Provided for non-commercial research and education use.
Not for reproduction, distribution or commercial use.

This article appeared in a journal published by Elsevier. The attached copy is furnished to the author for internal non-commercial research and education use, including for instruction at the authors institution and sharing with colleagues.

Other uses, including reproduction and distribution, or selling or licensing copies, or posting to personal, institutional or third party websites are prohibited.

In most cases authors are permitted to post their version of the article (e.g. in Word or Tex form) to their personal website or institutional repository. Authors requiring further information regarding Elsevier's archiving and manuscript policies are encouraged to visit:

http://www.elsevier.com/copyright

Author's personal copy

Social Science Research 40 (2011) 1337–1349

Contents lists available at ScienceDirect

Social Science Research

journal homepage: www.elsevier.com/locate/ssresearch

The persistence of skin color discrimination for immigrants

Joni Hersch *

Vanderbilt Law School, 131 21st Avenue South, Nashville, TN 37203-1181, United States

ARTICLE INFO

Article history:
Available online 23 December 2010

Keywords:
Skin color
Discrimination
New Immigrant Survey

ABSTRACT

Under Title VII of the Civil Rights Act of 1964, discrimination in employment on the basis of color is prohibited, and color is a protected basis independent from race. Using data from the spouses of the main respondents to the New Immigrant Survey 2003, this paper shows that immigrants with the lightest skin color earn on average 16–23% more than comparable immigrants with the darkest skin color. These estimates control for years of legal permanent residence in the US, education, English language proficiency, occupation in source country, Hispanic or Latino ethnicity, race, country of birth, as well as for extensive current labor market characteristics that may be themselves influenced by discrimination. Furthermore, the skin color penalty does not diminish over time. These results are consistent with persistent skin color discrimination affecting legal immigrants to the United States.

© 2010 Elsevier Inc. All rights reserved.

1. Introduction

Using data from the Adult Sample of the New Immigrant Survey (NIS 2003) on a sample of immigrants to the US who achieved legal status in 2003, Hersch (2008a) shows that immigrants with darker skin color have lower wages than comparable immigrants with lighter skin color. The magnitude of the pay penalty is striking: immigrants with the lightest skin color earn on average 17% more than comparable immigrants with the darkest skin color. Hersch (2008a) considers an array of explanations for the observed skin color pay penalty and ultimately concludes that discrimination against immigrants on the basis of skin color is the most likely explanation for the negative effect of darker skin color on pay.

This paper examines whether pay discrimination on the basis of skin color is likely to diminish with the passage of time. Because all of the main respondents to the NIS Adult Sample achieved legal status in 2003, there is no variation among these immigrants in their duration of legal status and so this possibility cannot be examined with the NIS Adult Sample. However, the NIS also interviewed spouses of respondents. In contrast to the main respondents, spouses vary in whether they are immigrants or are native-born US citizens. In addition to variation in immigration status, there is a great deal of variation in when immigrant spouses achieved legal residence status. Many of the spouses who are immigrants achieved legal status long before the main respondents to the NIS achieved legal residence status. This variation in the length of time that an immigrant has had legal residence status provides the key source of variation that allows an examination of whether the effect of skin color on pay among immigrants diminishes over time.

Because the NIS spouse sample includes native-born US citizens, I am also able to provide unique information on the relation between skin color and pay for spouses of immigrants regardless of Hispanic or Latino ethnicity, race, and immigrant status. There is a substantial literature that documents preferential treatment of those with lighter skin shades among African Americans as well as in many other cultures and countries.[1] Evidence to date on the relation between skin color

* Fax: +1 615 322 6631.
E-mail address: joni.hersch@vanderbilt.edu

[1] Excellent introductions to this literature are provided by the books edited by Hall (2008) and Glenn (2009).

0049-089X/$ - see front matter © 2010 Elsevier Inc. All rights reserved.
doi:10.1016/j.ssresearch.2010.12.006

Author's personal copy

and wages for US residents has been limited to non-white samples, mainly samples of African Americans with some studies examining Hispanics/Latinos, possibly because there is little data on skin color and wages for Americans of other races.[2]

There are several reasons that the penalty to darker skin among immigrants may diminish with longer time as a legal US resident. First, more time in the US provides more time for adaptation to US culture and norms, as well as the development of greater English language proficiency. In addition, characteristics of appearance, such as clothing and hair style, may change over time in ways to make the immigrant appear more 'Americanized.' Enhanced assimilation consequently may offset any residual discrimination on the basis of skin color. Second, more time as a legal US resident allows for more time for job changing in order to find a better job match, perhaps one in which skin color discrimination is absent. Finally, and more speculatively, skin color may be a proxy for illegal status. One possible mechanism derives from the process by which visas are awarded. If applicants who have darker skin color are less likely to receive a visa, then immigrants with darker skin color are more likely to be illegal. But as more time elapses and an immigrant remains in the US, the perception of possible illegal status may diminish. While evidence on this possibility is limited, information provided in the legal case *Olsen v. Albright* (1997) is suggestive of one possible mechanism by which skin color can influence the visa decision.[3] The plaintiff in this case had been terminated from his job as a consular officer in Brazil because he refused to adjudicate nonimmigrant visas on the basis of the applicant's race, ethnicity, national origin, economic class, and physical appearance.[4]

To summarize the findings reported in this paper, wage regression results show a skin color penalty for immigrant spouses of a magnitude similar to that found in Hersch (2008a). Although wages are higher for immigrants with more years of legal permanent residence, the skin color penalty is not reduced by longer duration with legal permanent residence status. Furthermore, immigrants have on average darker skin color than their native-born US citizen counterparts of the same ethnicity or race. It is possible that an association of darker skin color with immigrants may lead to a blurring of the distinction between legal and illegal immigrants. If so, this would be evidence that is consistent with the possibility that skin color is a proxy for illegal status. Overall, the results of this paper indicate that skin color discrimination against immigrants may be a persistent problem.[5]

Title VII of the Civil Rights Act of 1964 prohibits discrimination on the basis of color, as well as on the basis of race, religion, sex, and national origin. The implications of on-going discrimination on the basis of skin color can be observed in the rising number of claims of color discrimination reported to the Equal Employment Opportunity Commission (EEOC). Claims of color discrimination filed with the EEOC have increased substantially over time, from under 400 in 1992 to 2949 in 2009.[6] Identifying whether observed differences in pay on the basis of skin color reflect legitimate productivity differences or are instead due to discrimination is the critical question in the legal context. This paper and Hersch (2008a) indicate that discrimination on the basis of skin color rather than productivity differences is the most likely source of the penalty to darker skin color among immigrants. Furthermore, this paper indicates that the penalty does not erode with time as a legal permanent US resident.

2. The New Immigrant Survey 2003: Spouse Data

The NIS Adult Sample provides a nationally representative sample of 8573 adult immigrants admitted to legal permanent residence status in 2003 drawn from electronic records maintained by the US government.[7] The sampling design for the Adult Sample is comprised of four strata: spouses of US citizens, employment-visa principals, diversity-visa principals, and all other visa types. The NIS sampling frame undersamples spouses of US citizens and oversamples employment-visa principals and diversity-visa principals.

