



# Executive Summary

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*August 28, 2001*

## **What Color is Your Paycheck? Disparities in Annual Pay Between White and Minority Workers Living in Multnomah County**

by Michael Leachman, Jeff Thompson, and Richard Goud

If you live in Multnomah County, the color of your skin makes a noticeable difference in the size of your paycheck. White workers earn significantly more than workers of color, even among workers with similar levels of education, work experience, and English proficiency.

Data from the US Census Bureau's American Community Survey for 1996-98 shows that among workers living in Multnomah County:

- On average, Latino workers earn 64 percent of the average white worker's earnings.
- On average, black workers earn about 74 percent of the average white worker's earnings.
- On average, Asian workers earn about 80 percent of the average white worker's earnings.
- Whites working for manufacturing companies earn over \$33,000, on average. African Americans and workers of Asian heritage earn about \$23,000, and Latino workers earn less than \$17,000.
- Whites working in service companies earn about \$27,000 on average, while the average minority worker in the same type of company earns about \$19,000.
- Whites working as clerical workers, laborers, or non-managerial service employees earn about \$17,000 annually, while Latinos in these jobs only earn about \$12,000.
- On average, white professionals and managers earn about \$38,000, while people of color in these same types of jobs earn about \$31,000.
- White workers who are well-educated, experienced, and proficient in English earn about \$50,000 on average, while minority workers with similar characteristics earn about \$37,000.

While there is no simple solution to the earnings gap, tackling the issue will involve improving the educational system, addressing subtle forms of discrimination, and raising the wages of low-wage workers through increases in the minimum wage and unionization.

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If you live in Multnomah County, the color of your skin makes a noticeable difference in the size of your paycheck. Data from the US Census Bureau's American Community Survey for 1996-98 show that white workers living in Multnomah County earn significantly more than workers of color, even among workers with similar levels of education, work experience, and English proficiency.

In 1944, the National Opinion Research Center found that 55 percent of white Americans believed that employers should put "white people first" when hiring. By 1972, though, the same survey found that nearly all whites (97 percent) thought that blacks should have an equal chance at getting hired.<sup>1</sup> Now, many white Americans would like to believe that race no longer matters in the workplace. According to the most recent national Gallup poll on race

relations, only ten percent of whites – but nearly half of blacks - believe that blacks in their community are treated unfairly at work.<sup>2</sup> Nationally, the median hourly wage in 1999 for white men was nearly \$14. For black and Latino men, however, it was around \$11.<sup>3</sup> Blacks and Latinos together represent about 23 percent of the total workforce, but 34 percent of the workforce earning less than a poverty level wage.<sup>4</sup>

As Oregon's most populous county and one of its most diverse, Multnomah County is an important proving ground for models challenging racial disparities in pay among workers, as well as an indicator of what may happen in other parts of the state as they grow more diverse. This report makes recommendations for policy improvements aimed at employers, educators, unions, and policy makers.

### **Multnomah County's racial diversity**

The 2000 Census broke new ground in the measurement of race in the US population. For the first time, the Census allowed respondents to list more than one racial or ethnic category. In Multnomah County, about four percent of the population reported that they identified with two or more races. This new information presents a more nuanced picture of the county's racial make-up than previous surveys.

Based on the 2000 Census findings, nearly one in every four residents identifies at least partly as a person of color. About 6.8 percent of residents identify at least partly as African American or black. Another 6.8 percent identify at least partly as Asian or Asian American. And 7.5 percent identify as Hispanic or Latino.

Over the last decade, the Latino population nearly tripled, and the Asian population grew rapidly as well. The U.S. Census Bureau predicts that over the next 25 years the Latino population in Oregon will more than double, growing nearly five times as fast as the white population. The Asian and

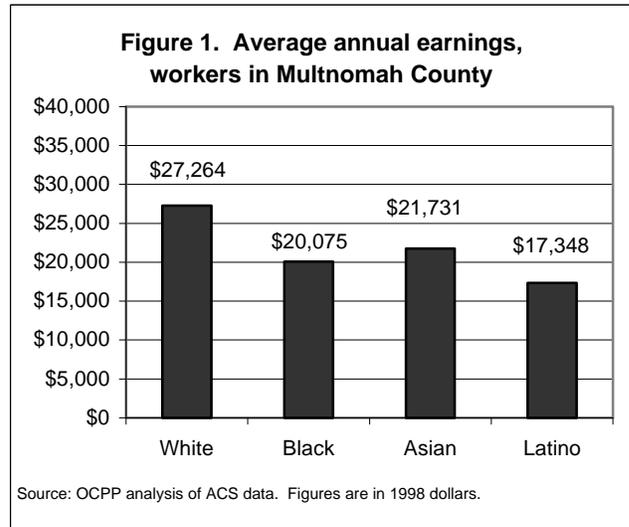
Asian American population will grow more than three times faster than whites, and the African American total will grow twice as fast as whites. By 2025, minorities will make up about 18 percent of Oregon's population.<sup>5</sup>

### Racial disparities among Multnomah County residents

The increased diversity of Multnomah County has not brought social and economic parity across racial groups. Minorities earn less than whites, are more likely to live in poverty, and are more likely to be unemployed.

