

National and State-Level Data on the Economic Status of Black Americans, 2023

Despite continued barriers, Black Americans have seen significant progress on key economic indicators in recent decades. While work remains to close racial gaps, recent data on the economic status of Black Americans in 2023 show:

- Black labor force participation exceeds the rate among white Americans and is near pre-pandemic levels.
- The unemployment rate for Black workers is near record lows but is still persistently higher than for white workers.
- Policies like the expanded Child Tax Credit helped bring poverty to an all-time low for Black Americans, even as poverty among Black children was three times that of white children.
- Black households still lag white households on key economic indicators, including income, retirements savings, and homeownership.
- Recent decades have seen continued progress on college attainment and health insurance for Black Americans, but Black women still face far higher rates of maternal mortality than their white counterparts.

As the Inflation Reduction Act and the bipartisan Infrastructure Investment and Jobs Act come into effect, these bills will expand economic opportunities for Black Americans and make targeted investments in marginalized communities.

The national and state-level data below highlight the economic gains and challenges of Black Americans in two sections:

1. A series of national graphs showing systemic inequalities with written analysis to assist with interpretation.
2. A series of state-level data points on homeownership, education, and access to health insurance, providing more granular evidence on the economic position of Black Americans.

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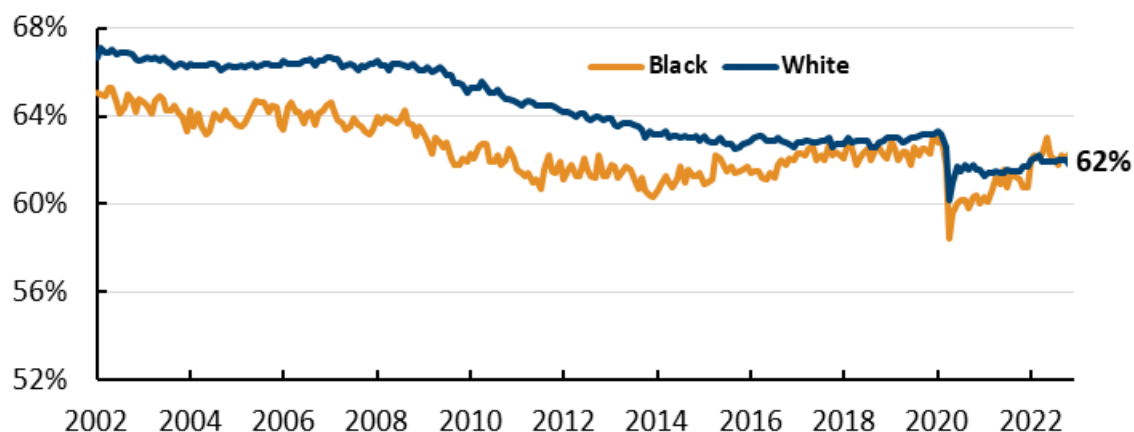
National Level Graphs

The State of Black Workers in the Labor Market

Labor force participation rate

The Labor Force Participation of Black Americans Has Matched That of White Americans

Labor force participation rate by race, 2002 to 2022



Source: Bureau of Labor Statistics

Note: Data are seasonally adjusted. Black and white refer to the population regardless of Hispanic status.



While the labor force participation rate of Black workers has historically lagged that of white workers, the disparity has narrowed in recent years and Black workers have reached parity with white workers. In January 2023, the Black labor force participation rate exceeded that of white workers, reaching 62.9%.

The share of Black workers working or actively looking for work has increased since the peak of the pandemic recession and is now near pre-pandemic levels, even as the share of white workers actively looking for work has persisted below pre-pandemic levels. The strong engagement of Black workers with the labor market over the last few years illustrates how important these workers have been to the ongoing recovery from the pandemic recession.

Unemployment rate

Black Workers' Unemployment Rate Is Near a Record Low, But Remains Nearly Twice as High as White Workers'

Unemployment rate by race, Jan. 2000 to Jan. 2023



Source: Bureau of Labor Statistics
Note: Data are seasonally adjusted.

