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Mason, Patrick L.

Florida State University

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## **Identity matters: inter- and intra-racial disparity and labor market outcomes**

Patrick L. Mason  
Professor of Economics &  
Director, African American Studies Program  
266 Bellamy Building  
Florida State University  
Tallahassee, Florida 32306-2180  
(850) 644-9146  
(850) 644 – 4535 (fax)  
pmason@fsu.edu

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### **Abstract**

Standard analysis of racial inequality incorporates racial classification as an exogenous binary variable. This approach obfuscates the importance of racial self-identity and clouds our ability to understand the relative importance of unobserved productivity-linked attributes versus market discrimination as determinants of racial inequality in labor market outcomes. Our examination of identity heterogeneity among African Americans suggests racial wage disparity is most consistent with weak colorism, while genotype disparity best describes racial employment differences. Further, among African Americans, the wage data are not consistent with the hypothesis that black-mixed race wage disparity can be explained by differences in unobserved productivity-linked productive attributes.

JEL codes: J15, J16, J21, J31, J61, J7, Z13

Key words: racial discrimination, racial inequality, identity, African American, African Diaspora, wage discrimination, employment discrimination, Hispanic, acting white, multi-racial, skin shade

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Standard econometric analysis of African American – white inequality incorporates racial classification as an exogenous binary variable. However, a white/black dichotomous variable in the earnings equation may be inappropriate since a rising proportion of African Americans self-identify as both black and white, black and white and some other racial category, or black and some other racial category. Also, the exogenous binary approach obfuscates the relative importance of unobserved skill versus market discrimination as casual determinants of racial wage inequality.

This paper examines identity differences and labor market disparity among African Americans and between African Americans and whites. The increase in identity differences among African Americans provides an opportunity for appraising the relative importance of acculturation and discrimination for inter- and intra-racial wage disparity. Section I reviews the existing literature on racial identity and labor market outcomes. Section II presents the empirical model and hypotheses, while section III discusses the data and section IV presents the results. We conclude with a discussion and summary of the results.

## **I. Literature Review**

Darity, Mason, and Stewart (2006) present racial identity formation as an evolutionary game. For this model, self-identification and labeling conventions are norms that emerge to determine differential degrees of access to private and social resources within and between social groups. If a racialized equilibrium exists, racial conventions are fashioned to limit entry into the wealthiest social group.<sup>1</sup>

In a racialized economy, transracial acculturation is an individualist social innovation. It is difficult for this innovation to spread and dislodge the racialized equilibrium because acculturation reduces participation in own-group benefits and increases the cost borne by

individualists due to other-group antagonism. Yet, if there are differential rates of return to social group identity some individuals may attempt identity arbitrage, that is, to find a mechanism that allows transracial acculturation into the group with the higher rate of return to social identity.

Historically, “passing” and “acting white” have been two forms of transracial acculturation available to African Americans.<sup>2</sup> “Passing” occurs when Euro-phenotype persons of African descent covertly adopt a white racial identity. If there is a relatively large economic payoff to whiteness, there will be strong incentives for European-featured Africans to identify as white. Passing was particularly popular between the 1850s and 1940s, but appears to be much less prevalent today (Sollors, 1996).

“Acting white” permits transracial acculturation for some African Americans who are otherwise unable to “pass”. For instance, although mixed-race self-classification maybe an idiosyncratic consumption good, it is also true that mixed-race self-identification can be an individualistic transracial acculturation strategy that seeks to arbitrage the differences in economic disparity associated with market and social premia obtained by white-only individuals relative to black-only individuals. Consequently, a mixed-race self-identity strategy may not get a person into an advantaged group (e.g., white-only in the US) but it may allow an individual to more or less successfully distance himself from a disadvantaged group (e.g., black-only in the US).<sup>3</sup>

Colorism is a discriminatory process whereby the extent of racial disparity varies by skin shade, phenotype, or racial self-identification (Goldsmith, Hamilton, and Darity, 2007). Strict colorism exists when the extent of racial disparity against African Americans decreases monotonically as racial self-classification changes from black-only to black-white to white-only. Weak colorism implies that self-identified mixed-race persons may experience differential

market payoffs relative to black-only African Americans, but there is not a monotonic change in disparity as race self-classification changes from black-only to black-white to white-only.

Identity differences among African Americans were widespread during the 19th century. In their analysis of 1860 census data of the urban South, Bodenhorn and Ruebeck (2003) found that mixed-race persons, “mulattoes,” often had economic incentives to distinguish themselves from blacks. By rejecting blackness and “acting white” it was sometimes possible for mulattoes to obtain better education, higher occupational status, and greater wealth accumulation (Bodenhorn and Ruebeck, 2007). Simply separating themselves from black-only or darker African Americans was not sufficient for mulattoes to achieve greater socioeconomic wellbeing, the separation also had to occur in a context whereby it was beneficial to whites. Further, the advantages of mixed-race identity varied by region and by the demographic composition of the population.

Mixed-race individuals of the Lower South (and the Caribbean) were most frequently the children of affluent white males and (free or enslaved) black women; hence, they secured advantages not available to individuals who were black-only, for example, manumission, some degree of education, and inheritance from fathers. (See Bodenhorn, 2003 and accompanying references). Mixed-race persons of the Upper South were most frequently the children of poor white males and enslaved black women. Hence, the mulatto-black economic differential in the Upper South may have been less extensive than the mulatto-black economic differential in the Lower South.

Bodenhorn and Ruebeck (2007) confirm a pattern of strict colorism in the 1860 Urban South. They found that black and mixed-race male heads of household accumulate 92 and 45 percent less wealth, respectively, than otherwise identical whites. Similarly, black and mulatto

female heads of household accumulate 106 and 63 percent less wealth, respectively, than otherwise identical whites. Similarly, in an analysis of 23 counties in rural Virginia Bodenhorn (1999) reports that black-white males attained an average terminal stature of 68.5 inches compared to a terminal stature of just 67.1 inches for dark males, while black-white women were, on average, more than 2 inches taller than dark complexion women.

For their analysis of contemporary colorism, Goldsmith, Hamilton, and Darity (2007) utilize samples from the 1979-80 National Survey of Black Americans (NSBA) and the Multicity Study of Urban Inequality (MCSUI).<sup>4</sup> For both datasets, Goldsmith, Hamilton, and Darity find evidence that is consistent with weak skin shade colorism. In particular, African Americans as a whole suffer a market penalty relative to whites but the penalty for lighter African Americans is lower than the penalty for medium and darker shade African Americans; there is no statistically significant difference between the penalties for the latter two groups.<sup>5</sup>

Hersch (2006) also uses the NSBA and finds no statistically significant skin shade effects for women. Hersch's point estimates suggest that very dark and medium complexion African American males have hourly wage penalties of -0.21 log points relative to lighter complexion African American males, while the differential for dark black males is -0.18 log points. Hence, for Hersch (2006) there is weak colorism among African American males.