#### *Earnings disparity*

The average white worker earns more than the average worker of color. Latino workers are particularly disadvantaged relative to whites. The average Latino worker earns 64 percent of the average white worker's earnings. African American and Asian workers fare only a little better. On average,



#### Racial categories used in this report

This paper uses the categories white, black, Asian, and Latino to categorize workers in Multnomah County by race and ethnicity. The attempt to define people by race and ethnicity is a tricky business. Racial categories are social constructions and change over time. Also, many people connect their identities with more than one race or ethnic category.

The 2000 Census allowed respondents to list more than one race; the American Community Survey, which we relied upon for this report, did not. Respondents had to choose one race. However, because "Latino" is an ethnic, not a racial, category on the American Community Survey, respondents could report they were Latino and white. This paper counts such people as Latino, but not as white. The same goes for blacks and Asians; the figures reported are for those blacks and Asians who do not also identify as Latino. The analysis excludes workers who identified with other racial or ethnic categories, such as Native Americans, because their numbers are too small to produce reliable results.

The simple categories used in this paper conceal the full extent of Oregon's diversity. For example, people who identify as "white" include citizens and immigrants with family roots in places as diverse as Turkey, France, and the Ukraine, to name a few. The category "black" includes African Americans and both citizens and non-citizens from African nations, Haiti, Brazil, and many other countries. People of Asian heritage include immigrants from countries including Vietnam, Korea, and India, as well as citizens whose families have been in the United States for several generations. Latinos include citizens with roots in the indigenous cultures of Central and South America, as well as people from the Caribbean and long-time US citizens.

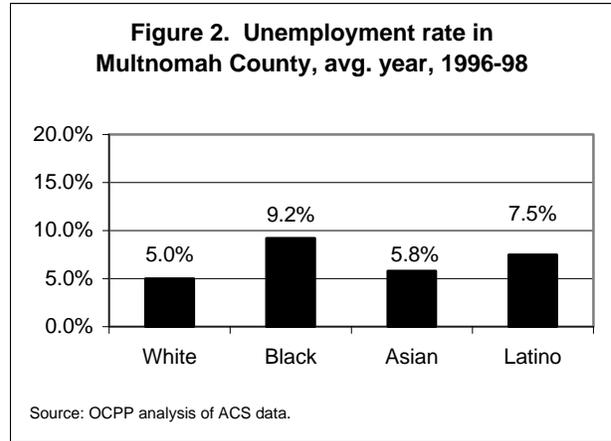
All this is not to say that racial categories are meaningless. People in the US are recognized by their race, and the most salient categories in use at the moment are the ones used in this paper. Race may be a social construction, but it has real consequences.

blacks earn about 74 percent of whites, and Asian workers earn about 80 percent.

*Poverty disparity*

Partly because they earn less pay from their jobs, people of color in Multnomah County are more likely than whites to live in poverty. In fact, one in four blacks and Latinos survive on incomes that are below the federal poverty line.

In 2001, a family of three is considered to be in poverty if their annual income is below \$14,630; for a family of four, poverty is \$17,650. The “federal poverty level” was originally developed to reflect the minimum amount of income a family would need to cover basic needs. The method for determining the poverty level has not changed with the times, and it no longer accurately reflects what families must spend to make ends meet. The Economic Policy Institute recently determined that a



two-parent, two-child family living in the Portland area would need \$37,306 – more than double the official poverty line - to cover basic living expenses.<sup>6</sup> Less than half of blacks in Multnomah County, and just 37 percent of Latinos, live in families with incomes of more than double the poverty line.

