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Annual Report: Black Employment and Unemployment in 2011

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Annual Report: Black Employment and Unemployment in 2011

During 2011 the economy grew by over 1.6 million jobs, and for the second half of the year job growth exceeded 100,000 each month. This was the first time the economy had experienced such robust job growth since before the official beginning of the Great Recession in December 2007. However, results for Black workers in the labor market were more mixed. When we examine 2011 employment data, three important trends stand out:

- There was virtually no movement in the official Black unemployment rate from January to December 2011. However, when Black women and Black men are examined separately, Black female unemployment rates rose, while Black male unemployment rates fell.
- While the basic Black unemployment rate remained constant during the year, there was movement in the underlying components of the official unemployment rate: *employment level*, *unemployment level*, and *number of persons not in the labor force*.
- In December 2011, the Black unemployment rate was still higher than the rate in June 2009 when the recession officially ended.

Unemployment Rates: January 2011–December 2011

In January 2011, the unemployment rate for Blacks, 16–64 years of age, was 15.7%. By the end of the year, unemployment was virtually identical at 15.8%. This situation was markedly different than that of the rest of the population. For whites and Latinos, the unemployment rate fell from January to December 2011.

This report was produced with the support of a grant from the Open Society Foundation's Campaign for Black Male Achievement.

Figure 1
Unemployment Rate for January and December 2011 by Race

	January	December
Black	15.7%	15.8%
White	8.1%	7.5%
Latino	12.0%	11.0%

Breaking the Black unemployment rate down by gender reveals different patterns for Black women and Black men. The unemployment rate for Black women rose from January to December, while for Black men the unemployment rate fell. Figures 2 and 3 present this data.¹

Figure 2
Female Unemployment Rate for January and December 2011 by Race

	January	December
Black	13.8%	14.6%
White	7.5%	7.2%

Figure 3
Male Unemployment Rate for January and December 2011 by Race

	January	December
Black	17.9%	17.1%
White	8.5%	7.6%

Because of the volatility of employment data for Black youth (ages 16-19), comparisons of January and December unemployment rates do not provide for clean conclusions. However, the examination of several consecutive months can yield year-end trends. For

¹ All household data in this report is from the Bureau of Labor Statistics' Current Population Survey and is seasonally adjusted. Because of data limitations, the BLS does not report seasonally adjusted unemployment data for Latinos disaggregated by gender or age.

Black female teenagers, the unemployment rate peaked in August at 48.0%. It has declined each successive month to a December rate of 34.6%. For Black male teens, the unemployment rate was 38.7% in October; by December, it was 48.3%.²

Changes in the Number of Persons Classified Unemployed, Employed, and Not in the Labor Force: January 2011 – December 2011

The changes in monthly unemployment rates reflect changes in the underlying labor market behavior. The Bureau of Labor Statistics identifies those among the Current Population Survey respondents who are 16 years or older and are not living in an institution or in the armed services (civilian non-institutionalized population). This group is then divided into three subcategories: employed, unemployed, and not in the labor force, with the following approximate definitions:

- *Employed.* A person is employed if he or she did paid work for at least one hour during the week of the survey or was temporarily absent from paid work.
- *Unemployed.* A person is unemployed if he or she did not have a job but was available for work and sought work.
- *Not in the Labor Force.* A person is not in the labor force if he or she is not employed or unemployed.

Employed and unemployed persons comprise the civilian labor force and the unemployment rate is the percentage of the civilian labor force that is unemployed. It is important to note that given this definition, persons who are not in the labor force are not counted in the unemployment rate. Thus, as persons move from being unemployed to not in the labor force (perhaps because they are too discouraged to look for work), the unemployment rate falls. Conversely, when persons re-enter the labor force (perhaps because they become more optimistic over job prospects) but do not find a job, the *not in the labor force* category is smaller, the *unemployed* category is larger, and the *unemployment rate* rises. Hence, changes in the unemployment rate reflect changes in the number of persons in all three categories: employed, unemployed, and not in the labor force.

² The appendices contain 2011 monthly unemployment data on various demographic groups.

Since movement in any of the three components could cause the unemployment rate to rise (or fall), the same change in the unemployment rate could reflect different activity in the labor market. If these different causes of the change in the unemployment rate are not recognized, the change could be misinterpreted. The example in the previous paragraph illustrates how the unemployment rate would fall if people who previously were unemployed dropped out of the labor force because they were discouraged. But a different scenario leading to a falling unemployment rate has people who were unemployed in one month finding employment the next month. These two scenarios result in the same movement in unemployment rates, but reflect different causes. In the former scenario, the fall in the unemployment rate does not mean that more people have found work, while in the latter scenario it does mean just that.

Thus, an examination of changes in these categories provides a deeper understanding of changes in unemployment rates. Figures 4 through 6 present data on the movement in each of these categories for different demographic groups. The data are presented as percentage changes rather than actual numbers so that it is easier to understand the importance of a change in the level on the overall group. For instance, in January 2011 the employment level among Blacks was 15.0 million; by December, the employment level rose to 15.2 million. As indicated in Figure 4, the employment level among Blacks rose by 1.5%.

