THE HARD QUESTIONS

Unequalized

By Glenn C. Loury

In February the Council of Economic Advisers issued its *Economic Report of the President*. This annual review of economic trends is read closely by scholars and business analysts for insight about the administration's thinking on such issues as inflation, unemployment, and trade policy. This year's report, however, contained something new—a chapter assessing the extent of income inequality among racial and ethnic groups.

To help inform President Clinton's national conversation on race, the CEA has provided a comprehensive review of racial economic disparity in the United States. For the first time in its 52-year history, the results are

enlightening. To grasp the import of what the CEA has done, consider that the extent of black Americans' economic progress is among the most fiercely contested of empirical issues in the social sciences. Unfortunately, press coverage at the time of the report's release did not do justice to this effort's significance—or to its provocative findings.

While the CEA report acknowledges the dramatic rise in black earnings relative to whites from 1965 to 1975—an accomplishment that is testimony to the success of the early antidiscrimination laws civil rights activists worked

so hard to secure—it goes on to deliver some troubling news. As a growing chorus of economists has been arguing for the last few years, the convergence toward equality between blacks and whites pretty much came to a halt by 1975, well short of parity. And, in the 23 years since then, the incomes of black families have made no substantial increase vis-à-vis those of white families. (The long economic expansion we now enjoy has produced modest gains in just the last few years. But employment for blacks moves up and down with the business cycle at twice the rate for whites, so these gains could easily evaporate with the next recession.) Moreover, the weight of the evidence suggests that black workers continue to do worse than equally skilled whites.

The clear implication of the CEA report is that, even today, inequality between the races is a problem worthy of national attention. Yet, not unlike the situation of a quarter-century ago, these findings challenge conventional wisdom. Back in 1975, it was liberals and civil rights leaders who denounced research resultsbecause they feared that acknowledging racial progress might undermine support for future efforts to improve the economic status of blacks. Today, it is conservatives who dominate the debate about race, and they are the ones playing down findings of persistent inequality. The battle against discrimination has been won, they insist. If not for the problematic behavior of the black underclass and misguided demands for affirmative action by a race-obsessed black middle class, they say, there would be no race problem anymore. Stephan and Abigail Thernstrom's much-discussed book, *America in Black and White: One Nation, Indivisible*, is the most prominent example of this kind of thinking: we should be celebrating progress, not bemoaning the lack thereof.

There is just one problem with this argument, as this year's *Economic Report of the President* makes clear. It's wrong. The poverty rate of blacks, at just under a third, is still more than three times that of whites. In 1997, the median black family had one-tenth as much wealth at its disposal and just three-fifths as much income as the median white family. This familyincome ratio was actually a bit lower in 1997 than it had been in 1967. Contrary to what conservatives claim, the CEA report shows, the growth in the number of single-parent black families explains only one-

fifth of the racial gap in family incomes and poverty rates.

Moreover, in good times and bad, unemployment is twice as high among blacks as among whites, and the inadequate skills of black workers cannot account for all of this disparity. Black male college graduates earned 26 percent less than their white counterparts in 1997. Among men with only a high school diploma, the typical black wage-earner made just 75 cents for each dollar earned by a white counterpart. It is true that differences between black and white women are smaller. But

racial comparisons of women's earnings do not provide a clear picture of the role race plays in the labor market because black and white women who enter the workforce may not be comparable samples from their respective groups. (For example, as an historical matter, black women's attachment to the labor force has been stronger than that of white women.)

Conservatives are quick to point out that these disparities between equally well-educated black and white men overstate the degree of discrimination since not all persons who have attended school for the same number of years are equally productive. It is certainly true that, on average, blacks perform more poorly on reading and math tests than do whites with the same amount of education. But, even when researchers control for scores on standardized tests, black men fare worse in the labor market than comparable whites. A comprehensive study along these lines by the economists Derek Neal and William Johnson, published in the October 1996 issue of the *Journal of Political Economy*, found that young black men during the



early 1990s were earning 7.5 percent less than whites with the comparable test scores.

