Race, Wealth and Inequality in America

by Melvin L. Oliver & Thomas M. Shapiro

The following article is excerpted from Black Wealth/White Wealth: A New Perspective on Racial Inequality, by Melvin Oliver, Professor of Sociology at UCLA and Director of their Center for the Study of Urban Poverty, and Thomas Shapiro, Associate Professor of Sociology & Anthropology at Northeastern University. Their 1995 book is published by Routledge ($22.95 hb), to whom we are grateful for reprint permission.

African Americans have not shared equally in the nation’s prosperity. They earn less than whites, and they possess far less wealth, whatever measure one may use. Table 4.4 presents data on income along with median wealth figures. The black-to-white median income ratio has hovered in the mid-50 to mid-60 percentage range for the past twenty years or so. Fluctuations have been relatively minor, and in many ways American society became accustomed to this standard of inequality. In 1988 results from SIPP [the Survey of Income and Program Participation, a Census Bureau instrument introduced in 1984 to track entry into and exit from participation in various government social programs] showed that for every dollar earned by white households black households earned 62 cents.

The median wealth data expose even deeper inequalities. Whites possess nearly twelve times as much median net worth as blacks, or $43,800 versus $3,700. In an even starker contrast, perhaps, the median white household controls $6,999 in net financial assets while the median black household retains no NFA nest egg whatsoever. [As used in the book, Net Worth (NW) is the sum of all assets less debts; Net Financial Assets (NFA) excludes from that figure equity accrued in a home or vehicle.]

---R.H. Tawney, Equality

Table 4.4. Wealth and Race

<table>
<thead>
<tr>
<th>Race</th>
<th>Median Income</th>
<th>Median NW&lt;sup&gt;a&lt;/sup&gt;</th>
<th>Mean NW&lt;sup&gt;b&lt;/sup&gt;</th>
<th>Median NFA&lt;sup&gt;b&lt;/sup&gt;</th>
<th>Mean NFA&lt;sup&gt;b&lt;/sup&gt;</th>
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<td>White</td>
<td>$25,384</td>
<td>$43,800</td>
<td>$95,667</td>
<td>$6,999</td>
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<td>3,700</td>
<td>23,818</td>
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<td>5,209</td>
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<tr>
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<td>0.08</td>
<td>0.25</td>
<td>0.0</td>
<td>0.11</td>
</tr>
</tbody>
</table>

<sup>a</sup>Net worth  
<sup>b</sup>Net financial assets  

Access to Assets

The potential for assets to expand or inhibit choices, horizons and opportunities for children emerged as the most consistent and strongest common theme in our interviews. [In order to supplement their quantitative database, the authors conducted in-depth interviews with a small number of black families in Los Angeles and white families in Boston.] Since parents want to invest in their children, to give them whatever advantages they can, we wondered about the ability of the average American household to expend assets on their children. ... We found a strong relationship between the amounts of wealth and the composition of assets. Households with large amounts of total net worth control wealth portfolios composed mostly of financial assets. Financial investments make up about four-fifths of the assets of the richest households. Conversely, home and vehicle equity represents over 70% of the asset portfolio among the poorest one-fifth of American households, one in three of which possesses zero or negative financial assets.

Table 4.5 reports households with zero or negative net financial assets for various racial, age, education and family groups. It shows that one-quarter of white households, 61% of black households and 54% of Hispanic households are without financial resources. ... 

Besides looking at resource deprivation, Table 4.5 also sets criteria for "precarious-resource" circumstances. Households without enough NFA reserves to survive three months at the poverty line ($2,904) meet these criteria. ... 38% of white households and 79% of black households live in precarious-resource circumstances.

Financial wealth is the buried fault line of the American social system: ... highly concentrated wealth at the top; ... steep resource inequality; the disproportionate asset reserves held by various demographic groups, the precarious economic foundation of middle-class life, and how few financial assets most American households can call upon ... Substituting what is known about income inequality for what is not known about wealth inequality limits, and even biases, our understanding of inequality. A thorough understanding of inequality must therefore pay more attention to resources than has been paid in the past.

Comparing Middle-Class Blacks and Whites

Table 5.1 displays the resources that middle-class whites and blacks command. This table incorporates the three...
ways in which we have previously defined the middle class: first, those earning between $25,000 and $50,000; second, those with college degrees; and third, those working at white-collar jobs, including the self-employed.

... Table 5.1 vividly demonstrates our contention that the black middle class stands on very shaky footing, no matter how one determines middle-class status. Most significant, we believe, is that blacks' claim to middle-class status is based on income and not assets. The net worth middle-class blacks command, ranging from $8,000 for white-collar workers to $17,000 for college graduates, largely represents housing equity, because neither the middle-income earners nor the well educated nor white-collar workers control anything other than petty net financial assets. Without wealth reserves, especially liquid assets, the black middle class depends on income for its standard of living. Without the asset pillar, in particular, income and job security shoulder a greater part of the burden....

Income and Wealth

Theories of wealth accumulation emphasize income as the preeminent factor in wealth differentials. There is a clear relationship between income inequality and wealth accumulation: wealth accretes with increasing income. Since black households earn less than two-thirds as much as the average white household, it only makes sense to ask, to what extent can the gross wealth disparities that we have noted be explained by the well-known income inequality between whites and blacks? Examining blacks' and whites' wealth at similar income levels provides a clear and direct way to respond to this question. Standardizing for income permits us to test whether the black-white disparity in wealth holding emanates from income differences...

Blacks' claim to middle-class status is based on income and not assets.

We standardized SIPP wealth data into four income brackets. Poverty-level households earn $11,611 or less. Moderate-level incomes range from $11,612 to $24,999. Middle-level household incomes fall between $25,000 and $50,000. High-income households bring in over $50,000. These data only represent households headed by those under age sixty-five, because we did not want the age effects noted in Chapter 4 to cloud the relationship between income, wealth and race....

The data [in Table A5.1, not shown here] are very convincing in one simple respect: differences in observed income levels are not nearly sufficient to explain the large racial wealth gap.... The black-to-white wealth ratio comes closest to equality among prosperous households earning $50,000 or more. Even here where the wealth gap is narrowest, however, blacks possess barely one-half (0.52) the median net worth of their high-earning white counterparts. For net financial assets, the mean ratio... ranges from 0.006 to 0.33. The highest earning black households possess 23 cents of median net financial assets for every dollar held by high-income white households. One startling comparison reveals that poverty-level whites control nearly as many mean net financial assets as the highest-earning blacks, $26,683 to $28,310. For those surviving at or below the poverty level, poverty means one thing for whites and another for blacks. The general conclusion to be drawn from these straightforward yet very revealing tabulations is that the long-term life prospects of black households are substantially poorer than those of whites in similar income brackets. This analysis of wealth leaves no doubt regarding the serious misrepresentation of economic disparity that occurs when one relies exclusively on income data. Blacks and whites with equal incomes possess very unequal shares of wealth. More so than income, wealth holding remains very sensitive to the historically sedimenting effects of race....

The Composition of Wealth

Closely scrutinizing the composition of wealth may yield additional insights that help explain why the wealth gap between blacks and whites will increase. Table 5.3 [not shown] portrays the composition and distribution of assets for black and while households who held wealth in 1988. In findings consistent with previous studies, SIPP data show that consumable assets make up 73% of the value of all wealth held by blacks. Conversely, whites invest over one-half (51%) of their aggregate wealth in income-producing assets, in comparison to 28% for blacks. Refining asset categories further to include only liquid financial assets (stocks, mutual funds, bank deposits, IRAs, bonds and income-mortgages), we find that blacks place only 13% of their wealth in direct

(Note turn to page 4)
income-producing assets. In sharp contrast, liquid financial assets account for almost one-third of the total white wealth package. …

The “conspicuous consumption” hypothesis—that lavish spending on cars, clothing and cultural entertainment accounts for blacks’ lack of financial assets—is treated and rejected on pp. 107-108.

