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Poles and Italians then, Mexicans Now?
Immigrant-to-Native Wage Ratios, 1910 and 1940

by
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INTRODUCTION

A dominant concern regarding the contemporary immigration to the United States involves immigrants who arrive with work-related skills far below those of typical U. S. workers; will such immigrants manage to improve upon their conditions and will they be able to help their children reach still better conditions? The farther behind the immigrant is from the typical U.S. worker at the time of immigration, the harder this process is likely to be. In earlier periods of American history, we know that such immigrant catch-up did occur; is the present like the past? The most relevant historical example concerns the last great wave of immigration, roughly 1890—1920 during which southern, central, and eastern Europeans from ethnic stocks that had been little known in the United States before that time, immigrated in great numbers to a modern, industrial, society. Yet by about 1980, no appreciable differences remained between the socioeconomic positions of the descendants of that immigration and the descendants of much earlier arrivals to the United States (Lieberson and Waters 1988). Following Stanley Lieberson (1980), I refer to these southern, central, and eastern Europeans as SCE immigrants.

Will the present be like the past? Concern about low-skilled immigrants today involves, above all, Mexicans; they comprise by far the largest immigrant group, and they are the prime example of a migrant group entering American society at the bottom, rather than with high educational credentials and other economic advantages. Most discussion by economists concerning immigrant skill disadvantages have concentrated on earnings ratios over recent decades (the past 40 to 50 years), with earnings ratios assumed to reflect of skills ratios. While George Borjas worked extensively with 1910 and 1940 data, his purpose was to compare the rank ordering of immigrant groups at successive moments in time, rather than immigrant-native differences in 1910 and today.[1] Sociologists have also made past-present comparisons, although usually they have not focused on precise ratios of well-being. Rather, sociologists have focused most on discussion of second generations then and now. Alejandro Portes and his colleagues have warned that the offspring of low-skill immigrants today may not be able to advance in the way that was possible ca. 1910-1950 because i) today's relevant second generations are nonwhite and American society is a long way from ignoring such differences; ii) the nature of the economy has changed, industrial-economy jobs requiring minimal skill (but still an improvement over the parents' jobs) do not exist in great number as they did in the past; iii) extended education (necessary for today's better jobs) is out of the reach of immigrant families that enter at the bottom; and iv) an alienated, inner city, nonwhite, youth culture will appeal to new lower-class, second-generation youth who encounter blocked mobility (Portes and Zhou 1993, Portes and Rumbaut 1996). My colleague and I, Roger Waldinger, have questioned this formulation of segmented assimilation noting i) that race divisions are famously social constructions and were constructed to work against the immigrant stocks of 1890—1920 too; ii) that low-skill work is not as scarce as claimed; iii) educational attainment may be adequate for notable upward mobility; iii) concerns about youth culture are hardly new to today's inner city minorities and, in any case, depend on the first three concerns for their force (Perlmann and Waldinger 1996, 1997; Waldinger and Perlmann 1998).

This is all background to an effort to construct a more direct, precise comparison of immigrant-native earnings ratios in 1910 and today made by Christopher Jencks (2001) in a review of immigration issues in the *New York Review of Books* . Jencks marshaled the evidence for such a comparison as one among several arguments to suggest that American immigration policy, especially in regard to Mexicans, needs to be rethought.

With regard to the levels of disadvantage faced by the SCE immigrants ca. 1910 and the Mexicans today, Jencks argued that one reason "assimilation proceeded quickly" in the past

> . . . was because the economic gap between immigrants and natives was far smaller than today's folklore suggests. Most immigrants were poor, but so were most natives. Northern Europeans held most of America's best professional and managerial jobs, but they also held most of the worst agricultural jobs. George Borjas has found that Southern and Eastern European immigrants typically earned about 88 percent of what American-born whites earned in 1910. Even Italians, who were the most disadvantaged major immigrant group, earned 83 percent of what American-born whites earned. Jewish immigrants earned as much as average American-born whites in 1910. . .
>
> The new immigrants prospered partly because they settled in cities sooner than [the descendents of] Northern Europeans did. Settling in cities also gave their children an educational advantage.

By contrast,

> Mexican-born men in the United States earn less than half what non-Latino whites earn"

A footnote adds:

> "Mexican-born males who worked full-time throughout 1999 earned an average of $23,200. Non-Latino whites averaged $50,000." i.e., a ratio of .46.

Generally speaking, there are good reasons to be skeptical about precise measures of past vs. present conditions–whether in income, education, or other measures. Past and present differ in so many respects that a single dimension of measurement is likely to feel like a perversion of realities when one has a feel for the two periods being compared. We are often far better off comparing in a looser way, describing salient features of the past that the issues of the

present lead us to think about in fresh ways. For example, if the argument is about the decline of manufacturing, we might explore carefully just how the immigrants and their children then relied on manufacturing.

Nevertheless, I think there are several reasons to be grateful to Jencks for marshalling the evidence on earnings then and now. First, there is a way in which the precise comparisons of well-being are simply unavoidable; if one thinks that immigrants are more disadvantaged compared to native whites today, an implicit comparison has been made, and it is far better to examine it explicitly than not to do so.

Second, Jencks stresses a national comparison of immigrants and natives–not merely in the cities of the Northeast or Midwest, but in terms of the nation as a whole; the descendents of rural, poor, native whites eventually moved to the city and competed with the descendents of the SCE immigrants. The rural, native whites should therefore be part of an appropriate comparison in the base year. At a minimum this argument should be carefully considered.

Third, Jencks tends to draw attention to specific groups that entered at the very bottom then and now–the SCE groups in general, the Italians in particular, and the Mexicans. This perspective is in contrast with Borjas's original work (of course, Borjas's original purposes in studying these data were somewhat different than Jencks's). Borjas arrayed 32 immigrant groups in terms of 1910 income and education and studied the stability of the rank ordering of these groups over time (the slope of the regression line relating rank ordering in 1910 to ordering in a later year). It is the slope that tells us something about assimilation versus the retention of group differences. The emphasis is on a process about which we can generalize from the experience of 32 immigrant groups. The groups include the old immigrants from the British Isles, the SCE immigrants, Asians and Mexicans, and numerous others. Recently (indeed only a few months before the Jencks reviews appeared) Borjas's study was challenged by Richard Alba, et al. (2001). They and Borjas (2001) debated the classification of immigrants (and their descendents) into these particular 32 groups. They also discussed other issues, notably the wisdom of projecting from a regression line that includes groups that experienced uniquely discriminatory labor market experiences in the early 20th century (Mexicans, Chinese, and Japanese). The last point yielded a remarkable conclusion on which both sides in the debate seemed to agree, namely, that the inclusion or exclusion of the non-white immigrant groups of the 1900 period–a group that very likely suffered a distinct form of discrimination, but constituted a very small percentage of all immigrants in that period–has a substantial impact on the slope of the trendline and the generalizations about rapidity of assimilation drawn from it. The "lessons of history" thus depend on whether one thinks the future will roughly include the range of experiences covered by all 32 groups, or only by the other 29 groups of immigrants. Of course exploration of such a trend line is illuminating. However, I would argue that at a minimum it is also illuminating to focus on a small number of very important groups, groups on whose experience the large questions turn in any case. We know that the Mexicans are crucial today, and we know that the Italians, Poles, and other Slavs were critical then. We can learn much by concentrating attention there (Borjas 1994, Alba et al. 2001, Borjas 2001).