	Total	% of total
Total population	660,486	
<i>Respondents who reported one race alone</i>		
One race	633,622	95.9%
White alone	522,825	79.2%
Black or African American alone	37,434	5.7%
American Indian and Alaska Native alone	6,785	1.0%
Asian	37,638	5.7%
Pacific Islander alone	2,320	0.4%
Other race	26,620	4.0%
Two or more races	26,864	4.1%
<i>Race alone or in combination with one or more other races</i>		
White	545,309	82.6%
Black or African American	44,755	6.8%
American Indian and Alaska Native	14,701	2.2%
Asian	45,012	6.8%
Native Hawaiian and Other Pacific Islander	4,419	0.7%
Some other race	35,508	5.4%
Hispanic or Latino (of any race)	49,607	7.5%
Non-Hispanic white alone	505,492	76.5%

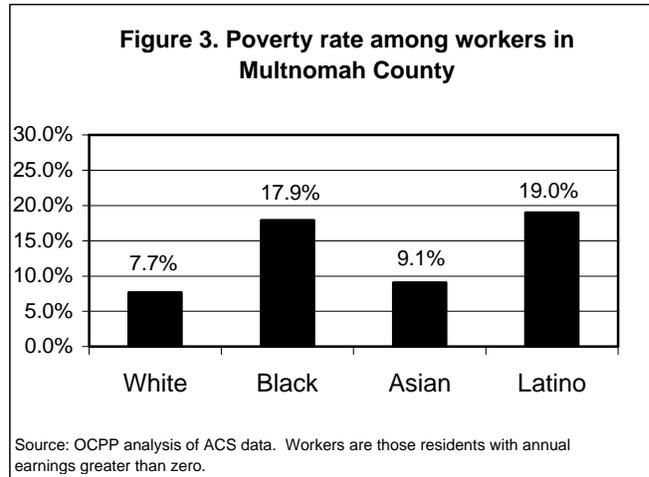
Source: OCPP presentation of 2000 Census data.  
 Note: The Census considers "Latino" and "Hispanic" to be ethnic – not racial - designations. Hence, someone who identifies ethnically as Latino might also identify racially as white. The terms "Hispanic" and "Latino" are both used by people from countries where the dominant language is Spanish. The two terms carry different political connotations, but are considered by the Census to refer to a single ethnic group.

Increasingly over the last generation, Oregon families are finding that work does not pay enough to allow them to rise above even the low, official poverty line. The poverty rate among working families with children in Oregon doubled from the late 1970s to the late 1990s. Most of the growth occurred in the 1990s, a period of rapid economic growth.<sup>7</sup> Since people of color are more likely to have low earnings, they are more likely to find themselves working but still poor (Figure 3).

In Multnomah County, one in six non-elderly black workers are poor even though they worked during the last year. For Latino workers the situation is even worse: one in five earn below poverty incomes from their work effort. The situation affects all racial groups, although unequally. About one in 11 Asian and Asian American workers are poor, and one in 13 white workers are poor.

*Unemployment disparity*

People of color in Multnomah County also have a more difficult time than whites



finding stable employment (Figure 2). About 5 percent of whites in the county who were able and willing to work were unemployed in the late 1990s, prior to the recent economic slowdown. Over the same time period, blacks were almost twice as likely as whites to be unemployed and looking for work. Latino workers also fared poorly.

**Some disparities caused by demographic differences and the racial division of labor**

Workers with less experience and skills are likely to earn less money. This simple fact partly explains what is happening in Multnomah County, since minorities living in the county tend to be younger, less educated, and less proficient in English than whites. Workers of color also tend to be concentrated in lower paying industries and job categories.

White	37
Black	29
Asian	29
Latino	25

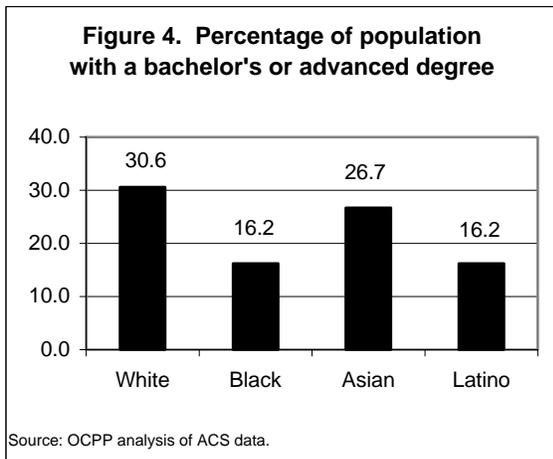
*Work experience matters*

Young workers tend to earn less than middle-aged workers, partly because workers accumulate experience and knowledge as they age. Earnings then tend to trail off as workers age past their mid-fifties. The minority population in Multnomah County is younger than the white population. The median age for Latinos is 25 years. For blacks and Asians, the median age is about 31 years. For whites, it is 37 years.

