close to the kurtosis of a normal distribution. 1981-2000 were the years with the greatest inequality; the coefficients of variation were 1.14 and 1.10 for 1981-90 and 1991-00, respectively. During 1968-73, 1974-80, and 2001-06 the coefficients of variation were 0.90, 0.80, and 0.67, respectively. The egalitarian effect of social security on property income occurs because social security has a much greater effect on the property income of persons in the lower half of the distribution. During 1968-2006, IDRSS grew by 42 percent for women at the 90<sup>th</sup> percentile, 68 percent for women at the 75<sup>th</sup> percentile, 59 percent for women at the median, and from \$0 to \$4,836 for women at the 25<sup>th</sup> percentile.

During the post-Jim Crow era the mean IDRSS ratio for African American women relative to white women, rising from a ratio of 0.64 (1968-1980) to 0.75 (2001-06). The ratio peaked at 0.78 during 1991-00. The median ratio rose from 0.73 to 0.88, also peaking in 1991-00 at 0.89.

During the post-Jim Crow era the mean pension income of African American women has increased relative to the pension of income of white women, rising from a ratio of 0.71 (1968-73) to 1.41 (2001-06). During 1991-00, the female racial pension ratio reached its peak at 1.47. The final section of Table 1.4 presents pension income for African American women, ages 65-69, residing in the Northeast. The distribution of pension income mirrors the distribution of IDR, that is, mostly it is a form income confined to the most affluent individuals. Mean pension income

triples from \$1,212 to \$3,593 during 1968-2006, but this gain confined solely to women at the 75<sup>th</sup> and higher. The pension income of women at the 90<sup>th</sup> percentile grew from \$3,710 to \$11,511 during 1968-2006, a 210 percent increase. During the 1990s pension income trickled down to women at the 75<sup>th</sup> percentile, averaging \$1,349 per year during 1991-00 and \$2,382 per year during 2001-06.

*Northcentral women*

*Southern women*

*Western women*

*Northeast men*

*Northcentral men*

*Southern men*

*Western men*

## **VII. Analytical results**

The Oaxaca-Ransom decompositions reveals that the following results: 1) there has been a large reduction in contemporary wage discrimination against pre-retirement African Americans (persons 50 -59 years of age); 2) the changes have not been monotonic; and, 3) women have moved toward racial equality at a faster pace than men. Because market discrimination accounted for such a large fraction of the racial gap in weekly wages during 1965-73 (76 percent of the gap for women and 74 percent of the gap for men), we have seemingly contradictory

conclusions regarding persistent discrimination: there has been impressive progress in reducing market wage discrimination since the demise of Jim Crow; market wage discrimination continues to account for an extraordinary amount of the racial wage gap (36 percent for women and 52 percent for men); and, finally, it may be the case that discrimination in housing, education, and access to social capital formation is more or less responsible for the racial gap in productivity-linked characteristics. With respect to the latter point, it is particularly important to remember that all of these pre-retirement persons were born prior to the end of Jim Crow and all accumulated a substantial portion of their human capital prior to and immediately after the formal demise of Jim Crow.

*Contemporary discrimination: women, national pattern*

During the first years of the Post-Jim Crow era, that is, during 1965-1973, the weekly wages of African American women grew at an average annual rate of 7.73 percent while the weekly wages of white women grew at just 1.40 percent – a racial difference of 6.33 percent favoring African American women. This cohort experienced the rapid move toward racial equality. The racial differential in the mean wage rate declined from \$177.07 in 1965-73 to \$97.17 during 1974-80. Further, during 1974-80 and 1981-90 the weekly wage of African American women grew 2.52 percent and 0.32 percent per year faster, respectively, than the mean weekly wages of white women. During 1965-73 the mean weekly wages of white and African American women were \$5.93 and \$5.30, respectively, while they were a statistically insignificant \$488 and \$475 during 1991-00. However, during the 1990s and 2000s the weekly wages of pre-retirement white women have grown more than 1 percent per year faster the mean weekly wages of African American women.

During 1965 – 1990 preferential treatment in the market raised the wages of white women by 7 – 8 percent, while disadvantageous treatment lowered the wages of African American women by 52 – 68 percent with the higher disadvantage occurring in the earlier years. During the 1990s and 2000s, the African American disadvantageous treatment reduced weekly wages by 31 percent. As such, during 1965-73 market discrimination accounted for 76 percent of the female wage differential, and differing productivity-linked characteristics accounted for 24 percent of the wage differential. After more or less reaching parity during 1991-00, the racial gap in weekly wages grew during the 2000s; the differential was \$35.50 during this latter period, higher than any time except 1965-73 and market discrimination accounted for 36 percent of this differential while differences in productivity-lined characteristics accounted for 64 percent of the differential.

*Contemporary discrimination: men, national pattern*

During 1965-1973 the weekly wages of African American men grew at an average annual rate of 2.54 percent faster than the weekly wages of white men. Similar to women, this cohort experienced the rapid move toward racial equality. The racial differential in the mean wage rate declined from \$357.50 in 1965-73 to \$354.45 during 1974-80. During 1974-80 the mean weekly wages of white men grew 0.63 percent faster African American men. The move toward equality recovered during the next two cohorts as weekly wage growth among African American males outpaced weekly wage growth by 1.09 percent per year during 1981-90 and 0.51 percent per year during 1991-00. Inequality expanded during the entry period of the final cohort as the mean weekly wages of white males grew 1.28 per year faster than the mean weekly wages of African American males. During the 2000s, the male racial gap in mean weekly wages was \$331, just \$28 per week lower than the gap in the immediate Post-Jim Crow period.

During 1965 – 2006 preferential treatment in the market raised the wages of white men by 5 – 6 percent., while disadvantageous treatment lowered the wages of African American women by 47 – 67 percent with the highest disadvantage occurring in the earlier years. Consequently, during 1965-73 market discrimination accounted for 73 percent of the male wage differential, and differing productivity-linked characteristics accounted for 27 percent of the wage differential. Because of a monotonic decline in African American male disadvantage, market wage discrimination accounted for 52 percent of the male weekly wage differential during 2001-06 while differences in productivity-lined characteristics accounted for 48 percent of the differential.

*Contemporary disparity: regional patterns*

For both men and women, the tremendous reductions in Southern weekly wage disparity is primarily responsible for the shaping the national pattern. In fact, over the entire 1965 – 2006 period, the decline in Southern racial disparity is responsible for all of the national improvement among men. The Southern mean weekly wage ratio for 50 – 59 year old men rose from 0.51 in 1965-73 to 0.65 in 2001-06. The female ratio rose from 0.42 to 0.86 during this period.

| <b>Mean weekly wage ratios: persons 50 -59 years of age</b> |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|
| <b>Women</b>  |         |         |         |         |         |
|   | 1965-73 | 1974-80 | 1981-90 | 1991-00 | 2001-06 |
| South   | 0.42    | 0.60    | 0.78    | 0.90    | 0.86    |
| Northcentral  | 0.79    | 0.96    | 1.13    | 1.16    | 1.02    |
| Northeast   | 0.80    | 1.00    | 1.07    | 1.01    | 0.90    |
| West  | 0.74    | 0.93    | 1.11    | 1.16    | 1.02    |
| <b>Men</b>  |         |         |         |         |         |
| South   | 0.51    | 0.55    | 0.56    | 0.63    | 0.65    |
| Northcentral  | 0.78    | 0.80    | 0.70    | 0.83    | 0.75    |
| Northeast   | 0.71    | 0.74    | 0.69    | 0.71    | 0.67    |
| West  | 0.68    | 0.73    | 0.75    | 0.78    | 0.69    |

In both instances, the South had the lowest ratio in the initial and final periods. By comparison, during 1965-73 the female Northcentral, Northeastern, and Western ratios were

0.79, 0.80, and 0.74, respectively, while the male Northcentral, Northeastern, and Western ratios were 0.78, 0.71, and 0.68. But, during 2001-06 the female ratios were 1.02, 0.90, 1.02 for the Northcentral, Northeastern, and Western regions, respectively, and 0.75, 0.67, and 0.69 for men in the Northcentral, Northeastern, and Western regions. It is noteworthy also that for men but not for women, the South is the only region where the weekly ratio increased between the final two cohorts, that is, between 1991-00 and 2001-06; for women, the absolute value of the decline in the Southern ratio was considerably lower than the decline in female ratios for all other regions.

*Trend growth differential*

1965-73 was a remarkable cohort. During this period, across every region, and for gender groups, mean weekly wages of African Americans grew faster than the mean weekly wages of otherwise identical white men and women. Among women, African American wages grew 6.31 percent, 5.62 percent, 6.24 percent, and 2.94 percent faster than the weekly wages of pre-retirement white women in the Southern, Northcentral, Northeastern, and Western regions, respectively. African American males experience 2.39 percent, 1.12 percent, 0.73 percent, and 0.91 percent, respectively, faster wage growth than white males.

During 1974-80 wage growth among pre-retirement African American women continue to outpace wage growth among white women, but African American men loss ground or suffered wage stagnation relative to white men in every region except the West. During the 1980s as African American women continued to experience faster wage growth than white women in every region, except the Northcentral states where white women saw their wages increase 1.05 percent faster per year. African American men experienced faster annual wage growth than white men in every region, but the West was particularly noticeable since the annual wage growth of African American male wages was 8.18 percent per higher than white male wage growth.

During 1991-2000, across every region, mean weekly wages of pre-retirement African American women grew slower than the mean weekly wages of otherwise identical white women. Specifically, average annual growth rates of weekly wages of white women were 0.01 percent, 2.45 percent, 1.71 percent, and 0.91 percent faster than the weekly wages of pre-retirement African American women in the Southern, Northcentral, Northeastern, and Western regions, respectively. Among men, the growth in racial disparity declined in the Southern and Northcentral regions, but increased in the Northeastern and Western regions.

The final cohort, 2001-2006, saw relatively slower wage growth among African Americans in most regions, except for Northcentral women and Western men. The average annual growth rate of weekly wages among pre-retirement women was 0.79 percent faster in the Northcentral states, while the average annual growth rate of African American men was 0.23 percent faster in the West.

#### *Market discrimination*

There has been a decline in market wage discrimination against pre-retirement African American males. However, except for the Northeast, nearly all of the movement toward equality occurred during 1965-73 and there has been relative stagnation from 1974 forward. During 1965-73, Southern white males had a weekly wage advantage of 11 percent. This advantage was more or less 7 – 8 percent for each cohort thereafter. The African American male disadvantage was 51 percent in 1965-73. However, during 1974 – 1980 African American male disadvantage oscillated between 40 – 43 percent. In the Northcentral region, white advantage was 5 percent during 1965-73 and 3 – 4 percent for each of the remaining cohorts, while African American disadvantage was 71 percent during 1965-73 but trended around 49 percent during 1974 – 2006. White male preferential treatment in the West moved in the range of 2.5 – 4 percent for 1965 –



2006, but African American disadvantage was 83 percent in 1965-73, 64 percent in 1974-80, 55 percent 1981-90, and returning to 67 percent by the final cohort.

The Northeast is the only region to experience a continuous reduction in African American disadvantage through all five cohorts. African American disadvantage moved from 67 percent to 59 percent between the first and second cohorts, but this figure declined only 12 percentage points between 1974-80 and 2001-06, where it reached 47 percent. White advantage in the Northeast remained with the range of 4 – 5 percent; hence, as with every other region, the reduction in market discrimination occurred because of the reduction in African American disadvantage.

The pattern among women is made complicated by the relatively greater increase in labor force participation among white women, especially married white women, in comparison to African American women. Our regression results control for age, not actual labor market experience. Until quite recently African American had greater labor market experience than white women of the same age. White women were more likely to be married (which reduces the commitment to market time among women) and more likely to be homemakers (which reduces the probability that a woman will work for a wage). Greater effective labor market experience of African American women will show up as a wage premium. Further, as large numbers of white women enter the laborforce the wages of white women will grow slower than the wages of African American women because these new labor market participants will be enter the job market at the lower rounds of the wage ladder.

Despite these complications, we can determine that there has been a decline in market wage discrimination against pre-retirement African American women. Moreover, except for the South, African American women had higher weekly wages than white women for three of the

five cohorts. For 1981 – 2006 the wages of pre-retirement African American women were higher than the mean weekly wage of pre-retirement white women in the Northcentral and Western regions. The same is true for the Northeast during 1974 – 2000. For each cohort, the white advantage for Southern women greatly exceeds the white advantage in every other region; the Southern white advantage remains within 12 – 14 percent until the 1991-00 when it falls to 7 percent, even as it raises again to nearly 9.50 percent during 2001-06.

## **VII. Summary and discussion**

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**Table 6a. Labor force status of pre-retirement women by region, 1965 - 2006**

| African American Women | 1965-73 | 1974-80 | 1981-90 | 1991-00 | 2001-06 | Region       |
|------------------------|---------|---------|---------|---------|---------|--------------|
| Employed               | 0.53    | 0.50    | 0.54    | 0.62    | 0.64    | National     |
| Employed               | 0.48    | 0.50    | 0.51    | 0.63    | 0.62    | Northcentral |
| Employed               | 0.57    | 0.54    | 0.58    | 0.61    | 0.65    | Northeast    |
| Employed               | 0.53    | 0.49    | 0.53    | 0.62    | 0.65    | South        |
| Employed               | 0.56    | 0.50    | 0.53    | 0.63    | 0.63    | West         |
| Not in labor force     | 0.45    | 0.47    | 0.43    | 0.36    | 0.32    | National     |
| Not in labor force     | 0.50    | 0.48    | 0.44    | 0.35    | 0.35    | Northcentral |
| Not in labor force     | 0.42    | 0.43    | 0.40    | 0.36    | 0.31    | Northeast    |
| Not in labor force     | 0.44    | 0.49    | 0.44    | 0.36    | 0.32    | South        |
| Not in labor force     | 0.41    | 0.48    | 0.44    | 0.35    | 0.34    | West         |
| Unemployed             | 0.02    | 0.03    | 0.03    | 0.02    | 0.04    | National     |
| Unemployed             | 0.02    | 0.03    | 0.05    | 0.02    | 0.04    | Northcentral |
| Unemployed             | 0.02    | 0.03    | 0.02    | 0.03    | 0.03    | Northeast    |
| Unemployed             | 0.02    | 0.02    | 0.03    | 0.02    | 0.04    | South        |
| Unemployed             | 0.03    | 0.03    | 0.03    | 0.02    | 0.04    | West         |
| Weeks worked last year | 27.24   | 25.17   | 27.66   | 32.07   | 33.49   | National     |
| Weeks worked last year | 24.42   | 25.27   | 26.97   | 32.41   | 32.00   | Northcentral |
| Weeks worked last year | 28.37   | 27.15   | 29.60   | 31.92   | 34.00   | Northeast    |
| Weeks worked last year | 27.80   | 24.27   | 27.23   | 32.14   | 33.84   | South        |
| Weeks worked last year | 27.94   | 25.63   | 27.41   | 31.16   | 33.30   | West         |
| White Women            | 1965-73 | 1974-80 | 1981-90 | 1991-00 | 2001-06 | Region       |
| Employed               | 0.49    | 0.49    | 0.55    | 0.67    | 0.70    | National     |
| Employed               | 0.49    | 0.50    | 0.57    | 0.69    | 0.73    | Northcentral |
| Employed               | 0.50    | 0.50    | 0.57    | 0.68    | 0.73    | Northeast    |
| Employed               | 0.47    | 0.48    | 0.52    | 0.64    | 0.67    | South        |
| Employed               | 0.48    | 0.49    | 0.56    | 0.67    | 0.70    | West         |
| Not in labor force     | 0.50    | 0.48    | 0.43    | 0.31    | 0.28    | National     |
| Not in labor force     | 0.50    | 0.48    | 0.41    | 0.29    | 0.25    | Northcentral |
| Not in labor force     | 0.48    | 0.47    | 0.41    | 0.30    | 0.25    | Northeast    |
| Not in labor force     | 0.52    | 0.50    | 0.46    | 0.34    | 0.31    | South        |
| Not in labor force     | 0.51    | 0.49    | 0.42    | 0.31    | 0.27    | West         |
| Unemployed             | 0.01    | 0.02    | 0.02    | 0.02    | 0.02    | National     |
| Unemployed             | 0.01    | 0.02    | 0.02    | 0.02    | 0.02    | Northcentral |
| Unemployed             | 0.02    | 0.03    | 0.02    | 0.02    | 0.02    | Northeast    |
| Unemployed             | 0.01    | 0.02    | 0.02    | 0.02    | 0.02    | South        |
| Unemployed             | 0.02    | 0.02    | 0.02    | 0.02    | 0.02    | West         |
| Weeks worked last year | 24.91   | 25.37   | 28.09   | 33.88   | 35.82   | National     |
| Weeks worked last year | 25.76   | 26.24   | 28.74   | 34.96   | 37.26   | Northcentral |
| Weeks worked last year | 25.47   | 25.86   | 29.07   | 34.51   | 37.29   | Northeast    |
| Weeks worked last year | 23.92   | 24.54   | 26.76   | 32.54   | 33.94   | South        |
| Weeks worked last year | 24.13   | 24.59   | 28.27   | 34.12   | 35.58   | West         |