The 2003 New Immigrant Survey (NIS) has greater and more precise information on skin shade than other large datasets (Hersch, 2007). Interviewers were provided with a color scale which consists of a series of hands with color increasing in darkness. Skin color was reported on a scale of 0 to 10. Regardless of nation of origin, all immigrants received a skin shade assessment. For a wage equation which contains a standard set of covariates (including English skills) and occupational controls to account for unobserved productivity variables, Hersch finds

that each one point increase in skin tone scale lowers wages by 1.5 percent. The lightest skin immigrants earn 17 percent more than otherwise comparable immigrants with darker skin color, a pattern of strict colorism.

Empirical evidence suggests that the lower labor market penalty for light skin African Americans is not due to superior social capital, as defined by family background and current neighborhood characteristics. Controlling for family background and current neighborhood has no impact on coefficients of the MCSUI regressions, but raises the coefficient for light skin African Americans by 0.02 log points in the NSBA regressions (Goldsmith, et al., 2007). The lower labor market penalty for light skin African Americans is not due to superior occupational attainment. Controlling for occupation reduces the wage penalty by 0.02 log points for the MCSUI regressions, but has no effect on the coefficient for light skin African Americans in the NSBA regressions.

Ruebeck, Averett, and Bodenhorn (2006) compare the risky behaviors and academic success of non-Hispanic white, black, and black-white biracial youth. Ruebeck, et al. seek to empirically examine the behavioralist framework of “acting white” to generate hypotheses regarding “acting out” by youth of alternative social groups. Within the behavioralist framework, acting white is not an individualist attempt at transracial acculturation. Rather, for Fordham and Ogbu (1986) the acting white perspective is constructed on the notion that African American youth are anti-intellectual while white youth are academically oriented. Hence, blacks who are studious are violating group cultural prescriptions and therefore are perceived as “acting white.” Studious African American students will then be punished by the anti-intellectual black majority. There is no punishment for whites who are studious. Per Fordham and Ogbu, African Americans’ anti-intellectual culture is to a greater or less extent responsible for the black-white

gap in academic achievement and therefore, also, the black-white gap in labor market outcomes. If self-identified biracial youth wish to establish that they are authentically black then they too will adopt an anti-intellectual (or, more politely, “oppositional”) culture. Specifically, Ruebeck, et al. hypothesize that self-identified bi-racial youth and black youth are more likely to “act out” and high achieving (that is, high GPA) bi-racial and black youth will be even more likely to “act out” as a compensating mechanism for being high achievers within a group that has an anti-intellectual culture.

Ruebeck, et al. find no evidence to support the behavioralist version of the “acting white” hypothesis, finding instead evidence that is directly contradictory to the behavioralist perspective. Ruebeck, et al. go on to conclude that the evidence suggests that self-identified bi-racial youth are constructing an identity that is neither black nor white.

Ferguson (2006) also suggests that the data is inconsistent with the behavioral economics understanding that there is an “acting white” phenomena related to anti-academic achievement attitudes among African Americans. Instead, in agreement with the Darity, et al. model, Ferguson’s results show that to the extent African American youth label another African American youth as “acting white” it’s because the student is quite literally acting white, that is, frequently listening to “white” music or speaking in a manner similar to whites. The recent paper by Tyson, Darity, and Castellino (2005) also concludes that the behavioral economics’ “acting white” hypothesis is not valid. Instead, Tyson, et, al. argue that regardless of race all high achieving students are to some extent labeled “nerds” or “geeks.”

## **II. Estimation Framework**

Consider the following equation of racial inequality.

$$(2) \ln(\text{wage}) = \beta + \sum_{k=1}^K X_k \beta_k + \sum_{e=1}^4 \delta_e D_e + \theta t + \varepsilon.$$



The wage covariates (captured by the vector  $X$ ) include potential experience and its square; years of education and its square; interaction terms for years of education and experience and years of education and experience squared; union status of job; regional binary variables (Northeast, Northeast, West), where South is the comparison region; marital status binary variables (married, divorced, widowed, separated), where never-married persons are the comparison group; number of unmarried children at home less than 18 years of age; binary variable for whether or not an individual has served in the armed forces; individual/family unearned income (\$1,000s); state employment-population rate; binary variable if there is a limitation on the amount or type of work; binary variables for small localities (cities with 100,000 or fewer persons) and large cities (metropolitan areas with 5,000,000 or more individuals); dichotomous variable for Hispanic status; and, whether or not an individual is an immigrant.

A linear trend variable ( $t$ ) captures intertemporal changes in the labor market effects of technological change, the impact of governmental policies, etc..

Identity differences are captured by the vector  $D_e$ , whose elements are defined as follows:  
 $D_e \equiv$  black-only; black-American Indian, black-Native American, black-Asian, or black-Native American; black-white-American Indian, black-white-Native American, black-white-Asian, or black-white-Native American; black-white.

*i) Colorism: disparity and self-identity*

Our null hypothesis is  $H_0: \delta_1 = \delta_2 = \delta_3 = \delta_4 = 0$ .

Weak or strict colorism exists according to whether we reject the null hypothesis in favor of one of the following alternative hypotheses, that is, whether we have weak or strict evidence of an identity gradient.

$H_1: \delta_1 \leq \delta_2 \leq \delta_3 \leq \delta_4 < 0$  (weak colorism)

$H_1: \delta_1 < \delta_2 < \delta_3 < \delta_4 < 0$  (strict colorism)

Similarly, either weak or strict genotype disparity exists according to whether we reject the null hypothesis in favor of one of the following alternative hypotheses.

$H_1: \delta_1 \leq 0, \delta_2 \leq 0, \delta_3 \leq 0, \delta_4 \leq 0$  (weak genotype disparity)

$H_1: \delta_1 = \delta_2 = \delta_3 = \delta_4 < 0$  (strict genotype disparity)

We first separately examine weekly wages for men and women, for both national and regional specifications of the wage equation. Next, we separately examine labor force participation and probability of employment for men and women, for both national and regional specifications of participation and employment equations. For both the wage and employment regressions, the comparative group consists of native-born Non-Hispanic whites. All immigrants and Hispanics in the data are African Americans. Finally, we restrict the sample to African Americans and utilize the Oaxca-Ransom decomposition to expose the nature and extent of intra-racial inequality.

Regional differences in labor markets and the pattern of racial relations might also affect intra-racial differences in labor market outcomes. There has been unequal economic progress for African Americans across national regions. In particular, there has been remarkable relative and absolute progress among African Americans in the South. If African Americans of differing identity are not similarly distributed across national regions, then we are likely to observe unequal progress for African Americans by self-identification.

### **III. Data**

The data are taken from the 2003 – 2007 March files of the Current Population Survey. The weekly wages refer to the average weekly wages for the year prior to the survey. All

individuals are 16 – 64 years of age during the wage year. Employment status outcomes include employed, unemployed, and not in the labor force. Potential experience =  $\max\{\text{age of individual} - \text{years of education} - 6, 0\}$ . Self-employment patterns differ across groups. We do not delete the self-employed, despite the fact that their wages may be difficult to determine precisely even as their employment status is straightforwardly ascertained. All individuals are either African Americans or native-born Non-Hispanic whites. All income data are inflation-adjusted to 2007 dollars using the Consumer Price Index – All Urban Consumers.

