

# The Glad Game

## The Decline of Social and Economic Problems in America

*By John F. McDonald*

Yes, the decade of supercharged economic growth and vanishing unemployment seems a distant dream. Yes, terrorists are plotting the destruction of Pax Americana. Yes, millions live with the uncertainty of AIDS. Yes, the cultural divide between the red and blue states seems wider than ever. But, believe it or not, many of the social and economic challenges that seemed so formidable a few decades ago are becoming more manageable. And – dare I say it – the liberal dream of progress in America is alive and well.

### HEALTH

Start with the basics. Life expectancy at birth has increased for all socioeconomic groups in America. The largest gain has been enjoyed by African-American men, who could expect to live to age 60 in 1970, yet by 2000 had a life expectancy of 68.2 years. Indeed, black men's expected lifespan increased by a remarkable 3.7 years in the 1990s alone.

Life expectancy for black women also improved, rising from 68.3 years in 1970 to 74.9 years in 2000. Whites didn't do quite as well, with men's life expectancy rising 6.8 years and women's rising 4.4 years, to 74.8 years and 80 years respectively. But the narrowing of the statistical gap between whites and blacks is good news in itself, suggesting that the consequences of poverty and racial discrimination are less glaring than in the past.

Age-adjusted death rates, which offer a related perspective on longevity, have dropped as well. The rate for white men declined by 33 percent and for black men by 27 percent from 1970 to 2000.

The causes of the increase in life expectancy and the decline in mortality are closely related to reductions in specific risk factors. Deaths from heart disease, still the largest cause of mortality, declined from 493 per 100,000 people in 1970 to 258 in 2000. Deaths from strokes dropped from 148 to 60 per



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100,000 over these same 30 years, a decline of 60 percent. The death rate from cancer did not change. However, ongoing efforts to reduce smoking among Americans may mean that a decline in the cancer rate is on the horizon. Meanwhile, the death rate from accidents dropped by almost half. And the age-adjusted death rate from AIDS went from a peak of 16.3 per 100,000 in 1995 to 5.4 in 1999, as life-extending drug therapies became available to more victims.

Another critical health issue is the birth rate among teenagers. Births for black girls aged 15 to 17 declined from 113 per thousand in 1990 to 50 in 2000. This drop is a very positive sign because giving birth at this age not only puts the child at risk but typically means the mother does not graduate from high school. The birth rates for white girls aged 15 to 17 declined as well – from 30 per thousand to 24.

### EDUCATION

The state of the nation's schools is widely regarded as deplorable. But the statistics tell a different story. Average SAT and ACT scores increased for all ethnic groups in the 1990s. Moreover, school-completion rates have soared. In 1970, only 55 percent of white adults had graduated from high school; 30 years later, this figure was 85 percent. Among blacks, 31 percent had earned high school diplomas in 1970; by 2000, the figure approached 79 percent. Latinos lagged in this category. Still, high-school-completion rates did rise from 32 percent to 57 percent in the same period.

The numbers for higher education are

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equally encouraging. In 1960, only 7.7 percent of Americans over 25 had graduated from college. By 2000, graduates exceeded 25 percent, and the ethnic breakdown confirms that blacks are narrowing the gap. The proportion of black adults with college degrees has almost quadrupled over the last 30 years, rising from 4.4 percent to 16.5 percent.

Latinos remain far behind by this metric: some 10.6 percent had graduated from college in 2000, compared to 4.5 percent in 1970. But it's important to remember that a disproportionate number of Latinos are immigrants, and a substantial number are not fluent in English.

### INCOME

While median earnings increased in the 1990s, the gains seem disappointing in light of the booming economy and substantial increases in the educational attainments of the labor force. The earnings of white women rose the most (15 percent) and earnings of Latino men rose the least (7 percent) with the gains for white men, blacks and Hispanic women falling between these two figures.

But again, the story looks different from other perspectives. Bouyed by increased female labor force participation and earnings, household incomes have risen impressively since 1980. Moreover, the gains have been recorded across the income distribution.