The relative youthfulness of the county's minority population means that people of color tend to have less work experience than whites. About 47 percent of minority workers are aged 18 to 34, in the early years of their careers. By contrast, just 37 percent of white workers are so young.

*Education matters*

Over 30 percent of whites in Multnomah County hold a bachelor's or an advanced degree. By contrast, 16 percent of blacks and Latinos hold these degrees. The percentage of Asians with a bachelor's or advanced degree is nearly 27 percent, higher than other minorities. A relatively high percentage of Asians, however, do not have a high school diploma. More than one in four residents of Asian heritage does not have a high school diploma, compared to one in six blacks and one in nine whites.



*Language barriers matter*

Greater fluency in English results in higher earnings. Those workers living in Multnomah County who reported speaking English “well” or “very well” earn about \$22,000 in an average year, while workers who speak English “not well” or “not at all” earn just \$14,000. Even those bilingual and multilingual workers who speak English well, though, do not earn as much as workers who speak only English.

About 13 percent of the county’s residents over age 5 speak a language other than, or in addition to, English in their homes. Spanish, Vietnamese, Russian, and Chinese, in that order, are the languages these residents are most likely to speak.

Nearly three in four of all residents who speak a language other than English report

that they speak English “well” or “very well.” Eight percent speak no English at all.

*The racial division of labor*

Minorities tend to work in industries and job categories that do not pay well. For instance, service and retail businesses, where many minorities work, typically pay less than finance, insurance, and real estate firms, where a higher percentage of workers are white. Other examples include:

- Whites in Multnomah County are more likely than any other racial group to hold jobs as professionals or managers. Over 35 percent of all white workers are employed in these high paying occupations.
- African Americans, by contrast, are most likely to work in clerical or non-managerial service occupations. Over 41 percent of all black workers are employed in these low paying jobs. Nearly one in four African Americans, though, works as a professional or a manager.
- About the same percentage of Asians and Asian Americans work as professionals and managers as African Americans. County residents of Asian heritage are most likely to work as machine operators or assemblers, or in service jobs. About 16 percent of all workers of Asian heritage work as machine operators, assemblers, and inspectors in manufacturing companies.
- Latino workers are most likely to work in non-managerial service jobs, or as laborers and handlers. About 40 percent work in these low paying occupations. Latino workers are particularly likely to be employed by retail stores or service companies.

The table in Appendix A provides more detail about the types of jobs in which white and minority workers in Multnomah County tend to be employed.

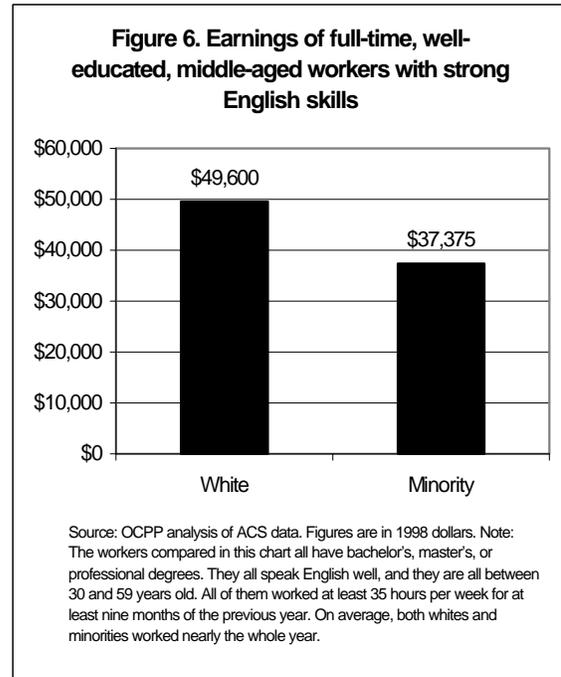
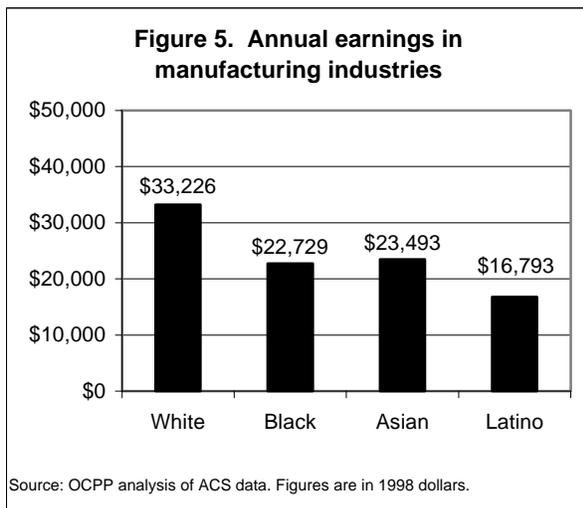
## Paychecks of different colors

Something other than demographics and the division of labor is at play in causing the racial pay gap. Significant pay disparities are seen even in similar jobs. And, pay disparities persist even when work experience, education levels, and English proficiency are taken into account.