Finally, the immigrant-native earnings ratios should prove useful in operationalizing a part of the inquiry stimulated by the recent sociological theories of segmented assimilation mentioned earlier, namely, the historical exploration of the impact that "the decline of manufacturing" has had on second-generation upward mobility and assimilation. Are there fewer jobs today from which low-skilled immigrants can launch the second generation than was the case in 1910? And are poorly-schooled second generation members today going to find fewer jobs in which they can improve their lot over their parents' than was the case in 1910? These are the outcomes that the decline of manufacturing implies; should not these outcomes show up in studies of first and second-generation earnings relative to those of natives? Alternatively, if this is not an adequate operationalization of the theory, why not? If the decline of manufacturing jobs is not captured in earnings ratios in either generation, how exactly did it matter? These are not necessarily rhetorical questions; but the stress on earnings should drive us to think hard about what would be the best way to operationalize a study of the impact that the decline of manufacturing jobs had on the immigrants and their children. Many factors, including the decline of these jobs, would affect ethnic earnings ratios; but if the ratios do not move in the predicted direction (the direction Jencks, in fact, says they do move), how important can the decline in manufacturing have been? At a minimum, these are heuristic questions that may help sharpen the focus of future work in the sociology of second generation assimilation too.

IMMIGRATION AND ETHNIC CLASSIFICATION, CIRCA 1910

I reconsider the 1910 and contemporary earnings ratios for relevant immigrant groups and natives. The crucial source material are the Integrated Public Use Microdata Sample (IPUMS) datasets; these are huge machine readable national samples from the United States Census manuscript schedules (.5% to 1% in the years involved here).

During 1899—1924, the time for which the best data on the early period are available, the third world contributed some 6% to U.S. immigration. The SCE groups contributed 63%, and three groups alone–Poles, Jews, and Italians–accounted for 42%. Finally, the groups that comprised "older" immigrants continued to be important to immigration flows, accounting for 31% of the total immigration; (this group was made up of those from Northwest Europe and Canada (23%), and the Germans (8%).[2]

A word about the classification of the immigrants, especially the classification of the SCE immigrant groups used here. Recall that before World War I, most people in this region lived within one of the three multinational empires: Austro-Hungary, Germany, and Russia. After the war these empires were gone, but the successor states were far from homogeneous in terms of ethnicity. Accordingly, I classified all groups in the usual way, namely, by place of birth. However, the huge numbers of those born in any central or eastern European country then were classified in terms of mother tongue (Perlmann 2001). This method works nicely for the period 1910—40, and it is especially important to invoke in 1910 data. Specifically, those born in central or eastern Europe were classified as: Poles, Germans, Jews, and all others (nearly all being Slavs other than Poles). Among the other SCE groups, the Italians were classified separately from all others from southern Europe (these categories being determined by birthplace alone, which were aggregated). When I speak of the SCE groups, I refer to the Poles, Jews, others from eastern or central Europe (excluding the Germans) and the Italians and other southern Europeans. Typically however, I mean to refer to low-skilled SCE groups, and exclude the Jews from the discussion. In the tables that follow, the SCE groups, and the native whites to whom they are compared, are shown in bold type. At the same time, however, all immigrant groups are also included in all tables.

There was indeed a good deal of heterogeneity of wage levels among peoples from those multinational empires (see Tables 1 and A1). This especially concerns the Jews and the Germans. Such an observation is not big news, but note how poorly the Russian proxy for east-European Jews performs (here Jews are captured by the Yiddish mother-tongue criterion). Following Borjas's sole classification of place of birth in 1910, Jencks had commented that the Jews were as well off as native whites in 1910. When instead using the mother-tongue criterion, the Jews were found to be as much advantaged over native whites as native whites were advantaged over Poles. The "Russians" in 1910 included huge numbers of Jews and huge numbers of Poles and other Slavs. Using Borjas's yardstick, the mean of these divergent groups were near the native-white mean. Parenthetically, the measure involved (the "occupational wage" described below) no doubt inflates the well-being of petty merchants, especially important among the Jews; but that is not the point here. Anyone with even a glancing familiarity with European immigration would want to distinguish East-European Jews from other peoples coming from that part of the world.

In terms of minority status and religion, and especially economic position, the Jews of central and eastern Europe were "a people apart." They were much more likely to have been tradesmen and artisans, and much less likely to have been farmers or farm laborers than were members of other groups. So too, the Jews were much more likely to have had the experience of towns and cities, and related experiences, such as literacy. Whatever other differences may have mattered to their future in the west, these differences surely did. All this might be ignored if the Jews had been a small immigrant group in the period; in fact, the Jews were the second largest SCE immigrant group and comprised nearly one quarter of the entire SCE "permanent immigration." Although this paper does not deal with the experience of these Jewish immigrants, it is important to isolate Jews from other Slavs; otherwise the experience of the Jews

will distort the experience we recorded for other immigrants from central and eastern Europe.

The Poles comprise the largest group of Slavs, and while spread across three empires in 1910, it seems worthy to try to study them separately from other East-Europeans.

One might date the SCE immigration from 1880 or 1890, but the striking feature of that immigration is how compressed in time the wave of immigrants really was. Of the total number of SCE immigrants who arrived between 1871 and 1930, 68% arrived between 1901 and 1915. After the outbreak of World War I, the immigration period was, in a real sense, over. Only one-tenth of the total SCE immigration during 1871—1930 occurred after 1915. During the war years, little emigration was possible, and during the early 1920s, Congress passed severe restrictions on immigration generally and on the SCE immigrants in particular. The pattern, of course, differed slightly among groups; the chief outlier was "other southern Europeans," with almost a third arriving after 1915. However, the total number of immigrants from these groups was far fewer than the number of central and eastern Europeans or Italians; consequently the distinctive pattern of these other southerners has little impact on the overall generalizations about the SCE groups. After 1914, there was not a single year in which SCE immigration flows reached the level of SCE arrivals counted in every year between 1910 and 1914. Moderately large-scale SCE immigration did resume during 1920—1924, with nearly half arriving in 1921 alone. Remembering both the compressed nature of the SCE immigration and the fact that immigrants come when young, we will need to think carefully about the age groups we include in the sample for analysis. Otherwise, we end up studying not the immigrant waves we have in mind but the deviant patterns that occur at the tail end of such a wave. In particular, if we include cohorts of SCE immigrants reaching adulthood in the 1930s or later, we are either including those who arrived after nearly everyone else from their country was barred, or–much more likely–we are including those brought to the United States before 1915, when they were young children. In either case, these are very exceptional immigrants. For all these reasons, I stress the importance of a narrow, carefully chosen second-generation birth cohorts, limiting attention to men 25—34 years of age in 1910.[3] Second (like Borjas), I relate the immigrants to native-white men of the time.[4] The sample is limited to men in both years.[5]