[2] Few data sets provide information on skin color as well as information on individual wages. Most of the literature has examined the relation between skin color and numerous other outcomes such as education, occupation, and personal or family income (e.g., Hughes and Hertel, 1990; Keith and Herring, 1991; Gullickson, 2005; Hersch, 2006; Loury, 2009), attractiveness (e.g., Hill, 2002; Hersch, 2006), and blood pressure (e.g., Gravlee et al., 2005). Because the focus in this current paper is on whether the observed relation between skin color and wages diminishes over time, a full review of this extensive literature would take us too far afield. Most relevant are the studies examining the relation between skin color and wages. Goldsmith et al. (2006, 2007) find a wage advantage to light skin color among African American males. In contrast, Hersch (2006) finds limited evidence of a relation between skin color and wages among African Americans. Mason (2004) shows that Mexican Americans with darker skin color have lower earnings, but the relation between skin color and earnings for Puerto Ricans and Cuban Americans is mixed and varies by nativity.

[3] *Olsen v. Albright*, 990 F. Supp. 31 (1997). This case involved awarding of temporary visas and may have limited relevance to policies that influence the decision to award immigrant visas. In addition, the issues that arise in any specific legal case may not generalize to other situations. However, because it would be extremely difficult to elicit direct information on whether there is discrimination in the visa process on the basis of appearance generally or skin color specifically, this case provides suggestive information that may help guide further research.

[4] Skin color is specifically mentioned as follows: "As Plaintiff observed in a letter to the Board paraphrasing and complaining about the policies: "The applicant's race or skin color, dress and personal appearance, and demeanor are usually surer indications of his or her economic class than the information contained in any documents. Especially in adjudicating without interviews, officers should deny visas to persons who 'look poor,' 'look rough,' or 'look slimy.'. . .Dark-skinned Brazilians 'look poor' because a disproportionately large percentage of Brazilian 'pardos' (racially mixed) and 'pretos' (blacks) are in fact poor.""' *Olsen v. Albright*, 990 F. Supp. 31 (1997), p. 8.

[5] In contrast, despite considerable evidence of preferential treatment of African Americans with lighter skin tones, recent research indicates that the advantages of lighter skin shade appear to be declining (Gullickson, 2005; Loury, 2009).

[6] The number of skin color discrimination claims reported to the EEOC is reported in Dahleen Glanton, "Bigotry Takes on a Different Shade," *Chicago Tribune*, January 17, 2010, available at http://www.chicagotribune.com/news/chi-colorism_glantonjan17,0,7012546.story. Banks (2000) and Jones (2000) provide valuable overviews of the history of colorism within the African American community and describe and analyze the legal environment of color discrimination claims under Title VII.

[7] See http://nis.princeton.edu/overview.html and Jasso et al. (2006).

Author's personal copy

Survey respondents were interviewed as soon as possible after achieving lawful permanent resident status. Spouses of the primary respondent were also asked to be interviewed, although not all agreed. These spouses of the main respondent to the Adult Sample who were interviewed form the sample analyzed in this paper. There are 4334 interviewed spouses of respondents in the Adult Sample. Of the 4334 spouses who are interviewed, 3797 are themselves foreign-born.

The survey provides detailed demographic and labor market information for both the main respondents in the Adult Sample and for interviewed spouses. Interviewers report skin color for those spouses they saw in person using the same color scale used to report skin color of primary respondents. Most of the information available for main respondents in the Adult Sample is also available for their spouses. The available information on spouses is used to estimate wage equation specifications that are very similar to those presented in Hersch (2008a).

However, there are some key differences between the sample of main respondents analyzed in Hersch (2008a) and the sample of spouse respondents analyzed here. One obvious difference is that the main adult respondent can be married or unmarried. However, all of the respondents in the spouse sample are included because they are married to a primary respondent. Because marital status is associated with a number of social and economic outcomes, such as better health and higher pay for married men, it is possible that any results based on a sample of married individuals will differ from those based on a sample not selected on the basis of marital status.

A second difference is that although the NIS sampling frame provides a nationally representative sample of adult immigrants, the spouses do not necessarily form a nationally representative sample of immigrants or native-born US citizens. For instance, although immigrant spouses of US citizens who are selected to be main respondents in the Adult Sample form part of a nationally representative sample of immigrants (once sample weights are used), those US citizen spouses who marry immigrants are not a representative sample of the population of US citizens, and it is critical to keep in mind that the results based on this sample may not generalize to the population of US citizens. The weight assigned to the spouse is identical to that assigned to the corresponding primary respondent and is not tailored to reflect the probability of selecting a spouse of any particular characteristic. For the spouses of the main respondent, the sample weights can therefore be used to provide a representative sample of *spouses* of new legal immigrants.

The unique advantage of the spouse sample is that spouses vary in whether they are themselves immigrants. Among those who are immigrants, these spouses vary in whether and when they received legal permanent residence status. In contrast to the main respondents to the NIS, who all became legal residents in 2003, the spouses' legal permanent residence status could have been granted prior to 2003. Spouses in the sample can therefore be grouped into two categories: those who are native-born US citizens and those who are immigrants. The immigrant group can be further analyzed based on time since achieving legal permanent residence status.

3. Wage equation specification

I estimate log wage equations stratifying the sample by immigrant status and controlling for skin color. For those who are immigrants, I estimate log wage equations controlling for time as a legal resident as well as the interaction of skin color with time as a legal resident. These analyses provide information on whether the skin color penalty observed for immigrants also exists for native-born US citizens who are married to immigrants and whether the skin color penalty among immigrants diminishes over time.

The log wage equation is of the following general form.[8]

$$\ln wage = X\beta + Z\delta + \gamma S + \varepsilon \tag{1}$$

The dependent variable is the log of hourly wage. X is a vector of demographic and human capital characteristics that would affect earnings in the US, and for immigrants, also in the source country. Z is a vector of current individual and labor market characteristics that may affect wages in the US labor market. S denotes skin color, which is measured so that higher values of S indicate darker skin color. The random error term is given by ε.

Indicator variables for Hispanic or Latino ethnicity and race, as well as for country of birth for immigrants, are included in the vector Z. Because of widespread evidence of discrimination in the US labor market on the basis of Hispanic or Latino ethnicity and non-white race, controlling directly for ethnicity and race isolates the effect on wages of skin color net of any direct effect of ethnicity and race. Country of birth is included in the vector Z because countries differ in many characteristics, such as quality of education and culture, which may affect the productivity of immigrants once they are employed in the United States. It is important to note that ethnicity, race, and nationality are all highly correlated with skin color. It is therefore possible that the precision of the estimates of the effect of skin color on wage are reduced by multicollinearity.

In some specifications, I include in the wage equations current job-related characteristics such as tenure and occupation. However, as the characteristics of the current job may be influenced by any existing skin color discrimination, such characteristics may be determined endogenously with wages. For this reason I present wage regressions without as well as with current labor market characteristics.

[8] See Hersch (2008a) for a discussion of the theoretical foundations of the wage equation used to estimate the relation between skin color and wage for a sample of immigrants, as well as for further discussion of the variables included in the analyses.

Author's personal copy

4. Variable definitions

The variables used in the wage equation estimates are defined as follows. The first set of variables is included in the wage regressions for both immigrant spouses and native-born US spouses. Additional variables that are available only for the immigrant spouses are then discussed.