**Routes to Wealth and Poverty**

…[R]acial income differences are not nearly sufficient to explain the large racial wealth disparity that exists in America today. Perhaps, then, we would do well to turn to an examination of certain demographic and social factors often said to cause or exacerbate racial inequality, such as education, age, labor market experience, occupation, family status, gender, number of workers in a household, number of children, industrial sector of employment and work stability …

[With regard to education,] [t]hree points merit emphasis here. First, white household income and wealth outdistance blacks’ for similar educational accomplishments. White wealth accumulation at comparable educational levels is five to ten times greater than blacks. Second, increased education abundantly enhances resources for both whites and blacks. Third, even though increased education impressively re­wards blacks, their returns dim in comparison to those of whites. To sum up, more formal schooling raises income and wealth for whites and blacks and narrows income inequality in the process, but improved education simultaneously enhances blacks’ wealth and places them further behind similarly educated whites … [Only the education findings are presented here; Oliver and Shapiro on pp. 111-125 of their book deal with the other social and demographic factors they mention: age, labor market experience, occupation, family status, gender, number of workers in household, number of children, industrial sector of employment and work stability.]

**Race: The Key Variable**

As is clear [from Figure 6.1, not shown], if blacks were more like whites with regard to the pertinent variables, then income parity would be close at hand. The average (mean) racial income difference would be reduced from $11,691 to $5,869. This robust reduction in income inequality is not repeated for wealth. A potent $43,143 difference in net worth remains, even when blacks and whites have had the same human capital and demographic characteristics. Nearly three-quarters (71%) of the difference is left unexplained. A little over three-quarters of the difference in net financial assets is also unaccounted for. Taking the average black household and endowing it with the same income, age, occupational, educational and other attributes as the average white household still leaves a $25,794 racial gap. Clearly, something other than human capital and identifiable important social characteristics is at work here. We cannot help but conclude that factors related to race are central to the racial wealth gap and that something like a racial wealth tax is at work.

The sharp critic could easily respond to these results, however, by pointing out that we have not included in our analysis a central factor that may very well account for a great deal of the unexplained variance, namely marital status. The furor over marital status in relation to the economic condition of black America rages daily. The poor economic fortunes of black families are consistently, in both popular and scholarly discussions, linked to the disproportionate share of black female-headed households. If black households are poor, it is because they are headed by single women who have not made the necessary human capital investments and who have not been active earning members of the labor force.

To demonstrate the relevance of these ideas for wealth, we conducted similar decomposition analyses for black and white married and single households. … For married heads, differences in wealth-related characteristics between whites and blacks explain 25.8% and 23.1% of the net worth and net financial assets wealth differentials. … Our results indicate that even if the barriers and disadvantages blacks face were leveled tomorrow, about three-quarters of the net worth and net financial assets racial wealth differences would remain. In other words, if married blacks shared income, educational, family, occupational, regional and work experience characteristics with whites, they would still confront a deficit of $46,294 in net worth and $27,160 in net financial assets …

**Occupational Mobility and Race**

SIPP data confirm and partially document that wealth is transmitted from one generation to another in two additional ways [ways in addition to assets transfer from one generation to another at various life stages and milestones, and inheritance]. First, they reveal the existence of distinctions between white and black patterns of

(Please turn to page 16)
Reparations for Slavery: Round 4

In three previous issues of P&R (July/August, September/October and November/December 1994), we presented a symposium on the complex and controversial issue of reparations for slavery (if you missed it, send us a SASE and $1.01 postage for a copy). Last July 10, Ray Suarez’ first-rate National Public Radio interview show was devoted to the subject; he invited as guests three of our symposium’s contributors: Temple University sociologist Howard Winant; Kalonji Olusegun, Co-Chair of N’COBRA, the National Coalition of Blacks for Reparations in America, and Sharon Parker, Director of the Union Institute’s Social Responsibility Programs. We offer here an edited transcript of the show (kindly made available to us by NPR), partly to reiterate some of the important moral and material arguments, partly to highlight some of the concerns and problems John/Jane Q. Public— at least the NPR listeners version thereof—raise about the concept.

With the supremely revelatory O.J. Simpson trial outcome being widely interpreted (and justified) as a “payback to whites for centuries of injustices suffered by blacks” (a statement with which 27% of whites and 16% of blacks agree, as reported in a Washington Post survey in their October 8 edition), it is perhaps not unimportant to keep some attention on the full meaning of the concept of reparations.

Howard Winant: I think there are two parts to the issue: there has to be a very substantial redistribution of resources to address the real subsidy slavery provided. It is important to recognize that reverse reparations have been paid for centuries by black people to white people in this country, not only in slavery times but right up until the present. Black people subsidize white people’s employment by absorbing higher levels of unemployment. They subsidize white people’s wages by accepting, reluctantly, very much lower wages for the doing same kind of work, and so on.

So on a material level, the question is, how do you reverse some of those kinds of subsidies, how do you equalize them in the future? I think that means some kind of massive redistribution of wealth and income towards low-income communities, in particular black communities and urban communities.

The practical problem is that we have to do this while not at the same time exacerbating very real racial conflicts and racial tensions which we’re attempting to resolve. And that means looking at who pays, looking at the way this redistribution would be financed. That’s on the material level.

On the moral level, this country absolutely as a nation owes African Americans an apology for one of the most serious violations of human rights that has existed in recorded history, in fact in all history, recorded and unrecorded.

Sharon Parker: Reparations is a topic that needs to come out. We need to use it as a vehicle for dealing with the issue race and racism today. It’s important that this country acknowledge the horrendous wrong that was committed. But my position is also that racism affects all of us. It’s not something that simply affects African Americans. We have not come to terms with racism yet in this country. In fact, today we’re at a place where people would like to see race disappear, where it’s a non-

SP: That goes to the issue of today. What is the legacy of racism we’re living with? We can look around us and see it in budget cuts, we can see it in school systems that aren’t functioning properly, we can see it in health care that operates on a crisis basis to deal with drug abuse overdose, gunshot victims, workers who are illiterate. These are the things that are the legacy. Putting a price on it to me is very difficult, so I look at in terms that this is the time to have a national discussion, a national dialogue about what racial justice really means and why it is important for people to recognize how it impacts all of our institutions, from religious to personal.

KO: And to our international position as well. You don’t take a position against a people and let it stop at your doorstep. You take it out of your yard as well, you take it around your neighborhood. And that’s what has happened to this country.

Listener (Jim, from Grand Rapids): As you know, in this present political climate with one political group apparently resolved to stake its political fortunes on the public’s perception of how well they attack any legislation or programs that tend to favor African Americans, the demand to provide reparations to African Americans for slavery as a whole is ludicrous. I submit to you that the very mention of the subject in the national political forum will only serve as additional ammunition for the Far Right to use to further

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(REPARATIONS: Continued from page 5)

polarize the society—which is a society we all relish and would not like to see eliminated or overturned.

I suggest that we, as African Americans, can use the power that we alone have and can use with validity. We have to take the moral high ground and not only forgive this wretched act, but use our grace and forgiveness as a people to make this society what it should be in the first place. From what I can see, there's no other possible way to solve this. There's no power greater than the power of us as moral people to forgive this act. That takes all the courage and all the seriousness that we have and can provide.

KO: I agree with you. I think one problem with your statement is that before you accept an apology, you first have to have the apology. Otherwise, what you're saying in essence is that you didn't wrong me, it doesn't matter, it didn't happen, that this part of our history was never a part of this country. You can't simply ignore something that has created a situation that exists today.

HW: I'd like to address this issue of whether it will fuel the position of the Far Right, especially given that there's been such a racial backlash in this country over the last few years, over the last few decades since the 60s. There is some real threat of that, and it's something that advocates of reparations—and I'd count myself as one in a qualified way—have to address.

The way to address it is to ask, how would we actually finance the kind of redistribution I'm talking about? If we just did it as a straight payment for social programs or perhaps paying individuals, there would be tremendous resentment, tremendous reaction, opposition and exacerbation of racial conflict. But suppose it were framed differently. Suppose it were framed in terms of a system of finance which the wealthy paid and was not simply drawn from general tax revenues. Say, a wealth tax, based on the fact that black labor has created so much of the capital, so much of the wealth in this country. For example, a very high, loophole-free tax on the transfer of wealth above a certain level at the point of death, above one million dollars or something like that. Or a tax on excess profits.

