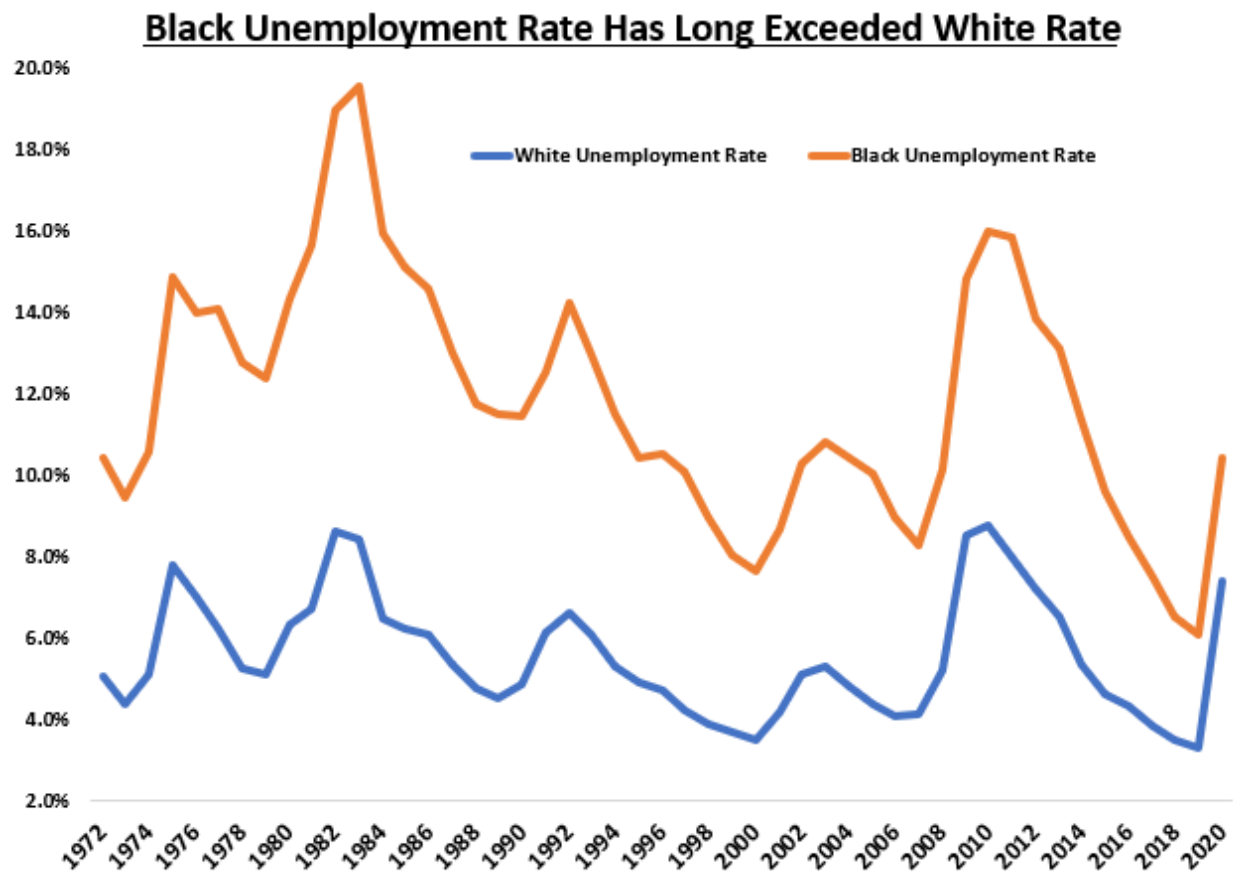


Analyzing the Employment Gap between Black and White Americans

Racial disparities in economic measures are well-known. There is a long-standing economic gap between white and black Americans.

There are many ways to measure that difference. For instance, analysts can examine income, wealth, or homeownership, among several data series to compare the size and trend of the differences. Because it contributes so much to the differences in income and wealth measures, one of the first data points to look at when trying to understand the differences between white and black economic outcomes is their respective unemployment rates.

Going back to the early 1970s, the unemployment rate for African Americans has always exceeded that of whites. That gap peaked in 1983 at 11.1%, when the black unemployment rate was 19.5%. The same metric for white Americans was just over 8.4%.



The smallest gap was in 2019 when the difference was 2.8%. The rate for white Americans was 3.3% and the rate for black Americans was 6.1%. That percentage rate

was the lowest unemployment rate for African Americans in the nearly 50 years since 1972.

The strength of the economy and that the economic expansion was in its 11th year had driven unemployment rates low for all Americans. Had the expansion continued, unemployment rates would likely have continued falling.

One of the side effects of the COVID-19 crisis is that the large employment gains for African Americans were largely wiped out. The black unemployment rate stood at 16.8% in May. The white rate was 12.4%, so the gap increased to 4.4% since the end of 2019.

As the country works to revive the economy after the Great Pause, closing this gap will be an important task.

—Curtis Dubay, Senior Economist, U.S. Chamber of Commerce