**Table 6b. Labor force status of pre-retirement men by region, 1965 - 2006**

| African American Men   | 1965-73 | 1974-80 | 1981-90 | 1991-00 | 2001-06 | Region       |
|------------------------|---------|---------|---------|---------|---------|--------------|
| Employed               | 0.81    | 0.70    | 0.66    | 0.65    | 0.65    | National     |
| Employed               | 0.82    | 0.69    | 0.61    | 0.63    | 0.60    | Northcentral |
| Employed               | 0.81    | 0.66    | 0.68    | 0.64    | 0.67    | Northeast    |
| Employed               | 0.82    | 0.72    | 0.67    | 0.65    | 0.66    | South        |
| Employed               | 0.73    | 0.67    | 0.66    | 0.68    | 0.60    | West         |
| Not in labor force     | 0.15    | 0.24    | 0.27    | 0.30    | 0.30    | National     |
| Not in labor force     | 0.15    | 0.24    | 0.29    | 0.31    | 0.34    | Northcentral |
| Not in labor force     | 0.15    | 0.25    | 0.25    | 0.29    | 0.27    | Northeast    |
| Not in labor force     | 0.15    | 0.23    | 0.28    | 0.31    | 0.29    | South        |
| Not in labor force     | 0.21    | 0.28    | 0.27    | 0.28    | 0.32    | West         |
| Unemployed             | 0.03    | 0.06    | 0.07    | 0.05    | 0.05    | National     |
| Unemployed             | 0.04    | 0.07    | 0.11    | 0.06    | 0.06    | Northcentral |
| Unemployed             | 0.03    | 0.09    | 0.07    | 0.07    | 0.06    | Northeast    |
| Unemployed             | 0.03    | 0.05    | 0.06    | 0.05    | 0.04    | South        |
| Unemployed             | 0.06    | 0.04    | 0.06    | 0.03    | 0.08    | West         |
| Weeks worked last year | 41.49   | 36.79   | 34.14   | 33.96   | 34.45   | National     |
| Weeks worked last year | 42.54   | 36.33   | 32.80   | 32.91   | 31.95   | Northcentral |
| Weeks worked last year | 41.26   | 35.50   | 35.93   | 34.29   | 36.26   | Northeast    |
| Weeks worked last year | 41.72   | 37.90   | 34.13   | 34.02   | 35.02   | South        |
| Weeks worked last year | 38.09   | 34.19   | 33.83   | 35.03   | 32.88   | West         |
| White Men              | 1965-73 | 1974-80 | 1981-90 | 1991-00 | 2001-06 | Region       |
| Employed               | 0.89    | 0.84    | 0.82    | 0.82    | 0.81    | National     |
| Employed               | 0.92    | 0.87    | 0.82    | 0.83    | 0.81    | Northcentral |
| Employed               | 0.91    | 0.85    | 0.84    | 0.81    | 0.81    | Northeast    |
| Employed               | 0.87    | 0.81    | 0.80    | 0.80    | 0.79    | South        |
| Employed               | 0.87    | 0.82    | 0.80    | 0.82    | 0.81    | West         |
| Not in labor force     | 0.08    | 0.13    | 0.14    | 0.15    | 0.16    | National     |
| Not in labor force     | 0.06    | 0.10    | 0.13    | 0.14    | 0.15    | Northcentral |
| Not in labor force     | 0.07    | 0.11    | 0.11    | 0.15    | 0.15    | Northeast    |
| Not in labor force     | 0.11    | 0.16    | 0.16    | 0.17    | 0.18    | South        |
| Not in labor force     | 0.08    | 0.14    | 0.16    | 0.14    | 0.15    | West         |
| Unemployed             | 0.03    | 0.03    | 0.04    | 0.03    | 0.03    | National     |
| Unemployed             | 0.02    | 0.03    | 0.05    | 0.03    | 0.04    | Northcentral |
| Unemployed             | 0.03    | 0.04    | 0.04    | 0.04    | 0.04    | Northeast    |
| Unemployed             | 0.02    | 0.03    | 0.03    | 0.02    | 0.02    | South        |
| Unemployed             | 0.04    | 0.04    | 0.04    | 0.04    | 0.03    | West         |
| Weeks worked last year | 46.00   | 43.62   | 42.65   | 42.53   | 42.14   | National     |
| Weeks worked last year | 47.15   | 45.32   | 43.13   | 43.49   | 42.61   | Northcentral |
| Weeks worked last year | 46.65   | 44.16   | 44.06   | 42.50   | 42.65   | Northeast    |
| Weeks worked last year | 44.65   | 41.95   | 41.75   | 41.86   | 41.46   | South        |
| Weeks worked last year | 45.10   | 42.77   | 41.73   | 42.43   | 42.13   | West         |

**Table 7a. Mean weekly and annual income by race, age, and entry year of cohort: women, 1965 – 2006 (\$2006)**

|       |               | African American       |        |        |        |        | White                  |        |        |        |        |
|-------|---------------|------------------------|--------|--------|--------|--------|------------------------|--------|--------|--------|--------|
|       |               | Initial Year of Cohort |        |        |        |        | Initial Year of Cohort |        |        |        |        |
|       |               | 1965                   | 1974   | 1981   | 1991   | 2001   | 1965                   | 1974   | 1981   | 1991   | 2001   |
| 50-54 | weekly wage   | 271                    | 417    | 477    | 616    | 709    | 479                    | 515    | 499    | 625    | 829    |
|       | total         | 8,652                  | 13,464 | 15,852 | 22,827 | 28,294 | 12,145                 | 15,461 | 17,940 | 25,770 | 35,094 |
|       | wage & salary | 7,087                  | 10,911 | 13,215 | 19,542 | 24,126 | 10,299                 | 12,709 | 13,463 | 20,393 | 29,127 |
|       | unearned      | 1,257                  | 2,208  | 2,488  | 3,038  | 3,685  | 1,205                  | 2,159  | 3,867  | 4,388  | 4,380  |
|       | earnings      |                        | 11,876 | 13,364 | 19,788 | 24,609 |                        | 13,011 | 14,072 | 21,382 | 30,714 |
| 55-59 | weekly wage   | 285                    | 395    | 437    | 558    | 719    | 492                    | 512    | 523    | 621    | 798    |
|       | total         | 8,838                  | 12,619 | 14,106 | 19,969 | 26,578 | 13,140                 | 15,610 | 18,464 | 24,449 | 32,391 |
|       | wage & salary | 6,985                  | 9,272  | 10,666 | 15,153 | 21,205 | 10,502                 | 11,430 | 12,364 | 17,130 | 24,918 |
|       | unearned      | 1,273                  | 3,154  | 3,273  | 4,602  | 4,872  | 1,560                  | 3,706  | 5,584  | 6,230  | 6,108  |
|       | earnings      |                        | 9,474  | 10,833 | 15,368 | 21,705 |                        | 12,088 | 12,880 | 18,220 | 26,283 |
| 60-64 | weekly wage   | 268                    | 359    | 408    | 518    | 682    | 480                    | 485    | 508    | 602    | 687    |
|       | total         | 8,643                  | 11,586 | 13,650 | 17,862 | 23,127 | 13,017                 | 16,163 | 18,635 | 22,454 | 26,373 |
|       | wage & salary | 5,112                  | 6,517  | 7,572  | 9,579  | 14,118 | 7,942                  | 7,834  | 8,465  | 11,510 | 15,539 |
|       | unearned      | 3,867                  | 5,035  | 5,812  | 7,838  | 8,509  | 5,056                  | 8,121  | 9,707  | 10,100 | 9,765  |
|       | earnings      | 5,210                  | 6,707  | 7,838  | 10,024 | 14,618 | 7,664                  | 8,226  | 8,928  | 12,354 | 16,608 |
| 65-69 | weekly wage   | 208                    | 247    | 318    | 476    | 640    | 386                    | 379    | 401    | 480    | 542    |
|       | total         | 8,409                  | 10,358 | 12,322 | 15,430 | 17,287 | 12,928                 | 16,611 | 18,565 | 20,729 | 22,522 |
|       | wage & salary | 1,811                  | 1,876  | 2,338  | 3,581  | 4,537  | 2,727                  | 2,621  | 3,039  | 4,558  | 6,090  |
|       | unearned      | 6,989                  | 8,454  | 9,908  | 11,747 | 12,637 | 10,976                 | 13,936 | 15,251 | 15,632 | 15,642 |
|       | earnings      | 1,857                  | 1,977  | 2,414  | 3,683  | 4,650  | 2,646                  | 2,858  | 3,313  | 5,098  | 6,880  |
| 70-74 | weekly wage   | 137                    | 196    | 244    | 311    | 377    | 277                    | 315    | 370    | 440    | 538    |
|       | total         | 8,361                  | 10,158 | 11,643 | 13,446 | 14,646 | 13,450                 | 16,495 | 18,046 | 18,513 | 19,339 |
|       | wage & salary | 680                    | 846    | 1,035  | 1,514  | 1,970  | 943                    | 1,043  | 1,381  | 1,940  | 2,725  |
|       | unearned      | 8,184                  | 9,357  | 10,580 | 11,889 | 12,596 | 13,552                 | 15,477 | 16,472 | 16,300 | 16,232 |
|       | earnings      | 635                    | 868    | 1,063  | 1,557  | 2,049  | 1,013                  | 1,185  | 1,575  | 2,213  | 3,107  |
| 75+   | weekly wage   | 186                    | 266    | 311    | 365    | 458    | 278                    | 306    | 338    | 362    | 382    |
|       | total         | 8,530                  | 10,226 | 11,047 | 12,005 | 12,887 | 14,303                 | 16,503 | 17,332 | 17,610 | 17,577 |
|       | wage & salary | 293                    | 462    | 604    | 758    | 1,055  | 333                    | 404    | 502    | 580    | 706    |
|       | unearned      | 8,682                  | 9,793  | 10,417 | 11,215 | 11,795 | 14,947                 | 16,124 | 16,721 | 16,902 | 16,686 |
|       | earnings      | 332                    | 495    | 630    | 789    | 1,092  | 410                    | 501    | 611    | 709    | 891    |

**Table 7b. Mean weekly and annual income by race, age, and entry year of cohort: men, 1965 – 2006 (\$2006)**

|       |               | African American       |        |        |        |        | White                  |        |        |        |        |
|-------|---------------|------------------------|--------|--------|--------|--------|------------------------|--------|--------|--------|--------|
|       |               | Initial Year of Cohort |        |        |        |        | Initial Year of Cohort |        |        |        |        |
|       |               | 1965                   | 1974   | 1981   | 1991   | 2001   | 1965                   | 1974   | 1981   | 1991   | 2001   |
| 50-54 | weekly wage   | 562                    | 704    | 655    | 788    | 843    | 941                    | 1,155  | 1,125  | 1,143  | 1,403  |
|       | total         | 25,291                 | 29,101 | 28,106 | 32,237 | 33,553 | 47,277                 | 56,541 | 53,391 | 55,696 | 65,906 |
|       | wage & salary | 21,917                 | 25,059 | 23,248 | 26,224 | 27,513 | 36,869                 | 44,555 | 43,462 | 44,468 | 54,702 |
|       | unearned      | 1,532                  | 3,391  | 3,698  | 4,803  | 4,675  | 2,610                  | 5,596  | 5,298  | 6,038  | 5,828  |
|       | earnings      |                        | 25,603 | 24,407 | 27,433 | 28,877 |                        | 50,559 | 48,093 | 49,658 | 60,078 |
| 55-59 | weekly wage   | 566                    | 695    | 680    | 800    | 917    | 974                    | 1,081  | 1,115  | 1,191  | 1,411  |
|       | total         | 24,651                 | 27,108 | 25,945 | 32,232 | 36,314 | 47,307                 | 52,662 | 52,819 | 56,882 | 64,332 |
|       | wage & salary | 21,027                 | 21,378 | 19,798 | 23,550 | 26,308 | 36,306                 | 39,007 | 38,990 | 41,391 | 49,129 |
|       | unearned      | 1,485                  | 4,991  | 5,355  | 7,347  | 7,913  | 3,063                  | 8,236  | 9,073  | 10,840 | 9,830  |
|       | earnings      |                        | 22,077 | 20,590 | 24,886 | 28,400 |                        | 44,620 | 43,745 | 46,042 | 54,502 |
| 60-64 | weekly wage   | 561                    | 635    | 641    | 775    | 967    | 923                    | 1,007  | 1,059  | 1,184  | 1,310  |
|       | total         | 21,554                 | 23,769 | 23,975 | 27,092 | 30,977 | 42,888                 | 44,526 | 45,167 | 49,607 | 55,488 |
|       | wage & salary | 16,510                 | 15,644 | 14,269 | 15,922 | 18,897 | 28,320                 | 26,220 | 25,104 | 28,318 | 34,797 |
|       | unearned      | 4,855                  | 7,581  | 8,813  | 10,306 | 11,295 | 9,255                  | 13,958 | 16,002 | 17,081 | 16,117 |
|       | earnings      | 17,275                 | 16,260 | 15,162 | 16,786 | 19,682 | 30,058                 | 30,497 | 29,165 | 32,525 | 39,371 |
| 65-69 | weekly wage   | 424                    | 446    | 518    | 657    | 702    | 711                    | 766    | 831    | 979    | 1,080  |
|       | total         | 16,132                 | 17,818 | 20,228 | 24,240 | 25,697 | 30,090                 | 33,402 | 36,184 | 41,351 | 44,956 |
|       | wage & salary | 6,300                  | 4,739  | 4,833  | 6,298  | 6,824  | 9,500                  | 8,339  | 8,879  | 12,189 | 15,372 |
|       | unearned      | 10,290                 | 12,801 | 14,753 | 17,128 | 17,969 | 18,696                 | 22,942 | 25,106 | 26,475 | 26,563 |
|       | earnings      | 5,477                  | 5,069  | 5,475  | 7,112  | 7,727  | 10,271                 | 10,576 | 11,078 | 14,876 | 18,392 |
| 70-74 | weekly wage   | 280                    | 463    | 557    | 702    | 502    | 521                    | 614    | 741    | 867    | 904    |
|       | total         | 13,956                 | 16,316 | 18,461 | 20,620 | 21,931 | 25,776                 | 29,493 | 32,289 | 34,824 | 37,059 |
|       | wage & salary | 2,283                  | 2,612  | 2,857  | 3,490  | 3,909  | 3,559                  | 3,653  | 4,473  | 5,884  | 7,484  |
|       | unearned      | 12,002                 | 13,481 | 15,097 | 16,527 | 17,367 | 21,499                 | 24,574 | 26,345 | 27,218 | 27,566 |
|       | earnings      | 2,609                  | 2,905  | 3,364  | 4,092  | 4,564  | 4,606                  | 5,058  | 5,944  | 7,606  | 9,493  |
| 75+   | weekly wage   | 241                    | 375    | 486    | 597    | 744    | 542                    | 639    | 720    | 802    | 851    |
|       | total         | 11,912                 | 14,287 | 15,594 | 17,402 | 19,064 | 23,087                 | 26,337 | 27,911 | 29,373 | 30,313 |
|       | wage & salary | 799                    | 1,029  | 1,424  | 1,879  | 2,596  | 1,564                  | 1,779  | 2,204  | 2,568  | 3,029  |
|       | unearned      | 11,632                 | 13,228 | 14,042 | 15,388 | 16,275 | 21,501                 | 23,877 | 24,913 | 25,936 | 26,309 |
|       | earnings      | 806                    | 1,148  | 1,552  | 2,014  | 2,789  | 2,207                  | 2,535  | 2,998  | 3,438  | 4,004  |