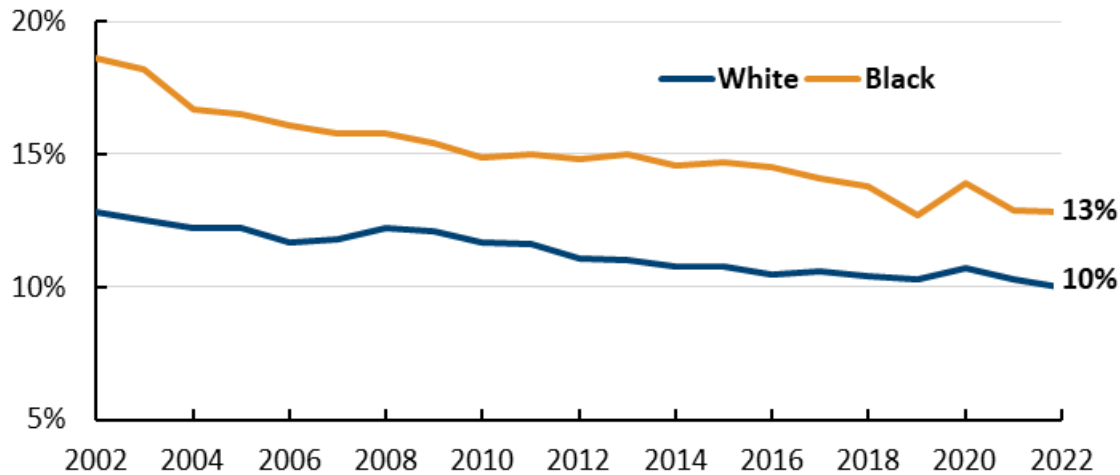


In January 2023, the unemployment rate for Black workers stood at 5.4%, compared to 3.1% for white workers. In May 2020, in the midst of the coronavirus pandemic, Black workers' unemployment rate reached 16.8%. The unemployment rate for Black workers, as well as that of Black women (4.7%), has fully recovered from the pandemic and is near the lowest on record. Despite this significant progress, Black workers remain almost twice as likely to be unemployed as white workers.

Union membership

While Higher Than for White Americans, Union Membership Has Dropped for Black Americans

Share of workers with union membership by race, 2002 to 2022



Source: Bureau of Labor Statistics

Note: Data are seasonally adjusted. Black and white refer to the population regardless of Hispanic status.



The share of wage and salary workers who are members of a union has declined over the years, but Black workers benefit from higher rates of unionization than their white counterparts. In 2022, the union membership rate for U.S. workers reached 10.1%, the [lowest rate on record](#). Both Black and white workers have experienced this decline; union membership levels fell to 12.8% among Black workers and 10% among white workers in 2022.

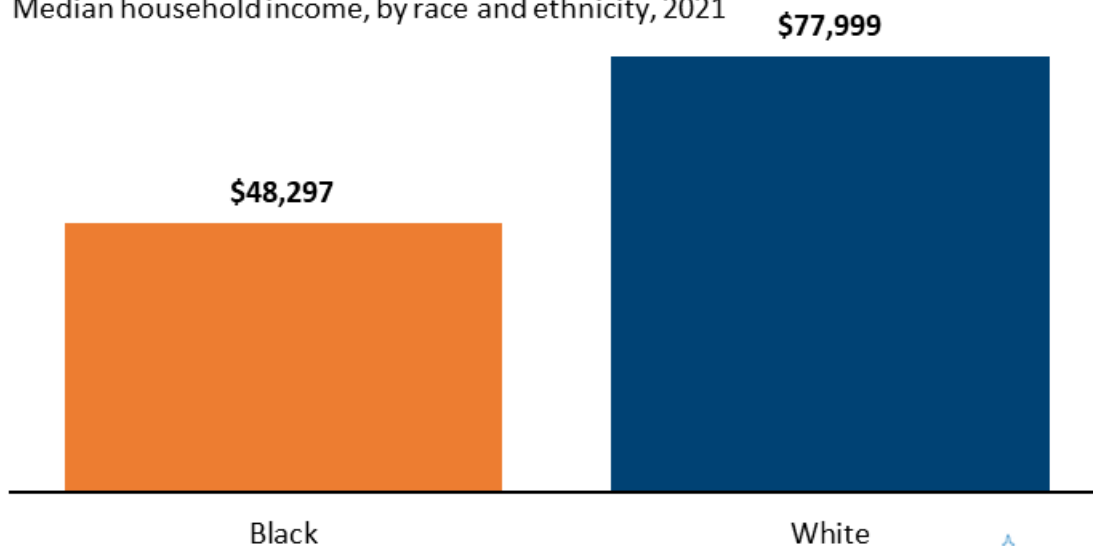
The loss of union protection for Black workers is particularly harmful, as unions help [improve equity](#) in a labor market that yields [disparate outcomes](#) for Black and white workers. Collective bargaining reduces pay discrimination and empowers workers to push back against poor working conditions. In total, unionization increases wages for Black workers by 17.3%, compared to 10.2% for all workers.

