

Dollars and the Digital Divide

As the Internet becomes more important, some politicians have suggested that broadband Internet services should be considered a public good, the contemporary equivalent of telephone wires, electricity, or paved roads. The poor, so it is argued, are falling behind because they cannot access information or communicate as effectively as the better-off. But does differential access to the Internet indeed worsen the gap between the haves and have-nots? Is there an actual monetary payoff to Internet access?



This question has now been tackled head on. Using a national sample of U.S. workers, Paul DiMaggio and Bart Bonikowski found that those who used the Internet, either at work or at home, boosted their earnings at a faster rate than those who didn't. This result holds even when one adjusts statistically for other differences between Internet users and non-users that may affect future earnings (e.g., earnings in prior years). Why do Internet users do better? It is not just that Internet usage makes workers more productive on the job. Internet users have superior access to information about available jobs, inducing them to move more frequently and better chase high earnings.

It follows that the rise of the digital divide is indeed an inequality-generating development. In the new economy, being offline could mean being out of luck.

DiMaggio, Paul, and Bart Bonikowski. 2008. "Make Money Surfing the Web? The Impact of Internet Use on the Earnings of U.S. Workers." *American Sociological Review* 73: 227–250.

High Stakes but Low Risks?

Increasingly, firms are using standardized tests to measure the skills of job applicants, a development that might either (1) reduce racial and ethnic discrimination by minimizing opportunities for employer discretion, or (2) increase racial and ethnic discrimination insofar as minorities tend to do worse on standardized tests. Although an argument for either effect might be made, the answer is ultimately an empirical one. What impact do standardized tests actually have on minority hiring?

Using data from over 1,300 retail stores of a prominent national chain, David H. Autor and David Scarborough brought direct evidence to bear on this debate by examining minority hiring and job tenure both before and after testing procedures were implemented. The testing procedures appeared to increase the productivity of matches, given that job tenure rose by approximately 10 percent after testing was adopted. More surprising, perhaps, was that minority hiring was unaffected by the transition, and the productivity-enhancing aspects of testing accrued to minority and non-minority applicants alike. The rapid spread of skills testing, then, may not be as harmful to minority applicants as some feared.

Autor, David H., and David Scarborough. 2008. "Does Job Testing Harm Minority Workers? Evidence from Retail Establishments." *Quarterly Journal of Economics* 123: 219–277.

The Long March

The most recent research suggests that privilege *does* make you happier. The more highly educated are happier than the less educated, and whites are happier than members of other less privileged races. But are the privileged able to lock in such happiness advantages over their entire life course? Or do their happiness advantages tend to fade as they age?

Using a series of nationally representative samples from 1972 to 2004, Yang Yang found that all Americans tend to get happier as they age, as they settle into their roles and gain more satisfaction and self-esteem from them. However, the happiness advantage of the most privileged groups (in terms of class, race, and gender) tends to erode over time as they experience the stresses of aging, such as the death of friends and spouses and the associated loss of social support. Although the less privileged also face these same stresses as they age, such happiness-reducing effects are counterbalanced by happiness-increasing ones, most notably their retirement from especially stressful jobs and the associated access to age-related social welfare benefits (e.g., social security and Medicare). The happiness advantage of the privileged tends to dissipate as a result.

For all the Sturm und Drang of trying to get ahead, where happiness is concerned it seems we're all headed to much the same spot. So while inequality in quality of life remains persistent through much of the life course, old age may at least bring us all a bit closer to equality.

Yang, Yang. 2008. "Social Inequalities in Happiness in the United States, 1972 to 2004: An Age-Period-Cohort Analysis." *American Sociological Review* 73: 204–226.

A Big Texan Experiment

When the Supreme Court required universities to adopt race-neutral admissions policies in 2003, some state schools settled on so-called percent laws, which required them to offer admission to a fixed percentage of graduates within each of the state's high schools. These laws precluded state universities from admitting an especially large number of students from high schools that were presumed to be academically strong. Although it was initially unclear how these new policies would affect the diversity of incoming university classes, some intriguingly optimistic findings are beginning to emerge.

Using statewide data from Texas, which implemented a percent law guaranteeing state-school admission for the top 10 percent of any high school's graduating class, Kim M. Lloyd, Kevin T. Leicht, and Teresa A. Sullivan find that the top students who knew about this law were more likely to aspire to attend college, more likely to expect to attend college, and more likely to actually apply to state universities. This ratcheting up of aspirations, expectations, and applications was especially prominent among minority students in the top 10 percent of their class.

The great virtue, it would seem, of percent laws is that they reduce ambiguity and lay out a clear and well-specified pathway to entering state universities. This in turn helps promising minority students see higher education as a feasible path toward economic mobility.

Lloyd, Kim M., Kevin T. Leicht, and Teresa A. Sullivan. 2008. "Minority College Aspirations, Expectations and Applications under the Texas Top 10% Law." *Social Forces* 86: 1105–1137.

Trickle Up Spending

The government is often criticized for lavishing aid on programs that foster mobility among the poor while starving similar assistance programs directed toward middle- and upper-income citizens. Where does government spending on promoting upward mobility actually go? Is the federal government indeed spending most of its mobility-promoting money on the poor?

According to a new report by Adam Carasso, Gillian Reynolds and C. Eugene Steuerle, the government is not at all biased toward the poor in its mobility spending. The authors traced federal expenditures and tax subsidies aimed at promoting economic mobility in areas such as job training, savings and investment incentives, and small business development. It turns out that nearly three-quarters of this spending flows to middle- and upper-income households. Worse yet, the government programs directed toward lower- and middle-income households are rife with problematic disincentives, ones that frequently discourage rather than encourage work and saving. For example, because Temporary Assistance for Needy Families dissipates steeply when recipients work and earn more, they are less likely to use these programs for economic mobility.

The government, then, may be giving many people a "hand up" (rather than a "handout"), but the beneficiaries are often those who are already better off. If you're poor in the United States, the helping hand of the state is both hard to find and not as helpful as we tend to think.

Carasso, Adam, Gillian Reynolds, and C. Eugene Steuerle. 2008. "How Much Does the Federal Government Spend to Promote Economic Mobility and For Whom?" Washington, D.C.: Economic Mobility Project, an initiative of The Pew Charitable Trusts. Available at <http://www.urban.org/url.cfm?ID=411610>.

Minding the Gap

The No Child Left Behind law holds schools accountable for student performance and seeks to close persistent socioeconomic, racial, and ethnic achievement gaps that have long dogged proponents of equal opportunity. But what if the sources of those gaps lie outside the purview of the school system?

According to new research by Jacob E. Cheadle, a sizable portion of the achievement gap stems from activities and investments outside the regular school day. Using longitudinal data on a national sample of kindergartners, Cheadle found that much of the racial, ethnic, and socioeconomic gap in children's achievement was due to the types of learning materials that parents provided at home and to participation in organized after-school enrichment activities, such as arts, athletics, and dance.

It is possible, then, that only so much may be achieved by reforming schools. To close lingering achievement gaps, education reforms may have to reach well beyond the school's doors.



Cheadle, Jacob E. 2008. "Educational Investment, Family Context, and Children's Math and Reading Growth from Kindergarten Through Third Grade." *Sociology of Education* 81: 1–31.