**Table 8a. Gender disparity in earnings by race, age, and entry year of cohort: men, 1965 - 2006**

|                   | African American       |      |      |      |      | White                  |      |      |      |      |
|-------------------|------------------------|------|------|------|------|------------------------|------|------|------|------|
|                   | Initial Year of Cohort |      |      |      |      | Initial Year of Cohort |      |      |      |      |
|                   | 1965                   | 1974 | 1981 | 1991 | 2001 | 1965                   | 1974 | 1981 | 1991 | 2001 |
| 50-54 weekly wage | 0.48                   | 0.59 | 0.73 | 0.78 | 0.84 | 0.51                   | 0.45 | 0.44 | 0.55 | 0.59 |
| total             | 0.34                   | 0.46 | 0.56 | 0.71 | 0.84 | 0.26                   | 0.27 | 0.34 | 0.46 | 0.53 |
| wage & salary     | 0.32                   | 0.44 | 0.57 | 0.75 | 0.88 | 0.28                   | 0.29 | 0.31 | 0.46 | 0.53 |
| unearned          | 0.82                   | 0.65 | 0.67 | 0.63 | 0.79 | 0.46                   | 0.39 | 0.73 | 0.73 | 0.75 |
| earnings          |                        | 0.46 | 0.55 | 0.72 | 0.85 |                        | 0.26 | 0.29 | 0.43 | 0.51 |
| 55-59 weekly wage | 0.50                   | 0.57 | 0.64 | 0.70 | 0.78 | 0.51                   | 0.47 | 0.47 | 0.52 | 0.57 |
| total             | 0.36                   | 0.47 | 0.54 | 0.62 | 0.73 | 0.28                   | 0.30 | 0.35 | 0.43 | 0.50 |
| wage & salary     | 0.33                   | 0.43 | 0.54 | 0.64 | 0.81 | 0.29                   | 0.29 | 0.32 | 0.41 | 0.51 |
| unearned          | 0.86                   | 0.63 | 0.61 | 0.63 | 0.62 | 0.51                   | 0.45 | 0.62 | 0.57 | 0.62 |
| earnings          |                        | 0.43 | 0.53 | 0.62 | 0.76 |                        | 0.27 | 0.29 | 0.40 | 0.48 |
| 60-64 weekly wage | 0.48                   | 0.57 | 0.64 | 0.67 | 0.71 | 0.52                   | 0.48 | 0.48 | 0.51 | 0.52 |
| total             | 0.40                   | 0.49 | 0.57 | 0.66 | 0.75 | 0.30                   | 0.36 | 0.41 | 0.45 | 0.48 |
| wage & salary     | 0.31                   | 0.42 | 0.53 | 0.60 | 0.75 | 0.28                   | 0.30 | 0.34 | 0.41 | 0.45 |
| unearned          | 0.80                   | 0.66 | 0.66 | 0.76 | 0.75 | 0.55                   | 0.58 | 0.61 | 0.59 | 0.61 |
| earnings          | 0.30                   | 0.41 | 0.52 | 0.60 | 0.74 | 0.25                   | 0.27 | 0.31 | 0.38 | 0.42 |
| 65-69 weekly wage | 0.49                   | 0.55 | 0.61 | 0.72 | 0.91 | 0.54                   | 0.50 | 0.48 | 0.49 | 0.50 |
| total             | 0.52                   | 0.58 | 0.61 | 0.64 | 0.67 | 0.43                   | 0.50 | 0.51 | 0.50 | 0.50 |
| wage & salary     | 0.29                   | 0.40 | 0.48 | 0.57 | 0.66 | 0.29                   | 0.31 | 0.34 | 0.37 | 0.40 |
| unearned          | 0.68                   | 0.66 | 0.67 | 0.69 | 0.70 | 0.59                   | 0.61 | 0.61 | 0.59 | 0.59 |
| earnings          | 0.34                   | 0.39 | 0.44 | 0.52 | 0.60 | 0.26                   | 0.27 | 0.30 | 0.34 | 0.37 |
| 70-74 weekly wage | 0.49                   | 0.42 | 0.44 | 0.44 | 0.75 | 0.53                   | 0.51 | 0.50 | 0.51 | 0.60 |
| total             | 0.60                   | 0.62 | 0.63 | 0.65 | 0.67 | 0.52                   | 0.56 | 0.56 | 0.53 | 0.52 |
| wage & salary     | 0.30                   | 0.32 | 0.36 | 0.43 | 0.50 | 0.26                   | 0.29 | 0.31 | 0.33 | 0.36 |
| unearned          | 0.68                   | 0.69 | 0.70 | 0.72 | 0.73 | 0.63                   | 0.63 | 0.63 | 0.60 | 0.59 |
| earnings          | 0.24                   | 0.30 | 0.32 | 0.38 | 0.45 | 0.22                   | 0.23 | 0.26 | 0.29 | 0.33 |
| 75+ weekly wage   | 0.77                   | 0.71 | 0.64 | 0.61 | 0.62 | 0.51                   | 0.48 | 0.47 | 0.45 | 0.45 |
| total             | 0.72                   | 0.72 | 0.71 | 0.69 | 0.68 | 0.62                   | 0.63 | 0.62 | 0.60 | 0.58 |
| wage & salary     | 0.37                   | 0.45 | 0.42 | 0.40 | 0.41 | 0.21                   | 0.23 | 0.23 | 0.23 | 0.23 |
| unearned          | 0.75                   | 0.74 | 0.74 | 0.73 | 0.72 | 0.70                   | 0.68 | 0.67 | 0.65 | 0.63 |
| earnings          | 0.41                   | 0.43 | 0.41 | 0.39 | 0.39 | 0.19                   | 0.20 | 0.20 | 0.21 | 0.22 |

**Table 8b. Racial disparity in earnings by gender, age, and entry year of cohort: 1965 - 2006**

|                   | Women                  |      |      |      |      | Men                    |      |      |      |      |
|-------------------|------------------------|------|------|------|------|------------------------|------|------|------|------|
|                   | Initial Year of Cohort |      |      |      |      | Initial Year of Cohort |      |      |      |      |
|                   | 1965                   | 1974 | 1981 | 1991 | 2001 | 1965                   | 1974 | 1981 | 1991 | 2001 |
| 50-54 weekly wage | 0.57                   | 0.81 | 0.96 | 0.99 | 0.85 | 0.60                   | 0.61 | 0.58 | 0.69 | 0.60 |
| total             | 0.71                   | 0.87 | 0.88 | 0.89 | 0.81 | 0.53                   | 0.51 | 0.53 | 0.58 | 0.51 |
| wage & salary     | 0.69                   | 0.86 | 0.98 | 0.96 | 0.83 | 0.59                   | 0.56 | 0.53 | 0.59 | 0.50 |
| unearned          | 1.04                   | 1.02 | 0.64 | 0.69 | 0.84 | 0.59                   | 0.61 | 0.70 | 0.80 | 0.80 |
| earnings          |                        | 0.91 | 0.95 | 0.93 | 0.80 |                        | 0.51 | 0.51 | 0.55 | 0.48 |
| 55-59 weekly wage | 0.58                   | 0.77 | 0.84 | 0.90 | 0.90 | 0.58                   | 0.64 | 0.61 | 0.67 | 0.65 |
| total             | 0.67                   | 0.81 | 0.76 | 0.82 | 0.82 | 0.52                   | 0.51 | 0.49 | 0.57 | 0.56 |
| wage & salary     | 0.67                   | 0.81 | 0.86 | 0.88 | 0.85 | 0.58                   | 0.55 | 0.51 | 0.57 | 0.54 |
| unearned          | 0.82                   | 0.85 | 0.59 | 0.74 | 0.80 | 0.48                   | 0.61 | 0.59 | 0.68 | 0.81 |
| earnings          |                        | 0.78 | 0.84 | 0.84 | 0.83 |                        | 0.49 | 0.47 | 0.54 | 0.52 |
| 60-64 weekly wage | 0.56                   | 0.74 | 0.80 | 0.86 | 0.99 | 0.61                   | 0.63 | 0.61 | 0.65 | 0.74 |
| total             | 0.66                   | 0.72 | 0.73 | 0.80 | 0.88 | 0.50                   | 0.53 | 0.53 | 0.55 | 0.56 |
| wage & salary     | 0.64                   | 0.83 | 0.89 | 0.83 | 0.91 | 0.58                   | 0.60 | 0.57 | 0.56 | 0.54 |
| unearned          | 0.76                   | 0.62 | 0.60 | 0.78 | 0.87 | 0.52                   | 0.54 | 0.55 | 0.60 | 0.70 |
| earnings          | 0.68                   | 0.82 | 0.88 | 0.81 | 0.88 | 0.57                   | 0.53 | 0.52 | 0.52 | 0.50 |
| 65-69 weekly wage | 0.54                   | 0.65 | 0.79 | 0.99 | 1.18 | 0.60                   | 0.58 | 0.62 | 0.67 | 0.65 |
| total             | 0.65                   | 0.62 | 0.66 | 0.74 | 0.77 | 0.54                   | 0.53 | 0.56 | 0.59 | 0.57 |
| wage & salary     | 0.66                   | 0.72 | 0.77 | 0.79 | 0.74 | 0.66                   | 0.57 | 0.54 | 0.52 | 0.44 |
| unearned          | 0.64                   | 0.61 | 0.65 | 0.75 | 0.81 | 0.55                   | 0.56 | 0.59 | 0.65 | 0.68 |
| earnings          | 0.70                   | 0.69 | 0.73 | 0.72 | 0.68 | 0.53                   | 0.48 | 0.49 | 0.48 | 0.42 |
| 70-74 weekly wage | 0.49                   | 0.62 | 0.66 | 0.71 | 0.70 | 0.54                   | 0.75 | 0.75 | 0.81 | 0.56 |
| total             | 0.62                   | 0.62 | 0.65 | 0.73 | 0.76 | 0.54                   | 0.55 | 0.57 | 0.59 | 0.59 |
| wage & salary     | 0.72                   | 0.81 | 0.75 | 0.78 | 0.72 | 0.64                   | 0.71 | 0.64 | 0.59 | 0.52 |
| unearned          | 0.60                   | 0.60 | 0.64 | 0.73 | 0.78 | 0.56                   | 0.55 | 0.57 | 0.61 | 0.63 |
| earnings          | 0.63                   | 0.73 | 0.68 | 0.70 | 0.66 | 0.57                   | 0.57 | 0.57 | 0.54 | 0.48 |
| 75+ weekly wage   | 0.67                   | 0.87 | 0.92 | 1.01 | 1.20 | 0.45                   | 0.59 | 0.67 | 0.74 | 0.87 |
| total             | 0.60                   | 0.62 | 0.64 | 0.68 | 0.73 | 0.52                   | 0.54 | 0.56 | 0.59 | 0.63 |
| wage & salary     | 0.88                   | 1.14 | 1.20 | 1.31 | 1.49 | 0.51                   | 0.58 | 0.65 | 0.73 | 0.86 |
| unearned          | 0.58                   | 0.61 | 0.62 | 0.66 | 0.71 | 0.54                   | 0.55 | 0.56 | 0.59 | 0.62 |
| earnings          | 0.81                   | 0.99 | 1.03 | 1.11 | 1.22 | 0.37                   | 0.45 | 0.52 | 0.59 | 0.70 |

**Table 9a. Mean annual property and pension income by race, age, and entry year of cohort: women, 1965 – 2006 (\$2006)**

|       |   | African American       |       |       |       |       | White                  |        |        |        |        |
|-------|---|------------------------|-------|-------|-------|-------|------------------------|--------|--------|--------|--------|
|       |   | Initial Year of Cohort |       |       |       |       | Initial Year of Cohort |        |        |        |        |
|       |   | 1965                   | 1974  | 1981  | 1991  | 2001  | 1965                   | 1974   | 1981   | 1991   | 2001   |
| 50-54 | Interest, dividend, rent                      | 167                    | 98    | 275   | 889   | 762   | 617                    | 931    | 2,643  | 2,630  | 2,235  |
|       | int., div., rent, cap. gain (loss), home app. |                        |       | 6,289 | 5,287 | 3,320 |                        |        | 11,662 | 8,811  | 6,287  |
|       | int, div., rent, soc. sec. or railroad        | 497                    | 522   | 771   | 1,125 | 1,290 | 910                    | 1,088  | 1,992  | 1,864  | 1,576  |
|       | Pension                                       |                        | 217   | 155   | 129   | 436   |                        | 241    | 332    | 284    | 479    |
|       | Veteran payment                               |                        |       |       | 46    | 39    |                        |        |        | 28     | 45     |
| 55-59 | Interest, dividend, rent                      | 196                    | 322   | 445   | 1,042 | 785   | 1,110                  | 2,008  | 3,772  | 3,479  | 2,974  |
|       | int., div., rent, cap. gain (loss), home app. |                        | 5,091 | 5,594 | 5,056 | 2,821 |                        | 9,696  | 11,002 | 9,049  | 5,794  |
|       | int, div., rent, soc. sec. or railroad        | 542                    | 974   | 1,040 | 1,619 | 1,641 | 1,423                  | 1,749  | 2,961  | 2,597  | 2,391  |
|       | Pension                                       |                        | 457   | 703   | 839   | 1,411 |                        | 548    | 701    | 899    | 1,341  |
|       | Veteran payment                               |                        |       | 180   | 55    | 49    |                        |        | 83     | 46     | 40     |
| 60-64 | Interest, dividend, rent                      | 189                    | 536   | 753   | 880   | 805   | 1,614                  | 3,438  | 4,445  | 3,854  | 3,340  |
|       | int., div., rent, cap. gain (loss), home app. | 3,324                  | 5,423 | 5,223 | 4,409 | 3,211 | 7,107                  | 10,783 | 10,824 | 8,549  | 5,733  |
|       | int, div., rent, soc. sec. or railroad        | 2,067                  | 2,755 | 2,998 | 3,854 | 4,051 | 3,428                  | 5,021  | 5,893  | 5,386  | 4,644  |
|       | Pension                                       | 804                    | 911   | 1,135 | 1,869 | 2,690 | 1,181                  | 1,239  | 1,442  | 1,895  | 2,366  |
|       | Veteran payment                               |                        | 95    | 101   | 110   | 68    |                        | 87     | 70     | 64     | 54     |
| 65-69 | Interest, dividend, rent                      | 308                    | 566   | 896   | 1,061 | 898   | 2,878                  | 4,501  | 5,101  | 4,135  | 3,385  |
|       | int., div., rent, cap. gain (loss), home app. | 5,136                  | 5,278 | 5,453 | 4,831 | 3,828 | 10,683                 | 11,394 | 11,164 | 8,751  | 6,672  |
|       | int, div., rent, soc. sec. or railroad        | 4,700                  | 5,804 | 6,612 | 7,514 | 7,934 | 7,861                  | 9,974  | 10,765 | 10,535 | 10,588 |
|       | Pension                                       | 878                    | 1,224 | 1,776 | 2,609 | 3,274 | 1,717                  | 1,818  | 2,006  | 2,494  | 2,813  |
|       | Veteran payment                               |                        | 66    | 81    | 74    | 45    |                        | 109    | 105    | 83     | 50     |
| 70-74 | Interest, dividend, rent                      | 426                    | 524   | 711   | 814   | 807   | 4,039                  | 4,748  | 4,950  | 4,021  | 3,460  |
|       | int., div., rent, cap. gain (loss), home app. | 4,931                  | 4,706 | 4,722 | 4,197 | 3,268 | 11,064                 | 10,425 | 10,000 | 8,225  | 6,216  |
|       | int, div., rent, soc. sec. or railroad        | 5,575                  | 6,600 | 7,332 | 7,887 | 8,324 | 9,851                  | 11,207 | 11,800 | 11,261 | 11,217 |
|       | Pension                                       | 864                    | 1,122 | 1,784 | 2,480 | 2,846 | 1,802                  | 1,863  | 2,127  | 2,441  | 2,650  |
|       | Veteran payment                               | 80                     | 56    | 67    | 74    | 68    | 130                    | 123    | 113    | 116    | 119    |
| 75+   | Interest, dividend, rent                      | 480                    | 601   | 662   | 658   | 659   | 4,336                  | 4,480  | 4,531  | 3,950  | 3,228  |
|       | int., div., rent, cap. gain (loss), home app. | 4,719                  | 4,541 | 4,362 | 4,064 | 3,215 | 9,472                  | 8,756  | 8,444  | 7,350  | 5,629  |
|       | int, div., rent, soc. sec. or railroad        | 5,966                  | 7,111 | 7,624 | 8,208 | 8,410 | 10,828                 | 11,842 | 12,294 | 12,207 | 11,947 |
|       | Pension                                       | 722                    | 998   | 1,268 | 1,546 | 2,024 | 1,451                  | 1,615  | 1,741  | 1,867  | 2,052  |
|       | Veteran payment                               | 60                     | 73    | 87    | 87    | 119   | 99                     | 122    | 128    | 135    | 152    |