The State of Black Income and Poverty

Household income

Black Families Have About 40% Less Income Than White Families

Median household income, by race and ethnicity, 2021



Source: U.S. Census Bureau

Note: Black refers to Black alone. White refers to white alone, not Hispanic.

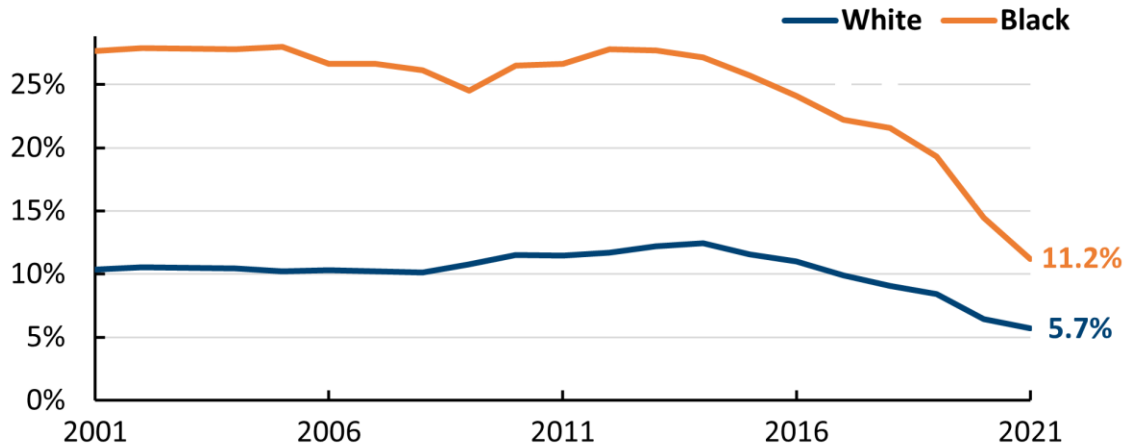


The typical Black family earned \$48,297 in 2021, about 40% less than the typical white family. This disparity in income reflects broader [structural inequities](#) within the labor market that expose Black workers to discrimination in the hiring process and in the structure of compensation and career mobility. With 62 cents for every dollar of income held by the median white household, the typical Black family is left more vulnerable to economic shocks and faces even more daunting challenges in building wealth and economic security than their counterparts.

Overall poverty rate

Decades of Public Investments Have Lifted Millions of Black Americans Out of Poverty, but More Work Remains

Poverty rates after government assistance and tax credits, by race, 2001 to 2021



Source: Center on Budget and Policy Priorities

Notes: Data are anchored to 2021 poverty thresholds and adjusted backwards for inflation. White refers to the non-Hispanic white population. Black refers to the non-Hispanic Black population.