THE OCCUPATIONAL WAGE SCALE

I begin with the Borjas evidence that Jencks summarizes for 1910.[6] The Italians were the most disadvantaged of the immigrant groups, with their wages averaging 83% that of the native whites nation-wide; for all SCE immigrants taken as a group, the ethnic wage ratio was somewhat more favorable to the immigrants, and if all immigrants are included–including British, Canadian, German and so on–the ratio would be still more favorable. Where does such a comparison of 1910 wage ratios come from? After all, the Census first reported earnings in 1940. Borjas calculated the mean income of groups for 1910 in the following manner. The 1910 census tells us the occupation in which an individual worked, but not his wage. A United States Commissioner of Labor (1903) report on cost of living in 1899 reported on the wages of tens of thousands of workers by occupation–mostly manufacturing workers–across the country. Sociologist and demographer Samuel Preston and economic historian Michael Haines used this 1900 report, supplemented by a good deal of burrowing in other reports, to compute an average wage for all workers in the United States by occupation in 1900 (within each of several hundred occupational categories). I follow Borjas in referring to this wage (the average wage of men in a given occupation) as the occupational wage. Using the 1910 occupational categories found in the census, Borjas assigned to each male worker the occupational wage for his occupation. This is the comparison of natives and immigrants that Jencks is summarizing in the 1910 wage ratios. Thus when Jencks speaks of Italian immigrant wages in 1910, he is not referring to a calculation based on a report of actual wages earned by Italian immigrants. Rather, the figure for the Italian mean wage is calculated as follows. For each occupational category in the 1910 census, compute the product of 1) the average wage earned by all American workers in that occupation, and 2) the number of Italian male immigrants in that occupation, 3) divide this product by the total number of Italian male immigrant workers.

This calculation, like most efforts to arrive at measures for periods that did not provide such measures, has plenty of limitations. I will briefly mention these and then focus on the limitations to which I can offer some refinements.

1) The 1900 occupational wage is used for 1910 data, and the relative income standing of occupations may have changed over the course of a decade.

2) Recall that Preston and Haines drew their information principally from the 1900 survey but also supplemented information from sources other than the 1900 survey; this procedure (sensible, of course, in terms of their goals) makes it hard to determine how much any suspected bias might actually affect the scale, since different the different biases of different surveys would affect figures for specific occupations, rather than all occupations. Moreover, it is not clear whether Preston and Haines (or their predecessor's compilations) also modified the earnings for some occupations that they show as having been derived from the 1900 survey data on the basis of supplemental evidence from the other surveys consulted. I assume this latter form of adjustment was not made, but it is hard to be sure.

3) A crucial occupation was omitted from the Preston-Haines 1900 occupational wage scale altogether: farmers and farm tenants. Not many of the SCE immigrants were farmers, but many of the natives obviously were.

4) The 1900 survey, from which most of the Preston-Haines scale was constructed, explicitly excluded the self employed.

5) The 1900 survey was one in a series of "cost of living" studies, which especially focused on a concern for wage workers in industrial occupations. The research design behind the study was apparently to go to areas within many states (33) in which there were high concentrations of industrial workers and then to select families whose income and outgo were tracked, carefully tracked surely. Also, the authors make it a point to note that many black families were included in the survey but that their returns are not distinguished from those of the other native-born families. Where conditions in one state were quite like another, the first could proxy for both. In such a design, as with virtually all historical surveys, we cannot be sure the data are from a random sample within the geographic sampling units, and we know that those sampling units do not comprise a random sample. This much should be obvious. But there is also another bias in the materials, whose direction is clear. Interested as they were in the cost of living of families, the survey's organizers appear to have limited their sample members to families. All family units included either a husband, wife, and children; one parent and children; or a husband and wife. Moreover, the report's discussion of wages by occupation refers only to the wages of the family head.[7] Hence, among the 25,440 families surveyed, only 862 families were without a husband, 419 without a wife, and 3,992 without children. In short, younger, unattached men are bound to be underrepresented; and if the scale was meant to cover the wages of all workers in the economy, then women and children are surely drastically underrepresented too. How this bias plays into the national average wage for each occupation depends on the occupatio's age profile. To the extent that immigrants were concentrated in occupations closer to entry level, as young workers and as less-experienced workers in the urban-industrial jobs, the scale could overstate their earnings for this reason.

6) As a national average, the occupational wage ignores regional and local variations in wages by place of residence. It also ignores age differences among workers (although Borjas adjusted for age differences). It is not clear how several of these biases would operate; the case of the farmers is especially interesting. Farmers and tenants almost surely had lower incomes on average than city workers. Yet they also lived off the land, so their "incomes" may understate their well-being to an extent not found in other occupations. Then again, as Jencks stresses, farm families lived where schools were typically not as good as those in the cities (opportunities for completing high school in particular). So the omission of the farmers is striking, but again the direction and severity of the bias it creates is far from clear.

7) Given what we want to explore, the SCE-native earnings ratio, a particularly important problem with the occupational wage is that the same average wage is assigned to SCE immigrants and to native whites in an occupation. We know that there has always been a huge variation in the earnings of workers within each occupation. On the other hand, we do't know how much of that intra-occupation variation in wages was related to the workers' nativity and ethnic status in 1910. Also, the fifth and sixth problems mentioned above, variation in wages by location and by the bias imposed for family headship, would enter in here too. The effect of geography, however, might operate in the opposite direction of the ethnic factor; for example, if in New York, immigrants from Italy earned much less in any given occupation than the native-born, but if New Yorkers generally earned much more in the same occupation than whites in South Carolina.

Much of what follows is an attempt to determine whether we can learn more about how large an ethnic difference in wages existed within the average occupation, and how much of the ethnic difference in wages is masked by the occupational wage. We cannot explore the issue directly in 1910, since we have't the individual-level wage data (this is, after all, why Borjas reverted to the occupational wage). The following discussion considers 1) some indirect evidence about illiteracy in 1910, and 2) a possible alternative way that the earnings ratio might be constructed for that period. A more general matter is then considered, namely, 3) the relevance of the geographic differences to our comparisons, focusing first on a) the North-South difference in particular and b) other aspects of geographic differences. Finally, I turn to 4) a detailed comparison of the immigrants and native whites in 1940 (and to a lesser extent 1950), when the census first obtained information on earnings. Since we can also construct occupational wage scales for 1940 and 1950, we can explore how much ethnic difference in earnings existed within occupations in those years.

Other Evidence From 1910

Table 1 provides ethnic ratios for 1910 (column b), as well as the literacy evidence to which I just referred: the proportion laborer and the proportion illiteracy (i.e.: men not literate in any language) within each group, simply to demonstrate the disparity in skill levels with measures other than wages. More specifically, column (e) of Table 1 shows the proportion of illiterates among laborers in each group. In each of the relevant SCE groups, laborers were often illiterate: this was the case for 36% of Polish laborers were, 25% of the laborers among other central and eastern Europeans (excluding those with Yiddish mother tongue), and fully 50% of the Italian laborers (over two-fifths of the Italian-born men worked as laborers). By contrast, among native whites, nearly one in four worked as a laborer (23%). However, among those native-white laborers, only 5% were illiterate. One need not have an inflated view of the value of literacy to think that a literate laborer could carry out more functions than an illiterate laborer, and may well have been earned more as a result. How much more, however, these figures will not tell us.

