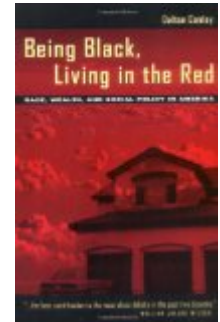


**Dalton Conley.** *Being Black, Living in the Red: Race, Wealth, and Social Policy in America.* Berkeley: University of California Press, 1999. 208 pp. \$45.00 (cloth) ISBN 0-520-21672-5; \$16.95, paper, ISBN 978-0-520-21673-0.



**Reviewed by** Peggy Hargis

**Published on** H-Urban (August, 2001)

## Does Skin Color Matter?

Social scientists and progressive policy pundits have long recognized that white Americans enjoy an even larger advantage over African-Americans in wealth than they do in income. Conley, however, goes beyond this common understanding to demonstrate that the white wealth advantage is growing, not shrinking; that wealth inequality, more than income inequality, determines African Americans' life chances; and that without radical wealth policy reform there is little reason to expect the black-white wealth gap to diminish. The author's thesis, that accumulated wealth and class position matter more than race, may strike a familiar cord with those who have read sociologists William Julius Wilson, Melvin Oliver, and Thomas Shapiro.[1] Conley's contribution to the class-race debate rests with his use of survey data (The Panel of Income Dynamics) collected on families and their assets and liabilities over time, to estimate the direct effects of parents' class position on their children's well-being. He uses this rich resource to investigate why the gap between black and white accumulated wealth ex-

ists and persists, over and above that of income differences, and to ask whether this "wealth gap" explains racial differences in "education, work, earnings, welfare, and family structure" (p. 1). He argues that, although race and class mirror each other, the most salient and tenacious aspects of racial inequality are a direct result of black-white differences in wealth accumulation and that blacks' historical legacy of asset poverty perpetuates these differences. According to Conley, because race does not explain differences in net worth, race-based policies that are designed to eliminate discrimination will do little to alleviate the wealth gap. "Only a radical, progressive, wealth-based policy will redress the issue" (p. 53).

To illustrate the importance of asset ownership, Conley compares various analytical models introducing greater complexity to the basic race-only model as he adds variables representing individual characteristics (such as age and gender), family background (such as parents' age or whether the respondent grew up in a female-headed household), and class origins (such as parents' education level and net worth). With the ad-

dition of each new variable or set of variables, he asks, does skin color still matter? He concludes that it does not. When differences in net worth between African Americans and whites are taken into consideration, Conley finds that blacks are just as likely as similarly positioned whites to complete college, hold a job, or use welfare; and that they are more likely than similarly positioned whites to finish high school or earn high wages. These findings challenge conventional wisdom and make a strong case for the significance of wealth in shaping African Americans' economic well-being and life chances. However, to fully appreciate the nuances of Conley's argument, it is important to realize that he is only interested in whether skin color exerts a significant direct effect on upward mobility and socioeconomic success, over and above that of wealth and class position. He does not address the "confounding factors" that might "interact with a variety of other measurable and unmeasurable factors" to influence a family's economic well-being and life chances" (p. 5). In short, he is not interested in exploring how the subtleties of race might shape economic opportunities and the distribution of rewards.

Nevertheless, Conley makes a convincing case that without radical, progressive wealth reform, the wealth gap will continue to grow, and its consequences will become increasingly dire. Unfortunately, the policy chapter is vague and poorly developed. His claim that the locus of inequality no longer resides in the labor market (an issue of opportunity) but instead lies in class and property relations (an issue of distribution) suggests that race-based policies are outdated (p. 152). Yet race may determine whether a job candidate lands an interview, or a potential home buyer is "steered" to particular neighborhoods, or how a new employee or homeowner is treated by co-workers or neighbors. These subtle aspects of race are purposefully ignored by Conley, in part because they are nearly impossible to measure but also because his arguments "depend on the insignifi-

cance of the race variable" (p. 183 n. 35). I have other quibbles with his analysis. Like the policy chapter, some of his explanations of statistical results lack luster. For instance, being a female has a significant and detrimental effect on employment, hours worked, and wages, but Conley fails to fully address how women's disadvantaged position in the workplace may contribute to a family's ability to accumulate wealth. And when Conley finds that African Americans work fewer hours, yet make higher wages than similarly placed full-time-employed whites, he tries to reconcile these seemingly incongruent findings in the simplest of terms. He insinuates that blacks' wage advantage results from affirmative action policies and that African Americans use this wage advantage to work fewer hours. Conley fails to consider other plausible explanations, such as the possibility that African Americans, more than similarly placed whites, rely on contract work, which by design is temporary and often pays a higher wage to compensate for poor or no health and retirement benefits.

Although a quantitative analysis about race may strike some readers as cold, detached, and lacking "heart," Conley deserves credit for making a significant contribution to the class-race debate. He clearly demonstrates that class position and accumulated wealth play crucial roles in the long-term, inter-generational accretion of racial inequality. This book is a "must read" for those interested in such issues. His analytical models and results are presented as graphs and lists, statistical findings are summarized in the narrative, and the regression coefficients are tucked away in an appendix, which should make this quantitative analysis appealing to upper-division undergraduates and number-phobic academics alike.

#### Note

[1]. See W. J. Wilson, *The Declining Significance of Race: Blacks and Changing American Institutions* (Chicago: University of Chicago Press, 1978); and, M. Oliver and T. Shapiro, *Black*

*Wealth/White Wealth: A New Perspective on Racial Inequality* (New York: Routledge, 1995).

If there is additional discussion of this review, you may access it through the network, at <https://networks.h-net.org/h-urban>

**Citation:** Peggy Hargis. Review of Conley, Dalton. *Being Black, Living in the Red: Race, Wealth, and Social Policy in America*. H-Urban, H-Net Reviews. August, 2001.

**URL:** <https://www.h-net.org/reviews/showrev.php?id=5453>



This work is licensed under a Creative Commons Attribution-Noncommercial-No Derivative Works 3.0 United States License.