For 2003 – 2007 individuals may select more than one racial category. In order to maintain consistency with previous surveys and with the prevailing social norms of the immediate post-Jim Crow era, African Americans include all persons who self-identified as “black only” plus any combination of black and other racial or ethnic group.

Table 1 shows that, nationally, the overwhelming majority of African Americans self-identify as black-only (hereafter, referred to as “black”). Just 3 percent of African Americans self-identify as mixed-race: 1.65 percent are black-white, 0.86 percent are black-American Indian, black-Asian, or black-Hawaiian (hereafter, collectively referred to as “black-other”), and the remainder (0.39 percent) self-identify as black-white-American Indian, black-white-Native Alaskan, black-white-Asian, or black-white-Native Hawaiian (hereafter, collectively referred to as “black-white-other”). At more than 8 percent, the West has the largest fractions of self-identified mixed-race persons and the South had the fewest (just 1.7 percent). While the fraction of black-white individuals hovers around 1 – 2 percent in all other regions (with the lowest percentage in the South), this group represents almost 5 percent of the Western African American labor force.

**[Insert Tables 1 and 2]**

Black-other and black-white-other persons have higher weekly wages (\$687 and \$682, respectively) than black and black-white individuals (\$666 and \$613, respectively). Fifty-six percent and 39 percent of black and black-other African Americans, respectively, live in the South. Black-white and Black-white-other persons are more evenly distributed throughout the country. Only 3.4 percent of blacks are Hispanic, but Hispanics are 10 percent, 25 percent, and 28 percent of black-other, black-white-other, and black-white individuals. Eighty-eight percent of black and black-other African Americans are native-born, but 82 percent and 81 percent of black-white-other and black-white African Americans are native-born. There are important differences in the fraction of fulltime workers: black (81 percent), black-other (77 percent), and black-white-other (72 percent), and black-white (71 percent). Finally, black-other persons have the highest annual non-labor income (\$3,037), while black-white persons have the lowest annual non-labor income (\$1,792) with black and black-white-other individuals in between at \$2,235 and \$2,301, respectively.

#### **IV. Results**

##### *A. Weekly wage inequality: men*

The empirical evidence regard male wage disparity is consistent with weak colorism. Table 3 shows that men who self-identified as black-white-other received an insignificant 2 percent penalty in comparison to the 19 percent penalty received by African American men self-identified as black. However, self-identified black-other men received a 23 percent penalty. Self-identified black-white men received an 8 percent premium relative to native-born Non-Hispanic white men.

Table 3 shows regional outcomes that are substantively similar to the national patterns. Black males have wage penalties of 17 percent (Northeast), 19 percent (Northcentral and South),

and 21 percent (West). Black-other males have wage penalties of 32 percent (Northeast), 30 percent (Northcentral), 18 percent (South), and 21 percent (West). Northeastern black-white-other men have a wage penalty of 27 percent; otherwise, there is no statistically significant wage effect for black-white-other men. Southern black-white men have a wage penalty of 11 percent; otherwise, there is no statistically significant wage effect for black-white men.

**[Insert Table 3]**

Nationally, we reject the null hypotheses of an equal identity effect, no identity effect, no black effect, and no black-white effect. These results suggest that the coefficients for black and black-other are statistically indistinguishable, while the coefficients for black-white-other and black-white are statistically equal. In supplementary regressions, we created two binary variables, black-all (for black-only and black-other) and black-white-all (for black-white and black-white-other). The point estimates for black-all and black-white-all are -0.19 and -0.07, affirming a pattern of weak colorism.

The Northcentral and Western regions are also consistent with a pattern of weak colorism. The black-all coefficients are -0.19 and -0.21, respectively, while the point estimates for black-white-all coefficients are statistically insignificant -0.05 and -0.04, respectively. In both cases, the standard errors for black-white-all yield broad 95 percent confidence intervals of (-0.1668, 0.0756) and (-0.1477, 0.0654) for the Northcentral and Western regions, respectively. By contrast, the black-all confidence intervals are much tighter, (-0.2127, -0.1697) and (-0.2412, -0.1813).

There are positive and equal identity effects for the Northeast, suggesting strict genotype disparity. Supplementary regressions show point estimates for black-all and black-white-all are -0.17 and -0.13, with confidence intervals of (-0.1967, -0.1438) and (-0.2505, -0.0053),

respectively. The South also reveals a pattern consistent with genotype disparity, but the large standard errors for black-white and black-white-other are also consistent with a pattern of weak colorism. Point estimates for black-all and black-white-all are -0.19 and -0.07, with confidence intervals of (-0.2020, -0.1727) and (-0.1876, 0.0421), respectively.

*B. Weekly wage inequality: women*

There is evidence of weak colorism in the wage attainment process among African American women. Black women have a market penalty of 10 percent, while the penalty for black-other women is 13 percent (Table 4). There is a statistically insignificant penalty of 5 percent for black-white-other women and a statistically insignificant premium of 1.17 percent for black-white women.

**[Insert Table 4]**

Regionally, black women earn 8 percent less (Northcentral), 9 percent less (Northeast and West), and 10 percent less (South) than otherwise identical native-born Non-Hispanic white women. There are no significant wage effects for either black-white women or black-white-other women. Except for the Southern penalty of 18 percent, there are no significant wage effects for black-other women.

Nationally, we reject the null hypotheses of an equal identity effect, no identity effect, and no black effect. These results suggest that the coefficients for black and black-other are statistically indistinguishable, while the coefficients for black-white-other and black-white are statistically equal. In supplementary regressions, the point estimates for black-all and black-white-all are -0.10 and 0.0004 (insignificant), a pattern of weak colorism.

The point estimates for black-all are large and statistically significant in each of the regional regressions, while the coefficients for black-white-all are smaller (in absolute value) and

statistically insignificant in each of the regional regressions: -0.09 and 0.03 (Northeastern), -0.08 and -0.00 (Northcentral), -0.10 and 0.04 (South), and -0.09 and -0.06 (West). These patterns are consistent with weak colorism. Yet, for the Northcentral, Northeast, and West, the standard errors for the black-white-all coefficients are sufficiently large such that we cannot reject the null hypothesis of equality of the coefficients of the identity variables; hence, there is also evidence in favor of the strict genotype hypothesis.

*C. Employment-status inequality: men*

Nationally, the black male labor force participation rate is 1.2 percentage points less than the white male labor force participation rate (Table 5). The coefficients for black-other, black-white, and black-white-other are statistically insignificant. Hypothesis tests show that the black and black-other coefficients are statistically equal and jointly significant. The black-white and black-white-other coefficients are not jointly significant.

Supplementary regressions used only two binary identity variables: black-all, formed from combining black and black-other; and, black-white-all, formed from combining black-white and black-white-other. The point estimates show that black-all status reduces the probability of labor force participation by 1.2 percent, while black-white-all status reduces the probability of employment by a statistically insignificant 0.17 percent. A test of the null hypothesis that black-all and black-white-all are jointly insignificant is rejected with a p-value = 0.0462. The null hypothesis for equality of the black-all and black-white-all coefficients is rejected with a p-value = 0.0000.