Perhaps too, we can learn something directly from the actual reports of wages in the 1900 study, rather than using the study to derive an occupational wage scale. The figures refer to family earnings across the year 1899. The only SCE group one can track is Italy. There were 256 Italian families in the survey, with a total annual income of $611. Another table tells us that these families received .8127 of their income from the head's occupation. There were 15,161 native-born families, with a total annual income of $742, and .8264 of their income came from the head's occupation. These figures suggest that Italian male heads in 1899 were earning 81% as much as native heads.[8]

Obviously, there are several sources of bias–quite apart from the likely non-random quality of our sample of heads–if we wish to use these figures as a basis for the study of all Italian and all native-white workers. The study is limited to family heads, among whom young, unattached, and less-stable men (occupationally, and in other ways as well) will be underrepresented. At the same time, such men were bound to be more common among the Italians, who as immigrants (and especially immigrants with high rates of remigration), were younger than the native-white working adult population. Also, native workers included blacks as well as whites (the survey is explicit about this); adjusting for the lower income of blacks will decrease the ratio of Italians to native whites. Since the ratio without adjustment is about what Jencks cites from Borjas, the ratios with adjustments will be lower. However, deciding exactly how much to correct the observed ratio of .81 would require careful work, and it is not clear that the 1900 source is worth the careful adjustment (most Italians came after 1900, and in an case, the survey includes only a few hundred Italian families). However, this strategy might produce useful estimates if it were used by invoking another survey with income data, namely the 1911 *Reports of the United States Immigration Commission* . An attempt to weight the far-more detailed reports of ethnic earnings in that source by the distributions found in the 1910 census would involve two large-scale studies from very close points in time. In the case of occupations for which income reports are lacking in the 1910 data, the reliance on an occupational wage, as Borjas used the Preston and Haines scale, could supplement the effort. However, for most occupations of SCE immigrants, the wage reports would likely come from samples of those immigrants, not an occupational wage.

In this paper, however, I explore wage data similar to that Borjas used: 1910 census data combined with the occupational wage calculated from the Preston-Haines occupational wage, and 1940—50 census data on earnings. For reasons already mentioned, I eventually restricted the analysis to the young men aged 25 to 34 in 1910; the relevant occupational wage ratios were quite similar for the 25—64 year-old groups; for example, in the case of Italians and native whites the ratio was the same 83% Jencks had cited.

I then turned to the 1940 census. The 1940 census provides information on individual income as well as occupation, although like the 1900 survey, the 1940 Census did not report the income of the self-employed, thus also omitting a great many farmers. I concentrated attention on men 45—64 in 1940; this group is as close an approximation of the men who were 25—34 years of age in 1910, that will still ensure a large sample of the relevant immigrants. Of course the later group is not identical to the former. The immigrant men 45—64 in 1940 would have been 15—34 in 1910. Some, of course, had come after 1910, and a few even after 1924 (Perlmann 2001). Moreover, of course, the cohort had experienced both some deaths and some return migration. Still, this sample of men 45—64 in 1940 is a good group within which to compare the intra- and inter-occupational wage ratios; we can have a reasonable expectation that the relation between the two ratios will be similar for the men who were 25—34 in 1910. Or, to put it another way, we will not find another group we can study among whom that expectation will be more justified.[9]

The Relevance of Geographic Differences In Wages: The South

The 1940 data can help us clarify an important preliminary point first. We have been accepting Jencks's suggestion that the sensible comparison–whether in 1910 or in 1940–is between all immigrants and all native whites in the country. The controls I consider for place of residence are region of the country–northeast, north-central, south, and west– and residence in a metropolitan area. For the latter I used the IPUMS coding for metro status. Those in metro areas are not just in central cities; 38% of the entire population was in metro areas so defined in 1910 and 55% in 1940. The wage data do, of course, show lower nominal wages outside the northeast, especially in the south and west, and in nonmetro areas everywhere (Table 2). The effect is less striking in 1910, but surely that is because in 1910 we are limited to the occupational wage; we can capture only the locational differences that are related to occupational distributions, not locational differences related to wages paid for the same occupation. However in 1940 taking regional differences into account does affect the ethnic wage ratios considerably.

But should controls for location be imposed? Part of Jencks's argument is that in rural areas, native whites were poor even by the standards of immigrant poverty, yet the children and grandchildren of these rural, poor, native whites entered the same labor market as the children and grandchildren of the SCE immigrants. If in speaking of the latter's catch-up, the starting points should be compared in a way that includes all points of origin, not just those in the cities.

There is a counter argument to this point. The 1910 American labor market may be better thought of as comprised of at least two separate labor markets,

with the south distinct from the rest of the country, rather than as a single, national market. If so, even if the offspring of the Southerners were later to compete with the offspring of the SCE immigrants, the construction of national ethnic wage ratios in 1910 may ignore distorting regional differences in wage rates between north and south. Fortunately, we need not work our way through the question of whether the south was a separate labor market.

We can avoid doing so because the north-south division is not in fact driving most of the ethnic differences that interest us; regressions of 1940 wages on age, ethnicity, and geographic controls show this point clearly (Table 3). Model 1 shows the effect of controlling only age, model 2 controls for age and region (northcentral, west, and south vs. northeast), model 3 for age and metro status, and model 4 for age, region, and metro status. In model 2 we see that the difference between the south and the northeast is indeed much the greatest regional difference (looking at the regional coefficients). However, the impact of the regional controls on the SCE immigrant group coefficients is not so great. The Polish and Italian coefficients in model 2 differ from those in model 1 by about .08—.09 (shifting from —.20 / —.22 to .—28 / .—31; this shift is the effect on the ethnic differences created by controlling for all four regions, not just for the south.). By contrast, in model 3, when only metro status (and not region) is controlled, the coefficient on metro status is more than one and a half times as large as the coefficient on south in model 2 (.48 vs. —.33). Most important, the impact of the metro status control on the ethnic coefficients is larger than the impact of the regional controls on the ethnic coefficients (comparing models 1 and 3, —.20/—.22 to —.34 / —.37). Finally, and critically, we can observe the impact of controlling metro status even after regional differences are allowed to explain all they can, including whatever effect they share with metro status; the impact of metro status observed here is net of any effect metro status shares with regional differences. The comparison of the key ethnic coefficients in Models 1, 2, and 4 show that the net effect of metro differences is at least as large as the total effect of regional differences: controlling for region shifts the ethnic coefficients from —.20/—.22 to —.28 / —.31 (model 1 to model 2) and the net effect of metro status in turn creates a shift from —.28 /—.31 to —.37 / —.41 (model 2 to model 4). By contrast, the net effect of region is very much smaller than the entire effect of metro status (comparing models 1, 3, and 4: —.20 /—.22 to —.34 / —.37 to —.37 / —.41).[10]

The crucial point about controlling location, then, is not whether vast national comparisons make sense when the South may have been a distinct labor market; rather, the issue is whether we should compare, for example, Italians in metro areas to native-whites in the same region who did not live in metro areas. These people were not in isolated labor markets in the sense that the rural Southerner of 1910 or even 1940 might have been.

The Relevance of Geographic Difference In Wages: Other Issues

Clearly, men in the nonmetro areas had lower wages, and native whites were far more likely to live in those areas; moreover, many of those nonmetro, native white men were farmers not reporting any wages. Given this situation, can we in fact make a meaningful comparison between rural and urban American wages? Jencks's point is that if we compare the Italia's descendants to the descendants of the rural native whites, we should compare the ancestors to understand the starting position in a meaningful way. However, it does not necessarily follow that we can construct a meaningful comparison. Rural areas have poorer plumbing, more outhouses, less electricity, poorer products in stores, and poorer opportunities for advanced schooling. Yet at the same time rural residents can grow rather than purchase food, live for much lower rents, and so on. The fact that we would have great trouble quantifying these things does not mean that ignoring the measurement problem yields a meaningful comparison.