From 1980 to 2000, the median income of white households increased by 19 percent and the percentage of households with real (that is, adjusted for inflation) incomes less than \$25,000 fell from 32 percent to 26 percent. The improvements were far more pronounced for black households. Median income increased by 39 percent, and the percentage of households below \$25,000 dropped from 55 percent to 41 percent. Meanwhile, black households with incomes exceeding

\$75,000 increased from 5.3 percent to 13.7 percent. During this period, Hispanic households experienced a gain in median income of 23 percent, and the portion below \$25,000 declined from 42 percent to 36 percent. The percentage earning above \$75,000 more than doubled, to 14.7 percent.

Many critics rightly point out that inequality in the distribution of income has grown. But I would argue that absolute levels of income matter more than relative levels. And here, the signs are positive. The percentage of households with low (\$15,000) and moderate (\$25,000) incomes decreased. Incomes did regress between 2000 and 2002, but that probably reflects nothing more than the recession.

By the same token, many economists put more weight on the fate of the very poorest than on broader measure of economic well-being. But here, too, the news is good for the most part. After rising in the 1970s and 1980s, the portion of families living below the poverty line (in 2000, defined as a \$13,740 income for a family of three and \$23,533 for a family of six) fell substantially in the 1990s.

The poverty rate for the nation was 22.2 percent in 1960. Rising wages for low-skilled labor and a plethora of government income-redistribution programs reduced that figure to just 11.1 percent in 1973. From this low point, the poverty rate has roughly tracked the business cycle, increasing to 15.2 percent in 1983, declining to 12.8 percent in 1989, and rising again to 15.1 percent in 1993. It then declined steadily, reaching 11.3 percent in 2000. Poverty has been on the rise since 2000. But there is some indication that the longer trend is positive: the poverty rate in 2002, 12.1 percent, was lower than the rate in



## HOUSEHOLD INCOME

HOUSEHOLD INCOME	MEDIAN (2002 DOLLARS)	PERCENTAGE OF HOUSEHOLDS EARNING		
		UNDER 15,000	15,000-25,000	OVER 75,000
<b>WHITE</b>				
1980	\$38,621	17.3%	14.5%	15.0%
1990	41,668	15.4	13.5	20.5
2000	45,860	13.8	12.2	26.9
2002	45,086	14.5	12.8	26.6
<b>BLACK</b>				
1980	22,250	36.5	18.7	5.3
1990	24,917	34.6	15.5	8.5
2000	30,980	25.2	16.1	13.7
2002	29,177	27.4	16.4	12.9
<b>HISPANIC</b>				
1980	28,218	24.7	17.2	7.1
1990	29,792	25.1	16.8	9.9
2000	34,636	18.2	17.8	14.8
2002	33,103	19.1	19.1	14.7

## PERCENTAGE OF POOR IN AMERICA

	TOTAL	CENTRAL CITY	WHITE	BLACK	HISPANIC
1970	12.6%	14.2%	9.9%	33.5%	22.8%
1980	13.0	17.2	10.2	32.5	25.7
1990	13.5	19.0	10.7	31.9	28.1
2000	11.3	16.3	9.5	22.5	21.5

1998, 13.3 percent.

It is also worth noting the modest trend toward convergence among ethnic groups. The poverty rate for blacks fell from 33.4 percent in 1992 to 23.9 percent in 2002, while the poverty rate for Latinos dropped from 30.7 percent in 1994 to 21.8 percent in 2002.

By the same token, the socioeconomic forces concentrating the poor in central cities seems to have reversed. Paul Jargowsky of the Brookings Institution estimates that poverty in central cities rose from 14.2 percent in 1970 to 21.5 percent in 1993 as moderate-income families gained the means to get housing in safer neighborhoods. But it has since fallen to 16.3 percent (in 2000).