Ray Suarez: And that wouldn't create resentment?

Many folks were not directly involved in slavery, but they have profited from white skin privilege.

HW: There might be resentment, there's certainly a tremendous anti-tax feeling in this country. But the kind of educational work we could do around that might lead us as a nation to an understanding that black people and white people have some interests in common in this kind of redistribution. That redistributing wealth from the very wealthy to the less wealthy and the very poor, in some cases the urban poor, would have a lot of positive consequences for this nation as a whole, not just for black people, and it wouldn't be coming out of the hide of working white people.

KO: N'COBRA looks upon our demand being made by this government for its complicity, its part in the slave trade and the legalized discrimination. So we try to take it away from the tax base or where folks feel that individuals are paying for this. This country manages to find sufficient money any time it wants to for whatever it wants to find money for. And yet we don't holler, "Our tax money, it's coming out of my pocket!"

SP: This discussion brings us to a point where we can take back the dialogue. One of the callers mentioned that it's divisive, it helps polarize people. Another perspective is that it allows us to take the initiative and to take charge of the dialogue and talk about what are some of the ways that we as a nation can have input into making change.

I mentioned earlier racial justice, seeking to transform decision-making. A concrete example would be civil rights laws. In this country we didn't think in terms of civil rights laws, whether it's fair employment, fair housing, fair wages, etc., until enactment of those laws in the mid-1960s, until the civil rights movement, and now our whole body of law has been transformed. We can't think about law without thinking about civil rights.

We don't know yet how we will transform the dialogue, but we need to take it back and not let it be shaped by the neo-conservatives or the right wing. One of the ways they've done that is to oppose race with merit, the ongoing argument about affirmative action. Well, they don't have to be opposed. We need to look at the structure of why we're in this situation. Our society is built on a hierarchy that defines people as white and defines people as black regardless of what racial/ethnic groups they fall in.

HW: It's an uphill battle, but every time this proposal has come up in the past and has been resisted or rejected, the cost has gone up. In other words, the consequences for society have gotten much worse. If the 40 acres and a mule had happened—and it didn't happen only because it was vetoed by Andrew Johnson in 1866, it was passed by Congress—that would have been much more effective—not only effective but a morally justified effort to transform the situation in the country.

Then the reparations issue was brought up again by James Foreman in 1969. He was talking at that point about 500 million dollars. I believe he was calculating that on the basis of 15
At the movies these days, questions about racial injustice have been amicably resolved. [Some three dozen recent films are cited, including Pulp Fiction, White Men Can't Jump, A Little Princess, Die Hard With Vengeance, Forrest Gump, Driving Miss Daisy, Fried Green Tomatoes, Cool Runnings, The Shawshank Redemption, etc., etc.] [The] common fund of sweet content [that this popular culture offers] eliminates the constraints of objective reality and redistributing resources, status, and capabilities. That cleansing social force supersedes political and economic fact or policy.... Through these same images and messages the comfortable majority tells itself a fatuous truth... Thus we shift the problem away from politics—from black experience and the history of slavery.... Solving the problem asks no more of us than that we work on ourselves, scrubbing off the dirt of ill will.... The approach miniaturizes, personalizes, and moralizes; it removes the large and complex dilemmas of race from the public sphere. It tempts audiences to see history as irrelevant and to regard feelings as decisive—to believe that the fate of black Americans is shaped mainly by events occurring in the hearts and minds of the privileged.... People forget the theoretically unforgettable—the caste history of American blacks, the connection between no schools for longer than a century and bad school performance now, between hateful social attitudes and zero employment opportunities, between minority anguish and majority fear.... The condition of American blacks need not be read as the fixed, unchanging consequence of generations of bottom-caste existence.... [We need not see ourselves and our fellows as uncaring accomplices in the acts of social injustice.]

During the last two decades, the entertainment industry has conducted a siege on the pertinent past, systematically excising knowledge of the consequences of historical exploitation of African Americans. [Roots and the PBS documentary The Civil War are so criticized.] Factitious renderings of the American past blur the outlines of black-white conflict, redefine the ground of black grievances for the purpose of diminishing the grievances, re-stage black life in accordance with the illusory conventions of American success mythology, and present the operative influences on race history as the same as those implied to be pivotal in White Men Can't Jump or a BellSouth advertisement.

... A consciousness that ingests either a part or the whole of this revisionism loses touch with the two fundamental truths of race in America; namely, that because of what happened in the past, blacks and whites cannot yet be the same; and that because what happened in the past was no mere matter of ill will or insult but the outcome of an established caste structure that has only very recently begun to be dismantled, it is not repairable by one-on-one goodwill. The word "slavery" comes to induce stock responses with no vital sense of a grinding devastation of mind visited upon generation after generation Hoodwinked by the orthodoxy of friendship, the nation either ignores the past, summons for it a detached, correct "compassion," or gazes at it as though it were a set of aesthetic conventions, like twisted trees and fragmented rocks in nineteenth-century picturesque painting—lifeless phenomena without bearing on the present. The chance of striking through the mask of corporate-underwritten, feel-good, ahistorical racism grows daily more remote. The trade-off—whites promise friendship, blacks accept the status quo—begins to seem like a good deal.

Cosseted by Hollywood's magic lantern and soothed by press releases from Washington and the American Enterprise Institute, we should never forget what we see and hear for ourselves. Broken out by race, the results of every social tabulation from unemployment to life expectancy add up to a chronic of atrocity. The history of black America fully explains—to anyone who approaches it honestly—how the disaster happened and why neither guilt money nor lectures on personal responsibility can, in and of themselves, repair the damage. The vision of friendship and sympathy placing blacks and whites "all in the same boat," rendering them equally able to do each other favors, "to give rides to one another," is a smiling but a monstrous lie.

Excerpted from Benjamin DeMott, "Put on a Happy Face: Masking the Differences Between Blacks & Whites," Harpers, Sept. 1995. Send a SASE (78¢ postage) to PRRAC for a copy of the full 8-page article.

dollars per black person in the United States, not to be given to an individual but to be used for social programs. Again, that was sneered at because people can't deal with that.

So now we're up to a situation that we haven't had in this country since the 1920s, where we see wholesale racial reaction in the lies of the white supremacy movement coming back into play. Sure, it's an uphill battle, but unless we open this dialogue about the meaning of race in the United States and the continuing existence of white supremacy and racism, the cost continues to escalate. It's not enough to say, it's so hard, we can't deal with it.
We have to in some way deal with it. That's the great thing, that N'COBRA and other groups are talking about it.

**Listener:** About the issue of an apology: I think there was a big apology when over 200,000 European Americans died trying to free and overthrow the issue of slavery in this country. It really shows a disrespect for all of those people who fought against slavery in the United States, most of them European Americans trying to set something right that was terribly wrong, that was brought over from Europe, that was brought over from Africa. The issues of slavery have been in Africa for thousands of years. What about the Jewish people being enslaved in Northern Egypt? That's still part of Africa. You could go back thousands of years and find slavery. All I can tell you is when over 200,000 European Americans died to overthrow slavery in the United States, it's wrong to think there wasn't an apology. That was the biggest apology; people were dying to make this thing right.

**KO:** I think in order to really continue what they had done, to really recognize the tremendous sacrifice they had made, this country has to make the apology. Just the act of their doing it was not apology enough. We had many Africans who were told they would be freed by joining the Europeans in the Civil War and indeed were given a 30-mile strip of land from Charleston down to Jacksonville and had started a government there, which operated for 2 years before the next administration came in and said, that's it buddy, we're through with that.

**RS:** I don't think the issue is so much whether there continued to be slavery in Mali or Mauritania or Ethiopia or the Sudan or anywhere else, but the day the fighting finally stopped and the guns went silent everywhere between Washington DC and Brownsville, Texas, you had an opportunity to start a new kind of country, and instead those people who were now technically free—they were freed by the stroke of the pen of various legal authorities in this country—had no land, no farm animals, no capital, no seed, no money, no bank account, no legal standing in the counties where they lived in the states in the old South, and from there it was very hard to turn this thing around. You're absolutely right, it was a terrible war, and we are still 130 years getting over it, but that opportunity was squandered.

