

State of the Black Economy



Center for Policy Analysis and Research

CBCF FACT SHEET 4
September 2004

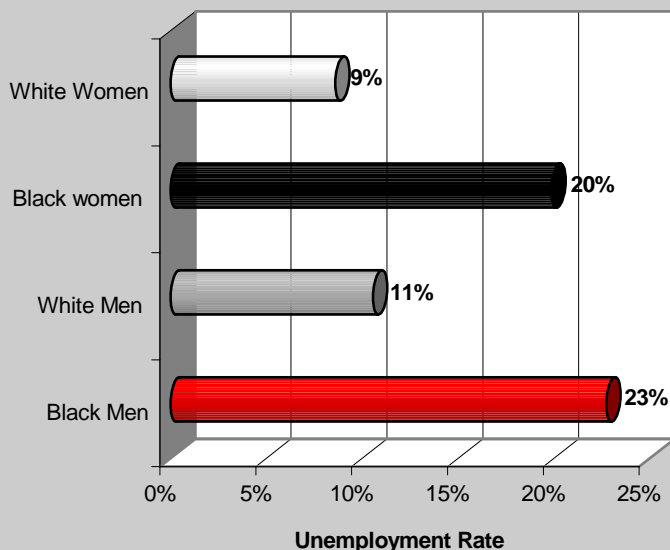
Introduction:

Over the past 30 years, African Americans have made great progress in bringing down barriers that did not allow them to fully participate in the U.S. economy; yet barriers remain. Although African Americans comprise 12% of the U.S. population, they face much higher unemployment rates and poverty rates than whites.

Unemployment

- In 2003, the unemployment rate for African American men was 10.3% as compared to White men at 5.0%. Similarly, the unemployment rate of African American women was 9.2% as compared to White women at 4.4%
- For the past 20 years, consistently, African Americans have had an unemployment rate of 6 percentage points higher than Whites. And today, one in nine African Americans cannot find a job.
- Working age African American males under 35 face the greatest underemployment. Overall, more than 22% are unemployed.

Unemployment Rate for People under 35

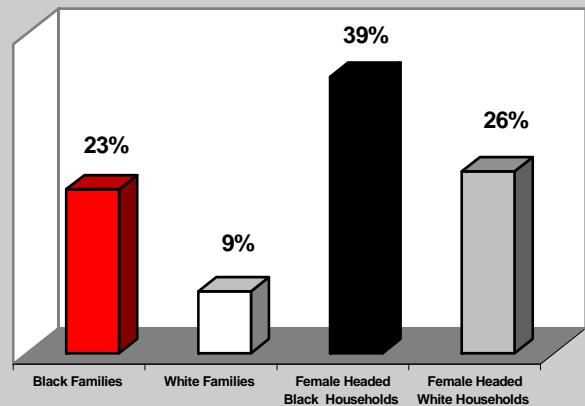


Source: Bureau of Labor Statistics: 2003 Current Population Survey

Poverty Rate

- The poverty rate of the African American family is nearly three times that of white families.

2003 Family Poverty Status



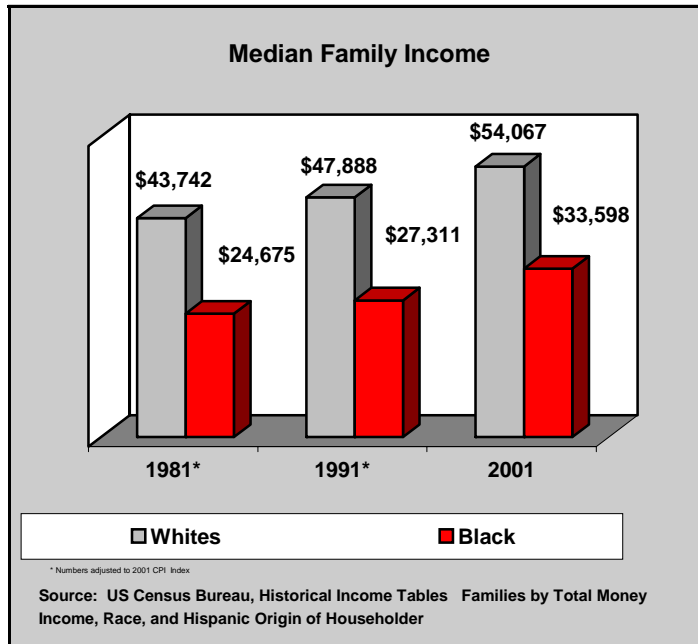
Source: US Census, Income, Poverty and Health Insurance Coverage in the United States: 2003

- An estimated 36 million people lived below the poverty level in 2003, including 8.8 million Blacks.
- The poverty rate, which was 12.5% for the total population, was 24% for Blacks and 22% for non-Hispanic Whites.
- Poverty greatly affects African American female headed households. Over 38% of these households live below the poverty line.
- Among all children under age 18, the poverty rate for African Americans was 33% as compared to 9.8% for white children.
- Even African Americans over the age of 65 are disproportionately impoverished. Slightly over 8% of Whites as compared to 24% of Blacks over the age of 65 live below the poverty line.