**[Insert Tables 5 and 6]**

For every region, black males have marginally lower participation rates than white males. Participation effects are -1.5 percent (Northeast), -1.9 percent (Northcentral), -0.84 percent

(South), -1.1 percent (West). For the Northcentral region, black-white men have a participation rate 2 percent higher than white males; otherwise, the black-white coefficient is insignificant. There are no significant regional participation differentials for black-other men. For the Northeast, black-white-other men have a participation rate 2.63 percent higher than white males; otherwise, the black-white-other coefficient is insignificant.

Black-all is statistically significant in the supplementary regression for each region and has an effect that is indistinguishable from the black coefficient. Except for the Northcentral region, the black-white-all coefficient is insignificant for each region. For the Northcentral region, black-white-all men have a participation that is 2.2 percent higher than the white participation rate. For the West, we cannot reject the null hypothesis that black-all and black-white-other are jointly insignificant. For the South and Northeast, we cannot reject the null hypothesis of equal coefficients for black-all and black-white-all, though they are jointly significant; the point estimates for black-all men are -0.83 percent and -1.5 percent, respectively, while it is -0.61 percent and -0.57 percent, respectively, for black-white-all men.

Male employment is consistent with strict genotype disparity. Nationally, the black male probability of employment is 5 percentage points less than the white male probability of employment (Table 6). The coefficients for black-other and black-white-other are statistically insignificant. Black-white men are 3.5 percent less likely to be employed than otherwise identical white males. We cannot reject the null hypotheses that the identity coefficients are equal. But, we can reject the hypothesis that the identity coefficients are jointly insignificant. Supplementary regressions show a point estimate of -0.0491 for black-all men and -0.0300 for black-white-all men, with 95 percent confidence intervals of (-0.0553, -0.0428) and (-0.0574, -0.0020), respectively.



For every region, black males have a lower probability of employment than white males. Employment effects are -6 percent (Northeast), -6 percent (Northcentral), -4 percent (South), and -6 percent (West). There are no statistically significant employment effects for black-other men in the Northeast and West; however, for the Northcentral and Southern regions black-other men are 12 percent and 4 percent, respectively, less likely to be employed than otherwise identical white males. There are no significant region effects for either black-white or black-white-other men.

Black-all is statistically significant in the supplementary regression for each region and has an effect that is indistinguishable from the black coefficient. Except for the South, the black-white-all coefficient is insignificant for each region. However, except for the Northeast, we cannot reject the null hypothesis that the coefficients for black-all and black-white-all are equal; we can reject the null hypothesis that the coefficients are jointly equal to zero. These seemingly contradictory results occur because the large standard errors for black-white-all provide 95 percent confidence intervals which encompass the confidence intervals for black-all. For the Northcentral region, the coefficients for both black-all and black-white-all reveal a 6 percent employment penalty. But, the confidence intervals are (-0.0786, -0.0414) and (-0.1343, 0.0123) for black-all and black-white-all men, respectively. For the South, the point estimates yield employment penalties of 4 percent (black-all) and 5 percent (black-white-all), but the confidence intervals are (-0.0443, -0.0294) and (-0.1126, 0.0050). For the West, the point estimates yield employment penalties of 6 percent (black-all) and 2 percent (black-white-all), but the confidence intervals are (-0.0828, -0.0393) and (-0.0693, 0.0255).

#### *D. Employment-status inequality: women*

Nationally, there is no statistically significant labor force participation effect for black or

mixed-race women (Table 7). Except for the Northeast, there are no significant participation effects for any group of African American women. Drawing on our supplementary regressions, black-white-all women residing in the Northeast have a 4 percent lower participation rate than otherwise identical white women.

Female employment is consistent with strict genotype disparity. Nationally and for each region, we cannot reject the null hypothesis of equal employment effects for black, black-other, black-white, and black-white-other women. The point estimates are sometimes quite different, but the large standard errors associated with the mixed-race coefficients yield overlapping confidence intervals. African American women are 3 – 4 percent less likely to obtain employment than otherwise identical white women.

**[Insert Tables 7 and 8]**

*E. Wage decompositions among African Americans*

Following Oaxaca and Ransom (1994) we use three equations to decompose intraracial wage differences: a pooled sample of all African Americans, a sub-sample of black African Americans, and a sub-sample of mixed-race African Americans.

$$\ln W = X\beta + \varepsilon \quad (\text{all African Americans})$$

$$\ln W^B = X^B\beta^B + \varepsilon^B \quad (\text{black African Americans})$$

$$\ln W^M = X^M\beta^M + \varepsilon^M \quad (\text{mixed-race African Americans})$$

The unadjusted wage differential is decomposed as follows:

$$\begin{aligned} \ln W^w - \ln W^A &= \bar{X}^M (\hat{\beta} - \hat{\beta}^M) \quad (\text{mixed-race}), \\ &+ \bar{X}^B (\hat{\beta}^B - \hat{\beta}) \quad (\text{black}), \text{ and} \\ &+ (\bar{X}^B - \bar{X}^M) \hat{\beta} \quad (\text{characteristics}). \end{aligned}$$

We focus on two issues regarding wage disparity between black and multi-racial African Americans: intra-racial differences in unobserved productivity-linked attributes and intra-racial differences in employer treatment. Differences in unobserved productivity-linked attributes may occur for a variety of reasons, for example, selection bias in the identity formation process, differential wage earning culture across identity sub-groups, or differences in ability. On the other hand, employers may not regard black and mixed-race African Americans as perfect substitutes in the discrimination process and thereby may treat them differently with respect to the wage earning opportunities that are made available to workers.

As an identifying assumption, we assume a positive correlation between observable and unobservable productivity-linked attributes. Among men, black males earn 19 percent less than otherwise identical white males. By comparison, the labor market penalties for black-other, black-white, and black-white-other males are 23 percent, 9 percent, and 2 percent, respectively. Women have a similar pattern of residual wage differences: black (-10 percent), black-other (-13 percent), black-white (1 percent), and black-white-other (-5 percent).

Suppose these residual wage differences are consistent with higher unobserved productivity-linked attributes among black-white and black-white-other individuals relative to black individuals and higher unobserved productivity-linked attributes among black individuals relative to black-other individuals. If so, each element of the identity decomposition, that is, the characteristics, black advantage, and mixed-race disadvantage effects should i) have a negative effect on disparity between black and black-white persons, ii) have a negative effect on disparity between black and black-white-other persons, and iii) have a positive effect on disparity between black and black-other person.

Suppose the patterns of male and female residual inequality are the result of differential market discrimination against black and mixed-race persons. If so, the characteristics and mixed-race disadvantage effects will have opposite effects on intra-racial disparity. For example, if colorism exists the characteristics differential should have a positive effect on disparity between black individuals and each group of mixed-race persons; simultaneously, we should observe that the mixed-race disadvantage has a negative effect on intra-racial disparity. Relatively greater discrimination against mixed race persons will be the case if we observe that characteristic differences have a negative effect on intra-racial inequality while the mixed-race disadvantage has a positive effect on intra-racial inequality.