The dependent variable in the wage equations is the log of hourly wage. Spouses self-report their hourly wage rate (for those paid hourly) or salary and the corresponding time unit (for those paid other than hourly). Self-employed workers who report that they are paid a regular salary or wage also report their earnings. The measure of hourly wage used in the wage equations is either the wage reported by the respondent or is calculated from information on hours worked, salary, and pay period.

The key variable in this analysis is the unique information on skin color. Interviewers record skin color based on their observation as one of 11 values ranging from 0 (albino) to 10 (the darkest possible skin color), using a color scale designed by Massey and Martin (2003). The scale shows a series of otherwise identical hands with skin color increasing in darkness. Skin color is missing for spouses who were not seen by the interviewer (e.g., the interview was conducted entirely by phone). Observations with missing skin color information are excluded from the analysis.

Hersch (2008a) provides a detailed analysis of the validity of the NIS skin color scale. The color scale is shown to be a highly reliable measure of skin color, with reported skin color values within a country corresponding to objective skin color levels for the same country measured by reflectance spectrometer. There is no evidence that interviewers are biased in their assignment of skin color ratings. Furthermore, in contrast to the three-to-five categories of skin color available in most data sets, which provide only an ordinal ranking of skin color, the 11-point scale used in the NIS can appropriately be treated as a cardinal variable based on an analysis of the wage equation estimates using the main adult respondent.

Because skin color is assigned by interviewer observation, there may be measurement error, but the close concordance of the NIS skin color measure with objective measures suggests that any such measurement error is more likely to be random than it is to be systematic. If there is random measurement error, the estimated effect of skin color on wages will be biased toward zero and will be estimated as smaller than true.

Height and weight may influence wages and may also affect the relation between skin color and wages. As shown in Hersch (2008a), with the exception of immigrants from countries that have a majority black population, there is a correlation between average country height and average country skin color, where immigrants from countries with darker average skin color are also on average shorter. Because height may have a direct productivity effect, part of any estimated effect of skin color on pay may reflect the correlation between skin color and height rather than the direct influence of skin color. Inclusion of information on height in the wage equations eliminates this possible source of bias.

Height and weight are self-reported by the respondents using the units of the respondent's choice (e.g., centimeters and meters, inches and feet, kilos or pounds). I convert height to inches and weight to pounds for all respondents and also calculate the body mass index (BMI) from information on height and weight. In order to allow height to have a nonlinear effect on wages, I calculate the difference between each individual's height and the US gender-specific mean height and allow the effect of height below the gender-specific mean to differ from the effect of height above the gender-specific mean. In order to allow weight to have a nonlinear effect on wages, I define indicator variables for those who are obese (BMI of 30 or higher), overweight (BMI at least 25 and less than 30), or normal weight (BMI under 25, with the few respondents that would be categorized as underweight based on BMI included with those of normal weight).

The wage regressions control for both age and its square. Age is calculated from year of birth, which is reported by the main respondents for themselves and for their spouses, as well as directly by spouses. I define spouse's age as the difference between their interview year and birth year, both reported by the spouse; for spouses who did not report their birth year but their birth year was reported by the main respondent, I define age as the difference between the main respondent's interview year of the survey and the main respondent's report of their spouse's birth year.[9]

All respondents were offered the option of conducting the interview in their choice of language. Main adult respondents self-reported their English language proficiency, and the self-reported measure of how well the respondent understood English is used in Hersch (2008a). However, spouses were not asked to report their English language proficiency. As an indicator of English language proficiency, I control for whether the interview was conducted in English, recognizing that this is not an ideal measure as individuals who may have strong English language skills may have chosen to conduct the interview in a language other than English.

The primary adult respondents reported their own educational attainment as well as that of their spouses. Spouses are not asked to report their own education. I use in the analyses years of education reported by the main respondent when available. For observations for which the main respondent did not report years of education, but did report their spouse's

[9] I use the date of the interview to calculate several variables used in the analysis, such as age, tenure with employer, and whether the interview occurred before or after a reminder memo was sent to interviewers to clarify the use of the skin color scale. The month and year of the interview, but not the day of the month, is reported for spouses. The specific interview date is recorded for the main respondents. The main respondents and their spouses were interviewed on the same month and year for 75% of the 4334 observations with data for both spouses. For those in which the month and year match, I assume that the interviews occurred on the same date. Otherwise, I use the spouse's reported interview month and year and assume the interview occurred on the 15th of the month.

Author's personal copy

highest degree, I assign years of education based on highest degree as follows: high school, 12; associates, 14; bachelors, 16; masters, 18; doctorate, 21; JD/MD, 20.

The survey reports information separately on years of education completed in the US and years of education completed outside of the US, as well as country of highest degree. However, as shown in Hersch (2008a), the return to education attained in the US is not statistically different from education attained outside the US. Furthermore, the effect of skin color on wages is not affected by whether education is divided into that completed in the US and outside of the US, nor whether education is measured as years of education or by controlling for highest degree. Thus the wage regressions reported in this paper control for years of education no matter where attained.

All NIS respondents are asked to report whether they are of Hispanic or Latino ethnicity as well as to report their race.[10] The five provided racial categories are American Indian or Alaskan Native, Asian, Black, Native Hawaiian or Other Pacific Islander, and White. Although respondents have the option of reporting more than one race, few do so. Most of the respondents who do not report their race report that they are Hispanic or Latino. I create an indicator variable for Hispanic or Latino ethnicity and create seven mutually exclusive categories for race. Five of the categories are those who report only one of the five racial categories. A sixth group are those who report more than one racial group. The final group is comprised of those with missing value for race. Spouse respondents also report their country of birth. I include indicator variables for country of birth, where the specific country is identified for the 22 countries sending the largest number of immigrants, with the remaining countries grouped by broad region.

To control for regional differences in average pay, I include indicators for region of the US. Region is based on location where the main respondent's green card was sent. I also include an indicator for survey year to allow for price level changes, as well as an indicator for surveys completed after a memo was sent to interviewers to warn against overuse of the skin color rating of zero.

Although it is customary to control for potential work experience in wage equations when measures of actual work history are not available, it is unclear how to construct a measure of work experience that would have a consistent meaning for both immigrants and native-born US citizens. The measure of potential US experience used in Hersch (2008a) is the difference between the interview year and the year of the first job in the United States. However, this measure is not available for native-born US citizens. In order to use a common specification for immigrant and native-born US workers, in the wage equations that are estimated for all spouses, I control for age, age squared, and education instead of potential experience.

In some specifications I include measures of current labor market characteristics and visa status, noting that these characteristics are potentially influenced by skin color discrimination and therefore may not be exogenous with respect to wage. Because all spouses are asked the same set of questions regarding their current employment as are the main respondents in the Adult Sample, the available variables are the same as those used in Hersch (2008a). Specifically, I control for tenure with current employer and its square, as well as indicators for government employer, paid hourly rate (rather than salaried), full-time employment, self-employment, and broad occupational category (professional and managerial, health, services, sales and administrative, and production, with production occupation forming the omitted category in the wage regressions). I also control for whether the worker's job is likely to involve outdoor work, based on the Bureau of Labor Statistics classification of occupations with extensive outdoor work (Kasper, 2004). Outdoor work may cause skin to darken and also may be associated with lower pay.

