

## The American Dream on Hold Economic Challenges in the African American Community

## **NATIONAL FACT SHEET**

African Americans have made significant social and economic progress since the passage of the Civil Rights Act of 1964. However, the black community continues to face enormous challenges. By many of the most important measures of economic well-being, black Americans lag far behind white Americans.

This fact sheet updates key facts from a <u>recent report</u> by the Joint Economic Committee Democrats.

## Unemployment

At **9.2 percent**, the current unemployment rate for black Americans is **more than double** the 4.4 percent rate for white Americans (*see Figure*).

African Americans today face an unemployment rate that is **the same as** the highest unemployment rate experienced by white Americans (9.2 percent) during the recent recession.

## Income

The median income of African American households is \$35,400—**nearly \$25,000 less** than the median income of white households (\$60,300).

## Wealth

The median net worth of white households is **13 times greater** than black households (\$142,000 vs. **\$11,000**).

#### **Black and White Employment Gap Persists** 18% 16% 14% BLACK UNEMPLOYMENT RATE 8 5% Dto 12% Higher 3.4% Pts 10% Higher 4.8% Pts 8% Νατιοναι Higher **UNEMPLOYMENT RATE** 6% 4.4% 4% September WHITE UNEMPLOYMENT RATE 2015 2% (Current) 0% 2002 2004 2006 2008 2010 2012 2014 2000 Source: Bureau of Labor Statistics (updates next on November 6, 2015) Notes: Grey areas represent periods of recession as determined by the National Bureau of Economic Research; gaps denote the smallest difference on record, largest difference since 1986 and current difference in black and white

## Poverty

**More than one in four** African Americans live in poverty (26.2 percent)—**almost triple** the rate for whites (10.1 percent).

unemployment rates

### Education

Among 25- to 29-year-olds, whites are **almost twice as likely** as African Americans the same age to have a 4-year college degree (41 percent vs. 21 percent).