Black Female headed households are more than four times as impoverished than White Households.

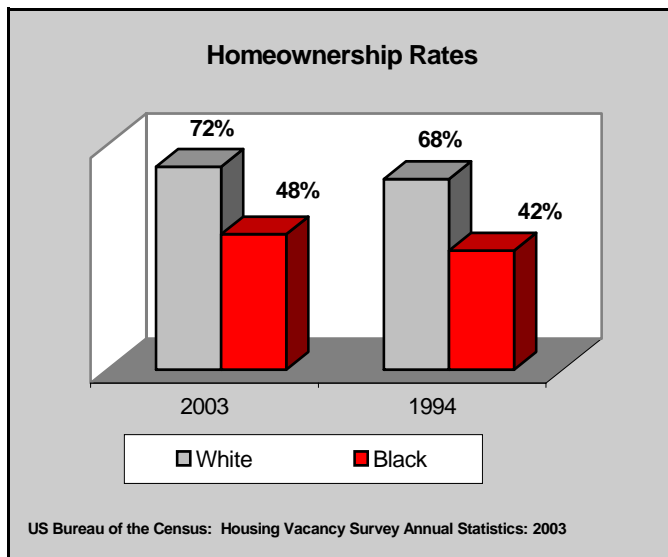
African American-White Income Gap

Over the last two decades, despite income increases, the African American-White income gap has virtually remained the same.



Homeownership

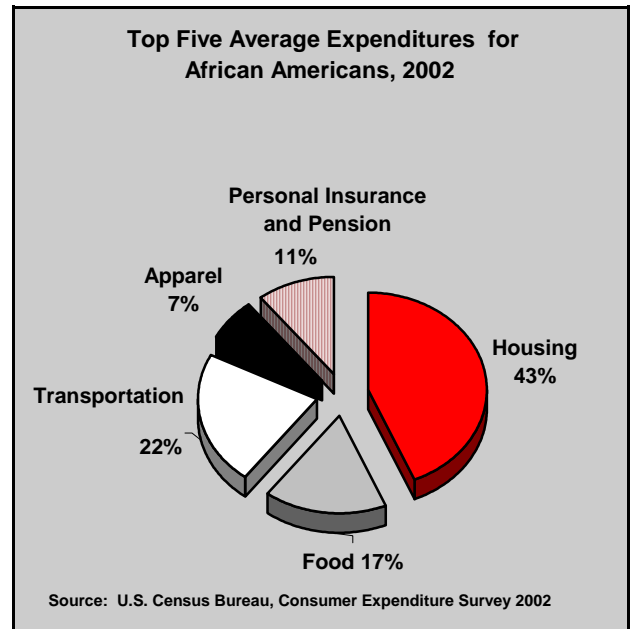
- Despite African Americans achieving a hard fought 6% increase in homeownership, the African American-White homeownership gap has barely changed. In 2003, almost three-quarters of white Americans owned their own home, compared with fewer than half of African Americans.
- According to the document, *The State of the Dream 2004– Enduring Disparities in Black and White*” by the United for a Fair Economy, if the homeownership gap continues to close at this rate, it would take 1,664 years, or approximately 55 generations, before the gap is closed.



African American Household Expenditure

- According to the report, “The Buying Power of Black America” black households had \$631 billion in earned income in 2002, an increase of 4.8% over the \$602 billion earned in 2001.
- According to the Consumer Expenditure Survey 2002, the annual average expenditure for African Americans is \$30,136, an increase of over \$1,200 from 2001.
- The annual average expenditure for Whites was \$42,135, an increase of over \$1,100 from 2001.
- African Americans expend a larger portion of their income on Telephone services, electricity, natural gas, children’s apparel and footwear categories.

The median income of a Black family is 58% that of whites. Yet, on average Blacks expend 76% that of Whites.




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