**Why not a wealth tax, based on the fact that black labor has created so much of the capital and wealth in this country?**

**Listener (Jorge, from Miami):** It seems to me that it's very difficult to ask people who came to this country or who are descendants of people who came to this country after slavery was abolished to pay for reparations for an act they did not commit. As you know, most of the people who live in Dade County were not around the United States when there was slavery, and it's very difficult to ask them to contribute monetarily or elsewise to make these kind of reparations. Also, the issue of defining who gets reparations is itself very difficult. Who is really black or who is white? Does someone who is darker get more reparations than someone who is light? Does someone who can prove that all of their ancestors were slaves get more than someone who cannot prove that?

**KO:** Let me share something with you that I think is important. Let's go to the fact that some folks came here after slavery. If I or you entered the home or the terrain of the pirates, and lived lusciously as a result of being entertained or being a part of their home after they had done all of the piracy and everything else, would you not think that you have benefitted from the fact that you are now there with them, as opposed to those folks they had exploited or terrorized or from whom they had robbed the wealth and the loot they presently have? Sure, many folks were not directly involved in slavery, but they have come to a country which is based upon the privilege of having white skin, the privilege of being European, and therefore they have profited from that privilege, so they have something to say about that.

As we talk about this, I am reminded that I don't understand why folks are so hurt about the HR891 [the Commission to Study Reparation Proposals for African Americans Act, introduced by Rep. John Conyers of Michigan, since 1989], because it asks for a few simple things. It asks to examine slavery between 1619 to 1865, examine de jure and de facto discrimination from the end of the Civil War to the present, including economic political and social (Please turn to page 15)
In November 1994, the Carolina Alliance for Fair Employment (CAFE) brought temporary workers together for a five-day workshop to discuss their experiences of working temporary jobs and to explore the significance to working people of the boom in temporary employment. The "Temp School" was designed and run by a team of five, including three members of the CAFE staff, an organizer from the Tennessee Industrial Renewal Workshop (TIRN), and a researcher from Columbia University’s Department of Anthropology. The workshop was designed with three goals in mind: learning about the experiences and concerns of temp workers; building a community of temp workers; and identifying opportunities for organizing on issues of importance to temp workers. The project was supported by a grant from PRRAC.

Through surveys, interviews and participatory activities that included drama, drawing and storytelling, we sought to learn what specific problems workers face in temporary employment relationships. These explorations helped us to identify the most pressing concerns of temp workers in the Greenville, South Carolina, area, and to set priorities for our current community organizing activities.

CAFE is a community organization that promotes economic justice and workers’ rights in South Carolina. Formed in Greenville in 1980, CAFE is now a statewide group with 2,500 individual members in 23 counties, and has been an advocate on temporary worker issues since the early 1980s.

CAFE paid Temp School participants $7 per hour for the 40-hour workshop (higher than prevailing wages for most temp workers). Participants were recruited through the classified advertisements in the Greenville daily paper and interviewed to make sure they had current experience as temp workers. The group of 19 temp workers was about half African American and half White (nine to ten), with 14 women and five men, and included people of all ages from 20 to 60 years of age. They had done clerical, warehouse, light industrial, engineering, accounting and social work.

Many temp jobs come with hidden costs that reduce the pay.

In the week-long discussions, Temp School participants expressed particular frustration at the difficulty of making a living on temp work, their vulnerability to abuse by the temporary services agencies and employers, and the effect that insecure employment has on their lives outside of work.

Making a Poor Living

The majority of the participants are primary breadwinners in their households, and their annual incomes are insufficient to bring their families above the official poverty line. While some of their temporary assignments have been two or three months long, most have been between two days and three weeks. As one of the Temp School participants put it, "These jobs don't pay enough to keep your car up." Workshop participants earned between $4.50 and $7 an hour for all but one or two out of hundreds of assignments, with the vast majority of jobs paying about $6. All the workshop participants said they want full-time work, but not one of them has been able to get enough assignments to come even close to a full-time work schedule.

These temps do not get health care or other benefits through their employers. Most would be hard-pressed to pay the premiums even if they qualified for the health plans some agencies offer. Except for the four people covered by their spouses’ employer-provided health insurance, most of these temps don’t have health insurance at all. Since they began working temp, not one of them has had a paid sick day or a paid vacation day. They don’t know any temps who have. (The National Association of Temporary Services, in its own survey, indicates that only 8% of all temp workers registered through their member agencies have health coverage through their employment and only 3% get sick pay.)

Many of their temp jobs come with hidden costs that further reduce their pay. One person paid $60 for work boots for an assignment that he was told would be "two weeks to permanent" but which lasted only two days. Another person paid $70 for safety glasses for a job that lasted three days. After two days as a telemarketer, another woman cleared $72 by her own estimate, but was told there was no more work for her and went home with a check for $12. Apparently, a $50 "bond" had been a prerequisite for the job.

Despite a state law that requires all employers to give workers written notification of their wages and hours at the beginning of an assignment, none of the temporary agencies the participants used abided by this practice. Wages and hours are agreed to verbally, and abuses are common. One woman was told she would be paid by the piece when she took a job and was pleased because she

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works fast. After four days of work, she was given a check that was half of what she had calculated her pay to be. She went to complain, and was told that the pay was by the hour, not by the piece after all. Another worker, after telling her employer that she would have to leave the job, found her paycheck substantially lower than she had expected. The employer told her that the hourly wage she had been quoted was only valid if she had stayed on for a week; since she had to leave before the week was up, she would get less for the hours she had worked.

**Out of Control and Vulnerable**

Most Temp School participants said the temp agencies mislead them about job assignments. One woman took a late shift job at a large discount retail store. Only after she had accepted the job and begun work was she told that she would stay at the store and clean until it was clean—during the Christmas shopping season, this meant until 2 or 3 o’clock in the morning. Another woman took a factory job that she believed was production work and, once there, found out she would be cleaning up a warehouse that was filthy with ancient machines, boxes, garbage and soot.

On-the-job injuries leave these workers more vulnerable than others and may be more likely to occur. One Temp School participant fell from a high scaffold and only discovered when she was lying on the factory floor with a broken ankle that she had been tied off with a rope that was longer than the height of the scaffold. She neither complained nor filed workers’ compensation because that particular employer, who will not hire her full-time, is her most consistent source of temp jobs. She was afraid that filing a claim would mean that she wouldn’t be called back. Another temp worker developed severe reactions to a machine lubricant, but didn’t file a workers’ compensation claim because as a temp she didn’t think she was entitled to it.

These temps are also particularly vulnerable to the personal biases of temporary service agency personnel and their client employers. Title VII anti-discrimination protection is, practically speaking, inaccessible to temps, who lack the opportunity to collect evidence of established patterns in a workplace in order to prove discrimination. Three-fourths of the Temp School participants believed that jobs had been assigned by the temp agencies differently because of the race, sex or age of the workers. Only two of the Temp School participants had ever seen a Black person working in the office of a temp agency. All of the time these workers had been in and out of temp agencies—-in a region with a 20% Black population. Similarly, these workers had seen employers keep temps on longer or hire them on permanently, depending on the race, sex or age of the worker. But, while these workers often have the impression of bias, they have no recourse. (Recent employment testing done in Chicago and Washington D.C. shows that race discrimination in hiring is twice as frequent among employment agencies, which includes temp agencies, compared with regular employers.)

