

# CHAPTER 14

## RACIAL INEQUALITY

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Race and racial inequality have powerfully shaped American history from its beginnings. Americans like to think of the founding of the American colonies and, later, the United States, as driven by the quest for freedom – initially, religious liberty and later political and economic liberty. Yet, from the start, American society was equally founded on brutal forms of domination, inequality and oppression built around race. This is one of the great paradoxes of American history – how could the ideals of equality and freedom coexist with slavery? We live with the ramifications of that paradox even today.

In this chapter we will explore the nature of racial inequality in America, both in terms of its historical variations and contemporary realities. We will begin by clarifying precisely what we mean by race, racial inequality and racism. We will then briefly examine the ways in which racism harms many people within racially *dominant* groups, not just racially oppressed groups. It might seem a little odd to raise this issue at the beginning of a discussion of racial inequality, for it is surely the case that racial inequality is more damaging to the lives of people within the oppressed group. We do this because we feel it is one of the critical complexities of racial inequality and needs to be part of our understanding even as we focus on the more direct effects of racism. This will be followed by a more extended discussion of the historical variations in the forms of racial inequality and oppression in the United States. The chapter will conclude with a discussion of the empirical realities today and prospects for the future.

This chapter will focus primarily on the experience of racial inequality of African-Americans, although in the more historical section we will briefly discuss specific forms of racial oppression of Native-Americans, Mexican-Americans, and Chinese-Americans. This focus on African-Americans does not imply that the forms of racism to which other racial minorities have been subjected are any less real. And certainly the nature of racial domination of these other groups has also stamped the character of contemporary American society.

### WHAT IS RACE?

Many people think of races as “natural” categories reflecting important biological differences across groups of people whose ancestors came from different parts of the world. Since racial classifications are generally hooked to observable physical differences between people, the apparent naturalness of race seems obvious to most people. This conception reflects a fundamental misunderstanding about the nature of racial classifications. Race is a social category, not a biological one. While racial classifications generally use observable biological traits as criteria for classification, nevertheless how those traits are treated and how they are translated into the categories we call “races” is defined by social conventions, not by biology.

In different times and places racial boundaries are drawn in very different ways. In the U.S. a person is considered “Black” if they have any African ancestry. This extreme form of binary racial classification reflects the so-called “one-drop rule” that became the standard system of racial classification in the U.S. after the Civil War. Imagine how different the meaning of

“race” would be in the US if the one-drop rule were reversed: anyone with any European ancestry would be classified as white. In Brazil, in contrast to the U.S., racial classifications are organized on a more continuous spectrum. In the U.S. all East Asians are considered a single racial category; in East Asia, on the other hand, Chinese, Japanese, Koreans and Vietnamese are considered separate races. The United States Immigration Commission in 1911 considered people of Irish, Italian, Polish, and English descent to be distinct “races”, and the 1924 Immigration Act passed by Congress restricted immigration of what were termed “inferior races” from Southern and Eastern Europe. In Germany under the Nazis, Jews were considered a distinct race, not merely a religious group or an ethnic group. In Africa today, Tutsi and Hutu have sometimes been regarded as distinct races. Racial classifications are thus never simply given by biological descent even if they always invoke biology; they are always constructed through complex historical and cultural processes.

Racial *classifications* do not logically imply racial *oppression* (i.e. a social injustice backed by power). This is how ethnic distinctions are sometimes experienced: to be of Irish or Swedish or Italian descent in America is to share a certain cultural identity, and perhaps to participate in certain cultural practices as well, but this does not imply any forms of oppression involving these categories. Ethnic difference can be just that: differences. Racial classifications could in principle be simply a way of noting physical differences of various sorts that are linked to biological descent. However, in practice racial classifications are almost always linked to forms of unjust economic and social inequality, domination, and exclusion, as well as to belief systems that assign superior and inferior statuses and attributes according to race. Indeed, as a sociological generalization we can say that racial classifications become salient in people’s lives only to the extent that they are linked to forms of socioeconomic oppression. The term “racism” designates this intersection of racial classification with oppression.<sup>1</sup>

## **RACISM AND THE LIVES OF WHITE AMERICANS**

To study race in American society, then, is to investigate the ways in which racial classifications are linked to historically variable forms of oppression. The moral core of such an analysis is understanding the ways in which racial oppression imposes harms on people in the racially oppressed category. Nevertheless it is a mistake to think of racism as something that only affects the lives of African Americans, Native Americans, Asian Americans, Latinos and other racially defined “minorities”. Racism has profoundly shaped American society and politics in ways that deeply affect the lives of white Americans as well, particularly the lives of working class and poor whites, not just the lives of minorities.

Racism harms disadvantaged groups within the white population in two principle ways. First, racism has repeatedly divided popular social and political movements, undermining their capacity to challenge prevailing forms of power and inequality. Ruling elites have often used race as part of a strategy of “divide and conquer” to protect their class interests. Numerous examples can be cited:

- In the 1880s and 1890s a radical political movement of workers and small farmers – the

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<sup>1</sup>The word “racism” is sometimes used more narrowly to refer simply to beliefs and ideologies that have a racist content. We will use the term in a more encompassing way to include both the social relations and the systems of belief that link forms of socioeconomic injustice to racial classifications.

Populists – emerged in the Midwest and the South. For a time it appeared that black tenant farmers and small white farmers in the South might be able to make common cause against large landowners and Southern elites. At its height the Populists appeared to pose a potentially serious challenge to the dominant political parties of the period and even to the interests of dominant classes. Racial conflict eventually tore apart the agrarian unity of the Populists and contributed to the decline of the movement overall.

- Throughout the late 19<sup>th</sup> century and the first part of the twentieth century employers used racial minorities as strike breakers in industrial strikes. This significantly weakened the ability of unions to win strikes, and also contributed to deep resentments against blacks and other minorities within the white working class.
- In the late 1960s and early 1970s, in response to the civil rights movement, the Republican Party under Nixon adopted what came to be known as the “Southern Strategy” in which racial fears were deliberately used to get white working class voters to switch political allegiance from the Democrats to the Republicans. This strategy is credited by many scholars with ushering in an era of conservative politics which ultimately significantly harmed the economic interests of white workers by weakening unions, lowering the minimum wage, reducing job security.
- Research on wage inequality has demonstrated that in those cities and regions of the United States where the black/white wage difference is the greatest it is also the case that the wages of white workers are the lowest and inequality among whites is greatest. What this suggests is that racial divisions within the working class weaken the ability of workers as a whole to bargain higher wages with their employers. White workers, in the long run, would be better off economically if there was less inequality and more solidarity between white and black workers.