## FAMILIES

In the 1960s, Daniel Patrick Moynihan warned

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of the breakdown in the black family. And his fears were largely borne out in following decades. But there are signs that the black family is coming back. The Census recently reported a decline in the proportion of black mothers who are not married, a drop from 47 percent in 1997 to 43 percent in 2002.

It is true that the marriage rate of adults (age 18 and over) has declined. For what it's worth, though, the decline in marriage was larger in the 1980s than in the 1990s. Moreover, there are signs of convergence among ethnic and racial groups in one key related category – the percentage of families with children in which both parents are present. While this figure declined slightly for white families between 1995 and 2000 (from 74.8 percent to 73.9 percent) it rose for both blacks (35.7 percent to 38.6 percent) and for Latinos (63.6 percent to 65.9 percent).

### **CRIME**

Those who watch *Law & Order* reruns might assume that crime has been increasing. In fact, violent crime in America fell dramatically in the 1990s. The FBI data show that the murder rate has declined by almost half since 1980 (from 10.2 to 5.5 per 100,000). The largest improvement came in the latter half of the 1990s, from 9 per 100,000 in 1994 to 5.5 per 100,000 in 2000. The decline in rape began in 1993, dropping from 43 per 100,000 in 1992 to 32 in 2000. Robbery fell steadily from 1991 to 2000, from 273 per 100,000 to 145 per 100,000, with aggravated assault falling from 442 in 1992 to 318 per 100,000 in 2001.

Many factors contributed to the decline in crime, including demography (a fall in the proportion of the group most likely to be violent, men aged 18 to 24, in the population), more sophisticated policing tactics, longer sentences for violent offenders, the end of the

crack cocaine epidemic, and increased economic opportunity for minority youth. Strikingly, crime has disproportionately declined in big cities. The total number of murders in New York City fell by 74 percent, from 2,245 in 1990 to 594 in 2003. Homicides in Los Angeles dropped by 54 percent from 1992 to 2003.

### **CENTRAL CITY REVITALIZATION**

One of the most visible effects of the overall improvement in urban conditions is the revitalization of central cities. One seat-of-the-pants index is simply the change in population, which grew in each of the nation's three largest central cities in the 1990s.

Each of these cities has its own story. The population of New York increased by 9.4 percent from 1990 to 2000, a remarkable turnaround from the 3.5 percent growth of the 1980s and the 10.4 percent decline of the 1970s. Indeed, the city's population growth outpaced that of its suburbs – a rare occurrence in modern urban history.

Los Angeles is harder to evaluate since much of the city is functionally indistinguishable from the suburbs. For what is worth, though, the population of Los Angeles did grow by 6 percent in the 1990s in spite of factors that made it a less attractive place to live and work – notably, a major earthquake and downsizing of its aerospace industry.

The population of Chicago grew in the 1990s for the first time since the 1940s. This change was a modest 4 percent, but quite a contrast to 7.4 percent and 10.8 percent declines in the 1980s and 1970s respectively. Population growth was strong in the downtown areas as well as in the Northwest and Southwest areas of the city. And perhaps most encouraging, the population decline in many of the city's poorest areas halted.

The record for some of the nation's other



old, large central cities is still mainly negative. Philadelphia, Detroit, Baltimore and Milwaukee all continued to lose population in the 1990s. However, the populations of San Francisco and Boston, as well as a host of cities in the Sunbelt, more than made up for their losses. In fact, 16 of the 20 largest cities (a group that includes non-Sunbelt Columbus and Indianapolis) gained population in the 1990s.

#### **SUMMING UP**

There are many ways to interpret change in a nation as large and diverse as the United States. No single (or single-dozen) measures can tell you all you would want to know

about the evolution of the society and the economy. My goals here are more modest.

While there is a tendency to see disaster lurking, there is, in fact, much to be pleased about. Most people are safer, have more money to spend and can expect to live a lot longer than in the past. And the quality of life seems to be improving, even for those on the lower rungs of the socioeconomic ladder.

That's not quite a ringing endorsement of the status quo. Surely, though, it is sufficient reason to appreciate the resilience and essential vitality of American society. **M**