Besides anti-discrimination law, the National Labor Relations Act empowers private-sector workers to take group action to redress grievances they have against their shared employer. But temp workers usually do not know their co-workers at the places they

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**Facts on Temp Work**

- **Almost everyone uses temps:** Nine out of every 10 businesses in the United States use temp employees.
- **Most workers don’t have full-time, permanent jobs:** Less than half of workers surveyed by the government said they had a full-time, permanent job for the whole year.
- **Temp work is the fastest growing segment of the work force:** The number of temp workers is growing nine times faster than the overall work force.
- **Temps are disproportionately African American:** Although only 10% of American workers are African American, 20% of temp workers are African American.
- **Temp workers are disproportionately poor:** As a result of low wages and no benefits, 17% of temps have incomes below the poverty line, compared to only 3% of workers with permanent jobs.
- **Most temps are women:** Although only 45% of workers are women, 64% of temps are women.
- **Temp workers get paid less:** On average, temp workers get paid 40% of what regular workers make an hour.
- **Temp workers get paid much less for doing the same work as permanent workers:** The 10% of all postal workers who are temporary employees get paid less than half what permanent workers are paid doing the same jobs.
- **Temp workers almost never get benefits:** A 1994 survey showed that only 8% of temps get health insurance and 3% get paid sick leave through their temp agencies. Also, the number of people who qualify for unemployment insurance is falling, because of the increasing number of temp workers who don’t qualify for unemployment compensation.
- **Temp workers don’t enjoy flexibility:** Many surveys show that temp workers are working as temps because they have no choice, not because they want to.

(Contact CAFE for sources of information presented in this box.)
work. The circumstances of temporary work make it almost impossible to form the kinds of relationships necessary to discover common interests, formulate a proposal and present it in a unified front to management. Even if temps could form relationships at the workplace, they and many of their co-workers have different legal employers.

Living with Temporary Ties

For those workers in households where the only wage earners are temps, there is no stable point from which to order the other aspects of their lives. They do not have savings, because their incomes just pay their expenses. If they stop work for a day, for whatever reason, the job disappears. They don't know how many jobs they'll get or how many hours each job will offer. They cannot plan ahead, because they do not know what their income will be, even for the month ahead. They cannot get credit from friends, family members or banks, because they cannot demonstrate that they can expect an income to pay off the loan. Under these circumstances, it is often impossible to invest in the future, to maintain a car properly, to pay for a place at a child care facility or to have a preventative medical procedure done.

Any one difficulty leads to the next. A month without enough jobs means you lose phone service (5 of the 19 temp school participants have had their phones disconnected since the Temp School). Days without phone service mean no jobs. Car trouble means a lost job. Being out of work may necessitate taking a baby out of day care. Taking a baby out of day care means losing the place at the day care facility and not having a place to leave the child when the agency calls. Lots of overtime for parents leaves children physically and emotionally at risk. Trouble with the children's health or with their school performance can mean time off and lost jobs. Every stone in the path and every misstep can mean a serious fall.

Relying on temporary jobs makes these workers heavily dependent on spouses, siblings and parents for a multitude of services, severely restricting their ability to, in some cases, form stable households and, in others, escape dangerous ones. One worker was separated from his wife and child by hundreds of miles until he could find a secure job and safely bring them to live with them. Another woman was applying for AFDC, even though it meant citing her baby's father for desertion, because she could not earn a living wage. At least three women at the temp schools were living with men they wanted desperately to leave but could not because they were unable to find work that would pay enough to support themselves and their children. At work, these temp workers also lacked the many benefits of a stable community, including useful information about job expectations, the work process and supervisors, as well as simple friendship.

Title VII anti-discrimination protection is, practically speaking, inaccessible to temps.

Early in the Temp School, we asked for four words from each person to describe how they feel about their work lives. Some people included a positive word, such as "qualified," "hopeful," "capable" or "competent." But the rest of the words were "discouraged" (five times), "unimportant (twice), "unsatisfying" (twice), "sad," "bad," "unpredictable," "abused," "rough," "angry," "disappointed," "disgusted," "tired of looking," "expendable," "on the outside," "insure," "used," "underpaid," "aggravated," "no future," "pressured," "threatened," "unhappy," "out of place," "depressed," "could be better." "sucks," "demanding," "hate," "stinks," "poor," "unfair," "tired," "overworked."

Action Priorities

Temps are described by the National Association of Temporary and Staffing Services and by the popular press as being made up of married people, supported by well-paid spouses; retired people, supported by pensions or social security; students, supported by parents or grants; or artists who almost make it on their own creations. Temp jobs, they say, provide freedom, flexibility, choice and control. But for the Temp School participants, temporary employment severely restrains freedom and flexibility and leaves them powerless over their future. Among these temp workers, temp jobs are the only way to stave off rent collectors, child welfare services and hunger. They are not the ideal solution to new, contemporary lifestyle expectations, but are inadequate replacements for a dependable job.

At the end of the week, CAFE staff and participants discussed national-level legislative and policy options that have been proposed to protect workers classified as temps. Participants identified three top proposals in terms of the difference these changes would make to their own lives: requiring equal pay for equal work, having access to national health insurance; requiring agencies to pay a minimum percentage to the worker of what the client pays them. Other priorities were: getting written notification of hours and wages; increasing the national minimum wage; creating a temporary workers' association that could provide benefits; requiring

(Please turn to page 12)
ing temp agencies to provide safety and skills training, prohibiting charging the temp for safety equipment or drug tests; and requiring companies to hire temps on a permanent basis after a limited period.

Participants also identified three priorities for local action: getting individual contracts between temp workers and the temporary services agencies for each assignment; targeting particular agencies for community action; and starting an informational newsletter for temporary workers in the area. Participants and CAFE staff decided to begin by pursuing the newsletter and targeting agencies' strategies.

Over the year since the Temp School, CAFE has produced and distributed its new Temp Worker News to hundreds of workers in the Greenville area. The newsletter includes first-person accounts by temp workers, information about workers' legal rights and stories about temp worker organizing in other parts of the country and world. As part of this effort to raise awareness about the problems of temporary employment, CAFE also conducted four public workshops around the state on temporary employment issues. Through these workshops, CAFE has developed a job rights curriculum tailored to the concerns of temp workers and has heard from dozens more temp workers, providing new stories for the newsletter.

The goal of targeting particular agencies is to stop the most egregious abuses temp workers identified and thereby to improve the conditions of temp workers in the area. This strategy has four parts. The first step was to draft Principles of Fair Conduct for temporary agencies, voluntary guidelines to which companies hold themselves for the sake of good public relations. The second step is to meet with prominent local temp agencies to ask them to sign on to the Principles of Fair Conduct. Assuming that many agencies may not sign on, or may say that they already abide by fair standards, the third step is to hire temps as "testers" to apply at agencies and document which ones treat employees poorly or fairly relative to the Principles of Fair Conduct. The fourth step will be to release the results of our testing and to pressure specific agencies to change their practices through media and grassroots campaigning.

Evaluating the Temp School

The Temp School proved to be a successful first step for meeting our goals: to learn about temp workers' experiences and concerns, build a community of temp workers and identify opportunities for organizing. The results of our research have been documented in a longer report, included in a new book on contingent work (edited by Kathleen Barker and Kathleen Christensen, to be published in 1996), reported in a variety of union and community publications and discussed at national labor conferences. Our research results are the basis for the agenda for our organizing campaign. What CAFE staff anticipated as the biggest problems with temp work were not the same as those identified by participants, so without the research conducted through the Temp School, our organizing efforts would not have highlighted the deepest felt concerns of temp workers themselves. We have also begun our testing process, and so far it is enabling us to gather information on specific temp agencies for use in the coming year.

However, the hope that some Temp School participants would provide leadership for the local organizing campaign has been thwarted in large part by the overwhelming obstacles of their daily lives. While five of the Temp School participants joined CAFE and have been involved in activities since the Temp School, their scheduling, child care and transportation problems have made regular meetings or ongoing volunteer commitments impossible. Several are working 12-hour or double shifts six or seven days a week, so have little time to sleep much less organize. Others have voiced frustration at not being able to anticipate their schedules more than a few days at a time, so they cannot commit to being able to come to meetings or other planned activities. Clearly, the conditions that make temp work difficult also make it doubly difficult for people to organize to improve these conditions.

Replicating the Temp School Model

The Temp School was very labor- and cost-intensive, totaling about $9,000 and 400 person-hours of staff time. It is not a project that CAFE or most other community organizations could afford to replicate on a wide scale. The project could have been done in shorter time for fewer resources if just one goal had been chosen: to collect information or to build a community of temp workers or to initiate an organizing campaign, but not all three.