In the absence of racial divisions and racial conflict, popular social forces would in general have been stronger, more capable of influencing political parties and challenging dominant class interests.

The second way that racism has negatively affected the interests of less advantaged segments of the white population is through the ways it has undermined universalistic aspects of the welfare state. Universal programs are programs that apply to all people. They are contrasted with targeted programs that apply only to special, designated groups. In general, as we noted in our discussion of poverty, universalistic programs tend to be better funded than targeted programs and to more robustly improve the conditions of life of people at the bottom of the class structure. In the critical period in which the American welfare state was initially created – the New Deal in the 1930s – there was strong opposition by Southern Democrats to universalistic policies because of the ways such policies would benefit Black Americans as well as White Americans. In spite of the widespread poverty in the South, the Democrats in the South were extremely conservative on social welfare issues and effectively blocked the possibility of national universalistic programs because of racism. For example, in the legislation that set the basic framework for labor law and the rights of unions they insisted that provisions be included which would effectively exclude most black labor from union rights, and social security initially excluded domestic workers and agricultural labor for the same reasons. Universal health insurance was off the table at least in part because of opposition to universalism. While many of the exclusions of the New Deal have since been eliminated, they nevertheless helped create a

type of welfare state averse to the kind of universal programs that we see in most developed capitalist democracies. Racism played an important role in this.

## THE HISTORICAL TRAJECTORY OF RACIAL OPPRESSION

While racism may harm significant segments of the racially dominant group in American society, nevertheless racism is above all a form of domination that harms the racially oppressed groups. These harms have been a core part of American history, and not merely of distant history. It is hard to overstate this point: it is only in the most recent past that the classical liberal idea of equality before the law has been extended to include racial minorities, and even today in many critical respects such equality remains more promise than reality.

In this section we will explore historical variations in the distinctive forms that racial oppression has taken in the United States. This will, of necessity, be a highly simplified and stripped down historical account. Its purpose is to help give specificity to the current problem of racial inequality in American Society by seeing what has changed and what remains. We will focus on the five primary forms of racial oppression that have occurred in United States history: genocide and geographical displacement; slavery; second-class citizenship; non-citizen labor; diffuse racial discrimination. These constitute an overlapping historical sequence, with different racially defined groups being the subjects of different forms of racism in different historical periods.

### 1. Genocide and geographical displacement

When European settlers came to North America they encountered an indigenous population that had effective control over the most important economic resource of the time: land. From very early on, displacement and genocide were the central ways of dealing with the inevitable conflicts over this resource, first by the British colonies and later by the U.S. Government. The 19<sup>th</sup> century folk saying “the only good Indian is a dead Indian” reflects the moral monstrosity of this stance. Most often the land was simply confiscated by force and the indigenous inhabitants driven off or killed. Occasionally land was formally ceded by Native American tribes through treaties in the aftermath of military defeat. When treaties occurred, they guaranteed the native people making the treaty certain rights in exchange for the agreement. Often these rights were subsequently ignored.

Such displacements were claimed to be justified on the grounds that the native people were uncivilized “savages” and did not really “own” the land since they were often nomadic or semi-nomadic without permanent settlements and permanent cultivation of particular pieces of land. But even in instances where Native Americans were agriculturalists and did have such settlements there was little hesitation in forcibly evicting them from the land. The removal of the Cherokee Nation from the Southeastern United States by Andrew Jackson in the 1830s is the best known instance. The Cherokees had deliberately adopted a policy of assimilation into American ways of life, living in settled communities, practicing extensive farming, and even owning slaves. In spite of this, white settlers coveted their lands, and Andrew Jackson used the military power of the Federal Government to force the Cherokees – and the other Native American peoples of the Southeast – to move west of the Mississippi.

By the end of the 19<sup>th</sup> century this displacement was complete and Native Americans were largely confined to bounded geographical spaces called Indian Reservations. **[add a brief**

**characterization of the conditions on Reservations – the eradication of traditional culture and the repression of language in the early 20<sup>th</sup> century; the lack of education and investment; etc.]**

In the 21<sup>st</sup> century Native Americans are no longer required to live on Indian Reservations. They are now full American citizens and can move freely about the country. Nevertheless, the lives of many Native Americans are still deeply marked by the legacy of the severe forms of racial oppression to which they were historically subjected. As a group, they are economically the most deprived segment of the American population, particularly when they live on Indian Reservations. They have the highest rates of child poverty, the highest rates of unemployment, and the lowest life expectancy of any racial or ethnic group **[check data – present a graph]**.

## 2. Slavery.

Everyone knows that most people with African ancestors living in the United States today are the descendants of people who were the property of white Americans. Everyone knows this, but it is easy to lose site of what this really means. Human beings were *property*: they were owned in the same sense as a horse can be owned. They could be whipped and branded and in other ways physically harmed with virtually no legal restrictions. The killing of a slave by a slave master was almost never punished. The rape of slaves was a common practice. Slave owners were free to split up families and to sell the children of slaves.

The fact that slave owners had absolute power over their slaves, of course, does not mean that all slave masters ruthlessly abused their slaves. Many slave owners accepted a paternalistic ideology in which slaves were regarded as children for whom they had moral responsibility, and certainly some slave owners tried to live up to that ideal. More importantly, slave owners were businesspeople for whom slaves were an important investment, and the value of that investment needed protection. Just as farmers have an incentive to be sure that their horses are well fed and not overworked to the point that their health and productivity is threatened, so slave owners had incentives to take care of their investments in the bodies of their slaves. Particularly after the international slave trade was banned at the beginning of the 19<sup>th</sup> century and thus the price of slaves increased, slave owners took measures to insure that the value of their investments did not deteriorate. As a result, by the time of the Civil War the calories consumed and material standard of living of American slaves was not very different, and perhaps even a little higher, than that of poor peasants and unskilled workers in many parts of Europe.

Some scholars have argued on the basis of these facts about improving standards of living of slaves in the 19<sup>th</sup> century that slavery was not as oppressive as often thought. **[give footnote with some references – Engleman I think – time on the cross?]** This claim minimizes the impact on the lives of slaves of the condition of such radical and complete unfreedom and the deep symbolic degradation that slaves experienced. The nature of the social structure of slavery meant that significant physical brutality was ubiquitous in spite of the modestly improving standard of living of slaves and the ideology of paternalism. Because slavery was a lifetime condition, slaves had very little positive incentive to work hard. Since the prosperity of slave owners depended on the effort of their slaves, this meant that slave owners had to rely very heavily on negative incentives – force and the threat of force – to extract such effort. As a slave owner in Arkansas stated, “Now, I speak what I know, when I say it is like ‘casting pearls before swine’ to try to

persuade a negro to work. He must be made to work, and should always be given to understand that if he fails to perform his duty he will be punished for it.”<sup>2</sup> Even slave owners who sincerely believed in their paternalistic responsibilities to care for their slaves justified this harsh treatment on the grounds that the childlike nature of their black slaves meant that force was the only thing that they understood.