Figure 4

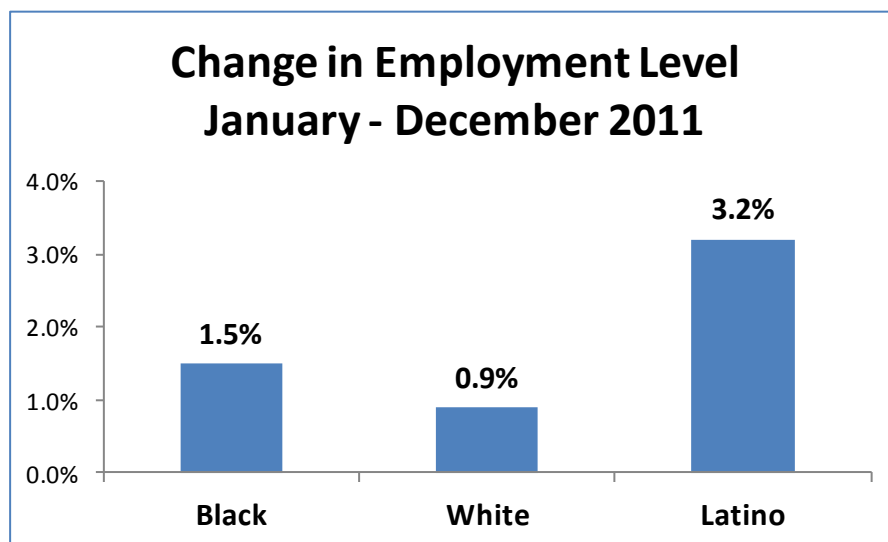


Figure 5

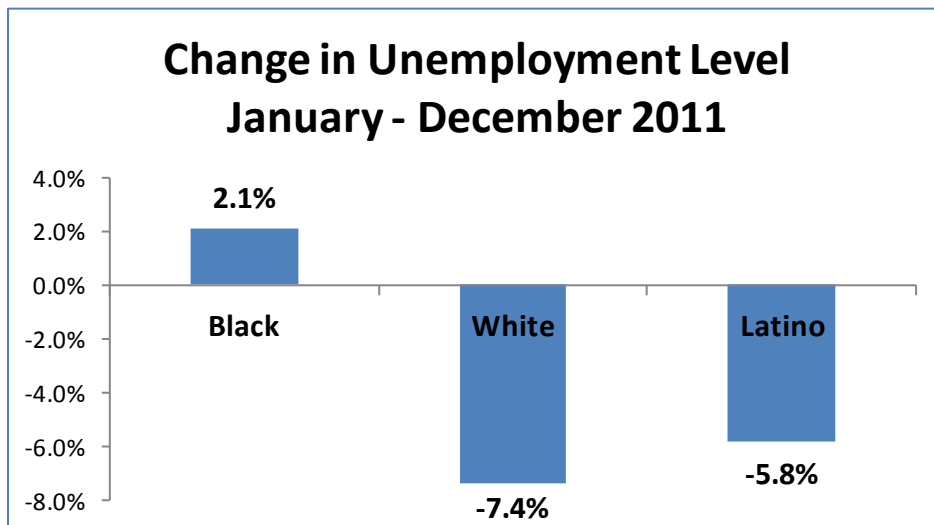
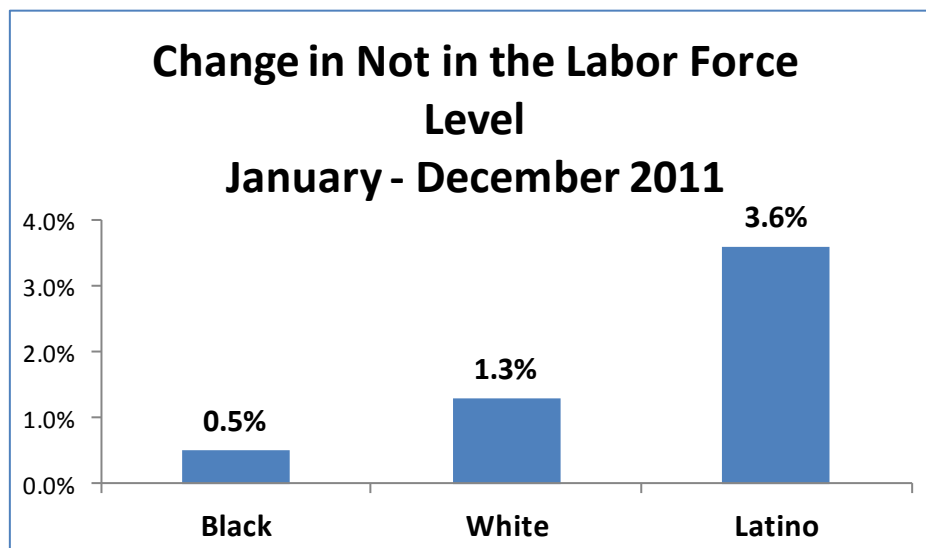


Figure 6



These figures indicate sharp differences in either the direction of the change or the magnitude of the change in the categories for Blacks compared to whites and Latinos. The employment level rose for Blacks, whites, and Latinos but the percentage change increase was higher for Blacks than whites. Unemployment levels rose for Blacks during 2011 while they fell for whites and Latinos. The number of persons who were not in the labor force was virtually unchanged for Blacks, but rose for whites and Latinos. These data result in the increase in Black unemployment

rates compared to the decrease in white and Latinos unemployment rates (as referenced in the previous section).

This same pattern of racially differentiated changes can be seen when examining the data disaggregated by gender. (Data constraints will not allow a gender analysis of Latinos and the “not in the labor force” category.) Figures 7 through 10 present this data.

Figure 7
Males (16+)

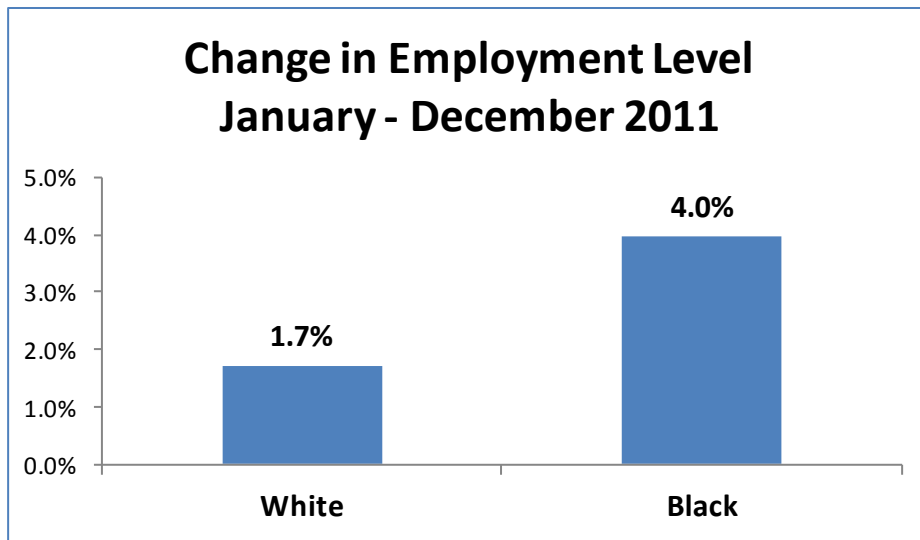


Figure 8
Males (16+)

