#### **Statistics on Racism in America**

(Updated 4/19/2022)

This note summarizes some of the statistical evidence of racism in America. It is meant as background to the discussion of what it means for St Columba's to become an anti-racist church. Among minorities, it focuses on Black Americans.

These statistics show pretty clearly that <u>racism is systemic</u> and is not just an historical problem. Many of the numbers document Black poverty and addressing poverty directly and evenhandedly would be a huge step towards improving the lives of many Black Americans. But many other problems need attention including biases in the labor market, in the financial system and in the criminal justice system.

This note covers six areas:

- Income and wealth
- Employment and labor markets
- Health
- Family structure
- Finance, and
- Criminal justice.

In the pandemic, Black Americans suffered more than White Americans. They were, for example, much more likely than White Americans to be front line workers, to be hospitalized for COVID or to die of COVID. Unemployment rates increased for Black Americans more than for White Americans and Black households were much more likely to have had difficulty paying their living expenses. One exception to the general relative worsening was that the poverty rate for Black Americans apparently did not increase whereas it did for White and Hispanic Americans. But of course the poverty rate in absolute terms was far worse for Black Americans to start with.

This is potentially a living document. Please feel free to suggest updates or additional statistics on the areas covered here. And please suggest sources for statistics on other areas of discrimination such as higher education or government employment.<sup>1</sup>

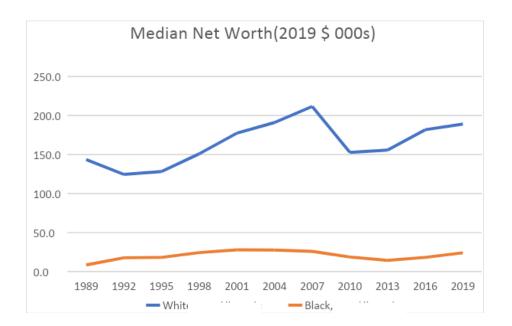
#### I. Income and Wealth

1) The Wealth Gap: \$24,100 v \$188,200

<sup>&</sup>lt;sup>1</sup> Please contact Charles Taylor at <a href="mailto:crhtaylor1@gmail.com">crhtaylor1@gmail.com</a> or 202-723-2463.

Median net worth in 2019 for Black families was \$24,100 compared with \$188,200 for White families.<sup>2</sup> Given these are medians, that says that half of black households had net worth of *less than* \$24,100. The legacy of slavery, the suppression of black prosperity when it emerged (such as the Tulsa Massacre), the uneven implementation of the GI Bill and discrimination in mortgage lending have relentlessly hamstrung Black intergenerational wealth accumulation.

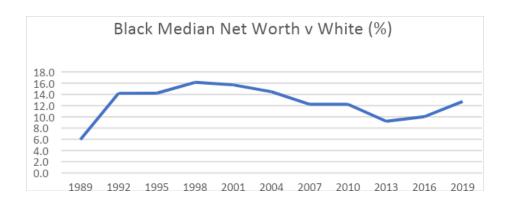
There is consistent, quality data on the wealth gap for the last thirty years. This shows that black median net worth has held steady at between 10 and 15% of white median net worth.<sup>3</sup>



### <sup>2</sup>Endnotes

Changes in U.S. Family Finances from 2016 to 2019: Evidence from the Survey of Consumer Finances, Vol. 106, No. 5 (federalreserve.gov) Table 2. Note, here and in several other places, I refer to "White" Americans where the source document used the more precise term "White, non-Hispanic" Americans. The same is true of some of the numbers shown here on Black Americans, although the designation "Black, non-Hispanic," is less common. This survey is conducted every 3 years and should be updated in 2022.

<sup>3</sup> The Fed - Table: Survey of Consumer Finances, 1989 - 2019 (federalreserve.gov) The Survey of Consumer Finances is normally a triennial cross-sectional survey of U.S. families.



### 2) The Income Gap: \$40,300 v \$69,000

Median before-tax income in 2019 for Black families was \$40,300 compared with \$69,000 for White non-Hispanic families.<sup>4</sup> The gap is entirely driven by differences in men's and not women's outcomes. The gap was trending downward before the pandemic struck.