The pervasive domination and exploitation of slavery was accompanied by pervasive forms of resistance by slaves. The most common form of resistance occurred in the mundane activities of the slave plantation: poor work, occasional sabotage, passivity. Runaway slaves were a chronic problem, and political conflict over how to deal with slaves who escaped to the North was one of the sources of tension that led to the Civil War. Occasionally there were violent slave revolts, and while rare, this fueled an underlying fear of blacks among whites in the South and contributed to the massively repressive and violent apparatus of the slave state.

While slavery came to be restricted to the South in the course of the 19<sup>th</sup> century, it would be a mistake to see this form of racial oppression as exclusively affecting the South. The economy of the North was deeply linked to Southern slavery in the Colonial period, particularly through the notorious “triangular trade” in which Slaves were purchased in Africa with European goods, then sold in the Caribbean and North America and the profits used to ship Tobacco, rum and cotton back to Europe. Some have argued that the direct and indirect profits from this trade was the single most important source of capital accumulation in the colonies, including in New England.<sup>3</sup> At the time of the Constitutional Convention slaves were owned by northerners as well as southerners, and many of the founding fathers were slave owners. In the early years after the Revolution, slavery was still legal in a number of Northern States. In New York there were still 10,000 slaves in the 1820 census, and significant numbers of slaves were reported as late as the 1840 census in New Jersey.<sup>4</sup> Right up to the Civil War, the Northern economy continued to be linked to slavery through textile manufacturing. Even after slavery was outlawed in the Northern States beginning in the late 18<sup>th</sup> century, the North collaborated with the South in allowing escaped Slaves to be captured and returned to the South, particularly after the Dred Scott decision of the U.S. Supreme Court. **[footnote on Dred Scott and comment about the underground railway].**

By the time of the civil war, there were nearly four million slaves in the United States. In the fifteen states in which slavery was legal, just over one in four white families were slave owners, a higher proportion than families who hired maids and servants in the North. **[Check this statistic].** In Mississippi this figure was 49%.<sup>5</sup> While most of these Southern slave-owning families owned only a few slaves, this meant that the direct experience of owning another person of a different race was very widespread in the South. For the white population in the antebellum South, the racial oppression of blacks was not simply something that was part of the social environment in which they lived; it was a significant part of the daily routines in which they were active participants.

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<sup>2</sup> Quoted by Kenneth Stampp, *The Peculiar Institution* ( ), p. 171 – **check quote**

<sup>3</sup> citation

<sup>4</sup> Footnote on the abolition of slavery in the North,

<sup>5</sup> These figures come from 1860 census data reported on “the Civil War Home Page”, [http://www.civil-war.net/pages/1860\\_census.html](http://www.civil-war.net/pages/1860_census.html).

Slavery ended with the Civil War almost a century and a half ago, but of course its impact did not disappear simply because this form of racialized class relations had been destroyed. Slavery contributed to a particularly pernicious and durable form of racist beliefs that continues to influence American culture today. Slavery posed a deep cultural problem for the United States after the American Revolution: How could a country founded on the principles of “life, liberty and the pursuit of happiness” accommodate slavery? How was it possible to reconcile the devotion to liberty and democracy with the treatment of some people as the property of others? The solution to this deeply contradictory reality was the elaboration of racial ideologies of degradation and dehumanization of blacks as intellectually and morally inferior and thus not worthy of treatment as full persons. The attribution of intellectual inferiority meant that blacks lacked intellectual capacities for rational action, and thus, as in the case of children, choices should be made on their behalf by responsible adults. The attribution of moral inferiority supported the view of blacks as inherently dangerous, ruled by passions, both aggressive and sexual, and thus incapable of exercising liberty. These beliefs constituted the core of the racist culture forged under slavery and although such beliefs were increasingly challenged in the last decades of the twentieth century and are no longer seen as respectable, they continue to influence race relations to the present.

### 3. Second-Class citizenship

Slavery was abolished after the Civil War, but this did not mean a complete dismantling of legally-enforced racial oppression. On paper, the 14<sup>th</sup> Amendment to the U.S. Constitution, ratified in 1868, guaranteed equal protection of the law and full rights to all citizens, and the 15<sup>th</sup> amendment passed two years later explicitly specified these rights applied to all people regardless of race or color. If these Amendments had been taken seriously and rigorously enforced, then racial oppression could not have taken the form of second-class citizenship.

Second class citizenship refers to a situation in which some categories of citizens have fewer rights than others. This can either take the form of an official, legally defined denial of some rights, or a less formal practical denial of rights. Laws which prohibit people who have been convicted of felonies from voting, for example, are an example of legally defined second-class citizenship that is still common in the United States today.<sup>6</sup> Police practices which target certain groups of people for stricter law enforcement or judicial practices which impose stiffer sentences on particular categories of people would be examples of unofficial second class citizenship. Public policies which treat some categories of citizens as more worthy of respect than others can also be seen as creating a kind of second class citizenship. Margaret Somers has argued that the public disrespect of poor African-Americans reflected in the abandonment of the people left behind in New Orleans during the Hurricane Katrina disaster in 2005 is a striking example of their denial of full recognition as equal citizens.<sup>7</sup>

Official second-class citizenship became the pivotal form of racial oppression in the United

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<sup>6</sup> In the United States today there is considerable variation across the 50 states in the political rights of ex-prisoners. In **XX** states, once a person has completed a prison sentence all of their rights are restored; they become full citizens once again. In **XX** states, ex-prisoners, with few exceptions, are denied the right to vote for the rest of their lives. It is not surprising that the harshest rules denying political rights to ex-prisoners can be found in the Southern States. [get data from publications of Bruce Western and Chris Uggen]

<sup>7</sup> Margaret Somers *Genealogies of Citizenship* (Cambridge University Press, 2008).