**Table 9b. Mean annual property and pension income by race, age, and entry year of cohort: men, 1965 – 2006 (\$2006)**

|       |   | African American       |       |       |        |        | White                  |        |        |        |        |
|-------|---|------------------------|-------|-------|--------|--------|------------------------|--------|--------|--------|--------|
|       |   | Initial Year of Cohort |       |       |        |        | Initial Year of Cohort |        |        |        |        |
|       | Afr. Amer. Men                                | 1965                   | 1974  | 1981  | 1991   | 2001   | 1965                   | 1974   | 1981   | 1991   | 2001   |
| 50-54 | Interest, dividend, rent                      | 173                    | 202   | 285   | 687    | 647    | 1,764                  | 2,406  | 2,310  | 2,547  | 2,476  |
|       | int., div., rent, cap. gain (loss), home app. |                        |       | 6,868 | 6,381  | 4,058  |                        |        | 12,760 | 10,434 | 7,173  |
|       | int, div., rent, soc. Sec. or railroad        | 553                    | 1,067 | 1,075 | 1,288  | 1,540  | 2,001                  | 2,128  | 1,848  | 2,053  | 1,824  |
|       | Pension                                       |                        | 783   | 1,000 | 1,565  | 1,139  |                        | 1,337  | 1,640  | 1,555  | 1,319  |
|       | Veteran payment                               |                        |       |       | 175    | 519    |                        |        |        | 193    | 336    |
| 55-59 | Interest, dividend, rent                      | 471                    | 436   | 570   | 1,200  | 1,289  | 2,507                  | 3,199  | 3,715  | 4,311  | 3,589  |
|       | int., div., rent, cap. gain (loss), home app. |                        | 5,577 | 6,071 | 6,325  | 3,722  |                        | 11,229 | 12,767 | 11,804 | 6,793  |
|       | int, div., rent, soc. Sec. or railroad        | 1,218                  | 1,532 | 1,467 | 2,127  | 2,459  | 2,969                  | 2,921  | 3,135  | 3,272  | 2,913  |
|       | Pension                                       |                        | 1,564 | 1,921 | 2,802  | 2,604  |                        | 2,927  | 3,542  | 4,082  | 3,537  |
|       | Veteran payment                               |                        |       | 524   | 321    | 813    |                        |        | 325    | 320    | 567    |
| 60-64 | interest, dividend, rent                      | 425                    | 641   | 738   | 977    | 1,240  | 3,579                  | 4,100  | 4,514  | 4,125  | 3,996  |
|       | int., div., rent, cap. gain (loss), home app. | 3,649                  | 6,118 | 5,704 | 4,932  | 3,629  | 8,850                  | 12,094 | 12,432 | 10,153 | 6,704  |
|       | int, div., rent, soc. Sec. or railroad        | 2,508                  | 3,488 | 3,676 | 4,336  | 4,593  | 5,371                  | 6,067  | 6,627  | 6,354  | 5,740  |
|       | pension                                       | 1,585                  | 2,305 | 3,119 | 3,822  | 4,180  | 4,191                  | 5,232  | 6,475  | 7,277  | 6,727  |
|       | veteran payment                               |                        | 946   | 613   | 566    | 813    |                        | 472    | 372    | 416    | 484    |
| 65-69 | interest, dividend, rent                      | 459                    | 784   | 1,293 | 1,818  | 1,649  | 4,892                  | 5,478  | 5,654  | 5,397  | 4,953  |
|       | int., div., rent, cap. gain (loss), home app. | 6,649                  | 6,592 | 6,892 | 6,072  | 4,498  | 12,810                 | 13,968 | 13,899 | 11,150 | 8,225  |
|       | int, div., rent, soc. Sec. or railroad        | 6,827                  | 8,033 | 8,910 | 9,775  | 10,389 | 12,078                 | 13,194 | 13,826 | 14,301 | 14,602 |
|       | pension                                       | 2,615                  | 3,404 | 4,280 | 5,225  | 5,448  | 5,702                  | 7,012  | 8,239  | 8,741  | 8,688  |
|       | veteran payment                               |                        | 588   | 631   | 706    | 783    |                        | 555    | 518    | 520    | 455    |
| 70-74 | interest, dividend, rent                      | 617                    | 860   | 1,160 | 1,293  | 1,164  | 5,561                  | 5,827  | 5,850  | 5,249  | 4,890  |
|       | int., div., rent, cap. gain (loss), home app. | 6,324                  | 6,138 | 6,211 | 5,395  | 4,158  | 13,455                 | 12,841 | 12,480 | 10,510 | 8,147  |
|       | int, div., rent, soc. Sec. or railroad        | 8,299                  | 9,091 | 9,751 | 10,123 | 10,451 | 14,461                 | 14,977 | 15,498 | 15,185 | 15,421 |
|       | pension                                       | 2,300                  | 3,099 | 3,845 | 4,722  | 5,183  | 5,479                  | 6,750  | 7,841  | 8,801  | 9,030  |
|       | veteran payment                               | 357                    | 388   | 461   | 533    | 748    | 436                    | 543    | 525    | 546    | 507    |
| 75+   | interest, dividend, rent                      | 641                    | 860   | 972   | 1,150  | 1,164  | 5,788                  | 5,833  | 5,749  | 5,254  | 4,748  |
|       | int., div., rent, cap. gain (loss), home app. | 5,393                  | 5,369 | 5,219 | 5,030  | 4,059  | 12,029                 | 11,176 | 10,681 | 9,465  | 7,484  |
|       | int, div., rent, soc. Sec. or railroad        | 7,944                  | 8,985 | 9,485 | 10,055 | 10,362 | 14,629                 | 15,154 | 15,418 | 15,374 | 15,044 |
|       | pension                                       | 2,048                  | 2,802 | 3,264 | 3,945  | 4,546  | 4,758                  | 5,769  | 6,451  | 7,272  | 7,962  |
|       | veteran payment                               | 257                    | 345   | 385   | 408    | 552    | 259                    | 514    | 543    | 611    | 707    |

**Table 10a. Gender disparity in property and pension income by race, age, and entry year of cohort: 1965 - 2006**

| BF/BM | African American                              |      |      |      |      | White                  |      |      |      |      |      |
|-------|---|------|------|------|------|------------------------|------|------|------|------|------|
|       | Initial Year of Cohort                        |      |      |      |      | Initial Year of Cohort |      |      |      |      |      |
|       | 1965  | 1974 | 1981 | 1991 | 2001 | 1965                   | 1974 | 1981 | 1991 | 2001 |      |
| 50-54 | interest, dividend, rent                      | 0.96 | 0.48 | 0.97 | 1.29 | 1.18                   | 0.35 | 0.39 | 1.14 | 1.03 | 0.90 |
|       | int., div., rent, cap. gain (loss), home app. |      |      | 0.92 | 0.83 | 0.82                   |      |      | 0.91 | 0.84 | 0.88 |
|       | int, div., rent, soc. sec. or railroad        | 0.90 | 0.49 | 0.72 | 0.87 | 0.84                   | 0.45 | 0.51 | 1.08 | 0.91 | 0.86 |
|       | pension                                       |      | 0.28 | 0.15 | 0.08 | 0.38                   |      | 0.18 | 0.20 | 0.18 | 0.36 |
|       | veteran payment                               |      |      |      | 0.26 | 0.08                   |      |      |      | 0.14 | 0.13 |
| 55-59 | interest, dividend, rent                      | 0.42 | 0.74 | 0.78 | 0.87 | 0.61                   | 0.44 | 0.63 | 1.02 | 0.81 | 0.83 |
|       | int., div., rent, cap. gain (loss), home app. |      | 0.91 | 0.92 | 0.80 | 0.76                   |      | 0.86 | 0.86 | 0.77 | 0.85 |
|       | int, div., rent, soc. sec. or railroad        | 0.45 | 0.64 | 0.71 | 0.76 | 0.67                   | 0.48 | 0.60 | 0.94 | 0.79 | 0.82 |
|       | pension                                       |      | 0.29 | 0.37 | 0.30 | 0.54                   |      | 0.19 | 0.20 | 0.22 | 0.38 |
|       | veteran payment                               |      |      | 0.34 | 0.17 | 0.06                   |      |      | 0.25 | 0.15 | 0.07 |
| 60-64 | interest, dividend, rent                      | 0.44 | 0.84 | 1.02 | 0.90 | 0.65                   | 0.45 | 0.84 | 0.98 | 0.93 | 0.84 |
|       | int., div., rent, cap. gain (loss), home app. | 0.91 | 0.89 | 0.92 | 0.89 | 0.88                   | 0.80 | 0.89 | 0.87 | 0.84 | 0.86 |
|       | int, div., rent, soc. sec. or railroad        | 0.82 | 0.79 | 0.82 | 0.89 | 0.88                   | 0.64 | 0.83 | 0.89 | 0.85 | 0.81 |
|       | pension                                       | 0.51 | 0.40 | 0.36 | 0.49 | 0.64                   | 0.28 | 0.24 | 0.22 | 0.26 | 0.35 |
|       | veteran payment                               |      | 0.10 | 0.16 | 0.19 | 0.08                   |      | 0.18 | 0.19 | 0.15 | 0.11 |
| 65-69 | interest, dividend, rent                      | 0.67 | 0.72 | 0.69 | 0.58 | 0.54                   | 0.59 | 0.82 | 0.90 | 0.77 | 0.68 |
|       | int., div., rent, cap. gain (loss), home app. | 0.77 | 0.80 | 0.79 | 0.80 | 0.85                   | 0.83 | 0.82 | 0.80 | 0.78 | 0.81 |
|       | int, div., rent, soc. sec. or railroad        | 0.69 | 0.72 | 0.74 | 0.77 | 0.76                   | 0.65 | 0.76 | 0.78 | 0.74 | 0.73 |
|       | pension                                       | 0.34 | 0.36 | 0.41 | 0.50 | 0.60                   | 0.30 | 0.26 | 0.24 | 0.29 | 0.32 |
|       | veteran payment                               |      | 0.11 | 0.13 | 0.11 | 0.06                   |      | 0.20 | 0.20 | 0.16 | 0.11 |
| 70-74 | interest, dividend, rent                      | 0.69 | 0.61 | 0.61 | 0.63 | 0.69                   | 0.73 | 0.81 | 0.85 | 0.77 | 0.71 |
|       | int., div., rent, cap. gain (loss), home app. | 0.78 | 0.77 | 0.76 | 0.78 | 0.79                   | 0.82 | 0.81 | 0.80 | 0.78 | 0.76 |
|       | int, div., rent, soc. sec. or railroad        | 0.67 | 0.73 | 0.75 | 0.78 | 0.80                   | 0.68 | 0.75 | 0.76 | 0.74 | 0.73 |
|       | pension                                       | 0.38 | 0.36 | 0.46 | 0.53 | 0.55                   | 0.33 | 0.28 | 0.27 | 0.28 | 0.29 |
|       | veteran payment                               | 0.22 | 0.14 | 0.15 | 0.14 | 0.09                   | 0.30 | 0.23 | 0.22 | 0.21 | 0.23 |
| 75+   | interest, dividend, rent                      | 0.75 | 0.70 | 0.68 | 0.57 | 0.57                   | 0.75 | 0.77 | 0.79 | 0.75 | 0.68 |
|       | int., div., rent, cap. gain (loss), home app. | 0.88 | 0.85 | 0.84 | 0.81 | 0.79                   | 0.79 | 0.78 | 0.79 | 0.78 | 0.75 |
|       | int, div., rent, soc. sec. or railroad        | 0.75 | 0.79 | 0.80 | 0.82 | 0.81                   | 0.74 | 0.78 | 0.80 | 0.79 | 0.79 |
|       | pension                                       | 0.35 | 0.36 | 0.39 | 0.39 | 0.45                   | 0.30 | 0.28 | 0.27 | 0.26 | 0.26 |
|       | veteran payment                               | 0.23 | 0.21 | 0.22 | 0.21 | 0.22                   | 0.38 | 0.24 | 0.24 | 0.22 | 0.21 |

**Table 10b. Racial disparity in property and pension income by gender, age, and entry year of cohort: 1965 - 2006**

|   | Women                  |      |      |      |      | Men                    |      |      |      |      |
|---|------------------------|------|------|------|------|------------------------|------|------|------|------|
|   | Initial Year of Cohort |      |      |      |      | Initial Year of Cohort |      |      |      |      |
|   | 1965                   | 1974 | 1981 | 1991 | 2001 | 1965                   | 1974 | 1981 | 1991 | 2001 |
| 50-54 interest, dividend, rent                | 0.27                   | 0.10 | 0.10 | 0.34 | 0.34 | 0.10                   | 0.08 | 0.12 | 0.27 | 0.26 |
| int., div., rent, cap. gain (loss), home app. |                        |      | 0.54 | 0.60 | 0.53 |                        |      | 0.54 | 0.61 | 0.57 |
| int, div., rent, soc. sec. or railroad        | 0.55                   | 0.48 | 0.39 | 0.60 | 0.82 | 0.28                   | 0.50 | 0.58 | 0.63 | 0.84 |
| pension                                       |                        | 0.90 | 0.47 | 0.45 | 0.91 |                        | 0.59 | 0.61 | 1.01 | 0.86 |
| veteran payment                               |                        |      |      | 1.68 | 0.87 |                        |      |      | 0.91 | 1.55 |
| 55-59 interest, dividend, rent                | 0.18                   | 0.16 | 0.12 | 0.30 | 0.26 | 0.19                   | 0.14 | 0.15 | 0.28 | 0.36 |
| int., div., rent, cap. gain (loss), home app. |                        | 0.53 | 0.51 | 0.56 | 0.49 |                        | 0.50 | 0.48 | 0.54 | 0.55 |
| int, div., rent, soc. sec. or railroad        | 0.38                   | 0.56 | 0.35 | 0.62 | 0.69 | 0.41                   | 0.52 | 0.47 | 0.65 | 0.84 |
| pension                                       |                        | 0.83 | 1.00 | 0.93 | 1.05 |                        | 0.53 | 0.54 | 0.69 | 0.74 |
| veteran payment                               |                        |      | 2.18 | 1.19 | 1.22 |                        |      | 1.61 | 1.00 | 1.43 |
| 60-64 interest, dividend, rent                | 0.12                   | 0.16 | 0.17 | 0.23 | 0.24 | 0.12                   | 0.16 | 0.16 | 0.24 | 0.31 |
| int., div., rent, cap. gain (loss), home app. | 0.47                   | 0.50 | 0.48 | 0.52 | 0.56 | 0.41                   | 0.51 | 0.46 | 0.49 | 0.54 |
| int, div., rent, soc. sec. or railroad        | 0.60                   | 0.55 | 0.51 | 0.72 | 0.87 | 0.47                   | 0.57 | 0.55 | 0.68 | 0.80 |
| pension                                       | 0.68                   | 0.74 | 0.79 | 0.99 | 1.14 | 0.38                   | 0.44 | 0.48 | 0.53 | 0.62 |
| veteran payment                               |                        | 1.09 | 1.44 | 1.72 | 1.26 |                        | 2.00 | 1.65 | 1.36 | 1.68 |
| 65-69 interest, dividend, rent                | 0.11                   | 0.13 | 0.18 | 0.26 | 0.27 | 0.09                   | 0.14 | 0.23 | 0.34 | 0.33 |
| int., div., rent, cap. gain (loss), home app. | 0.48                   | 0.46 | 0.49 | 0.55 | 0.57 | 0.52                   | 0.47 | 0.50 | 0.54 | 0.55 |
| int, div., rent, soc. sec. or railroad        | 0.60                   | 0.58 | 0.61 | 0.71 | 0.75 | 0.57                   | 0.61 | 0.64 | 0.68 | 0.71 |
| pension                                       | 0.51                   | 0.67 | 0.89 | 1.05 | 1.16 | 0.46                   | 0.49 | 0.52 | 0.60 | 0.63 |
| veteran payment                               |                        | 0.60 | 0.78 | 0.90 | 0.91 |                        | 1.06 | 1.22 | 1.36 | 1.72 |
| 70-74 interest, dividend, rent                | 0.11                   | 0.11 | 0.14 | 0.20 | 0.23 | 0.11                   | 0.15 | 0.20 | 0.25 | 0.24 |
| int., div., rent, cap. gain (loss), home app. | 0.45                   | 0.45 | 0.47 | 0.51 | 0.53 | 0.47                   | 0.48 | 0.50 | 0.51 | 0.51 |
| int, div., rent, soc. sec. or railroad        | 0.57                   | 0.59 | 0.62 | 0.70 | 0.74 | 0.57                   | 0.61 | 0.63 | 0.67 | 0.68 |
| pension                                       | 0.48                   | 0.60 | 0.84 | 1.02 | 1.07 | 0.42                   | 0.46 | 0.49 | 0.54 | 0.57 |
| veteran payment                               | 0.62                   | 0.45 | 0.59 | 0.64 | 0.57 | 0.82                   | 0.71 | 0.88 | 0.98 | 1.48 |
| 75+ interest, dividend, rent                  | 0.11                   | 0.13 | 0.15 | 0.17 | 0.20 | 0.11                   | 0.15 | 0.17 | 0.22 | 0.25 |
| int., div., rent, cap. gain (loss), home app. | 0.50                   | 0.52 | 0.52 | 0.55 | 0.57 | 0.45                   | 0.48 | 0.49 | 0.53 | 0.54 |
| int, div., rent, soc. sec. or railroad        | 0.55                   | 0.60 | 0.62 | 0.67 | 0.70 | 0.54                   | 0.59 | 0.62 | 0.65 | 0.69 |
| pension                                       | 0.50                   | 0.62 | 0.73 | 0.83 | 0.99 | 0.43                   | 0.49 | 0.51 | 0.54 | 0.57 |
| veteran payment                               | 0.60                   | 0.60 | 0.68 | 0.65 | 0.78 | 0.99                   | 0.67 | 0.71 | 0.67 | 0.78 |