### *Similar jobs, different paychecks*

Even when they are working in the same jobs and in the same type of companies, minorities living in Multnomah County tend to earn less than whites.

- Whites working for manufacturing companies earn over \$33,000, on average. African Americans and workers of Asian heritage earn about \$23,000, and Latino workers earn less than \$17,000.
- Whites working in service companies earn about \$27,000 on average, while the average minority working in the same type of company earns about \$19,000.
- Whites working as clerical workers, laborers, or non-managerial service employees earn about \$17,000 annually, while Latinos in these jobs only earn about \$12,000.



- The pay gap exists among more highly paid employees, too. On average, white professionals and managers earn about \$38,000. People of color in these same types of jobs earn about \$31,000.

Not enough data is currently available to determine whether there are gaps in earnings between whites and people of color working in all industries or job categories. In some industries and occupations, the number of employees is too small to allow for a reliable analysis. Nevertheless, there is no statistically valid indication that minority workers were earning more than whites in any industry or occupational category.

### *Similar qualifications, different paychecks*

Part of the reason that people of color earn less than whites in the same types of jobs involves the differences in education, work experience, and English proficiency described earlier.

The earnings gap persists, however, among full-time workers who are well-educated, experienced, and proficient in English.

White workers with these characteristics earn about \$50,000 on average, while minority workers with similar characteristics earn about \$37,000. Looked at another way, highly qualified whites earn one-third more than similarly qualified people of color.

The nearly \$12,225 difference in annual pay between white and minority workers makes it easier for white workers to accumulate wealth. If even one year's gap in pay were invested and earned 6 percent annually for 20 years, it would be worth over \$39,000. Investing five years of the pay gap for 20 years would yield \$167,000.

## Why do white workers earn more than workers of color?

Qualifications matter, but only to a limited extent. Workers of color earn less than whites working in the same type of job. Workers of color earn less than whites with the same level of education, work experience, and English proficiency. The pay gap between white and minority workers is not solely the result of differences in qualifications. Other reasons for racial disparities in pay include differences in "soft skills," the impact of past and present discrimination, and the treatment of immigrant workers.

### *Differences in the "soft skills" of white and minority workers*

Employers consider more than work experience, education, and English proficiency when making hiring and promotion decisions. Particularly in industries providing services to customers, employers place a high value on interpersonal skills. This may be increasingly important in Oregon since so much job growth has occurred in the service sector, while traditional "blue collar" jobs make up a smaller share of employment.

To succeed in many jobs today, workers must be able to communicate in ways that the general public appreciates and comprehends. This requires mastering social cues and communication styles that are familiar to most whites and long-time US citizens, particularly those raised in well-educated families and with substantial work experience. Some people of color and immigrants may struggle to accumulate these "soft skills." Workers lacking soft

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**highly qualified whites earn one-third more than similarly qualified people of color.**

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skills hit a stumbling block in finding work and getting promoted.

To a certain degree, the importance of soft skills to job success is overstated. Research involving extensive interviews with employers finds that many employers attribute insufficient interpersonal skills to minority workers because of the employer's own fear, racism, and unfamiliarity with people of different races and ethnic backgrounds.<sup>8</sup> For some employers it is easier to blame minority workers for being different than it is to create a job environment that values the perspectives and skills of a diverse workforce.

### *Racial discrimination*

Blatant racial discrimination in the workplace has dramatically declined since the days of Jim Crow laws, but it has by no means disappeared. Discrimination lawsuits have unearthed some evidence documenting blatantly discriminatory practices.<sup>9</sup> Hiring tests where job applicants are matched for key characteristics and sent through the hiring process have produced evidence that white workers are preferred over workers of color.<sup>10</sup>

As blatant racial discrimination has declined, less noxious forms of discrimination remain. For instance, whites in general may have access to social

networks that are not easily available to many people of color, resulting in job opportunities that are skewed in favor of whites. Stereotypes of minorities as relatively unintelligent, lazy, undependable, or hostile are still prevalent in the United States, and also have an effect on relationships and decisions in some workplaces. While none of these factors may seem important compared to the most blatant forms of discrimination, their cumulative effect can have a powerful impact on the opportunities and advancement of people of color relative to whites.<sup>11</sup>