Because of the focus on immigrants, visa status is a potentially important determinant of wages. Although the NIS does not include government-reported information on spouses, the government-reported visa information for the main respondent in the Adult Sample can be used to provide information for the spouse. The survey also collected further information from the spouses. Information on the spouse's visa status that is derived from the main respondent's information is as follows. If the main respondent has a spouse of US citizen visa, then the spouse is the sponsor of the main respondent. For spouses who are not sponsors, it is possible to use information on the main respondent to identify whether the spouse is the principal. For instance, if the government-reported visa status of the main respondent is 'employment preference' and 'spouse of a principal,' then the spouse is the employment principal. Similarly, spouses who are diversity principals can be identified. I group spouses into five categories of sponsor, employment principal, diversity principal, other principal, and all spouses who are neither the sponsor nor the principal immigrant.

However, visa status may be influenced by the same process of skin color discrimination under study. For example, wages may be determined endogenously with skin color for employment principals who are usually sponsored by their employer. Sponsors must meet certain financial requirements (generally the sponsor must have income that is at least 125% of the Federal poverty line for the household size) and sign an affidavit of support. Thus, the ability to qualify as a sponsor may be influenced by skin color discrimination if spouses have higher earnings because of lighter skin color. Because visa status may be influenced by any skin color discrimination, visa status information is included in the estimates with other current labor market characteristics that also may be influenced by skin color discrimination.

The remaining variables are specific to immigrants. Immigrant spouses are asked if they had ever had a green card. Those who had ever had a green card were asked to report the year that they became a legal permanent resident. There are 123 spouses of main respondents in the Adult Sample who are the principal immigrant (as indicated by the main respondent's records) yet report that they do not have a green card. This is clearly erroneous as this information is based

[10] Respondents are not asked to report whether they are of any ethnicity other than Hispanic or Latino.

Author's personal copy

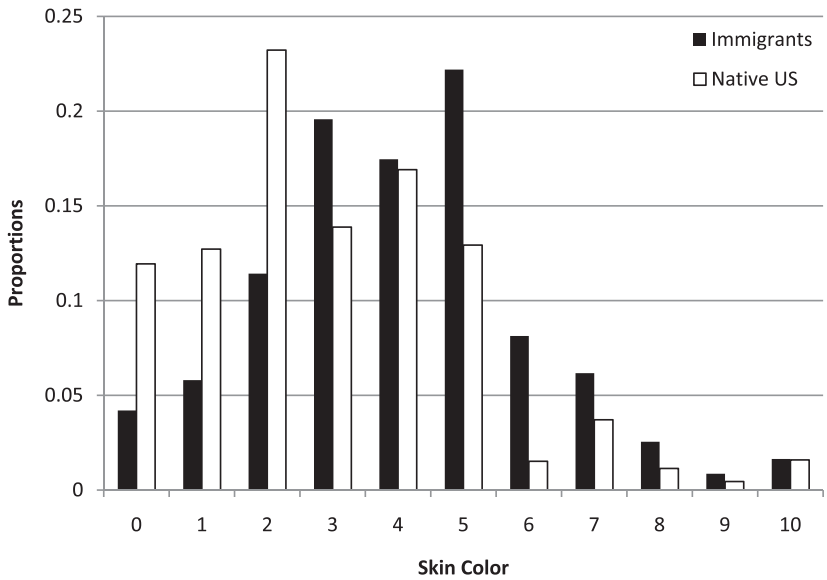

Fig. 1. Distribution of skin color by immigrant status. *Source*: Author's calculations from the New Immigrant Survey 2003. Sample is comprised of spouses of Adult Sample respondents. Number of observations: Immigrants = 2205; Native-born US = 267. All values weighted by sample weight.

on the government-reported information of the main respondent's visa status. For those reporting the year that they became a legal permanent resident, I calculate the number of years since they became a legal permanent resident as the difference between the interview date and the reported year. Those spouses who are the principal immigrant but report that they do not have a green card are assigned the year 2003, assuming that they became legal permanent residents in 2003 together with the main respondent.[11] Those who report that they have never had a green card are considered to have zero years as a legal permanent resident. I create an indicator variable for the variable 'ever had a green card' for those spouses who either report they have a green card or are the principal immigrant.

For those reporting their last occupation before migrating, occupation is grouped into five occupational categories: professional and managerial, health, services, sales and administrative, and production. Because not all spouses report an occupation before migrating, there is no omitted occupational category. The effect of previous occupation is estimated relative to those not reporting an occupation.

Hersch (2008a) uses father's education and relative family income at age 16 to control for family background in the respondent's source country. To the extent that there is skin color discrimination in the source country, those with darker skin color relative to their fellow citizens in the source country may have weaker relevant labor market characteristics as a consequence of any such discrimination. Inclusion of information on family background will mitigate possible bias arising from any discriminatory treatment on the basis of skin color experienced in the source country. However, spouse respondents do not report information on their family background. The main adult respondents report relative family income for their spouses but do not report their spouses' father's education. As shown in Hersch (2008b), the coefficient on skin color is not affected by whether these variables are included in the wage equations based on the sample of main respondents. Thus omitted family background is unlikely to be an important source of bias in the current analysis.

5. Sample characteristics

Before discussing the characteristics of the sample used in the wage equation estimation, it is useful to analyze skin color differences on the basis of Hispanic or Latino ethnicity, race, and immigrant status. This provides information on whether skin color varies between immigrants and native-born US citizens of the same ethnicity or race. This analysis uses all observations with reported skin color regardless of employment status.

As Fig. 1 shows, the skin color distribution for native-born US citizens is shifted to the left of the immigrant distribution showing that immigrants tend to have darker skin color. However, although a chi-square test confirms that the distributions are significantly different from each other at the 1% level, it is also notable that the distributions are not starkly different. Also note that for both native-born US and immigrant spouses, the full range of the skin color scale is used.

[11] This assumption is not necessarily true. Among those spouses who are the principal immigrant and report the year they became a permanent legal resident, 14% report a year earlier than 2003. While there may be some reporting errors (e.g., reporting the year of a temporary visa), it is possible for these spouses to have become legal permanent residents prior to the time the main respondent did so. Related to this is that one cannot assume that the spouse is a new arrival or an adjustee based on the status of the main respondent. I am very grateful to project manager Monica Espinoza Higgins for her help in clarifying this and many other points about the NIS data.

Author's personal copy

Table 1
Regression of skin color on Hispanic or Latino ethnicity, race, and immigrant status.[a] Dependent variable: skin color.

Hispanic or Latino	1.336** (0.087)
American Indian/Alaskan Native	0.807** (0.233)
Asian	1.418** (0.100)
Black	4.530** (0.144)
Native Hawaiian/Other Pacific Islander	2.069** (0.336)
Multiple races reported	0.876* (0.445)
Race not reported	1.107** (0.161)
Native-born US spouse	−0.317** (0.108)
Male	0.242** (0.070)
Sponsor	−0.261** (0.082)
Constant	2.571** (0.085)
Adjusted *R*-squared	0.33
Observations	2472

The omitted racial category is single race white. All values weighted by NIS sample weight.
[a] *Source*: Author's calculations from the New Immigrant Survey 2003. Sample is comprised of spouses of Adult Sample respondents. Standard errors in parentheses.
+ Significant at 10%.
* Significant at 5%.
** Significant at 1%.

