BLACK EMPLOYMENT PROBLEMS:

NEW EVIDENCE, OLD QUESTIONS

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ABSTRACT

This paper attempts to review and synthesize some new evidence on the employment problems of young blacks, especially relating to the issues of skill and spatial mismatch, racial discrimination, crime and immigration. I also discuss various interpretations of these phenomena, and highlight the fact that both shifts in demand (i.e., employers and jobs) as well as the characteristics and responses of supply (i.e., workers) in the labor market appear to be responsible for recent trends in employment and earnings among young blacks. This implies that government policy should focus directly on demand-side issues (such as job availability) in the short-term, and especially on improving the adjustment of the black labor force to these shifts in demand over time.

I. Introduction

This paper attempts to review and synthesize some very recent evidence on the causes of low relative employment and earnings of blacks, especially young black males. It also revisits some old questions, particularly that of the extent to which the employment problems of young blacks reflect problems due to labor demand or labor suppy (i.e., the needs, attitudes, and behaviors of employers v. the characteristics and attitudes of workers). Implications for research and policy are discussed as well.

The question of whether the employment problems of young blacks primarily reflect problems on the demand or the supply sides of the labor market is a fundamental one that frequently drives disagreements interpretation evidence over of policy prescriptions. For instance, this question lies at the heart of the well-known recent debates between William Wilson and Lawrence Mead (see Focus, Summer 1987), in which Wilson emphasizes the harm done to less-educated urban blacks by recent structural changes in the economy that have left them with few available jobs; while Mead argues that low-wage jobs are still highly available, and that what is lacking is willingness to search for and accept jobs at these wages among urban blacks and the poor. Other limitations and deficiencies on the supply side of the labor market for lesseducated blacks might involve their job skills, work ethic and job performances as well.

I will argue below that there appears to be some validity to each of these claims. In particular, there is clear evidence that

labor demand has shifted away from young blacks in recent years. But the nature of black labor supply responses to these shifts, and other behaviors and characteristics of this group, have also helped determine their observed employment and wage developments. Indeed, some of the demand shifts may have occurred in response to perceived changes by employers in the attitudes and behavior of young black workers, which implies a more complex interaction between the demand and supply sides of the labor market.

I do not attempt here to provide new empirical evidence or to comprehensively review the literature on these issues — others have done so recently and quite successfully (e.g., Bound and Freeman, 1992; Moss and Tilly, 1992). Instead, I try to focus on some very recent (i.e., the past two years) findings that have been germane to the major debates and controversies in the area of black employment issues. What have we learned from this evidence, and what remains unknown? Are popular interpretations of these findings correct? What policy implications derive from this work, and what further research is suggested?

II. New Evidence

In the past few years, some important and striking new evidence has been presented on the questions of why the employment and earnings of blacks continue to lag behind those of whites, and especially why they have further deteriorated in the past 10-20

years¹. I will focus primarily on the recent empirical literature dealing with the labor market effects of the following factors: a) Skill and spatial mismatch; b) racial discrimination; c) the relationship between the economic status of various immigrant/ethnic groups and that of blacks; and d) crime.

A. Mismatch

It has long been known that, when overall labor demand in the aggregate economy or in a particular region declines, blacks suffer larger proportional declines in employment and earnings than do whites. The opposite occurs when demand rises. These facts have been confirmed repeatedly in recent research (e.g., Freeman, 1991; Bound and Holzer, 1992; and others).

A more controversial proposition has been that recent changes in the <u>composition</u> of labor demand, as opposed to its <u>level</u>, have had disproportionately negative effects on black employment and earnings. This idea, recently popularized by Wilson (1987) and Kasarda (1989), stresses that recent shifts in employment away from traditional industrial sectors, such as manufacturing; from occupations requiring less skill and education; and from inner-city areas have shifted labor demand away from blacks and thereby

¹Black employment rates have deteriorated significantly relative to those of whites over time, with the biggest declines (in both absolute and relative terms) occurring during the 1970's. Relative earnings for blacks rose significantly from roughly the mid-1960's through the mid-1970's, apparently due to anti-discrimination laws and "Affirmative Action" as well as improved quantity and quality of education. But relative earnings for blacks have apparently declined somewhat in the 1980's. See Bound and Freeman (1992) and Moss and Tilly (1992) for summaries of these basic trends and references to a large literature on their causes.

lowered their employment and earnings.

These shifts have allegedly resulted in a "mismatch" between the skills needs and/or geographic locations of employers, on the one hand; and the skills and residential locations of many blacks, on the other. As an imbalance between labor demand and supply, mismatch can result in lower wages and/or lower employment for the affected group, at least until the supply of labor adjusts by also shifting to those sectors and areas that now face growing labor demand.²

For blacks, the mismatches caused by demand shifts may be particularly severe, due to their greater relative concentrations in sectors or areas that are declining (such as jobs requiring less education or located in the inner-cities), their greater dependence on particular industries (like manufacturing) for obtaining wage premia, or their greater difficulty in relocating to other sectors or areas in response to demand shifts (due to discrimination or skill requirements in the growing sectors).

1. Skills

A number of recent empirical papers bear out the claims regarding industry shifts and skill needs, to some extent. Regarding industry shifts, papers by Acs and Danziger (1993), Bound and Holzer (1993), Bluestone et. al. (1991), and Johnson and Oliver (1992) all find significant negative effects of declining manufacturing employment on the earnings and/or employment of

²Both lower wages and lower employment can result, even with the market in equilibrium, if the negative labor demand shifts occur along labor supply curves that are not perfectly inelastic.

blacks in the 1970's or 1980's. At least some papers (e.g., those by Bound and Holzer and by Bluestone et. al.) show that these effects are largest for the youngest and least-educated black males.

These differential effects by education level suggest that the disappearance of manufacturing jobs may have partly contributed to a "skill" mismatch between new jobs and the abilities of workers. On the other hand, all of these papers show substantial earnings and employment gaps between blacks and whites remaining even after industrial composition is accounted for.

The growth of such a skills mismatch also appears to have been caused by forces other than the shifts in employment between industries. Several recent papers show that widening earnings gaps between blacks and whites in the past two decades have occurred alongside of a widening of wage gaps between workers of different education levels (e.g., Katz and Murphy, 1992; Bound and Freeman, 1992; Bound and Johnson, 1992; Juhn et. al., 1993), and that industrial shifts only account for a small part of the latter development. The paper by Juhn et. al., even more than the others, clearly links the declining economic fortunes of blacks to those of other workers with comparable skill levels whose earnings have also declined in recent years.

³If demand has shifted away from manufacturing towards sectors requiring greater skills, the skill mismatch interpretation is very clear. If demand has instead shifted to low-wage and low-skill sectors (e.g., retail trade), the resulting drop in earnings may really be attributable to the disappearance of wage premia for less-skilled workers rather than the change in skill needs per se.

It appears as though international trade, new technologies, and other factors have shifted demand for labor from the less-educated to the more-educated, although the exact causes of these shifts remain unclear. Since the supply of highly educated labor has apparently failed to keep up with these shifts in demand, a "skill mismatch" interpretation of growing earnings and employment gaps seems reasonable.

Since education is only one dimension of skill; and since the reading/numerical skills of blacks are not comparable to those of whites within the same educational category; it has been important to consider the effects of other skill measures on the relative economic outcomes of whites and blacks. Recent papers by O'Neill (1990) and Ferguson (1992) find that racial differences in scores on various reading/numerical tests can account for significant fractions of the racial differences in standard earnings equations that remain after controlling for education and other factors, while Rivera-Batiz (1992) finds the same for employment probabilities.

Of course, it is clear that the gaps between blacks and whites

^{&#}x27;Other factors that also appear to have contributed to the declining earnings of less-educated workers (and which are discussed in varying degrees by the papers cited above) have been declining college enrollments in the 1970's, declining rates of unionism, declining real value of the minimum wage, and (for blacks) weakened federal enforcement of Affirmative Action provisions. See Levy and Murnane (1992) for a good summary of this literature.

⁵We also note that growing inequality has occurred even <u>within</u> education, experience, and race groups, and that this remains something of a puzzle (Levy and Murnane, 1992).

on reading/numerical test performance as well as in education levels have narrowed in recent years (e.g., Mullis and Jenkins), even while the earnings gaps between them has grown. This is consistent with the notion that the demand for skills has grown more rapidly than has their supply among blacks, and that the rising return to these skills has magnified the disadvantages that blacks suffer from their still lower skill <u>levels</u> in the labor market. On the other hand, questions remain about whether these scores are really just proxies for other personal skills and qualities (e.g., communication skills, perceived "attitudes", previous experience, etc.) which might well be more observable to the employer at the time of hiring into entry-level positions.

Finally, we note that papers by Ferguson (1991) and by Card and Krueger (1992) show that various measures of resources invested in school quality (e.g., pupil-teacher ratios, teacher salaries, teacher test scores and degrees, etc.) can explain significant fractions of racial differences in test scores and in earnings, and especially (in the Card-Krueger paper) how the latter have evolved over time.

These papers conflict with the "conventional wisdom", which has been recently summarized by Hanushek (1986, 1992) and supported by Betts (1993) and Grogger (1993a), that resources spent on education have little effect on observed educational outcomes. 6 The

⁶Among the differences between most of the studies that Hanushek reviews and the paper by Card and Krueger is the fact that the latter focus on earnings rather than on test scores as their outcome measure. Also, the latters' results are driven by differences between cohorts (but within-state of birth and region

relationship between financial resources and educational/earnings outcomes for whites and blacks thus remains uncertain at this time.

2. Space

Despite earlier evidence by Ellwood (1986) and others to the contrary, recent papers by Ihlanfeldt and Sjoquist (1991a,b) have provided fairly clear evidence of significant spatial mismatch effects on black employment rates (Holzer, 1991). Their measures of access are average travel times to work, both between and within metropolitan areas, which can appararently account for significant fractions of the employment differences between young whites and blacks.

Strong <u>prima facie</u> evidence of spatial mismatch effects is also found in the vastly higher employment growth rates observed for suburban areas relative to central-cities in the 1970's and 1980's (Kasarda, 1989; Holzer and Vroman, 1992; Hughes and Sternberg, 1992.) Wages for less-skilled jobs also appear to be higher in the suburbs, strengthening the case that labor demand is higher and markets are tighter in those areas (Holzer, 1991; Ihlanfeldt, 1992.)

