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Introduction

Research for this study was started several years ago with a survey of the economic literature on the employment status of black women during the 1960–1970 decade. It soon became apparent that, although a number of economists had conducted studies on the labor force participation (LFP) of women, few had focused on the distinctive characteristics of black women in the civilian labor force. Thus the economic literature is particularly sparse on this topic.

The existing economic literature on black women in the labor force suffers from two shortcomings. The first deficiency might be termed the macro-micro dichotomy. In comparing the relative occupational position and relative incomes of black women with their white female counterparts, economists have tended to employ macroanalysis and sophisticated methologies for handling massive amounts of data. Their findings are full of paradoxes, and for this reason we attempt to illuminate some of the inconsistencies by a more critical analysis of microdata. For example, the sections of this report that examine the decline of the occupational category "domestic worker" as a mainstay of black women workers or the special problems of black female teenage workers and black women who head families provide a sharper focus for some of the aggregate research findings. Both research strategies, of course, are necessary in order to understand the labor market behavior of black women.

A second deficiency is that although many social science researchers claim objectivity, their personal value systems intrude on the analysis. To some extent their findings are distorted not only by sins of misspecification of economic models but, more important, by unwarranted inferences from

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Throughout this report the term black has been used, and depending on the source of the data it may cover nonwhites (over 90 percent are blacks) or blacks only.

rigorous analysis; for example, the tendency to speculate about the psychosociological characteristics of individuals, the inheritance of economic status, or the structure of black families.

Essentially, in this report we are concerned about black women, both employed and unemployed, in the civilian labor force. The tremendous attention that has been devoted to black women outside of the labor market, especially those in the welfare system, has tended to obscure employment issues. We differentiate between the employment system and the welfare system in the following way: "The employment system provides opportunities for remunerative work in both the private and public sectors . . . The welfare system is intended to provide some minimum standard of adequacy of consumption for some persons, who for various reasons, are not receiving sufficient income from other sources."[1] The welfare system might be classified as one segment of a transfer system that also includes employment-related social and private insurance to replace earnings lost due to unemployment, disability, retirement, or death. Bennett Harrison's recent study of the relationship between work and welfare found that "mixing of work and welfare was more prevalent among minority households: between 11.4 percent and 16.4 percent mixed wages and income from welfare in any one year, and that one out of every three mixed work and public assistance over the course of the five years [1968–1972]."[2]

The primary objective of this report is to provide information on a significant segment of minority workers as well as produce some insights on the better utilization of *all* women in the labor market. (See figure 1.1.) Black women workers, more so than white women, have had a dual role as contributors to family income, often as primary wage earners. The main reason for the historically high number of black women in the labor force has been the large gap between the family incomes of blacks and whites. In 1976 black wives made a substantial contribution to the income of their families. The median income (earnings plus other money income)

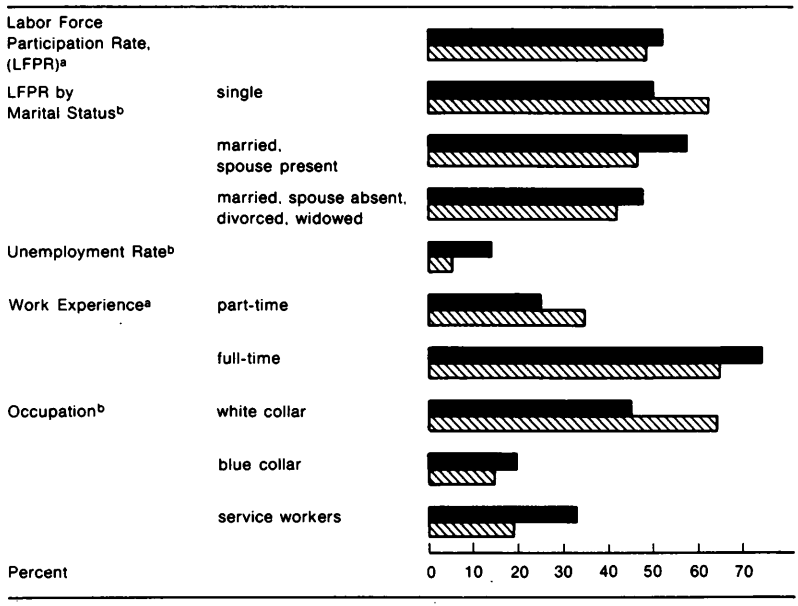

Figure 1.1 Black and white women workers. a. 1976 data. b. 1978 data. Solid bars represent black women; shaded bars represent white women. See tables 2.1, 3.1, 4.1, R.4, and R.9 for statistics.