A different way to proceed, however, might be to ask how large a correction in favor of nonmetro earnings we would have to make to radically alter Jencks's conclusion. Table 1 shows us that the ratio of Italian to native white occupational wages was .83 in 1910. Assume for a moment that the occupational wage does not hide a dramatic amount of all ethnic difference in wages (between 10% and 20% of the total ethnic difference in wages). Under this assumption the actual wage ratio would be about .80 in 1910. In that year, about a quarter of the native-white workforce were listed as farmers or farm tenants without a reported wage. Suppose too (and this is probably a generous supposition) that these people earned about the same amount as the mean for nonmetro native whites. Of all native whites, some 65% lived outside metro areas (including the farmers for whom wage data are unavailable). How much higher would the nonmetro native-white wage have had to be in order to sharply change our impression of Italian/native-white wage inequality that year? Suppose that instead of .80, for example, the "true" ratio were really .60, we would likely reach a very different conclusion about levels of ethnic inequality. We can then ask how much of an increment in the observed nonmetro wage of native whites would be required to boost the overall native-white wage to a level that would pull down the ratio to .60? The answer is that we would have to more than double the native-white nonmetro observed wage. Thus, our figures could withstand more modest, but still very hefty corrections (a correction of 25% for example, in the native white nonmetro wage) and create only minor adjustments to the earnings ratio.[11] For this reason, it seems to me best to undertake the comparison in the manner Jencks suggests, at least tentatively, without assuming that the rural ambiguities throw off the results in fundamental ways.

Comparing Actual Wages and the Occupational Wage In 1940—50

Table 4 shows the immigrant/native occupational wage for 1940, as well as the actual immigrant/native income ratio, the latter calculated directly from individual-level wage data. The former ratio captures only the immigrant wage disadvantage found between occupations, the latter captures the total immigrant wage disadvantage, whether found within or between occupations (for details on the sample, see the Appendix).

I constructed occupational scales from numerous groups of workers in order to observe the impact of defining the relevant population in one way or another (since we know relatively little about the workers included in the 1900 scale).

The scales differ in the following ways.

- The first was based on all workers (Table 4, column c).
- The second was based only on males ages 45—64, the population among whom we are examining the effect of the scale (column d).
- The third was based on the earnings of 1940 "heads of families" defined as the 1900 survey seems to have defined them: male household heads with at least one relative present, and female household heads with at least one relative present but with no spouse present (column e).
- The fourth was also based on "heads of families," but was limited as well to men and women 45-64 years of age (column f).
- I also tried to take hours worked into account by dividing earnings by ("weeks of full-time work"*40).[12] I did this for the actual earnings (column g)
  and for an occupational wage for family heads 45—64 (column h).
  Then I use the 1900 occupational scale on the 1940 data (column i).

The raw earnings (or occupational wages) for each column (as well as sample sizes, means and standard deviations) are found in Appendix Table A2.

Several striking features are found in Table 4. First, on the whole the 1940 occupational scales produced remarkably similar results when used on the occupations of the men aged 45—64 that year (Table 5a shows the correlations coefficients among these scales when they are applied to this group of workers). In the three big, non-Jewish SCE groups, across four ratios, no ratio figure varies by more than 3 percentage points from the other three.

Second, the ratios calculated from the occupational wage scales are all very close to the ratios calculated directly from earnings. Across the three big, non-Jewish SCE groups, none of the four occupational wage estimates varies by more than 4 percentage points from the ratios of earnings calculated directly from the individual reports. The within-occupation ethnic differences in the earnings are small.

By contrast, note the large racial inequality (the ratios on the row for nonwhite men); while a majority of this racial inequality is found between occupations, the ratios show that a considerable additional part is within occupation. Geography accounts for some of this difference; black earnings are much more likely to be occurring in the rural south compared to immigrant earnings in northern cities. In the present context, the racial pattern is interesting because we can see on this row of the table that when there is an earnings difference within occupation, this method of comparison does capture it.

Third, when ratios of hourly wages are examined (columns g and h), the ethnic inequalities are lessened, presumably because unemployment had been greater among older immigrant than among older native-white workers. Here too, however, there is nothing to support the idea that the within-occupation ethnic difference in wages is large.

Fourth, only when we turn to the 1900 occupational wage do we find a different pattern. All five of the 1940 columns of ratios–the four based on occupational wages and the one based on actual earnings–differ quite sharply from results obtained with the 1900 occupational wage scale (column i). For example, in the three big, non-Jewish SCE groups, the difference between the ratios for actual 1940 earnings and for the occupational wage for 1940 calculated with the 1900 occupational wage scale are 12, 8, and 14 percentage points.

Fifth, in order to get a feel for the effects of the scales upon inequalities without regard to ethnicity, I present in Table 5b the ratio of $50^{th}/10^{th}$ percentiles of earnings across the whole sample of 1940 workers and among men aged 25—64, 25—34, and 45—64 in that year. And here, by contrast to the thrust of the preceding point, the differences between the 1900 scale and the 1940 scales are fairly small, and far from conclusive (the 1900 scale implying somewhat greater inequality among all workers, and somewhat less among the male workers).

One interpretation of Table 5b (percentile comparison), and especially of Table 4 (ethnic ratios) is that 1) the 1900 scale understates inequality compared to 1940 scale, and does so more among young men, although all this is observable only in 1940 (not 1910) data. However, the percentiles also show 2) a larger earnings inequality between young and older men, at least in actual annual earnings. The first statement might suggest that Jencks may have exaggerated the level of SCE well-being in 1910, always assuming that the 1900 scale acted in the same way in 1910 as in 1940 (that is, picked up less of the total ethnic differences in wages). However, the second statement might suggest that we cannot demonstrate the first point by comparing actual earnings and occupational wage using older men in 1940; even if the data on the older men showed within-occupational ethnic differences in wages, we would't know whether to believe they existed in 1910 when the men were younger.

As the preceding sentence suggests, the issue of change between 1910 and 1940 bedevils the work with the 1940 data. There are at least three important kinds of change that at issue. The first is the change between the wages of younger and older men. Other things being equal, the latter probably differ more.

Other things are not equal because the comparison involves immigrants. In 1940, most of these immigrants had been in the country for some three decades; we can assume that they knew much more about all things American by that time, and that their job skills relevant to the American market had been refined, insofar as they could be refined, by that time. So immigrant catch-up would work to close the gap between 1910 and 1940. If that catching-up was done by changing occupation, then comparing the occupational wage in each period would capture the change. But insofar as catch-up occurred in remuneration for the same occupation during the years 1910—1940, our measures (occupational wages in two periods, actual wages only in the second period) would not allow us to observe the change.

And finally, other things were not equal because the wage data refer to the year before the 1940 census, when the Great Depression was surely still operating to influence both groups of workers, native and immigrant. In this connection, the data from 1950 are relevant as well (Table 4, columns j, k, and l), as they pertain to the younger part of the 1940 cohort (55—64 in 1950). The table shows the wage ratio from actual data and the occupational wage (calculated in two ways). Once again we find that the within-occupation ethnic differences in earnings were small in the three large, non-Jewish SCE groups. Moreover, the ratios of earnings in these groups compared to earnings among native whites are quite favorable, and much higher in actual and occupational wages than in 1940. Of course, only the younger half of the 1940 sample was still in the under-65 labor force in 1950, so the comparison over time is flawed here too. Nevertheless, it seems plausible that the post war boom helped the immigrant men narrow the gap that had existed during the Depression between themselves and native whites.[13] Still, how much of that gap had existed before the Depression is unclear.