Nationally, for disparity between black individuals and all mixed-race persons, the male and female decompositions suggest that residual wage differences are the result of relatively higher discrimination against black African Americans. Table 9a shows that the unadjusted mean log weekly wage differentials for black and mixed-race African Americans are 0.16 for men and 0.13 for women. The mean differences in wage covariates (“characteristics”) are responsible for a 0.19 differential for men and a 0.15 differential for women. Both male and female black advantage differentials are substantively small; relatively lower rates of return associated with black wage-earning attributes reduce the wage gap by about 1/10 percent. However, the negative mixed-race disadvantage suggests that higher than average rates of return to their wage-earning attributes raise the wages of mixed-race persons by 3 percent for males and 2 percent for females. Except for Northeastern males, the regional results display the same patterns, with similar differentials for the mixed-race disadvantage and black advantage. For Northeastern males, the identity decomposition is consistent with relatively higher unobserved productivity-linked attributes among black individuals.

**[Insert Tables 9a, b]**

Nationally and for each region, for disparity between black individuals and black-white persons, the male and female decompositions suggest that interracial residual wage differences are the result of relatively higher discrimination against black African Americans. Black men and women have wages that are 23 percent and 21 percent higher, respectively, than the wages of black-white men and women. The characteristics differentials explains more than 100 percent of the unadjusted wage differentials, accounting for wage differentials of 29 percent (males) and 27 percent (females). There is no substantive black advantage; however, the black-white disadvantage reduces male inequality by 5.5 percent and reduces female inequality by 6 percent. For the West, the intraracial gaps between black and black-white male and female wages are 38 and 35 percent and completely accounted for by higher wage covariates among black African Americans. No region shows a substantive black advantage, but the Northcentral, Northeastern, Southern regions show mild to large (in absolute value) negative black-white disadvantages. For example, preferential market treatment in the Northcentral region adds 9 percentage points to male black-white wages while preferential treatment in the South adds 14 percentage points to female black-white wages.

Nationally, colorism is also consistent with the identity decompositions between black and black-white-other African Americans. Black men and women have wages that are 4 percent higher than the wages of black-white-other men and women. The characteristics differentials explain at least 100 percent of the unadjusted wage differentials, accounting for wage differentials of 17 percent (males) and 4 percent (females). There is no substantive black advantage; however, the black-white disadvantage reduces male inequality by 13 percent and

reduces female inequality by 0.59 percent. The regional results are inconsistent and there are only small numbers of observations of black-white-other persons in each region.

For both men and women, the national decomposition for black African Americans and black-other African Americans is inconsistent with colorism and suggests instead a pattern of preferential treatment for black women and relatively higher unobserved productivity-linked attributes among black men (Table 9b). Among men, the wage decomposition shows a 2 percent characteristics differential but a 7.4 percent unadjusted wage differential. Black-other disadvantage increases inequality by 6 percent. Among women, the wage decomposition shows a -1 percent characteristics differential but a 3 percent unadjusted wage differential; black-other disadvantage increases inequality by 4 percent. The regional identity decompositions are consistent with above average discrimination against black-other individuals, except for Western males and Northcentral females (higher unobserved attributes among black individuals) and Western females (colorism).

## **V. Discussion**

Our analysis has focused on four self-identified groups: black, black-other, black-white-other, and black-white. Racial wage disparity is most consistent with weak colorism, while genotype disparity best describes racial employment differences. Black and black-other men and women receive weekly wages that are 21 percent lower and 10 percent lower, respectively, than the weekly wage received by otherwise identical native-born Non-Hispanic white males and females. Black and black-other men have a slightly lower (1.2 percent) labor force participation probability than white males, while all African American women have a labor force participation probability that is statistically identical to white women. Black and black-other men and women

have probabilities of employment that are 5 percent lower and 3 percent lower, respectively, than the probabilities of employment of otherwise identical white males and females.

Black-white and black-white-other men and women receive weekly wages that are 8 percent lower and statistically equal to, respectively, than the weekly wage received by otherwise identical white males and females. Black-white and black-white-other men and women have statistically equal labor force participation probabilities relative to white males and females. Black-white and black-white-other men and women have probabilities of employment that are 3 percent lower and 4 percent lower, respectively, than the probabilities of employment of otherwise identical white males and females.

There is a lower demand for labor for all African American men though the demand is lower for black and black-other males than it is for black-white and black-white other males. There is also evidence that the black African American labor supply curve is slightly to the left of the white labor supply curve. The evidence suggests a similar labor supply curve for African American and white women. The labor demand curve for black and black-other African American women is to the left of the labor demand curve for white women. The labor demand curve for black-white and black-white-other women is also to the left of the white labor demand curve above this wage.

Lastly, among African Americans, the wage data are not consistent with the hypothesis that black-mixed race wage disparity can be explained by differences in unobserved productivity-linked attributes. Instead, the evidence suggests that employers discriminate less against mixed-race persons than against black individuals.

## Notes

<sup>1</sup> An obvious convention is, “All persons with light skin color and European phenotype are white; otherwise, the person is non-white, for example, Black.” Over time, this binary descriptor would make “European” synonymous with “white” and “African” synonymous with “Black.”

<sup>2</sup> More colloquially, acting white often referred to as “Tomming,” that is, ideological passing for those who lack the appropriate physical features to pass. Nothing in the Darity, et al. model limits this identity strategy to a particular group, but if economic motives are the primary reasons for acting white, we should expect to see a greater presence among the least wealthy social group. Hence, African Toms are not permitted to pass as white, but they are permitted to pass as individuals among whites if they are sufficiently ideologically integrated into whiteness.

<sup>3</sup> See Golash-Boza and Darity, 2008 for an empirical analysis of these issues among Latinos.

<sup>4</sup> Similar economic studies include: Hersch (2007), which uses the 2003 New Immigrant Survey (NIS); Hersch (2006), which uses the NSBA, MCSUI, and the 1995 Detroit Area Study: Social Influence on Health: Stress, Racism, and Health Protective (DAS); and, Loury (2007, 2006), which uses the NSBA. The contemporary sociology (Keith and Herring, 1991; Herring, Keith, and Horton, 2004) and social psychology (Maddox, 2004; Blair, Judd, and Chapleau, 2004; Blair, Judd, Sadler, and Jenkins, 2002) literatures have documented strong empirical effects associated with skin tone colorism. For example, using the 1979-80 National Survey of Black Americans, Keith and Herring (1991) construct a continuous skin tone variable ranging from a value of 1 (very dark) to 5 (very light). In a series of beta coefficient regressions, they find that a one standardized unit increase in lightness is associated with greater years of education, higher occupational status, greater personal income, and greater family income.



<sup>5</sup> The absolute value of the skin shade coefficients depends on the method of estimation (ordinary least squares versus median regression), type of regression (standard versus ex ante), the number and type of wage covariates, and whether one is using the MCSUI or NSBA dataset.

