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EDUCATION AND INCOME IN THE BLACK COMMUNITY

Remarks By

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The extent to which blacks have--or have not--made genuine economic progress in recent years has been a subject of wide debate. Where one comes out in this controversy is likely to depend as much on his own perception of the progress which he thinks blacks ought to have made as on a dispassionate assessment of the objective evidence. There are so many dimensions to this issue that it is difficult to explore particular facets in isolation. Nevertheless, I believe that our general understanding is enhanced by illuminating strategic elements of the black experience whenever an opportunity arises.

To that end, I decided that--rather than presenting a formal Presidential address at this 58th Annual Convention of the Association for the Study of Afro-American Life and History--I would focus on an underlying trend holding significant implications for blacks during the 1970's but which I believe has not received sufficient attention. So, I will review briefly the role of education and its contribution to blacks' economic advancement.

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Between 1960 and 1972, the proportion of the black population 20 to 29 years old who had completed high school rose from 38 per cent to 64 per cent for males and from 43 per cent to 66 per cent for black females. For white males in the same age group, the rise was from 64 per cent to 84 per cent; for white females the rise was from 66 per cent to 83 per cent. Over this period, the white-black education gap at the high school level was reduced from 28 to 20 percentage points for men and from 23 to 17 percentage points for women. Moreover, within the last few years, the proportion of young blacks completing high school accelerated noticeably.

An even sharper acceleration occurred in the case of college education. In 1960, about 4 per cent of all blacks in the 25-34 age range had completed 4 years or more of college. (The figures were about the same for men and women--4.1 per cent and 4.0 per cent, respectively.) For all whites in the same age group, the proportion was 11.9 per cent in 1960; 15.8 per cent for white men, and 8.3 per cent for white women. By 1972, about 7.9 per cent of all blacks in the 25-34 age bracket had completed 4 years or more of college; by sex the statistics were 8.3 per cent for black men and 7.5 per cent for black women. Among whites, the figures were: total, 18.8 per cent; men, 22.6 per cent, and women, 15.0 per cent.

An even more crucial trend is the rising propensity for young black people to attend college. In 1972, some 540 thousand blacks 18 to

24 years old were enrolled in college compared to 297 thousand in 1967. The 1972 figure represented 18 per cent of all blacks in that age range vs. 13 per cent in 1967. For young whites, the enrollment was 4,710 thousand in 1967 and 5,624 thousand in 1972--equal to 27 per cent and 26 per cent, respectively. The number of black men attending college rose from 167 thousand in 1967 to 287 thousand in 1972; this indicated an increase from 16 per cent to 21 per cent of the black males in the 18-24 year age group. In contrast, while the number of white males attending college rose from 2,761 thousand to 3,195 thousand, enrollment as a proportion of the 18-24 white male population declined slightly--from 35 per cent to 31 per cent. The number of young black women enrolled in college expanded from 130 thousand to 253 thousand, or from 10 per cent to 16 per cent of the black females of college age. The number of white females in the same category climbed from 1,949 thousand to 2,428 thousand, lifting to 22 per cent from 20 per cent the proportion of the college-age population attending college.

In 1964, there were 234 thousand blacks enrolled in college (representing 5.0 per cent of total enrollment of 4,643 thousand.) By 1967, blacks represented 4.9 per cent of the total enrollment, and this had climbed further to 8.8 per cent in 1972. Black males raised their proportion from 5.7 per cent to 8.2 per cent of all males during this five-year period; the corresponding fraction for black females rose from 6.3 per cent in 1967 to 9.4 per cent in 1972. So, while a sizable gap remains between the proportion of white and black youths attending college, the differential narrowed appreciably over the last decade--especially during the last few years.

These advances in educational attainment made a substantial difference in the degree of economic progress made by blacks during the 1960's. Just how much difference is indicated by the figures in the attached table. Panel A of the table shows median income in 1959 and 1969 and years of school completed by males 25 to 54 years old. The median income at each educational level is expressed as a ratio to the median for all men in the age range: \$6,408 in 1959 (in 1969 dollars) and \$8,465 in 1969. In Panel B, median income and education in 1969 are shown for both men and women for age groups 25-34 and 35-54. In this case, the base is the median income (\$9,651) for white men, age 35-54, who had completed 4 years of high school; this was approximately the median income for all men in the age range 25-54 years.

