

Life Course Determinants of Racial Inequality At Older Ages

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Racial economic inequality has been a persistent feature of American society for generations. While there has been some narrowing of the race gap in education in recent decades, we still find that Blacks consistently earn lower incomes and accumulate substantially less wealth than do whites. These patterns reflect larger systems of stratification which have pervasive effects on peoples' lives. From the volumes of research linking racial inequality in wealth to unequal processes of status attainment, we have learned that these processes occur over the life course, reflecting age-graded sequences of the acquisition of educational capital, entrance into and passage through the American occupational structure, and the wages associated with both educational and occupational statuses.

The present study furthers this line of research by focusing on the ways in which earlier life course experiences may differentially condition the status attainment processes for whites and blacks. We argue that, in addition to reflecting conventional processes of educational and occupational attainment, the differentiated socioeconomic outcomes for Black and White Americans also reflect the long-term influences of earlier life course transitions and conditions as well as temporally bound practices of racial economic exclusion (i.e., discrimination). Hence, we focus on life course experiences that set individuals on pathways leading to greater or lesser economic well-being.

Yet, we also hypothesize that the pathways of status attainment and wealth accumulation expose individuals to particular forms of socially patterned stress, including the subjective experience of financial hardship over the life course and job-related strains associated with occupational status. Further, we argue that the pathways of status attainment and wealth acquisition, which are unique for Blacks and Whites in these cohorts, directly impact stress exposure. Thus, we situate our analysis firmly in status attainment and stress process theory in an attempt to uncover the moorings of life course economic inequality.

In this effort, we rely on life history information from a sample of older Americans who live in a large metropolitan area. By focusing on older adults who have effectively completed the process of status attainment, we are able to trace the long-term implications of different life course experiences. The data were collected as part of the Aging, Stress and Health (ASH) Study, funded by the National Institute on Aging (Leonard Pearlin, P.I.). This prospective study conducted the first round of interviews in 2001, and with two follow up interviews in 2002 and 2003. The baseline sample, consisting of 1167 white and black men and women ages 65 and over, was designed to provide sufficient variability by both race and socioeconomic status. Respondents were asked detailed questions about their physical and emotional health, family background and work history, economic conditions, both past and present, family and social relationships and activities, and stressors in their lives.

Our analysis focuses on racial differences in two measures of current economic status. The first reflects the dollar value of assets accumulated over the life course (i.e., net worth). It is derived from questions about savings, investments, home equity and debt. The second indicator of economic status is a subjective measure of financial strain, derived from a question in which respondents are asked: How do your finances usually work out by the end of the month? Would

you say you have: 1) Money left over? 2) Just about enough to make ends meet? 3) Not enough to make ends meet? This is very similar to the measure of economic strain used by Pearlin and colleagues (1981).

Our models include ascribed statuses (age, gender and race), family background and household conditions (where grew up, parent's education, family structure), and achieved statuses (education attainment and main occupation). In addition, we examine the impact of several key early life transitions (quitting school early in order to work and having a child under the age of eighteen) on educational and occupational trajectories, and ultimately on economic status at older ages. We also consider the differential effects of life course stressors such as financial hardship, occupational strain, job instability, and racial discrimination on economic well-being. Our preliminary results suggest that early life conditions and subsequent life course stressors have profound impact on well-being at older ages, though the processes appear to operate differently for whites and blacks.