Minority Workers Who Lagged in a Boom Are Hit Hard in a Bust

By Patricia Cohen and Ben Casselman

African-Americans and Latinos are especially vulnerable to job losses in the pandemic and at a disadvantage in getting government support.

When Illinois shut down businesses to slow the spread of the coronavirus in March and the state’s unemployment system jammed from the overload, Bridget Altenburg, chief executive of a Chicago-based nonprofit group, visited one of the organization’s work force centers. Two things stood out: the sheer number of people lined up to apply for unemployment benefits, and how few faces were white.

“The thing that struck me was how un-diverse it was,” Ms. Altenburg said. “All people of color, Latino, African-American, and the stories I heard were just gut wrenching. People went to work Monday morning and the doors were closed and they were told to go get unemployment.”

Black Americans have always had a more difficult time in the job market. The latest evidence arrived Friday when the government reported that 21 million Americans were unemployed in May. Though the jobless rate for whites dipped, to 12.4 percent, the rate for African-Americans inched up to 16.8 percent, meaning that nearly 1.4 million black men and nearly 1.7 million black women were part of the labor force but without work. The Hispanic jobless rate improved from April but was 17.6 percent.

Unemployment rates in May 2020, by gender, race and ethnicity

White men were among the groups with lower unemployment than the national rate, while Hispanic women and others had notably higher unemployment.
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By Ella Koeze

Hiring prospects for African-American and Latino workers have long been hobbled by factors that stretch from poorer educational options and lopsided incarceration rates to outright discrimination by employers.

Even last year, as the national jobless rate fell below 4 percent to its lowest level in half a century, the rate for black men in Illinois was nearly 10 percent. African-Americans also earn less, are quicker to be laid off, are slower to be rehired and are less likely to be promoted. Historically, the black unemployment rate is twice that of whites.

Even before the pandemic, most clients at Ms. Altenburg’s group, the National Able Network, were black or Latino. “It doesn’t surprise me,” she said of the disparities she witnessed during a recent visit to another work force center, in Omaha. “But it makes me angry, and it makes me tired.”

As Jerome H. Powell, chair of the Federal Reserve, explained at a news conference in April, “Unemployment has tended to go up much faster for minorities, and for others who tend to be at the low end of the income spectrum.” The coronavirus pandemic has only amplified the problem.

“All Americans are suffering here,” Mr. Powell added. “But I think those who are least able to bear it are the ones who are losing their jobs, and losing their incomes and have little cushion to protect them in times like that.”

The current economic crisis has struck black and Latino families particularly hard in several ways. They are more likely to work in the service industries that were the first to be hit by layoffs, and less likely to work in white-collar jobs that can be done safely from home. They have, on average, significantly less in savings to help them weather a period of unemployment, and are less likely to have families with the resources to help out.

Since the pandemic, fewer than half the blacks who are 16 and older have a job. Latino unemployment rates are higher than any other racial or ethnic group.

Minorities also had a harder time taking advantage of government support efforts — less likely to have computers to file for unemployment benefits and less likely to have bank accounts, slowing the time it took to receive government stimulus checks or making it harder for small-business owners to apply for emergency loans.
"Stark inequalities that existed and were exacerbated by the Great Recession have been further exacerbated by the pandemic," said Ray Boshara, director of the Center for Household Financial Stability at the Federal Reserve Bank of St. Louis. "The level of financial fragility is much higher."

Different challenges face those who have hung on to their jobs as part of the nation’s essential workforce or in frontline occupations in health care and social services, at grocery and drugstores, in public transit and trucking, and in warehouses and cleaning services.

Minority women are more likely than any other group to be part of the large underpaid work force that has been deemed necessary to keep the country cared for and fed.

Still, the lives of these workers are insufficiently valued and appreciated, said Rhonda Vonshay Sharpe, an economist and the president of the Women’s Institute for Science, Equity and Race in Mechanicsville, Va. "It's not the workers who are essential — it's the jobs that are essential," she said, pointing to the long delays in getting proper protective equipment and taking other lifesaving measures.

"It suggests that the workers are expendable," Ms. Sharpe said. "What we’re more concerned about is that the job is getting done."

That partly explains why black Americans have suffered a disproportionate share of coronavirus deaths.

"One of the reasons that African-Americans and Latinos are more affected is we are in those jobs," said Stephanie James, who had been taking care of a woman with dementia. "We are the bus drivers, we are the people who pick up your groceries, we are the people who work in the stores, we are all of those folks."