of black husband/wife families with wives in the paid labor force was $15,744, or 60 percent higher than median income for black families with the husband as the only wage earner. The median income for white husband/wife families with wives in the paid labor force was $17,922, or 21 percent higher than white families with the husband as the only wage earner. Black families headed by women had median incomes that were only one-third the size of black husband/wife family incomes with both spouses working and slightly more than half the median income of black husband/wife families with the husband as the only wage earner.[3]

The option of market work versus home work and/or leisure is a luxury that few black married women have enjoyed. Overwhelming economic reasons for supporting

and sustaining the family have kept them in the work force. Traditionally, the labor force participation of black married women, regardless of the presence of young children, age, education, occupation, and income of husband, has been high and continuous. Few black married women workers have faced the re-entry problems of older white women who were absent from the labor force during their childbearing and child rearing years, although the male-female earnings gap has been attributed by some mainly to this discontinuity of work experience.[4]

Much of the economic and statistical data on black women workers is also subsumed in studies of black/white economic differences. An examination of the labor market experiences of black women becomes an exercise in how to disentangle the effects of race and sex. Black women have had different labor market experiences than white women when comparisons are made along sex lines, and they differ significantly in work behavior from black males when comparisons are made along racial lines. The interaction of race and sex may jeopardize their labor market status.

In the past the combination of race and sex discrimination has meant the almost complete isolation of black women workers from the internal labor markets or segregation into submarkets. Black women have been concentrated in the most menial, low-paying, and most unrewarding occupations in the general labor market or have served minority clients in segregated markets as teachers, social workers, nurses, and librarians. However, the recent upgrading of the occupational status of black women workers as well as their broader work experience in a number of labor markets have improved their relative economic status.

Labor market characteristics as well as personal characteristics are important in shaping the labor force participation of minorities and women. Many minority group members seek employment in markets within which most individuals are employed. Preferred workers may be well endowed with education and training, and in the primary markets where they are employed, there are opportunities for promotion,

security, and high wages. Workers in secondary labor markets face far less attractive opportunity structures and experience more unemployment. Historically, blacks have been restricted to these secondary labor markets with limited chances to shift to primary labor markets. Even when blacks have invested heavily in human capital (education, training) and otherwise sought to improve their earnings, they have been accorded differential treatment because of attributes not associated with productivity.

The assessment of individual workers on the basis of average characteristics of the groups to which they belong (that is, perceptions of employers based on other than individual characteristics) restricts labor market options for minorities and women. This statistical discrimination adversely affects the employment status and earnings potential of black women workers. We want to know why the significant differences between black and white women workers remain even after controlling for such factors as educational attainment, marital status, presence of children, and other family income. Beyond this, the major comparisons must be of black women workers versus all participants in the labor force.

We were surprised by the large number of conflicting observations on the labor market behavior of black women. Even when researchers utilize the same data bases, such as the decennial census materials or the Current Population Survey, the admonition that the coefficients of a multiple regression are no better than the specification of the model that has yielded them[5] needs to be underscored.* At other times, however, the problem appears to lie with the tools of

*Regression analysis is a statistical technique used to test hypotheses derived from economic theory about the significance of particular variables. For example, to explain the variation in labor force participation, the dependent variable, we should account for as many independent variables as possible. Thus education, other family income, children, and marital status may be the major explanatory factors. Coefficients are the estimators of the variables.

analysis. As yet, sociological and psychological attitudinal variables have not been incorporated into the neoclassical labor supply models. This is unfortunate because black women workers do not seem to fit easily into the conventional economic mold. Another problem arises because the normative stance in social science research on relative occupational status has been to compare minority women to white women. This procedure tends to obscure the fact that although black women have experienced dramatic rises in their employment status relative to white women, white women have been concentrated into jobs that are at the lower end of the occupational hierarchy. Within occupational groups, however, black women are concentrated at the lower skill range of the occupations.

This report is an initial building block, a survey of completed economic research. Other researchers may undertake more in-depth and searching analysis. If resources are available, far more sophisticated techniques might be used on a wealth of information. If we can survey and dissect one small area, others might be encouraged to undertake interdisciplinary approaches to explain the less than satisfactory experience of black women in the labor markets of this country.

Although the central focus of this report is on changes in the employment status of black women after 1960, a brief summary of the historical status of black women workers is pertinent. Black women have always comprised a significant proportion of the black labor force. This percentage increased from about a third at the beginning of the century to 47 percent in 1978. Black women workers as a percentage of the female work force, however, decreased from 22 percent in 1910 to 14 percent in 1978. (See table 1.1.) Black women workers are now approximately 6 percent of the civilian labor force.*

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*The official definition of the civilian labor force includes only those who are employed or seeking employment, not discouraged workers, that is, persons who are no longer looking for work because they believe no suitable work is available.