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**Table 1. Self-identity of African Americans, 2003-2007**

2003-2007	National	Northcentral	Northeast	South	West
Native-born	0.8759	0.9429	0.6986	0.9137	0.8673
Hispanic	0.0395	0.0191	0.1031	0.0197	0.0717
Black	0.9711	0.9650	0.9664	0.9835	0.9193
Black-American Indian, Native Alaskan/Asian/ Native Hawaiian	0.0086	0.0092	0.0083	0.0061	0.0225
Black-white-American Indian, Native Alaskan/ Asian/ Native Hawaiian	0.0039	0.0053	0.0052	0.0019	0.0101
Black-white	0.0165	0.0205	0.0202	0.0085	0.0482
N	55,742	10,182	9,152	31,093	5,315

**Table 2. Descriptive statistics by social identity: 2001 - 2007**

	Black	Black-American Indian, black-Native Alaskan black-Asian, black-Native Hawaiian	Black-white-American Indian, black-white-Native Alaskan, black-white-Asian, black-white-Native Hawaiian	Black-white
Weekly wage	\$666	\$687	\$682	\$613
Northeast	0.1782	0.1733	0.2402	0.2187
Northcentral	0.1760	0.1900	0.2430	0.2201
West	0.0899	0.2487	0.2476	0.2772
South	0.5559	0.3880	0.2692	0.2839
Metropolitan area, 5,000,000 or more	0.2742	0.2169	0.2843	0.2607
Metropolitan area, 100,000 or less	0.1238	0.1054	0.1055	0.0959
Married	0.3794	0.3825	0.4169	0.2915
Divorced	0.1202	0.1421	0.0871	0.0935
Widowed	0.0194	0.0005	0.0042	0.0126
Seperated	0.0492	0.0311	0.0511	0.0374
Never married	0.4317	0.4439	0.4407	0.5650
Years of education	13.01	13.38	13.44	12.57
Age	38.05	36.98	34.91	30.88
Hispanic	0.0340	0.0955	0.2521	0.2838
Fulltime employee	0.8122	0.7688	0.7200	0.7075
Limitation on amount or type work	0.0327	0.0428	0.0508	0.0295
Served in armed forces	0.0787	0.1107	0.0647	0.0568
Job covered by union	0.1308	0.1343	0.0824	0.1367
Firm size, 10 – 24 employees	0.0733	0.0768	0.1180	0.1035
Firm size, 25 – 99 employees	0.1119	0.1160	0.0981	0.1392
Firm size, 100 – 499 employees	0.1330	0.1098	0.1130	0.1506
Firm size, 500 – 999 employees	0.0592	0.0687	0.0506	0.0504
Firm size, 1000 or more employees	0.4693	0.4824	0.4596	0.3832
Non-labor income (\$1,000s)	2.2350	3.0374	2.3009	1.7924
Self-employed	0.0442	0.0804	0.0913	0.0618
Native-born	0.8771	0.8823	0.8223	0.8135
N	53,665	636	265	1084
N (wage)	50,541	592	291	1150



**Table 4. Weekly wage differentials by nativity, ethnicity, and social identity: African American women, 2003-2007**

	National		Northcentral		Northeast		South		West	
N	186,106		52,222		41,024		57,422		35,438	
F-statistic	4,842		1,562		1,248		1,571		958	
p-value	0.0000		0.0000		0.0000		0.0000		0.0000	
R <sup>2</sup>	0.4620		0.4731		0.4774		0.4509		0.4479	
$\bar{R}^2$	0.4619		0.4728		0.4770		0.4506		0.4475	
	Coef.	p-value	Coef.	p-value	Coef.	p-value	Coef.	p-value	Coef.	p-value
Immigrant	-0.0114	0.3540	0.0237	0.5790	-0.0501	0.0110	0.0070	0.7370	-0.0407	0.3100
Native-born Hispanic	0.0400	0.1320	-0.0125	0.8780	0.0633	0.0920	0.0428	0.4630	-0.0365	0.5570
Black	-0.0971	0.0000	-0.0784	0.0000	-0.0942	0.0000	-0.0991	0.0000	-0.0883	0.0000
Black-white	0.0117	0.7010	-0.0176	0.7750	0.0520	0.3930	0.0953	0.1270	-0.0715	0.2200
Black-other	-0.1306	0.0020	-0.1280	0.1820	-0.1415	0.1220	-0.1843	0.0070	0.0080	0.9350
Black-white-other	-0.0499	0.4320	0.0523	0.6360	-0.0711	0.5760	-0.1571	0.2030	0.0196	0.9000
<i>Hypotheses</i>	<i>p-value</i>		<i>p-value</i>		<i>p-value</i>		<i>p-value</i>		<i>p-value</i>	
Equal identity effect	0.0031		0.4598		0.1068		0.0090		0.6904	
$\delta_{bw} = \delta_{bwo} = \delta_{bo} = \delta_b < 0$	0.0000		0.0000		0.0000		0.0000		0.0000	
No identity effect	0.0000		0.0000		0.0000		0.0000		0.0000	
$\delta_{bw} = \delta_{bwo} = \delta_{bo} = \delta_b = 0$	0.4324		0.6059		0.6061		0.2149		0.3294	
Equal black effect	0.4324		0.6059		0.6061		0.2149		0.3294	
$\delta_{bo} = \delta_b < 0$	0.0000		0.0000		0.0000		0.0000		0.0000	
No black effect	0.0000		0.0000		0.0000		0.0000		0.0000	
$\delta_{bo} = \delta_b = 0$	0.3793		0.5762		0.3811		0.0670		0.5836	
Equal black-white effect	0.3793		0.5762		0.3811		0.0670		0.5836	
$\delta_{bw} = \delta_{bwo} < 0$	0.6793		0.8552		0.5918		0.1360		0.4667	
No black-white effect	0.6793		0.8552		0.5918		0.1360		0.4667	
$\delta_{bw} = \delta_{bwo} = 0$	0.6793		0.8552		0.5918		0.1360		0.4667	