**Table 11. Poverty rate and home ownership status**

| Poverty rate | African American women |      |      |      |      | White women |      |      |      |      |
|--------------|------------------------|------|------|------|------|-------------|------|------|------|------|
|              | 1965                   | 1974 | 1981 | 1991 | 2001 | 1965        | 1974 | 1981 | 1991 | 2001 |
| 50-54        | 0.33                   | 0.29 | 0.31 | 0.21 | 0.17 | 0.08        | 0.06 | 0.07 | 0.07 | 0.06 |
| 55-59        | 0.35                   | 0.31 | 0.31 | 0.25 | 0.18 | 0.10        | 0.08 | 0.09 | 0.09 | 0.08 |
| 60-64        | 0.36                   | 0.33 | 0.32 | 0.27 | 0.22 | 0.12        | 0.10 | 0.10 | 0.09 | 0.09 |
| 65-69        | 0.38                   | 0.35 | 0.34 | 0.26 | 0.22 | 0.14        | 0.10 | 0.10 | 0.08 | 0.08 |
| 70-74        | 0.42                   | 0.38 | 0.37 | 0.30 | 0.27 | 0.16        | 0.13 | 0.12 | 0.10 | 0.09 |
| 75+          | 0.45                   | 0.42 | 0.39 | 0.33 | 0.30 | 0.20        | 0.17 | 0.15 | 0.13 | 0.12 |
| Home owner   |                        |      |      |      |      |             |      |      |      |      |
| 50-54        |                        | 0.58 | 0.62 | 0.61 | 0.63 |             | 0.83 | 0.87 | 0.85 | 0.87 |
| 55-59        |                        | 0.64 | 0.68 | 0.64 | 0.66 |             | 0.85 | 0.86 | 0.86 | 0.87 |
| 60-64        | 0.61                   | 0.64 | 0.65 | 0.67 | 0.67 | 0.80        | 0.84 | 0.85 | 0.87 | 0.88 |
| 65-69        | 0.62                   | 0.63 | 0.63 | 0.70 | 0.71 | 0.79        | 0.82 | 0.83 | 0.86 | 0.88 |
| 70-74        | 0.62                   | 0.63 | 0.64 | 0.69 | 0.72 | 0.77        | 0.77 | 0.79 | 0.85 | 0.87 |
| 75+          | 0.65                   | 0.66 | 0.67 | 0.70 | 0.71 | 0.72        | 0.73 | 0.75 | 0.78 | 0.80 |
| Poverty rate | African American men   |      |      |      |      | White men   |      |      |      |      |
|              | 1965                   | 1974 | 1981 | 1991 | 2001 | 1965        | 1974 | 1981 | 1991 | 2001 |
| 50-54        | 0.17                   | 0.17 | 0.15 | 0.16 | 0.13 | 0.05        | 0.04 | 0.06 | 0.06 | 0.05 |
| 55-59        | 0.23                   | 0.20 | 0.21 | 0.18 | 0.14 | 0.06        | 0.05 | 0.06 | 0.06 | 0.06 |
| 60-64        | 0.27                   | 0.22 | 0.22 | 0.18 | 0.16 | 0.08        | 0.07 | 0.07 | 0.07 | 0.07 |
| 65-69        | 0.31                   | 0.25 | 0.24 | 0.19 | 0.17 | 0.09        | 0.06 | 0.05 | 0.05 | 0.05 |
| 70-74        | 0.28                   | 0.24 | 0.22 | 0.18 | 0.17 | 0.09        | 0.07 | 0.06 | 0.05 | 0.05 |
| 75+          | 0.34                   | 0.31 | 0.29 | 0.22 | 0.19 | 0.12        | 0.09 | 0.08 | 0.06 | 0.06 |
| Home owner   |                        |      |      |      |      |             |      |      |      |      |
| 50-54        |                        | 0.62 | 0.67 | 0.65 | 0.67 |             | 0.85 | 0.87 | 0.84 | 0.86 |
| 55-59        |                        | 0.66 | 0.66 | 0.67 | 0.71 |             | 0.86 | 0.87 | 0.86 | 0.88 |
| 60-64        | 0.68                   | 0.68 | 0.68 | 0.69 | 0.72 | 0.83        | 0.87 | 0.87 | 0.88 | 0.89 |
| 65-69        | 0.64                   | 0.67 | 0.68 | 0.72 | 0.73 | 0.85        | 0.86 | 0.87 | 0.89 | 0.90 |
| 70-74        | 0.68                   | 0.69 | 0.70 | 0.73 | 0.73 | 0.84        | 0.85 | 0.86 | 0.89 | 0.89 |
| 75+          | 0.68                   | 0.69 | 0.71 | 0.76 | 0.77 | 0.81        | 0.82 | 0.84 | 0.86 | 0.87 |

Table 12a. Weekly Wage: Female Ratio, Ages 55-59

|              | 1965-73     |             | 1974-80     |             | 1981-90     |             | 1991-00     |             | 2001-06     |             |            |
|--------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|------------|
|              | Percentile  | Moment      | Percentile  | Moment      | Percentile  | Moment      | Percentile  | Moment      | Percentile  | Moment      |            |
| Northeast    |             |             |             |             |             |             |             |             |             |             |            |
| 10%          | 0.69        | <b>0.81</b> | 0.94        | <b>0.93</b> | 1.00        | <b>0.97</b> | 1.27        | <b>0.95</b> | 1.05        | <b>0.90</b> | mean       |
| 25%          | 0.76        | 0.73        | 0.96        | 0.81        | 1.03        | 0.95        | 1.14        | 0.50        | 0.96        | 0.96        | stan. dev. |
| 50%          | 0.80        | 0.26        | 0.92        | 0.20        | 0.95        | 0.60        | 0.97        | 0.21        | 0.94        | 1.42        | skewness   |
| 75%          | 0.78        | 0.06        | 0.93        | 0.05        | 0.91        | 0.21        | 0.96        | 0.06        | 0.87        | 1.89        | kurtosis   |
| 90%          | 0.82        |             | 0.96        |             | 0.94        |             | 0.91        |             | 0.80        |             |            |
| Northcentral |             |             |             |             |             |             |             |             |             |             |            |
| 10%          | 0.70        | <b>0.77</b> | 0.83        | <b>0.90</b> | 1.04        | <b>1.02</b> | 1.56        | <b>1.09</b> | 1.10        | <b>0.98</b> | mean       |
| 25%          | 0.58        | 0.84        | 0.74        | 0.88        | 1.07        | 1.06        | 1.23        | 0.91        | 1.08        | 0.77        | stan. dev. |
| 50%          | 0.68        | 0.42        | 0.86        | 0.28        | 0.99        | 0.70        | 1.08        | 0.40        | 0.99        | 0.27        | skewness   |
| 75%          | 0.78        | 0.12        | 0.92        | 0.08        | 0.94        | 0.35        | 1.13        | 0.13        | 1.01        | 0.09        | kurtosis   |
| 90%          | 0.79        |             | 1.06        |             | 1.08        |             | 1.00        |             | 0.98        |             |            |
| South        |             |             |             |             |             |             |             |             |             |             |            |
| 10%          | 0.27        | <b>0.46</b> | 0.42        | <b>0.67</b> | 0.58        | <b>0.74</b> | 0.79        | <b>0.80</b> | 0.85        | <b>0.87</b> | mean       |
| 25%          | 0.27        | 0.59        | 0.50        | 0.67        | 0.69        | 0.70        | 0.84        | 0.33        | 0.81        | 1.34        | stan. dev. |
| 50%          | <b>0.39</b> | 0.50        | <b>0.63</b> | 0.26        | <b>0.73</b> | 0.38        | <b>0.78</b> | 0.11        | <b>0.86</b> | 1.20        | skewness   |
| 75%          | 0.47        | 0.19        | 0.66        | 0.09        | 0.72        | 0.17        | 0.82        | 0.03        | 0.84        | 0.98        | kurtosis   |
| 90%          | 0.55        |             | 0.77        |             | 0.82        |             | 0.94        |             | 0.85        |             |            |
| West         |             |             |             |             |             |             |             |             |             |             |            |
| 10%          | 0.46        | <b>0.66</b> | 1.15        | <b>0.85</b> | 0.87        | <b>0.94</b> | 1.17        | <b>1.11</b> | 1.68        | <b>0.96</b> | mean       |
| 25%          | 0.50        | 0.97        | 1.04        | 0.64        | 1.22        | 0.85        | 1.09        | 1.12        | 1.18        | 0.57        | stan. dev. |
| 50%          | 0.57        | 1.04        | 0.91        | 0.32        | 0.99        | 0.45        | 1.09        | 0.64        | 1.05        | 0.35        | skewness   |
| 75%          | 0.60        | 0.47        | 0.81        | 0.23        | 0.93        | 0.33        | 1.10        | 0.29        | 0.96        | 0.19        | kurtosis   |
| 90%          | 0.73        |             | 0.88        |             | 1.02        |             | 1.09        |             | 0.93        |             |            |



Table 12b. Weekly Wage: Male Ratio, Ages 55-59

|              | 1965-73     |             | 1974-80    |             | 1981-90    |             | 1991-00    |             | 2001-06    |             |            |
|--------------|-------------|-------------|------------|-------------|------------|-------------|------------|-------------|------------|-------------|------------|
|              | Percentile  | Moment      | Percentile | Moment      | Percentile | Moment      | Percentile | Moment      | Percentile | Moment      |            |
| Northeast    |             |             |            |             |            |             |            |             |            |             |            |
| 10%          | 0.58        | 0.67        | 0.67       | 0.74        | 0.77       | 0.67        | 0.73       | 0.67        | 0.79       | 0.73        | mean       |
| 25%          | 0.74        | 0.50        | 0.69       | 0.74        | 0.66       | 0.34        | 0.68       | 0.46        | 0.81       | 0.67        | stan. dev. |
| 50%          | 0.73        | 0.26        | 0.74       | 0.50        | 0.72       | 0.06        | 0.78       | 0.28        | 0.79       | 0.50        | skewness   |
| 75%          | 0.73        | 0.08        | 0.77       | 0.22        | 0.69       | 0.01        | 0.71       | 0.07        | 0.66       | 0.17        | kurtosis   |
| 90%          | 0.67        |             | 0.77       |             | 0.66       |             | 0.64       |             | 0.76       |             |            |
| Northcentral |             |             |            |             |            |             |            |             |            |             |            |
| 10%          | 0.79        | 0.76        | 0.79       | 0.81        | 0.52       | 0.71        | 1.07       | 0.85        | 0.67       | 0.69        | mean       |
| 25%          | 0.74        | 0.85        | 0.83       | 0.81        | 0.69       | 0.94        | 1.01       | 0.52        | 0.80       | 0.28        | stan. dev. |
| <b>50%</b>   | <b>0.76</b> | <b>1.71</b> | 0.83       | <b>0.98</b> | 0.72       | <b>2.96</b> | 0.99       | <b>0.27</b> | 0.82       | <b>0.06</b> | skewness   |
| 75%          | 0.76        | 2.31        | 0.81       | 0.73        | 0.73       | 4.87        | 0.90       | 0.18        | 0.81       | 0.01        | kurtosis   |
| 90%          | 0.74        |             | 0.78       |             | 0.71       |             | 0.80       |             | 0.74       |             |            |
| South        |             |             |            |             |            |             |            |             |            |             |            |
| 10%          | 0.42        | 0.51        | 0.49       | 0.55        | 0.52       | 0.56        | 0.66       | 0.62        | 0.74       | 0.62        | mean       |
| 25%          | 0.54        | 0.47        | 0.58       | 0.42        | 0.56       | 0.52        | 0.67       | 0.45        | 0.71       | 0.24        | stan. dev. |
| 50%          | 0.52        | 0.94        | 0.54       | 0.11        | 0.55       | 0.41        | 0.69       | 0.56        | 0.70       | 0.14        | skewness   |
| 75%          | 0.54        | 0.80        | 0.58       | 0.02        | 0.59       | 0.16        | 0.67       | 0.34        | 0.68       | 0.03        | kurtosis   |
| 90%          | 0.50        |             | 0.56       |             | 0.56       |             | 0.64       |             | 0.62       |             |            |
| West         |             |             |            |             |            |             |            |             |            |             |            |
| 10%          | 0.66        | 0.76        | 0.70       | 0.70        | 0.87       | 0.69        | 0.51       | 0.70        | 0.73       | 0.62        | mean       |
| 25%          | 0.70        | 0.91        | 0.74       | 0.58        | 0.70       | 0.49        | 0.84       | 0.46        | 0.62       | 0.57        | stan. dev. |
| 50%          | 0.72        | 0.64        | 0.74       | 0.16        | 0.69       | 0.16        | 0.85       | 0.13        | 0.63       | 1.25        | skewness   |
| 75%          | 0.80        | 0.24        | 0.72       | 0.26        | 0.80       | 0.05        | 0.73       | 0.10        | 0.65       | 2.07        | kurtosis   |
| 90%          | 0.77        |             | 0.65       |             | 0.68       |             | 0.69       |             | 0.63       |             |            |

**Table 13a. Interest, Dividend, and Rental Income: Female Ratio, Ages 65-69**

|                     | 1968-73    |        | 1974-80    |        | 1981-90    |        | 1991-00    |        | 2001-06    |        |            |
|---------------------|------------|--------|------------|--------|------------|--------|------------|--------|------------|--------|------------|
|                     | Percentile | Moment | Percentile | Moment | Percentile | Moment | Percentile | Moment | Percentile | Moment |            |
| <b>Northeast</b>    |            |        |            |        |            |        |            |        |            |        |            |
| 10%                 | n.a.       | 0.13   | n.a.       | 0.18   | n.a.       | 0.24   | n.a.       | 0.30   | n.a.       | 0.24   | mean       |
| 25%                 | n.a.       | 0.24   | n.a.       | 0.33   | n.a.       | 0.58   | n.a.       | 0.63   | n.a.       | 0.40   | stan. dev. |
| 50%                 | n.a.       | 1.32   | 0.00       | 1.18   | 0.00       | 1.59   | 0.00       | 1.39   | 0.00       | 1.87   | skewness   |
| 75%                 | 0.00       | 1.34   | 0.01       | 1.01   | 0.02       | 1.77   | 0.01       | 1.39   | 0.02       | 3.32   | kurtosis   |
| 90%                 | 0.04       |        | 0.12       |        | 0.13       |        | 0.13       |        | 0.15       |        |            |
| <b>Northcentral</b> |            |        |            |        |            |        |            |        |            |        |            |
| 10%                 | n.a.       | 0.15   | n.a.       | 0.19   | n.a.       | 0.20   | n.a.       | 0.3    | n.a.       | 0.26   | mean       |
| 25%                 | n.a.       | 0.28   | n.a.       | 0.44   | 0.00       | 0.46   | n.a.       | 0.6    | n.a.       | 0.47   | stan. dev. |
| 50%                 | n.a.       | 0.96   | 0.00       | 1.61   | 0.00       | 1.63   | 0.00       | 1.42   | 0.00       | 1.37   | skewness   |
| 75%                 | 0.00       | 0.66   | 0.00       | 2.05   | 0.02       | 2.03   | 0.02       | 1.45   | 0.01       | 1.48   | kurtosis   |
| 90%                 | 0.04       |        | 0.08       |        | 0.09       |        | 0.13       |        | 0.14       |        |            |
| <b>South</b>        |            |        |            |        |            |        |            |        |            |        |            |
| 10%                 | n.a.       | 0.08   | n.a.       | 0.09   | n.a.       | 0.15   | n.a.       | 0.25   | n.a.       | 0.28   | mean       |
| 25%                 | n.a.       | 0.14   | n.a.       | 0.17   | n.a.       | 0.58   | n.a.       | 0.72   | n.a.       | 0.57   | stan. dev. |
| 50%                 | n.a.       | 0.91   | 0.00       | 1.29   | 0.00       | 3.97   | 0.00       | 2.85   | 0.00       | 2.17   | skewness   |
| 75%                 | 0.00       | 0.80   | 0.00       | 1.29   | 0.00       | 10.83  | 0.00       | 6.45   | 0.00       | 4.53   | kurtosis   |
| 90%                 | 0.02       |        | 0.03       |        | 0.04       |        | 0.06       |        | 0.09       |        |            |
| <b>West</b>         |            |        |            |        |            |        |            |        |            |        |            |
| 10%                 | n.a.       | 0.16   | n.a.       | 0.17   | n.a.       | 0.22   | n.a.       | 0.23   | n.a.       | 0.32   | mean       |
| 25%                 | n.a.       | 0.23   | n.a.       | 0.31   | n.a.       | 0.39   | n.a.       | 0.46   | n.a.       | 0.64   | stan. dev. |
| 50%                 | n.a.       | 1.13   | 0.00       | 1.14   | 0.00       | 1.08   | 0.00       | 1.15   | 0.00       | 1.27   | skewness   |
| 75%                 | 0.00       | 1.27   | 0.00       | 0.92   | 0.01       | 0.80   | 0.01       | 0.88   | 0.02       | 1.19   | kurtosis   |
| 90%                 | 0.10       |        | 0.18       |        | 0.18       |        | 0.13       |        | 0.08       |        |            |