More micro-based evidence in favor of mismatch appears in

of residence) over several decades, during which changes in resources allocated to education (especially for blacks) were quite enormous. The papers by Betts and Grogger also focus on earnings, though they deal with much more recent cohorts of young workers. The reasons for the differences between Hanushek's studies and Ferguson are less clear, though it appears that Ferguson gets his results from his focus on nonlinear relationships in the data (e.g., pupil-teacher ratios are significant only above 18 as determinants of pupil outcomes).

other studies. Zax and Kain (1992) as well as Fernandez (1991) find that black employees are disadvantaged in terms of commute times when their companies relocate geographically, and that their quit rates rise as a consequence. Since the decisions of individual companies to relocate are at least arguably more exogenous with respect to their current employee characteristics than are other measures of employer or residential locations in more aggregated data, the findings provide further support for mismatch.

Holzer et. al. (1994) also find that access to cars significantly raises the distances over which individuals search for work, as well as their wages and probabilities of obtaining employment. The relatively low rates of automobile ownership among inner-city blacks thus seem to contribute to their lower earnings and employment. Also, greater suburbanization of employment in a metropolitan area actually results in shorter distances travelled while searching and working by blacks and central-city residents, rather than longer distances. Both findings are consistent with spatial mismatch caused by employer relocations and the inability unwillingness) of black workers either residentially or to fully offset the extra distances by searching for work and commuting over wider geographic areas.

B. Racial Discrimination

When employers discriminate against minorities, women, or others in the labor market, they reduce the labor demand that is faced by the affected groups. But it is well known that significant racial differences in employment and earnings, by themselves, cannot necessarily be viewed as evidence that employer discrimination exists, since differences in unobserved characteristics between blacks and whites may still account for the observed racial effects.

Recent evidence that racial discrimination does occur comes from two sources: 1) Direct evidence on employers' racial preferences and perceptions; and 2) experimental evidence from audit studies based on matched pairs of job applicants. The direct evidence appears primarily in Kirschenman and Neckerman's (1991) accounts of interviews with roughly 140 employers in the Chicago area, and also in Moss and Tilly's (1991) preliminary study of employers in Detroit and Los Angeles. They find that many employers perceive (especially among their past and current employees) lower basic skills as well as poorer attitudes and motivation among blacks, particularly black males; and therefore they express reluctance to hire them. But the relevant empirical magnitudes, and their relationships to observed employment outcomes, remain quite unclear in these largely qualitative studies.

The experimental evidence appears in Turner et. al. (1991), based on an Urban Institute audit study in which matched pairs of black and white job applicants with employment histories and skills designed to be exactly comparable applied to several hundred firms in two major metropolitan areas. Blacks received signficantly fewer job offers than did whites (29% v. 19%). Other audit studies have also been conducted by the Urban Institute and by the Fair

Employment Council of Greater Washington (1993), comparing the hiring of whites with those of "comparable" blacks and Hispanics.

All have found evidence of discriminatory hiring practices against minority applicants.

These findings raise a number questions of determinants of racial attitudes and behaviors among employers (which we discuss more fully below), and how they may have changed over time. In particular, did employer attitudes towards blacks, and their general willingness to hire them, really improve over the 1960's and early 1970's, as many in the literature (see Footnote 1) have suggested? Did their impressions change differentially for more and less highly educated blacks? If not, did some of the earnings gains enjoyed by blacks during that time period come at the expense of employment, as employers who were forced by law to pay higher wages responded by moving up along their labor demand curves?8 Have employers attitudes towards blacks deteriorated more recently, as their skill needs have grown or as their fears of crime and other behaviors associated with inner-city poverty have grown?

Unfortunately, we have no direct time-series evidence on

⁷For a critique of the audit methodologies used as well as evaluations of the audit data, see Heckman and Siegelman (1991).

⁸A number of authors have considered whether or not the truncation of the lower end of the earnings distribution by blacks could fully account for their rising relative earnings in the late 1960's and early 1970's - see, for example, Vroman (1990). But none of these papers consider whether the rise in relative wages might actually have caused the decline in relative employment to occur.

employer racial attitudes that would enable us to answer these questions, though they are certainly key to interpreting changes over time in the relative employment and earnings of blacks.

C. Immigrants and Blacks

Two issues have emerged with respect the economic relationship between blacks and various immigrant groups, such as Hispanics and Asians: 1) To what extent do immigrants reduce the demand for blacks in the labor market, thereby reducing both employment and earnings for the latter? and 2) To what extent do the higher employment rates of many immigrant groups than of blacks suggest that labor supply rather than demand factors (especially in attitudes such as work ethic) are responsible for the relatively greater problems of blacks?

While a great deal of work in the past both across and within metro areas has suggested very little labor market substitution between immigrants and native-born workers (e.g., Borjas, 1986; Altonji and Card, 1989; Card, 1990), these results were recently questioned by Borjas et. al. (1991). The latter, in particular, note that immigrants have significantly expanded the fraction of high school dropouts in the labor force during the 1980's, thereby presumably contributing to the decline in earnings suffered by that group.

In sorting out these conflicting results, it is noteworthy

⁹The evidence in the cross-sectional literature of substitution between blacks and women has been much stronger than that between blacks and immigrants - see Borjas (1986).

that all of the earlier papers that found little substitution focus on local labor markets, while Borjas and his colleagues focus on the aggregate U.S. labor market. The former results might be caused by an endogeneity of immigrant location with respect to either local labor market conditions (i.e., immigration towards growing areas) or migration of native-born Americans (i.e., immigration towards areas where the native-born are not moving, with causation running either way).

In particular, Card (1990) found evidence of lower native-born migration to Miami after the Mariel boatlift dramatically increased the influx of Cubans there. Thus, immigration may be a cause or just a part of an adjustment process that occurs between local areas, though it can still have labor market effects when all of these areas are considered together.

Inferences about the causes of employment differences between immigrants and blacks are also somewhat tentative. Waldinger (1987) has noted that Hispanics have been more reliant on manufacturing employment than have blacks in New York, even though the employment of the former deteriorated less there during the 1970's and 1980's. He emphasizes that ethnic groups have developed niches in specific industries, and that the resulting social networks are crucial in determining relative employment outcomes between these groups.

More recently, a number of authors at the Urban Poverty and Family Life Conference in Chicago in October, 1991 (e.g., Aponte, Tienda and Stier, Taub, and Van Haitsma) also noted the substantially higher employment rates of Mexican immigrants and of

Mexican-Americans than of Puerto Ricans or blacks in Chicago, despite the lower educational levels and language skills of the former group, and despite their inner-city residential locations. Both quantitative and ethnographic evidence was used in these papers to argue that these relative employment differences reflect stronger commitment to work among the Mexicans, as well as employer preferences for these groups (also noted by Kirschenman and Neckerman for various immigrant groups relative to blacks), their stronger social networks, and other family circumstances which appear to favor them.

D. Crime

Criminal activity may reduce individuals' employment and earnings either because it reduces the willingness of individuals to work (labor supply) or the willingness of employers to hire them (labor demand). Either way, the relationship between criminal activity and participation in the labor market has always been difficult to analyze, partly due to lack of believable survey data on the former and partly due to the clear endogeneity between the two. But given the enormous increases in the participation of young black males in the criminal justice system (i.e., roughly one-fourth of those aged 16-34 at a point in time), the importance of and interest in this issue has increased dramatically.

Freeman (1992), using panel data from the National Longitudinal Survey Youth Cohort (NLSY) as well as summary data from a variety of sources, provides strong evidence of the

following: 1) A large majority of young black male high school dropouts now participate in illegal activities for income; 2) Young blacks are more likely to perceive greater rewards to crime than to regular employment now than a decade ago; and 3) Participation in illegal activities (and especially incarceration) has long-term, negative effects on the likelihood of future employment. Grogger (1992, 1993b) also finds negative effects of crime on employment outcomes, though they are somewhat smaller and shorter-term in the latter study. 10

Furthermore, a growing body of empirical as well as ethnographic evidence on crime and/or drug trafficking tends to confirm that individuals' decisions to participate are largely based on calculations of relative returns to such activity, as well as the perceived risks and costs (or lack thereof) from arrest and incarceration or from physical violence (Viscusi, 1986; Freeman, 1992b; Fagan, 1992b). The relative returns to illegal activity have quite clearly grown, as regular earnings for the less-educated have deteriorated and as the demand-side of the drug market grew in the 1980's. Some empirical evidence also confirms that participation in the labor force and in crime are negatively correlated (Viscusi; Fagan, 1992a).

Finally, the work of Case and Katz (1991) and the papers in

¹⁰Grogger's first paper also uses data from the NLSY, while the latter one is based on a unique dataset for California in which the unadjusted effects are smaller. He also finds that unobservables appear to explain a bigger part of the negative long-term correlation between employment and crime in the latter paper, rather than finding causation running strictly from earlier crime to later employment.

the volume by Fagan (1992b) suggest that participation in crime (and other positive or negative activities) is related to the tendency of individuals to find comparable behavior among members of their families, their friends, and their neighbors. This supports the evidence of strong family and/or neighborhood effects, especially for blacks, that have appeared in the work of Crane (1991) and Corcoran et. al. (1992).

E. Summary

The evidence described above paints a fairly coherent picture of the employment and earnings difficulties of young blacks, which have worsened in recent years. The demand for labor has clearly shifted away from the industries, areas and skill levels in which blacks have been traditionally concentrated. While they have partially adjusted to these shifts by acquiring higher levels of education and basic skills as well as by some geographic relocations, the adjustment process has been slow, and not sufficient to fully offset the changes in demand which they have faced. Furthermore, opportunities in the illegal sector have grown relatively more attractive as regular earnings possibilities have diminished. These developments have apparently caused large fractions of young black men to forego employment altogether, many of whom instead choose illegal activities as an alternative income source.

In contrast, the employment rates of various immigrant groups have not deteriorated so rapidly, despite their limited skills and

inner-city locations, suggesting that the latter have either had other opportunities that were unavailable to blacks or have made other choices and adjustments in response to shifts in labor demand. Qualitative evidence of employer preferences for immigrants over blacks are also consistent with other data that suggest discriminatory employer attitudes against blacks continue to play some role in lowering the relative employment and earnings of the latter group.