States, especially in the South, in the decades following the Civil War. The emancipation of slaves in the South posed a serious problem for large landowners who had previously relied almost entirely on slave labor for their incomes. Most slaves wanted to become small farmers, and there were moments in which the promise of “forty acres and mule” seemed to open the possibility of former slaves becoming a yeoman class of independent farmers. In order for this dream to have become a reality, however, widespread dispossession of large Southern landowners of their land would have been necessary, and in spite of the Civil War, the Federal Government was loathe to violate the rights of private property owners to this extent and as a result few ex-slaves were in a position to acquire land.

Large Southern landowners thus retained possession of the land, but they no longer owned the labor to work the land. In terms of the concept of class discussed in chapter 11, the landowners effectively hoarded the economic opportunities represented by land, but they no longer had complete control over a supply of labor to exploit. What was needed, then, was a new system to tie ex-slaves to the land and give planters effective control over their labor. In the decades following the Civil War Southern planters experimented with different arrangements, settling finally on a system called “sharecropping” by the last decade of the century. Sharecropping is a form of agriculture in which tenant farmers pay rent to landowners in the form of a certain percentage of the total crop grown on the land. The profitability of landowning depends on what that percentage is, and this in turn depends upon the bargaining power of the tenant farmers. It is of considerable advantage to landowners, therefore, to have a politically weak and economically vulnerable population available to be tenant farmers. This is what the denial of full political and legal rights to blacks in the South accomplished. This new form of racism, which came to be known as Jim Crow, played a central role in consolidating the new agrarian social order in the South by the end of the 19<sup>th</sup> Century.

The rules of racially-based second-class citizenship in the South had a number of key components. The most obvious, of course, were the laws which effectively denied blacks the right to vote. Typically these took the form of literacy tests which were much more strictly enforced against blacks than against whites, but at various times and places in the South other devices were used to accomplish this black disempowerment. Harsh vagrancy laws in the South were also used to prevent blacks from seeking better employment. While officially such laws did not have a racial character, their application was directed primarily against blacks and significantly impeded their movement. These kinds of directly repressive laws were reinforced by a wide range of segregationist laws which excluded African-Americans from white schools and universities, hotels and restaurants, and relegated blacks to segregated facilities in public transportation. And lurking in the background of all of these forms of legal segregation was widespread extra-legal violence directed against blacks. The Ku Klux Klan was tacitly supported by the state and allowed to terrorize black communities. Lynchings were the most extreme form of such violence and were a common event in parts of the South in the first decades of the 20<sup>th</sup> century. **[Present some general data on lynchings].**

In 1900 roughly 90% of the black population in the United States lived in the South, mainly in rural areas. In the North, African-Americans were not denied the right to vote, but it would be incorrect to see the problem of second-class citizenship as exclusively a Southern problem. Even though there were generally laws prohibiting school segregation in Northern states (with the exception of **Indiana and ???: get correct information on this**), in practice many school boards in the North enforced racial segregation. The landmark Supreme court case against school

desegregation – *Brown versus Board of Education* – was a case brought in Kansas, not a Southern state. Laws against inter-racial marriage were present in 36 states in the 1920s, and were still in place in nearly half of the States in the 1950s. The Federal Government itself supported segregationist principles, in both the civil service (after Woodrow Wilson imposed segregation in the civil service in 1913) and in the military until Truman desegregated the armed forces in 1948. During the New Deal, some of the landmark Federal legislation – for example social security and labor rights laws – explicitly excluded coverage of types of jobs which were predominantly filled by blacks. Thus while the most restrictive forms of second class citizenship for African-Americans occurred in the South, this was a national problem. Racism was a system of explicit legal denial of equality to people based on their race in the United States until the 1960s.

Just as slavery, in spite of its extreme repressiveness, was accompanied by resistance by slaves and political opposition by abolitionists, the legalized segregation of second-class citizenship also met with resistance, both by African Americans and some white supporters of civil rights. Such opposition to segregation was often met with extreme forms of violence. Lynching of blacks was a common occurrence in the South, and rarely were perpetrators punished. Efforts at passing national anti-lynching laws failed. Segregationist laws and practices were maintain by violence and terror through first decades of the 20<sup>th</sup> century.

Following the Second World War things began to change. A number of factors were important. First, the United States had just fought a war against the Nazis, and because of the extreme racist ideologies of the Nazis state-supported racism had been significantly discredited. Secondly, in the context of the Cold War and the effort of the United States to be the “leader of the free world”, the racist legal institutions of second class citizenship were an international embarrassment, particularly given our efforts to gain influence in the newly independent ex-colonies of Africa and Asia. Third, during the 1930s and 1940s there had been large scale migration of African-Americans to the North where they became a more important voting block, and thus the issue of civil rights could more easily be translated into national politics. Finally, because of mechanization of agriculture and other economic changes, sharecropping had sharply declined in the South beginning in the 1930s, so that by the middle 1950s it was no longer central element of the Southern economy. This meant one of the crucial economic reasons for the highly coercive system of racial domination in the South no longer mattered very much.<sup>8</sup> Taken together, these factors meant that even though the struggles against segregationist laws in the South continued to be met with strong, often violent, resistance on the part of Southern whites and their State Governments, the civil rights movement gained considerably greater national support than it had earlier. By the late 1950s and early 1960s the Federal Government began to back these efforts, resulting in the landmark civil rights legislation of the middle 1960s.

While segregationist laws were eliminated in the 1960s, there are still legacies of these legal forms of second class citizenship today. In some parts of the United States a variety of rules around voter registration, for example, have the practical effect of reducing the rate of voter registration among African-Americans. Most notoriously are rules that permanently prevent people convicted of felonies from voting, even after they have fully served their time in prison

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<sup>8</sup> For an excellent discussion of the importance of the decline of sharecropping for the eventual destruction of segregation, See David James (198X).

and on probation. Such rules do not explicitly link disenfranchisement to race, but they were initially passed, usually at the end of the 19<sup>th</sup> century, as part of the effort of excluding African Americans from the electorate, and they continue to create a lower tier of citizenship closely connected race because of the much higher rates of imprisonment of African-Americans than of whites. Registration rules that require government issued voter IDs and which raise the costs of voting for poor people also disproportionately affect African Americans. Again, these rules are not officially framed in racial terms, but they have systematic racial effects, and the support for such rules is at least in part because of racial hostility. Police practices continue to target racial minorities, especially young African American men, and courts continue to give harsher punishments to African-Americans. **[Give a table with some statistics on race & sentences]** A young black man driving a car in a white suburb is much more likely to be stopped by police for questioning than a white. This is sometimes jokingly referred to a DWB offense – driving while black. Equally important, there are a wide range of public policies – from the location of toxic dumps to the funding of education – which continue to implicitly assign greater value to the wellbeing and interests of some citizens than others. As in the case of police practices, such policies are never explicitly framed in racial terms, but in many cases. In these, and other ways, vestiges of state-backed second-class citizenship continue to play a role in structure racial inequality in the United States.

