

*"We was in, like, a police state. We didn't have no car. We had a mule and a wagon. Something that was ten miles away might as well have been one thousand. You couldn't do what you wanted to-- talk back, not say 'Yes, sir' and 'No, ma'am' and stuff. You could get killed. I mean shot dead and that was that. That was what it was, that was life. You was there to work on that land and try to keep some dignity for yourself or whatever. But you wasn't free-- you couldn't come and go and have a say in nothing. We didn't know what voting and all that was-- that was white folks' business. That didn't have anything to do with us. We was there for work. That is what we was taught Black folks was for."*

In the last several years, economists have turned their attention to a broader range of topics in order to better understand the role of non-economic social and psychological phenomena on economic behavior. In the analysis of race and racial inequality in economics, the conceptual frameworks used by economists are many times incomplete due to the inability to incorporate the large scale experience of African Americans in the economy as the aggregation of their individual experiences. Economists are usually saved from incorporating these elements of group specific, racialized events in economic analysis since they deal primarily with large scale phenomena, rates, and other aggregate measures. The focus on markets has the advantage of giving us insights into the larger picture, but the inference that we draw from rates in one dimension hinge critically on assumptions about ways of knowing, meaning, and a shared narrative through which economic agents understand the world (see Johnson-Hanks (2007) for more on the limits of inferring meaning from rates).

More broadly, economists have a decided preference to analyze race as a social category as opposed to a historical or social experience. There are many justifications for this that are quite well known and articulated in the economics literature. Categories are relatively easy to define, theorize, and manipulate in empirical work. As Roberts (2011) notes, however, race is not a social category noted in data, but a *political* one in its practice. This naturally implies that race is an economic category as well, as political objects define the scale and scope of distribution and redistribution. Traditional economic theory continues to proceed with raceless agents, assuming isomorphic responses to incentives and stimuli that obviate the need for racial analysis. At the same time, simple incorporation of race as a difference in preferences leaves the economics of race in a tautology where all racial differences would be due to differences in theoretical primitive. There is, then, a striking disconnect-- our applied economics of race in the American economy is fundamentally deficient in analyzing the ways that race is formed and reformed over our economic lives.

We cannot, and should not, practice a race-blind economic analysis, and yet our models and inference lack the critical cultural components to understand how and why a highly-racialized American society influences the range of economic behavior. The building blocks in economists' arsenal must be carefully considered when it comes to the economic fate of African Americans. The reasons for this are obvious. African American economic analysis must begin with an appreciation of the distinct and persistent nature of the oral tradition, folklore, and social norms of African American people (Levine 1977), some of which have their root in inherently racist institutions. This also forces us to acknowledge that the high empirical standards of contemporary economic analysis could be inappropriately applied to the subject of race and obscure our ability to see the role of race in economic outcomes. For example, the use of "complete count" Census data and tax records are remaking the fields of economic history, public finance, labor economics, and empirical studies of social mobility, but the poor coverage of the African

American population in those historical records should temper our enthusiasm for what we might learn (Preston et al. 1998). (I leave aside the linguistic trick that must be played when using the term "complete" to describe data does not cover a significant part of the population due to a historical racialized process of exclusion.) At a deeper level, the implicit claims of the objectivity of quantitative data do not hold up against the racial stain of the American experience. The reliance on quantitative data also raises serious questions about whose story is being told and the veracity of that story. Control of the administrative state is itself a racialized practice, and informs both what is and is not collected in the data as well as its veracity. What we need is a new approach, starting from the narrative, to understand the role of race in economic outcomes.

I believe that the power of qualitative empirical data is the missing element needed to understand the central issues in the African American economic experience. By extension, narratives allow us to learn of how racialized experiences in the economy are not seen as simply social processes acting on the economic, but economic processes action on the social as well. Rather than supplementary, narrative evidence should be a primary source of empirical data. Doing so resolves several persistent problems--the glaring omissions and incompleteness of quantitative data, the lack of accuracy in the data we do have, and the nagging questions of agency, intention, and inference more generally.

My book project, tentatively titled *Emancipated Narratives*, explores central issues in contemporary economic analysis of racial disparities through the lens of narratives of a family of Black Americans who began their lives as cotton pickers in rural post-war Mississippi and now reside in the upper Midwest as retirees. This follows an arc of social, economic, and racial progress from de jure discrimination and segregation at the end of the Second World War to the stalls and starts in Black economic progress from the 1980s to the present (Darity and Myers 1998). Fundamentally, the manuscript seeks to answer the question: What does it mean, economically, to be Black in America? How has race been defined as an economic category and how has that influenced the ways that Black people understand, interact, and move in the economy? How is racial identity connected to economic identity, and how have racial processes informed economic "primitives" such that they are racial in origin?