Ms. James, who lives in a suburb of Washington, is now out of a job. So are two of her three siblings and many of her neighbors. She has underlying health issues, and nearly all of the available jobs seem too risky.
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Ms. James knows that a spate of joblessness, especially during an economic downturn, can have a lifelong impact. She spent 13 years working for a government contractor, rising up the ranks, before losing her job in 2010. Ms. James was unemployed for six months before she took a job at a grocery store to get by. She eventually got back into her field, but has not found the kind of steady work she enjoyed before the last recession.

The pattern is familiar — blacks tend to be out of a job longer than whites.

“What we saw with the Great Recession was that it took much longer for black and Latino workers and black and Latino households to recover from that recession,” said Valerie Wilson, an economist at the left-leaning Economic Policy Institute who was a co-author of a recent report on the impact of the virus on black workers. “And in fact some would argue that we didn’t see a recovery for those communities until the last three years.”

Updated June 5, 2020

○ How does blood type influence coronavirus?

A study by European scientists is the first to document a strong statistical link between genetic variations and Covid-19, the illness caused by the coronavirus. Having Type A blood was linked to a 50 percent increase in the likelihood that a patient would need to get oxygen or to go on a ventilator, according to the new study.

○ How many people have lost their jobs due to coronavirus in the U.S.?

The unemployment rate fell to 13.3 percent in May, the Labor Department said on June 5, an unexpected improvement in the nation’s job market as hiring rebounded faster than economists expected. Economists had forecast the unemployment rate to increase to as much as 20 percent, after it hit 14.7 percent in April, which was the highest since the government began keeping official statistics after World War II. But the unemployment rate dipped instead, with employers adding 2.5 million jobs, after more than 20 million jobs were lost in April.

○ Will protests set off a second viral wave of coronavirus?

Mass protests against police brutality that have brought thousands of people onto the streets in cities across America are raising the specter of new coronavirus outbreaks, prompting political leaders, physicians and public health experts to warn that the crowds could cause a surge in cases. While many political leaders affirmed the right of protesters to express themselves, they urged the demonstrators to wear face masks and maintain social distancing, both to protect themselves and to prevent further community spread of the virus. Some infectious disease experts were reassured by the fact that protests were held outdoors, saying the open air settings could mitigate the risk of transmission.

○ How do we start exercising again without hurting ourselves after months of lockdown?

Exercise researchers and physicians have some blunt advice for those of us aiming to return to regular exercise now: Start slowly and then rev up your workouts, also slowly. American adults tended to be about 12 percent less active after the stay-at-home mandates began in March than they were in January. But there are steps you can take to ease your way back into regular exercise safely. First, “start at no more than 50 percent of the exercise you were doing before Covid,” says Dr. Monica Rho, the chief of musculoskeletal medicine at the Shirley Ryan AbilityLab in Chicago. Thread in some preparatory squats, too, she advises. “When you haven’t been exercising, you lose muscle mass.” Expect some muscle twinges after these preliminary, post-lockdown sessions, especially a day or two later. But sudden or increasing pain during exercise is a clarion call to stop and return home.

○ My state is reopening. Is it safe to go out?

States are reopening bit by bit. This means that more public spaces are available for use and more and more businesses are being allowed to open again. The federal government is largely leaving the decision up to states, and some state leaders are leaving the decision up to local authorities. Even if you aren’t being told to stay at home, it’s still a good idea to limit trips outside and your interaction with other people.

○ What’s the risk of catching coronavirus from a surface?

Touching contaminated objects and then infecting ourselves with the germs is not typically how the virus spreads. But it can happen. A number of studies of flu, rhinovirus, coronavirus and other microbes have shown that respiratory illnesses, including the new coronavirus, can spread by touching contaminated surfaces, particularly in places like day care centers, offices and hospitals. But a long chain of events has to happen for the disease to spread that way. The best way to protect yourself from coronavirus — whether it’s surface transmission or close human contact — is still social distancing, washing your hands, not touching your face and wearing masks.

○ What are the symptoms of coronavirus?

Common symptoms include fever, a dry cough, fatigue and difficulty breathing or shortness of breath. Some of these symptoms overlap with those of the flu, making detection difficult, but runny noses and stuffy sinuses are less common. The C.D.C. has also added chills, muscle pain, sore throat, headache and a new loss of the sense of taste or smell as symptoms to look out for. Most people fall ill to seven days after exposure, but symptoms may appear in as few as two days or as many as 14 days.