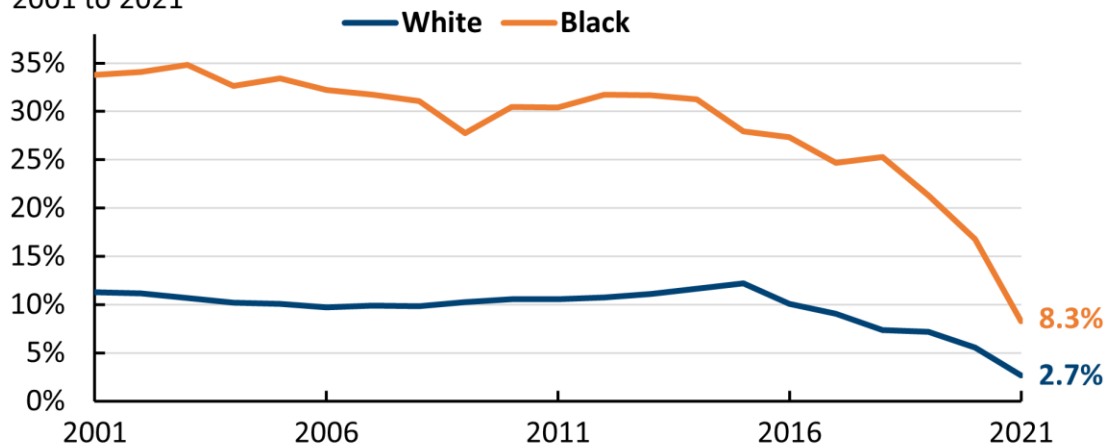
While Black Americans have historically been more likely to fall below the poverty line than their white counterparts, this gap has narrowed over the years. The Black poverty rate reached an all-time low in 2021, falling to 11% after accounting for government assistance and tax credits—such as the Child Tax Credit.

However, the Black poverty rate remains almost twice the poverty rate of white Americans. This gap continues to reflect the broader earnings and wealth disparities that limit the economic opportunity and security of Black Americans.

Child poverty rate

Child Poverty Fell to a Record Low in 2021, but Black Children Remain Three Times As Likely To Live in Poverty

Child poverty rates after government assistance and tax credits, by race, 2001 to 2021



Source: Center on Budget and Policy Priorities

Notes: Data are anchored to 2021 poverty thresholds and adjusted backwards for inflation. White refers to the non-Hispanic white population. Black refers to the non-Hispanic Black population.



Black children have historically been more likely to fall below the poverty line than white children. At the turn of the century, a Black child was more than three times as likely to be poor than a white child. Child poverty fell drastically in 2021, with the poverty rate for Black children reaching an all-time low of 8.3%. This reduction was driven by the American Rescue Plan's expanded Child Tax Credit, which helped cut poverty levels for Black children by more than [40%](#).

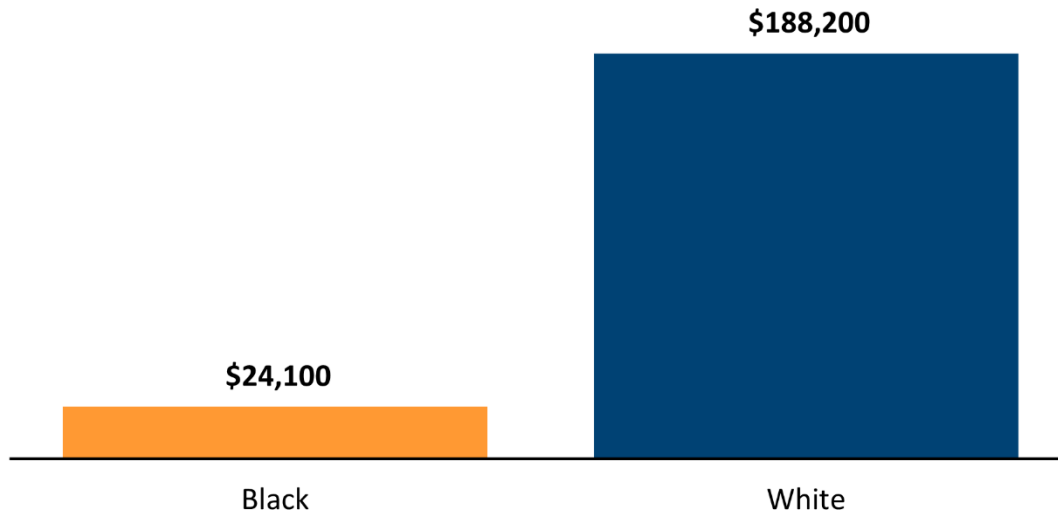
Even as the U.S. brought child poverty to historic lows, Black children are still three times as likely to live in poverty as white children. This exposure to early deprivation hinders the healthy development of Black children and continues to limit their achievements and economic outcomes into adulthood.