III. Various Interpretations of the New Evidence

The fairly coherent picture portrayed by the evidence cited above can be used to shed light on some of the continuing debates over the causes of black employment problems, and over the appropriate policy responses. In particular, we will focus on the respective roles played by limitations on the demand and supply sides of the market for black labor in these discussions.

When referring to labor supply below, we will consider the willingness of individuals to seek and accept jobs at various wages, conditional on their personal characteristics (which constitute the "labor supply curve" in standard economic discourse); and also more generally the attitudes towards work and personal traits (e.g., skills, residential locations, information, etc.) that characterize the supply of black labor.

A. The Relative Roles of Labor Demand and Supply: Wilson v. Mead

As noted above, the debates between William Wilson and

Lawrence Mead, among others, have revolved around the issue of whether the employment and earnings problems of young blacks in recent years primarily reflect deficiencies on the demand or supply sides of the labor markets.

In contrast to Wilson's emphasis on structural changes and demand shifts, Mead (1986, 1992) generally argues that large numbers of jobs appear to still be available to lower-income workers, including young blacks, albeit at low wages; and that their regular employment and earnings could be substantially higher if they chose (or were required) to accept these jobs.

This viewpoint raises two important questions: 1) Is Mead's emphasis on labor supply really contradicted a priori by the clear evidence of demand shifts and deficiencies that were described above (and that were recently emphasized so strongly by Moss and Tilly)? 2) Does the available empirical evidence support Mead's contention on job availability and supply responses?

I think that the correct answer to the first question is "not necessarily". While the exact empirical magnitudes may remain in doubt, the <u>a priori</u> contradictions between the arguments of Mead and Wilson are not nearly so great as they appear.

Simply put, Wilson's arguments stress labor demand <u>shifts</u> away from blacks; while Mead's stress their labor supply <u>levels</u> and <u>elasticities</u>. Though he doesn't exactly put it this way, Mead implicitly maintains that the labor supply of young blacks (and of the poor more generally) is very elastic - i.e., that their willingness to work is quite sensitive to the wage levels which are

available to them in the market. Thus, Mead argues that many forego employment opportunities that are currently available, but at low wages. These low wages, in turn, might well have been caused by the shifts in labor demand away from the sectors of the economy in which blacks have traditionally been concentrated, as has been emphasized by Wilson and others.

If black labor supply were more inelastic, thereby signalling a stronger commitment to work at <u>any</u> wage, young blacks would adapt to shifting labor demand by more readily accepting low wage employment, rather than opting out of the labor market altogether. The argument does not necessarily require that the labor supply of blacks has shifted inward (i.e., that blacks have become choosier over time), though it would certainly strengthen Mead's case if this were true.

At least theoretically, Mead's position is only inconsistent with that of Wilson (and his many supporters) insofar as there may be no offers available to many blacks at any wages. This would be true if market rigidities (perhaps caused by minimum wages, EEO laws, or other factors) prevented employers from making offers at wages to blacks that were low enough to equilibrate this market. In contrast, Mead argues that job offers at or above the minimum wage are available in substantial numbers to young blacks; but that they do not seek or accept these offers, either because of high reservation wages (i.e., the lowest wages at which work will be accepted) or "defeatism" (i.e., discouragement). This is essentially an empirical argument, and the evidence for and against

it must now be evaluated.

The Evidence For and Against Mead's Arguments

What evidence exists to support Mead's claim of abundant job availability at low wages? First, there is the large number of jobs created in the U.S. in the 1980's, albeit at low wages (e.g., Freeman, 1988). This large quantity of low-wage job creation enabled the U.S. labor force to absorb not only large numbers of women and young people entering the labor force, but also the immigrants who flocked to the U.S. at rates unseen in over sixty years, and with lower skill levels than many who arrived in earlier cohorts (Borjas, 1991; Meisenheimer, 1992). If demand shifted away from less-educated jobs in that decade, it was only true in particular sectors and areas, and especially those (such as in manufacturing, mining, construction, etc.) where relatively high wages have traditionally been paid to such less-skilled work (Krueger and Summers, 1987).

other evidence in support of Mead's contention regarding low-wage job availability comes from estimates of reservation wages and labor supply elasticities of young blacks. For instance, my own work (Holzer, 1986) shows that the self-reported reservation wages of young black males are high relative to available opportunities, and that those with lower reservation wages have significantly shorter unemployment durations. Indeed, if their relative reservation wages were comparable to those of whites, the estimates here suggest that the black-white gap in unemployment (or

nonemployment) <u>durations</u> could be reduced by as much as 25-40% (and the gap in unemployment <u>rates</u> by somewhat less). Furthermore, the distributions of reservation wages reported here imply very high labor supply elasticities for young black males (often in the range of 1-2) at or above the minimum wage.¹¹

Higher self-reported reservation wages of <u>nonemployed</u> blacks, relative to their predicted market wages, have also been found in other studies (e.g., Tienda and Stier, 1993). But results in this literature are often quite sensitive to samples used, specifications of equations, etc.; and even similar results can be interpreted quite differently by different authors. 12

The notion of market wages falling below reservation wages also appears implicitly in the work of Juhn (1992), who finds that declining wages of young, low-wage men lead them to have declining

¹¹Mead has frequently cited my own finding from the NBER Survey of Inner-City Youth that roughly 70% of nonemployed and nonenrolled young blacks thought they could obtain a job offer fairly or very easily at the minimum wage. Whether or not they could in fact do so was, of course, not clear; and whether they could <u>all</u> do so together, rather than individually, was even less clear.

instance, Tienda and Stier emphasize the differencees in available wages between whites and blacks in their work, rather than the (smaller) differences in relative reservation wages. My own work also demonstrates the sensitivity of selfreported reservation wages to fairly subtle changes in wording; and, since search theory predicts that reservation wages will vary over the spell of unemployment and in response to current or previous wages, the timing of these questions is also critical. It should also be noted that my results were based on the first two panels of the NLSY, from the years 1979 and 1980. Tabulations which I later did on subsequent panels showed the reservation wages of black males declining relative to those of white males as both groups aged, perhaps in response to their learning about labor market conditions. Still, any loss of employment that might have been generated by higher reservation wages early on could have had more long-term effects on their earnings capabilities.

employment and participation rates over time. In particular, she estimates the relationships between employment probabilities and wage rates over time of young blacks and whites, and also finds fairly substantial elasticities of labor supply (ranging from roughly .3 to .5) among the former. She finds that declining wages can explain a drop of about 7 percentage points in the employment rates of both young whites and blacks between the early 1970's and late 1980's, though young blacks show much larger declines in employment even at constant wages.

In any event, Juhn's story combines elements of both Wilson and Mead - i.e., shifting demand leads to lower wage opportunities for young blacks, to which they respond with lower employment along fairly stable labor supply curves.

Finally, the data described above on crime and/or drugs provides some support for the notion that young blacks are choosing to avoid available, low-wage employment in favor of more financially rewarding illegal activities. Fagan (1992a) reports significantly higher employment rates among drug traffickers before they begin such activity than afterwards, implying that causation did not always run from low employment to criminal activity. He, Reuter et. al. (1990) and especially Freeman (1992a) also show that average wages on legitimate employment for drug traffickers are sometimes well above the minimum wage, but that returns to illegal activity are almost always substantially higher — according to Freeman, hourly returns to crime were double or more those available even in high-wage Boston in the late 1980's.

Furthermore, the ethnographic work on crime noted above generally suggests that it is the perception of relatively higher returns to illegal activity, rather than the total lack of availability of legal work, that leads many young blacks to choose the former over the latter. These claims are fully consistent with the view that reservation wages are driven up by the opportunities for illegal earnings to which young blacks have access; and, if their perceptions are accurate, this will at least partly account for diminished employment rates of blacks in the 1970's and 1980's.

Despite this body of evidence, major questions remain about the magnitude of job availability to young, less-educated blacks, even at low wages. The high rates of employment for other less-educated groups, especially immigrants, do not necessarily imply that all such jobs are available to blacks - especially in cases where employers may well prefer the immigrants. The very low job vacancy rates relative to unemployment rates observed in all areas and all years during the 1970's and early 1980's (Abraham, 1983; Holzer, 1989) have also led some to question whether a substantial number of jobs are truly available for unemployed workers, especially in the short run. 13

The data on reservation wages and labor supply elasticities contain some ambiguities, as noted above. Even the results by Juhn

¹³It is possible that vacancy rates were higher in the tight labor markets of the late 1980's, especially on the coasts and in suburban areas, for youth-intensive jobs. Alternatively, it is possible that substantial employment growth in the medium to long run can occur without high job vacancy rates appearing. Lower job vacancy rates imply that, ceteris parabis, the duration of unemployment for each jobseeker will be longer.

and by myself noted above suggest that these factors can at best account for well under half of the recent deterioration in black employment (or in the black-white employment differential).

other evidence on job search behavior of young blacks runs somewhat counter to the "discouragement" notion. 14 Even the estimates reported by Juhn do not guarantee that low-wage jobs are available to all young blacks or whites at any point in time - for it is possible that demand constraints simply become binding on larger fractions of the low-wage workforce as wage levels decline, thus leading to lower employment rates at lower wage levels. Finally, the data on the previous earnings and perceptions of drug traffickers are convincing, but this group still represents just a minority of all unemployed blacks (even if those engaging in illegal activities more broadly defined constitute a majority of young black male high school dropouts).

Thus, we must conclude that there is significant evidence in favor of the notion that blacks sometimes choose nonemployment over available low-wage jobs. But the exact magnitudes of the jobs which are available to them are not really clear, and their unwillingness to take these jobs cannot alone account for most of the employment problems which they face.

¹⁴ In a sample of nonenrolled and unemployed young males, I find that blacks use each of a set of search methods with virtually the same frequency as do young whites (Holzer, 1987); and in a sample that includes enrolled males and females (both employed and unemployed), young blacks use more search methods and spend more time searching than do young whites (Holzer et. al., 1992). But these samples include only those who have actively searched for work in the preceding month.

B. Crime, Immigrants

The difficulty in sorting out labor demand v. supply explanations of the observed evidence (where supply is now defined more broadly to include the personal characteristics and skills of workers as well as their willingness to accept available wages) can be demonstrated more clearly by considering several of the topics described above in greater detail.