**Table 13b. Interest, Dividend, and Rental Income: Male Ratio, Ages 65-69**

|                     | 1968-73    |        | 1974-80    |        | 1981-90    |        | 1991-00    |        | 2001-06    |        |            |
|---------------------|------------|--------|------------|--------|------------|--------|------------|--------|------------|--------|------------|
|                     | Percentile | Moment | Percentile | Moment | Percentile | Moment | Percentile | Moment | Percentile | Moment |            |
| <b>Northeast</b>    |            |        |            |        |            |        |            |        |            |        |            |
| 10%                 | n.a.       | 0.15   | n.a.       | 0.29   | n.a.       | 0.32   | n.a.       | 0.52   | n.a.       | 0.27   | mean       |
| 25%                 | n.a.       | 0.35   | n.a.       | 0.56   | 0.00       | 0.48   | n.a.       | 0.90   | n.a.       | 0.46   | stan. dev. |
| 50%                 | 0.00       | 1.86   | 0.00       | 1.39   | 0.00       | 1.30   | 0.00       | 1.42   | 0.00       | 1.51   | skewness   |
| 75%                 | 0.00       | 2.57   | 0.03       | 1.45   | 0.09       | 1.45   | 0.11       | 1.47   | 0.02       | 1.91   | kurtosis   |
| 90%                 | 0.12       |        | 0.23       |        | 0.34       |        | 0.42       |        | 0.13       |        |            |
| <b>Northcentral</b> |            |        |            |        |            |        |            |        |            |        |            |
| 10%                 | n.a.       | 0.20   | n.a.       | 0.28   | n.a.       | 0.38   | n.a.       | 0.43   | n.a.       | 0.33   | mean       |
| 25%                 | n.a.       | 0.40   | 0.00       | 0.85   | 0.00       | 0.95   | n.a.       | 0.95   | n.a.       | 0.69   | stan. dev. |
| 50%                 | 0.00       | 1.45   | 0.00       | 2.32   | 0.00       | 1.58   | 0.00       | 1.49   | 0.00       | 2.17   | skewness   |
| 75%                 | 0.01       | 1.50   | 0.03       | 3.44   | 0.04       | 1.76   | 0.05       | 1.20   | 0.01       | 4.29   | kurtosis   |
| 90%                 | 0.15       |        | 0.16       |        | 0.20       |        | 0.18       |        | 0.17       |        |            |
| <b>South</b>        |            |        |            |        |            |        |            |        |            |        |            |
| 10%                 | n.a.       | 0.05   | n.a.       | 0.07   | n.a.       | 0.15   | n.a.       | 0.28   | n.a.       | 0.36   | mean       |
| 25%                 | n.a.       | 0.09   | n.a.       | 0.14   | 0.00       | 0.31   | n.a.       | 0.49   | n.a.       | 0.62   | stan. dev. |
| 50%                 | 0.00       | 1.05   | 0.00       | 1.24   | 0.00       | 1.55   | 0.00       | 1.43   | 0.00       | 1.45   | skewness   |
| 75%                 | 0.00       | 0.87   | 0.00       | 1.34   | 0.00       | 1.92   | 0.01       | 1.73   | 0.01       | 1.72   | kurtosis   |
| 90%                 | 0.01       |        | 0.03       |        | 0.07       |        | 0.13       |        | 0.14       |        |            |
| <b>West</b>         |            |        |            |        |            |        |            |        |            |        |            |
| 10%                 | n.a.       | 0.10   | n.a.       | 0.07   | n.a.       | 0.24   | n.a.       | 0.30   | n.a.       | 0.31   | mean       |
| 25%                 | n.a.       | 0.23   | 0.00       | 0.11   | 0.00       | 0.34   | n.a.       | 0.41   | n.a.       | 0.53   | stan. dev. |
| 50%                 | 0.00       | 0.57   | 0.00       | 1.03   | 0.00       | 1.08   | 0.00       | 1.22   | 0.00       | 1.38   | skewness   |
| 75%                 | 0.00       | 0.82   | 0.00       | 0.91   | 0.06       | 0.98   | 0.05       | 1.25   | 0.06       | 1.51   | kurtosis   |
| 90%                 | 0.06       |        | 0.06       |        | 0.28       |        | 0.30       |        | 0.16       |        |            |

**Table 14. Racial decomposition of weekly wages, by cohort: women 50-59 years of age**

|                 | 1965-73 |         | 1974-80 |         | 1981-90 |         | 1991-00 |         | 2001-06 |         |
|-----------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| White           | 1965-73 |         | 1974-80 |         | 1981-90 |         | 1991-00 |         | 2001-06 |         |
| N               | 27,708  |         | 21,579  |         | 31,197  |         | 32,647  |         | 35,622  |         |
| F-statistic     | 321.31  |         | 162.89  |         | 313.60  |         | 472.00  |         | 491.49  |         |
| p-value         | 0.0000  |         | 0.0000  |         | 0.0000  |         | 0.0000  |         | 0.0000  |         |
| R2              | 0.1132  |         | 0.0767  |         | 0.0996  |         | 0.1373  |         | 0.1318  |         |
| Adjust R2       | 0.1128  |         | 0.0762  |         | 0.0993  |         | 0.1370  |         | 0.1315  |         |
|                 | Beta    | p-value | Beta    | p-value | Beta    | p-value | Beta    | p-value | Beta    | p-value |
| Age             | -0.0002 | 0.8890  | 0.0018  | 0.3260  | -0.0044 | 0.0050  | -0.0117 | 0.0000  | -0.0062 | 0.0000  |
| Dropout         | -0.2559 | 0.0000  | -0.2062 | 0.0000  | -0.2600 | 0.0000  | -0.2749 | 0.0000  | -0.3322 | 0.0000  |
| Some college    | 0.1218  | 0.0000  | 0.1383  | 0.0000  | 0.1229  | 0.0000  | 0.2142  | 0.0000  | 0.2109  | 0.0000  |
| College degree  | 0.4377  | 0.0000  | 0.2719  | 0.0000  | 0.2445  | 0.0000  | 0.4283  | 0.0000  | 0.4475  | 0.0000  |
| Graduate degree | 0.6991  | 0.0000  | 0.5077  | 0.0000  | 0.6409  | 0.0000  | 0.7829  | 0.0000  | 0.7690  | 0.0000  |
| Divorced        | 0.2623  | 0.0000  | 0.2396  | 0.0000  | 0.2541  | 0.0000  | 0.1682  | 0.0000  | 0.1400  | 0.0000  |
| Widowed         | 0.1045  | 0.0000  | 0.1012  | 0.0000  | 0.1217  | 0.0000  | 0.0670  | 0.0000  | 0.0139  | 0.4830  |
| Separated       | 0.1045  | 0.0010  | 0.0585  | 0.1270  | 0.1155  | 0.0010  | 0.0238  | 0.4870  | 0.0276  | 0.4210  |
| Never married   | 0.2919  | 0.0000  | 0.3109  | 0.0000  | 0.2993  | 0.0000  | 0.1370  | 0.0000  | 0.1095  | 0.0000  |
| Self-employed   | -0.8259 | 0.0000  | -0.5717 | 0.0000  | -0.4847 | 0.0000  | -0.4521 | 0.0000  | -0.3670 | 0.0000  |
| Trend           | 0.0140  | 0.0000  | 0.0050  | 0.1220  | 0.0068  | 0.0000  | 0.0143  | 0.0000  | 0.0023  | 0.3220  |
| Constant        | 5.8784  | 0.0000  | 5.8331  | 0.0000  | 6.1241  | 0.0000  | 6.5564  | 0.0000  | 6.4498  | 0.0000  |

**Table 14 (continued). Racial decomposition of weekly wages, by cohort: women 50-59 years of age**

| African American                | 1965-73 |          | 1974-80 |          | 1981-90 |          | 1991-00 |          | 2001-06 |          |
|---------------------------------|---------|----------|---------|----------|---------|----------|---------|----------|---------|----------|
| N                               | 3,409   |          | 2,366   |          | 3,662   |          | 3,866   |          | 6,310   |          |
| F-statistic                     | 84.28   |          | 56.53   |          | 85.42   |          | 109.37  |          | 147.70  |          |
| p-value                         | 0.0000  |          | 0.0000  |          | 0.0000  |          | 0.0000  |          | 0.0000  |          |
| R2                              | 0.2144  |          | 0.2090  |          | 0.2047  |          | 0.2379  |          | 0.2051  |          |
| Adjust R2                       | 0.2119  |          | 0.2053  |          | 0.2023  |          | 0.2357  |          | 0.2037  |          |
|                                 | Beta    | p-value  | Beta    | p-value  | Beta    | p-value  | Beta    | p-value  | Beta    | p-value  |
| Age                             | -0.0221 | 0.0000   | -0.0223 | 0.0000   | -0.0232 | 0.0000   | -0.0182 | 0.0000   | -0.0045 | 0.1380   |
| Dropout                         | -0.6107 | 0.0000   | -0.4333 | 0.0000   | -0.3776 | 0.0000   | -0.3056 | 0.0000   | -0.3111 | 0.0000   |
| Some college                    | 0.1392  | 0.1170   | 0.2826  | 0.0000   | 0.2485  | 0.0000   | 0.2955  | 0.0000   | 0.2569  | 0.0000   |
| College degree                  | 0.7291  | 0.0000   | 0.7195  | 0.0000   | 0.5547  | 0.0000   | 0.7216  | 0.0000   | 0.5899  | 0.0000   |
| Graduate degree                 | 1.0212  | 0.0000   | 0.8628  | 0.0000   | 0.8362  | 0.0000   | 0.9499  | 0.0000   | 0.9029  | 0.0000   |
| Divorced                        | 0.3969  | 0.0000   | 0.1608  | 0.0010   | 0.1276  | 0.0000   | 0.0379  | 0.1740   | 0.0296  | 0.1560   |
| Widowed                         | 0.0984  | 0.0170   | 0.0604  | 0.1780   | -0.0179 | 0.6150   | -0.0663 | 0.0720   | -0.0382 | 0.2400   |
| Separated                       | 0.1794  | 0.0010   | 0.0866  | 0.0840   | -0.0141 | 0.7410   | 0.0279  | 0.4930   | -0.1277 | 0.0000   |
| Never married                   | 0.1438  | 0.0600   | -0.0232 | 0.7430   | -0.0249 | 0.6200   | -0.0101 | 0.7830   | 0.0109  | 0.6560   |
| Self-employed                   | -0.7773 | 0.0000   | -1.1114 | 0.0010   | -0.5319 | 0.0080   | -0.2286 | 0.0360   | -0.2440 | 0.0010   |
| Trend                           | 0.0773  | 0.0000   | 0.0302  | 0.0020   | 0.0100  | 0.0400   | 0.0039  | 0.3580   | -0.0084 | 0.0880   |
| Constant                        | 6.5596  | 0.0000   | 6.9783  | 0.0000   | 7.1363  | 0.0000   | 6.9599  | 0.0000   | 6.3515  | 0.0000   |
| Decomposition                   | 1965-73 |          | 1974-80 |          | 1981-90 |          | 1991-00 |          | 2001-06 |          |
| Differential                    | log     | dollars  | log     | dollars  | Log     | dollars  | log     | dollars  | log     | dollars  |
| White predicted wage            | 5.93    | \$377.12 | 5.99    | \$401.35 | 6.00    | \$404.60 | 6.19    | \$488.39 | 6.40    | \$598.93 |
| African American predicted wage | 5.30    | \$200.05 | 5.72    | \$304.18 | 5.91    | \$368.20 | 6.16    | \$474.88 | 6.30    | \$543.46 |
| Predicted wage differential     | 0.63    | \$177.07 | 0.28    | \$97.17  | 0.09    | \$36.40  | 0.03    | \$13.51  | 0.10    | \$55.46  |
| Trend growth differential       | -0.0633 |          | -0.0252 |          | -0.0032 |          | 0.0104  |          | 0.0107  |          |
| Characteristics                 | 0.15    | \$42.67  | 0.08    | \$29.00  | 0.04    | \$14.90  | 0.04    | \$18.82  | 0.06    | \$35.50  |
|                                 | 24.10%  |          | 29.85%  |          | 40.93%  |          | 139.28% |          | 64.01%  |          |
| White advantage                 | 0.05    | \$14.52  | 0.02    | \$6.99   | 0.01    | \$2.54   | 0.00    | -\$0.63  | 0.00    | \$2.52   |
|                                 | 8.20%   |          | 7.19%   |          | 6.98%   |          | -4.69%  |          | 4.54%   |          |
| African American disadvantage   | 0.43    | \$119.88 | 0.17    | \$61.18  | 0.05    | \$18.96  | -0.01   | -\$4.67  | 0.03    | \$17.44  |
|                                 | 67.70%  |          | 62.96%  |          | 52.09%  |          | -34.59% |          | 31.45%  |          |

**Table 15. Racial decomposition of weekly wages, by cohort: men 50-59 years of age**

| White           |          |         |          |         |          |         |          |         |          |         |
|-----------------|----------|---------|----------|---------|----------|---------|----------|---------|----------|---------|
|                 | Cohort 1 |         | Cohort 2 |         | Cohort 3 |         | Cohort 4 |         | Cohort 5 |         |
|                 | Beta     | p-value | Beta     | p-value | Beta     | p-value | Beta     | p-value | Beta     | p-value |
| N               | 41,436   |         | 29,397   |         | 39,160   |         | 35,734   |         | 39,658   |         |
| F-statistic     | 1228.82  |         | 495.51   |         | 595.68   |         | 559.23   |         | 670.80   |         |
| p-value         | 0.0000   |         | 0.0000   |         | 0.0000   |         | 0.0000   |         | 0.0000   |         |
| R2              | 0.2460   |         | 0.1565   |         | 0.1434   |         | 0.1469   |         | 0.1569   |         |
| Adjust R2       | 0.2458   |         | 0.1562   |         | 0.1431   |         | 0.1466   |         | 0.1567   |         |
| Age             | -0.0073  | 0.0000  | -0.0096  | 0.0000  | -0.0062  | 0.0000  | -0.0108  | 0.0000  | -0.0097  | 0.0000  |
| Dropout         | -0.2357  | 0.0000  | -0.2307  | 0.0000  | -0.2479  | 0.0000  | -0.2442  | 0.0000  | -0.3072  | 0.0000  |
| Some college    | 0.1417   | 0.0000  | 0.1411   | 0.0000  | 0.1327   | 0.0000  | 0.1793   | 0.0000  | 0.1564   | 0.0000  |
| College degree  | 0.3757   | 0.0000  | 0.3897   | 0.0000  | 0.4477   | 0.0000  | 0.4491   | 0.0000  | 0.4592   | 0.0000  |
| Graduate degree | 0.4268   | 0.0000  | 0.4156   | 0.0000  | 0.4746   | 0.0000  | 0.6725   | 0.0000  | 0.7285   | 0.0000  |
| Divorced        | -0.3284  | 0.0000  | -0.2829  | 0.0000  | -0.1998  | 0.0000  | -0.2155  | 0.0000  | -0.2375  | 0.0000  |
| Widowed         | -0.1604  | 0.0000  | -0.1498  | 0.0000  | -0.1461  | 0.0000  | -0.1079  | 0.0020  | -0.2766  | 0.0000  |
| Separated       | -0.261   | 0.0000  | -0.2771  | 0.0000  | -0.1974  | 0.0000  | -0.1250  | 0.0000  | -0.2327  | 0.0000  |
| Never married   | -0.3921  | 0.0000  | -0.4555  | 0.0000  | -0.4783  | 0.0000  | -0.4825  | 0.0000  | -0.4694  | 0.0000  |
| Self-employed   | -1.4143  | 0.0000  | -0.3945  | 0.0000  | -0.2232  | 0.0000  | -0.1336  | 0.0000  | -0.0307  | 0.0170  |
| Trend           | 0.0178   | 0.0000  | 0.001    | 0.6690  | -0.0005  | 0.7180  | 0.0094   | 0.0000  | -0.0002  | 0.9220  |
| Constant        | 7.1821   | 0.0000  | 7.4032   | 0.0000  | 7.1357   | 0.0000  | 7.2438   | 0.0000  | 7.2521   | 0.0000  |

