

Tenuous Trickle-Down

By **GLENN C. LOURY (NYT)** 557 words

Published: May 29, 1999

Certainly it is good news that the benefits of a vigorous economy have started to trickle down toward young black men in the inner cities. According to a recent study by the economists Richard Freeman and William Rodgers, even black males ages 16 to 24 are working more often, earning better wages and committing fewer crimes than was the case during the recession of the early 1990's.

But before concluding that a booming economy has succeeded where government job training and affirmative action programs have failed, we should recall some elementary facts of economic history.

We have been here before. The most recent data, for April 1999, show an unemployment rate of 17.6 percent for black men ages 20 to 24. Believe it or not, this is quite low by historical standards, though the rate for white men of the same age is only 6.2 percent.

Exactly one decade ago, in the boom year of 1989, unemployment among 20- to 24-year-old black men was 17.9 percent, about the same as today. And yet, the onset of the early 1990's recession saw the jobless rate climb steeply for young black men, reaching 24.6 percent during 1992.

There is good reason to think that a similar reversal will happen again once the current expansion ends.

Two laws of economic nature are at work here, neither of which can we safely presume has been repealed. The first holds that, in good times and bad, unemployment among young black men is two to three times as great as it is among whites. The second law is that expansions cannot last forever, and when they end, unemployment rates rise across the board.

The unfortunate reality is that race-based barriers to job access are a seemingly permanent feature of the economy. Sociologists and anthropologists studying labor markets in New York, Chicago and Los Angeles have consistently found young African-Americans to rank behind nonwhite immigrants as well as whites in the urban job queue.

One thing is certain. When Alan Greenspan, the chairman of the Federal Reserve, and his colleagues sit down to gauge whether the risk of renewed inflation requires them to slow an overheating economy, the job prospects of poor urban youth will not weigh heavily in their calculations.

So, with the benefit of a strong economy at hand, now is the time to invest in the education and job skills of the urban poor. And with crime rates at historic lows, we

should look for ways to ratchet down the rates of incarceration that have so severely affected urban black men.

By all means, let's celebrate the fruits of our economic success. And let's keep it going as long as we can. But we would do well to remember that even a fast-rising tide won't lift the sunken boats. The only way to keep them afloat is to do the hard work of rebuilding them.