State/DC	African American Share	Unemployr	nent Rate	Household (Med		Poverty Rate*		
State/DC	of State Population	African American	White	African American	White	African American	White	
Alabama	27.5%	13.7%	6.7%	\$28,600	\$50,100	31.1%	13.5%	
Alaska	5.3%	19.2%	5.1%	\$47,200	\$80,700	31.7%	6.8%	
Arizona	5.3%	13.2%	6.6%	\$40,100	\$55,300	25.4%	11.4%	
Arkansas	16.5%	12.2%	5.6%	\$27,700	\$45,500	33.2%	14.5%	
California	7.0%	14.7%	7.1%	\$42,500	\$73,000	25.4%	10.5%	
Colorado	5.1%	8.5%	4.8%	\$41,800	\$67,400	21.9%	8.7%	
Connecticut	11.7%	14.3%	6.2%	\$45,000	\$79,000	20.8%	6.1%	
Delaware	23.5%	7.9%	6.6%	\$45,300	\$65,400	19.9%	8.9%	
District of Columbia	49.8%	17.0%	2.7%	\$40,700	\$117,100	25.9%	6.9%	
Florida	17.4%	13.0%	6.7%	\$34,600	\$52,300	26.9%	11.5%	
Georgia	32.4%	13.1%	6.1%	\$36,500	\$57,600	27.0%	11.9%	
Hawaii	3.6%	10.0%	5.0%	\$66,300	\$70,300	12.2%	9.9%	
Idaho	1.2%	NA	4.9%	\$30,200	\$49,500	30.4%	12.6%	
Illinois	15.3%	18.1%	6.0%	\$33,400	\$64,300	30.6%	9.3%	
Indiana	10.5%	17.1%	6.0%	\$30,100	\$52,100	32.0%	11.9%	
Iowa	4.2%	12.0%	4.0%	\$28,900	\$55,200	34.4%	10.5%	
Kansas	7.4%	11.0%	4.4%	\$32,100	\$56,000	25.0%	10.5%	
Kentucky	9.3%	14.1%	6.9%	\$26,700	\$45,200	32.4%	17.3%	
Louisiana	33.2%	12.0%	5.2%	\$27,700	\$54,900	33.7%	12.3%	
Maine	1.7%	12.070 NA	5.6%	\$16,800	\$50,000	46.4%	13.1%	
Maryland	31.2%	11.1%	5.0%	\$59,300	\$82,800	14.6%	6.9%	
Massachusetts	8.8%	11.1%	5.6%	\$42,100	\$75,600	21.8%	7.6%	
Michigan	15.2%	17.9%	6.5%	\$29,700	\$73,500	33.0%	12.3%	
Minnesota	6.8%	17.9%	3.8%	\$29,700	\$64,800	37.5%	8.3%	
Mississippi	38.5%	14.3%	7.0%	\$27,300	\$48,800	34.3%	13.1%	
Missouri	12.8%	14.1%	5.8%	\$31,600	\$51,400	28.1%	12.9%	
Montana	0.9%	NA	4.4%	\$23,900	\$48,000	20.1% NA	13.1%	
Nebraska	5.7%	9.9%	4.4%			31.7%	9.5%	
				\$30,800	\$56,000			
Nevada	10.0%	14.9%	8.0%	\$36,200	\$56,500	25.6%	11.2%	
New Hampshire	2.0% 14.7%	8.4%	4.9%	\$47,700	\$67,300	15.5%	8.5%	
New Jersey		13.5%	6.3%	\$46,300	\$82,200	19.7%	6.4%	
New Mexico	2.6%	11.7%	5.7%	\$37,800	\$53,400	21.8%	13.4%	
New York	17.1%	11.8%	5.8%	\$40,900	\$68,300	23.2%	10.4%	
North Carolina	23.0%	13.8%	6.6%	\$33,000	\$52,800	26.5%	11.6%	
North Dakota	2.5%	NA	2.5%	\$23,300	\$61,900	33.1%	8.6%	
Ohio	13.8%	16.7%	5.7%	\$26,700	\$52,800	34.7%	12.2%	
Oklahoma	9.1%	8.8%	4.9%	\$30,000	\$51,500	29.9%	12.9%	
Oregon	2.7%	15.9%	7.2%	\$30,900	\$52,900	38.3%	13.9%	
Pennsylvania	12.4%	16.2%	5.5%	\$32,300	\$57,500	29.5%	9.7%	
Rhode Island	8.0%	11.3%	7.0%	\$35,800	\$61,400	20.6%	10.3%	
South Carolina	28.6%	13.2%	6.1%	\$30,300	\$52,400	28.8%	11.9%	
South Dakota	2.4%	NA	2.4%	\$37,200	\$53,200	26.9%	9.5%	
Tennessee	17.9%	12.9%	6.6%	\$31,100	\$48,200	30.9%	14.3%	
Texas	12.9%	9.8%	4.7%	\$39,300	\$65,800	23.2%	9.3%	
Utah	1.6%	7.7%	4.5%	\$41,600	\$64,000	22.7%	9.0%	
Vermont	1.5%	NA	5.2%	\$50,900	\$54,600	32.5%	11.69	
Virginia	20.9%	10.1%	4.9%	\$43,800	\$70,900	21.2%	8.8%	
Washington	5.3%	10.8%	6.0%	\$43,300	\$63,500	24.7%	10.5%	
West Virginia	4.6%	9.3%	6.7%	\$30,000	\$41,700	31.6%	17.4%	
Wisconsin	7.2%	16.0%	4.4%	\$26,100	\$56,100	37.7%	9.6%	
Wyoming	1.6%	NA	4.0%	NA	\$60,400	NA	8.7%	

\* The poverty rate was derived using the American Community Survey, which gives a higher estimate (15.5 percent for the entire population in 2014) than the official poverty rate (14.8 percent), which uses the Current Population Survey.

Source: JEC Democratic staff tabulations of data from the 2014 American Community Survey (1-year estimates) using American FactFinder. Notes: "African American" refers to anyone who identifies as "black" or "African American," not in combination with any other race. However, for African American Share of State Population, "African American" refers to anyone who identifies as "black" or "African American," alone or in combination with other races. White refers to non-Hispanic white, not in combination with any other race. Household income data are rounded to nearest hundred dollars.