In part the difference in the skin color distribution arises from differences in the mix of ethnicities and races, with far larger shares of Hispanics/Latinos and Asians within the sample of immigrant spouses than within the sample of native-born US spouses. To determine whether the average skin color rating difference is due to the ethnic and racial composition of the two samples, Table 1 presents estimates of a skin color regression controlling for Hispanic or Latino ethnicity, race, sex, whether native-born US, and whether the spouse is the sponsor. As sponsors must meet certain financial thresholds, inclusion of the indicator variable for whether the spouse is the sponsor provides information on whether sponsors have lighter skin color as would be predicted by the evidence of an earnings advantage associated with lighter skin.[12]

The regression shows that native-born US citizens have somewhat lighter skin color even controlling for Hispanic or Latino ethnicity and race. On average, native-born US spouses who are not also sponsors are rated 0.32 points lower on the 11-point skin color scale than immigrant spouses, controlling for Hispanic or Latino ethnicity, race, and sex. Spouses who are sponsors are rated 0.26 points lower than non-sponsor spouses, providing evidence that sponsors have lighter skin color on average. The net effect of being both native-born and a sponsor is skin color rated on average 0.58 points lower than immigrant spouses who are not sponsors, controlling for Hispanic or Latino ethnicity, race, and sex. While there is no obvious reason for the lighter average skin color ratings for native-born spouses after controlling for ethnicity and race, these findings provide evidence that suggests that observers may associate darker skin color with immigrant status. Women have on average lighter skin color, which is consistent with known gender differences in skin color within indigenous populations.[13]

The wage regressions are based on spouses who are working for pay in the US, with hourly wage between $1.50 and $100 per hour,[14] and for whom skin color is reported. Individuals with missing values on other variables used in the analysis (e.g., age, education) are included in the analysis and identified by an indicator variable. Appendix A indicates the effect on sample size of each restriction. The resulting sample sizes are 1023 immigrants and 167 native-born US citizens. Table 2 reports descriptive statistics for the variables used in the wage regressions.

Note that although the native-born US sample is on average more than five years younger than the immigrant sample, native-born workers have on average a higher hourly wage, with an average hourly pay rate of $16.77 for native-born workers and $14.16 for immigrant workers. On average, the native-born sample is more educated, far more likely to conduct the interview in English, and far more likely to hold a professional or managerial occupation. Unsurprisingly, the ethnic and racial profile differs by immigrant status, with 46% of the immigrant sample but only 31% of the native-born sample reporting their ethnicity as Hispanic or Latino. In addition, 26% of the immigrant sample reports their race as Asian, in contrast to less than 5% of the native-born sample. Native-born spouses are nearly 2 in. taller on average than immigrant spouses and are far more likely to be obese. These differences in average physical characteristics are not due to gender differences in the composition of the two samples as both samples are slightly over 60% male.

[12] I thank a referee for suggesting that skin color may play a role in the marriage market via the visa process.
[13] See Jablonski (2006) for a discussion of this literature.
[14] Only nine observations are affected by restricting the sample to those with hourly wage between $1.50 and $100, and the wage equation results are almost identical to those reported when these nine observations are included in the estimates.

Author's personal copy

Table 2
Descriptive statistics for samples used in wage regressions.[a]

	Mean (standard deviation) or %	
	Immigrant spouse	Native-born US spouse
Demographic characteristics		
Hourly wage	14.16 (10.01)	16.77 (9.69)
Skin color	4.00 (2.00)	2.71 (2.05)
Height	66.00 (3.88)	67.90 (3.84)
Inches below US gender average height	2.25 (2.63)	0.97 (1.64)
Inches above US gender average height	0.61 (1.35)	1.24 (1.81)
BMI	26.27 (4.50)	27.73 (5.35)
Obese	16.36	27.00
Overweight	41.67	38.71
Male	62.83	61.05
Age	39.38 (9.29)	33.97 (10.00)
Education	12.36 (4.78)	14.57 (3.19)
Interview not in English	46.51	15.66
Pre-immigration experiences		
Professional, managerial occupation	17.78	
Health occupation	1.71	
Services occupation	4.62	
Sales and administrative occupation	9.86	
Production occupation	18.46	
No pre-immigration occupation	47.57	
Visa and legal residence status		
Sponsor of main respondent	41.43	98.15
Employment principal	6.62	
Diversity principal	2.95	
Other principal	7.12	
Not sponsor nor principal	41.88	
Ever had green card	85.19	
Years since green card, if ever	6.21 (8.18)	
Current labor market characteristics		
Tenure	4.46 (5.28)	4.83 (5.20)
Professional, managerial occupation	16.29	32.16
Health occupation	7.86	3.79
Services occupation	22.35	9.10
Sales and administrative occupation	17.76	27.96
Production occupation	35.19	25.74
Government employer	7.07	23.73
Union contract	14.87	18.22
Outdoor work highly probable	5.02	3.32
Paid hourly rate	64.21	55.20
Full-time	86.91	87.99
Self-employed	4.54	3.22
Location where green card sent		
Northeast	27.98	16.07
Midwest	19.01	24.48
West	38.85	45.44
South	14.16	14.01
Ethnicity and race		
Hispanic or Latino	46.10	31.47
American Indian/Alaskan Native	2.55	1.81
Asian	25.63	4.88
Black	7.41	4.58
Native Hawaiian/Other Pacific Islander	1.59	1.11
White	57.05	83.56
Multiple races	0.69	0.00
Race not reported	5.07	4.06
Percent with missing values		
Height	4.07	3.59
BMI	5.25	6.93
Age	1.87	1.46
Education	2.54	4.28
Tenure	0.38	0.68
Number of observations	1023	167

Sample is comprised of spouses of Adult Sample respondents who are employed in the US, with hourly wage between $1.50 and $100, and with skin color reported. All values weighted by NIS sample weight. Means for height, BMI, age, education, and tenure calculated using observations without missing values.

[a] *Source*: Author's calculations from the New Immigrant Survey 2003.

Author's personal copy

6. Regression results

Table 3 presents wage regressions for the samples of immigrant and native-born spouses. The basic specifications reported in column 1 for immigrants and column 3 for non-immigrants control for demographic characteristics and other pre-US labor market characteristics associated with current employment, but not for ethnicity, race, or country of birth. Columns 2 and 4 add indicators for Hispanic or Latino ethnicity and race. Column 2 additionally includes indicator variables for country or region of birth for the immigrant sample. Country controls are unnecessary for the sample of native-born US spouses.

Before discussing the regression results, some caveats are in order. First note that the sample size for native-born spouses is small, with only 167 observations, and that this sample is not representative of the native-born US population. Second, as discussed earlier, everyone in the sample is married, and in addition, the sample weights are not designed to create nationally representative samples of either immigrants or of native-born US citizens. The regression results may therefore differ from similar estimates based on data from, say, the Current Population Survey. Nonetheless, the results in the wage equation for both samples are similar to those typically found in wage equation estimation. Wages are higher for those with more education. In the native-born sample, wages rise with age at a decreasing rate. Immigrant men have higher wages on average than comparable immigrant women, but there is no pay disparity on the basis of sex within the native-born sample.[15] This result, however, may be due to the small and non-representative sample. Immigrants who were not interviewed in English have wages that are on average 11% lower than comparable immigrants who were interviewed in English. As found in Hersch (2008a), immigrants who are taller than the US gender-specific height have a wage advantage of about 2% with every inch above average, significant at the 10% level in column 2. Somewhat surprising is that immigrant spouses who are obese, and native-born spouses who are overweight, have higher wages on average than their normal weight counterparts.

