

The Black-White Jobless Gap

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Abstract

In this *Philadelphia Inquirer* commentary, two researchers from the Urban Institute's Low-Income Working Families project explain the black-white employment divide after high school and what's needed to close the gap.

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There's little to celebrate this Labor Day weekend. The unemployment rate for August, stuck at 9.6 percent, means that 14.9 million people who have been looking for work are still jobless.

The situation is even worse for blacks between the ages of 16 and 24. Only one in three of them has a job. An additional one-third are actively job-hunting without any luck. In contrast, more than half of their white counterparts have jobs and "only" 16 percent are unemployed, a rate one-half that of blacks.

The higher unemployment among blacks -- often exacerbated by the tumult of a recession -- is partly explained by differences in educational attainment. The bigger problem? Even if you take two individuals who are exactly the same in every way except race and present them to employers for a job opening, chances are the African American will be less likely to get an offer.

In the workforce, what happens to 18-year-olds who aren't college-bound or in job training? Urban Institute research on young people's transition to adulthood examined differences in how long it takes them to secure six months of full-time work once they turn 18 and forgo further education.

The shocking answer? It takes black high school graduates longer than white dropouts to achieve this goal. The plight of black high school dropouts is well known and our study shows that they do take the longest time to find steady full-time employment. White graduates take the shortest time on average, but white dropouts don't take much longer.

Even before the current unemployment crisis hit, black high school graduates took 16 months on average to start full-time work while white dropouts took about a year. So, a white dropout turning 18 on, say, Labor Day 2005 would have begun a spell of steady full-time work by Labor Day 2006. A black high school graduate born in the same month may not have begun earning a steady paycheck until the following New Year's Eve (2006) or even later.

On the basis of education alone, the black high school graduate should have been a better bet for the typical employer. But there are a few negatives that might stick out on a job application. Compared to their white peers who have not completed high school, black high school graduates have worked less before age 18 and live in poorer neighborhoods.

That said, from an employer's perspective other differences might favor the black high school graduate. The perseverance needed to graduate from high school counts for something, and, according to national data, black graduates exhibit fewer delinquent behaviors (like stealing) than white dropouts and are less likely to have been in jail before they show up for the job interview.

Whether employers are reluctant to hire these young men and women because of their race, whether insufficient job networks or limited work experience are to blame, or all of the above come into play is not clear. But what is plain is that black youth aren't getting full-time steady work and that without a foothold on the bottom rung of the employment ladder they won't be moving up it as fast as their white counterparts either.

As research shows, young people who can't get steady employment at the onset of their careers have lower lifetime earnings. This makes it more difficult for them to marry and support their families. It also affects the economic prosperity of their communities and tends to make it harder for the generation after them to get ahead.

The racial employment gap hurts the economy too. With fewer younger workers to support our growing elderly population and counter strong global competition, we cannot afford to have our young talent go to

waste. If we don't make the best use of these people, our standard of living will be lower.

What can be done? For starters, these young people need postsecondary educational opportunities and training, such as apprenticeship and community college education, that will improve their prospects for a well-paying career path.

Beyond that, more must be done to help black high school graduates who have done the right thing by getting that first work credential. This might require new structures to connect youth to willing employers, but it might also mean finding ways to make employers more accepting of black youth.

If these steps aren't taken, racial employment gaps are likely to grow and black youth and the larger economy will suffer. Until then, Labor Day celebrations won't mean much to the millions without work or a fair shot at the security and dignity it brings.

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