#### 4. Non-citizen labor

The fourth form of racial oppression in American history revolves around the linkage between race and legal citizenship status. As everyone knows, the United States is a country of immigrants. Aside from Native Americans, everyone who lives in the United States is descended from people who came to North America from other continents sometime in the last few centuries. From the middle of the 19<sup>th</sup> century, some categories of these immigrants were denied legal access to citizenship status. The first instance of this was the importation of Chinese “coolie” labor on the railroads. Large numbers of poor Chinese were brought to the United States by labor recruiters as a source of cheap labor to work on building the railroads in the West and other large scale infrastructure projects. Anti-Chinese feelings were generated by the repeated use of Chinese labor as a way of cutting wages of native-born white workers and breaking strikes. Eventually political mobilization against Chinese immigrants lead to the Chinese Exclusion Act which blocked the further immigration of nearly all Chinese and made those Chinese already in the United States permanent aliens, prohibited from obtaining U.S. Citizenship. In 1924 other severe restrictions on immigration were enacted, especially focused on prohibiting legal immigration from Asia, Africa and Latin America. For a 40 year period, until immigration reform in the 1965, legal immigration to the United States was almost entirely white.

In the 20th century, the most important category of racialized noncitizen labor is Hispanic, especially from Mexico. In the period from the early 1940s until 1964, a formal “guest worker program” for Mexican labor existed, generally called the “Bracero program,” in which Mexican workers were brought to the US on contracts to work mainly in agricultural on a seasonal basis without the prospect of becoming citizens. Since the 1970s there has been an increasing flow of illegal immigrants (also called “undocumented workers”), again particularly from Latin America, who provide a cheap source of labor for American employers. The lack of full citizenship rights of these workers make them particularly vulnerable to very sharp forms of

exploitation since they cannot join unions or defend themselves in court for various kinds of abuse – from mistreatment on the job and violations of safety conditions to not being paid their full wages.<sup>9</sup>

Not all undocumented workers are racial minorities. There are Canadians and white Europeans also working in the U.S. without legal status. Nevertheless, the intersection of illegal status with race is especially salient, since an identifiable racial minority who is an illegal worker is likely to be much more vulnerable. Pressures on employers not to hire illegal immigrants and on the government to deport them contributes to more diffuse hostility towards the racial minorities associated with illegal immigration.

## 5. Discrimination

There is a sense in which all forms of racism involve “racial discrimination” – i.e. treating people differently by virtue of their race. Here we use the term more narrowly to refer to situations in which such discriminatory action is not directly backed by the legal powers of the state. This includes a wide range of specific practices: employers not hiring or promoting someone on the basis of race; landlords only renting to people from certain racial groups; banks making it more difficult for racial minorities to get loans; salespeople in a store treating African-American customers differently from white customers; and so on. Often this kind of private discrimination is very difficult to detect because it occurs informally, behind the scene in the inter-personal encounters and decisions made in everyday life. In contemporary American society many such behaviors are in fact illegal, but since they are very hard to detect, laws against private discrimination are usually very difficult to enforce. Nearly half a century after the passage of civil rights legislation abolishing segregation and guaranteeing voting rights for African Americans, racial discrimination is still a reality in the United States.

While most white Americans probably regard private acts of discrimination as undesirable, whites generally believe that racial discrimination is largely a thing of the past, no longer having much of an impact in the lives of people. **[present survey data on white and black beliefs about the existence of discrimination]** They would therefore reject the idea that continuing forms of discrimination really constitute a form of oppression requiring serious public policy for its elimination: if African-Americans are disproportionately poor, this is because of their behavior and culture, not because of discrimination; if they drop out of school more than whites, this is because of peer pressure and lack of motivation; if young African American men are in prison at six times the rate of young white men, this is because they proportionately commit more crimes. Most white Americans believe that discrimination at most plays a marginal role in any of these conditions.

It is of course difficult to get evidence that demonstrates precisely how much of the racial inequality we observe is the result of discrimination. We will not attempt to solve this problem here.<sup>10</sup> What we will do in the next section is provide evidence for the continuing importance of

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<sup>9</sup> Cite data on unpaid wages and other abuses.

<sup>10</sup> Sometimes social scientists try to get a handle on this by examining all of the measurable factors that might affect forms of racial inequality and then treating the amount of inequality left “unexplained” as being the result of direct discrimination. This is not a very convincing research strategy since the results are highly sensitive to how well different factors are measured.

discrimination impacting the lives of racial minorities in the United States today.

### CONTINUING REALITIES OF RACIAL DISCRIMINATION IN THE 21<sup>ST</sup> CENTURY

The realities of racial relations in the United States at the beginning of the 21<sup>st</sup> century is the result of a decisive transformation that occurred in the middle of the 20<sup>th</sup> – the civil rights movement, the dismantling of the apparatus of legal segregation in the 1950s and 1960s and subsequent erosion of many of the cultural and economic supports of racial domination. While, as we will discuss below, racial discrimination remains a significant problem, this must be understood against the background of extraordinary progress since the 1950s.

Consider the transformations of cultural representations of African-Americans. By the 1980s the media began to routinely display positive images of African-Americans in television programs like the Bill Cosby Show. Black sports stars, singers and actors had become celebrities within the white population as well as among African-Americans. By the 1990s, African-Americans began to appear regularly in advertisements sentimentally depicting people in middle-American families, laughing, loving, working, playing. African-Americans began to appear in television programs in roles traditionally filled only by whites – doctors, lawyers, scientists – and in storylines in which race as such was not a central focus. In a popular movie in 2003, *Bruce Almighty*, God was played by the black actor Morgan Freeman. Books endorsed by Oprah Winfrey became instant best sellers.