This investigation is a detailed one, based on the experience of one family, my own. The life histories of this group of siblings, sixteen in all, touches on the central themes explored in economic analysis of racial inequality, but which have not incorporated an understanding of how race mediates and contextualizes the inference we draw from racial inequality analysis. Taking a broad approach that economic relations can be thought of as group conflict as opposed to individualized behavior, this book looks to deepen the focus on the centrality of race as an organizing principle for economics in the United States (Darity 2001, 2005). The book will answer several major questions, including: How has racial history and racialized experiences left our mono-racial analysis of racial disparities lacking? What parts of the large societal changes in race relations in the mid-20<sup>th</sup> century must be filtered through the racialized experiences of economic agents? Can we use this experiential, qualitative approach to build an economic theory of race that would lead to generative advances in the economic analysis of racial disparities?

This book will make a methodological and substantive contribution to economics, combining qualitative and quantitative analysis in a way that gives each proportional weight, and adds the ability to enhance the credibility that we lend to our models of behavior. While standard in other social sciences, qualitative data has not been exploited sufficiently in the economic study of race in the United States

(Banks-Wallace 2002). Even in traditional areas such as the analysis of discrimination, a broader set of questions of economic import can be answered with new perspectives and an appreciation of qualitative empirical work (Small and Pager 2020). The most pressing questions about economic disparities are not about treatment effects, tests of rigorous theory, or parameter estimates. Rather, they are about the daily lives of individuals and how those lives change in response to economic changes, how people adapt to and create new economic environments, and how those economic environments leave a lasting impact.

Structure of the Book Manuscript: The book is organized around four central chapters—Work, School, Home, Life, and The Meaning of it All—with introductory and concluding chapters. Each chapter is structured by describing the central questions of racial disparities in the field in the economic literature, and then moves to the qualitative, narrative, and quantitative data to underscore what new questions emerge and how they alter canonical interpretations. At each turn, the narrative evidence shows how race informs the development and interpretation of racial disparities in economic outcomes.

The chapter on “Work” builds upon Logan (2015), which used the detailed cotton-picking records to establish that the members of the family were as productive in cotton picking as enslaved individuals a century earlier. The chapter extends this initial entry into the labor force to include analysis of the nature of racialized formal labor markets in the mid 20<sup>th</sup> century, the role of racial exclusion in occupational choice, and the differences between public and private employment for Black Americans.<sup>1</sup> One key insight of the qualitative information is that the racialized structure of the labor market was not seen as different from the agricultural work that the siblings experienced early in their lives. Work and occupations are understood to be inherently racialized. “School” emphasizes the qualitative features of segregated education in the South, how the Logan children were taught in a single room schoolhouse well into the 1960s, and the limited curricula of the high school they attended relative to whites in the same town.<sup>2</sup> While the siblings excelled in the schooling offered to them, the structural limits on the quality of their schooling combined with racialized notions of the careers they should pursue. For example, coursework in algebra was offered only in the final year of high school, a substantive difference with the white high school.

“Home” analyzes the ways that sharecropper productivity influenced the consumption and home production of the Logans and, as a byproduct, their consumption today.<sup>3</sup> Bulk purchases, views on what

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<sup>1</sup> Derenoncourt and Montiloux (2021) focus on changes in minimum wage policy as spurring Black/White wage inequality in the Civil Rights Era, Farber et al. (in press) stress private sector unionization in wage increases, and Frymer and Grumbach (2021) stress unions as a means of reducing white racial animus toward Black Americans. In the qualitative interviews, these are seen as mutually reinforcing among these Black Americans. Public sector employment, due to its high level of unionization, is preferred to private sector employment as it is seen as being less prone to white managerial attitudes and racial hostility.

<sup>2</sup> For example, Card and Krueger (1992) and Aaronson and Mazumder (2011) stress the role of schooling in Black economic convergence, but analysis of school provision and expenditure does not attend to issues of quality of schooling beyond expenditures and student-teacher ratios, nor the role of racism in the South’s late movement to provide secondary schooling for Black children.

<sup>3</sup> Charles et al. (2009) emphasize reference group differences in income in explaining racial differences in consumption patterns, but patterns of consumption and preferences along racial lines are linked to a history and experience of racialized consumption, discrimination in product and credit markets, and differential access to public accommodations, as documented by Charron-Chénier et al. (2017). The role of these historical and experiential factors in consumption have not been explored in detail. Similarly, little attention has been paid to

is “wasteful,” and habit formation are reconceptualized as inherently racialized through life experience. “Life” extends beyond to general social relations, analyzing the role of mistrust, racial animus, and how economic conditions influence political attitudes. As opposed to social interactions, racial interactions are seen as inherently economic in nature. Racial animus and mistrust are viewed as products of the economic environment and the control of resources.<sup>4</sup> “The Meaning of it All” deals with deep parameters, such as the role of racial bias in preferences, risk preferences, and social networks.<sup>5</sup> Racial experiences here are shown to impact every facet of the primitives that economists under-theorize and take as given, and the basics of choices are seen as being framed racially. From its most essential building blocks, economic theory must account for race and racialization.