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**Higher pay for whites today is, in part, a legacy of historic racism.**

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*Racism's legacy*

Moreover, the racial discrimination of the past continues to shape our world indirectly by helping to create differences between the

**What should be done?**

The reasons behind the racial earnings gap in Multnomah County are complex and historically rooted. While there is no simple solution, many positive steps have already been taken, and there is every reason to hope the racial earnings gap will close. Tackling the issue will involve improving the educational system, addressing subtle forms of discrimination, and raising the wages of low-wage workers.

*Improving education and skills*

We know that some of the racial earnings gap among today's workers is the result of a gap in education and certain important skills. The higher dropout rates, lower average test scores, and lower college attendance rates exhibited by today's minority students threaten to preserve the racial earning gap for future generations.<sup>13</sup>

skills, knowledge, and experiences of whites and of people of color generally. Whites in the past, benefiting from the racism of their day, earned higher incomes and accumulated more wealth than their minority counterparts. Some of this income and wealth was passed on, giving a leg up to following generations. Inheritances and other financial assistance from parents and grandparents helped many of today's workers attend college or purchase homes in neighborhoods with better schools. Higher pay for whites today is, in part, a legacy of historic racism.<sup>12</sup>

*The vulnerability of immigrant workers*

This paper may underestimate the racial gap in earnings in Multnomah County. The American Community Survey probably is not administered to many undocumented workers, most of whom are likely to be working in low paying jobs. Undocumented workers play an important role in Oregon and Multnomah County's economy, but because of their legal status they are not assured basic worker rights or protection from exploitation.

Ensuring that education of the highest possible quality is provided to students of all races is critical to closing the racial earnings gap among workers. As long as the "performance gap" in education remains, the earnings gap will stubbornly hang on. Policies and funding must be devoted to addressing the issue.

Just because they are out of school doesn't mean that older workers cannot benefit from efforts to improve their skills, both "hard" and "soft." Adult education, workforce development, and employer-provided workplace training are important for improving the ability of all workers to find and maintain decent jobs. Sufficient funding needs to be provided so that these programs reach all those who need them, particularly those in low-income areas and communities of color.

*Ending discrimination and improving cross-cultural understanding*

Past efforts to end the most blatant forms of racial discrimination have been largely, but not completely, successful.<sup>14</sup> Protecting the capacity of people of color to sue discriminatory employers and the ability of researchers to test for job discrimination are critical to sustaining the gains made to date.

Most Americans now agree that blatant racial discrimination in the workplace is wrong. There is less agreement that less intentional forms of discrimination are prevalent or significant today. The powerful impact of these subtle forms of discrimination needs to be more widely understood if there is to be continued progress against job discrimination.

The capacity of employers to communicate across cultural boundaries and to understand the impact of racial bias on their workforce and customers is particularly important. Business support organizations operating in Multnomah County could provide training programs demonstrating how culture typically shapes the decisions employers make about workers and customers, to the detriment of business.

*Raising the wages of low-wage workers*

Because they are concentrated in low wage jobs, workers of color disproportionately

benefit from efforts that raise low wages in general. Recent increases in the minimum wage boosted the hourly earnings of about one in seven Oregon workers. Fifteen percent of affected workers were Latino, when only eight percent of the total workforce was Latino.<sup>15</sup> Future increases to the minimum wage should be expected to have a similar result.

Collective bargaining also increases workers' wages. Nationally, African American union members working full-time earn 37 percent more in weekly earnings than similar workers not represented by a union. Latino union members earn 55 percent more than Latinos who are not unionized.<sup>16</sup> Unions in Oregon and across the US have recognized the importance of organizing immigrant workers and workers of color. Continuing and stepping up these organizing efforts will help to close the racial wage gap as well.

Finally, low-wage workers would benefit from a general amnesty for immigrants. Amnesty would protect immigrant workers from exploitation and help protect the wages of other low-wage workers from being undercut by workers with few rights and limited options. Policy makers and political leaders should call on Congress and the President to support a general amnesty.