Consider the transformation of the economic situation of African-Americans. **In 1960 the median annual earnings for black men were 50% of the median for white men. In 2006 the figure was 72%, while for women the figure is 83%. The education gap between blacks and whites has also narrowed: [present data in a relevant figure]. The occupational distributions of blacks and whites have also become much more similar since the middle of the 20<sup>th</sup> century. In 1955 only 4% of the people in professional and technical occupations and only 2% of the people in managerial occupations were black. In 1998 the figures were 8% and 7% (update to 2008 – and present table or graph).**

Consider the transformation of the political role of African Americans. In 1964 there were only 103 black elected public officials in the United States. **By 1997, this number had increased to 8617, 1.7% of all elected officials. Of these, 613 served in state legislatures or the U.S. Congress, and 5,056 served in city and county government. In the 104<sup>th</sup> congress (1995), 40 of 435 representatives were black, while only one senator was black. [Get 2009 figures for Congress; try to get updated figures for all officials.]** And the most stunning development of all: the election of Barak Obama as President in 2008. 43% of white voters voted for a black President. This would have been utterly unthinkable just a few decades earlier.

These are all significant developments. They are not simply superficial, cosmetic changes; they constitute a profound erosion of the structures of racial domination and oppression. An erosion, yes; but not an elimination. In what follows we will begin by discussing the incompleteness of the transformation of racial inequality by examining continuing socio-economic disadvantages of African-Americans and certain other racial minorities. We will then examine the array of forms of discrimination that underwrite these disadvantages. The chapter will conclude with a discussion of the problem of affirmative action and the politics of anti-racism in the 21<sup>st</sup> century.

*Stagnation in the erosion of racial inequality*

## Figures needed:

- Figure for B/W median earnings for individuals and households: stagnation since 1980s
- Wealth by race – over time if possible
- Increasing inequality within the black population
- Unemployment rates for blacks and whites
- Poverty rates by race, including child poverty
- B/W health indicators: infant mortality by race
- Stagnation and decline of black male college completion
- Prisons: incarceration rates – for all crimes, for nonviolent crimes, for drug crimes (get data from Pam Oliver)

Taken together, these figures reveal a stark reality in the United States today: While tremendous progress has been made in ending racial injustice, nevertheless, the economic inequalities between blacks and whites remain substantial. The causes for this are complex. Some of the inequalities are undoubtedly simply “legacies” of past injustices. If up to a particular period inequalities between groups was the result of legally enforced forms of oppression, and then those legal forms are destroyed, it would still take an extended period of time for the inequalities between groups to disappear *even if* there was no on-going discrimination. This fact has led many people to believe that discrimination is no longer a significant issue in American life. As we shall see below, this is not the case.

*The stubborn persistence of active discrimination*

Racial discrimination remains a daily and pervasive fact of life in the United States today. It occurs in a wide variety of institutional contexts takes many forms. Here we will focus on five contexts of discrimination: mundane micro-interactions; housing; credit markets; employment; and education.

*Mundane micro-interactions.* Perhaps the most pervasive form of discrimination occurs in the context of ordinary, daily interactions on the street, in work, in stores, in classrooms. This is often very difficult for an outside observer to detect, but can be acutely felt by the person subjected to the discrimination. A Gallup poll study conducted in 1997 reports that **XX%** of black respondents report that in the previous month they had experienced at least one form of such discrimination in daily interactions. The following are well-documented forms that this can take:<sup>11</sup>

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<sup>11</sup> These examples are drawn mainly from a variety of sources: Devah Pager and Hana Shepherd, “The Sociology of Discrimination: Racial Discrimination in Employment, Housing, Credit, and Consumer Markets” *Annual Review of Sociology* 2008. 34:181–209; Joe R. Feagin, “The Continuing Significance of Race: Antiblack Discrimination in Public Places,” *American Sociological Review*, Vol. 56, No. 1. (Feb., 1991), pp. 101-116; William A. Smith, Walter R. Allen and Lynette L. Danley, “Assume the Position . . . You Fit the Description”: Psychosocial Experiences and Racial Battle Fatigue Among African American Male College Students” *American Behavioral Scientist* 2007; 51; 551

- In stores, black customers are more likely to be monitored and treated with suspicion by store employees concerned about shoplifting than are white customers. This is not simply the case for teenagers, but for middle class, well-dressed African-Americans as well.
- White people walking on city streets frequently cross the street when there is a black man behind them or to avoid passing a black man.
- Many middle class blacks report the experience of having to wait longer to be served in restaurants than white customers who arrive after they do.
- Black drivers are more likely to be stopped by police than are white drivers. This is jokingly referred to as DWB – driving while black.
- In a study of black male college students at elite historically white universities, the participants in the research reported many incidents of surveillance by campus police in which they treated with suspicion and asked for their I.D.s
- It takes, on average longer for a black man to get a taxi than for a white man. This can even be an issue when the man is well dressed and clearly affluent. A famous incident was reported in the New York Times: “But the actor Danny Glover was not laughing last month when several taxis declined to pick him up in Manhattan, presumably because Mr. Glover is black and stands 6 feet 4 inches tall. In lower Manhattan, the actor was forced to hide in the shadows while his daughter did the hailing. The driver had to be cajoled into unlocking the doors.”

While any given incident may seem petty, cumulatively, these kinds of interactions constitute a stream of lived experiences that communicate denigration and a lack of social respect. Psychological research shows that these kinds of experiences can have a significant impact on morale and self-esteem. In perhaps the best known experiment on the impact of discrimination and denigration, Jane Elliott, then a school teacher in Iowa, subjected students in her elementary class to systematic discrimination on the basis of eye color: brown-eyes were superior, blue-eyes inferior. After two days of this treatment, the blue-eyed group performed much more poorly on a simple math test than the advantaged group. The same experiment was conducted using adults with the same results.<sup>12</sup> The experience of repeated social disrespect generates forms of stress, anxiety, and self-doubt that significantly undermine performance.

*Housing.* Housing segregation is a reality in the US: in northern cities **75% of blacks would have to move [check this data – I think this is from Massey, *American Apartheid*]** to lead to random housing patterns. Although in the period since 1980 there has been a modest decline in housing segregation, in 1990 the levels of segregation were as high as they had been at the beginning of the 20<sup>th</sup> century.<sup>13</sup> This pattern of segregation is the result of four interconnected kinds of factors.

First, there is certainly some historic inertia from past practices. Until the civil rights era, in

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<sup>12</sup> Jane Elliott’s experiments are presented in two documentary films “Eye of the Storm” and “A Class Divided”. For a discussion of these films, see a review by Anthony J. Cortese in *Teaching Sociology*. Vol. 15, No. 4 (October 1987), pp. 450-452.

<sup>13</sup> Devah Pager and Hana Shepherd, “The Sociology of Discrimination: Racial Discrimination in Employment, Housing, Credit, and Consumer Markets” *Annual Review of Sociology* 2008. p, 188

many cities real estate agents would simply refuse to show blacks houses in white neighborhoods. Until the 1974 Equal Opportunity Credit Act, “redlining” (the practice of banks not making loans to people in certain parts of cities) was legal in the United States and this certainly contributed to housing segregation. Even with no further discrimination, this would account for some of the existing segregation of American cities.