In sum, then, the tests with 1940 and 1950 data are inconclusive; had they shown a large within-occupation difference in ethnic earnings ratios, there would have been something like a "smoking gun" suggesting that the same might well have been true in 1910. In the absence of such a result within the 1940—50 data, the presumption in favor of a large within-occupation ethnic difference in 1910 is surely weakened. Moreover, the higher ethnic earnings ratios in 1910 compared to 1940 does not look like an indictment of the 1910 data either, given the 1950 patterns. The 1940 patterns could simply be the result of the differential Depression effects on the various ethnic groups.

What, then, is left to say in favor of the idea that the 1910 scale misses substantial within-occupation variation? Here we come down to cautions and speculations.

1) The catch-up that immigrants probably made from 1910 to 1940 may make 1940 a poor guide to within-occupation ethnic differences in 1910.

2) The evidence drawn directly from 1910, but only suggestive in nature, suggests some ethnic differences in remuneration to laborers might have flowed from sharp differences in illiteracy, and the actual wages in 1899 between Italians and native whites might, upon adjustment, yield the same conclusion.

3) The 1910 scale has problems in it that we know about. We ca't be sure how they operated. Using that scale on 1940 data produced greater ethnic equality than the 1940 scales did.

APPENDIX: DETAILS OF THE 1940 WAGE SAMPLE

In the 1940 IPUMS dataset

1. The total number of people on the sample line (only these have parental birthplace, mother tongue, etc.) is 390,969.
2. The total number of people with income data and an occupation listed was 173,329. However, of these, 40,699 had $0 reported earnings. Some of these were obviously self-employed, especially farmers, but most, 24,000 are not so easily interpreted. It is hard to understand how these $0 would differ from unemployed people who listed nothing under income. Accordingly, I excluded all of them.
3. The total number of people with non-zero earnings was 129,873–excluding 3 occupational categories with special problems (farmer and tenant, unpaid farm worker, unknown occupations–in each case some had some income listed).

Of farmers and tenants 15661 had some income; but these were only 13% of people in the occupation; moreover, I was't sure what to make of the listed amounts. Finally, the category is omitted from the 1900 Preston-Haines scale. For these reasons, I omitted all these farmers.

The group now remaining (#3; 129,873) is the subpopulation on which the occupational wage scale was originally calculated.

Among these, the total number of men in the age range 45-64 was 27,187.

5) The sample is weighted by the weight provided in IPUMS for the sample-line person (a minor correction for miss-representation of households with over 7 members). However, standard deviations are reported from the unweighted results.

Note that if the base population used for the construction of an occupational scale is all workers, the scale will average lower occupational wages than the population of all men 45-64. And hence the grand mean of the occupational wage for those 45-64, even if examined for all ethnic groups, will not equal the grand mean of earnings calculated directly from individual level earnings data.

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NOTES

1. See especially Borjas (1994 and 1999).
2. Among the Canadians, only 1% came from French Canadian background. One might want to object that the French among the Canadians should not be considered an "old immigration" group. So too, among the Germans some, no doubt, came from further east than Germans had come in the past; but these are nevertheless Germans as defined ethnically (in our data by mother tongue, and in the immigration data of the time by "race or people." Poles, even if living within the German Empire, for example, would not be classified as Germans in either procedure). For a full discussion of the immigration rates discussed in this paragraph and in the rest of this section, see Perlmann (2001).
3. Also, in terms of how long this immigration has been in process, 1910 and the present are reasonably similar in time since the starting point of the immigrant wave, both immigration waves had been in existence for roughly three decades at the moments of comparison.
4. To compare specific immigrant groups to the entire American population is not a good idea because the size of the immigrant population itself then affects the comparison. To include nonwhite natives in the comparison group introduces a distortion since these nonwhite native groups were held back by exceptional patterns of discrimination that neither the immigrants nor white natives faced or are expected to face. We have then a choice of comparing the immigrants to native whites or to native whites of native parentage. The latter comparison is often preferable, especially in the cities of the early part of the 20th century, where native whites include many children of immigrants–not primarily of SCE origin but rather of Irish, German, and Scandinavian origin. Since the comparison will be to the entire native white population, not merely those in the cities of the east, the choice between native whites and native whites of native parentage is not critical; since Borjas and Jencks speak of native whites in 1910, it seemed best to use that comparison group.
5. Here again, I am trying to relate findings to those cited by Jencks from Borjas. Also, work on women would require a considerably different analysis, given gendered occupational patterns as well as wage differences.
6. The Borjas paper and the recent debate over it are concerned with somewhat different comparisons than those with which is Jencks concerned. Borjas sought to show that groups remain in roughly predictable rankings of well-being for a very long time; Jencks marshals the data to show that

the Mexican group coming in at the bottom today is much more severely disadvantaged than the SCE groups of ca. 1910 were then.

7. Only some 40 pages in a report of 850 pages in fact deal with this topic as a factor in cost of living income and outgo.
8. That is, (611*.8127) / (742*.8264) = .81.
9. At first I did this work by exploiting a variable recently provided in the IPUMS sample, an occupational wage computed from the 1950 census (OCCSCORE). This method, however, proved highly misleading, as I discovered when I eventually constructed several different occupational wage scales from the 1940 data.
10. Note too that only 21% of the sample members (for whom we have wage data) lived in the south (Table 3, first column); for such a small proportion of the whole group to be driving the ethnic differences in wages, the relevant regional differences in wages would have had to be very great indeed.
11. Among native whites, 35% were in metro areas, where they earn an average wage of M, native whites in nonmetro areas earn N, and Italians earn It. Then: .80 = It / (.35M + .65N).
12. Reducing the left-hand side of the equation to .60 would require increasing the denominator on the right-hand side by 4/3. To achieve that increase only in the nonmetro sector, would mean increasing the wage in that sector by 100/65*4/3=2.05. Note, moreover, some 33% of the Italians also lived in nonmetro areas; we assume here that *their* nonmetro wages would not need correction (for example, because while not in metro areas, they were unlikely to have been farmers). If, however, the Italian nonmetro earnings also need any correction, the 2.05 figure would rise, since the right-hand numerator would be increasing (albeit at a slower rate) as the denominator increased.
13. As the documentation for the IPUMS sample explains, the weeks worked variable for 1940 is "not directly comparable with those [variables] for later years. The 1940 census asked respondents to give the number of weeks worked in terms of "equivalent full-time weeks." It was up to respondents to determine precisely what "full-time" meant, though enumerators were instructed to suggest that 40 hours was a good round figure. In essence, respondents were to estimate how many hours they had averaged per week, multiply this figure by 52 weeks, then divide by about 40. (The census acknowledged that many people would simply estimate their answers, and instructed enumerators to accept this.) Thus, a person who had worked about 20 hours per week throughout the year should have responded 26 weeks.
14. On the "great compression" in wage inequality between 1940 and 1950, see, for example, Goldin (2000, 599—604).