If one's primary goal is to identify issues for action and motivate temps to get involved, we suggest this might be done in a one- to three-day workshop, conducted with a group of ten, rather than nearly twenty, participants. In this case, conducting more extensive screening interviews in advance would be especially important to identify those individuals with the most temp work
PRRAC Grantees’ Advocacy Updates

The Sentencing Project
918 F Street NW, Suite 501
Washington, DC 20004
202/628-0871
Contact: Marc Mauer

In 1993, with research funding from PRRAC, The Sentencing Project published *Does the Punishment Fit the Crime? Drug Users and Drunk Drivers, Questions of Race and Class* (available from The Sentencing Project, March 1993, 36 pp., $8), analyzing how these types of offenses are disproportionately treated along race and class lines. The study is one in a series of related research projects conducted by the Project and used to enhance community education while encouraging federal, state and local policy development regarding sentencing reform efforts.

The Sentencing Project pursues a variety of activities designed to highlight issues of racial disparity within the criminal justice system and advocates for more just policies. In October, the Project released a five-year follow-up to its 1990 report documenting that nearly one in four young African American males was under some form of criminal justice supervision. The new study, *Young Black Americans and the Criminal Justice System: Five Years Later*, finds that almost one in three (32.2%) Black males in the age group 20-29 are in prison or jail, or on probation or parole (see Resources section under “Criminal Justice” for ordering information).

The study also found that rates of criminal justice control have increased at an even more dramatic rate for African American women—a 78% rise from 1989 to 1994. Much of this increase is attributed to the impact of the “war on drugs.” In the five-year period 1986-91, for example, the number of Black women incarcerated for drug offenses increased more than eight-fold.

The study has received extensive national attention among policy makers and media. It has been featured on all radio and television networks, and led the *New York Times* to editorialize that these numbers “should set off alarm bells from the White House to city halls—and help reverse the notion that we can incarcerate our way out of fundamental social problems.” In his October 16th address on race relations, President Clinton asked “every white person here and in America to take a moment to think how he or she would feel if one in three white men were in similar circumstances.”

At the moment, there is a good deal of public concern regarding racial disparities and the criminal justice system. In particular, issues regarding drug policies, the crack/cocaine sentencing disparities (reportedly the cause of recent uprisings in federal prisons) and law enforcement practices are being widely discussed. It remains to be seen how these issues will be addressed by policy makers and communities at a national and local level in the months ahead.

**Women’s State-Wide Legislative Network**
3 Temple Place, Third Floor
Boston, MA 02111
617/426-1878
Contact: Kelly Bates

The Women’s State-Wide Legislative Network (WSLN) has used its recent publication, *Glass Ceilings and Bottomless Pits: Women, Income, and Poverty in Massachusetts* (available from WSLN, June 1994, 36 pp., $10), as a tool for grassroots education and advocacy. WSLN created the Glass Ceiling Project to distribute the publication and educate the Massachusetts community on women, poverty and welfare reform. PRRAC funded the initial research component of the project.

The Project’s purpose is to change the dynamics of the welfare reform debate from a focus on punitive measures to a focus on how to eliminate female poverty. The Project’s objectives include: demonstrating that female poverty is a crucial issue that must be addressed; shattering the myths that poor women, in particular single-mother families, are unmotivated, unproductive and undeserving people; eliminating the racist, sexist and classist mythology that is fueling the current welfare reform debate, and empowering a diverse group of women to speak out against attacks on poor women and their children.

WSLN organized eight forums across Massachusetts, in Roxbury, Cambridge, Framingham, Springfield, Pittsfield, Amherst, Barnstable and Haverhill. The forums were sponsored by over 60 community organizations and agencies across Massachusetts and 25 university and college departments in the Greater Boston area. Over 180 individuals across the state attended.

WSLN’s model of organizing educational forums was adopted by the YWCAs of Haverhill and Central Massachusetts after the demonstrated success of WSLN’s forums. The Barnstable forum helped to bring women’s organizations together for similar forums in the Cape Cod region. In addition, the South Carolina Department of Social Services recently modeled one of their programs after the Glass Ceilings forums.

The Project also spurred the creation of two coalitions, the Women and Welfare Action Coalition and the People of Color Task Force. The Coalition is a diverse group of 30 women and women’s organizations who are collectively addressing welfare reform, economic justice for women and female poverty issues. The Coalition’s purpose is to help women in Massachusetts make the connection between welfare and economic issues that affect all women and to fight for just welfare policies. The Coalition’s goals are to

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create a long term planning process for achieving economic justice and to undertake a plan for public education on economic issues and welfare. The Coalition is coordinated by WSLN.

The Task Force is a group of women of color who, among other things, have organized a speakers bureau to educate welfare recipients and agencies working with welfare recipients about the impending changes in the AFDC program. The Task Force is coordinated by WSLN and the Massachusetts Human Services Coalition.

WSLN received over 1000 requests for the Glass Ceilings study from low-income women and women’s organizations, individual WSLN members and organizational members, advocates, policy analysts and state and federal legislators in Massachusetts.

Glass Ceilings and Bottomless Pits also received widespread national recognition, as evidenced by requests from Arkansas, California, Colorado, Connecticut, Georgia, Maryland, Michigan, Nebraska, Ohio, Pennsylvania, South Carolina, Tennessee and Washington, DC. WSLN received many requests from other states due to PRRAC’s coverage of the Glass Ceilings publication in P&R.

In addition to educating the people who attended the Glass Ceilings forums and received our report, WSLN received extensive media coverage of the educational forums held in each region of the state. This coverage not only promoted the Project and publication, but also enabled WSLN to educate a larger audience about the reality behind female poverty by citing important statistics and facts discussed in the publication.

(TEMPS: Continued from page 12)

experience, leadership potential and inclination toward group action. In the last couple of years a number of groups have interviewed and collected testimony from temp workers about the problems they face: our energy now should be focused on innovating and testing strategies for change.

Regardless of the length of the Temp School, it is our clear impression that paying the participants for their time is a key part of making this project work. Low-wage temp workers simply do not have the luxury of attending day-long events that don’t offer immediate benefits. One of the ideas that came out of the Temp School was opening a day care facility for temp workers to use that would provide an ongoing locus of support as well as education and organizing. It is likely that organizing temp workers is going to be more time- and cost-intensive than other forms of community or worker organizing, and that organizations and funders will need to devote more resources for such projects during this experimentation and base-building phase.

We hope other groups will conduct modified Temp Schools in their areas and begin the hard work of organizing this growing segment of the work force. Traditional models of workplace organizing are inadequate when it comes to marginalized and mobile temp workers. That is why the experiences of community-based economic justice organizations in the largely non-unionized South have been fertile places for testing models of temp worker organizing.

Florence Gardner is the lead organizer on CAFE’s Temp Worker Project and a doctoral student in Geog

PRRAC Thanks New Contributors

To Our Other Readers: Please Help!

The following readers sent in contributions for P&R since our last issue (the cut-off date for our records was October 27; apologies to anyone we’ve inadvertently left off the list). We sincerely appreciate the generosity of these folks, as well as all who have contributed previously. As you can see, however, contributions have been declining, while our production costs for P&R keep rising. Please consider sending a contribution before the end of the year.

Remember, it will be tax deductible when you file your 1995 tax return! Please send contributions to PRRAC at 1711 Connecticut Ave. NW, #207, Washington, DC 20009. Thanks in advance!

Asian American/Pacific Islanders in Philanthropy
Joseph Filner
Wayson Chow
Alison Esinger

Island Philanthropy
Oscar Gandy
Stephanie Gingerich
Dick Hargesheimer

Laura Snipper
Claudia Williamson
David S. Yen

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Florence Gardner is the lead organizer on CAFE’s Temp Worker Project and a doctoral student in Geography at UC Berkeley. Jean McAllister is a doctoral student in Anthropology at Columbia University. Both are writing dissertations about temporary employment relations. For a copy of the complete report and/or Temp Worker News, write or call CAFE, 1 Chick Springs Rd., 110-B, Greenville, SC 29609, 803/235-2926.

Revised List of PRRAC-Funded Projects and Products Now Available

PRRAC's updated list of funded projects and the completed products thereof is now available. Send a self-addressed label with $75 postage for a copy of the 20-page document.