Data: The book relies on two primary data sources. The first are the collection of more than 60 hours of interviews of the members of the Logan family, which have taken place from 2013 to 2020. The interviews will be fully transcribed by December 2021. The Logans lived in the rural town of Coffeerville, Mississippi, a county seat of Yalobusha county, a fertile cotton growing region just east of the Mississippi Delta. The Logan family sharecropped on the land owned by J.C. Sides until the early 1970s. In addition to being a prominent landowner in the county, Sides was also the owner of the local cotton gin and the John Deere dealership. During the time period which is the focus of the interviews, the area experienced significant population decline, falling from 15,191 in 1950 to 12,502 in 1960 and then to 11,915 in 1970, decennial declines of more than 15%. (The Logans themselves were part of that exodus-- while the matriarch and patriarch would remain in Coffeerville, each of their children would depart immediately after the end of their schooling in the segregated schools of Coffeerville.) The Logans subsequently chain-migrated to St. Paul, Minnesota, following their maternal uncle’s who had migrated to the area after military service in WWII. By the 1980s, fourteen of the sixteen siblings lived in the Minneapolis-St. Paul metropolitan area. The dynamics of work for the siblings reveal stark differences in labor markets in Minnesota. Of the six females who migrated to Minnesota, all were employed in light manufacturing, four of which had union protection at some time. Five of the eight males in the family worked in in the public sector in union occupations, and one was an entrepreneur with government contracts.

The second data source is quantitative data covering the schooling, occupations, wages, and productivity of members of the family from their earliest labor force participation as child cotton-pickers until their retirement. The data for cotton picking come from cotton picking books contemporaneously recorded by the family. The records used are fragmentary and cover a period from 1952 to 1965, although the family picked cotton under contract to Sides before and after this period. An additional source of data are the administrative records of Yalobusha county detailing school expenditures, land ownership, property transfers, and business records related to cotton production at the time. Wage data comes from tax returns, bank statements, and other financial documentation.

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the regularities identified by Tobin (1951) who argued that racial discrimination was the source of racial savings and consumption differences.

<sup>4</sup> Extending the implications of Anderson, et al. (2020), the relationship between economic downturns and increases in overt animus are seen as scapegoating, where Black people are seen as causing poor economic conditions despite their structurally higher rates of exclusion from the formal economy.

<sup>5</sup> For example, extending the insight of Tversky and Kahneman (1981) to how framing of choices is socially racialized leads to new a new understanding of racial differences in preferences as being something social, not innate.

Methodology: The interview process began with individual interviews with a standard list of questions that would be followed up with supplementary questions (Baxter and Jack 2008). By design, the initial questions did not focus on agricultural productivity but on aspects of daily life. (In the original interviews, the first question was "Tell me your earliest memory" and the second question was "What was your favorite food when you were a child?") This technique of semi-structured interviews allowed for standardized questions but also allowed the opportunity to elicit specific information that would not be obtained from structured interviews that began with agricultural productivity as the focus. As the project has expanded, there are additional interviews comprising a wider range of activities. Interviews were performed separately to avoid "herd memory" that can occur when groups of individuals conform to an accepted version of events. In areas where there was disagreement, supplemental interviews were performed in which the responses in previous interviews were used as a prompt. This was done to discover the source of disagreement, to assess the veracity of the conflicting information, and to discover which responses pertained to actual experience as opposed to the contemporaneous telling of another's experience. These interviews were also semi-structured.<sup>6</sup> Only matters on which there was broad consensus, and upon which at least three of the siblings recall the same specific facts.<sup>7</sup> The result of this methodology is a conservative approach to qualitative evidence. Since confirmation was required, the qualitative evidence reflects shared experiences as opposed to individual recollections.

The quantitative data is analyzed in standard approaches such as regression (OLS) analysis and, given the small sample size, concentrates on changes over time and differences in mean by group (for example, earnings and earnings trajectories by union membership).

Plan for Time as a RSF Visiting Scholar: The plan for my time as a visiting scholar is to complete the book manuscript. The necessary data has been collected and preliminary statistical analysis will have been performed by April of 2022, making the time spent as a visiting scholar generative for final completion and submission of the book. Chapters will be drafted according to the outline above, and time as a visiting scholar will also be devoted to expanding the perspective of the book to incorporate additional insights from social science disciplines. The time spent as a visiting scholar will strengthen the interdisciplinary focus and policy import of the manuscript.

Fit with RSF Priority Areas: This project fits within both the "Race, Ethnicity, and Immigration" and "Social, Political, and Economic Inequality" priority areas of the RSF. Delving into personal experiences, we are left to confront issues of significant economic import such as racial inequality, intergenerational transmission of culture, and the persistent effects of institutionalized and individualized racism. This project takes race and racism as inherently part of American economic inequality, and investigates the ways in which those racial experiences generate economic agents who cannot be well described by the traditional raceless models in contemporary economics. This not only limits our inference from patterns of behavior, but also leave policy analysis wanting if scholars counterfactuals do not align to the reality of the decision-making process of distinct groups in ways that are not easily mapped onto preference formation in economic models.

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<sup>6</sup> A visiting term at the Minneapolis Federal Reserve in 2019 allowed for a significant expansion in the interviews.

<sup>7</sup> While it is certainly the case that there may be political or other reasons motivating responses, the contemporary politics of the siblings are quite distinct. Similarly, the matters of fact would, by themselves, have no political motivation. For example, the exact method of cotton picking would not be motivated by a desire to paint one particular picture or another. The quantity of cotton picking is verified in the qualitative data.

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