Within low-poverty areas, black-white gaps are smallest in places with low levels of racial bias among whites and high rates of father presence among blacks.<sup>iv</sup>

### 3) <u>Upward Mobility: boys from poor Black families rise 15% in income percentile; boys from poor</u> White families rise 25%

Over the past 20 years, there was almost no difference between girls from Black and White families in terms of income mobility. However, for boys whose parent households were at the 20<sup>th</sup> income percentile, the difference was sizable: on average the household incomes of boys from Black families rose to about the 35<sup>th</sup> percentile – a rise of about 15%; the household income of boys from white families rose to about the 45<sup>th</sup> percentile – a rise of about 25%. Indeed, boys from Black households were on average less upwardly mobile at all low income levels than their White counterparts <u>and</u> were more downwardly mobile at higher income levels.

Over time, Hispanic Americans are moving up the income distribution while Black Americans (and American Indians). iv

### 4) Poverty: the 2019 Black poverty rate is 18.8% versus the White rate of 7.3%

The difference is stark. But there has been huge progress according to this measure since statistics were first collected in 1959: back then, the Black poverty rate was 40% while the White

<sup>&</sup>lt;sup>4</sup> See endnote i, Table 1.

<sup>&</sup>lt;sup>5</sup> Racial Disparities | Opportunity Insights. See graph of children's income vs parents income for Black and White Men and Women. The more recent Opportunity Insights paper "Race and Economic Opportunity in the United States", finds among other things that (1), Hispanic Americans are moving up the income distribution, while Black Americans and American Indians are not; (2) the black-white income gap is entirely driven by differences in men's, not women's, outcomes; (3) differences in family characteristics — parental marriage rates, education, wealth — and difference in ability explain very little of the black-white gap; (4) in 99% of neighborhoods, black boys earn less in adulthood than white boys who grow up in families with comparable income; (5) within low-poverty areas, black-white gaps are smallest in places with low levels of racial bias among whites and high rates of father presence among blacks.

poverty rate was roughly what it is today. In other words, the Black poverty rate was 5-6 times higher in 1959 than the White but is now "only" 2½ times higher.

The poverty rate increased for non-Hispanic Whites and Hispanics due to the pandemic. Among major racial groups, Blacks had the highest poverty rate (19.5%), but did not experience a significant change in 2020.<sup>6</sup>

### II. <u>Employment and Labor Markets</u>

## 5) <u>Labor Force Participation: 55.3% of Black Americans are employed versus 58.2% of White Americans</u>

The employment-population ratio represents the proportion of the civilian non-institutionalized population that is employed. The ratio for Black Americans in April 2021 was 55.3% versus 58.2% for White Americans. This compared with 48.8% and 51.7% respectively a year before when unemployment was at its pandemic peak.<sup>7</sup>

### 6) Unemployment Rates: 7.1% for Black Americans and 3.2% for White Americans

The unemployment rate is defined as the number of people 16 and over actively searching for a job as a percentage of the total labor force. For Black Americans in December 2021 that rate was 7.1% down from 16.7% in April 2020. For White Americans, the rate was 3.2% in April 2021 versus 14.1% in April 2020.

### 7) Youth Unemployment: Black youth has employment rates 32-35% below that of White youth

The difference between black and white employment rates, as measured by the employment-to-population ratio, varies overs time and by age and sex. Data from 2010-2019, shows the employment rate for 18-year-old Black men averaged about 35% below that for 18-year-old White men, while for women the difference was about 32%. (Incidentally, the difference for both sexes narrows for older people up to about 35 to 45 and then widens again until retirement age of 60 - 65. In fact, the employment rate for Black women in their late 30s is a little higher than for White women of that age.) <sup>9</sup>

## 8) <u>Hiring Assessments: younger Americans with "Black" names score 20% lower than those with "White" names</u>

<sup>&</sup>lt;sup>6</sup> Poverty Rates for Blacks and Hispanics Reached Historic Lows in 2019 (census.gov) and also a recent study

<sup>&</sup>quot;Income and Poverty in the United States:2020," (9/14/2021) the Census Bureau looked at data for 2019 and 2020.

