



**ABFE**

A Philanthropic Partnership  
for Black Communities



# Economic Mobility

## Fact Sheet

## Overview

Employment is an important engine for every community. The importance lies not only in the prospect of employment but also the types, consistency, and wages attached to the employment. For the Black community, racism is a major factor in employment opportunities. This factsheet is intended to contextualize labor in the United States through a racial justice/ impact lens. Utilize the contents to create optimal assessments, strategies, and resource deployment.

ABFE is a membership-based philanthropic organization that advocates for responsive and transformative investments in Black communities. Partnering with foundations, nonprofits and individuals, ABFE provides its members with professional development and technical assistance resources that further the philanthropic sector's connection and responsiveness to issues of equity, diversity and inclusion.

For more information, visit [www.abfe.org](http://www.abfe.org).



# Facts and Figures

## Historical policies and practices

The history of the policies and practices that enslaved Africans to provide free labor to construct and develop the United States are significant to subsequent federal and state policies and practices that continue to impact today’s employment. After the end of slavery, newly freed men and women remained in similar labor positions as sharecroppers and domestic workers. Although they received pay

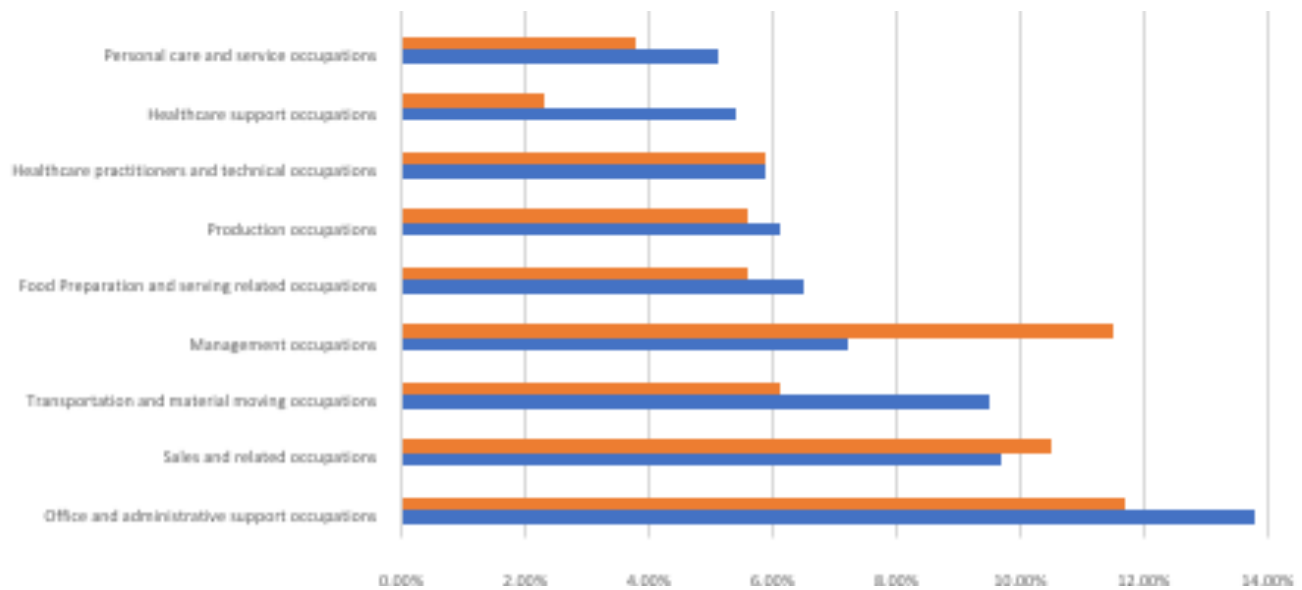
for the work they previously performed for free, the pay was minimal and often nonexistent due to the practice of charging fees against the future crops. Twentieth century legislation such as the Civil Rights Act of 1964 (which barred discrimination based on race, sex, religion, and national origin) provided a legal way to fight discrimination, but racism still persists in the labor force.

### Occupations

Figure 1 demonstrates the percent of Black people in various occupations as well as the share of total workers in the occupations. Black people appear to

maintain the highest rates in office/administrative support, sales, and transportation/material moving occupations. When combining these three categories, they comprise 35% of the Black population’s occupations.

Figure 1: Percent of Blacks in various occupations, by share of total workers



Source: U.S. Bureau of Labor Statistics, Current Population Survey.





