

African American Unemployment Reaches Alarming Levels

Disturbing news hit the wires in late August – the unemployment rate for African Americans is double the national rate. An alarming 16.7% of African Americans are out of work, up from 16% last year, while the national average stands at 8%, down from almost 9% in 2010.

Why is this happening? Simply put, African Americans hold public sector jobs at a much higher rate than any other group. In fact, black workers are 30% more likely to be employed by a government or municipality than other workers are. A study by the UC Berkley Department of Labor revealed that between 2008 and 2010 21.2% of African American workers worked in the public sector, while only 16.3% of all other workers held those jobs.

While these numbers mean good things for those workers during good times, they also mean that African Americans were hit the hardest by the government budget cuts. And while the federal government has begun slashing jobs this year, local and state governments have been engaged in broad job-cutting for some time. This trend is not expected to end any time soon, which leaves little room for optimism going forward.

Although the overall number of 16.7% is high, the numbers within that figure are even more shocking. Black men have it the worst, suffering an unemployment rate of 19.1% while black women are at 14.3% - still far above the national number. This is the fourth straight year that African American unemployment remained in double figures and most economists don't see an end to that for another four years.

Black unemployment has been double the national average for as long as the government started tracking unemployment rates in 1972. Economists have theories about why that is. They say that the African American workforce is younger than that of other ethnic groups and that lower numbers of blacks get a college degree and many live in areas of the country that are harder hit by recessions. There may be some truth to these reasons, but the substantial reliance upon public sector employment is something that has devastated black employment and is a real cause for concern going forward.