The effect of skin color on wage is of particular interest. Within the sample of immigrant spouses, there is a large and statistically significant negative effect on wage of darker skin color. In the estimates reported in column 1 that exclude ethnicity, race, and country of birth, the coefficient is −0.016 and is statistically significant at the 5% level. Including controls for Hispanic or Latino ethnicity, race, and country of birth, all of which are correlated with skin color, leads to a larger and statistically significant coefficient on skin color of −0.023, reported in column 2.[16] The magnitude of the skin color penalty is consistent with the findings of Hersch (2008a). The magnitude implies that an additional unit of skin color darkness on the 11-point scale lowers wages on average by 1.6–2.3%, significant at the 5% level.[17]

The results for native-born US spouses, reported in columns 3 and 4, show a negative relation between skin color and wages that is not statistically significant. The coefficients on skin color are half the size or smaller and the standard errors are more than twice the size of the corresponding values for immigrant spouses. The absence of a statistically significant effect of skin color on wages for native-born US spouses may mean, of course, that skin color is not related to wages for native-born US spouses. However, because the sample size is small, the power is also low.[18] Furthermore, because the sample is composed entirely of native-born US spouses of immigrants, any evidence of a relation (or absence of a relation) between skin color and wages based on this sample may not generalize to the broader population of native-born US citizens. Because of the low power and special characteristics of the sample, these results should be interpreted as inconclusive about the existence of a relation between skin color and wages for native-born US citizens generally.

To further explore the basis for the skin color penalty for immigrants, Table 4 presents additional results for the immigrant sample to examine whether the skin color effect for immigrants is affected by inclusion in the equations of richer information on pre-US labor market experiences or by the length of time the immigrant has had legal status, as well as by inclusion of current labor market characteristics. All of the equations reported in Table 4 control for Hispanic or Latino ethnicity, race, and country of birth.

[15] There is little evidence of a structural difference in the wage equation by sex beyond an intercept difference. Tests of the null hypothesis that all coefficients but the intercept are equal in equations corresponding to the specifications reported in Table 3, columns 2 and 4 yield F-statistics of 1.23 for the immigrant sample (p-value = 0.13) and 0.97 for the native-born sample (p-value = 0.51). Similarly, using data on the main respondents in the NIS Adult Sample, Hersch (2008a) finds no evidence of a structural difference on the basis of sex beyond an intercept difference.

[16] To test whether the effect of skin color differs by ethnicity or race, I estimated equations that included interactions of skin color with Hispanic ethnicity and with the seven mutually exclusive racial categories to the specifications reported in Table 3, columns 2 and 4. Tests of the hypothesis that the effect of skin color does not differ by Hispanic ethnicity or race cannot be rejected, with F-statistics of 1.14 for the immigrant sample (p-value = 0.34) and 0.90 for the native-born sample (p-value = 0.50). Similarly, Hersch (2008a) finds no evidence of a difference in the effect of skin color on the basis of ethnicity or race. However, there is evidence that the negative effect of skin color on wages is lower for those not interviewed in English (not reported in the tables).

[17] As noted earlier, country of birth is identified for the 22 countries sending the most immigrants, with the remaining countries grouped by region. Country of birth indicators are included in the wage regressions to control for skill differences that differ by country. Thus, controls for region rather than individual country may mask unobserved intracountry heterogeneity and may influence the relation between skin color and wages. In Hersch (2008a), the magnitude of the skin color effect is larger in the sample in which individual country of birth is identified than in the sample in which either country or region is reported. Because of the smaller number of observations in the spouse sample, these results include all eligible spouses regardless of whether individual country or region is reported. The results of this paper should be compared most directly to Table 4 of Hersch (2008a).

[18] Based on the estimates reported in column 3, which do not control for Hispanic or Latino ethnicity or for race, in order to detect a statistically significant effect of skin color on wages at the 5% level with power 0.8, a sample size of 1800 would be needed. A far larger sample size of over 16,000 observations would be needed to detect a statistically significant effect of skin color on wages at the 5% level with power 0.8 based on the estimates in column 4, which control for ethnicity and race. These sample size calculations were performed in Stata using the powerreg routine.

Author's personal copy

Table 3
Wage equation estimates: immigrant and native-born US spouses. Dependent variable = ln (hourly wage).[a]

	Immigrant spouse		Native-born US spouse	
	(1)	(2)	(3)	(4)
Skin color	−0.016* (0.008)	−0.023* (0.010)	−0.009 (0.018)	−0.007 (0.025)
Male	0.234** (0.035)	0.236** (0.036)	0.030 (0.075)	0.014 (0.076)
Inches below US gender average height	−0.0002 (0.007)	−0.004 (0.007)	0.019 (0.024)	0.025 (0.025)
Inches above US gender average height	0.019 (0.013)	0.024+ (0.014)	0.016 (0.022)	0.021 (0.022)
Obese	0.133** (0.049)	0.111* (0.052)	0.164+ (0.092)	0.148 (0.093)
Overweight	0.034 (0.036)	0.010 (0.038)	0.180* (0.085)	0.171* (0.086)
Age	0.011 (0.012)	0.008 (0.012)	0.082** (0.022)	0.082** (0.023)
Age squared/100	−0.015 (0.014)	−0.010 (0.014)	−0.093** (0.028)	−0.094** (0.029)
Interview not in English	−0.111** (0.035)	−0.117** (0.039)	−0.079 (0.100)	−0.114 (0.119)
Education	0.037** (0.004)	0.039** (0.004)	0.064** (0.012)	0.063** (0.012)
Northeast	−0.023 (0.052)	−0.007 (0.058)	−0.154 (0.125)	−0.166 (0.125)
Midwest	−0.005 (0.056)	0.023 (0.066)	−0.205+ (0.115)	−0.218+ (0.116)
West	−0.004 (0.050)	−0.034 (0.061)	−0.245* (0.104)	−0.263* (0.106)
Skin color reminder memo	0.056 (0.042)	0.062 (0.043)	0.058 (0.093)	0.072 (0.094)
Year 2004	−0.018 (0.044)	−0.027 (0.044)	−0.167+ (0.097)	−0.177+ (0.098)
Hispanic or Latino		0.067 (0.092)		0.033 (0.105)
American Indian/Alaskan Native		−0.177+ (0.103)		−0.166 (0.266)
Asian		−0.077 (0.106)		−0.169 (0.165)
Black		−0.058 (0.127)		−0.116 (0.220)
Native Hawaiian/Other Pacific Islander		0.077 (0.138)		0.612+ (0.335)
Multiple races		0.236 (0.196)		0.000 (0.000)
Race not reported		−0.041 (0.075)		0.053 (0.182)
Constant	1.750** (0.252)	1.818** (0.271)	0.231 (0.439)	0.234 (0.444)
Adjusted *R*-squared	0.18	0.20	0.26	0.26
Observations	1023	1023	167	167

All values weighted by NIS sample weight. Indicator variables for missing values for height, BMI, age, and education are included in the equations, but these coefficients are not reported. Indicator variables for country of birth are included in the equation reported in column 2, but these coefficients are not reported.