Black Wealth and Economic Security

Net Worth

Black American Net Worth Lags Far Behind White Families

Median family net worth by race, 2019



Source: Federal Reserve Survey of Consumer Finances

Note: White refers to the non-Hispanic white population. Black refers to the non-Hispanic Black population.

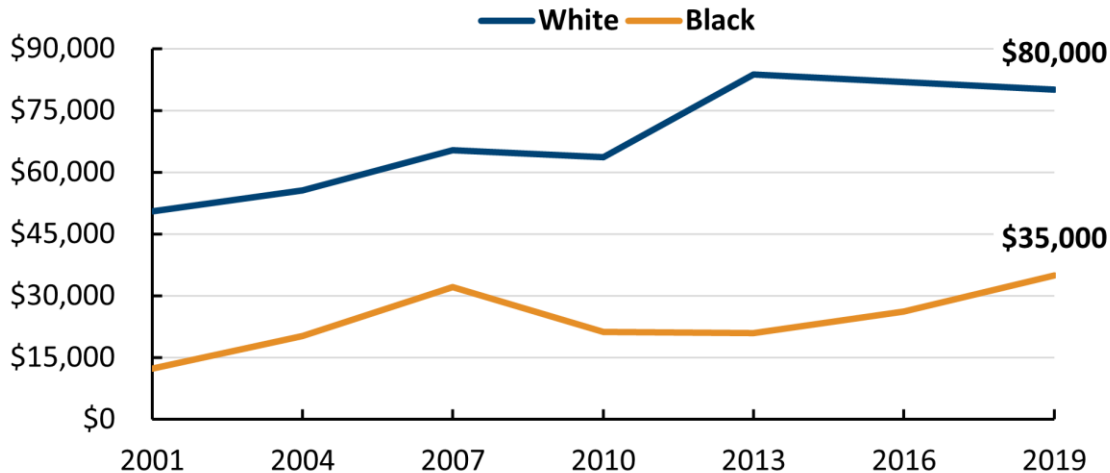


Wealth serves as an important measure of past and future economic advantages and disadvantages. As an enabler of opportunity, wealth helps families weather economic shocks and amass even more wealth in the form of asset ownership and entrepreneurship. But the typical Black family only has a fraction of the net worth of the typical white family. The [median](#) net worth for a Black family in 2019 was \$24,100, eight times smaller than that of a typical white family (\$189,100). This wealth gap between white and Black families has [narrowed marginally](#) since 2016 and is a result of historical disparities in employment, earnings, financial inclusion, and intergenerational wealth transfers.

Retirement savings

The Gap in Retirement Savings Between Black and White Americans Has Increased Since the Turn of the Century

Median retirement account holdings by race, 2001 to 2019



Source: Federal Reserve Survey of Consumer Finances

Note: White refers to the non-Hispanic white population. Black refers to the non-Hispanic Black population.