**Table 15 (continued). Racial decomposition of weekly wages, by cohort: men 50-59 years of age**

|                                 | Beta    | p-value  | Beta    | p-value  | Beta    | p-value  | Beta    | p-value  | Beta    | p-value    |
|---------------------------------|---------|----------|---------|----------|---------|----------|---------|----------|---------|------------|
| African American                |         |          |         |          |         |          |         |          |         |            |
| N                               | 3,914   |          | 2,484   |          | 3,325   |          | 3,040   |          | 4,797   |            |
| F-statistic                     | 80.53   |          | 52.80   |          | 55.80   |          | 55.90   |          | 79.93   |            |
| p-value                         | 0.0000  |          | 0.0000  |          | 0.0000  |          | 0.0000  |          | 0.0000  |            |
| R2                              | 0.185   |          | 0.1902  |          | 0.1563  |          | 0.1688  |          | 0.1552  |            |
| Adjust R2                       | 0.1827  |          | 0.1866  |          | 0.1535  |          | 0.1658  |          | 0.1533  |            |
|                                 | Beta    | p-value  | Beta    | p-value  | Beta    | p-value  | Beta    | p-value  | Beta    | p-value    |
| Age                             | -0.0149 | 0.0000   | -0.0082 | 0.0760   | -0.0059 | 0.1760   | 0.0015  | 0.7520   | 0.0057  | 0.1260     |
| Dropout                         | -0.3050 | 0.0000   | -0.2815 | 0.0000   | -0.2942 | 0.0000   | -0.2338 | 0.0000   | -0.2686 | 0.0000     |
| Some college                    | 0.1254  | 0.0710   | 0.1014  | 0.0660   | 0.1321  | 0.0050   | 0.1859  | 0.0000   | 0.1689  | 0.0000     |
| College degree                  | 0.2147  | 0.0220   | 0.2628  | 0.0020   | 0.3449  | 0.0000   | 0.4035  | 0.0000   | 0.4329  | 0.0000     |
| Graduate degree                 | 0.4568  | 0.0000   | 0.6240  | 0.0000   | 0.6945  | 0.0000   | 0.6718  | 0.0000   | 0.7134  | 0.0000     |
| Divorced                        | -0.1322 | 0.0270   | -0.1070 | 0.0130   | -0.2053 | 0.0000   | -0.1858 | 0.0000   | -0.2426 | 0.0000     |
| Widowed                         | -0.2453 | 0.0000   | -0.3398 | 0.0000   | -0.3189 | 0.0000   | -0.6035 | 0.0000   | -0.1612 | 0.0240     |
| Separated                       | -0.2597 | 0.0000   | -0.3874 | 0.0000   | -0.3221 | 0.0000   | -0.2092 | 0.0000   | -0.2229 | 0.0000     |
| Never married                   | -0.5070 | 0.0000   | -0.4824 | 0.0000   | -0.4375 | 0.0000   | -0.3785 | 0.0000   | -0.3249 | 0.0000     |
| Self-employed                   | -1.6630 | 0.0000   | -1.5356 | 0.0000   | -0.1035 | 0.2980   | -0.4906 | 0.0000   | -0.0891 | 0.1530     |
| Trend                           | 0.0432  | 0.0000   | -0.0053 | 0.5100   | 0.0104  | 0.0360   | 0.0145  | 0.0040   | -0.0130 | 0.0290     |
| Constant                        | 7.1302  | 0.0000   | 7.0838  | 0.0000   | 6.7955  | 0.0000   | 6.3609  | 0.0000   | 6.2185  | 0.0000     |
| <b>Decomposition</b>            |         |          |         |          |         |          |         |          |         |            |
| Differential                    | log     | dollars  | log     | dollars  | log     | dollars  | log     | dollars  | log     | dollars    |
| White predicted wage            | 6.7085  | \$819.31 | 6.8331  | \$928.02 | 6.8266  | \$922.02 | 6.8477  | \$941.73 | 6.9150  | \$1,007.23 |
| African American predicted wage | 6.1351  | \$461.81 | 6.3519  | \$573.57 | 6.3289  | \$560.52 | 6.4627  | \$640.77 | 6.5166  | \$676.26   |
| Predicted wage differential     | 0.5733  | \$357.50 | 0.4812  | \$354.45 | 0.4977  | \$361.50 | 0.3850  | \$300.96 | 0.3984  | \$330.97   |
| Trend growth differential       | -0.0254 |          | 0.0063  |          | -0.0109 |          | -0.0051 |          | 0.0128  |            |
| Characteristics                 | 0.1520  | \$94.77  | 0.1942  | \$143.05 | 0.2191  | \$159.11 | 0.1788  | \$139.79 | 0.1904  | \$158.21   |
|                                 | 26.51%  |          | 40.36%  |          | 44.01%  |          | 46.45%  |          | 47.80%  |            |
| White advantage                 | 0.0368  | \$22.97  | 0.0244  | \$17.97  | 0.0254  | \$18.45  | 0.0189  | \$14.77  | 0.0208  | \$17.27    |
|                                 | 6.43%   |          | 5.07%   |          | 5.10%   |          | 4.91%   |          | 5.22%   |            |
| African American disadvantage   | 0.3845  | \$239.76 | 0.2626  | \$193.43 | 0.2532  | \$183.94 | 0.1873  | \$146.40 | 0.1872  | \$155.49   |
|                                 | 67.06%  |          | 54.57%  |          | 50.88%  |          | 48.64%  |          | 46.98%  |            |

**Table 16. Racial decomposition of weekly wages by region, cohort, and gender: persons 50-59 years of age**

| South                           |         |          |         |          |         |          |         |          |         |          |
|---------------------------------|---------|----------|---------|----------|---------|----------|---------|----------|---------|----------|
|                                 | 1965-73 |          | 1974-80 |          | 1981-90 |          | 1991-00 |          | 2001-06 |          |
| Women, White predicted wage     | 5.8627  | \$351.68 | 5.9682  | \$390.79 | 5.9905  | \$399.60 | 6.1674  | \$476.95 | 6.3979  | \$600.60 |
| African American predicted wage | 4.9866  | \$146.44 | 5.4552  | \$233.96 | 5.7358  | \$309.77 | 6.0576  | \$427.34 | 6.2461  | \$516.01 |
| Wage differential               | 0.8761  | \$205.24 | 0.5130  | \$156.83 | 0.2546  | \$89.82  | 0.1098  | \$49.61  | 0.1518  | \$84.59  |
| Trend growth differential       | -0.0631 |          | -0.0337 |          | -0.0037 |          | 0.0001  |          | 0.0105  |          |
| Characteristics                 | 0.2909  | 33.20%   | 0.1562  | 30.44%   | 0.0814  | 31.97%   | 0.0689  | 62.69%   | 0.0806  | 53.07%   |
| White advantage                 | 0.1228  | 14.02%   | 0.0593  | 11.57%   | 0.0322  | 12.66%   | 0.0076  | 6.89%    | 0.0143  | 9.45%    |
| African American disadvantage   | 0.4624  | 52.78%   | 0.2975  | 57.99%   | 0.1410  | 55.36%   | 0.0334  | 30.42%   | 0.0569  | 37.48%   |
| Men, White predicted wage       | 6.5593  | \$705.76 | 6.7443  | \$849.18 | 6.7579  | \$860.86 | 6.8042  | \$901.60 | 6.9043  | \$996.55 |
| African American predicted wage | 5.8857  | \$359.86 | 6.1442  | \$466.00 | 6.1765  | \$481.31 | 6.3429  | \$568.42 | 6.4743  | \$648.28 |
| Wage differential               | 0.6735  | \$345.89 | 0.6001  | \$383.19 | 0.5814  | \$379.55 | 0.4613  | \$333.18 | 0.4300  | \$348.27 |
| Trend growth differential       | -0.0239 |          | 0.0012  |          | -0.0002 |          | -0.0150 |          | 0.0002  |          |
| Characteristics                 | 0.2547  | 37.81%   | 0.3090  | 51.49%   | 0.2990  | 51.43%   | 0.2291  | 49.67%   | 0.2258  | 52.51%   |
| White advantage                 | 0.0729  | 10.83%   | 0.0444  | 7.40%    | 0.0411  | 7.08%    | 0.0328  | 7.12%    | 0.0329  | 7.66%    |
| African American disadvantage   | 0.3459  | 51.36%   | 0.2467  | 41.11%   | 0.2412  | 41.49%   | 0.1993  | 43.21%   | 0.1713  | 39.84%   |
| Northcentral                    |         |          |         |          |         |          |         |          |         |          |
|                                 | 1965-73 |          | 1974-80 |          | 1981-90 |          | 1991-00 |          | 2001-06 |          |
| Women, White predicted wage     | 5.8794  | \$357.59 | 5.9660  | \$389.96 | 5.9392  | \$379.64 | 6.1078  | \$449.35 | 6.2958  | \$542.30 |
| African American predicted wage | 5.6378  | \$280.85 | 5.9229  | \$373.50 | 6.0634  | \$429.83 | 6.2546  | \$520.38 | 6.3137  | \$552.07 |
| Wage differential               | 0.2416  | \$76.75  | 0.0431  | \$16.46  | -0.1242 | -\$50.18 | -0.1468 | -\$71.03 | -0.0179 | -\$9.77  |
| Trend growth differential       | -0.0562 |          | -0.0147 |          | 0.0105  |          | 0.0245  |          | -0.0079 |          |
| Characteristics                 | 0.0710  | 29.41%   | -0.0009 | -2.04%   | -0.0341 | -27.44%  | -0.0400 | -27.26%  | 0.0115  | 64.61%   |
| White advantage                 | 0.0119  | 4.92%    | 0.0034  | 7.85%    | -0.0079 | -6.33%   | -0.0094 | -6.38%   | -0.0025 | -14.10%  |
| African American disadvantage   | 0.1586  | 65.67%   | 0.0406  | 94.19%   | -0.0822 | -66.23%  | -0.0974 | -66.36%  | -0.0269 | -150.51% |
| Men, White predicted wage       | 6.7236  | \$831.78 | 6.8514  | \$945.23 | 6.8262  | \$921.68 | 6.8104  | \$907.23 | 6.8442  | \$938.38 |
| African American predicted wage | 6.4758  | \$649.24 | 6.6246  | \$753.41 | 6.4669  | \$643.50 | 6.6181  | \$748.51 | 6.5557  | \$703.28 |
| Wage differential               | 0.2478  | \$182.54 | 0.2268  | \$191.82 | 0.3593  | \$278.18 | 0.1923  | \$158.72 | 0.2884  | \$235.10 |
| Trend growth differential       | -0.0112 |          | 0.0312  |          | -0.0131 |          | -0.0046 |          | 0.0247  |          |
| Characteristics                 | 0.0610  | 24.64%   | 0.1077  | 47.49%   | 0.1635  | 45.51%   | 0.1039  | 54.00%   | 0.1365  | 47.33%   |
| White advantage                 | 0.0114  | 4.59%    | 0.0071  | 3.13%    | 0.0139  | 3.88%    | 0.0057  | 2.96%    | 0.0100  | 3.46%    |
| African American disadvantage   | 0.1753  | 70.77%   | 0.1120  | 49.38%   | 0.1818  | 50.61%   | 0.0828  | 43.04%   | 0.1419  | 49.21%   |



**Table 16 (continued). Racial decomposition of weekly wages by region, cohort, and gender: persons 50-59 years of age**

| Northeast                       |         |          |         |            |         |          |         |            |         |            |
|---------------------------------|---------|----------|---------|------------|---------|----------|---------|------------|---------|------------|
|                                 | 1965-73 |          | 1974-80 |            | 1981-90 |          | 1991-00 |            | 2001-06 |            |
| Women, White predicted wage     | 6.0149  | \$409.49 | 6.0143  | \$409.25   | 6.0476  | \$423.08 | 6.2515  | \$518.80   | 6.4576  | \$637.51   |
| African American predicted wage | 5.7870  | \$326.03 | 6.0171  | \$410.39   | 6.1194  | \$454.58 | 6.2638  | \$525.19   | 6.3549  | \$575.31   |
| Wage differential               | 0.2279  | \$83.47  | -0.0028 | -\$1.14    | -0.0718 | -\$31.50 | -0.0122 | -\$6.39    | 0.1027  | \$62.20    |
| Trend growth differential       | -0.0624 |          | -0.0052 |            | -0.0082 |          | 0.0171  |            | 0.0081  |            |
| Characteristics                 | 0.0704  | 30.90%   | 0.0280  | -1010.69%  | 0.0219  | -30.45%  | 0.0673  | -549.66%   | 0.0843  | 82.11%     |
| White advantage                 | 0.0108  | 4.75%    | -0.0026 | 93.34%     | -0.0092 | 12.86%   | -0.0082 | 66.70%     | 0.0020  | 1.96%      |
| African American disadvantage   | 0.1467  | 64.34%   | -0.0282 | 1017.35%   | -0.0844 | 117.59%  | -0.0713 | 582.96%    | 0.0164  | 15.94%     |
| Men, White predicted wage       | 6.7681  | \$869.69 | 6.8548  | \$948.38   | 6.8634  | \$956.64 | 6.8855  | \$978.03   | 6.9769  | \$1,071.55 |
| African American predicted wage | 6.4274  | \$618.57 | 6.5554  | \$703.05   | 6.4994  | \$664.77 | 6.5455  | \$696.10   | 6.5780  | \$719.09   |
| Wage differential               | 0.3407  | \$251.12 | 0.2993  | \$245.33   | 0.3640  | \$291.88 | 0.3400  | \$281.93   | 0.3989  | \$352.45   |
| Trend growth differential       | -0.0073 |          | 0.0000  |            | -0.0232 |          | 0.0104  |            | 0.0290  |            |
| Characteristics                 | 0.0999  | 29.32%   | 0.1118  | 37.36%     | 0.1514  | 41.60%   | 0.1528  | 44.94%     | 0.1927  | 48.32%     |
| White advantage                 | 0.0124  | 3.65%    | 0.0109  | 3.66%      | 0.0148  | 4.06%    | 0.0153  | 4.51%      | 0.0171  | 4.29%      |
| African American disadvantage   | 0.2284  | 67.03%   | 0.1766  | 58.98%     | 0.1978  | 54.35%   | 0.1719  | 50.55%     | 0.1890  | 47.39%     |
| West                            |         |          |         |            |         |          |         |            |         |            |
|                                 | 1965-73 |          | 1974-80 |            | 1981-90 |          | 1991-00 |            | 2001-06 |            |
| Women, White predicted wage     | 5.9927  | \$400.49 | 6.0607  | \$428.67   | 6.0608  | \$428.73 | 6.2817  | \$534.70   | 6.4617  | \$640.17   |
| African American predicted wage | 5.6876  | \$295.18 | 5.9872  | \$398.28   | 6.1619  | \$474.32 | 6.4290  | \$619.53   | 6.4846  | \$654.99   |
| Wage differential               | 0.3051  | \$105.32 | 0.0735  | \$30.38    | -0.1010 | -\$45.58 | -0.1473 | -\$84.83   | -0.0229 | -\$14.83   |
| Trend growth differential       | -0.0294 |          | -0.0008 |            | -0.0090 |          | 0.0091  |            | 0.0385  |            |
| Characteristics                 | 0.0834  | 27.33%   | 0.0934  | 126.98%    | -0.0180 | -17.80%  | -0.0602 | -40.90%    | 0.0020  | 8.63%      |
| White advantage                 | 0.0119  | 3.91%    | -0.0011 | -1.45%     | -0.0046 | -4.52%   | -0.0048 | -3.28%     | -0.0015 | -6.44%     |
| African American disadvantage   | 0.2098  | 68.76%   | -0.0188 | -25.52%    | -0.0785 | -77.68%  | -0.0822 | -55.83%    | -0.0234 | -102.19%   |
| Men, White predicted wage       | 6.8061  | \$903.31 | 6.9161  | \$1,008.40 | 6.9022  | \$994.48 | 6.9329  | \$1,025.42 | 6.9660  | \$1,060.01 |
| African American predicted wage | 6.4150  | \$610.96 | 6.5966  | \$732.63   | 6.6185  | \$748.85 | 6.6859  | \$801.03   | 6.5919  | \$729.14   |
| Wage differential               | 0.3910  | \$292.35 | 0.3195  | \$275.78   | 0.2837  | \$245.63 | 0.2470  | \$224.39   | 0.3742  | \$330.87   |
| Trend growth differential       | -0.0091 |          | -0.0072 |            | -0.0818 |          | 0.0186  |            | -0.0023 |            |
| Characteristics                 | 0.0530  | 13.56%   | 0.1037  | 32.46%     | 0.1208  | 42.57%   | 0.0913  | 36.99%     | 0.1104  | 29.49%     |
| White advantage                 | 0.0152  | 3.89%    | 0.0100  | 3.13%      | 0.0070  | 2.46%    | 0.0073  | 2.95%      | 0.0132  | 3.52%      |
| African American disadvantage   | 0.3228  | 82.55%   | 0.2058  | 64.41%     | 0.1559  | 54.97%   | 0.1483  | 60.06%     | 0.2506  | 66.98%     |