The negative long-term effects of crime on individual earnings makes this point clearly. Are these effects caused by employer reluctance to hire those with criminal records or the tendency of the latter to eschew regular work? Employers clearly express an aversion to hiring those even suspected of having criminal records¹⁵, though it is unclear how they can infer participation without great candor from job applicants or extensive and costly criminal record checks on their own. Employers may avoid hiring these applicants because they (often correctly) suspect their criminal involvement, or because the applicants show little recent work experience while having been primarily involved with crime or incarcerated. It is also possible that both elements are at work: i.e., that criminals choose to forego regular employment for lengthy periods of time, and then cannot obtain such employment after such periods. Needless to say, our data do not allow us to sort out these different interpretations.

¹⁵Preliminary tabulations from a survey of employers in several cities that I am conducting show that over 60% of all employers would definitely or probably not hire anyone with a criminal record.

Evaluating the relatively greater success of immigrants in obtaining employment, given the data at hand, presents similar difficulties. As noted above, there is some evidence that greater commitment to work (i.e., more inelastic labor supply) plays some role in the higher employment rates of Mexicans, though other factors (such as ethnic footholds in particular industries and stronger social networks) seem relevant as well. As noted above, many employers claim to prefer hiring immigrants to native-born blacks, since they perceive a better work ethic among the former (and perhaps can pay them lower wages as well, especially if the immigrants are illegal). In this case, many young blacks would not be able to obtain the low-wage jobs which are currently held by immigrants, even if they wanted to.

C. Race, Space and Abilities

In the cases described above in which employers are reluctant to hire those suspected of criminal activity and generally prefer immigrants to native-born blacks, there is likely to be an interaction between the demand and supply sides of the labor market - i.e., employer demand is conditioned by what they perceive to be the average characteristics of workers in various groups, though their perceptions may be accurate to a greater or lesser extent.

More generally, this suggests the phenomenon that economists refer to as <u>statistical discrimination</u>. Employers use the average (or mean) characteristics of a group to screen individuals within the group, since the exact abilities (broadly defined) and

characteristics of individuals are uncertain and costly to observe. The lower the variance around the group mean, the more sensible it is for employers to use the group mean in evaluating individual applicants (Cain, 1986).

Of course, individuals who happen to be above the mean of their group in ability clearly suffer real discrimination in this case. Furthermore, the employer perception of the mean differences between groups may be exaggerated. Though economists expect that average employer perceptions will iterate towards accuracy over time, this may not be the case if many update their priors infrequently through limited repeated hiring of certain group members. In such a case, employers may practice some mix of statistical and <u>pure</u> discrimination, where their tastes (or those of their employees or customers) for or against particular groups influence their perceptions of relative abilities.

Alternatively, the behaviors of group members over time may eventually conform to initial employer expectations, as the former cease to invest in traits and behaviors that they feel are insufficiently rewarded (e.g., Spence, 1973). Either way, an interaction between the supply and demand sides of the labor market occurs, making it difficult to disentangle (and target policies towards) specific, independent sources of employment problems.

The employer reluctance to hire blacks that we observed in the Kirschenman-Neckerman, Moss-Tilly and the Urban Institute studies could easily fit within this framework. Even in the latter case, where the paired individuals are observationally equivalent except

for race, employers may well be applying their perceptions of average group abilities to the characteristics of the individual applicants that they know they cannot observe directly, such as work ethic. The negative judgements applied to blacks appear to particularly harsh against black males, about whom the perceptions of criminal activity or general lack of motivation are the greatest (Kirschenman, 1991).

Once employers develop such general perceptions about the average abilities and attitudes of black applicants, it becomes very difficult to disentangle some form of racial discrimination from other potential sources of reduced demand for black labor. For instance, employers who choose to relocate in suburban areas far from inner-city black populations may be doing so at least partly to avoid the blacks, with whom they associate crime and various employment difficulties. In such cases, the disadvantages which we associate with "space" may ultimately be problems of "race" (and of real or perceived differences in employment qualifications), which may not be much relieved by simply improving the access of young inner-city blacks to suburban employers.

D. Demand Shifts and Adjustment Barriers Facing Supply

Proponents of mismatch frequently stress the labor demand shifts (across sectors, skill groups, and geography) that appear to have caused such mismatch. But, by definition, mismatch involves some market imbalance between labor demand and supply. The very occurrence of the demand shifts should create incentives for the

supply side of the market to adjust, by acquiring new skills, new industrial bases of employment, and/or by migrating or commuting to new workplaces.

While these adjustments are costly, they should nevertheless occur over the medium to long-term if there are sufficient returns to making these transitions. In fact, a large body of empirical evidence in labor economics suggests that labor demand shifts across industries and regions occur frequently, and that labor supply adjustments to these shifts are usually completed over a period of several years (Freeman, 1977; Blanchard and Katz, 1992).

The apparent persistence of mismatch problems for blacks then begs the question of why these adjustments fail to occur more quickly for them, and whether or not there are particular barriers to adjustment which they face. For instance, Neckerman (1991) has suggested that a "perceptions mismatch" may limit the occupational and skill adjustments which blacks and less-skilled whites feel they need to make. While possibly a problem of the short-run, it is hard to imagine such a barrier lasting indefinitely. But the barriers to skill adjustment caused by poor families and neighborhoods (with little human capital formation in the home and few community resources to draw on), ineffective or underfunded inner-city schools (Orfield, 1992), and the like may be more serious and less transitional in nature.

The failure of blacks to relocate residentially in response to employer suburbanization is frequently attributed to housing discrimination in these areas and segregation (e.g., Massey and

Denton, 1993; Kain, 1992). Some clear evidence of such discrimination has been produced (e.g., Turner, 1992), though there has been little clear evidence to date that directly links housing discrimination to the employment difficulties of blacks. The absence of low-cost housing in suburban areas (perhaps due to zoning) also limits the ability of low-income families to move closer to these jobs.

Alternatively, the failure of blacks to more fully offset locational disadvantages with longer commutes from their current residences is also puzzling (though the commute times of working blacks are, on average, longer than those of working whites -Ellwood, 1986; Leonard, 1987). Higher commuting costs (in time as well as money) for those without access to auto travel partly explain this phenomenon, especially for those with low wages - in which case their wages net of commuting costs for long-distance employment may fall short of reservation wages. But evidence on commuting costs and distances suggest that these explain only part overall racial and central-city/suburban differences employment, and that blacks respond to job suburbanization with less, not more, travel (Holzer et. al., 1994). This evidence suggests other barriers to adjustment, such as perceived hostility or lack of information/connections with regards to jobs that are located further away.

In any event, specifying exactly what the barriers are to more successful supply-side adjustments is critical before effective policies can be developed to overcome mismatch problems.

IV. Implications for Policy

Discussions of policy implications when the answers to so many key questions are, at best, speculative is somewhat risky but also unavoidable (especially since uncertainty is a fairly permanent state of affairs in academics).

If both Wilson and Mead are correct to some extent - i.e., that demand has shifted away from inner-city blacks and lowered their relative wages, thus leading many to leave the labor market or endure long-term unemployment rather than accept low wages - what are the policy implications? The available options might be characterized as policies designed to:

- improve overall job availability for blacks through new job creation;
- 2) improve both job availability and wage offers for blacks by increasing their access (or "matches") to available jobs;
- 3) induce blacks to accept available offers at low wages; or
- 4) acquiesce in their high rates of nonemployment.

Clearly, option 1) would focus exclusively on the demand side of the labor market; option 2) can involve policies focusing on demand and/or supply; option 3) focuses on supply only; while option 4) does neither.

Implications for Mead: Induce Acceptance or Laissez-Faire

Given his belief in the ready availability of low-wage jobs for less-skilled workers, Mead stresses the need for work requirements in much of his work - primarily for AFDC recipients.

One limitation of this argument has already been noted - i.e., our uncertainty over exactly how many currently unemployed young blacks could find work (with a reasonably short period of job search). Even if we knew the overall magnitudes of available jobs, we would be quite limited in our ability to predict exactly who among the unemployed would be capable of obtaining these offers.

Furthermore, the mechanism of inducement remains unclear as well. Work requirements for AFDC recipients do not appear to be terribly relevant for the vast majority of nonemployed young blacks, especially males, who are not recipients of any transfers. Requiring child support payments from absent fathers might induce some young males to seek employment, though again we are not sure who among them could actually obtain the needed jobs. Some form of moral suasion (e.g., from "self-help" strategies) and/or encouragement about prospects for work might also be useful, though these alone (i.e., unaccompanied by job placement and skill enhancement of some sort) are likely to be of dubious success in the face of current market realities for less-educated youth.

Another potential approach to inducing greater job acceptance is to reduce the availability of income through crime and/or drugs. Unfortunately, exactly how to do so remains very unclear. Policies which stress greater rates of incarceration seem counterproductive, given its apparent failure to have greater deterrent effects on participation in crime, its clear negative effects on future employment, and its public expense. Policies to further reduce the supply of drugs also seem like failures, though reduction of demand

for drugs through enhanced education and treatment perhaps hold more promise (Petersilia, 1992). Some recent evidence that the demand for drugs is already diminishing in the early 1990's might be considered evidence in favor of this approach (<u>ibid.</u>). 16

The other implication for policy which many economists might infer from the Mead argument is that black nonemployment is largely voluntary and therefore represents an efficient labor market outcome; no particular policy interventions would therefore be needed. Such an argument clearly ignores the enormous social (as well as private) costs that such nonemployment entails, especially if it is related to crime, drug abuse, and the like. Furthermore, if at least some choices made by young blacks are based on imperfect information and lack of foresight regarding implications of current behavior for the future (as is likely to be the case with crime and drugs), the labor market outcome would no longer be considered efficient, and the power of the "laissez faire" argument is further diminished. Finally, a concern with "equity" as well as efficiency would argue even more forcefully for policies that seek to raise employment rates of blacks by narrowing the gaps in earnings which they experience relative to those of whites, in the short-term as well as the long-term.

Improving Job Availability and/or Wage Offers

The evidence of labor market "mismatch" cited above suggests

¹⁶The more radical approach of decriminalizing all drug use can be listed as an alternative here as well, though one which appears to be politically unacceptable at the current time.

black employment and wages can be improved by improving their access to existing jobs. In general, this can be accomplished either by trying to shift labor demand back towards black workers, or by enabling the latter to adjust more easily to the changing locus of demand. I will argue below that, over the long term, the latter strategy is more likely to be successful than the former.