TABLE 1. The Occupational Wage in 1910 - for Immigrant and Native-White Men, ages 25-34

		All immigrants and native whites, 25-34						
ORIGINS	Explanation of Abbreviations Used at Left and in Subsequent Tables	The Occupational Wage		Other Group Characteristics*			N with wage data	Total N
		Mean	immig/native	%Laborers	% Illiterate	%Illiterate Among Laborers		
		a	b	c	d	e	f	g
POLAND		**530**	**82**	**36**	**27**	**36**	**791**	**815**
YMT	**(Yiddish Mother Tongue)**	**764**	**119**	**1**	**9**	**-**	**553**	**562**
OTHCE	**(Other Central and Eastern Europe)**	**531**	**82**	**35**	**18**	**25**	**1224**	**1284**
ITALY		**533**	**83**	**43**	**35**	**50**	**1151**	**1178**
OTHS	**(Other Southern Europe)**	**558**	**87**	**38**	**23**	**33**	**216**	**222**
GMT	(German Mother Tongue)	644	100	16	4	9	759	872
ESW	(English Scots, Welsh)	644	100	15	0	1	536	566
IRELAND		592	92	27	2	27	408	422
SCAND	(Scandinavian)	568	88	30	2	3	540	633
OTHW	(Other Western Europe)	542	84	27	6	-	154	171
CANADA		633	98	17	5	-	442	475
MEXICO		427	66	63	50	57	125	139
EASIA	(East Asia)	411	64	54	19	24	257	271
ALLOTH	(All other immigrants)	571	89	33	17	-	162	168
Native Whites		**643**	**100**	**23**	**2**	**5**	**15726**	**20476**
Native non whites		440	68	52	22	30	2233	3172

NOTE: 1) The occupational wage refers to the estimate of the mean wage paid to all American workers in the occupational category.
2) Columns are based on the men for whom occupational wage information is available.

TABLE A1. Differences in the Occupational Wage of Peoples from the Same Country in Central and Eastern Europe in 1910														
country	Mother Tongue													Borjas's data (1994) [mean wage = exp(mean LN wage)]
	n.e.c.	German	Yiddish	Russian	Czech	Polish	Slovak	S-C	Slovene	Lithn	Finnish	Magyar	TOTAL	
Austria														
Mean of LN occ wg	6.252	6.403	6.63		6.372	6.187	6.213	6.204	6.189				6.298	6.254
Mean of occ wage	536	650	799		626	502	514	518	504				575	[520]
N	196	210	169		254	471	140	119	130				1689	1638
Germany														
Mean of LN occ wg		6.424				6.332							6.416	6.4
Mean of occ wage		661				593							656	[602]
N	57	2662				219							2938	2786
Hungary														
Mean of LN occ wg	6.18	6.379					6.195					6.235	6.235	6.199
Mean of occ wage	513	624					502					537	536	[492]
N	125	109					216					361	811	814
Russia														
Mean of LN occ wg		6.391	6.63	6.442		6.265				6.265			6.434	6.407
Mean of occ wage		664	795	687		550				548			668	[606]
N	39	100	951	146		726				262			2224	2164
Other C + E Eur.														
Mean of LN occ wg	6.412												6.412	
Mean of occ wage	654												654	
N	188												188	
TOTALS (selected)														
Mean of LN occ wg		6.42	6.629			6.246	6.189				6.211			
Mean of occ wage		659	795			541	505				520			
N		3096	1215			1452	367				205			

Table A2. Ethnic Earnings 1940 and 1950: Actual Earnings and Occupational Wage Scales

ORIGINS			1940 Occupational Wage Scales Based on						The 1900 Survey Wage Scale	Earnings in 1950: ages 55-64 Based on			N with Wages, 1950
			Individuals with Wages		'Family Heads' with Wages		1940 Hourly Wages						
	N=	Actual Earnings	All	Men Only 45-64	All	All 45-64	Actual	Occ wg: All Family Heads: (as in col e)		Actual Earnings	IPUMS occ wage	Occ Wage as in: 40 all	
	a	b	c	d	e	f	g	h	I	j	k	l	m
Poland	**563**	**1087**	**935**	**1081**	**1059**	**1075**	**0.69**	0.626	**566**	**2856**	**2521**	**2410**	**359**
YMT	**396**	**1499**	**1231**	**1497**	**1426**	**1488**	**0.93**	0.788	**698**	**3074**	**2630**	**2517**	**251**
othce	**1166**	**1166**	**984**	**1136**	**1108**	**1135**	**0.73**	0.65	**580**	**2845**	**2478**	**2374**	**565**
Italy	**1001**	**1043**	**916**	**1060**	**1040**	**1058**	**0.652**	0.612	**560**	**2598**	**2420**	**2321**	**489**
OthSE	**261**	**963**	**867**	**1064**	**1015**	**1052**	**0.562**	0.578	**515**	**2227**	**2380**	**2302**	**128**
GMT	773	1349	1110	1298	1260	1299	0.791	0.703	626	3311	2843	2728	185
ESW	581	1603	1178	1384	1335	1385	1.033	0.738	658	3345	2679	2582	185
Ireland	343	1405	1141	1306	1264	1317	1.151	0.696	623	2946	2626	2506	91
Scand	604	1332	1082	1234	1202	1243	0.809	0.684	615	3206	2716	2620	182
OthW	238	1342	1120	1345	1276	1338	0.769	0.712	626	2695	2288	2207	77
Canada	412	1511	1211	1430	1368	1428	1.241	0.758	657	3104	2710	2568	154
Mexico	131	606	630	747	729	750	0.363	0.437	410	1725	1932	1872	69
Easia	87	989	831	1086	988	1046	0.565	0.548	490	1980	1448	1483	27
AllOth	185	1075	946	1154	1098	1133	0.647	0.621	575	2816	2371	2257	94
Native Whites	**18387**	**1485**	**1250**	**1473**	**1406**	**1475**	**0.839**	0.768	**669**	**3030**	**2774**	**2648**	**8309**
Native non-white	2034	604	719	833	814	834	0.368	0.486	462	1565	1999	1893	813
unknown	25	1291	1159	1387	1304	1386	0.664	0.711	595	2757	2537	2440	60
total/mean	27187	1360	1157	1360	1304	1361	0.795	0.722	636	2889	2660	2541	12038
St dev		1078	579	702	619	702	1.022	0.286	218	1871	931	879	
cv		0.79	0.5	0.52	0.54	0.52	1.29	0.4	0.34	0.65	0.35	0.35	

TABLE 2. The Impact of Region and Metro Status on the Immigrant-to-Native White Wage Ratio: 1910 and 1940						
ORIGINS	--------1910: Men 25-34 ---------- The occupational wage: immigrant / native white		--------1940: Men 45-64---------- Actual wages: immigrant / native white			
	no controls	controlling age, region, metro status	no controls		controlling age, region, metro status	
			annual	hourly	annual	hourly
Poland	**82**	**77**	**73**	**82**	**63**	**71**
YMT	**119**	**111**	**101**	**111**	**84**	**95**
othce	**83**	**80**	**79**	**87**	**71**	**79**
Italy	**83**	**80**	**70**	**78**	**58**	**66**
OthSE	**87**	**86**	**65**	**67**	**55**	**57**
GMT	100	96	91	94	82	86
ESW	100	97	108	123	99	114
Ireland	92	85	95	137	82	124
Scand	88	88	90	96	87	93
OthW	84	82	90	92	83	84
Canada	98	95	102	148	97	142
Mexico	66	72	41	43	49	51
Easia	64	69	67	67	61	61
AllOth	89	86	**72**	77	59	64
Native Whites	**68**	**70**	**100**	**100**	**100**	**100**
Nonwhite			41	44	44	48
Unknown			87	79	74	67