U.S. Cities: Current Measures of Economic Well-Being in the African American Community, 2014												
30 Largest U.S. Cities by	African American Population (16+)	Percent of City Population	Unemployment Rate		Median Household Income		Poverty Rate†		Percentage with 4-Year Degree		Percentage Working Full Time	
Population			African American	White	African American	White	African American	White	African American	White	African American	White
Austin, TX	56,400	8%	10.5%	3.7%	\$35,500	\$67,700	28%	11%	25%	49%	42%	52%
Baltimore, MD	307,100	61%	16.1%	5.7%	\$34,000	\$67,700	28%	14%	15%	54%	34%	47%
Boston, MA	128,000	23%	12.2%	5.0%	\$34,800	\$85,400	27%	14%	21%	63%	34%	48%
Charlotte, NC	216,200	34%	13.9%	5.8%	\$39,800	\$75,000	24%	8%	27%	52%	43%	50%
Chicago, IL	668,900	31%	20.6%	5.8%	\$29,000	\$73,400	34%	10%	19%	47%	29%	49%
Columbus, OH	171,100	26%	11.8%	4.0%	\$31,800	\$55,900	31%	14%	18%	40%	39%	50%
Dallas, TX	241,300	25%	12.3%	4.0%	\$28,400	\$70,900	32%	10%	15%	36%	37%	51%
Denver, CO	49,400	9%	7.6%	3.8%	\$31,300	\$68,800	27%	10%	20%	48%	36% *	50%
Detroit, MI	420,600	79%	23.6%	11.9%	\$24,700	\$30,800	39%	39%	12%	21%	25%	29%
El Paso, TX	20,300	4%	17.4%	6.3%	\$48,400	\$57,700	16%	9%	28%	23%	45% **	40%
Fort Worth, TX	119,200	20%	10.4%	4.8%	\$33,100	\$70,000	31%	9%	17%	30%	42%	47%
Houston, TX	405,200	23%	11.0%	3.2%	\$32,700	\$78,600	28%	10%	21%	34%	42%	49%
Indianapolis, IN	176,100	27%	15.9%	6.3%	\$30,500	\$50,600	29%	14%	17%	33%	37%	44%
Jacksonville, FL	198,100	29%	13.5%	6.6%	\$32,400	\$51,900	30%	13%	15%	29%	37%	43%
Las Vegas, NV	57,700	12%	15.6%	8.9%	\$36,100	\$58,900	25%	12%	14%	24%	36%	41%
Los Angeles, CA	295,100	9%	15.4%	7.6%	\$32,300	\$72,600	29%	12%	23%	37%	33%	41%
Louisville, KY	104,700	22%	12.6%	5.2%	\$27,100	\$52,200	33%	12%	14%	31%	36%	44%
Memphis, TN	317,600	62%	13.5%	4.9%	\$27,700	\$53,500	35%	14%	15%	43%	37%	44%
Milwaukee, WI	167,400	36%	18.6%	5.1%	\$25,000	\$49,600	40%	15%	12%	33%	31%	42%
Nashville, TN	139,900	27%	12.3%	3.8%	\$31,700	\$56,900	31%	12%	27%	42%	40%	48%
New York, NY	1,662,900	24%	12.0%	5.5%	\$41,000	\$80,200	23%	13%	23%	49%	38%	45%
Philadelphia, PA	513,500	41%	18.3%	7.3%	\$30,200	\$54,400	31%	14%	14%	36%	32%	40%
Phoenix, AZ	75,000	6%	14.4%	6.6%	\$35,300	\$57,500	30%	12%	21%	29%	41%	44%
Portland, OR	27,100	5%	13.4%	7.3%	\$26,900	\$60,100	46%	15%	22%	50%	31% *	42%
San Antonio, TX	78,700	7%	8.4%	4.8%	\$35,500	\$61,000	26%	12%	24%	26%	40%	43%
San Diego, CA	73,200	6%	12.2%	5.3%	\$50,300	\$80,100	23%	9%	24%	48%	42%	44%
San Francisco, CA	38,900	5%	17.9%	4.4%	\$29,500	\$104,400	28%	8%	25%	69%	30% *	51%
San Jose, CA	23,800	3%	7.4%	5.1%	\$60,800	\$101,900	18%	6%	32%	39%	39% *	44%
Seattle, WA	37,000	6%	11.2%	3.6%	\$28,100	\$80,400	36%	9%	16%	66%	31% *	50%
Washington, DC	260,800	47%	17.0%	2.7%	\$40,700	\$117,100	26%	7%	25%	87%	36%	60%
U.S. Total	31,139,400	12%	13.2%	5.8%	\$35,500	\$59,600	27%	11%	20%	31%	37%	41%