For instance, to deal with spatial mismatch, politicians of many persuasions have recently become enamored of the idea of "enterprise zones" to shift labor demand back towards inner-city areas. But most empirical analyses suggest that the cost per new job created that actually goes to zone residents is too high to make such approaches cost-effective (Papke, 1993). Furthermore, the perceptions of high crime and other difficulties in inner-city areas make it unlikely that many employers would choose to relocate there over the long term. 17

Policies aimed at reducing spatial mismatch should therefore focus primarily on enabling inner-city workers to adjust more readily to suburbanizing labor demand, either through aiding residential relocations to the suburbs or through improved transportation and job placement services for those remaining in the inner-cities.

Data on subsidized residential relocations in Chicago's

¹⁷The increase in federal funding for enterprise zones that was included in the recently passed budget for fiscal year 1994 will go primarily towards subsidizing the wages of zone residents who are employed at eligible firms. Even if few firms are induced to relocate in response to these subsidies, the cost per new job created for residents may be lower than in previous cases studied.

Gautreaux Project show significant improvements in the employment of those relocated (Popkin et. al., 1993). Hughes (1991) has argued quite convincingly that a "mobility" strategy of improving transportation and job placement for inner-city residents is less costly and would generate much less political opposition than would policies to increase suburban housing of minorities and the poor. But others (e.g., Kain, 1992; Massey and Denton, 1993) continue to prefer the former approach, arguing primarily for stronger enforcement of antidiscrimination laws in the housing market and for greater rent subsidies and vouchers for those with low incomes. 18

Another approach for improving the demand for black labor would focus on reducing employer discrimination. Such policies would involve greater federal enforcement of Equal Opportunity legislation and Affirmative Action programs, which weakened during the 1980's (Leonard, 1990). In light of the evidence of employer discrimination described above, some strengthening of enforcement certainly seems warranted.

On the other hand, the usefulness of these policies is limited by the extent to which such discrimination is "statistical", and perhaps based on real racial gaps in worker skills at a time when

¹⁸While Hughes' "mobility strategy" might address the issue of access to suburban employers, it leaves unchanged the huge disadvantages faced by young blacks who grow up in poor, segregated neighborhoods. On the other hand, the intense legal and political battles that have been fought over housing discrimination, and the continuing refusal of most whites to live in integrated areas, create enormous barriers for policies aimed at reducing residential segregation.

employer needs for those skills are growing. Employer reliance on particular recruitment and screening strategies might also limit the potential effectiveness of tougher antidiscrimination programs. 19

Here again, the preferred long-term strategy must enable blacks to adjust more successfully to the shifting skill needs of employers, primarily through improved education and job training. But while the goal of improving skills among young blacks is almost universally acclaimed, how to achieve this (especially within the current context of neighborhood poverty, severe budget constraints, etc.) is less clear. More equitable distributions of resources across high and low-income school districts (Orfield, 1992) and other broad-based innovations in the elementary and secondary schools of low-income areas (e.g., Boyd, 1990) might be part of this strategy.

But when considering specific remedial programs, the record is bleak. The apparent failure of the Summer Training and Employment Program (i.e., STEP), the earlier Supported Work Demonstrations, and the Job Training Partnership Act (JTPA) to substantially raise the future earnings and employment of young males has been quite discouraging (Hollister, 1989; Bloom et. al., 1993). Yet, other examples of cost-effective approaches seem to exist as well (e.g.,

¹⁹ The tendency of many firms (especially smaller ones and/or non-contractors with the government that are not covered by Affirmative Action regulations or EEO scrutiny) to rely heavily on referrals from current employees and on recruiting that is targetted towards white neighborhoods (Kirschenman and Neckerman) will further limit the effectiveness of these policies.

Head Start, Job Corps, etc.). In combination with policies designed to improve the access of young blacks to the frequently higher-wage and tighter labor markets for youths in many suburban areas, such policies might be made more successful in the future than they have been in the past.²⁰

New approaches to improving the contacts that young blacks have with successful adults and/or employers, such as mentoring programs for adolescents (Wiener and Mincy, 1992) and various employer-school linkages, should also be further explored. In particular, the proposals for youth apprenticeships which are currently popular among some (especially in the Clinton administration) might be cost-effective ways of improving both early access to employers and skills for young blacks.

While stressing the importance of helping black labor adjust to shifts in demand over the long-term, the need to raise employment of young urban blacks more immediately will still require efforts to directly raise the labor demand facing these groups in the short-term. For instance, some direct job creation will still be necessary for those whom employers will refuse to hire even at minimum wages. This can only be done through subsidized employment in the private sector or through direct public sector employment. The former is preferable in that it is

²⁰Indeed, the tighter labor markets for youth that have been caused by the "Baby Bust" (except for the current recession) and the high rates of return to education facing both whites and blacks should both contribute to some improvements over time in the relative education levels, earnings and employment of the latter, even in the absence of policy changes.

generally less costly and provides more useful experience and skill acquisition for the employee. But these subsidies often fail to interest employers when targetted too closely on those who are stigmatized as being less-skilled (Burtless, 1985; Hollenbeck and Willke, 1991). Some degree of direct public sector employment might therefore be unavoidable.

Finally, the attractiveness of wages offered (relative to reservation wages) on currently available jobs might be enhanced through continued expansion of the Earned Income Tax Credit or through more direct employee wage subsidies. The amounts that would be needed to make such work competitive with illegal sector work might be quite large, especially for many of those participating in the drug trade (Freeman, 1992; Reuter et. al., 1990). But there appears to be enough variance in the perceived or obtained rewards to illegal activity that at least some participants might be lured back through moderately improved wages; and, once again, the appearance of fairly sizable labor supply elasticities for young blacks implies at least some potential success for such a strategy.

V. Implications for Research

Given the great deal of uncertainty which remains over how to interpret many of the results described above, it seems that two directions for further research are particularly warranted: 1) Clearer evidence on the demand side of the labor market, especially regarding employer skill needs, racial attitudes, and locational decisions in major metropolitan areas; and 2) Clearer evidence from

the supply side on worker efforts (or lack thereof) to adjust to demand shifts in terms of skill acquisition, geographic mobility, etc. The attractiveness of various jobs and job attributes as well as illegal activity also need to be better understood.

Better data on employers would give us a clearer sense of exactly where newly available jobs are located, and the numbers of these jobs to which young blacks might actually have some access - either today or after a variety of potential policy interventions in the future. The relative magnitudes of and interactions between employer racial attitudes and perceptions, hiring practices, locational choices and the like clearly need exploring. Of course, gauging employer attitudes on racial matters is particularly difficult, though not impossible in certain contexts.

The data needed regarding workers must focus more on perceptions of the legal and illegal labor markets, as well as on activities in the process of gaining skills and employment. Longitudinal data would certainly be useful here, so as to enable us to study dynamics of participation in both legal and illegal sectors (as well as to deal with statistical problems, such as unobserved characteristics of workers). But short of this, even well-conceived cross-sections can still be quite useful.

Furthermore, the interaction of these supply and demand forces can be studied across geographic areas. Gauging responses from employers about their perceptions of job applicants and hired workers, as well as from workers about employers to whom they have applied or for whom they have worked, also would enable us to

understand more about this interaction.²¹

Finally, we clearly need more direct programmatic evidence on the relative costs and effective of newly proposed interventions, such as the transportation and placement strategies described by Hughes and Sternberg (1992), or new approaches to education reform and training that are being investigated in a variety of contexts.

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²¹In fact, the strategy described here is the basis of the Multi-City Study of Urban Inequality, funded by the Ford and Russell Sage Foundations, in which household and employer data are being collected for comparative analysis in Detroit, Los Angeles, Boston and Atlanta. Other efforts along these lines are to be encouraged as well.

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Northung Young Block More

Chapter One

INTRODUCTION

Ronald B. Mincy

Recently, I sat in an audience with other black men, wondering whether to accept or reject the speaker's analogy between us and cockroaches. "Despite being generally despised and struggling for survival, with many advances and setbacks," the speaker asserted, "black men, like cockroaches, seem to be indestructible." Were the speaker not himself a black man, I would have been insulted. Though the mental picture of a cockroach was repulsive. I, and perhaps others in the audience, could not easily dismiss this bittersweet analogy. For a moment, I allowed myself to feel the attack, from all sides, under which black men in America often labor. I also felt the sense of loss, which I imagined a cockroach must feel from repeatedly seeing members of his own kindespecially the young ones—crushed in one way or another. Finally, I was attracted by the cockroach's penchant for survival, for, like the cockroach, I fully intend to keep coming back. But what about the others, especially the young ones? That thought snapped me out of it. I laughed nervously, with others in the audience, then gave my attention to the rest of the speaker's comments.

Advocates, researchers, policymakers, and journalists—hoping to stimulate public and private action—are producing reams of reports on the many signs of distress among black males. Most writing focuses on young black males from poor, high-risk families and communities. This documentation is needed, and the conclusion drawn by some—that black males are becoming an endangered species—has some merit (Gibbs 1988; Staples 1991). However, observers tend to ignore evidence of progress to date and the potential for even greater progress in the future. Rather than stimulating action to help young black males from high-risk backgrounds, research and advocacy that focus on the negative may encourage public and private apathy or, worse,

increase the pressure for criminal justice solutions to the public safety concerns created by black males.

To decrease the substantial developmental risks many young black men face due to high rates of poverty, nonmarriage, and dysfunction among their parents and neighbors, these risk markers must be eliminated or substantially reduced. A decline in the demand for lowskilled workers and housing segregation are at the root of much of the family and neighborhood dysfunction. We could wait and do_ nothing about the crisis indicators among black males until we resolved these stubborn and complex problems. But we have not chosen to wait. Instead, in the name of public safety our society has chosen to spend billions annually to incarcerate young black males who succumb to the risk markers. Even though this is a policy by default, it is suspect unless we balance our concern for public safety with a concern for the developmental needs of young black males. To do this we must provide services to help parents, especially single mothers, nurture their boys into manhood in high-risk neighborhoods, and offer services for boys who have to make it on their own because parents cannot or will not help them. But what kinds of services do black males 10 to 15 years old need? What kinds of agencies (public or private) now deliver or could deliver these services? What are or could be the sources of funding for these services? If there are gaps in the quantity or quality of services, how could those gaps be filled? This volume is organized around these questions.