Several features stand out in this table. As one would expect, for both races and for both men and women, median income increases progressively with both age and education. However, education clearly has the more influence. For example, in 1959, men with a high school education earned about two-thirds more than those who dropped out in grade school. Men with 4 years of college, earned 2-1/3 times as much as those with the least education. Four years of college raised earnings by two-fifths above earnings at the high school level. This general pattern also held for blacks--except that the extra income yielded by extra education was slightly smaller: three-fifths for high school graduates--and 100 per cent for college graduates--compared with grade school drop-outs; and one-quarter for college graduates over those with a high school education. For white men, the high-school-grade school spread was somewhat smaller,

and the gains from college somewhat larger--than was true of black men. By 1969, the grade-school-high-school-college differentials were about the same as a decade earlier for all men in the 25-54 age group. Among black men, the grade-school-high school gap was also unchanged over the decade. But the earnings for black high school graduates had climbed to 2-1/4 times those of grade school drop-outs, and the margin of college over high school graduates had widened to two-fifths. Among white men, the gap between earnings of college graduates and those with the least education had also widened somewhat.

In recent years, young black men--with much better educations--have advanced their incomes relatively much more rapidly than did blacks who were older. For instance, in 1969, at both the elementary and high school level, black-white earnings ratios were approximately the same for men 25 to 34 years old (about .72) and for those 35 to 54 years (about .73). In contrast, increased education pass the high school level generally raised the ratio of black to white earnings for young black men. For the latter with four years of college, the ratio was .78, and for those with five or more years the ratio was .84. Among older male college graduates, the black-white ratio was .64, and for those with five or more years it was .73. On the other hand, in 1969, in contrast to the situation among black men, the earnings of black female workers with education beyond the high school level roughly equalled the earnings of their white counterparts--independently of age.

Despite this improvement, however, the absolute income gaps between blacks and whites--at all educational levels--remain substantial.

As shown in Panel B of the table, on the average a black man with a high school education was still earning in 1969 about the same amount as a white man who only went to grade school. Among black women, the situation was only slightly better. Black men with a college degree had earnings about equal to or somewhat below those of a white high school graduate. But taken as a whole, the evidence presented here supports the conclusion stated above; younger blacks are making substantial progress in achieving secondary and higher education, and this increased education is yielding higher incomes both absolutely and relative to whites.

Education and Income, 1959 and 1969

NOTE: In Panel A, median income at each educational level is expressed as a ratio to the median for all men in the age range 25-54 years. In Panel B, the base is the median income (\$9,651) for white men, age 35-54, who had completed 4 years of high school; this was approximately the median for all men in the age range 25-54 years.

A. Median Income in 1959 and 1969, By Years of School Completed, Males 25 to 54 Years Old.

Item	1959 (In 1969 Dollars)			1969		
	Total	Black	White	Total	Black	White
Median Income	\$6,408	\$3,570	\$6,637	\$8,465	\$5,222	\$8,795
Ratio to Median	1.00	.56	1.04	1.00	.62	1.04
<u>EDUCATION</u>						
<u>ELEM:</u> TOTAL	.75	.47	.82	.70	.49	.75
Less than 8 years	.63	.44	.71	.61	.46	.65
8 years	.87	.58	.90	.80	.53	.83
<u>HIGH SCHOOL:</u> TOTAL	1.03	.66	1.05	.98	.69	1.01
1-3 years	.98	.64	1.01	.88	.63	.92
4 years	1.06	.70	1.08	1.02	.73	1.04
<u>COLLEGE:</u> TOTAL	1.32	.82	1.35	1.28	.94	1.30
1-3 years	1.19	.78	1.22	1.14	.88	1.16
4 years	1.48	.88	1.50	1.44	1.02	1.46

B. Median Earnings in 1969 and Educational Attainment of Persons 25 to 34 and 35 to 54 Years Old (Year-Round Workers), By Sex.

Education	BLACK				WHITE			
	Male		Female		Male		Female	
	25-34	35-54	25-34	35-54	25-34	35-54	25-34	35-54
Median Income	\$6,346	\$6,403	\$4,403	\$3,901	\$8,839	\$9,736	\$5,175	\$4,966
Ratio to Median (\$9,651)	.66	.66	.46	.40	.92	1.01	.54	.51
<u>ELEM:</u> 8 yr. or less	.49	.54	.30	.27	.69	.77	.41	.42
<u>HIGH SCHOOL</u>								
1-3 years	.60	.67	.38	.37	.82	.91	.44	.46
4 years	.70	.77	.48	.47	.89	1.00	.52	.53
<u>COLLEGE</u>								
1-3 years	.80	.85	.57	.59	.95	1.19	.59	.60
4 years	.90	.97	.72	.76	1.16	1.51	.75	.76
5 years or more	1.03	1.27	.82	.94	1.22	1.74	.84	.96

Source: Panel A; U.S. Department of Commerce, Bureau of the Census, "Social and Economic Characteristics of the Population in Metropolitan and Nonmetropolitan Areas: 1970 and 1960," Current Population Reports, Series P-23, No. 37, June 24, 1971, Table 12, p. 54. Panel B; Bureau of the Census, "The Social and Economic Status of the Black Population in the United States, 1972," July, 1973, Tables 15 and 16, pp. 25 and 26.