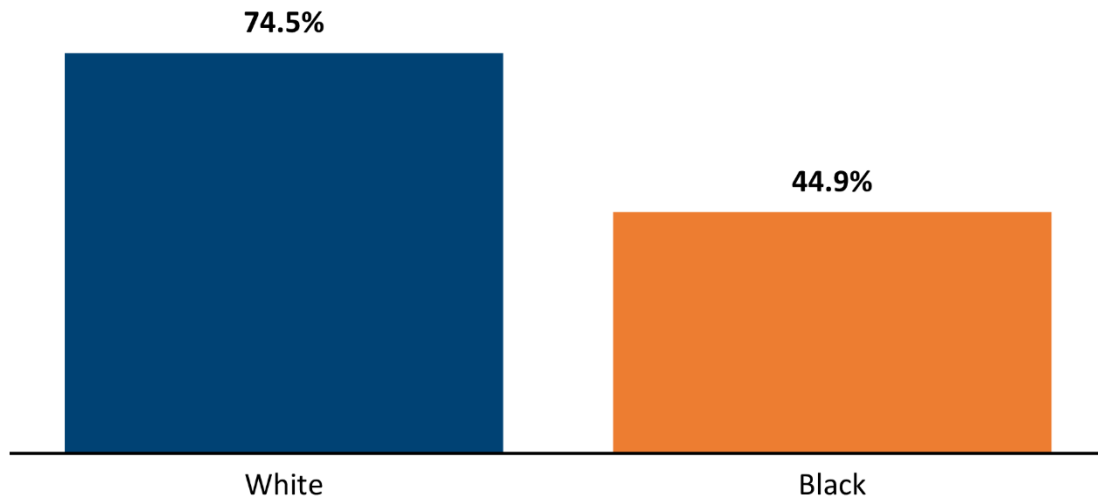
Retirement savings help Americans maintain their standard of living as they transition away from their careers. The typical Black family has long held only a fraction of the retirement savings held by the typical white family. Prior to the pandemic, the typical white family held more than twice as much retirement savings as the typical Black family. This gap reflects inequities in access to retirement savings vehicles at work.

Insufficient retirement savings not only threaten the living standards of workers upon their departure from the labor force, but it also limits their bargaining power during their working years and forces them to delay retirement and to limit their years of leisure after a lifetime of work.

Homeownership

Black Families Are Much Less Likely To Own Their Home Than White Families

Homeownership rate by race, 2021



Source: U.S. Census Bureau

Note: White refers to the non-Hispanic white population. Black refers to the non-Hispanic Black population.



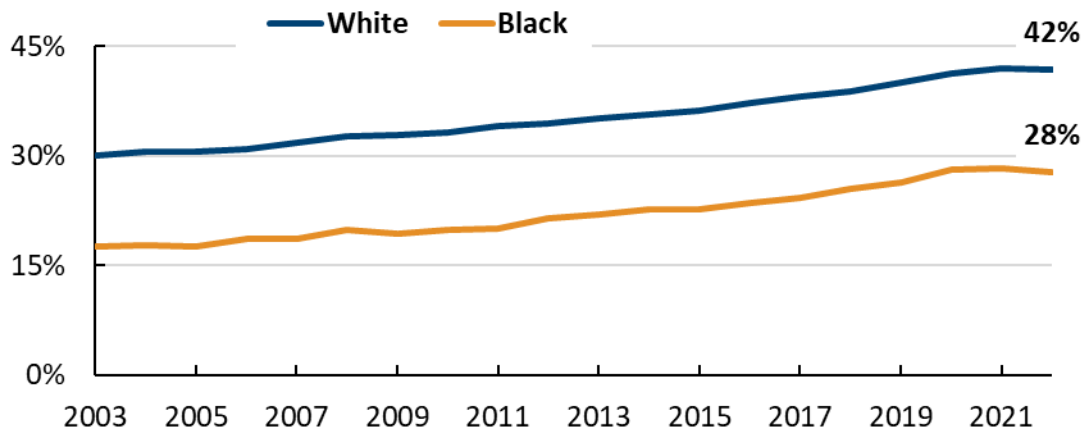
Homeownership serves as a pillar for building generational wealth and economic security. While the homeownership rate for the typical Black family has historically lagged behind that of the median white family, the share of Black households who owned their homes has recently increased as a result of federal investments and economic relief efforts. But the gap in homeownership remains pervasive; less than half of Black families own their homes compared to more than 7 in 10 white families. This gap in homeownership continues to drive the racial wealth gap in the United States.

The State of Black Education and Health

College completion

Black Americans Are Less Likely To Have A College Degree, Though the Gap Has Narrowed

Share of adults 25 and over who completed 4 years of college, by race, 2003 to 2022



Source: Current Population Survey

Notes: White refers to the non-Hispanic white population. Black refers to those who are Black alone or in combination.