WHY FOCUS ON YOUNG BLACK MALES?

Although some issues and programs discussed in this book apply to at-risk youth more generally, the contributors make every effort to focus on young black males. We do this to offer alternatives to the punitive public policies that disproportionately affect young black (and Latino) men.

The public response to suicides, pregnancies, prostitution, and drug and alcohol abuse among troubled youth (regardless of race) ranges from indifference to empathy. In extreme cases, we handle self-destructive youth problems privately, by placing youths in private juvenile facilities. But among some black male youths, behavior goes beyond the self-destructive to the victimization of other people through theft, violent crime, and drug trafficking. The public's response to this sort of behavior, which statistically occurs more

among young black men than young white men, is more punitive than its response to at-risk youth generally. Custody rates in the last decade rose by 31 percent in public juvenile facilities (which, unlike private facilities, house persons convicted of crimes), where the typical inmate was a black or Latino male from a poor family (U.S. Department of Justice 1992).

These and other data suggest that there are systemic problems in the development of young black males. We can respond to these problems through several policy strategies. One method, used during most of the 1980s, is to ignore the crisis data while treating individual black males in fragmented social service systems, depending on the part of the bureaucracy corresponding to their main problem (e.g., mental health, general assistance, criminal justice, and so on). The high incarceration rates of black males are a result of this kind of default strategy. Another strategy is to target young black males for prevention, treatment, or remediation services to help them avoid or recover from particular problems. Federal agencies such as the Substance Abuse and Mental Health Services Administration and the Office of Juvenile Justice Delinquency Programs are currently pursuing this strategy. A third strategy, offered by the contributors to this book, is to develop strategies that nurture high-risk adolescent black males so that they develop the competencies needed for adulthood.

Without more information about the developmental needs of black males and the available structures to meet these needs, our society will continue to ignore the systemic problems and choose the first strategy above. This book provides a base of knowledge on which policymakers, practitioners, and policy analysts might begin to build public and private strategies that ultimately will be more humane and more effective.

To formulate strategies to help black males between 10 and 15 years old make successful transitions to adulthood, we need a sober assessment of the status of young adolescent black males. Below I attempt to identify the segment of the young black male population that one can reasonably argue is in crisis. These are the youth most in need of the services offered by the programs discussed in this volume. I do this by briefly describing what these programs are up against, i.e., the educational, labor market, criminal justice, and health dimensions of the crisis. I then draw on recent research to speculate on the causes of the crisis, concluding that program effectiveness depends critically on improvements in underlying family, economic, social, and neighborhood conditions. Despite the book's

10

Table 1.1 EDUCATIONAL ATTAINMENT BY PERCENTAGE, 1989

Age/Race	4 Years High School or Less	High School Graduate	High School Grad. or More	Some College	College Grad. or Higher
White Males					
18-24	24	42	76	28	, 7
25-34	14	40	86	20	26
Black Males				*	•
18-24	32	45	68	20	. 3
25-34	20	46	80	22	12

Source: Author's calculations based on U.S. Bureau of the Census (1991), table 6.

focus on black males between 10 and 15 years old, I also look at older teenagers and young adults. These older cohorts are important because they are the lathers of these younger adolescents, and parental socioeconomic status is an important determinant of the schooling, employment, and delinquency outcomes of youth. My purpose here is not to contribute to the litany of negative statistics on young black males, but to provide a context for youth development programs serving young black males. Finally, I provide a "road map" to the remainder of the volume.

Which Black Males are in Crisis?

Given what we know about the determinants of education and its effects on employment status, earnings, and delinquency, young black men do reasonably well. In 1989, 80 percent of black men between 25 and 34 years old had completed four years of high school or more (table 1.1). Hauser (1992) estimated that about 43 percent of black males who had just completed high school enrolled in college the following semester. Throughout the 1970s and most of the 1980s, fewer white men would have graduated from high school and enrolled in college if they had had the same socioeconomic characteristics as black men (Hauser 1992; Clark 1992).

Gaps in academic attainment account for much of the gap between the employment and earnings of black and white men. In 1989, 76 percent of black men between 25 and 34 years old were employed, compared with 90 percent of white men (table 1.2). Black men earned 73 percent as much as white men in this age group (table 1.3). However, employment and earnings gaps generally decreased with the educational attainment of blacks. Thus, the employment rate of black

Table 1.2 EMPLOYMENT/POPULATION RATIO, 1989

Age/Race	Total	4 Years High School or Less	High School Graduate	Some College	College Grad or Higher
White Males					
18-24	0.73	0.67	0.79	0.68	0.81
25-34	0.90	0.80	0.90	0.92	0.93
Black Males					
18-24	0.56	0.32	0.67	0.62	0.94
25-34	.0.76	0.56	0.75	0.88	0.90

Source: U.S. Bureau of the Census (1991), table 6.

Table 1.3 BLACK/WHITE MEAN EARNINGS RATIO, 1989

Age/Employment Status	Total	4 Years High School or Less	High School Graduate	Some College	College Grad or Higher
18-24 Year Olds	***************************************				
All Earners	0.79	0.64	0.79	0.84	N/A
Full-Time/	0.87	N/A	0.96	0.76	N/A
Full-Year					
25-34 Year Olds				•	
All Earners	0.73	0.68	0.77	0.85	0.79
Full-Time/	0.80	0.86	0.81	0.95	0.80
Full-Year		i			

Source: Author's calculations based on U.S. Bureau of the Census (1991), table 6.

male college graduates between 25 and 34 years old was 90 percent, compared with 93 percent among whites in the same age group (table 1.2). Of those black male college graduates who had earnings, 77 percent worked full-time and full-year (table 1.4) and earned 80 percent of the amount that their white male counterparts earned (table 1.3). Black-white employment and earnings gaps are higher for males who never went to college. Nonetheless, 75 percent of black men between the ages of 25 and 34 who completed high school worked in 1989 (table 1.2), and those who worked full-time and full-year (68 percent of those with earnings—see table 1.4) earned 81 percent as much as their white counterparts (table 1.3).

These basic employment and earnings data suggest that no crisis exists for the vast majority of young black men. However, current trends and future prospects do not recommend complacency. Although the rate of high school completion among blacks was within a few percentage points of the corresponding figure for whites, the college entry rates of black males have fallen compared with whites

Table 1.4 PERCENTAGE OF EARNERS WORKING FULL-TIME, FULL-YEAR, 1989

Age/Race	Total	4 Years High School or Less	High School Graduate	Some College	College Grad. or Higher
White Males			1 :		
18-24	39	33	48	29	43
25-34	76	65	75 ·	77	83
Black Males	*	The second second		*	
18-24	36	26	40	36	45
25-34	64	50	68	61	77

Source: U.S. Bureau of the Census (1991), table 9.

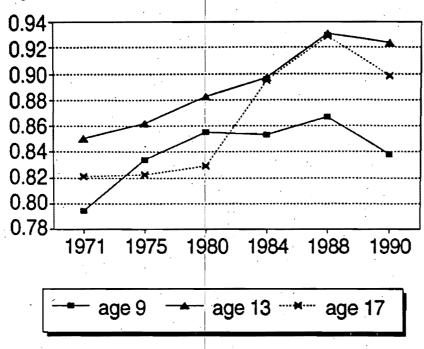
since the late 1970s. During the 1980s, college enrollment rates among black men (and women) declined, while enrollment rates of white men (and women) rose (Hauser 1992). By 1988, the college enrollment rates of black males were about 20 percentage points lower than those of white males. Unfortunately, college enrollment rates of black males were declining while employers were offering higher wage premiums to (black and white) workers with some college training. Finally, employment and earnings of black high school graduates also declined in the 1980s.

These trends suggest growing racial gaps in employment and earnings. They also suggest that growing numbers of black high school graduates could become stuck in low-wage jobs. Some might supplement their earnings with income through drug sales and, therefore, expose themselves to the violence and incarceration associated with drug selling (Fagan 1992; Reuter, MacCoun, and Murphy 1990). Therefore, some of the black males between 10 and 15 years old who are likely to graduate from high school in the next three to eight years could be counted among the population in crisis.

For young black men who have not completed high school, the picture is much more bleak. Only 56 percent of black male high school dropouts between 25 and 34 years old worked in 1989, and less than a third of those who were between 18 and 24 years old worked (table 1.2). Black men between 25 and 34 years old who worked full-time and full-year earned 86 percent of their white counterparts. However, only about half of the older cohort and just over a quarter of the younger cohort worked full-time and full-year.

This evidence gives us a more conservative estimate of the size of the population "in crisis," and tells us what we would like future cohorts to avoid. Clearly, young black males who are at risk of becoming high school dropouts should be the major focus of crisis interven-

Figure 1.1 RATIO OF BLACK TO WHITE READING PROFICIENCY SCORES

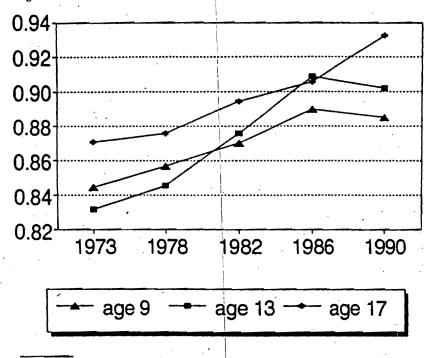


Source: U.S. Department of Education (1992).

tion. Unfortunately, this at-risk population is large. In 1986, 57 percent of blacks between 10 and 15 years old were two or more years behind their grade level. Though grade retention data are not available by race and sex, rates of grade retention for all races are generally higher for boys than girls (Resnick et al. 1992). Such grade retention often precedes dropping out, which is highly correlated with the employment and earnings difficulties just reviewed and with other social problems.