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discrimination. It asks to examine the lingering effects on living African Americans. It asks to recommend appropriate ways to educate the public about these findings, and to recommend appropriate remedies. And it provides for submitting those results to Congress. There is nothing in that bill that says you have to give me something that has to come out of your tax money. It says let's take a look at it, an honest look, an official look, a look at what we have done in this nation, and after we take that look, let's make some decisions about how we are going to rectify the problem.

RS: I think where we run into some very rough water ahead is if we try to convince the descendants of people who came through the big waiting hall in Ellis Island that they have been unalloyed recipients of white skin privilege when they were walking around with sagging bellies and cardboard in their shoes and getting beat up by the thugs of anti-union bosses in the 1930s, or getting their butt shot off in Europe or the Pacific during the Second World War or in Vietnam 20 years later, or being downsized when plants closed. They're looking at themselves in the mirror and saying, "White skin privilege—give me a break." It's going to be very tough to get not just money—let's not reduce everything to money—but even human fellow feeling out of somebody who you are accusing of being complicit.

HW: It's really important that we understand reparations or any attempt to deal with the systematic racism and white supremacy that has structured our society and our political economic and cultural order, that we understand it also as a significant class issue, that there's a significant class dimension to it. Until you can finance this kind of program in a way that does not punish one group of relatively low-income people to aid another, until you can make the point really clearly that efforts to overcome racial inequality will in fact benefit white folks not only economically, but also morally and spiritually, reparations will be a losing cause.

Have You Moved?

If so, please let us know so we can update our mailing list. This will help PRRAC save money on postage costs (your newsletter does not get forwarded to your new address; we pay for it to be returned to us).

Thank you!

PRRAC Update

Board News: Helen Hershkoff, Associate Legal Director of the ACLU since 1987, has left to join the New York University School of Law faculty. Phyllis Holmen, PRRAC's treasured Treasurer, was married last April, in a merger of two major poverty law figures—Phyllis is Executive Director of the Georgia Legal Services Program, her husband, Jonathan Hewett, is an attorney with the Atlanta Legal Aid Society Congrats!

"Superbarrio" Talk: On October 5, PRRAC sponsored a discussion with Marco Rascon, leader of Mexico's Asamblea de Barrios, a member of Mexico's Federal Congress and the "manager" of "Superbarrio (Defender of the Poor and Oppressed)," a popular national figure in Mexico.

Library Subscriptions: P& R has a new policy of requiring libraries to pay a subscription fee to receive our newsletter, a move we initiated out of financial necessity (We hope to be able to continue our policy of free distribution to individuals—with voluntary contributions strongly encouraged.) We recently sent out a complimentary issue of P&R and a subscription solicitation letter to some 5,000 selected libraries. Please encourage your own institutional library to subscribe, or provide us with a name and address and we'll send out our promotional letter. We've kept the subscription price quite reasonable.

Another Way to Contribute:
Bequests/Donating Stock to PRRAC

If you are in the process of writing or amending your will, you might think about leaving a set sum or percentage to PRRAC. Wills can be a significant way of assuring the work you support and believe in today will be around for decades to come. And because PRRAC is a nonprofit, tax-exempt organization, including us in your will can help lower or eliminate estate taxes. Please contact us for further information.

Another way of supporting PRRAC, and creating a win-win situation tax-wise, is through donations of stock. Appreciated gifts of stock no longer are subject to the Alternative Minimum Tax. When you donate appreciated stock to PRRAC, you avoid paying the capital gains tax, and since we're tax-exempt, we don't pay it either. Call us for more information.
occupational mobility. This part of the story is important, because it speaks to the comparative ability of white and black parents to pass along status... and to help their children move up the social and occupational ladders. Second, and more directly bearing on wealth, SIPP data in conjunction with our interviews highlight the vastly different wealth rewards that social mobility confers on whites and blacks. One classic aspect of the American Dream is that children achieve a higher status than their parents. We ask if upward mobility carries with it similar levels of wealth for blacks and whites.

We examine mobility differences first by asking how much intergenerational occupational mobility was in evidence in American households in 1988... Results reveal a tale of "two mobilities." For whites, the mobility figures for the general population are reproduced with a sharper emphasis on achievement and upward mobility. For blacks, the achievement pattern changes significantly. The white population in 1988 evidences high levels of occupational inheritance at the top, with slightly over 60% of those from upper-white-collar backgrounds maintaining their lofty status. Over 70% of those from lower-blue-collar origins achieve higher-ranking occupations.

The black intergenerational mobility trend differs substantially from both the overall and white patterns. The differences are particularly salient in a number of areas. First, blacks from favorable social origins cannot pass this advantage on to their children as readily as whites, most likely because they lack the wealth assets necessary to optimize their children's life chances... [O]nly a little over one-third of the black parents from upper-white-collar backgrounds successfully transmit their status to their children. Second, blacks are more likely to experience a steeper "fall from grace"; twice as many blacks (0.234) as whites (0.116) from upper-white-collar backgrounds fall all the way to lower-blue-collar positions. Third, status inheritance for blacks is much more likely to produce negative results; nearly two out of five blacks from lower-blue-collar backgrounds remain stuck in unskilled and, for the most part, poorly paid jobs. Finally, rates of "long distance" upward mobility for this group are substantially lower (0.280) than for whites (0.364).

Another telling difference in mobility occurs for those with upper-blue-collar backgrounds, those from skilled blue-collar occupations. Nearly 60% of the whites from these backgrounds move up; among blacks, however, only slightly more than one-third do so. An astonishing one-half of all blacks who come from upper-blue-collar families fall to the bottom rung of the occupational hierarchy. The comparable figure for whites is 0.218, giving them less than half the downward mobility experienced by comparable blacks. A final indication of the difference between black and white mobility patterns resides in the tendency for blacks from lower-white-collar occupations not to make the short but important stride into professional occupations that typifies the white mobility trend. Less than three in ten blacks from lower-white-collar occupations prove able to advance to upper-white-collar occupations, as more than five out of ten of their white counterparts do...

Third & Goal

by Bernie Sanders

... Any serious third party must seek to do what the two-party system is not doing: represent the needs of working people and the poor against a wealthy and powerful corporate elite who increasingly dominate our economic and political life. And that... is not the agenda of Ross Perot, Bill Bradley or Colin Powell...

Any serious grassroots third party must make the increased impoverishment of the majority of our people its central focus. Briefly, some of the planks of a real third-party platform would be: progressive tax reform (taxes are not the main issue, but who pays them?); an end to corporate welfare and a cut in military spending (wealthy special interests currently receive $356 billion a year in tax breaks and subsidies); a minimum wage of $5.50 an hour plus a jobs program; a single-payer national health care system (more than 40 million Americans are uninsured); establishment of fair trade, not free trade, as our trade position (this year our trade policy will run up a $160 billion trade deficit and cause loss of 3 million decent-paying jobs); and reform of campaign and election finance...

Bernie Sanders is Vermont's Representative to Congress. Reprinted from The Nation, November 6, 1995.

"In our orgy of love for Colin Powell, we are magically absolved from responsibility for the hideous fact that, at the present rate of incarceration, a majority of young African-American males will be in prison or prison camps by the year 2010."


The final section of the book—"Getting Along Renewing America's Commitment to Racial Justice"—focuses largely on an asset formation strategy.

Conclusion

Racial inequality is still the unsolved American dilemma. The nation's character has been forged on the contradiction of the promise of equality and its systematic denial. For most of our nation's history we have allowed
racial inequality to fester. But there are other choices. These choices represent a commitment to equality and to closing the gap as much as possible, and in so doing redefine the values, preferences, interests and ideals that define us....

To address these fundamental issues, to rejuvenate America's commitment to racial justice, we must first acknowledge the real nature of racial inequality in this country. We must turn away from explanations of black disadvantage that focus exclusively on the supposed moral failings of the black community and attempt to create the kinds of structural supports that will allow blacks to live full and socially productive lives. The effort will require an avowedly egalitarian antiracist stance that transcends our racist past and brings blacks from the margin to the mainstream...
from NNG, 1717 Kettner Blvd., #110, San Diego, CA 92101, 619/231-1348.