**Table 5. Male laborforce participation, by social identity**

<b>Participation rate</b>	<b>National</b>		<b>Northeast</b>		<b>Northcentral</b>		<b>South</b>		<b>West</b>	
N	163,729		36,037		46,228		47,853		33,556	
Wald chi2	8,539		2,130		2,553		2,616		1,573	
p-value	0.0000		0.0000		0.0000		0.0000		0.0000	
Pseudo R2	0.1807		0.2094		0.1815		0.1736		0.1725	
	Coef.	p-value	Coef.	p-value	Coef.	p-value	Coef.	p-value	Coef.	p-value
Native-born Hispanic	0.0090	0.0790	0.0106	0.1400	0.0096	0.5570	0.0073	0.4690	0.0116	0.2770
Immigrant	0.0074	0.0170	0.0043	0.4450	0.0135	0.0360	0.0053	0.3560	0.0142	0.0810
Black	-0.0121	0.0000	-0.0149	0.0030	-0.0190	0.0000	-0.0084	0.0000	-0.0112	0.0860
Black-other	-0.0028	0.7900			-0.0437	0.1900	0.0110	0.4210	-0.0023	0.9020
Black-white-other	0.0027	0.8480	0.0263	0.0000			-0.0587	0.1780	0.0078	0.7090
Black-white	0.0015	0.8140	-0.0136	0.4530	0.0206	0.0050	0.0021	0.8680	-0.0089	0.5000
Hypotheses	p-value		p-value		p-value		p-value		p-value	
Equal identity effect										
$\delta_{bw} = \delta_{bwo} = \delta_{bo} = \delta_b < 0$	0.2024		0.0645		0.0376		0.2374		0.8875	
No identity effect										
$\delta_{bw} = \delta_{bwo} = \delta_{bo} = \delta_b = 0$	0.0000		0.0008		0.0000		0.0004		0.3782	
Equal black effect										
$\delta_{bo} = \delta_b < 0$	0.4099				0.3965		0.2999		0.6759	
No black effect										
$\delta_{bo} = \delta_b = 0$	0.0000				0.0000		0.0002		0.1560	
Equal black-white effect										
$\delta_{bw} = \delta_{bwo} < 0$	0.9380		0.0371				0.0833		0.5595	
No black-white effect										
$\delta_{bw} = \delta_{bwo} = 0$	0.9584		0.1138				0.1135		0.7131	



**Table 6. Male probability of employment by social identity**

<b>Employment rate</b>	<b>National</b>		<b>Northeast</b>		<b>Northcentral</b>		<b>South</b>		<b>West</b>	
N	163,729		36,077		46,243		47,853		33,556	
Wald chi2	10,090		2,290		2,940		3,154		1,904	
p-value	0.0000		0.0000		0.0000		0.0000		0.0000	
Pseudo R2	0.1315		0.1369		0.1251		0.1382		0.1288	
	Coef.	p-value	Coef.	p-value	Coef.	p-value	Coef.	p-value	Coef.	p-value
Native-born Hispanic	0.0244	0.0030	0.0297	0.0280	0.0146	0.5770	0.0221	0.1360	0.0360	0.0360
Immigrant	0.0189	0.0000	0.0177	0.0500	0.0315	0.0150	0.0172	0.0280	0.0162	0.2750
Black	-0.0494	0.0000	-0.0602	0.0000	-0.0589	0.0000	-0.0372	0.0000	-0.0623	0.0000
Black-other	-0.0216	0.2990	-0.0375	0.5810	-0.1205	0.0600	0.0358	0.0420	-0.0218	0.5510
Black-white-other	-0.0063	0.8230	-0.0263	0.7070	0.0180	0.7710	-0.0796	0.1660	0.0370	0.1880
Black-white	-0.0345	0.0310	-0.0694	0.1060	0.0084	0.7380	-0.0484	0.1440	-0.0383	0.1880
Hypotheses	p-value		p-value		p-value		p-value		p-value	
Equal identity effect										
$\delta_{bw} = \delta_{bwo} = \delta_{bo} = \delta_b < 0$	0.2178		0.9465		0.1027		0.0875		0.1638	
No identity effect										
$\delta_{bw} = \delta_{bwo} = \delta_{bo} = \delta_b = 0$	0.0000		0.0000		0.0000		0.0000		0.0000	
Equal black effect										
$\delta_{bo} = \delta_b < 0$	0.1921		0.7221		0.2973		0.0155		0.3258	
No black effect										
$\delta_{bo} = \delta_b = 0$	0.0000		0.0000		0.0000		0.0000		0.0000	
Equal black-white effect										
$\delta_{bw} = \delta_{bwo} < 0$	0.4228		0.6261		0.8905		0.6237		0.1359	
No black-white effect										
$\delta_{bw} = \delta_{bwo} = 0$	0.0426		0.1204		0.9184		0.0361		0.1855	

**Table 7. Female laborforce participation, by social identity**

<b>Participation rate</b>	<b>National</b>		<b>Northeast</b>		<b>Northcentral</b>		<b>South</b>		<b>West</b>	
N	159,285		35,070		44,897		48,412		30,906	
Wald chi2	6,394		1,611		1,791		2,085		1,124	
p-value	0.0000		0.0000		0.0000		0.0000		0.0000	
Pseudo R2	0.0974		0.1152		0.0973		0.0974		0.0904	
	Coef.	p-value	Coef.	p-value	Coef.	p-value	Coef.	p-value	Coef.	p-value
Native-born Hispanic	0.0057	0.5680	0.0176	0.1600	-0.0277	0.3760	-0.0085	0.7340	0.0086	0.7110
Immigrant	0.0022	0.6860	0.0110	0.1410	0.0155	0.1710	-0.0061	0.5580	-0.0183	0.4570
Black	-0.0019	0.3480	-0.0091	0.0910	-0.0089	0.0370	0.0035	0.2120	-0.0021	0.7710
Black-other	0.0024	0.8690	0.0112	0.7760	-0.0220	0.5030	0.0019	0.9380	0.0241	0.2500
Black-white-other	0.0025	0.9090	-0.0668	0.3810	0.0294	0.1620	0.0424	0.0960	-0.0292	0.5810
Black-white	-0.0092	0.4280	-0.0450	0.1160	0.0025	0.9000	0.0007	0.9710	0.0032	0.8910
<b>Hypotheses</b>		<b>p-value</b>		<b>p-value</b>		<b>p-value</b>		<b>p-value</b>		<b>p-value</b>
Equal identity effect										
$\delta_{bw} = \delta_{bwo} = \delta_{bo} = \delta_b < 0$		0.9060		0.3556		0.6184		0.8424		0.7066
No identity effect										
$\delta_{bw} = \delta_{bwo} = \delta_{bo} = \delta_b = 0$		0.8157		0.0966		0.1846		0.6548		0.8368
Equal black effect										
$\delta_{bo} = \delta_b < 0$		0.7770		0.6605		0.6696		0.9504		0.3202
No black effect										
$\delta_{bo} = \delta_b = 0$		0.6276		0.1995		0.0707		0.4664		0.6028
Equal black-white effect										
$\delta_{bw} = \delta_{bwo} < 0$		0.6511		0.7766		0.4186		0.3701		0.5344
No black-white effect										
$\delta_{bw} = \delta_{bwo} = 0$		0.6963		0.0705		0.5286		0.6344		0.8033