Second, there is a certain amount of self-segregation that occurs in which African-Americans may buy houses in all black neighborhoods because it is more socially comfortable, less of a struggle, less likely to involve hostile interactions neighbors. While this does not directly involve discrimination in the housing market as such, nevertheless it reflects the on-going realities of racial hostility.

Third, there is strong evidence that active discriminatory practices continue to exist in housing markets. This is best demonstrated by what are called “housing audit” studies in which homebuyers of different races but with identical credit ratings and income, go to real estate agents for help in buying a house. The key issue is whether and in what ways there is differential treatment of these prospective homebuyers on the basis of race. Devah Pager and Hana Shepherd summarize the results of a series of large housing audit studies by the U.S. Department of Housing and Urban Development this way: “The study results reveal bias across multiple dimensions, with blacks experiencing consistent adverse treatment in roughly one in five housing searches and Hispanics experiencing consistent adverse treatment in roughly one out of four housing searches (both rental and sales). Measured discrimination took the form of less information offered about units, fewer opportunities to view units, and, in the case of home buyers, less assistance with financing and steering into less wealthy communities and neighborhoods with a higher proportion of minority residents.”

Finally, housing segregation is generated by what is called “white flight” – the tendency for whites to move out of a neighborhood once a few black families move in. This “white flight” leads to a rapid shift from initially mixed neighborhoods to all-black neighborhoods. While it probably the case that the “tipping point” for white flight may have changed – there was a time when a single black family on a block was sufficient to trigger an exodus of white families, where now the threshold is somewhat higher – this remains a continual problem in the resegregation of neighborhoods in many cities. **[Try to find data on the change in tipping point for white flight]**

*Lending.* We have already shown that as a category whites are much wealthier than African Americans: they have greater savings, they own more stocks, they have greater equity in their homes. Since assets that can be used as collateral plays an important role in getting loans, it would be expected that this wealth difference would directly translate into racial differences in the credit market. In addition to this, however, there is good evidence that African-Americans face discrimination in acquiring loans. Again, audit studies are the clearest evidence for this. Black testers with the same credit histories, wealth and income as white testers, are “less likely to receive a quote for a loan than are white testers and ... are given less time with the loan officer, are quoted higher interest rates, and are given less coaching and less information than are comparable white applicants.... In two audit studies in which creditworthy testers approached subprime lenders, whites were more likely to be referred to the lenders’ prime borrowing division than were similar black applicants. Further, subprime lenders quoted the black

applicants very high rates, fees, and closing costs that were not correlated with risk.”<sup>14</sup> Similar problems exist in credit markets for small business loans.

*Employment.* Employment discrimination is very difficult to demonstrate since hiring decisions are made in private. Large scale statistical studies attempt to compare the probabilities of people of different races holding a given kind of job, adjusting these probabilities for a long list of characteristics of the person – age, education, skills, test scores, gender, and various other things. Generally such research does find that even after there is a long list of controls, whites are advantaged relative to blacks. Critics of such research, however, can always say that there is some unmeasured salient characteristic of the people that explains the racial gap.

This is why audit studies of hiring are valuable, for they make it possible to more carefully control for individual characteristics other than race. In one well-known study, racially identifiable names were used as the way to signal race to prospective employers. As the title of the published paper from the research asked “Are Emily and Greg more employable than Lakisha and Jamal?” Resumés which were otherwise substantively identical were sent to employers to see how they would react to the different names. The callback rate for white names was 50% higher than for black names. What might seem even more surprising, this difference increased with the level of qualifications of the resumes – the racial gap in callbacks increased with skill level.

In a second study, Devah Pager trained black and white male testers to apply in person for entry-level low-wage jobs in Milwaukee, Wisconsin. Half of the testers had resumés which indicated that they had served 18 months in prison for a nonviolent drug offense, and half did not. In other respects the resumés indicated equal education and job experience. The study thus involved four “types” of people: white felons, black felons, white non-felons and black non-felons. Again, the empirical question is how different across these categories are the rates at which the applicants were called back for an interview. The results are shown in figure 14.X: 34% of the whites without prison records received callbacks, compared to 17% of the whites with prison records, 14% of the blacks without records, and 4% of the blacks with records. In other words, it is roughly as disadvantageous in labor market to be a white male with a prison record or a black male without a prison record.

These studies unequivocally indicate that active discrimination exists in labor markets. This does not mean that the employers in question personally dislike African-Americans or even that they believe people in one race are somehow inferior to another. Much of this discrimination is probably what economists call “statistical discrimination”. Employers believe that the average black worker will be less capable than the average white worker. This need not be because they believe in the inherent intellectual inferiority of blacks. It can be because they believe the quality of schooling of the average black workers is inferior to that of the average white worker. The important thing is that the employer has a belief that the average member of one racial category is a less desirable employee than the average member of another category. Since it is difficult and costly to get accurate information about the actual reliability and competence of any given individual, employers rely on these perceived group differences to make individual hiring decisions. This is perfectly rational and economically efficient even if it is morally unjustified

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<sup>14</sup> Pager and Shepherd, p. 190.

and harmful. The result is discrimination.

*Education.* Education has always been at the heart of conflicts over race. The key civil rights decision by the Supreme Court in the 1950s was over racial segregation in schools. In that decision, the Court rejected decisively the doctrine of “Separate but Equal” education for black and white children, arguing that “separate” was inherently unequal.

More than half a century after the end of legal segregation, school in many American cities remain sharply segregated, largely as a by-product of extreme residential segregation. What is most troubling, however, is not simply the racial concentration of schools, but the huge differences in funding for the schools of many black children compared to white children that are the result of this spatial segregation. Figure 14.X illustrates this for wealthy suburban schools and urban schools in New York and Chicago in 19XX [Get more recent data – and maybe data for other cities?]. This large funding gap is partially the result of lower property values and thus less tax resources as these intersect patterns of housing segregation and discrimination. School funding, however, is never such a simple matter; it also depends upon the balance of political forces over how schools should be funded. As long as schools are funded to a substantial extent by local property taxes it will remain the case that wealthy communities will have better funded schools than poor communities. The unwillingness of state legislatures to fundamentally rethink the way schools are funded and create a more egalitarian structure of funding is partially the result of ideological commitments to local control, but it is also shaped by the racial and class implications creating more universalistic principles. But even if the underlying motives of politicians and voters are not themselves shaped by racial considerations, the effects is serious discrimination in the opportunities for good quality education of black children.