### Black Employment by Education

A critical determinant of employment is education level. Figure 2 demonstrates the percentage of Black people 25 years and older in the labor force by educational attainment. The percentage of Black people with less than high school in the labor force has decreased from 14% in 1996 to 7% in 2016. Meanwhile the percentage of Black people with a Bachelor's degree and higher grew from 18% to 28% of the total Black labor force. This suggests a possible pattern in which labor force participation is increasing for the college educated Black population.

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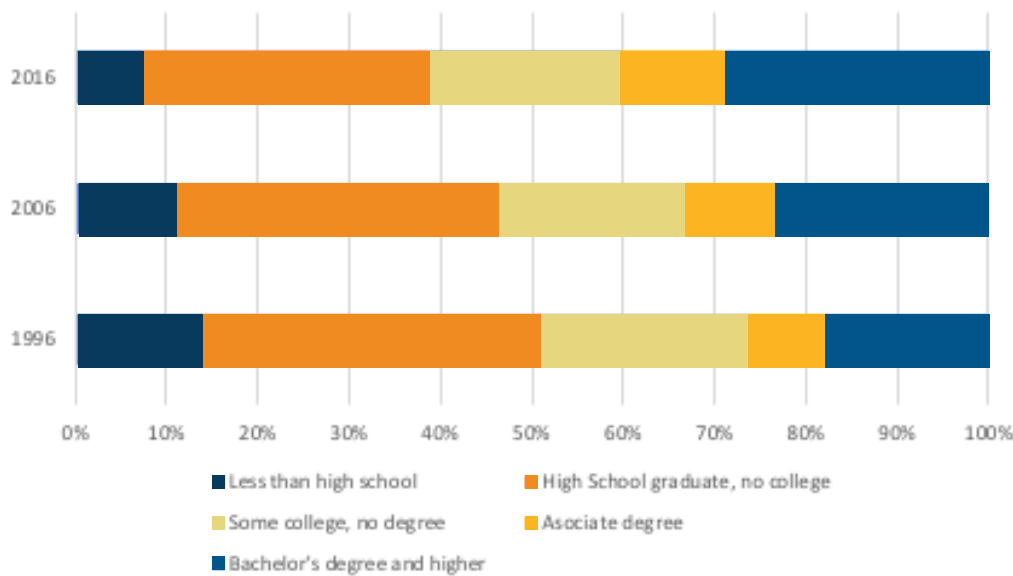


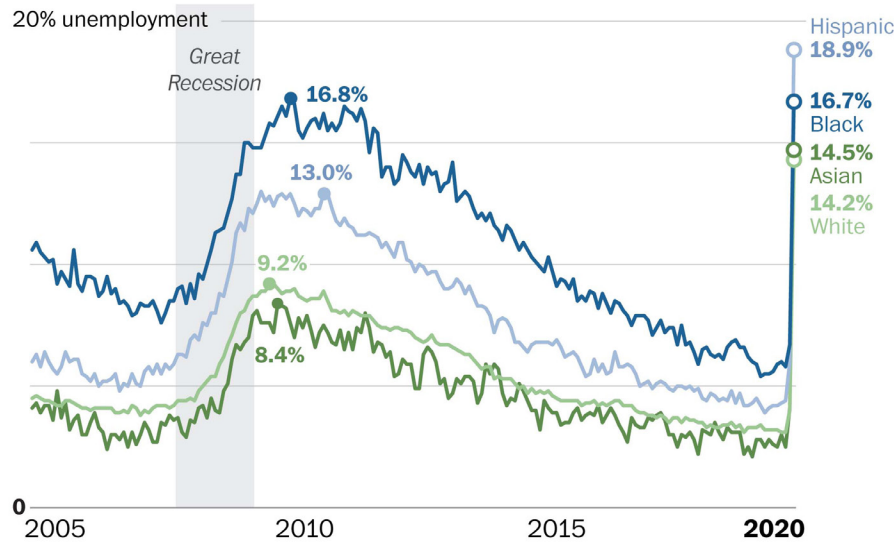
Figure 2: Percentage of Blacks 25 years or older in labor force by educational attainment

Source: U.S. Bureau of Labor Statistics, Current Population Survey.