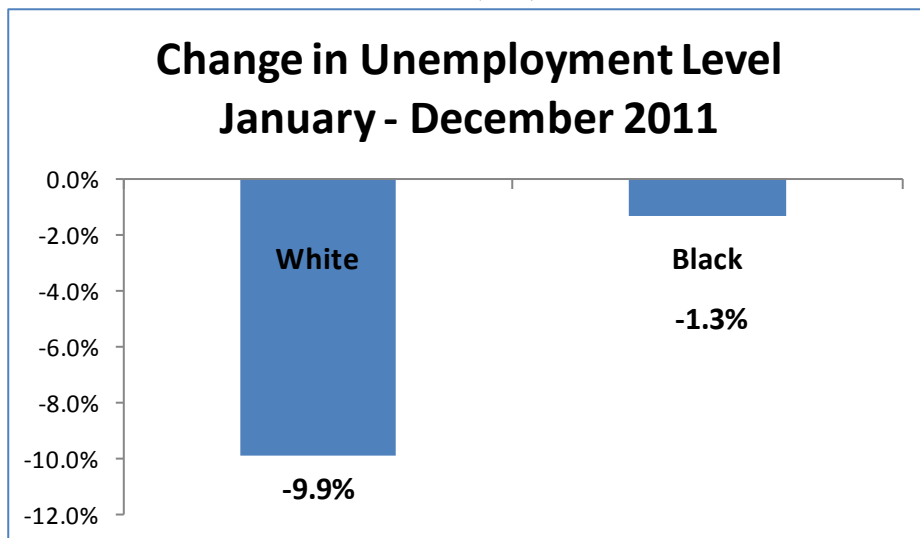


Figure
Females (16+)

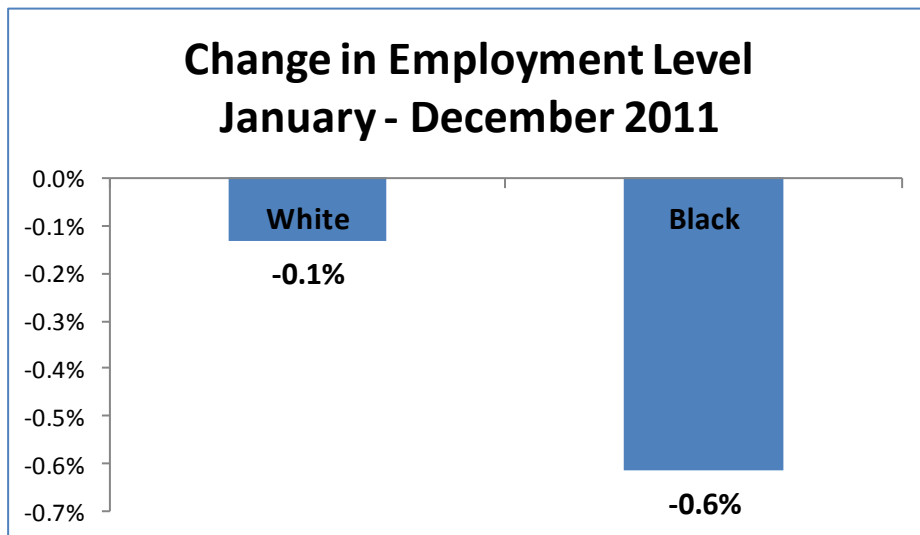
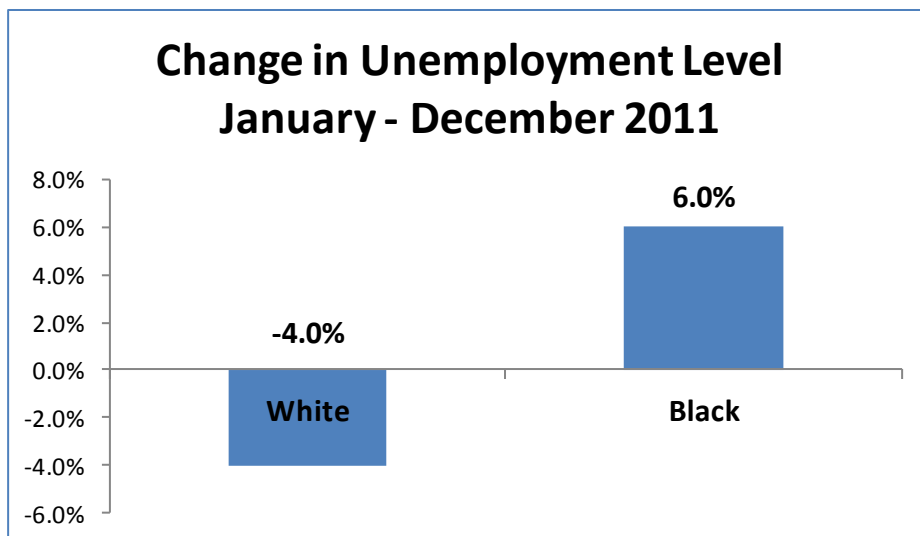


Figure 10
Females (16+)



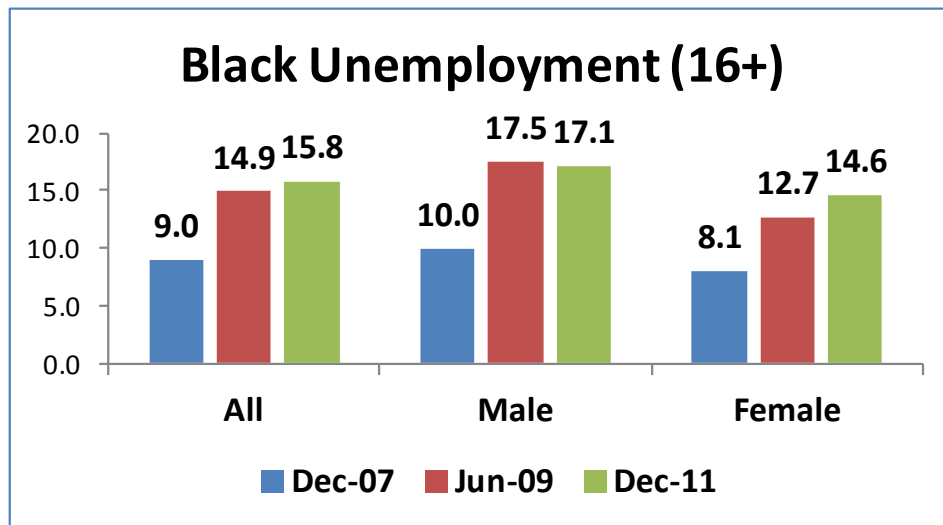
Both Black men and Black women saw their employment levels rise by a larger percentage than their white counterparts, while white men and white women's unemployment levels fell by a larger percentage than that of Black men and Black women.