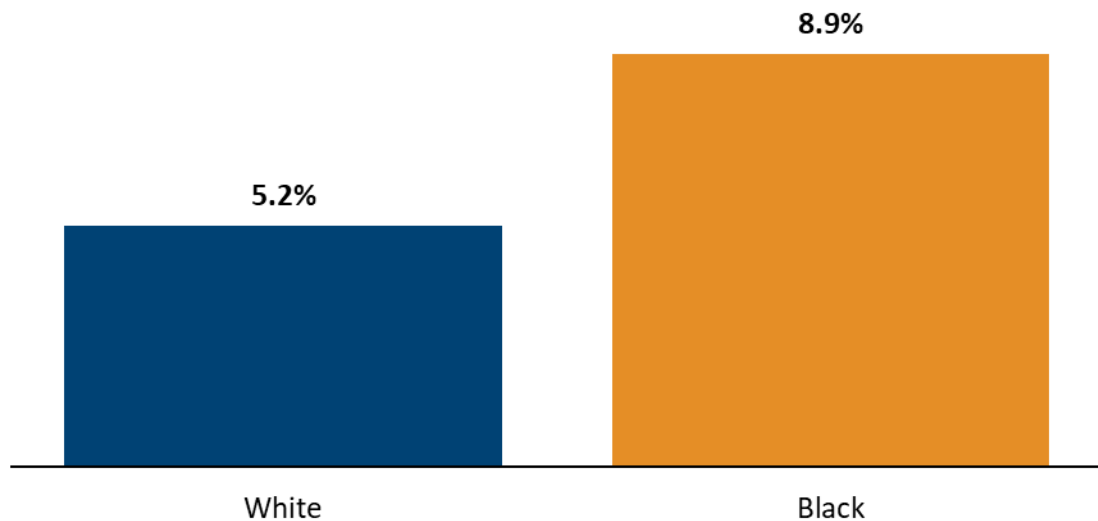


While the college completion rate between Black and white Americans has narrowed over the years, white Americans remain nearly 50% more likely than Black Americans to have a four-year degree. The share of Black Americans with a four-year college degree has increased by about 10 percentage points since the early 2000s. More than 1 in 4 Black Americans had a bachelor's degree in 2022, compared to less than 1 in 5 in 2003. This disparity remains a function of early disadvantages in access to quality education that Black children are more likely to experience relative to their white peers. These early disadvantages compound across the life-cycle, limiting the education achievements and earnings potential of Black Americans.

Lack of health insurance

Black Americans Remain More Likely To Be Uninsured

Uninsured rate by race, 2021



Source: U.S. Census Bureau

Notes: White refers to the non-Hispanic white population. Black refers to those who are Black alone or in combination.



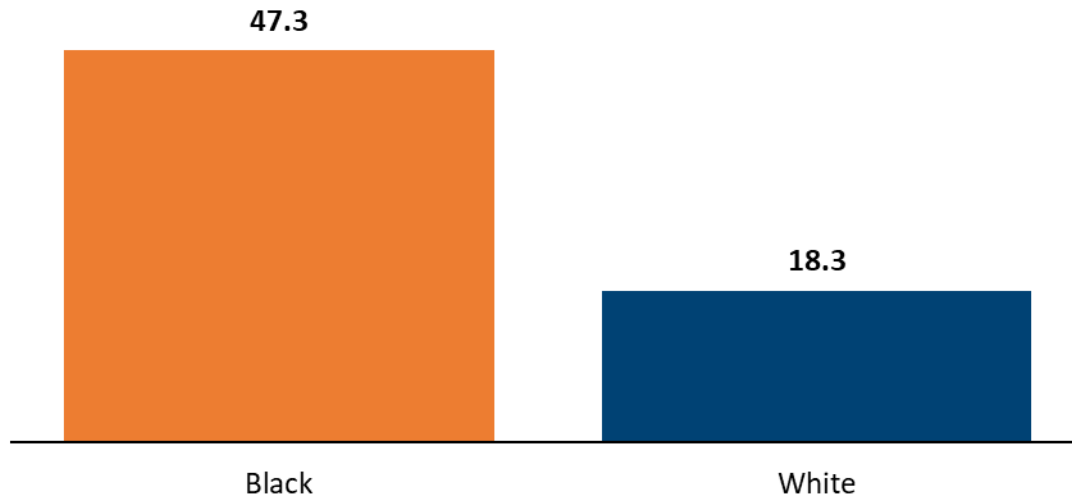
While Black Americans have historically been more likely to lack health insurance than white Americans, the Affordable Care Act (ACA) helped narrow this gap by expanding access to health care insurance across racial and ethnic groups. The share of Black Americans who [lack](#) health insurance has declined by 40% from 2011 to 2019, since the ACA was implemented.