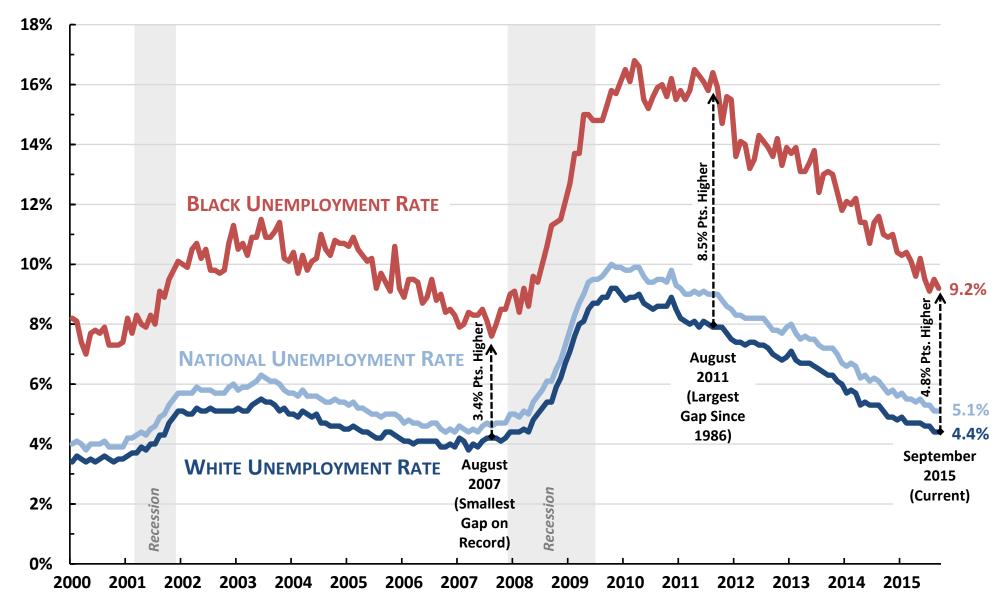
† The poverty rate was derived using the American Community Survey, which gives a higher estimate (15.5 percent for the entire population in 2014) than the official poverty rate (14.8 percent), which uses the Current Population Survey.

Source: JEC Democratic staff calculations using data from the 2014 American Community Survey (1-year estimates) using American FactFinder. "\*" indicates 3-year estimates (2011-13). "\*\*" indicates 5-year estimates (2009-13).

Notes: "African American" refers to anyone who identifies as "black" or "African American," not in combination with any other race. White refers to non-Hispanic white, not in combination with any other race. Percentage working full time refers to those who worked full time, year round in the past 12 months. U.S. cities determined by overall population size from 2010 Census. African American population refers to the civilian, non-institutional population, 16 years and over. Numbers rounded to nearest percentage except unemployment rates.

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# **Black vs. White Unemployment**



Source: Bureau of Labor Statistics (updates next on November 6, 2015)

Notes: Grey areas represent periods of recession as determined by the National Bureau of Economic Research; gaps denote the narrowest, widest and current differences in black and white unemployment rates

JOINT ECONOMIC COMMITTEE RANKING DEMOCRAT CAROLYN B. MALONEY



# **Differences in Unemployment by Race**

12-month moving average, October 2014 to September 2015