*The Criminal Justice System.* Of all the domains in which we have discussed the persistence of discrimination, perhaps the most difficult to nail down is the criminal justice system. The basic descriptive facts are clear enough: the rate of imprisonment of blacks is orders of magnitude higher than for whites. Figure 14.X illustrates this dramatically for drug crimes: only just over 10% of the people who use illegal drugs on a monthly basis are black, but around 40% of those arrested for drug use are black, a little over 50% of convictions are black, and nearly 70% of people imprisoned for drug offenses are black.

This provides prima facie evidence of discrimination, but of course it is always possible that the details of the offences of blacks are more serious or they have worse prior records or are seen as posing a greater risk to the community. [need to get some good literature on racial biases in sentencing. Add additional graphs and charts. Add discussion of how incarceration deepens the economic disadvantages and deprtivities]

## PROSPECTS FOR THE FUTURE: THE POLITICS OF RACIAL EQUALITY

The current situation of race in America can be characterized by three central features:

1. Considerable real progress has been made in the decades since the civil rights victories of the 1960s on many aspects of racial inequality. This has led to the emergence of a solid black middle class of educated workers, professionals, and small businesspeople, as well as a significant presence of African-Americans within the corporate, cultural and political elite.

2. Discrimination continues to exist, both in mundane social interactions and in the major institutional contexts in which lives and opportunities are formed. These discriminatory practices harm people, they violate values of fairness, and they block the further advance of racial equality. They affect all African Americans – including the wealthy and middle class – even if the consequences are most damaging for the poor.
3. Acute poverty and economic marginalization continue to characterize the lives of many African Americans and certain other minority groups. The intersection of the sharp deprivations generated by economic marginalization and continuing discrimination underwrites racial oppression in the United States today, reflected in the devastating rates of incarceration of young black men. The mass incarceration of poor, young black men, in turn, deepens their marginalization from the labor force and stable employment. As a broad generalization, compared to the middle of the 20<sup>th</sup> century, by the beginning of the 21<sup>st</sup> century race has become less salient and life-defining within the educated middle class and elite, but continues to intensively reinforce the deprivations and disadvantages of acute poverty.

Any serious political project to address issues must deal directly both with the problems of economic deprivation and with continuing discrimination. The former we have already discussed in chapter 13. The array of proposals in that chapter designed to reduce economic inequality and eliminate poverty would also have a large impact on economic aspects of racial inequality, particularly if combined with a shift away from mass incarceration as a way of dealing with crime. Such policies might also indirectly somewhat reduce the impact of the various forms of diffuse racial discrimination in American society, but they do not directly address racial discrimination itself.

How, then, should we think about policies which might counter discrimination? One remedy, of course, is the courts, at least for those contexts in which discriminatory behavior is technically illegal. The examples of housing, lending and employment discrimination we have just discussed mostly reflect behaviors that violate legal prohibitions on discrimination. So, one solution is for the targets of such discrimination to sue the discriminator.

In most situations this is simply not possible. The hiring decisions are made behind closed doors. The rejected candidate has no way of knowing who were the other candidates, what their relative qualifications were, and so on. After all, in the Milwaukee audit study, 69% of whites without prison records also did not get a callback, so on what basis could a black applicant make the claim of discrimination? Even in cases where the discrimination is more blatant, as happens sometimes in discrimination over promotion or pay, it is extremely difficult and costly for an individual to bring a suit against an employer. In the discrimination that takes place in real estate offices and lending institutions it is equally hard, if not impossible, to prove discrimination.

The principle alternative to using the courts to counter discrimination has been a set of policies that go under the name of “affirmative action.” Affirmative action refers to a family of policies which give some kind of preference in a context of scarce resources to a traditionally disadvantaged category of people. The main contexts in which such policies have been implemented are admission to high education and hiring and promotions in jobs. Many specific devices are possible. The simplest is a quota system in which, for example, a certain proportion of the students admitted to a program are required to be African-American. More complex systems allocate points to a wide variety of criteria relevant to admissions: test scores,

interviews, extracurricular activities, special talents, economic disadvantaged, and so on. Race could be one of the criteria in such a list. This is not a quota system, but a system for giving some weight to race. A third strategy is to adopt selective admission criteria that are anchored in some condition that is highly correlated with race, but not race itself. Extra admissions points, for example, can be given a student who comes from a school with a high poverty rate, since the students in such schools will be disproportionately minorities. But regardless of the specific mechanism, all of these are devices through which more African-Americans and other historically disadvantaged groups would be admitted than in the absence of the program.

Many people strongly object to affirmative action on the grounds that it is “reverse discrimination”, but contrary to what is often thought, opinion polls consistently indicate that most Americans support at least some forms of affirmative action. In a Pew Research Center survey reported in 2003, 63% of respondents indicated that they favored “affirmative action programs designed to help blacks, women and other minorities get better jobs and education” and 57% said that the favored programs “which give special preferences to qualified blacks, women and other minorities in hiring and education”. Gallup polls have also consistently shown support for affirmative action in the 55-60% range. So there is considerable public support for such programs, even if many people also have their doubts.

And the fact of the matter is that there is basically no viable alternative to some form of affirmative action if we want to counter the pernicious effects of certain forms of discrimination. What affirmative actions policies do is create real incentives for employers and admissions officers to accept the additional costs needed to overcome statistical discrimination based on race and actively seek out the best minority candidates they can find. It is expensive to gather high quality information on applicants and actively recruit people from outside of ones spontaneous networks. In the absence of affirmative action in many contexts it is cheaper just to treat individuals on the basis of group characteristics. Affirmative action undermines the incentives that sustain that kind of discrimination.

Blacks have been in North America for nearly 400 years. During 245 of these years they were slaves, subordinated in the most brutal forms of oppression. This was followed by a century of legalized discrimination which ended less than 50 years ago.<sup>15</sup> It is hardly surprising that racial discrimination continues operate and economic inequalities associated with race have not yet disappeared. The spontaneous action of actors in the market will not be sufficient to eliminate these inequalities. For this to happen collective, public action is necessary, both against the economic marginalization associated with racial poverty, and against the effects of on-going racial discrimination.

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<sup>15</sup> This temporal breakdown of the experience of African-Americans is modified from S. Plous, “Ten myths about affirmative action” in S. Plous (ed) *Understanding Prejudice and Discrimination* (pp. 206-212). New York: McGraw-Hill.