

ON POINT'S CORONAVIRUS HOURS

Racial Inequality: Black Workers Face 'Devastating Job Loss' During The Pandemic, Study Says

 47:00 

</>

Updated June 05, 2020

By [Adam Waller](#)  and [Jane Clayson](#)

Demonstrators hold up placards protest outside of the White House, over the death of George Floyd in Washington D.C. on June 1, 2020. (JOSE LUIS MAGANA/AFP via Getty Images)

Black Americans are disproportionately hard hit by the current loss of jobs. We explore why and what can be done to reverse this trend.

Guests

Story continues below

Most Viewed Stories



Protests For Racial Justice: Community Organizers Share Stories From The Ground

On Point 12 hours ago

Roundtable: Former Military Officials On The Protests Against Police Violence

On Point 12 hours ago

[Valerie Wilson](#), director of the [Economic Policy Institute](#)'s program on race, ethnicity and the economy. ([@ValerieRWilson](#))

[Darrick Hamilton](#), executive director of the [Kirwan Institute for the Study of Race and Ethnicity](#) at Ohio State University. ([@DarrickHamilton](#))

[William Darity](#), professor of public policy, African and African American studies and economics and director of the [Samuel DuBois Cook Center on Social Equity](#) at Duke University. ([@SandyDarity](#))

Interview Highlights

On why African Americans have been disproportionately affected by COVID-19

Valerie Wilson: “African-Americans are more likely than whites to have [preexisting] health conditions. But it's also true that the geography of outbreaks hasn't been uniform across the country. So another statistic that the Centers for Disease Control has been providing — which is where we got the numbers that you just cited and were included in our report — they also look at a weighted share of the population that accounts for the demographics in areas that have been experiencing more outbreaks. And the share of the black population in those areas is higher, at 18.2 percent, than the overall share in the broader population. So there's a concentration of African American workers in those areas that have had higher outbreaks. There's a greater prevalence of the kinds of health conditions that put people at greater risk. And there are other things, I think, that play into that that we get into as well. They're specifically thinking about housing structures and people's ability to effectively socially distance if they do contract the virus.”

On how the George Floyd protests are related to coronavirus' impact on black communities

Darrick Hamilton: “The fact that we have a political economy that allows for the property rights of whiteness and, you know, this is not a bug of the system, but a feature. In other words, how we got here — and this is a somewhat nuanced argument, so I'll try to make it quick — we've had over 45 years of growing inequality with concentration of both political and economic power at the top. In order for this system to persist and not have

political upheaval, what has been offered, tactically, is relative status to the dominant population. And it was plainly made by President Trump when he ran in 2016 when he talked about building walls. And that is really the codification of a relative status of whiteness. And I'd say that that's the gloom. The gloom is, we have a political economy that permits a devaluation of black lives so that we can see incidents like that. And then this is all connected because the positive optimism is that there is upheaval in the streets, there is protest in the street."

"The data historically shows that the longer an economy is in a recovery, the black unemployment rate is more likely to improve."

VALERIE WILSON

On President Trump claiming responsibility for record low black unemployment rates

Valerie Wilson: "Even at that low point, it was still double the white unemployment rate. And the fact is, I think that any individual president can take little credit for what happens in terms of specific demographics, employment prospects, unless they have very specific, targeted, intentional policies in place to really address those issues. I would argue that one of the reasons why the black unemployment rate got to such a low level during the recovery was because we had been in recovery for an extended period of time. We know that the data historically shows that the longer an economy is in a recovery, the black unemployment rate is more likely to improve. And so I think that's part of that. What we saw when the pandemic hit was that there was an immediate and widespread job loss that hit all groups. And

interestingly, the numbers in April showed about a 10 to 12 percentage point increase across the board. And because that twelve, eleven points was added on top of a higher number for black workers, the black rate was still higher than the white unemployment rate. And as we just have seen in May, the black unemployment rate did not improve even as the overall rate declined.”

On the wealth disparity between college-educated black households and white ones

Darrick Hamilton: “We exaggerate the functional role of education to the expense of understanding the functional role of wealth. And I guess the point being is that, even when black households get high levels of education, they’re still in a precarious situation. And that is clearly marked by the fact that black households where the head graduated from college typically have less wealth than white households where the head dropped out of high school. And what is meaningful about this, again, is wealth is valuable in terms of what it can do for you. We think about wealth as an outcome, but if you have wealth, you would have been better protected during this pandemic. If you had a preexisting health condition and you were told by your employer that you had to show up for work and risk your own life — well, if you have no wealth, you can't refuse that employer. But if you had liquid assets, you can say, you know what, I'm not coming to work. I'm not putting my life at risk. And that's just one example of the ways in which we really need to understand that it is just capital foundation, particularly in terms of wealth, that empowers people. And black people are pretty much penniless if we think about it in the dimension of assets.”

“We exaggerate the functional role of education to the expense of understanding the functional role of wealth.”