<sup>&</sup>lt;sup>7</sup> FRED | St. Louis Fed Employment Ratio Data from the BLS

<sup>&</sup>lt;sup>8</sup> FRED | St. Louis Fed Unemployment Rates from the BLS

<sup>&</sup>lt;sup>9</sup> Washington Post, May 16, 2021, Business Section: "For Black workers, age discrimination strikes twice," Andrew Van Dam

For entry level jobs, comparable candidate resumes with names that sound black are scored lower than those with names that sound white. At the age of 36, black names score 3.8 and white names 4.6. Like unemployment rates, these score vary a lot with age. They favor White names below the age of 46 for men and below 40 for women and again above the age of 66. In between, black men and women have the advantage perhaps because it us not so unusual for black men or women to seek an entry level jobs. <sup>10</sup>

### 9) Whitening Resumes doubles the chances of a call-back

Blacks who "whiten" their resumes get two times as many call-backs. Employers who profess to being pro-diversity still discriminate against black applicants.<sup>11</sup>

# 10) <u>Senior Positions: these are disproportionately held by Whites, especially at the top of private companies</u>

Among employed men in 2019, 31.9% of Black Americans versus 41.4% of White Americans work in professional and managerial jobs. <sup>12</sup> As of 2020, only 4 Fortune 500 companies – or less than 1% -- have black CEOs. That from a minority with 13.4% of the population. <sup>13</sup> By contrast, the 117th Congress had 59 black members out of 535 or 11% -- much closer to the share of Black Americans in the population at large. <sup>14</sup>

#### III. Health

### 11) Insurance: nearly twice as many Black Americans lack insurance as White Americans

In 2018, 9.7% of Black Americans lacked health insurance versus 5.4% of White. 15

# 12) <u>COVID Hospitalizations: Black Americans were nearly two-and-a-half times more likely to be hospitalized than White</u>

A 2020 study found that 33% of COVID hospitalizations were for Black Americans whose share in the population sampled was 18%. For Whites, 45% was the share of hospitalizations and while they accounted for 59% of the sampled population.<sup>16</sup>

### 13) COVID Deaths: in the 65-74 age group, Black Americans are two-and-a-half times more likely to die of COVID than White Americans

<sup>&</sup>lt;sup>10</sup> See endnote viii

<sup>&</sup>lt;sup>11</sup> Minorities Who 'Whiten' Job Resumes Get More Interviews - HBS Working Knowledge

<sup>&</sup>lt;sup>12</sup> Labor force characteristics by race and ethnicity, 2019: BLS Reports: U.S. Bureau of Labor Statistics

<sup>&</sup>lt;sup>13</sup> 26 Charts That Show How Systemic Racism Is in the US (businessinsider.com)

<sup>&</sup>lt;sup>14</sup> 117th Congress is the most racially and ethnically diverse so far | Pew Research Center

<sup>&</sup>lt;sup>15</sup> See endnote xii.

<sup>&</sup>lt;sup>16</sup> See endnote xii.

In 2020, more than 0.5% of Black Americans aged 65-74 died of COVID versus 0.2% of non-Hispanic white people in this same age group.<sup>17</sup>

### 14) Front Line Exposure: Black Americans are over-represented by nearly 50% in frontline workers

17% of frontline workers are black versus 12% of the workforce. 18

#### **IV.** Family Structure

# 15) <u>Heads of Families: nearly three times as many Black families are headed by a woman as White families</u>

In 2019, families maintained by women (no opposite-sex spouse present) accounted for 41% of Black families, 25% of Hispanic families, 15% of White families, and 12% of Asian families. Of these, Asian families were the most likely to have an employed family member (85%) versus, 77% of Black families, 79% of White families, and 83% of Hispanic families that were maintained by women had at least one employed family member.<sup>19</sup>

One surprising statistic from a recent study shows that very little of the Black-White income gap is explained by some key family characteristics: specifically, parental marriage rates, education and wealth.<sup>iv</sup>

#### V. Finance

# 16) <u>Denials of Loans: black applicants are more than twice as likely to be turned down for a mortgage</u>

Roughly 8% of white applicants and 18% of black applicants are denied a mortgage.<sup>20</sup>

## 17) <u>Home Ownership: white households are 66% more likely to own their own homes than black households</u>

73% of white households own their homes compared with 44% of black households.<sup>21</sup> Between 1934 and 1962, 98% of FHA insured loans went to white families.<sup>22</sup>

<sup>&</sup>lt;sup>17</sup> How the economy, COVID-19, and standard of living differs for Black and Hispanic Americans (usafacts.org)

<sup>&</sup>lt;sup>18</sup> See endnote xii.