[a] Standard errors in parentheses.
+ Significant at 10%.
* Significant at 5%.
** Significant at 1%.

The wage regression reported in column 1 adds indicator variables for the occupation held before migrating to the US to the specification reported in column 2 of Table 3. Skin color continues to show a negative and statistically significant effect on wages. The coefficient on skin color is -0.023, which is the same as that shown in column 2 of Table 3 that excludes pre-US labor market occupation. Column 2 additionally includes the length of time the immigrant has been a legal permanent resident and its square. Wages rise with time as a legal permanent resident at a decreasing rate (although the coefficient on the quadratic term is not statistically significant at a conventional level). The coefficient on skin color is reduced slightly to −0.020 by inclusion of time as a legal permanent resident and remains statistically significant at the 5% level.

The results reported in column 3 are of particular interest. Column 3 adds to the specification in column 2 the interaction of skin color with the length of time the immigrant has had legal status in the United States. If the effect of skin color on wages diminishes with time as a legal permanent resident, the coefficient on the interaction term would be negative. However, the coefficient on the interaction of skin color with time as a legal resident is positive and very close to zero, indicating no diminution of the effect of skin color on wages over time.

The last column of Table 4 includes current labor market characteristics as well as indicators for visa status. I include an indicator for whether the spouse has ever had a green card, as well as for whether the spouse is the sponsor, the employment principal, diversity principal, or other principal, with the omitted category spouses who are neither the sponsor nor the principal immigrant. If skin color discrimination affects the types of jobs available to immigrants or the type of visa available to the main respondent or to the spouse, then inclusion of current labor market characteristics or visa status will lead to a smaller coefficient on skin color than in regressions that do not control for current labor market characteristics. The results in column 4 show that the magnitude of the coefficient on skin color is reduced only slightly by inclusion of current labor market characteristics, to −0.018, and remains statistically significant at the 10% level. This suggests that the effect of any skin color discrimination is largely not reflected in current labor market characteristics and visa status. For comparison, wage equations reported in Hersch (2008a) show that the coefficient on skin color with current labor market characteristics included is about two-thirds the magnitude as when such characteristics are excluded. Because all of the main adult respondents became legal in 2003, while many of those in the spouse sample became legal at an earlier time, the comparison of the results suggests that those with a longer time as a legal permanent resident in the US have had greater opportunities to make job matches that are not associated with skin color. However, skin color continues to have a direct effect on wages as those with darker skin color appear to be on a permanently lower wage profile.

Author's personal copy

Table 4
Alternative wage equation estimates for immigrant spouses. Dependent variable = ln (hourly wage).[a]

	(1)		(2)		(3)		(4)	
Skin color	−0.023*	(0.010)	−0.020*	(0.009)	−0.021+	(0.011)	−0.018+	(0.010)
Years legal permanent resident			0.024**	(0.005)	0.023**	(0.007)	0.010	(0.007)
Years legal permanent resident squared/100			−0.032	(0.021)	−0.031	(0.021)	−0.018	(0.020)
Skin color × years legal resident					0.0001	(0.0010)	0.000	(0.001)
Male	0.227**	(0.037)	0.202**	(0.036)	0.202**	(0.036)	0.131**	(0.035)
Inches below US gender average height	−0.004	(0.007)	−0.004	(0.007)	−0.004	(0.007)	−0.002	(0.006)
Inches above US gender average height	0.027*	(0.014)	0.023+	(0.013)	0.023+	(0.013)	0.015	(0.012)
Obese	0.110*	(0.052)	0.079	(0.050)	0.079	(0.051)	0.034	(0.044)
Overweight	0.019	(0.038)	0.008	(0.037)	0.008	(0.037)	0.005	(0.032)
Age	0.010	(0.012)	0.013	(0.012)	0.013	(0.012)	0.007	(0.011)
Age squared/100	−0.012	(0.014)	−0.016	(0.014)	−0.016	(0.014)	−0.008	(0.012)
Interview not in English	−0.113**	(0.040)	−0.110**	(0.039)	−0.110**	(0.039)	−0.042	(0.034)
Education	0.038**	(0.004)	0.037**	(0.004)	0.037**	(0.004)	0.016**	(0.004)
Professional, managerial occupation before US	0.020	(0.049)	0.091+	(0.048)	0.092+	(0.048)	0.028	(0.043)
Health occupation before US	0.023	(0.126)	0.102	(0.123)	0.102	(0.123)	0.099	(0.112)
Services occupation before US	−0.238**	(0.081)	−0.159*	(0.079)	−0.159*	(0.079)	−0.104	(0.070)
Sales and administrative occupation before US	−0.136*	(0.058)	−0.061	(0.057)	−0.061	(0.057)	−0.059	(0.051)
Production occupation before US	−0.014	(0.048)	0.046	(0.047)	0.046	(0.047)	0.074+	(0.042)
Northeast	−0.006	(0.058)	0.002	(0.056)	0.002	(0.056)	−0.005	(0.050)
Midwest	0.032	(0.065)	0.033	(0.064)	0.032	(0.064)	0.061	(0.056)
West	−0.017	(0.061)	−0.000	(0.059)	−0.000	(0.059)	0.076	(0.052)
Skin color reminder memo	0.048	(0.043)	0.049	(0.041)	0.049	(0.041)	0.032	(0.036)
Year 2004	−0.030	(0.044)	−0.030	(0.043)	−0.031	(0.043)	−0.003	(0.038)
Hispanic or Latino	0.066	(0.092)	0.071	(0.090)	0.071	(0.090)	0.106	(0.078)
American Indian/Alaskan Native	−0.193+	(0.103)	−0.272**	(0.100)	−0.273**	(0.101)	−0.148+	(0.089)
Asian	−0.067	(0.106)	−0.085	(0.103)	−0.086	(0.103)	0.074	(0.091)
Black	−0.021	(0.127)	−0.105	(0.124)	−0.107	(0.124)	0.042	(0.109)
Native Hawaiian/Other Pacific Islander	0.100	(0.138)	0.093	(0.134)	0.092	(0.134)	0.137	(0.118)
Multiple races	0.240	(0.196)	0.180	(0.190)	0.179	(0.190)	0.275+	(0.166)
Race not reported	−0.051	(0.074)	−0.026	(0.072)	−0.026	(0.072)	0.044	(0.064)
Tenure							0.035**	(0.008)
Tenure squared/100							−0.124**	(0.041)
Professional, managerial occupation							0.426**	(0.054)
Health occupation							0.229**	(0.064)
Services occupation							−0.140**	(0.039)
Sales and administrative occupation							0.015	(0.045)
Government employment							−0.073	(0.061)
Union contract							0.098*	(0.042)
Outdoor work highly probable							0.157*	(0.065)
Paid hourly rate							−0.100**	(0.034)
Full-time							0.049	(0.043)
Self-employed							0.002	(0.069)
Ever had green card							0.047	(0.045)
Sponsor of main respondent							0.136**	(0.044)
Employment principal							0.412**	(0.067)
Diversity principal							−0.245**	(0.091)
Other principal							−0.056	(0.058)
Constant	1.781**	(0.271)	1.516**	(0.265)	1.520**	(0.267)	1.607**	(0.241)
Adjusted *R*-squared	0.21		0.26		0.26		0.44	

Number of observations = 1023. All values weighted by NIS sample weight. Indicator variables for missing values for height, BMI, age, and education are included in the equations, but these coefficients are not reported. Indicator variables for country of birth are included in all equations, but these coefficients are not reported.