**Table 19. Female racial disparity, interest, dividend, and rental income: Tobit, Oaxaca-Ransom decomposition, 1965-2006**

| South                         | 1965-1973  |      | 1974-1980  |      | 1981-1990  |      | 1991-2000  |      | 2001-2007  |      |
|-------------------------------|------------|------|------------|------|------------|------|------------|------|------------|------|
| N (white)                     | 9301       |      | 8339       |      | 15940      |      | 12523      |      | 9262       |      |
| N (African American)          | 1986       |      | 1802       |      | 3065       |      | 2486       |      | 3357       |      |
| Characteristics               | \$1,885.08 | 97%  | \$2,710.44 | 85%  | \$4,350.85 | 74%  | \$1,912.42 | 44%  | \$2,467.70 | 70%  |
| White advantage               | \$168.73   | 9%   | \$294.01   | 9%   | \$483.23   | 8%   | \$456.08   | 10%  | \$411.49   | 12%  |
| African American              | -\$106.23  | -5%  | \$189.86   | 6%   | \$1,054.51 | 18%  | \$2,014.06 | 46%  | \$661.38   | 19%  |
| Unadjusted IDR differential   | \$1,947.59 | 100% | \$3,194.31 | 100% | \$5,888.59 | 100% | \$4,382.55 | 100% | \$3,540.57 | 100% |
| Northeast                     | 1965-1973  |      | 1974-1980  |      | 1981-1990  |      | 1991-2000  |      | 2001-2007  |      |
| N (white)                     | 8943       |      | 7354       |      | 13900      |      | 10084      |      | 6857       |      |
| N (African American)          | 461        |      | 468        |      | 966        |      | 953        |      | 1040       |      |
| Characteristics               | \$2,225.40 | 97%  | \$2,680.70 | 92%  | \$3,050.81 | 62%  | \$2,175.36 | 48%  | \$1,855.28 | 60%  |
| White advantage               | \$91.13    | 4%   | \$109.15   | 4%   | \$222.61   | 4%   | \$268.14   | 6%   | \$202.58   | 7%   |
| African American disadvantage | -\$21.53   | -1%  | \$134.81   | 5%   | \$1,674.87 | 34%  | \$2,078.10 | 46%  | \$1,057.99 | 34%  |
| Unadjusted IDR differential   | \$2,295.00 | 100% | \$2,924.66 | 100% | \$4,948.30 | 100% | \$4,521.60 | 100% | \$3,115.85 | 100% |
| Northcentral                  | 1965-1973  |      | 1974-1980  |      | 1981-1990  |      | 1991-2000  |      | 2001-2007  |      |
| N (white)                     | 9372       |      | 8250       |      | 14262      |      | 10487      |      | 7883       |      |
| N (African American)          | 542        |      | 486        |      | 933        |      | 868        |      | 977        |      |
| Characteristics               | \$712.66   | 43%  | \$1,982.90 | 75%  | \$3,612.22 | 66%  | \$1,736.81 | 45%  | \$1,882.47 | 55%  |
| White advantage               | \$96.76    | 6%   | \$112.74   | 4%   | \$236.85   | 4%   | \$210.02   | 5%   | \$210.92   | 6%   |
| African American disadvantage | \$851.81   | 51%  | \$565.27   | 21%  | \$1,653.38 | 30%  | \$1,915.62 | 50%  | \$1,333.65 | 39%  |
| Unadjusted IDR differential   | \$1,661.24 | 100% | \$2,660.92 | 100% | \$5,502.45 | 100% | \$3,862.45 | 100% | \$3,427.04 | 100% |
| West                          | 1965-1973  |      | 1974-1980  |      | 1981-1990  |      | 1991-2000  |      | 2001-2007  |      |
| N (white)                     | 4752       |      | 5647       |      | 10084      |      | 7655       |      | 6375       |      |
| N (African American)          | 181        |      | 217        |      | 347        |      | 302        |      | 512        |      |
| Characteristics               | \$1,784.61 | 94%  | \$4,036.09 | 86%  | \$4,436.63 | 68%  | \$2,223.79 | 43%  | \$1,009.01 | 27%  |
| White advantage               | \$50.14    | 3%   | \$145.87   | 3%   | \$150.26   | 2%   | \$147.71   | 3%   | \$207.82   | 6%   |
| African American disadvantage | \$54.25    | 3%   | \$529.23   | 11%  | \$1,960.34 | 30%  | \$2,756.13 | 54%  | \$2,555.90 | 68%  |
| Unadjusted IDR differential   | \$1,888.99 | 100% | \$4,711.19 | 100% | \$6,547.22 | 100% | \$5,127.62 | 100% | \$3,772.73 | 100% |

**Table 20. Female racial disparity, interest, dividend, rent, and social security income: Tobit, Oaxaca-Ransom decomposition, 1965-2006**

| South                         | 1965-1973  |      | 1974-1980  |      | 1981-1990  |      | 1991-2000  |      | 2001-2007  |      |
|-------------------------------|------------|------|------------|------|------------|------|------------|------|------------|------|
| N (white)                     | 9301       |      | 8339       |      | 15940      |      | 12523      |      | 9262       |      |
| N (African American)          | 1986       |      | 1802       |      | 3065       |      | 2486       |      | 3357       |      |
| Characteristics               | \$2,213.06 | 85%  | \$1,090.23 | 49%  | \$2,492.52 | 53%  | \$1,527.50 | 46%  | \$704.96   | 36%  |
| White advantage               | \$133.48   | 5%   | \$219.34   | 10%  | \$386.64   | 8%   | \$313.00   | 10%  | \$252.00   | 13%  |
| African American disadvantage | \$265.72   | 10%  | \$936.52   | 42%  | \$1,838.01 | 39%  | \$1,451.66 | 44%  | \$1,014.68 | 51%  |
| Unadjusted IDRSS differential | \$2,612.27 | 100% | \$2,246.09 | 100% | \$4,717.17 | 100% | \$3,292.16 | 100% | \$1,971.64 | 100% |
| Northeast                     | 1965-1973  |      | 1974-1980  |      | 1981-1990  |      | 1991-2000  |      | 2001-2007  |      |
| N (white)                     | 8943       |      | 7354       |      | 13900      |      | 10084      |      | 6857       |      |
| N (African American)          | 461        |      | 468        |      | 966        |      | 953        |      | 1040       |      |
| Characteristics               | \$1,920.36 | 61%  | \$898.10   | 32%  | \$1,795.68 | 42%  | \$603.76   | 24%  | \$603.19   | 29%  |
| White advantage               | \$103.24   | 3%   | \$142.40   | 5%   | \$209.08   | 5%   | \$184.73   | 7%   | \$183.38   | 9%   |
| African American disadvantage | \$1,120.69 | 36%  | \$1,737.71 | 63%  | \$2,221.02 | 53%  | \$1,701.39 | 68%  | \$1,265.94 | 62%  |
| Unadjusted IDRSS differential | \$3,144.28 | 100% | \$2,778.21 | 100% | \$4,225.78 | 100% | \$2,489.87 | 100% | \$2,052.51 | 100% |
| Northcentral                  | 1965-1973  |      | 1974-1980  |      | 1981-1990  |      | 1991-2000  |      | 2001-2007  |      |
| N (white)                     | 9372       |      | 8250       |      | 14262      |      | 10487      |      | 7883       |      |
| N (African American)          | 542        |      | 486        |      | 933        |      | 868        |      | 977        |      |
| Characteristics               | \$785.14   | 44%  | \$206.70   | 9%   | \$1,700.89 | 39%  | \$145.71   | 6%   | -\$45.26   | -3%  |
| White advantage               | \$65.35    | 4%   | \$140.53   | 6%   | \$205.43   | 5%   | \$181.61   | 8%   | \$166.65   | 10%  |
| African American disadvantage | \$947.71   | 53%  | \$1,973.82 | 85%  | \$2,416.50 | 56%  | \$1,942.01 | 86%  | \$1,605.72 | 93%  |
| Unadjusted IDRSS differential | \$1,798.20 | 100% | \$2,321.05 | 100% | \$4,322.82 | 100% | \$2,269.33 | 100% | \$1,727.11 | 100% |
| West                          | 1965-1973  |      | 1974-1980  |      | 1981-1990  |      | 1991-2000  |      | 2001-2007  |      |
| N (white)                     | 4752       |      | 5647       |      | 10084      |      | 7655       |      | 6375       |      |
| N (African American)          | 181        |      | 217        |      | 347        |      | 302        |      | 512        |      |
| Characteristics               | \$1,005.31 | 43%  | \$749.25   | 32%  | \$2,053.01 | 43%  | \$1,244.44 | 37%  | \$113.01   | 6%   |
| White advantage               | \$60.33    | 3%   | \$91.09    | 4%   | \$123.73   | 3%   | \$99.20    | 3%   | \$116.61   | 6%   |
| African American disadvantage | \$1,294.40 | 55%  | \$1,475.78 | 64%  | \$2,628.01 | 55%  | \$2,010.37 | 60%  | \$1,714.94 | 88%  |
| Unadjusted IDRSS differential | \$2,360.04 | 100% | \$2,316.12 | 100% | \$4,804.75 | 100% | \$3,354.01 | 100% | \$1,944.55 | 100% |

**Table 21. Male racial disparity, interest, dividend, and rental income: Tobit, Oaxaca-Ransom decomposition, 1965-2006**

| South                         | 1965-1973  |      | 1974-1980  |      | 1981-1990  |      | 1991-2000  |      | 2001-2006  |      |
|-------------------------------|------------|------|------------|------|------------|------|------------|------|------------|------|
| N (white)                     | 7529       |      | 6815       |      | 13104      |      | 10957      |      | 8336       |      |
| N (African American)          | 1531       |      | 1350       |      | 2165       |      | 1703       |      | 2514       |      |
| Characteristics               | \$4,966.13 | 91%  | \$4,671.60 | 84%  | \$6,352.41 | 88%  | \$4,528.54 | 82%  | \$2,055.81 | 53%  |
| White advantage               | \$517.92   | 9%   | \$489.93   | 9%   | \$425.58   | 6%   | \$296.27   | 5%   | \$422.73   | 11%  |
| African American              | -\$29.92   | -1%  | \$408.60   | 7%   | \$473.24   | 7%   | \$679.08   | 12%  | \$1,426.75 | 37%  |
| Unadjusted IDR differential   | \$5,454.13 | 100% | \$5,570.13 | 100% | \$7,251.23 | 100% | \$5,503.88 | 100% | \$3,905.29 | 100% |
| Northeast                     | 1965-1973  |      | 1974-1980  |      | 1981-1990  |      | 1991-2000  |      | 2001-2007  |      |
| N (white)                     | 7287       |      | 6086       |      | 11497      |      | 8745       |      | 6205       |      |
| N (African American)          | 332        |      | 304        |      | 700        |      | 595        |      | 692        |      |
| Characteristics               | \$4,591.75 | 96%  | \$2,237.23 | 54%  | \$3,410.19 | 69%  | \$1,338.61 | 35%  | \$2,400.21 | 59%  |
| White advantage               | \$130.10   | 3%   | \$131.36   | 3%   | \$165.20   | 3%   | \$172.03   | 4%   | \$204.34   | 5%   |
| African American disadvantage | \$48.49    | 1%   | \$1,788.12 | 43%  | \$1,346.20 | 27%  | \$2,358.91 | 61%  | \$1,489.51 | 36%  |
| Unadjusted IDR differential   | \$4,770.35 | 100% | \$4,156.71 | 100% | \$4,921.58 | 100% | \$3,869.55 | 100% | \$4,094.06 | 100% |
| Northcentral                  | 1965-1973  |      | 1974-1980  |      | 1981-1990  |      | 1991-2000  |      | 2001-2007  |      |
| N (white)                     | 8068       |      | 6946       |      | 12226      |      | 9199       |      | 7206       |      |
| N (African American)          | 419        |      | 415        |      | 766        |      | 642        |      | 723        |      |
| Characteristics               | \$3,578.44 | 85%  | \$3,200.85 | 67%  | \$546.36   | 15%  | \$67.46    | 2%   | \$1,595.74 | 40%  |
| White advantage               | \$150.95   | 4%   | \$172.33   | 4%   | \$204.87   | 5%   | \$198.16   | 6%   | \$227.25   | 6%   |
| African American disadvantage | \$476.50   | 11%  | \$1,422.99 | 30%  | \$3,013.27 | 80%  | \$2,864.54 | 92%  | \$2,188.67 | 55%  |
| Unadjusted IDR differential   | \$4,205.89 | 100% | \$4,796.17 | 100% | \$3,764.50 | 100% | \$3,130.16 | 100% | \$4,011.67 | 100% |
| West                          | 1965-1973  |      | 1974-1980  |      | 1981-1990  |      | 1991-2000  |      | 2001-2006  |      |
| N (white)                     | 4117       |      | 5059       |      | 8935       |      | 7108       |      | 6398       |      |
| N (African American)          | 164        |      | 171        |      | 296        |      | 238        |      | 394        |      |
| Characteristics               | \$5,606.31 | 93%  | \$7,637.39 | 89%  | \$6,709.64 | 81%  | \$4,219.19 | 73%  | \$3,503.60 | 75%  |
| White advantage               | \$120.75   | 2%   | \$217.40   | 3%   | \$158.26   | 2%   | \$120.60   | 2%   | \$124.11   | 3%   |
| African American disadvantage | \$277.83   | 5%   | \$742.45   | 9%   | \$1,403.66 | 17%  | \$1,418.56 | 25%  | \$1,065.07 | 23%  |
| Unadjusted IDR differential   | \$6,004.89 | 100% | \$8,597.25 | 100% | \$8,271.55 | 100% | \$5,758.35 | 100% | \$4,692.78 | 100% |

**Table 22. Male racial disparity, interest, dividend, rent, and social security income: Tobit, Oaxaca-Ransom decomposition, 1965-2006**

| South                         | 1965-1973  |      | 1974-1980  |      | 1981-1990  |      | 1991-2000  |      | 2001-2007  |      |
|-------------------------------|------------|------|------------|------|------------|------|------------|------|------------|------|
| N (white)                     | 7529       |      | 6815       |      | 13104      |      | 10957      |      | 8336       |      |
| N (African American)          | 1531       |      | 1350       |      | 2165       |      | 1703       |      | 2514       |      |
| Characteristics               | \$5,673.52 | 87%  | \$2,121.36 | 48%  | \$2,976.04 | 57%  | \$2,322.61 | 55%  | \$737.49   | 27%  |
| White advantage               | \$370.56   | 6%   | \$434.38   | 10%  | \$353.01   | 7%   | \$294.01   | 7%   | \$337.29   | 12%  |
| African American disadvantage | \$453.41   | 7%   | \$1,869.19 | 42%  | \$1,899.31 | 36%  | \$1,610.08 | 38%  | \$1,679.81 | 61%  |
| Unadjusted IDRSS differential | \$6,497.48 | 100% | \$4,424.93 | 100% | \$5,228.37 | 100% | \$4,226.71 | 100% | \$2,754.59 | 100% |
| Northeast                     | 1965-1973  |      | 1974-1980  |      | 1981-1990  |      | 1991-2000  |      | 2001-2007  |      |
| N (white)                     | 7287       |      | 6086       |      | 11497      |      | 8745       |      | 6205       |      |
| N (African American)          | 332        |      | 304        |      | 700        |      | 595        |      | 692        |      |
| Characteristics               | \$3,806.85 | 73%  | \$815.04   | 27%  | \$1,816.45 | 47%  | \$1,865.33 | 51%  | \$768.30   | 21%  |
| White advantage               | \$121.58   | 2%   | \$130.47   | 4%   | \$155.17   | 4%   | \$145.00   | 4%   | \$286.08   | 8%   |
| African American disadvantage | \$1,277.84 | 25%  | \$2,091.65 | 69%  | \$1,922.90 | 49%  | \$1,652.22 | 45%  | \$2,643.32 | 71%  |
| Unadjusted IDRSS differential | \$5,206.27 | 100% | \$3,037.16 | 100% | \$3,894.52 | 100% | \$3,662.56 | 100% | \$3,697.71 | 100% |
| Northcentral                  | 1965-1973  |      | 1974-1980  |      | 1981-1990  |      | 1991-2000  |      | 2001-2007  |      |
| N (white)                     | 8068       |      | 6946       |      | 12226      |      | 9199       |      | 7206       |      |
| N (African American)          | 419        |      | 415        |      | 766        |      | 642        |      | 723        |      |
| Characteristics               | \$2,025.68 | 54%  | \$1,029.04 | 32%  | \$496.98   | 21%  | -\$15.33   | -1%  | \$788.34   | 28%  |
| White advantage               | \$116.67   | 3%   | \$158.19   | 5%   | \$129.19   | 5%   | \$206.87   | 8%   | \$159.09   | 6%   |
| African American disadvantage | \$1,616.22 | 43%  | \$2,054.43 | 63%  | \$1,783.35 | 74%  | \$2,358.83 | 92%  | \$1,836.65 | 66%  |
| Unadjusted IDRSS differential | \$3,758.57 | 100% | \$3,241.66 | 100% | \$2,409.52 | 100% | \$2,550.38 | 100% | \$2,784.07 | 100% |
| West                          | 1965-1973  |      | 1974-1980  |      | 1981-1990  |      | 1991-2000  |      | 2001-2007  |      |
| N (white)                     | 4117       |      | 5059       |      | 8935       |      | 7108       |      | 6398       |      |
| N (African American)          | 164        |      | 171        |      | 296        |      | 238        |      | 394        |      |
| Characteristics               | \$3,991.19 | 74%  | \$1,571.33 | 36%  | \$2,876.31 | 47%  | \$2,499.61 | 57%  | \$942.60   | 30%  |
| White advantage               | \$82.45    | 2%   | \$136.01   | 3%   | \$161.06   | 3%   | \$84.66    | 2%   | \$117.21   | 4%   |
| African American disadvantage | \$1,304.67 | 24%  | \$2,603.11 | 60%  | \$3,098.70 | 50%  | \$1,802.61 | 41%  | \$2,092.90 | 66%  |
| Unadjusted IDRSS differential | \$5,378.32 | 100% | \$4,310.44 | 100% | \$6,136.07 | 100% | \$4,386.88 | 100% | \$3,152.71 | 100% |