DARRICK HAMILTON**On the role of home ownership — or lack thereof — in the racial wealth gap**

Valerie Wilson: “I think it is important that we focus specifically on the vulnerability faced by those who are renters. And the researcher that Darrick referenced is Matthew Desmond, and the tremendous work that he's done in looking at the process of eviction. And really, it's a cycle of eviction that happens once someone faces that insecurity. And again, given that the majority of black households are renters and that owners — not to diminish the risk that owners face as well, because we saw during the Great Recession that a disproportionate number of the foreclosures happened among African-American homeowners and that, too, being tied to another kind of systemic discrimination whereby black homeowners were given higher cost loans and more predatory loans that put them at greater risk. So, whether you're an owner or a renter, you're facing these issues with regards to affordability, on top of facing a greater probability of losing your source of income, becoming unemployed.”

On the origins of the racial wealth gap in the U.S.

William Darity: “It's important to understand that the racial wealth gap is a consequence of American policies. It is not a consequence of any form of dysfunctional behavior on the part of blacks or poor decision making on the part of blacks. As Darrick pointed out, black heads of households with a college degree have two-thirds of the net worth of white heads of households who never finished high school. And so we have to look specifically at the trajectory of American social policy with respect to race to understand why the wealth gap exists. I would place the origin point or the starting point with the immediate aftermath of the civil war in which the family and slave were promised 40-acre land grants. That promise was never fulfilled. Simultaneously, many, many white Americans received what we could refer

to as grand government handouts in the form of 160-acre allotments throughout much of the western part of the United States under the terms of the Homestead Act. That's the beginning of the racial wealth divide centuries.”

On what can be done to reverse the trend for black unemployment

William Darity: “The important [solution] that I think we have to focus on in the context of the current unemployment crisis is the federal jobs guarantee. And the premise here is that the United States government would assure every adult American of an employment opportunity in the public sector, at wages that surpass the poverty level, accompanied by a benefits package that would be similar to the benefits package that's available to all federal civil servants. The premise here is that everyone would have an assurance of work. We could move directly to full employment in the economy at any point in time, regardless of whether we were in prosperous times or in a depressed economy. And we would have the capacity to ensure that everyone would receive earnings at non-poverty levels. So we could simultaneously have full employment, and we could eliminate poverty in the United States.”

“Choice really is an illusion if you don't have the resources by which you can make a sound choice.”

DARRICK HAMILTON

Darrick Hamilton: “A New New Deal. It recognizes that there is no silver bullet, but a package of goods, and that package of goods has to be framed — and it's related to the caller's point on emphasizing choice. Choice really is an illusion if you don't have the resources by which you can make a sound

choice. So what a New New Deal would be, would be to offer all people the necessary ingredients so that they can have true agency, authentic agency. You know, we say that markets give you choice. Well, that's inauthentic. If you lack any foundation by which to make a choice — if you're hungry, if you lack shelter, if you don't have access to education, if you don't have access to capital... What a New New Deal would do, in a nutshell, would identify the necessary functional goods, the necessary capability goods, the necessary goods that everybody needs in order to make choices in their lives and make sure that there is adequate quality, quantity and universal access to them across the board."

From The Reading List

Economic Policy Institute: "[Black workers face two of the most lethal preexisting conditions for coronavirus—racism and economic inequality](#)" — "“We’re all in this together” has become a rallying cry during the coronavirus pandemic. While it is true that COVID-19 has affected everyone in some way, the magnitude and nature of the impact has been anything but universal. Evidence to date suggests that black and Hispanic workers face much more economic and health insecurity from COVID-19 than white workers."

Duke Today: "[Middle Class Not A Level Playing Field For Blacks, New Duke Research Finds](#)" — "The 'middle class' can be hard to define. A new report from Duke University suggests that for African Americans it's simply hard to find — and that's in the best of circumstances."

New York Times: "[Black Workers, Already Lagging, Face Big Economic Risks](#)" — "The coronavirus recession has hit black Americans particularly hard, amplifying racial inequalities that may worsen as the economy begins what is expected to be a slow climb back to where it was before the crisis."

Washington Post: "[The black-white economic divide is as wide as it was in 1968](#)" — "As Black Lives Matter protests grow across the nation over policing,

the deep economic inequalities that African Americans face are coming to the forefront."

Planet Money: "[Racism And Economics](#)" — "This past weekend was defined by protests across the country. Sparked by the death of George Floyd, thousands of people marched in America's major cities to speak out against racism and police brutality."

Financial Times: "[African-American economic gap remains despite US expansion](#)" — "The mass protests that have gripped America in the wake of George Floyd's death in Minneapolis last week have been centred on outrage at police brutality and racial injustice targeting black communities."

Vox: "[George Floyd and the cascade of crises in black America](#)" — "George Floyd's death at the hands of Minneapolis police has become emblematic of the potentially deadly risk of being black in America. But it's not just his death that illustrates the country's racial disparities. His life, especially amid the coronavirus, did as well."

Washington Post: "[Trump, Congress face huge economic decisions over aid as country is rocked by protests](#)" — "The escalating protests across the United States could intensify a political standoff between the White House and Congress over whether to continue emergency economic assistance for millions of Americans."

This article was originally published on June 05, 2020.

This program aired on June 5, 2020.