[a] Standard errors in parentheses.
+ Significant at 10%.
* Significant at 5%.
** Significant at 1%.

7. Conclusion

This paper supports and extends the main finding of Hersch (2008a): there is substantial evidence of discrimination on the basis of skin color for legal immigrants in the United States. The magnitude of the pay penalty on the basis of skin color is large, with immigrants with the lightest skin color earning 16–23% more than comparable immigrants with the darkest skin color. Furthermore, this paper provides the first evidence on whether the skin color penalty is likely to diminish as immigrants accrue more time in the US since achieving legal permanent residence status. The skin color penalty does not diminish with time, suggesting that skin color discrimination affecting immigrants is a persistent phenomenon. Further, finding a suitable job match where skin color is not important likewise does not eliminate the skin color penalty.

Author's personal copy

Projected population trends in the US indicate that the country is becoming less white, with the share of non-Hispanic single-race-white population expected to decrease from 66% of the population in 2008 to 46% of the population by 2050.[19] This population trend in combination with the rising number of color discrimination charges filed with the EEOC suggest that concerns about skin color discrimination, as well as color discrimination litigation, may become more pronounced in the near future.

Some researchers have posited that a consequence of current population trends in combination with an increasingly multiracial population is that the hierarchy of racial groupings traditionally perceived in the US may be replaced by a hierarchy on the basis of skin color, in which persons with lighter skin color are advantaged relative to those with darker skin color regardless of nominal race (e.g., Hochschild, 2005; Bonilla-Silva and Dietrich, 2008). Bonilla-Silva and Dietrich (2008) suggest that racial stratification in the US is moving away from the current bi-racial system to one more like Latin America with three racial strata that are closely related to skin color. Hochschild (2005) hypothesizes that the US is moving toward a continuum based on skin color in that "the darker a person's skin color, the lower he or she is likely to be on any scale of whatever is broadly perceived to be desirable in the United States." (p. 25). By comparing immigrants of different national origins, races, and ethnicities, the findings of this paper and of Hersch (2008a) provide evidence consistent with the hypothesis that color matters more than nominal race, as the wage penalty to darker skin color exists across races and ethnicities rather than simply within races or ethnicities.

Acknowledgements

I would like to thank the referees, Richard Brooks, and participants at the 2010 American Law and Economics Association annual meeting for helpful comments.

Appendix A. Construction of sample used in wage regressions

	Net number affected	Number remaining
Spouse of Adult Sample respondent		4334
Not working for pay	1649	2685
Not working in US	33	2652
Self-employed and not paid regular salary or wage	122	2530
Missing wage	459	2071
Missing skin color	872	1199
Wage <$1.50 or >$100	9	1190
Not foreign-born	167	1023

Source: New Immigrant Survey 2003.

References

Banks, Taunya Lovell, 2000. Colorism: a darker shade of pale. UCLA Law Review 47 (6), 1705–1746.
Bonilla-Silva, Eduardo, Dietrich, David R., 2008. The Latin Americanization of racial stratification in the US. In: Hall, Ronald E. (Ed.), Racism in the 21st Century: An Empirical Analysis of Skin Color. Springer, pp. 151–170.
Glenn, Evelyn Nakano (Ed.), 2009. Shades of Difference: Why Skin Color Matters. Stanford University Press, Palo Alto, California.
Goldsmith, Arthur H., Hamilton, Darrick, Darity Jr., William, 2006. Shades of discrimination: skin tone and wages. American Economic Review 96 (2), 242–245.
Goldsmith, Arthur H., Hamilton, Darrick, Darity Jr., William, 2007. From dark to light: skin color and wages among African–Americans. Journal of Human Resources 42 (4), 701–738.
Gravlee, Clarence C., Dressler, William W., Bernard, H. Russell, 2005. Skin color, social classification, and blood pressure in southeastern Puerto Rico. American Journal of Public Health 95 (12), 2191–2197.
Gullickson, Aaron, 2005. The significance of color declines: a re-analysis of skin tone differentials in post-civil rights America. Social Forces 84 (1), 157–180.
Hall, Ronald E. (Ed.), 2008. Racism in the 21st Century: An Empirical Analysis of Skin Color. Springer, New York.
Hersch, Joni, 2006. Skin tone effects among African Americans: perceptions and reality. American Economic Review 96 (2), 251–255.
Hersch, Joni, 2008a. Profiling the new immigrant worker: the effects of skin color and height. Journal of Labor Economics 26 (2), 345–386.
Hersch, Joni, 2008b. Skin color, immigrant wages, and discrimination. In: Hall, Ronald E. (Ed.), Racism in the 21st Century: An Empirical Analysis of Skin Color. Springer, pp. 77–90.
Hill, Mark E., 2002. Skin color and the perception of attractiveness among African Americans: does gender make a difference? Social Psychology Quarterly 65 (1), 77–91.
Hochschild, Jennifer L., 2005. From nominal to ordinal: reconceiving racial and ethnic hierarchy in the United States. In: Wolbrecht, Christina, Hero, Rodney (Eds.), The Politics of Democratic Inclusion. Temple University Press, pp. 19–44.
Hughes, Michael, Hertel, Bradley R., 1990. The significance of color remains: a study of life chances, mate selection, and ethnic consciousness among black Americans. Social Forces 68 (4), 1105–1120.
Jablonski, Nina G., 2006. Skin: A Natural History. University of California Press, California.
Jasso, Guillermina, Massey, Douglas S., Rosenzweig, Mark R., Smith, James P., 2006. The New Immigrant Survey 2003 Round 1 (NIS-2003-1) Public Release Data. Funded by NIH HD33843, NSF, USCIS, ASPE & Pew. <http://nis.princeton.edu>. (Retrieved 22.12.09).

[19] See http://www.census.gov/Press-Release/www/releases/archives/population/012496.html.

Author's personal copy

Jones, Trina, 2000. Shades of brown: the law of skin color. Duke Law Journal 49 (6), 1487–1557.
Kasper, Henry T., 2004. Matching Yourself with the World of Work, Occupational Outlook Quarterly, US Bureau of Labor Statistics.
Keith, Verna M., Herring, Cedric J., 1991. Skin tone and stratification in the black community. American Journal of Sociology 97 (3), 760–778.
Loury, Linda Datcher, 2009. Am I still too black for you? Schooling and secular change in skin tone effects. Economics of Education Review 28 (4), 428–433.
Mason, Patrick L., 2004. Annual income, hourly wages, and identity among Mexican–Americans and other Latinos. Industrial Relations 43 (4), 817–834.
Massey, Douglas S., Martin, Jennifer A., 2003. The NIS Skin Color Scale.