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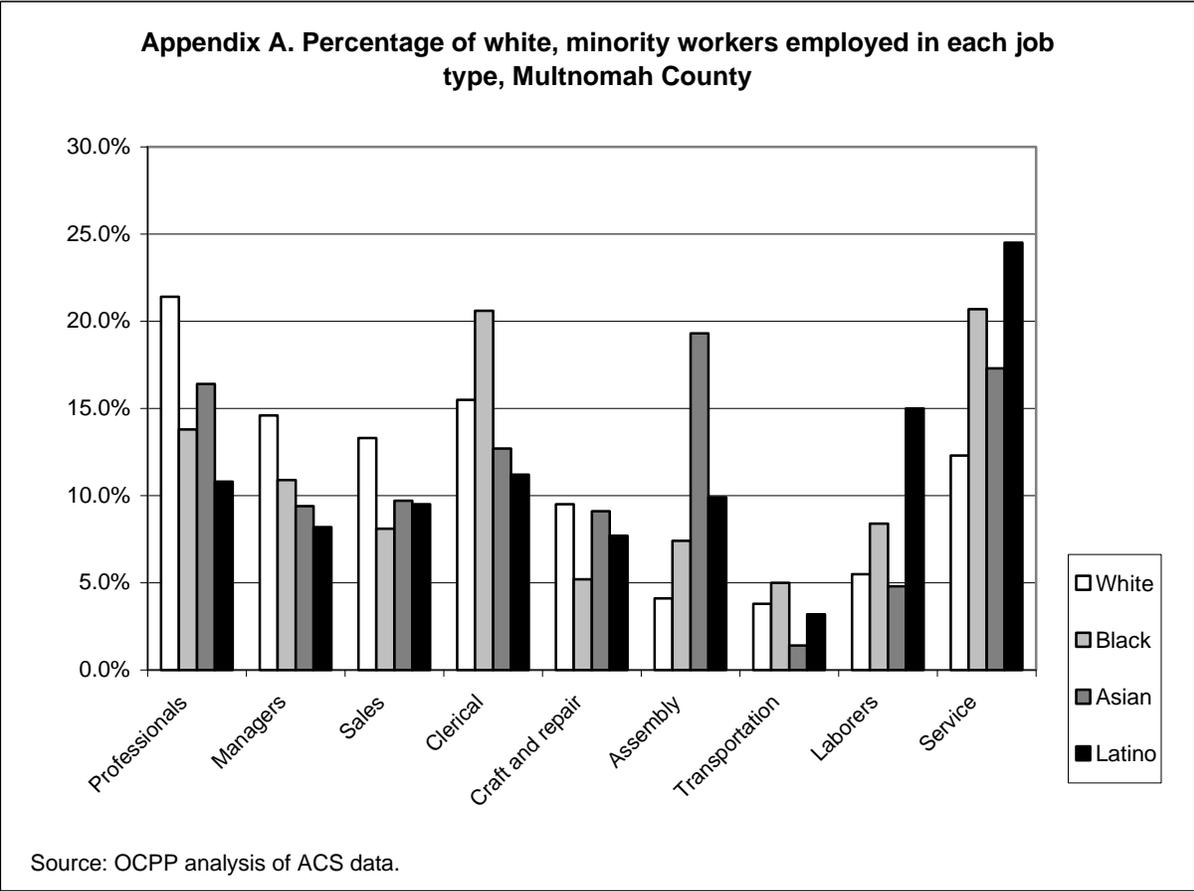
*Michael Leachman is a sociologist and policy analyst with OCPP. His other recent research has focused on hunger, food stamps, and poverty despite work. Jeff Thompson is an economist and policy analyst at OCPP. His other recent research has focused on state tax policy, living wages, and the minimum wage. Richard Goud is an economics major at Reed College who interned at OCPP in the summer of 2001.*

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*The Oregon Center for Public Policy is a research and education organization established to assist low and moderate income Oregonians by expanding the debate on a variety of fiscal and public policy issues.*

**Appendix A: The racial division of labor in Multnomah County.**

Workers of different races tend to work at different types of jobs. Over 20 percent of whites work as professionals. Whites are more likely to work in professional jobs than in any other type of job. Latinos, by contrast, are most likely to work in non-managerial service jobs or as laborers. Blacks are most likely to work in clerical and other administrative support jobs, and workers of Asian heritage are most likely to work in assembly work, which includes machine operation, assembly, and inspection.



## Endnotes

<sup>1</sup> Schuman, et al. *Racial Attitudes in America: Trends and Interpretations*, revised edition. Harvard University Press, 1997, page 111.

<sup>2</sup> “Perceptions of Black and White Americans Continue to Diverge Widely on Issues of Race Relations in the U.S.,” The Gallup Organization, news release dated February 28, 2000. Poll conducted in late 1999. Accessed on the web at <http://www.gallup.com/poll/releases/pr000228.asp>.