Comparison of December 2011 Unemployment Rates to December 2007 and June 2009

In addition to the racially-differentiated pattern of changes in employment and unemployment levels during 2011, also striking are the racially-differentiated patterns in unemployment rates when comparing December 2011 to the Great Recession's official starting and ending months (December 2007 and June 2009). Unemployment rates rose dramatically during the recession for all Black workers, more so for Black men compared to Black women.

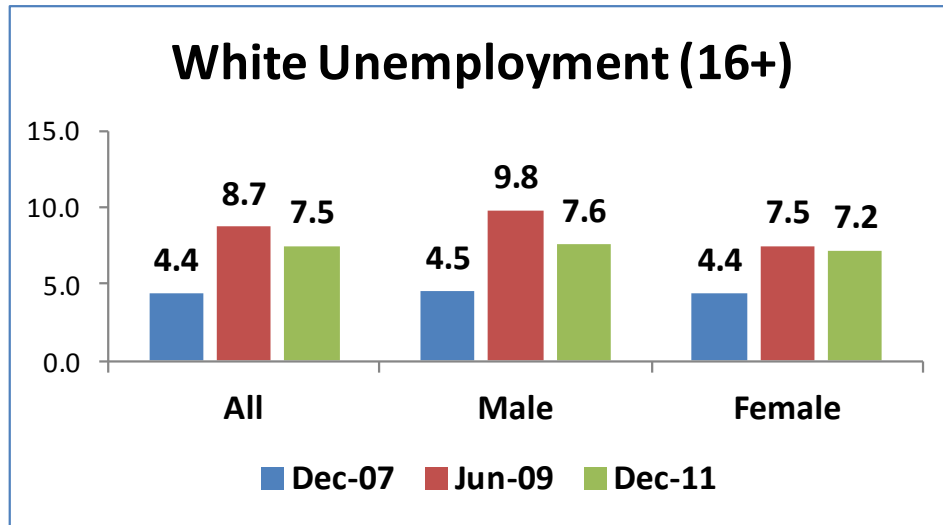
Since the end of the recession, the Black male unemployment rate has fallen slightly, while the Black female unemployment rate has risen.

Table 11



The white unemployment rate actually grew by a larger percentage than did the Black unemployment rate during the recession: the white male unemployment rate doubled, while the white female unemployment rate nearly doubled. However, post-recession patterns are different. Since the recession, the white male unemployment rate has decreased much more than the Black male unemployment rate and the white female unemployment rate fell slightly, in contrast to the increase in the Black female unemployment rate.

Table 12



Conclusion

While the jobs picture in the national economy began to improve slightly during 2011, the Black community experienced little of this growth. Three important points can be gleaned from the data:

- The reduction in Black male unemployment rates was offset by the increase in Black female unemployment rates. This differed from the situation of white workers, where the unemployment rates for both men and women fell.
- The differences in the changes in unemployment rates reflect different movement in the levels of employment and unemployment: Black male worker employment levels rose faster than those of white male workers, however Black male unemployment levels declined more slowly than those of white male workers; Black female employment levels declined more rapidly than white female employment levels, while Black female unemployment levels rose and white female unemployment levels fell.
- Most troublesome, since the Great Recession ended in June 2009, Black male unemployment rates have fallen slightly and Black female unemployment rates have risen. In contrast, unemployment rates for white men and white women have fallen over the same time period.

Appendices

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The Bureau of Labor Statistics does not release comparable seasonally adjusted data for Latinos.

Definitions

Each month, the Bureau of Labor Statistics surveys approximately 60,000 households reporting information on the labor market activity of the **civilian non-institutionalized population** that is 16 years of age or older. (Members of the armed services and persons in prisons, mental institutions, and homes for the elderly and disabled are not included.) From this information, an individual's labor status is determined to fall into one of three broad categories:

Employed. Persons will be considered employed if (during the survey week) they did paid work for at least 1 hour; worked in their own firm; worked unpaid for at least 15 hours for a family business; or were temporarily absent from work for a variety of reasons. (Work in their own home is not included.)

Unemployed. Persons will be considered unemployed if (during the survey week) they did not have a job, but they were available to work and sought work during the preceding month. (Laid off workers awaiting recall are labeled as unemployed.)

Not in the Labor Force. Those persons not considered employed or unemployed are classified as not in the labor force.

The **Civilian Labor Force** represents the total number of employed and unemployed persons.

Unemployment Rate. The unemployment rate is the proportion of the civilian labor force that was unemployed. (The ratio of the unemployed (U) and the civilian labor force (CLF): $U\% = U/CLF$.) Please note: persons can be jobless but not unemployed if they are not seeking employment. Hence the unemployment rate understates the amount of joblessness.

For more information, please consult the website of the Bureau of Labor Statistics: <http://www.bls.gov/bls/glossary.htm> and http://www.bls.gov/opub/hom/homch1_b.htm

