

## Minding about the gap

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### **America worries that it is becoming a class society. With reason**

FOR a people who pride themselves on ignoring social class, Americans are suddenly remarkably interested in it. The country's two leading newspapers are winding up blockbuster series on the subject. The *New York Times's*, in ten parts, is called, simply enough, "Class matters". The *Wall Street Journal's* offering, which will stretch to "at least seven parts", is ostensibly about social mobility. But the series' conclusion is that social mobility has failed to keep up with widening social divisions: in other words, that class does indeed matter.

America, of course, is rife with social distinctions, but it has always prided itself on the assumption that talented people are free to rise to their natural level. The country's favourite heroes have been Benjamin Franklin types who made something out of nothing. (The 15th child of a candle-and-soap maker, Franklin retired a wealthy man at 42.) And its favourite villains have usually been Paris Hilton types, who combine inherited wealth with an obvious lack of talent. "The mass of mankind has not been born with saddles on their backs", said Thomas Jefferson, "nor a favoured few booted and spurred, ready to ride them."

There was more to this than self-flattery. Foreigners have also been struck by America's social fluidity. In the 1830s, Alexis de Tocqueville noted the average American's "hatred" of the "smallest privileges". In the 1860s, Karl Marx remarked that "the position of wage labourer is for a very large part of the American people but a probational state, which they are sure to leave within a longer or shorter term". In the 1880s, James Bryce noted America's talent for producing self-made men. Joseph Ferrie, an economic historian at Northwestern University, has crunched the census numbers from 1850 to 1920 and discovered that there was something to all this: more than 80% of unskilled men in America moved to higher-paying occupations, compared with less than 51% in Britain.

Today's America gives every impression of being more classless than ever. Shops such as Restoration Hardware and Anthropologie cater for the mass middle class in much the same way that Woolworths once catered for the mass working class. And Ivy League students dress more like rappers than budding merchant bankers. But beneath this bland surface, social divisions are getting wider.

There is little doubt that the American social ladder is getting higher. In 1980-2002 the share of total income earned by the top 0.1% of earners more than doubled. But there is also growing evidence that the ladder is getting stickier: that intergenerational mobility is no longer increasing, as it did during the long post-war boom, and may well be decreasing.

This is hardly the first time that America has threatened to calcify into a class society. In the Gilded Age, in the late 19th and early 20th centuries, the robber barons looked like turning into an English upper class. But this time round it could be much harder to restore the American ideal of equality of opportunity.

The reason for this lies in the paradox at the heart of the new meritocracy. These days the biggest determinant of how far you go in life is how far you go in education. The gap in income between the college-educated and the non-college-educated rose from 31% in 1979 to 66% in 1997. But access to college is increasingly determined by social class.

The proportion of students from upper-income families at the country's elite colleges is growing once again, having declined dramatically after the second world war. Only 3% of students in the most selective universities come from the bottom income quartile, and only 10% come from the bottom half of the income scale.

### **Clinging to privilege**

The obvious way to deal with this is to use the education system to guarantee a level playing field. Improve educational opportunities for the poorest Americans, make sure that nobody is turned away from university on grounds of financial need, and you will progressively weaken the link between background and educational success. Alas, there are at least three big problems with this.

The first is that the schools the poorest Americans attend have been getting worse rather than better. This is partly a problem of resources, to be sure. But it is even more a problem of bad ideas. The American educational establishment's weakness for airy-fairy notions about the evils of standards and competition is particularly damaging to poor children who have few educational resources of their own to fall back on. One poll of 900 professors of education, for example, found that 64% of them thought that schools should avoid competition.

The second is the politics of education reform. The Democrats have much deeper roots in poor America than the Republicans; they also have much greater faith in the power of government. But they are too closely tied to the teachers' unions to push for sensible reforms, such as testing and school choice. Their notions of improvement seem limited to pouring in more money.

The third reason is the most powerful of all: that the educated classes still do such a superb job of consolidating and transmitting their privileges. This goes far beyond the *New York Times's* "Sunday Vows" section, which lovingly chronicles the pairings of Princeton-educated bankers with Yale-educated lawyers at the very top of the tree. America's college-educated class is now a much larger share of the population than it was.

The *New York Times* has supported its series on class with editorials condemning Mr Bush's tax cuts. But even if the paper's argument is correct, it ignores the basic fact that so many people have become so good at passing their educational privileges on to their children. That is not something that is going to go away with a mere tweak of tax policy; after all, they are only doing what comes naturally.