The question, of course, is not whether racial discrimination still exists. It does, but it is no longer the primary explanation for racial disparities. The problem is the persistent economic inequality among races, which is a complex problem rooted in myriad social and economic factors. One thing is clear, though. While affirmative action itself—and certainly affirmative action by itself—is not the solution to this problem, neither is denying that a problem even exists in the first place. •

Does homeschooling make the grade?

School's out

By Katherine Pfleger

arole Kennedy is a principal at one of the local schools in Columbia, Missouri. But one of the students she says worries her the most isn't even enrolled there. "This boy was in our school in the fourth and fifth grade and had behavior problems. His parents never had an interest in his education. They'd miss parent-teacher conferences. They'd drop him off at concerts and then not pick him up. When he got to middle school, he had attendance problems. His parents got tired of the calls from the attendance office and announced that they were going to pull him out of school and teach him at home." Homeschooling laws vary widely from state to state-some require that parents follow an approved curriculum or bring in their children for annual testing. But, in Missouri, all the boy's parents have to do is file some paperwork. "Now," says Kennedy, "his former friends say he's doing nothing all day.'

Stories like this may not be as rare as we'd like to imagine. Once a relatively limited phenomenon, homeschooling is on the rise. Between 1990 and 1995 the number of children taught at home more than doubled—today it stands at over one million. And, as the popularity of homeschooling continues to increase, so does the likelihood that well-meaning parents who lack the know-how, time, or resources to be effective teachers—or, worse, parents who actually have malign motives for keeping their kids out of school—will deprive their children of needed social skills and a decent education.

Homeschooling used to be the province of the religious right. During the 1980s, Christian conservatives seized on it as a way to insulate their children from what they perceived to be the anti-family culture of public schools. These parents, generally full-time mothers, relied on religious groups to provide them with a curriculum and contacts with other homeschooling families. But, over the past few years, homeschooling has spread well beyond the Christian right; a multitude of Muslim, Jewish, African American, secular, and other homeschooling organizations are popping up across the country. And homeschooling has become an increasingly respected option. Between 1985 and 1997, the percentage of Americans who said they approved of it increased from 16 to 36 percent. Homeschooling, in short, has gone mainstream.

What accounts for the trend? In some cases parents see homeschooling as a remedy for the overcrowded classrooms, cookie-cutter curricula, and indifferent teachers that plague so many public school systems. In other cases parents don't trust the public schools to educate their little geniuses, or perhaps they have a child who has been diagnosed with a learning disability and want to customize his education to meet his needs. Private schooling used to be the solution to many of these problems. But, at just a couple of hundred dollars a year for texts and learning materials, homeschooling is a better bargain.

And, to be sure, homeschooling is not necessarily a prescription for domestic disaster. In fact, there are some stunning success stories. Take Andy of Washington, D.C., who is marching through the fourth-grade curriculum of the Calvert School in Baltimore—one of several reputable correspondence schools that offers graders, transcripts, and diplomas to homeschoolers. Andy is a sweet and highly social kid. He participates in a chess club, arts-and-crafts classes, and group field trips. He has studied the stock market and Latin. He is fascinated by idioms. All this, at seven years old.

But, while homeschooling enthusiasts insist that children taught at home score higher on tests and get into better colleges, a closer look at the research suggests there is little evidence either way. What few studies have been done may be flawed. The most commonly cited study, sponsored by the National Home Education Research Institute, is a case in point. According to that report, the average public school student scores in the 50th percentile on national tests, while the average homeschooler scores in the 80th to 87th percentileregardless of race. That sounds like an open-and-shut case for homeschooling. But Glen Cutlip, an official of the National Education Association, points out that the study averages percentiles from several different tests, comparing the scores of homeschoolers nationwide with those of public school students from only the state of Virginia. In addition, he says, since the homeschoolers were selected by sending out a questionnaire, they constitute a self-selected group, not a representative sample of the entire homeschooling population.

And there's the rub. In order to assess homeschooling's effectiveness, researchers need full access to homeschooled children. Unfortunately, many homeschooling parents—particularly those in the religious right, who are also the most organized group within the movement—are vehemently opposed to any outside Copyright of New Republic is the property of New Republic and its content may not be copied or emailed to multiple sites or posted to a listserv without the copyright holder's express written permission. However, users may print, download, or email articles for individual use.