<sup>3</sup> Mishel, Lawrence, Jared Bernstein, and John Schmitt, *The State of Working America, 2000/2001*, Economic Policy Institute, 2001, page 166.

<sup>4</sup> Ibid, page 325.

<sup>5</sup> OCPP analysis of Census Bureau projections accessed at <http://www.census.gov/population/projections/state/stpjrace.txt>

<sup>6</sup> Boushey, Heather, et al. *Hardships in America: The Real Story of Working Families*, Economic Policy Institute, 2001. Accessible on the web at [www.epinet.org](http://www.epinet.org)

<sup>7</sup> Thompson, Jeff and Michael Leachman. *Prosperity in Perspective: The State of Working Oregon, 2000*. Oregon Center for Public Policy, September 2000, page 47. Accessible on the web at [www.ocpp.org](http://www.ocpp.org).

<sup>8</sup> Moss, Philip and Chris Tilly, *Stories Employers Tell: Race, Skill, and Hiring in America*, Russell Sage Foundation, January 2001. See also Holzer, Harry, *What Employers Want: Job Prospects for Less-Educated Workers*, Russell Sage Foundation, January 1996.

<sup>9</sup> Darity, William and Patrick Mason, “Evidence on Discrimination in Employment,” *Journal of Economic Perspectives*, Spring 1998.

<sup>10</sup> Bendick, Mark, Jr. “Adding Testing to the Nation’s Portfolio of Information on Employment Discrimination.” In Michael Fix and Margery Austin Turner, eds. *A National Report Card on Discrimination in America: The Role of Testing*, The Urban Institute, March 1999.

<sup>11</sup> Ibid. See also Moss, Philip and Chris Tilly, *Stories Employers Tell: Race, Skill, and Hiring in America*, Russell Sage Foundation, January 2001. See also Holzer, Harry, *What Employers Want: Job Prospects for Less-Educated Workers*, Russell Sage Foundation, January 1996.

<sup>12</sup> In *Black Wealth, White Wealth: A New Perspective on Racial Inequality* (Routledge, 1997) , Melvin Oliver and Thomas Shapiro argue that whites have often benefited from three kinds of inheritance thanks to the accumulation of wealth over generations (see pages 151-169). Affluent whites pass on inheritances at death, at key moments in their children’s lives (such as providing financial help with college or with purchasing a home), and through ongoing investments in their children’s “cultural capital” (such as paying for their children to attend good schools, go on trips, take music lessons, etc.). Oliver and Shapiro found that a wide gap in wealth persists among whites and blacks in the United States, even when their education levels and incomes are equal. In 1988, whites with college degrees held more than four times as much net wealth as blacks with college degrees (p. 94). The difference in wealth, the authors argue, make it more difficult for blacks than whites to sustain or improve their family’s economic status over time.

<sup>13</sup> Chestnut, Clifton R. "Mastermind Steps Forward," *The Oregonian*, August 24, 2001, p. c1. The percent of white 10<sup>th</sup> grade students in Portland meeting standards in reading in 2001 is 62 percent, compared to 20 percent for African American students, 38 percent for Asian American students, and 24 percent for Latino students. The percent of white 10<sup>th</sup> grade students in Portland meeting standards in math is 51 percent, compared to 13 percent for African American students, 43 percent for Asian American students, and 11 percent for Latino students. See also Oregon Department of Education, *Dropout Rates in Oregon High Schools 1999-2000*, March 2001, accessible on the web at [www.ode.state.or.us/SchoolFinance/dropout.htm](http://www.ode.state.or.us/SchoolFinance/dropout.htm). The dropout rate for white students was 5.48 percent, but it was 11.38 percent for Black students, and 13.27 percent for Hispanic students.

<sup>14</sup> Darity, William and Patrick Mason, "Evidence on Discrimination in Employment," *Journal of Economic Perspectives*, Spring 1998. See also Carnoy, Martin. *Faded Dreams: The Politics and Economic of Race in America*, Cambridge University Press, 1994.

<sup>15</sup> Thompson, Jeff and Charles Sheketoff, *Getting the Raise they Deserved: The Success of Oregon's Minimum Wage and the Need for Reform*, Oregon Center for Public Policy, March 12, 2001. Accessible on the web at [www.ocpp.org](http://www.ocpp.org).

<sup>16</sup> The figures presented are based on the median weekly earnings in 2000 of full-time wage and salary workers nation-wide. OCPP determined the percentages by analyzing data from the Bureau of Labor Statistics available at <http://www.bls.gov/news.release/union2.t02.htm>