Table 1.1 Black (and Other Nonwhite) Women in the Labor Force, 1910-1978

Year	Number (× 1,000)	Percentage of Black Workers	Percentage of Women Workers
1910	1,613	33.9	21.7
1920	1,631	32.3	18.9
1930	1,841	33.4	17.1
1940	1,843	32.8	14.3
1950	2,086	34.3	12.7
1960	3,046	39.8	13.1
1970	4,015	43.6	12.7
1975	4,795	45.5	13.0
1977	5,266	46.6	13.2
1978	5,679	47.5	13.6

Sources: For 1910-1960, Dale Hiestand, *Economic Growth and Employment Opportunities for Minorities,* p. 7. For 1970-1978, U.S. Department of Labor, Employment and Training Administration, *Employment and Training Report of the President,* 1979, Table A-3.

Perhaps the more interesting story is the shift in the occupational position of black women. (The index of relative occupational position, an aggregate measure devised by Gary Becker, compares the occupational distribution of black women relative to white women. Between 1910 and 1960 this index increased from 78.0 to 84.3.[6]) In 1910, 60 percent of the black female labor force was nonfarm workers, of whom 95 percent were classified as semiskilled workers, laborers, and service workers. By 1960 the nonfarm total accounted for 94 percent of the black female work force, and semiskilled workers, laborers, and service workers were 80 percent of the nonfarm total.[7] In 1940 about 60 percent of the 1.5 million employed black women worked in the lowest-paying jobs as private household workers, but by 1960 only 36 percent of the employed black women were in this occupation. The major industrial shift for black women workers up to 1960 was from agricultural to nonfarm jobs, and the significant occupational shift after 1940 was from household worker to clerical and other white-collar jobs.

The post-1960 period is selected for review of the employment status of black women both because of the enormous changes that occurred as well as the abundance of data available. The relative economic status of black women was greatly improved between 1960 and 1970 because of three fundamental changes in their labor force participation: the shift from part-time to full-time employment; the impressive decline in the proportion of black women employed as household workers, from more than 33 percent in 1960 to less than 14 percent in 1970; and increased convergence in the job structures of black women as compared with white women, evidenced by the large differences in productivity characteristics between entering and retiring cohorts in the labor market.

The survey of the major economic literature on the labor force participation of black women is presented in chapter 2. Labor force participation studies of women have focused on the largest group of such workers, married with spouse present (MSP). In 1978 nearly three out of every five white women workers and two out of every five black women workers were classified in this group. Although the choice between market work and nonmarket activities as a determinant of labor supplied to the market has been confirmed for working wives in general, black wives may give more weight to monetary compensation because the earnings profile for black husbands is significantly lower than for white husbands.

The economic literature on the labor force participation of women has emphasized the role of married women with spouse present, but black women workers in other categories—married with spouse absent, single, divorced, and widowed—experience major difficulties in labor markets. These other categories account for 60 percent of black women workers and 42 percent of white women workers. Nearly a quarter of black women workers are heads of families. Only recently, as welfare reform has emerged as a major policy issue, has some interest been paid to this segment of the work force.

A large number of economic studies have been surveyed in order to assess other characteristics of black women workers. Chapter 3 examines their occupational status, work schedules, educational attainment, and age and the effect of the presence of children. Chapter 4 reviews the impact of labor market policies, such as employment and training programs and antidiscrimination efforts, as techniques for improving the labor market experience of black women. Chapter 5 assesses the black/white earnings differential from the perspective of black women workers. Chapter 6 highlights the employment status of two especially disadvantaged groups of black women workers: teenagers and female heads of families. Also, a more detailed study is made of the private household service occupation, in which the largest number of black women were employed, at least until 1960. Structural changes in the labor market in the following decade induced a major shift of black women out of this occupation. In chapter 7 some research issues for future efforts are outlined and some policy implications are noted. A number of reference tables have been included in appendix A, and data sources are noted in appendix B.

Although it might appear that undue attention is given to technical issues in this report, the context is much larger. The economic status of blacks, the largest minority group in the United States, is our major concern.[8] Many studies have recommended a much larger investment in education and training as the way to increase the economic well-being of blacks. Other studies have emphasized affirmative action programs to reduce employment discrimination. Given their low relative standing in the labor market, black women workers would benefit from a mix of programs.