Figures A1-3

Black
Unemployment
Rates in 2011

FIGURE A1

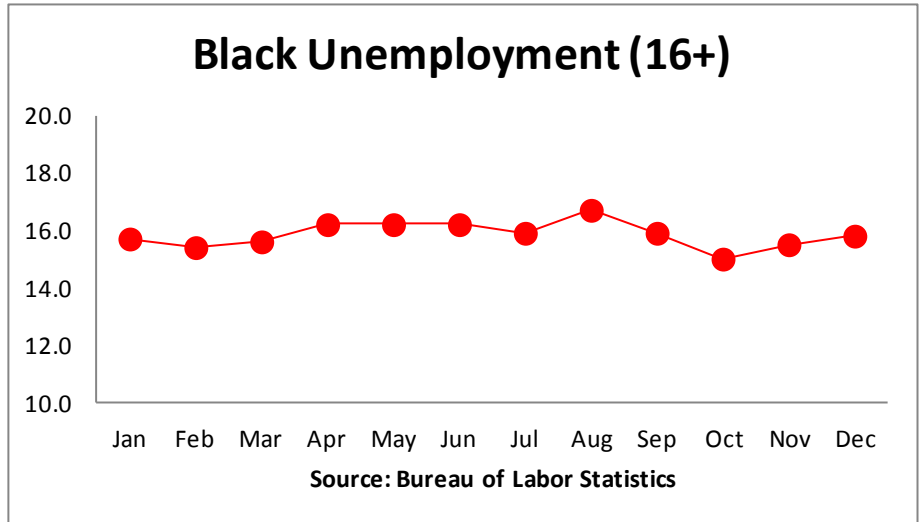


FIGURE A2

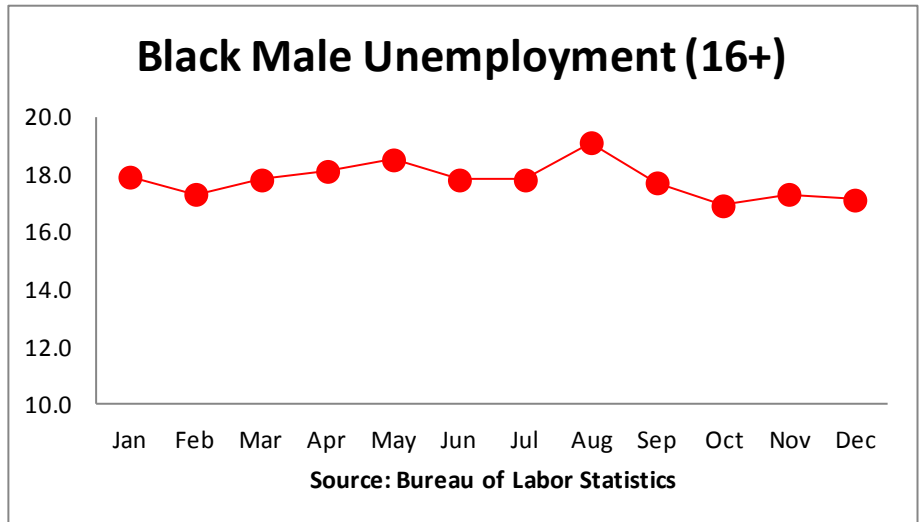
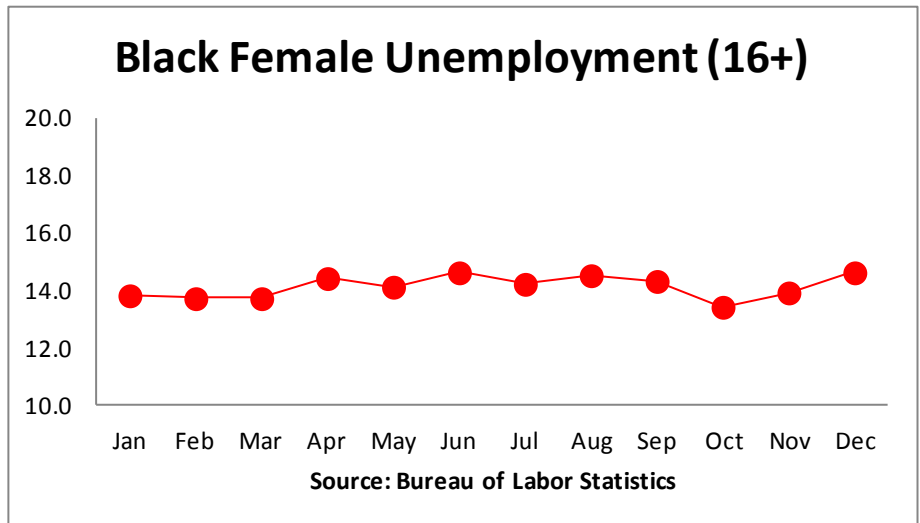