○ How can I protect myself while flying?

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If air travel is unavoidable, there are some steps you can take to protect yourself. Most important: Wash your hands often, and stop touching your face. If possible, choose a window seat. A study from Emory University found that during flu season, the safest place to sit on a plane is by a window, as people sitting in window seats had less contact with potentially sick people. Disinfect hard surfaces. When you get to your seat and your hands are clean, use disinfecting wipes to clean the hard surfaces at your seat like the head and arm rest, the seatbelt buckle, the remote, screen, seat back pocket and the tray table. If the seat is hard and nonporous or leather or pleather, you can wipe that down, too. (Using wipes on upholstered seats could lead to a wet seat and spreading of germs rather than killing them.)

How do I take my temperature?

Taking one's temperature to look for signs of fever is not as easy as it sounds, as “normal” temperature numbers can vary, but generally, keep an eye out for a temperature of 100.5 degrees Fahrenheit or higher. If you don't have a thermometer (they can be pricey these days), there are other ways to figure out if you have a fever, or are at risk of Covid-19 complications.

Should I wear a mask?

The C.D.C. has recommended that all Americans wear cloth masks if they go out in public. This is a shift in federal guidance reflecting new concerns that the coronavirus is being spread by infected people who have no symptoms. Until now, the C.D.C., like the W.H.O., has advised that ordinary people don't need to wear masks unless they are sick and coughing. Part of the reason was to preserve medical-grade masks for health care workers who desperately need them at a time when they are in continuously short supply. Masks don't replace hand washing and social distancing.

What should I do if I feel sick?

If you've been exposed to the coronavirus or think you have, and have a fever or symptoms like a cough or difficulty breathing, call a doctor. They should give you advice on whether you should be tested, how to get tested, and how to seek medical treatment without potentially infecting or exposing others.

How do I get tested?

If you're sick and you think you've been exposed to the new coronavirus, the C.D.C. recommends that you call your healthcare provider and explain your symptoms and fears. They will decide if you need to be tested. Keep in mind that there's a chance — because of a lack of testing kits or because you're asymptomatic, for instance — you won't be able to get tested.

Owning a business or being self-employed has not insulated African-Americans from the pandemic's economic fallout, because they are often concentrated in personal service activities, running barbershops and beauty shops that have had to close so as not to become sources of infection.

The next wave of the crisis could hit one of the underpinnings of the black middle class: state and local government jobs. Even as other sectors recorded some gains last month, an additional 571,000 state and local government employees, many of them teachers, lost their jobs.

In April, there were nearly a million job losses, and economists say many more are expected as the collapse in tax revenue ripples through statehouses and city halls.

African-Americans — particularly women — are disproportionately employed in those positions, said Christian E. Weller, an economist at the University of Massachusetts, Boston, who wrote a report on the systemic obstacles facing black job seekers for the Center for American Progress.

“You don’t get rich, but these are stable jobs with good benefits,” he said, “and there isn’t anything comparable.”

The loss of a job is particularly devastating for black and Hispanic workers because a paycheck is often the sole lifeline. Even those with a comfortable income may have little to fall back on. For every $1 of wealth that a white household has, a black one has 10 cents.

“In more normal times, blacks who are working full time have a lower median level of wealth than whites who are unemployed,” said William A. Darity Jr., a public policy professor at Duke University. “And blacks who have a college degree who are heads of households have a median net worth about two-thirds of white heads of households who never finished high school.”

At this point, most employers and employees are assuming that jobs will return. But there are signs that many layoffs will be permanent.

Image

Credit...Nate Palmer for The New York Times

Freddy Wiggins was laid off from his job as a customer service representative at Neiman Marcus in Washington during the first week in April. “The assumption was that once this is over, we’ll go back to business as usual,” he said, adding that he was paid his final weeks of salary and any owed vacation time and sick leave.

A month later, the retailer filed for bankruptcy protection. He got a form letter soon after, explaining the bankruptcy process, but he doesn’t know what it means for his job. “I have no clue,” he said. “I haven’t heard anything from them.”

“It’s one of the scary things about this whole situation,” he added. “When it’s over, you still don’t know if things will fall into place.”
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