- “Talking a Count of Color: Documenting the Civil Rights Impact of Budget Cuts” is a panel discussion co-sponsored by the NY Natl. Lawyers Guild & The City Project, focusing on NYC & strategies for documenting the impact. Dec. 12, 8:30-11. Registration $10 from The City Project, 2770 Broadway, NYC, NY 10025, 718/788-6416.

- “Building Personal & Prof. Competence in a Multicultural Society” is the title of 2- and 4-day training courses, Feb 8-11, by the Natl. Multicultural Inst., 3000 Conn. Ave. NW, #438, Wash., DC 20008, 202/483-0700.

Poverty/Welfare


- $12.95 from Brookings, 800/275-1447.

- “Maintaining Funding for Essential Human Services: A Necessity, Not an Option” is a 27-page exhibit, July 1995 report to DC government by the Fair Budget Coalition, prepared with the pro bono assistance of the Hogan & Harston law firm. For copies, contact the Wash Legal Clinic for the Homeless, 1800 Mass Ave. NW, 6th flr., Wash, DC 20036, 202/872-1494.

- “Poverty Areas” is a 48-page, June 1995 Census Bureau Statistical brief, available (free) from Leah Larnison-White, 301/763-8578. A related June 1995 2-page report is “How Much We Earn—Factors That Make a Difference,” also free, from Kirby Posey, 301/763-8576.

- “Poverty & Death in the US—1973 and 1991,” by Robert Hahn, Elaine Eaker, Nancy Barker, Steven Teutsch, Waldemar Sosnak & Nancy Krieger, from the Sept. 1995 issue of Epidemiology, calculates that the extent of mortality due to poverty is of the same order as that attributed to tobacco (which HHS considers to be the leading cause of death in the US). Reprint from Nancy Krieger at the Dept. Health & Social Behavior, Harvard School of Public Health, 677 Huntington Ave., Boston, MA 02115, 617/432-1571, E-mail: nkrieger@hsph.harvard.edu.

- The Leadership Conf. on Civil Rights has a 2-page “Principles on Welfare Reform.” Contact them at 1629 K St. NW, #1010, Wash., DC 20006, 202/466-3311.

- “Welfare Fingerprinting Finds Most People Are Telling Truth” was the headline of a Sept. 29, 1995 NY Times story, reporting the results of a fraud investigation in NY State. Among the 148,902 Home Relief recipients in NYC, only 43 cases of double-dipping were found; in the 35 other counties in the state using the fingerprinting system, 17 cases of double-dipping were found among 24,593 clients. The clip is yours from us with a SASE.

- Welfare Research Partnership: The Inst. for Women’s Policy Research is interested in forming partnerships with academics, researchers, advocacy groups & others to develop a research agenda and undertake research projects to track, monitor, analyze & evaluate the AFDC block grants-to-come programs and their effects. Contact Jill Braunstein, IWPR, 1400 20th St NW, #104, Wash., DC 20036, E-mail: jillbraun@aol.com.

- “Welfare to Work: State Programs Have Tested Some of the Proposed Reforms” (32 pp., July 1995, GAO/PEMD-95-26) is available, free, from the US General Accounting Office, PO Box 6015, Gaithersburg, MD 20884-6015, 202/512-6000.

- “The Rights of Home Relief Participants With Regard to Education & Training” is a presentation, by attorneys from Legal Services for NYC, sponsored by Manhattan Borough Pres. Ruth Messinger, Nov. 15, 2:30-5, at the YMCA Chelsea Ctr., 122 W. 17th. Inf. from 212/669-2786.
largely to tv. A copy of Putnam's 27-page+ table talk is available (likely free) from the author (whose essay "Bowling Alone" got considerable attention), Harvard Ctr. for Internatl. Affairs, 1737 Cambridge St., Cambridge, MA 02138, 617/495-4420.


**Criminal Justice**

"SafetyNet" is an electronic communications infrastructure for the movement to end gun violence, a project of the Advocacy Inst., 1707 L St. NW, #400, Wash., DC 20036, 202/659-8473, E-mail: pmailin@advocacy.org.

"Young Black Americans & the Criminal Justice System: Five Years Later," by Marc Mauer & Tracy Huling (36 pp., Oct. 1995)—the widely reported "1 in 3" study—is available ($12) from The Sentencing Project, 918 F St NW, #301, Wash., DC 20004, 202/628-1091; a compendium of newscasts from nat'l media coverage of the report is available for $4—deduct $4 from the total if ordering both items.

**Economic/ Community Development**

"Empowering Neighborhood People" is the correct name for the project listed wrongly (as Entrepreneurial Project) in the last issue of P&R, and the correct phone number is 202/663-5652.


The Comm. Dev. Financial Insts. Fund is holding two workshops, Nov. 13 (Arlington, VA) and Nov. 17 (LA), to provide info. on the Fund's regulations & how to apply for assistance from the CDFI Fund & Bank Enterprise Award Program (Dec. 22 is application deadline). Inf. on both sessions from 310/417-5170. Regs. on the CDFI and BEA were published in The Fed. Register on Oct. 19. Further inf. from Kirsten Moy, CDFI Fund, Dept. of Treasury, Wash., DC 20220, 202/622-8662. The CDFI Coalition is at 924 Cherry St., 2nd flr., Phila., PA 19107, 215/923-5363.

The 28th Annual Internatl. Conf. of the Comm. Dev. Society will be held July 22-24 in Melbourne, A Call for Presentations has been issued, with a Dec. 1 deadline. Inf. from the Society, 1123 N. Water St., Milwaukee, WI 53202, E-mail: 75547.2561@compuserve.com.

**Education**

"Adult Education: Measuring Program Results Has Been Challenging" (44 pp., Sept. 1995) is available (free, GAO/HEHS-95-153) from the US General Accounting Office, PO Box 6015, Gaithersburg, MD 20884-6015, 202/512-6030.


**Employment/ Jobs Policy**


**KWA News** is the newsletter of Korean Immigrant Workers Advocates, 2430 W. 3 St., LA, CA 90057, 213/738-9050.

"Public Employees: Facts at a Glance" is a 53-page, 1995 pamphlet from the AFL-CIO Public Employee Dept., offering lots of data on services provided by the public sector, how public services are paid for, public sector expenditures & characteristics of public employees. Possibly free, from the Dept., 815 16th St. NW, Wash., DC 20006, 202/393-2820.

"The JOBS Evaluation: Early Findings on Program Impacts in 3 Sites: Exec. Summary" (8 pp., July 1995) is available (no price listed) from the Manpower Demonstration Research Corp., 3 Park Ave., #32, NYC, NY 10016, 212/532-3200.

**The Los Angeles Living Wage Coalition— labor unions, community organizations & research centers—has initiated an effort to bring decent jobs to tens of thousands of LA's low-wage workers. They have an ordinance before the City Council requiring companies benefiting from City subsidies or contracts to provide livable wages and job security to their employees. Similar efforts are under way in Boston, Dallas, Milwaukee, Minneapolis, New Orleans, Little Rock and Baltimore (where BUILD, a city-wide church-based organization, teamed up with AFSCME to win legislation guaranteeing that employees of companies holding service contracts with the City receive wages of $7.70 an hour). Further info. from Madeline Janis- Aparicio at the Coalition, 634 S. Spring St., #1016, LA, CA 90014, 213/486-9880.

**The Spanish Coalition for Jobs (1737 W. 18 St., Chicago, IL 60608, 312/243-3030) has available a quarterly newsletter.

**TREES: Transition Reform for Education to Employment** is a newsletter (likely free) from the Acad. for Educ. Dev./Natl. Inst. for Work & Learning, 1875 Conn. Ave. NW, 9th flr., Wash., DC 20009.

"Unemployment Insurance in the US: Benefits, Financing, Coverage" is a Feb. 1995 report from the federal Advisory Council on Unemployment Compensation, calling for fundamental changes in the system, with a special emphasis on low-wage workers, women and other growing segments of the nation's workforce. Available (maybe free) from the Natl. Employment Law Proj., 212/764-2204.