### Black Unemployment

Understanding employment involves also knowing unemployment. Figure 7 demonstrates the unemployment rates for Black, White, Asian, and Latinx populations between 1976 and 2020. The unemployment rates for all groups decreased over time. For Blacks the steepest drop occurred between 1986 and 1996, and continued to drop into 2006 prior to the Great Recession. Unemployment spiked in the Black community in 2010 and again in 2020 due to the COVID-19 pandemic.

Figure 7: Unemployment rate by race



**Note:** For civilian Americans, seasonally adjusted. White, black and Asian categories are not exclusive of Hispanic ethnicity.

**Source:** Labor Department. The Washington Post



# Paths Toward Equity

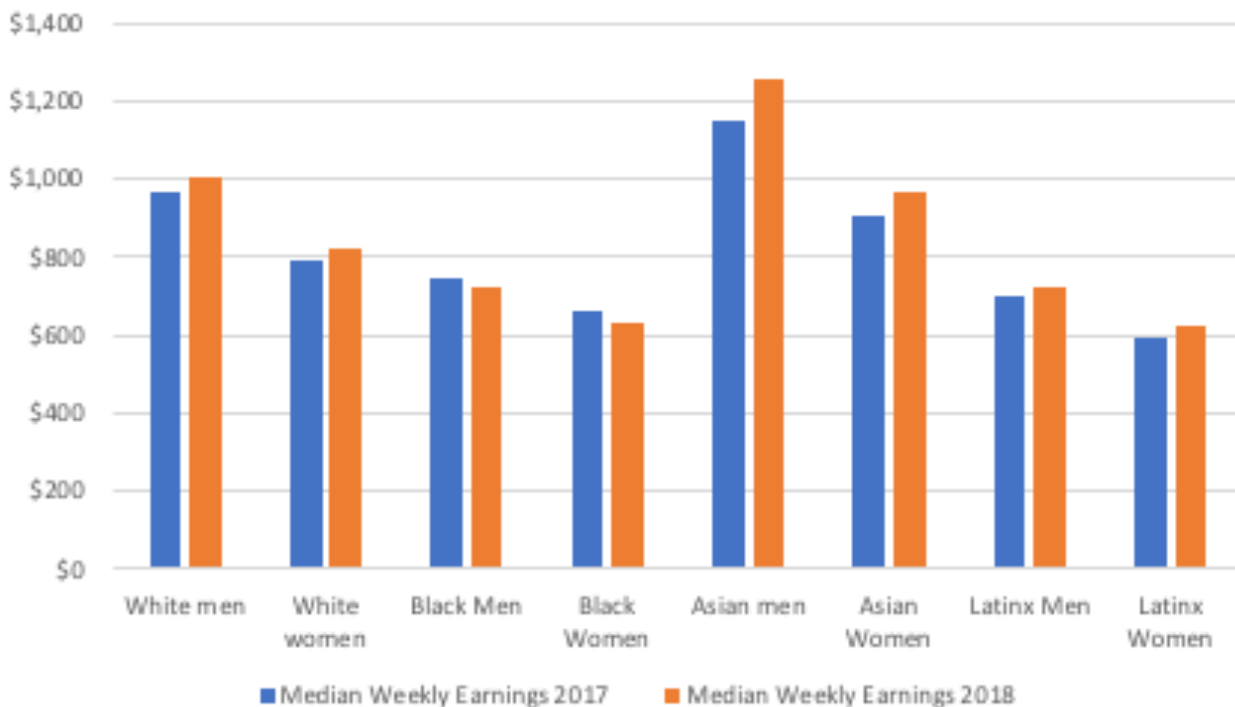
## Living Wage

One of the most important conversations surrounding employment and labor force participation is wages, i.e., what are the wages of various occupations and are the wages livable? The research on this policy concern highlights a variety of related issues: income stagnation, erosion of labor standards, changing business practices, and occupational segregation and discrimination (Economic Policy Institute, 2016). Thus, raising wages to livable rates must also contend with these issues and in particular the current pattern of wage differences. Living wage is of vital importance for all Americans, however this wage increase must also coincide with improving differentials in earnings. More specifically, the living wage issue is also about how

much distance exists between groups in earnings. Figure 3 demonstrates the median weekly earnings of full-time and salary workers by race and ethnicity in 2017 and 2018. Among all groups, Black men and women maintained the lowest weekly earnings in 2017 and 2018.

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**Figure 3:** Median Weekly Earnings of full-time wage and salary workers by race and ethnicity, by 3rd quarter 2017 and 2018



Source: U.S. Bureau of Labor Statistics, Current Population Survey.



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