<sup>&</sup>lt;sup>19</sup> See endnote xi.

<sup>&</sup>lt;sup>20</sup> See endnote xii

<sup>&</sup>lt;sup>21</sup> See endnote xii

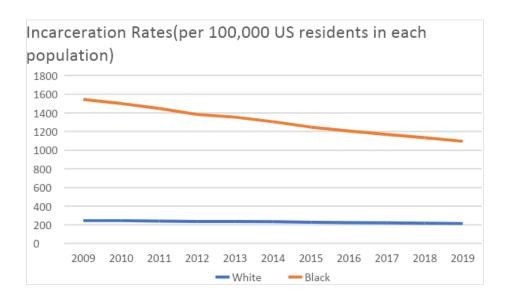
<sup>&</sup>lt;sup>22</sup> "The Whiteness of Wealth: How the Tax System Impoverishes Black Americans – and How We Cab Fix It" by Dorothy Brown. Cited in "Whiteness of Wealth breaks down the racial bias imbedded in the tax code" by Michelle Singletary, the Washington Post 5/30/2021.

### 18) <u>Trouble with Expenses: Black households are over 75% more likely to have trouble paying living expenses</u>

55% of black households v 31% of white households have found it somewhat or very difficult to pay usual household expenses during the pandemic.<sup>23</sup>

### VI. Criminal Justice

### 19) Incarceration: rates of incarceration are five times higher for Black Americans than White



In 2019, imprisonment rates of U.S. residents, based on sentenced prisoners under the jurisdiction of state or federal correctional authorities, were 214 per 100,000 amongst White residents and 1096 per 100,000 amongst Black residents. This is a marked improvement since 2009, especially for Black Americans, when the comparable rates were 245 and 1,544 or, in other words, when Blacks were six times as likely to be incarcerated as Whites.<sup>24</sup>

### 20) Young Males in the Criminal Justice System: one third of Black American males born in 2001 are likely to go to jail during their lifetime

Black American males are more likely than White American males to be arrested; once arrested, they are more likely to be convicted; and once convicted, and they are more likely to experience lengthy prison sentences. As of 2001, one of every three Black males born in that year could

<sup>&</sup>lt;sup>23</sup> See endnote xvi

<sup>&</sup>lt;sup>24</sup> Prisoners in 2019 | Bureau of Justice Statistics (ojp.gov), Table p19t05

expect to go to prison in his lifetime, as could one of every six Latinos—compared to one of every seventeen White males.<sup>25</sup>

## 21) <u>Drug-related Incarceration: Black Americans are imprisoned at a rate three to four times as high as White Americans</u>

Recent numbers on drug offenses are from December 2018 for state prisons and September 2019 for federal prisons. Numbers in both instances are of prisoners for whom their drug offense was the most serious offense of which they were convicted. The state numbers include a break-out of numbers for possession. Both sets of numbers exclude people in prison awaiting trial.

### Numbers in prisons for drug offenses

State prisons		
	Possession	All Drug Offenses
Black	12,400	52,100
White	20,000	64,500
Federal prisons		
Black		17,500
White		25,000

Note: more than 99% of federal drug offenders were sentenced for trafficking.

So, of the 41.1mm Black Americans, 69,600 or 0.17% were in prison for drug offenses in 2018/19 compared with 89,500 White Americans in prison from a population of 197.3mm, which is 0.05%.<sup>26</sup>

# 22) <u>Fatal shootings by the police: Black Americans are more than twice as likely to be shot by police than White Americans</u>

Although half of the people shot and killed by police are White, Black Americans are shot at a disproportionate rate. They account for less than 13 percent of the U.S. population, but are killed

<sup>&</sup>lt;sup>25</sup> Report to the United Nations on Racial Disparities in the U.S. Criminal Justice System | The Sentencing Project

<sup>&</sup>lt;sup>26</sup> See endnote xxiii, Tables 14 for state prisons and 16 for federal prisons.

which is 15 per million.<sup>27</sup>

by police at more than twice the rate of White Americans. Since 2015, 1595 Black Americans have been killed by police or 38 per million, whereas 3,023 white Americans have been killed,