Even among young blacks who remain in school, improvements in basic skills are weakening. For example, figure 1.1 shows that after rising consistently since the early 1970s, the ratio of black to white reading proficiency scores has declined in recent years. Figures 1.2 and 1.3 show that the same is true of basic math and writing proficiency scores, except for the math proficiency scores of 17-year-old students and the writing proficiency scores of fouth graders. These recent declines in achievement are worrisome because of the increas-

Figure 1.2 RATIO OF BLACK TO WHITE MATH PROFICIENCY SCORES



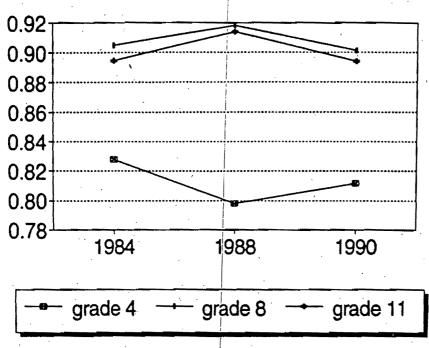
Source: U.S. Department of Education (1992).

ing relationship between academic achievement and earnings. Recent increases in the black-white earnings gap may have occurred because the black-white achievement gap was not closing fast enough to overcome increases in skill-based wage premiums (Bound and Freeman 1990; Ferguson 1992).

Now as in the past, poor labor market prospects for less skilled workers are correlated with increases in criminal activity. Hagedorn (1988) points out that the Great Depression prolonged delinquent behavior and gang membership, and increased criminal involvement among white immigrant youth and young adults in the 1930s. In a similar way, declines in the demand for low-skilled workers also prolonged participation in these activities among white, black, Chicano, and Puerto Rican teenage and young adult males in the 1980s (Williams and Kornblum 1985; Anderson 1991; Bourgois 1991; Hagedorn 1988; Jarret 1990; Taylor 1990; Fagan 1992).

However, changes in drug use patterns and criminal justice policies





Source: U.S. Department of Education (1992).

have exacerbated the effects of poor job prospects on young black males. The introduction into the mid-1980s' urban drug markets of crack cocaine—an inexpensive and highly addictive drug—could have caused an increase in crime among jobless or low-earning men. On the other hand, drug use and crime might be joint activities that merely fill a void in the lives of young men idled by the dearth of high paying employment (McFate 1989). Whatever the reason for the increase in crime, changes in criminal justice policies have had an independent effect on incarceration rates. Despite fluctuating crime rates since the 1970s, incarceration rates have risen steadily. And criminologists expect that if new guidelines associated with Bush's War on Drugs are implemented, they will result in a 119 percent increase in the prison population between 1987 and 1997. The typical prisoner drawn into the system through these policies is a young, poorly educated, minority male (Mauer 1991).

Because of these trends, incarceration rates among young black

Table 1.5 PERCENT CHANGE BETWEEN 1980 AND 1990 IN JUVENILE ARREST RATES FOR CRIMES RELATED TO VIOLENCE (ARREST RATE PER 100,000 FOR THE AGE GROUP 10-17)

Offense	Whites	Blacks	Black/White Ratio
Violent Crime Total	43.8	19.2	0.44
Murder	47.4	145.0	3.06
Forcible Rape	85.9	8.5	0.10
Robbery	12.3	- 15.6	-1.27
Aggravated Assault	59.2	88.9	1.50
Weapons Violations	57.6	102.9	1.79
Drug Abuse Total	-47.6	158.6	- 3.33
Heroin/Cocaine	251.1	2,372.9	9.45
Marijuana -	-66.7	- 47.5	0.71
Synthetic	- 34.1	144.7	-4.24
Non-Narcotic	- 34.6	223.3	-6.45

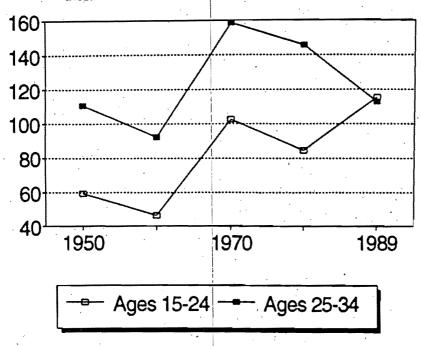
Source: Federal Bureau of Investigation (1991), table 5.1.

males have become scandalously high. A rough estimate by Freeman (1992) suggests that in 1988, 41 percent of black male high school dropouts who were between 18 and 24 years old were in prison, on parole, or on probation. Freeman estimates that in that same year, more than 75 percent of black male high school dropouts between 25 and 34 years old were in prison, on parole, or on probation. Studies focusing on major metropolitan areas such as Baltimore, Washington, D.C., and San Francisco also show that 30 to 60 percent of young adult black males are involved in the criminal justice system (Fry and Schiraldi 1992; Miller 1992a and 1992b; Reuter, MacCoun and Murphy 1990). Thus, in 1988 nearly half a million black men were in America's prisons and jails at a cost of almost \$7 billion (roughly \$14,000 per man) per year (Edna McConnell Clark Foundation 1992).

Drug abuse and drug-related crimes are also taking their toll on younger black males. Between 1980 and 1990, black juvenile arrest rates for drug abuse rose by 158.6 percent (table 1.5). The fact that arrests of black juveniles for heroin or cocaine abuse grew by 2,373 percent shows the importance of crack cocaine in the recent upsurge of juvenile arrests for drug-related offenses. While arrests of black juveniles for heroin and cocaine grew ten times as fast as arrests of white juveniles for abuse of these drugs between 1980 and 1990, arrests of whites juveniles for abuse of all other drugs were falling.

Besides arrests for drug abuse, arrests of black juveniles for crimes

Figure 1.4 DEATH RATES FOR BLACK MALES BY HOMICIDE AND LEGAL INTERVENTION*



a. Number of deaths per 100,000 resident population. Source: National Center for Health Statistics (1992).

associated with drug selling also have grown rapidly. Thus, between 1980 and 1990, arrest rates of black juveniles charged with weapons violations grew by 102 percent. Arrest rates for murder and aggravated assault grew by 145 and 89 percent, respectively.

Young black males are also the most common victims of drugrelated violence. Between 1950 and 1980, death rates due to homicide and legal intervention (death at the hands of law enforcement officials) for black males between 15 and 24 years old were at least 50 percent lower than corresponding rates for black males between 25 and 34 years old (figure 1.4). This gap closed in the last decade because the rate for the younger cohort grew by 27 percent, while the rate for the older cohort fell by 29 percent. At the end of the decade, death rates due to homicide or legal intervention for black males were eight to nine times the corresponding rates for white males in the same age groups.

Finally, prostitution and increases in the human sex drive associated with the sale and abuse of crack cocaine may be responsible for reversing favorable trends in the incidence of sexually transmitted diseases (STDs) among blacks. Growth in the prevalence of syphilis is a prime example. The incidence of syphilis declined sharply among whites and blacks between 1981 and 1985. Because of changes in sexual practices of white male homosexuals and bisexuals, these declines continued among whites between 1985 and 1989. But during the same period, the incidence of syphilis rose by over 40 percent among black males between 15 and 19 years old, by over 80 percent among black males between 20 and 24 years old, and by over 50 percent among black males between 25 and 29 years old (Rolfs and Nakashima 1990).2 Increases in the incidence of syphilis and other STDs foreshadow high rates of mortality as today's black male teenagers mature (Cates 1991). Deaths due to HIV infection have already begun to rise among older cohorts. Thus, between 1987 and 1989. mortality rates due to HIV infection among black males between 25 and 34 years old increased 46 percent, from 52 per 100,000 to 75.9 per 100,000 (National Center for Health Statistics 1992).

Explaining the Crisis Indicators

What can explain the confluence of crisis indicators among young black males? Most black male adolescents who grow up in inner cities complete high school and avoid crime, substance abuse, and other problems: Individual personality traits help to explain why some young black males make harmful choices. However, there is a growing consensus that there are common antecedents to youth problem behavior and outcomes (regardless of race) such as delinquency, school failure, substance abuse, and early sexual activity. The most important antecedents are poverty, family dysfunction, and residence in a neighborhood with concentrations of families also experiencing poverty, family dysfunction, and other social problems (Bronfrenbrenner 1979; Resnick et al. 1992).

Black children are more likely to be raised in poor, single parent households than children of other race and ethnic groups (Johnson et al. 1991). In 1991, 45.9 percent of black children were poor compared with 16.1 percent of white children and 39.8 percent of Hispanic children (U.S. Bureau of the Census 1992b). In the same year, 54 percent of black children were in mother-only households, compared with 16.5 percent of white children and 26.6 percent of Hispanic children (U.S. Bureau of the Census 1992a).

Poverty and family structure pose challenges to the development of black children, especially males. Parents of poor children are more likely to experience stressful events (such as illness, housing problems, and the death of friends or family members), and poverty diminishes their ability to respond positively. Maternal depression and mental illness are more likely to occur among poor mothers, and poor maternal mental health status contributes to a higher incidence of infants with low birth weights (Parker, Greer, and Zuckerman 1988; McLoyd 1989). In turn, children with low birthweights are at greater risk for death in infancy, neurodevelopmental disabilities (such as cerebral palsy and seizure disorders), and other developmental problems that predict school failure (Institute of Medicine 1985). Poor children are also more likely to experience physical and emotional problems, and in adolescence are more likely to exhibit behavior problems (Dryfoos 1990).

Family members can inhibit the healthy development of youth because of what they do or fail to do Families that engage in domestic violence, substance abuse, and child abuse and neglect create harmful environments for youth development (Resnick et al. 1992). These signs of dysfunction are high among black families in poverty (Ards 1989). Even without these signs of family dysfunction, parents who fail to support their children or who are uninvolved in their children's lives also inhibit youth development.

Children from single-parent households are more likely than other children to experience behavior problems and to drop out of high school. They are less likely than other children to enroll in or graduate from college. Recent studies show that boys are at greater risk when they are raised in single-parent households (Dryfoos 1990; McLanahan and Sandefur, forthcoming). In particular, verbal and physical abuse of toddlers by inner-city teenage mothers and liberal parental supervision of boys in female-headed families may predispose young black males to violent behavior, association with negative street peer groups, and disciplinary problems in school (Sampson 1987; Anderson 1993).

While several factors have adversely affected black family income, structure, and functioning, declines in the demand for low-skilled workers and persistent housing segregation surely play dominant roles. Since the mid-1970s, declines in the demand for low-skilled labor have undermined the economic status of black fathers and mothers who lack college training. The major factors responsible for this decline in demand are shifts in the industrial composition of U.S. output, increasing international trade, a decline in the minimum

wage, and a decline in union representation and power in wage negotiations. Besides contributing to the decline in black family incomes, these economic changes have undermined the position of working-class males in black communities, individuals who once served as important socializing agents, especially for boys and young men (Anderson 1990). In some low-income black communities, drug gangs and street hustlers have now become the role models that children emulate (Taylor 1990).

