Attending a Black College Seems to Lead to Higher Earnings for Black Men, Study Finds

By PETER SCHMIDT

Black men who attended historically black colleges and universities in the late 1970s and early 1980s enjoyed higher lifetime earnings than those who attended other four-year colleges and universities, according to a study released on Thursday by two Virginia Tech researchers.

The researchers -- Bradford F. Mills Jr., a professor of agriculture and applied economics at Virginia Tech, and Elton Mykerezi, a recent graduate of that department -- found that the black men in their study did not reap any benefit from attending a black college immediately upon graduating.

But over their lifetimes, their wages increased 1.4 percent to 1.6 percent faster per year than did the pay of black men who had attended other colleges, according to a paper describing the study, "The Wage Earnings Impact of Historically Black Colleges and Universities," which has been accepted for publication in the Southern Economic Journal.

Mr. Mills and Mr. Mykerezi did not find similar results for black women in the same age group as the men studied. Over the long run, women who attended historically black colleges and universities earned about the same amount as those who attended other four-year institutions. The researchers said their study did not explain why that is so.

Noting that other studies have suggested that black men face greater wage disparities relative to white people than black women do, the researchers said the social networks that the black men in their study formed in black colleges may have helped them close the wage gap over time.

The long-term wage benefits that black men derive from graduating from such a college "appears to a large extent to be attributable to the fact that HBCU's enroll disadvantaged males, in terms of pre-college attributes, who initially earn less than non-HBCU males, but eventually catch up," the Virginia Tech study said.

"In other words," it said, "HBCU's are particularly effective in matriculating black males from relatively poor areas with disadvantaged backgrounds and providing them with the tools to overcome their initial disadvantage in the skilled-labor market. This gateway allows them to eventually earn wages that are statistically no different from those of black men with more advantaged characteristics who attended other four-year institutions."

Taking data from the National Longitudinal Survey of Youth of 1979, the researchers tracked 265 black men and 331 black women, of whom 100 men and 109 women had attended a historically black college by the age of 25. The researchers examined the wages their subjects earned about four years after graduating from college and also looked at the most recent wage data available for them (on average, reflecting their earnings in their 16th year in the labor market).

A study released in April by Roland G. Fryer, an assistant professor of economics at Harvard University, and Michael Greenstone, a professor of economics at the Massachusetts Institute of Technology, found...
that the economic benefits associated with attending a historically black college declined from the 1970s to the 1990s, perhaps because traditionally white colleges were doing better than before in educating black students.
Advantages of Historically Black Colleges, Universities Charted

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Description

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Newswise — Two Virginia Tech researchers in the College of Agriculture and Life Sciences have completed an innovative study on the economic impact of historically black colleges and universities (HBCUs). Their findings show that black men have higher lifetime earnings from attending HBCUs than other four-year colleges and universities.

Bradford Mills, a professor in the Department of Agricultural and Applied Economics, and Elton Mykerezi, a recent graduate of the same department and an assistant professor in the Department of Applied Economics at the University of Minnesota, describe the economic importance of HBCUs in their paper, “The Wage Earnings Impact of Historically Black Colleges and Universities,” which will be published in a forthcoming issue of Southern Economic Journal.

“We used existing data from the National Longitudinal Surveys, a set of surveys that gathered information at multiple points in time on the financial and life situation of men and women from 1979 to 2004,” Mills said. “Our study, which is an analysis of this data, shows that black males have no initial advantage from HBCU attendance but that their wages increase 1.4 percent to 1.6 percent faster per year after attending HBCUs compared to black males who attended other colleges and universities.”

According to the study, this faster growth generates discounted career earnings for black men that are 9.6 percent higher for HBCU attendees and 8.9 percent higher for the average four-year black college attendee. The analysis does not find a correlation between HBCU attendance and initial earnings or subsequent wage growth for black women.

“The bottom line is that HBCUs try to fix the wage gap between black students and white students, and there is less to fix for women,” Mykerezi said. “Previous research shows that black men face greater wage disparities in labor markets relative to whites than do black women. The bigger issue for women is how gender affects their wages and lifetime earnings.”
The study examines the impact of HBCU attendance on the initial post-college wage, the most recent wage observation, and the average annual growth rate of wages. This allows Mills and Mykerezi to measure labor market success by the age-earnings profiles of individuals over time and provides more complete information than a study that only accounted for wages at a single point in time.

Previous studies on this topic have given seemingly conflicting answers to the same question. A 1994 study reports a zero to 12 percent wage loss for HBCU attendees relative to their counterparts who attended other four-year colleges and universities. But a 1995 paper finds that HBCU attendees have wages that are 38 percent higher than black college students at other institutions. A 1998 paper by the same researcher finds that black men who attend HBCUs have 7 percent higher wages than their counterparts at other four-year colleges and universities and that wages would be 25 percent higher for the general college student population of black men if they had all attended HBCUs.

“We agree with studies from both researchers, but we reconcile the differences by showing how the benefits of HBCU attendance accrue over time, with the greatest rewards in later years,” Mills said.

The original HBCU mandate to provide affordable postsecondary education for African Americans has been the object of considerable debate since 1954, when the U.S. Supreme Court banned segregation in public education with the landmark Brown v. Board of Education of Topeka ruling. Some legal scholars have also interpreted the court’s 1992 ruling in United States v. Fordice to suggest that HBCUs must identify benefits beyond delivering a low-cost educational alternative for historically underrepresented groups in order to continue state and federal support as racially distinct institutions.

Nationally ranked among the top research institutions of its kind, Virginia Tech’s College of Agriculture and Life Sciences (www.cals.vt.edu/) focuses on the science and business of living systems through learning, discovery, and engagement. The college’s comprehensive curriculum gives more than 2,200 students in a dozen academic departments a balanced education that ranges from food and fiber production to economics to human health. Students learn from the world’s leading agricultural scientists, who bring the latest science and technology into the classroom.