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Macro Roundup Article

Headline: Two Cheers for Shrinking Black-White Opportunity Gaps

Article Link: https://cosm.aei.org/two-cheers-for-shrinking-black-white-opportunity-gaps/

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Tweet: Reviewing new Chetty research, @swinshi and @RichardvReeves note the outcome gap between Black and white kids who grew up with low-income parents (~50% of Blacks vs.10-15% of whites) has narrowed in part due to poor whites' deteriorating prospects.

Summary: Black outcomes over the study period—2005 to 2019, when adults were 27 years old—actually worsened on several of the measures examined by economist Raj Chetty. They just didn't deteriorate as badly as among white kids raised poor. This was true of average and median household income, reaching the top fifth of household income, getting married, mothers being married, and mortality. [Yet] the reduction in black-white opportunity gaps leaves a long way to go. The gap in mean household income fell by about \$5,900 over these 14 years, [leaving] a \$14,900 gap, equal to 37% of the average white 27-year-olds' income. The black mean in 2019 was 63% of the white mean, compared with 57% in 2005. Black kids raised poor have a 4% chance of reaching the top fifth of household income, while 15% of their white counterparts will end up there. The gap in marriage rates narrowed by a third, but that was because rates fell so much more for whites raised poor than for blacks. In 2019, it was still the case that 27% of whites, but only 7% of blacks who grew up poor had found a spouse at age 27.

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Primary Topic: Inequality

Topics: Inequality, Mobility/Assortive Mating, Op-Ed/Blog Post, Workforce

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