TABLE 3. Regression Analysis: Ethnicity, Region and Metro Status in the Determination of Wages in 1940: Men, 45-64										
Variables	Mean	Std Dev	Model 1 Adj R-sq	0.0736	Model 2 Adj R-sq	0.0879	Model 3 Adj R-sq	0.1353	Model 4 R-square	0.1394
LNINCWG (the dep var.)	6.8727	0.962	Parameter Estimate	t stat	Parameter Estimate	t stat	Parameter Estimate	t stat	Parameter Estimate	t stat
INTERCEP	1.00	0.14	7.63	13.89	7.73	14.19	7.33	13.81	7.40	13.98
Poland	**0.02**	**0.12**	**-0.20**	**-5.78**	**-0.28**	**-7.89**	**-0.34**	**-9.80**	**-0.37**	**-10.79**
YMT	**0.02**	**0.20**	**0.04**	**1.00**	**-0.06**	**-1.48**	**-0.17**	**-4.11**	**-0.21**	**-5.09**
OthCE	**0.05**	**0.19**	**-0.15**	**-5.69**	**-0.21**	**-8.10**	**-0.26**	**-10.02**	**-0.29**	**-11.16**
Italy	**0.05**	**0.10**	**-0.22**	**-8.50**	**-0.31**	**-11.92**	**-0.37**	**-14.65**	**-0.41**	**-15.99**
OthS	**0.01**	**0.17**	**-0.32**	**-5.53**	**-0.38**	**-6.62**	**-0.44**	**-7.88**	**-0.47**	**-8.30**
GMT	0.03	0.14	0.05	1.55	-0.01	-0.22	-0.08	-2.40	-0.11	-3.18
ESW	0.02	0.11	0.21	5.18	0.13	3.39	0.08	2.18	0.05	1.39
Ireland	0.01	0.15	0.06	1.20	-0.04	-0.78	-0.11	-2.24	-0.15	-3.08
Scand	0.02	0.09	-0.02	-0.47	-0.06	-1.45	-0.07	-1.91	-0.09	-2.40
OthW	0.01	0.12	-0.05	-0.76	-0.10	-1.66	-0.16	-2.60	-0.18	-3.01
Canada	0.01	0.07	0.11	2.42	0.03	0.63	0.04	0.95	0.00	0.08
Mexico	0.01	0.06	-0.86	-11.75	-0.80	-10.90	-0.78	-10.94	-0.74	-10.38
EAsia	0.00	0.08	-0.27	-2.24	-0.31	-2.58	-0.37	-3.19	-0.38	-3.19
AllOth	0.01	0.26	-0.30	-4.34	-0.37	-5.36	-0.46	-6.87	-0.48	-7.24
Nonwhite	0.07	0.03	-0.87	-40.35	-0.77	-34.67	-0.86	-41.46	-0.81	-37.49
Unknown	0.00	5.48	-0.10	-0.51	-0.17	-0.89	-0.22	-1.17	-0.25	-1.33
age	52.64	591.55	-0.01	-0.37	-0.01	-0.32	-0.01	-0.41	-0.01	-0.38
agesq	2800.75	0.47	0.00	-0.50	0.00	-0.55	0.00	-0.38	0.00	-0.41
nc	**0.33**	**0.40**			**-0.13**	**-9.35**			**-0.05**	**-3.87**
sth	**0.21**	**0.35**			**-0.33**	**-20.71**			**-0.18**	**-11.35**
west	**0.11**	**0.49**			**-0.12**	**-6.38**			**-0.08**	**-4.31**
inmetro	**0.59**	**0.96**					**0.48**	**44.03**	**0.46**	**40.32**
Note: Standard deviations are from the unweighted sample; the dependent variable (in this table only) is the natural log of earnings in 1940.										

Table 4. Ethnic Earnings Ratios 1940 and 1950: Various Measures

ORIGINS			1940 occupational wage scales based on				1940 hourly wages			Earnings in 1950: ages 55-64 based on:		
			individuals with wages		family heads' with wages		actual	occ wg: all family heads: as in col.e	The 1900 survey wage scale			
	N=	actual earnings	all	only men 45-64: col a	all	all 45-64				actual earnings	the IPUMS occ wage **	occ wage as in: 40 all
	a	b	c	d	e	f	g	h	I	j	k	l
Poland	**563**	**73**	**75**	**73**	**75**	**73**	**82**	**82**	**85**	**94**	**91**	**91**
YMT	**396**	**101**	**98**	**102**	**101**	**101**	**111**	**103**	**104**	**101**	**95**	**95**
othce	**1166**	**79**	**79**	**77**	**79**	**77**	**87**	**85**	**87**	**94**	**89**	**90**
Italy	**1001**	**70**	**73**	**72**	**74**	**72**	**78**	**80**	**84**	**86**	**87**	**88**
OthSE	**261**	**65**	**69**	**72**	**72**	**71**	**67**	**75**	**77**	**73**	**86**	**87**
GMT	773	91	89	88	90	88	94	92	94	109	102	103
ESW	581	108	94	94	95	94	123	96	98	110	97	98
Ireland	343	95	91	89	90	89	137	91	93	97	95	95
Scand	604	90	87	84	85	84	96	89	92	106	98	99
OthW	238	90	90	91	91	91	92	93	94	89	82	83
Canada	412	102	97	97	97	97	148	99	98	102	98	97
Mexico	131	41	50	51	52	51	43	57	61	57	70	71
Easia	87	67	66	74	70	71	67	71	73	65	52	56
AllOth	185	72	76	78	78	77	77	81	86	93	85	85
Native Whites	**18387**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**
Native non-white	2034	41	58	57	58	57	44	63	69	52	72	71
unknown	25	87	93	94	93	94	79	93	89	91	91	92

NOTE: See Appendix Table A2 for the mean wages on which these ratios were calculated.
*The occupational wage for 1940 divided by the occupational mean. For "weeks worked" *40. On the definition of weeks worked in the 1940 Census, see note to text.
** Calculated as the mean of the medians for earnings by men and by women within each occupation.

Table 5a. Correlation Coefficients among Various Measures of Wages, Calculated on the 1940 Men 45-64

Scales	Actual Wage	------ 1940 Occupational Wages, Based on:------				Hourly Wage	Hourly Wage
		All	45-64	All fam hds	Fam hds 45-64	--Actual	Occupational*
Actual wage							
All	0.63						
45-64	0.65	0.97					
all family heads	0.64	0.98	0.99				
family heads, 45-64	0.64	0.97	1	0.99			
hourly actual	0.43	0.28	0.29	0.29	0.29		
hourly occ wage*	0.63	0.97	0.97	0.98	0.97	0.29	
1900 survey	0.56	0.87	0.87	0.88	0.87	0.24	0.88

Table 5b. Ratio of 50th Percentile to 10th Percentile of Wages in 1940 on Various Measures

Scale		All Workers	Men 25-64	Men 25-34	Men 45-64		
1900 survey		2.3	1.46	1.43	1.5		
All workers, 40		1.95	1.56	1.63	1.56		
All family heads, 40		2.02	1.59	1.59	1.59		
Hourly occ wage, 40		2.61	1.5	1.43	1.5		
Actual earning 40		4.17	3.56	3.39	4.08		
Actual earnings hrly 40		2.92	2.5	2.5	2.5		