Despite recent progress, Black Americans continue to be more likely than their white Americans to be uninsured. This is in part because many states with large Black populations have not [expanded Medicaid](#), as well as other systemic barriers to care that continue to create disparate health outcomes for Black families.

Maternal mortality

Maternal Mortality Rates Are Highest For Black Women

Number of deaths for every 100,000 births, by race, 2016 to 2020



Source: CDC WONDER

Notes: White refers to the non-Hispanic white population. Black refers to the non-Hispanic Black population.



As a result of gaps in health care and disparities in treatment, the United States falls behind peer nations in [maternal mortality](#), particularly hurting Black women who experienced 47.3 deaths out of every 100,000 births from 2016 to 2020. This maternal mortality rate for Black women is more than twice as high as that of white women, leading to adverse maternal and child health outcomes that cost the United States over [\\$32 billion](#) from conception through age 5 for all children born in a single calendar year.

State Level Data

Data on the economic status of Black Americans at the national level enables us to understand how Black workers, families, and children have fared over the years and throughout the ongoing economic recovery.

But national statistics fail to provide a comprehensive picture, as they may not reflect differences across states. State-level data on homeownership, education, and access to health insurance can provide a broader perspective of the true economic experience of Black Americans in the communities in which they live.

Despite Progress, Black Americans Continue To Face Barriers to Economic Security			
State	Homeownership Rate	Share with a Bachelor's Degree	Share Without Health Insurance
National	48%	17%	10%
Alabama	56%	13%	12%
Alaska	42%	22%	7%
Arizona	47%	19%	11%
Arkansas	47%	12%	10%
California	42%	20%	6%
Colorado	47%	21%	9%
Connecticut	47%	17%	7%
Delaware	60%	18%	7%
District of Columbia	40%	25%	5%
Florida	53%	16%	15%
Georgia	54%	19%	14%
Hawaii	38%	23%	4%
Idaho	56%	12%	18%
Illinois	46%	17%	8%
Indiana	47%	13%	9%

Despite Progress, Black Americans Continue To Face Barriers to Economic Security

State	Homeownership Rate	Share with a Bachelor's Degree	Share Without Health Insurance
Iowa	43%	11%	8%
Kansas	43%	14%	14%
Kentucky	47%	12%	8%
Louisiana	51%	11%	9%
Maine	40%	17%	11%
Maryland	57%	23%	6%
Massachusetts	44%	20%	4%
Michigan	49%	13%	7%
Minnesota	42%	13%	5%
Mississippi	54%	12%	14%
Missouri	47%	14%	13%
Montana	78%	17%	2%
Nebraska	39%	14%	9%
Nevada	36%	15%	11%
New Hampshire	44%	17%	6%
New Jersey	49%	21%	8%
New Mexico	56%	18%	12%
New York	39%	20%	6%
North Carolina	51%	17%	11%
North Dakota	27%	13%	13%
Ohio	41%	13%	9%
Oklahoma	42%	13%	15%
Oregon	46%	21%	6%
Pennsylvania	51%	15%	7%
Rhode Island	45%	13%	6%
South Carolina	57%	14%	11%
South Dakota	38%	7%	21%
Tennessee	46%	15%	12%
Texas	47%	19%	16%
Utah	47%	15%	13%
Vermont	64%	25%	3%
Virginia	53%	19%	7%
Washington	44%	18%	7%
West Virginia	52%	10%	11%
Wisconsin	34%	9%	9%
Wyoming	50%	25%	22%

Source: JEC calculations using 1-year 2021 ACS data via IPUMS USA, University of Minnesota

Note: These data refer to Americans who identify as Black alone or in combination.