FIGURE A3



Figures A4-6

Black Teen Unemployment Rates in 2011

FIGURE A4

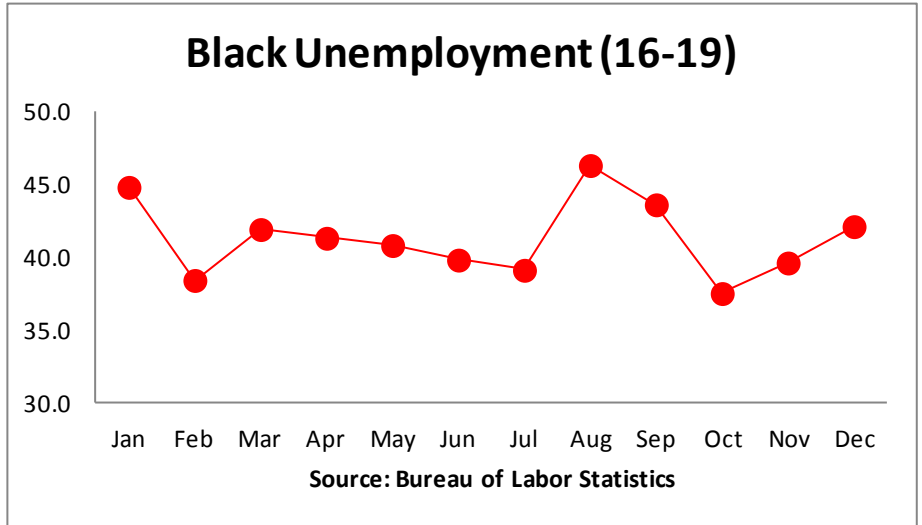


FIGURE A5

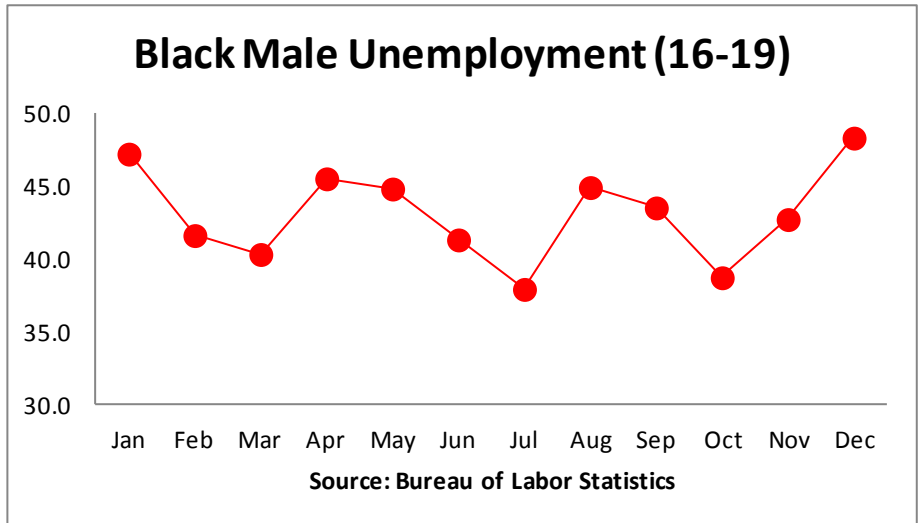
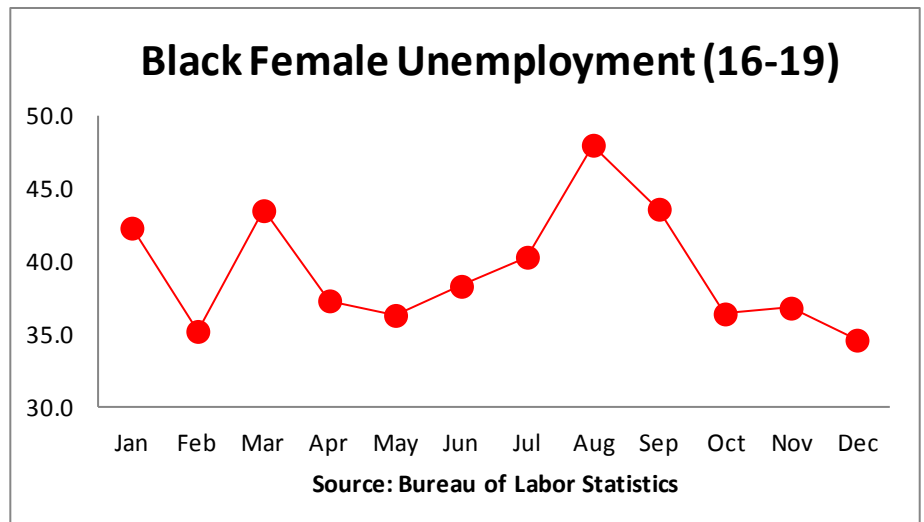


FIGURE A6



Figures A7-9

Black Adult
Unemployment
Rates in 2011

FIGURE A7

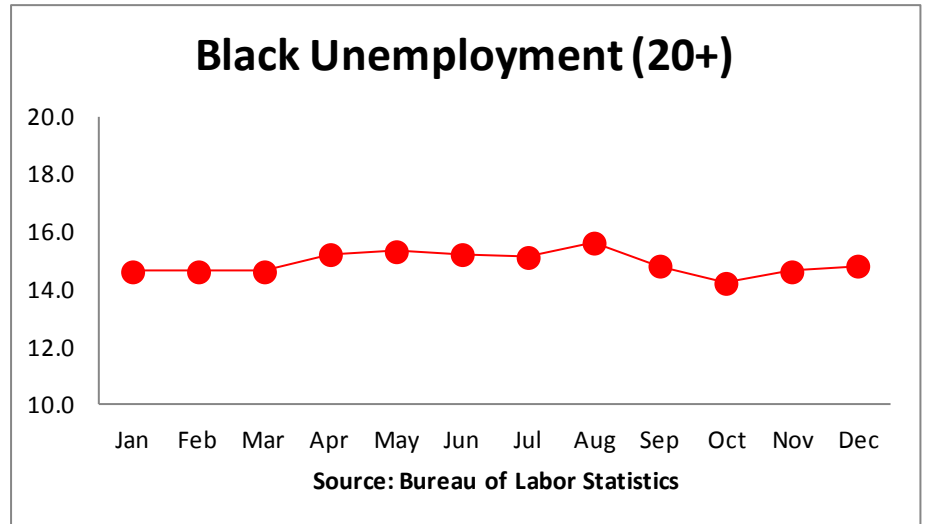


FIGURE A8

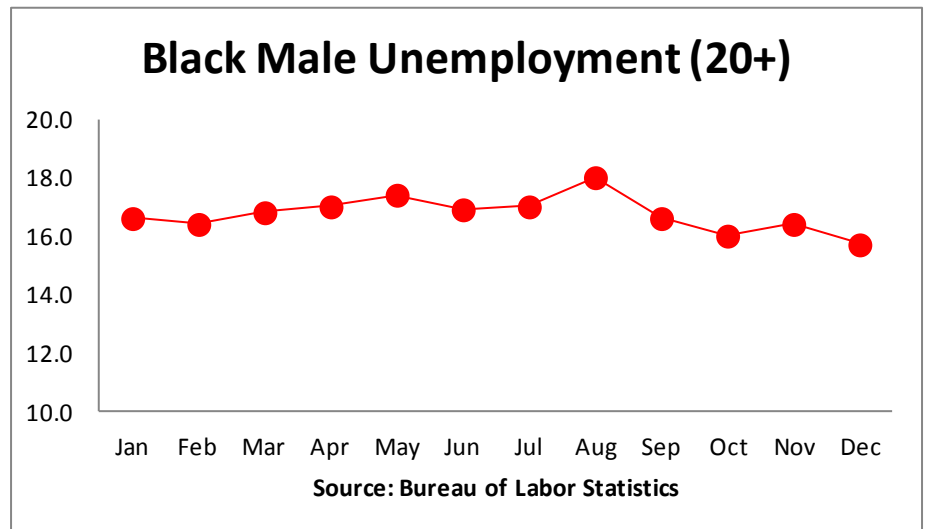
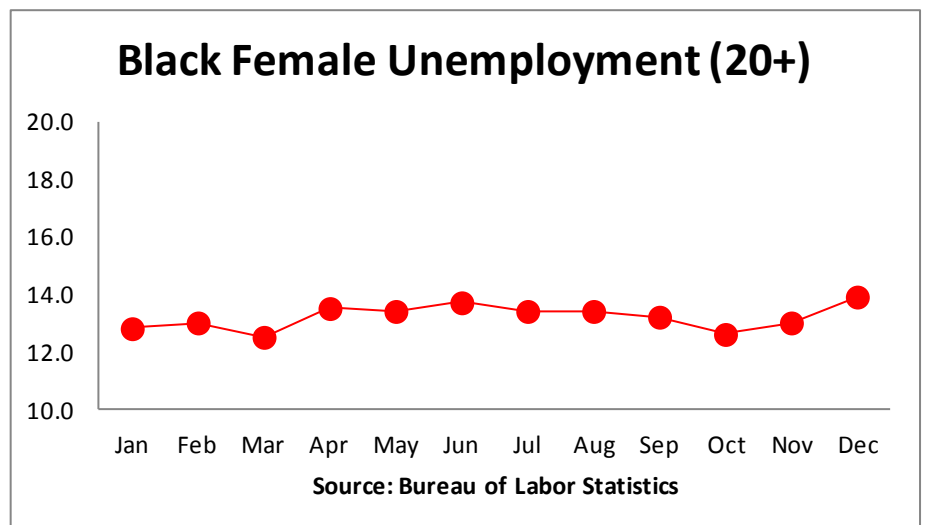


