

# African Americans



The African American community has suffered a dramatic increase in unemployment and a staggering loss of income since the onset of the Great Recession. Yet, even before the recession, labor market outcomes for blacks were substantially worse than for whites, as evidenced across a wide range of economic data:

## Income

**\$39,715**

At the median, black families made \$39,715 in 2010, down from about \$44,000 in 2000. As a percentage of white median family income, blacks made 61 percent in 2010, down from 63.5 percent in 2000.

**↓ 10.1%**

The Great Recession wreaked havoc on household incomes for blacks. From 2007–2010, the median black household's income fell 10.1 percent, compared to 5.4 percent for white households.

## Wages and benefits

**36%**

In 2011, 36 percent of blacks, including 38.1 percent of black women, were employed in low-wage jobs (earning poverty-level wages or less). Among the white labor force, 23.4 percent were employed in low-wage jobs.

**49.5%**

In 2010, about half (49.5 percent) of blacks age 18-64 had health insurance provided by their employer, a nearly 14 percentage-point reduction from 1979.

**38%**

Nearly 38 percent of blacks age 18-64 had employer-provided pension coverage in 2010, an 8.1 percentage-point erosion since 1979. This is more than double the rate of erosion in pension coverage for whites.

## Jobs

**15.9%**

During the aftermath of the Great Recession, the annual unemployment rate peaked at 15.9 percent for blacks in 2010 and 2011.

8.3%

The highest annual unemployment rate for whites since the onset of the Great Recession was 8.0 percent, still less than the pre-recession annual unemployment rate (8.3 percent) for blacks.

18.3%

From 2007–2011, high school–educated blacks (with no higher educational attainment) saw their unemployment rate rise from 9.6 to 18.3 percent. Black college graduates saw their unemployment rate rise from 3.5 to 8.2 percent.

50%

About 50 percent of unemployed blacks were out of work for more than six months in 2011, the largest long-term unemployment rate among racial/ethnic groups.

## Wealth

\$4,900

In 2010, the median wealth, or net worth, for black families was \$4,900, compared to median wealth for whites of \$97,000.

33.9%

Blacks are nearly twice as likely as whites to have zero or negative net worth—33.9 percent compared to 18.6 percent.

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The homeownership rate for black households was 44.9 percent in 2011, lagging far behind the homeownership rate for whites (73.8 percent). Since fewer than half of black households own homes, this means that for the median (typical) black household, there is zero wealth from home equity. The median black household also owns no stock.

The Great Recession decimated wealth from all demographic groups, but minorities were especially hard hit. While median wealth of white households sank 35.8 percent, it plummeted for black households (49.7 percent), and nosedived for Latino households (86.3 percent) from 2007–2010.

## Poverty

27.4%

In 2010, 27.4 percent of blacks lived in poverty, compared to the overall U.S. poverty rate of 15.1 percent.

45.8%

45.8 percent of black children under age 6 lived in poverty, more than three times the rate for young white children.

## Mobility

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**62.9%**

62.9 percent of black children whose families were in the bottom fourth of all families by income remained in the bottom fourth as adults. This measure of downward mobility was about twice the rate (32.3 percent) for whites.

**3.6%**

Only 3.6 percent of black children from the bottom fourth made it to the top fourth of the income scale, an upward mobility rate about one-fourth the rate for whites.