**Table 8. Female probability of employment, by social identity**

<b>Employment rate</b>	<b>National</b>		<b>Northeast</b>		<b>Northcentral</b>		<b>South</b>		<b>West</b>	
N	159,285		35,070		44,897		48,412		30,906	
Wald chi2	7,135		1,632		2,138		2,374		1,170	
p-value	0.0000		0.0000		0.0000		0.0000		0.0000	
Pseudo R2	0.0858		0.0930		0.0918		0.0882		0.0755	
	Coef.	p-value	Coef.	p-value	Coef.	p-value	Coef.	p-value	Coef.	p-value
Native-born Hispanic	0.0157	0.1520	0.0277	0.0630	-0.0238	0.5120	0.0193	0.4050	-0.0025	0.9340
Immigrant	0.0149	0.0110	0.0277	0.0010	0.0448	0.0000	-0.0043	0.7050	-0.0040	0.8670
Black	-0.0320	0.0000	-0.0423	0.0000	-0.0485	0.0000	-0.0223	0.0000	-0.0277	0.0050
Black-other	-0.0093	0.6570	0.0001	0.9990	-0.0351	0.4150	-0.0292	0.4480	0.0476	0.0420
Black-white-other	-0.0756	0.0710	-0.2017	0.1190	0.0228	0.5710	-0.1347	0.1890	-0.0494	0.4970
Black-white	-0.0299	0.0710	-0.0667	0.0750	-0.0057	0.8360	-0.0368	0.3030	-0.0099	0.7520
Hypotheses	p-value		p-value		p-value		p-value		p-value	
Equal identity effect										
$\delta_{bw} = \delta_{bwo} = \delta_{bo} = \delta_b < 0$	0.4883		0.3563		0.3097		0.5714		0.1745	
No identity effect										
$\delta_{bw} = \delta_{bwo} = \delta_{bo} = \delta_b = 0$	0.0000		0.0000		0.0000		0.0000		0.0113	
Equal black effect										
$\delta_{bo} = \delta_b < 0$	0.2938		0.4814		0.7348		0.8771		0.0309	
No black effect										
$\delta_{bo} = \delta_b = 0$	0.0000		0.0000		0.0000		0.0000		0.0019	
Equal black-white effect										
$\delta_{bw} = \delta_{bwo} < 0$	0.2713		0.2493		0.5920		0.3049		0.5903	
No black-white effect										
$\delta_{bw} = \delta_{bwo} = 0$	0.0109		0.0080		0.8657		0.1100		0.6967	

**Table 9a. Oaxaca-Ransom wage decomposition:  
Black-only v. mixed-race African Americans**

	Black - Mixed-race		Black v. black-white		
	Males	Females	Males	Females	
National					
Black (N)	21840	28701	Black (N)	21840	28701
Mixed-race (N)	919	1022	Black-white (N)	510	574
Characteristics	0.1874	0.1547	Characteristics	0.2889	0.2719
Black advantage	-0.0011	-0.0007	Black advantage	-0.0010	-0.0011
Mixed-race disadvantage	-0.0275	-0.0225	Black-white disadvantage	-0.0548	-0.0597
Unadjusted differential	0.1587	0.1315	Unadjusted differential	0.2332	0.2110
Northeast					
Black (N)	3522	4691	Black (N)	3522	4691
Mixed-race (N)	190	229	Black-white (N)	117	137
Characteristics	0.1306	0.1996	Characteristics	0.1666	0.3535
Black advantage	0.0007	-0.0014	Black advantage	-0.0009	-0.0019
Mixed-race disadvantage	0.0409	-0.0293	Black-white disadvantage	-0.0438	-0.0699
Unadjusted differential	0.1722	0.1690	Unadjusted differential	0.1219	0.2817
Northcentral					
Black (N)	3995	5131	Black (N)	3995	5131
Mixed-race (N)	194	244	Black-white (N)	115	137
Characteristics	0.2358	0.2446	Characteristics	0.3689	0.3367
Black advantage	-0.0009	-0.0003	Black advantage	-0.0019	-0.0002
Mixed-race disadvantage	-0.0381	-0.0122	Black-white disadvantage	-0.0870	-0.0353
Unadjusted differential	0.1968	0.2321	Unadjusted differential	0.2799	0.3012
South					
Black (N)	12209	16559	Black (N)	12209	16559
Mixed-race (N)	266	299	Black-white (N)	137	141
Characteristics	0.1618	0.0480	Characteristics	0.3026	0.1822
Black advantage	-0.0009	-0.0005	Black advantage	-0.0004	-0.0012
Mixed-race disadvantage	-0.0384	-0.0190	Black-white disadvantage	-0.0305	-0.1420
Unadjusted differential	0.1224	0.0285	Unadjusted differential	0.2717	0.0390
West					
Black (N)	2114	2320	Black (N)	2114	2320
Mixed-race (N)	269	250	Black-white (N)	141	159
Characteristics	0.2789	0.2814	Characteristics	0.3848	0.3516
Black advantage	-0.0043	-0.0039	Black advantage	-0.0047	-0.0012
Mixed-race disadvantage	-0.0300	-0.0410	Black-white disadvantage	-0.0049	-0.0024
Unadjusted differential	0.2446	0.2365	Unadjusted differential	0.3752	0.3480

**Table 9b. Oaxaca-Ransom wage decomposition:  
Black-only v. mixed-race African Americans**

	Black v. black-white other		Black v. black-other		
	Males	Females	Males	Females	
National					
Black (N)	21840	28701	Black (N)	21840	28701
Black-white-other (N)	126	139	Black-other (N)	283	309
Characteristics	0.1664	0.0427	Characteristics	0.0174	-0.0122
Black advantage	-0.0006	-0.0001	Black advantage	0.0004	0.0005
Black-white-other disadvantage	-0.1258	-0.0059	Black-other disadvantage	0.0564	0.0399
Unadjusted differential	0.0400	0.0368	Unadjusted differential	0.0742	0.0282
Northeast					
Black (N)	3522	4691	Black (N)	3522	4691
Black-white-other (N)	32	29	Black-other (N)	41	63
Characteristics	0.2335	-0.0306	Characteristics	-0.0548	-0.0248
Black advantage	0.0005	-0.0001	Black advantage	0.0012	0.0006
Black-white-other disadvantage	0.1661	0.0144	Black-other disadvantage	0.1494	0.0519
Unadjusted differential	0.4001	-0.0164	Unadjusted differential	0.0958	0.0277
Northcentral					
Black (N)	3995	5131	Black (N)	3995	5131
Black-white-other (N)	21	47	Black-other (N)	58	60
Characteristics	0.2278	0.2335	Characteristics	-0.0247	0.0429
Black advantage	-0.0002	-0.0007	Black advantage	0.0012	0.0006
Black-white-other disadvantage	0.0101	-0.0497	Black-other disadvantage	0.1205	0.0947
Unadjusted differential	0.2377	0.1831	Unadjusted differential	0.0970	0.1381
South					
Black (N)	12209	16559	Black (N)	12209	16559
Black-white-other (N)	31	35	Black-other (N)	98	123
Characteristics	0.1639	-0.0954	Characteristics	-0.0309	-0.0654
Black advantage	-0.0004	0.0001	Black advantage	-0.0001	0.0006
Black-white-other disadvantage	-0.2491	0.1190	Black-other disadvantage	0.0211	0.1065
Unadjusted differential	-0.0856	0.0238	Unadjusted differential	-0.0098	0.0417
West					
Black (N)	2114	2320	Black (N)	2114	2320
Black-white-other (N)	42	28	Black-other (N)	86	63
Characteristics	0.1682	0.0912	Characteristics	0.1622	0.1880
Black advantage	-0.0024	-0.0006	Black advantage	0.0026	-0.0023
Black-white-other disadvantage	-0.0721	0.1096	Black-other disadvantage	0.0216	-0.1537
Unadjusted differential	0.0937	0.2001	Unadjusted differential	0.1865	0.0320