FIGURE A9



Figures A10-12

Selected Monthly
Unemployment
Rates by Race

FIGURE A10

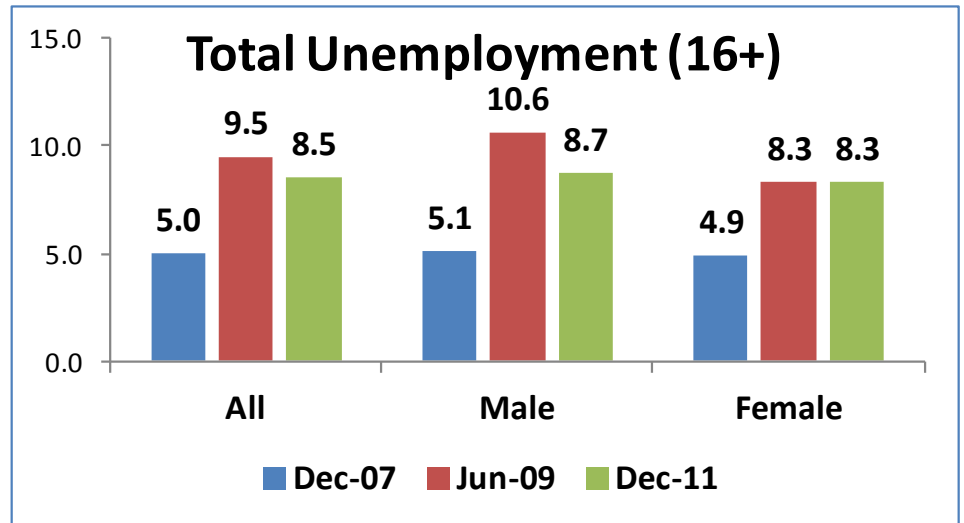


FIGURE A11

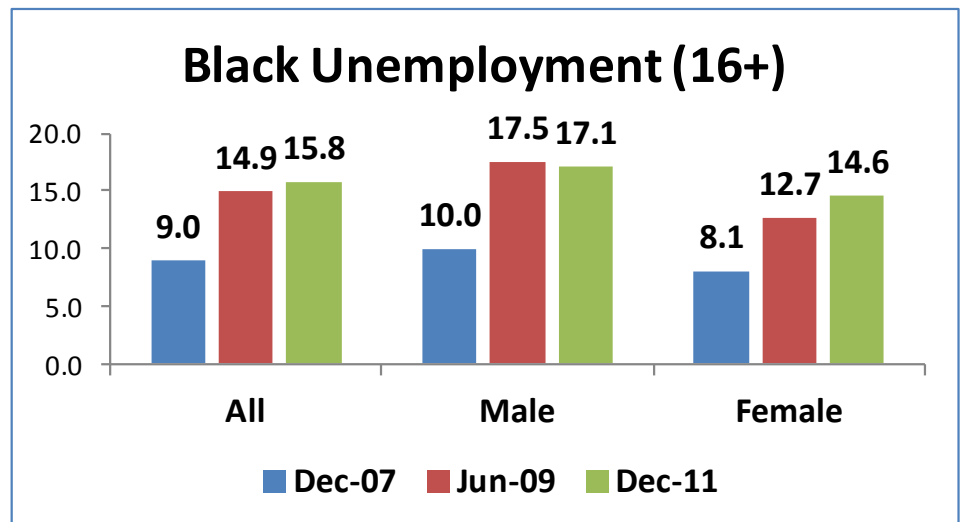
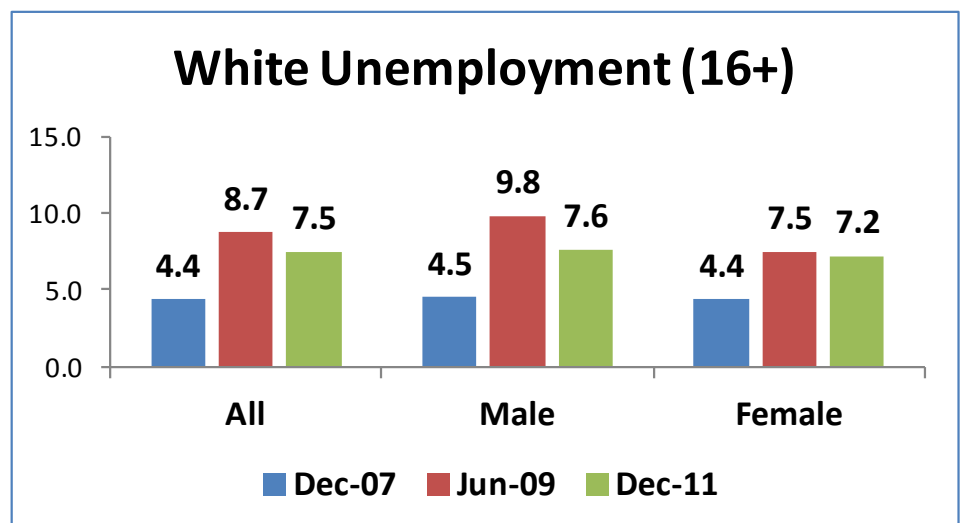