Although economic changes have increased poverty among black adults, housing segregation concentrates this poverty, together with its related social problems, in black neighborhoods (Massey 1990). Blacks concentrate in large metropolitan areas, and low-income blacks concentrate in the poorest and most socially distressed neighborhoods in these areas. For reasons that are not clear, low-income whites tend to avoid these areas (Mincy, forthcoming, a). This compounds the adverse effects of low family income on black children with the adverse effects of neighborhood poverty and distress. About 6 percent of all black males between 5 and 14 years old live in under class neighborhoods and 18 percent live in extreme poverty neighborhoods. These data provide other measures of the size of the "in crisis" population. An extreme poverty area is a census tract in which 40 percent or more of the population is poor. An under class area is a census tract in which the fraction of adults detached from the labor force (or with barriers to labor force attachment) exceeds the national average. Significant barriers include being a high school dropout, a household head receiving public assistance, or a female head of household with children (see Mincy and Wiener, forthcoming). Thus, members of the "under class" are identified by types of behavior, not only extreme poverty! I use two words rather than the more typical "underclass" (one word) usage to emphasize the behavioral aspect, just as "middle class" and "lower class" conjure up types of labor force activity, not just income.

Concentrations of poor and nonworking people create additional ecological challenges to the development of black children. For example, under class areas are responsible for a disproportionate share of all foster care placements in Manhattan (Ards and Mincy 1991). Similarly, under class areas had the highest incidence of child mortality and morbidity due to AIDS (Mincy and Hendrickson 1988). In 1980, under class and extreme poverty neighborhoods in Cleveland and Washington, D.C., had higher rates of drug arrests and violent crimes than other neighborhoods in those cities. Between 1980 and

1988, these rates grew most rapidly in extreme poverty neighborhoods in these metropolitan areas (Wiener and Mincy 1991).

Though the quantitative evidence is mixed, qualitative evidence suggests that youths in neighborhoods with high rates of social problems are likely to imitate negative role models or associate with peers involved in delinquency, sexual activity, and substance abuse (Hagedorn 1988; Anderson 1989, 1990; Jarret 1990; Taylor 1990). Peers, family members, gang members, and neighborhood residents involved in drug selling are often the most important role models and caregivers for black boys in extreme poverty and under class neighborhoods. These role models and caregivers sometimes encourage black boys to join them in their drug-selling activities as lookouts or carriers (Bing 1991).

The street culture that develops among black males in racially and economically segregated neighborhoods can also have adverse long-term consequences. Through this culture, black boys learn habits of dress, language, demeanor, and interpersonal skills that run counter to the expectations of teachers, school administrators, and employers (Majors and Billson 1992; Anderson 1990). In school these habits contribute to lack of engagement, poor grades, grade retention, dropping out, and disciplinary problems (Fordham and Ogbu 1986). In the labor market, these habits—compounded by poor math, reading, and writing skills—contribute to joblessness and low wages (Kirschenman and Neckerman 1991; Kirschenman 1991).

Some studies also point to the fear felt by black youth and parents living in neighborhoods where crime and violence are pervasive (Case and Katz 1990; Freeman 1992; Joint Center for Political and Economic Studies 1992). Boys who witness acts of violence or have a friend or relative who falls victim to violence are likely to experience trauma by such experiences. As a result, they anticipate a short life, which makes long-term investment in school, job skills, or health promotion seem trivial. They may become desensitized to violence or be motivated to arm themselves for protection (Brownstein et al. 1990). Both responses increase the number of young black men in crisis.

The Book

This volume provides an overview of youth development programs that help families nurture young black males from high-risk environ-

ments. Contributors come from diverse academic and professional backgrounds including economics, youth policy analysis, adolescent development, public welfare administration, and practice in the voluntary youth-service sector. The authors here focus on boys between 10 and 15 years old, because prevention is a cost-effective way to secure healthy development for all children and early adolescence is a neglected intervention point, especially for black males. For brevity, we call the programs under discussion YDBM programs, standing for Youth Development Programs Serving Young Black Males. Beyond the programs themselves, we focus on the boys and on the private financing arrangements and public youth policies that support the programs.

First, Courtland Lee discusses the goals of adolescent development generally, and the peculiar challenges that face young black males in the development process. He also examines the implications of these issues for social policy and program development. Next, Karen Pittman and Shepherd Zeldin call for a shift in thinking away from problem reduction toward youth development. They define youth development, review the supports needed to promote it, and emphasize the role of community-based organizations in providing these

supports.

Following these two chapters on the services needed by black males between 10 and 15 years old, three contributors assess publicly and privately funded responses to these services needs. Ronald Ferguson provides an overview of programs that serve young black males. Agencies in the black community sponsor most of the programs in Ferguson's sample, and an Afrocentric world view is at the core of a subset of these programs. Morris Jeff then explains the basic principles underlying the Afrocentric world view and the reasons why some members of the black and white communities have been reluctant to accept this view. He illustrates how this world view is applied to youth development programming by drawing on his own personal experience with the Louis Armstrong Manhood Development Program in New Orleans. A large and well-developed youth service sector in this country possesses resources and experience that dwarf what is available in the black community. Black community efforts to help their own youth are a recent phenomenon whose effectiveness is constrained by the limited resources of these communities. Jane Quinn explains the history and structure of the youth service sector and the extent to which this sector is reaching young black males. While it is difficult to determine how many young black men are served. Quinn concludes that the number could be larger.







She urges the mainline youth-serving organizations to expand their YDBM programs, and she identifies several obstacles to such expansion.

These discussions of programmatic responses focus on programs and sponsoring agencies, with two notable omissions: black churches and public schools. The black church is among the most stable institutions in the black community, so it is natural to assume that it is a major sponsor of YDBM programs. Several of the programs in Ferguson's sample used the facilities of black churches. However, we cannot be sure if these programs were operated or supported by the church in any other way, and to date, no overview of black church-based YDBM programs has been conducted. We also know that a recent study found that only a quarter of black churches surveyed in the Northeast and North Central regions of the country offered youth programs of any kind (Rubin, Billingsley, and Caldwell, forth-coming). Therefore, it is unlikely that our omission of programs sponsored by black churches results in a serious gap in either the quantitative or qualitative assessment of available YDBM programs.

The exclusion of public schools was more deliberate. Most black males between the ages of 10 and 15 spend a significant portion of each weekday in the public schools. Public schools not only provide an opportunity for young black males to get basic skills, but also provide a rare opportunity for those who live in high-risk neighborhoods to interact with persons of different races and socioeconomic backgrounds. Thus, public schools have enormous potential to promote the development of young black males.

Unfortunately, complaints about the adverse effects of public schools on black children, especially males, are many. A recent survey by Kozol (1991) details the deplorable conditions of the segregated public schools many black children attend in urban areas. There are also complaints about particular public school policies that adversely affect low-income, minority children. For example, homogenous ability-tracking segregates students by race and class in integrated schools and adversely affects students' "academic achievement, extracurricular participation, self concept, peer relationships, career aspirations, and motivation" (Irvine 1991, p. 4). Arbitrary disciplinary practices discriminate against black students. especially males, resulting in suspensions and expulsions that remove and alienate them from the classroom. These and other failings of public schools with respect to poor and minority children are the subjects of legislative and programmatic reforms, which are beyond the scope of this book.5

Together, the programs reviewed by Ferguson, Jeff, and Quinn

suggest a variety of nonpunitive ways to compensate for the ecological barriers to healthy development faced by many young black males. While there is no magic bullet, these programs provide a structure that policymakers, youth development practitioners, and private and corporate philanthropies can test, revise, and gradually improve. Though some of the keys to successful strategies are clear, significant challenges to progress remain.

In the final part of this volume, contributors assess the most important challenges affecting youth-social policy and funding. Andrew Hahn discusses how policy changes needed to increase public support of programs for young adolescents, including young black males. might occur. Hahn's view of social policy affecting young black males is pragmatic, covering several instruments available to policymakers to effect change. While he recommends that the United States develop a deliberate policy to help young adolescents make successful transitions to adulthood, how that policy should be targeted, the kinds of services it should support, and the methods for evaluating the effectiveness of those services are open questions. Susan Wiener (see Appendix A) shows how little funding is available for YDBM and other youth programs and discusses dramatic disparities among youth-serving agencies in access to existing funding sources. The agencies most likely to serve youth in high-risk environments rely primarily on meager public funding. This reliance limits the quantity and quality of youth services available to young black males. She makes several recommendations for changing the way youth-serving agencies seek private funding and the ways private sources provide such funding, and suggests that policy changes will be needed to increase public funding for young black youths.

In the concluding chapter, I draw on the work of the contributors to make recommendations to public and private agencies at national and local levels that wish to expand YDBM programs. This discussion is based on the original research of Richard Majors of the University of Wisconsin at Eau Claire, who has followed the evolution of national minority research and advocacy groups addressing the needs of black males in America. I end with a review of existing, pending, and proposed legislation that provides a framework for the national youth development policy recommended by several of the authors here.

Given the crisis indicators for young black males who have been the main focus of research to date, we can understand the handwringing response of most people who witness the troubled outcomes of young black males in high-risk environments. It is hoped that this book will inform and inspire concerned observers, so that they may put their wringing hands to work.

Notes

- 1. Employment among white high school dropouts was not much higher. Only 65 percent of white high school dropouts between 25 and 34 years old worked full-time and full-year. About a third of white male high school dropouts between 18 and 24 years old worked full-time and full-year.
- 2. The growth in the incidence of syphilis was even higher among black women between 1985 and 1989.
- 3. The unemployment and poverty experienced by black men may also contribute to their low marriage rates or their inability and unwillingness to play more active and supportive parenting roles. Unfortunately studies attempting to relate unemployment and poverty to the mental health, marital status, and parenting skills of black fathers are yet to be conducted.
- 4. See Mayer and Jencks (1989) and Mincy (forthcoming. b) for recent reviews of the literature on neighborhood effects.
- 5. See Comer (1992) and the Commission on Chapter 1 (1992) for discussions of needed reforms.

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