FIGURE A12



Figures A13-15

Selected Monthly
Teen
Unemployment
Rates by Race

FIGURE A13

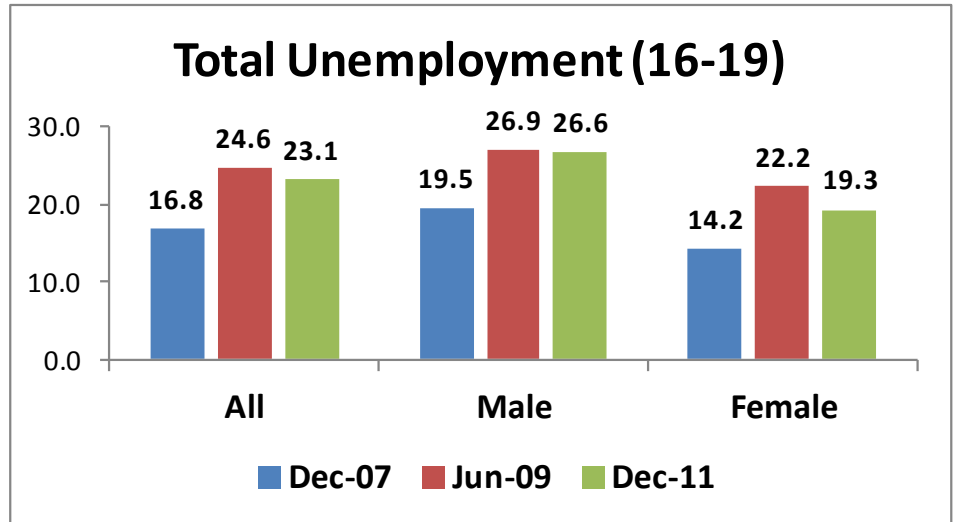


FIGURE A14

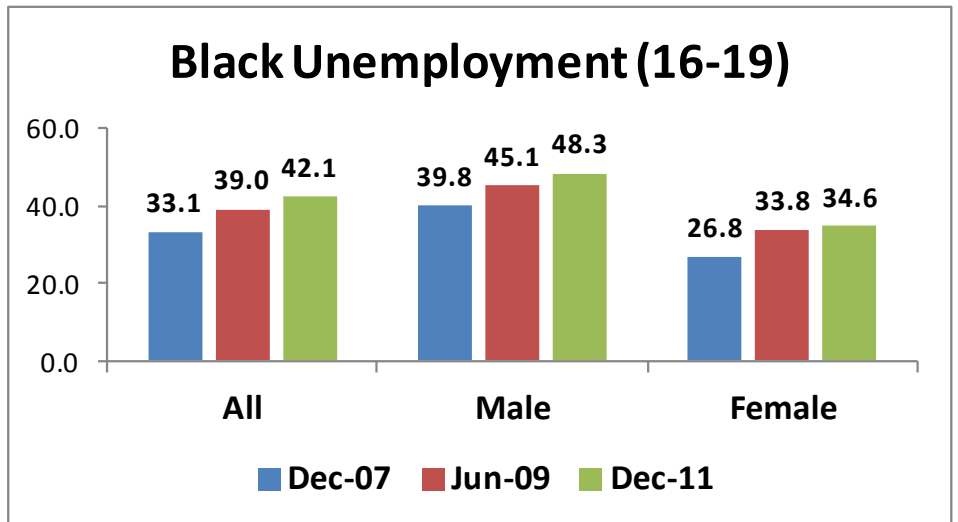
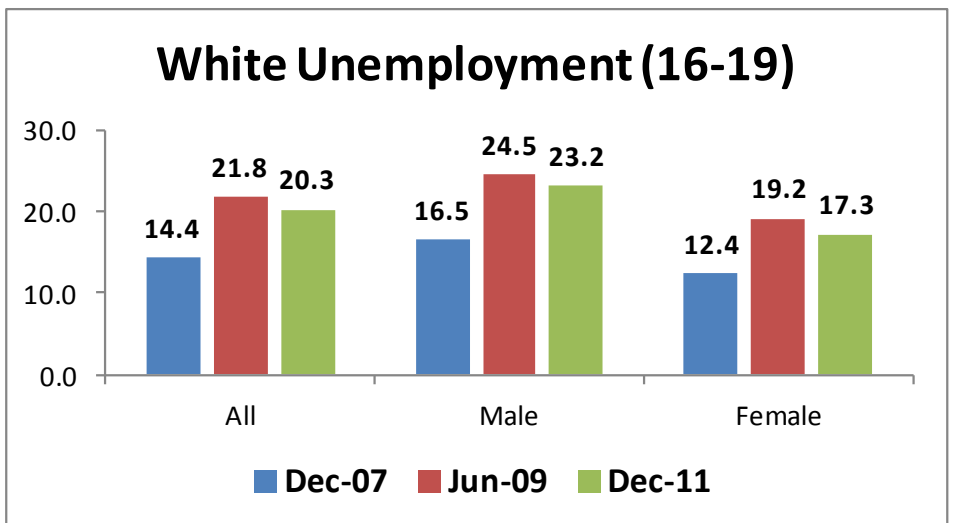


FIGURE A15



Figures A16-18

Selected Monthly Adult Unemployment Rates by Race

FIGURE A16

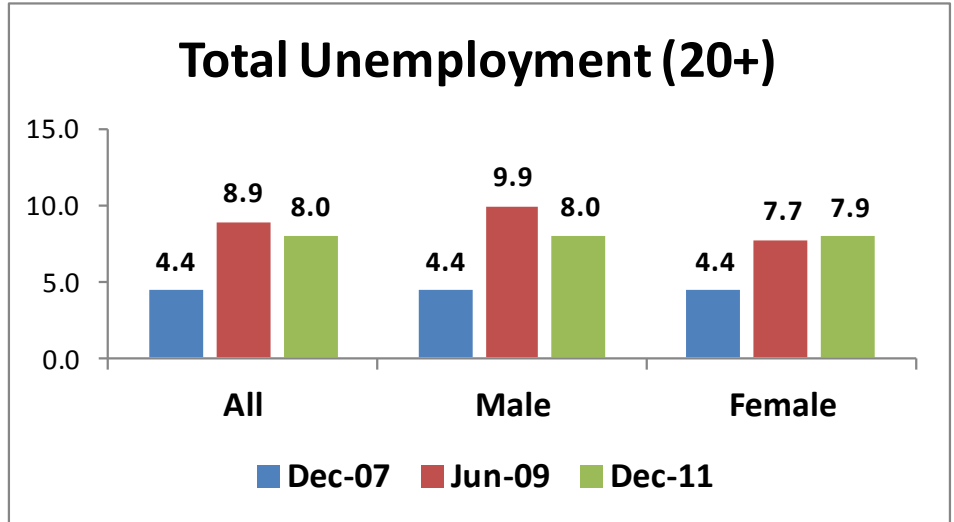


FIGURE A17

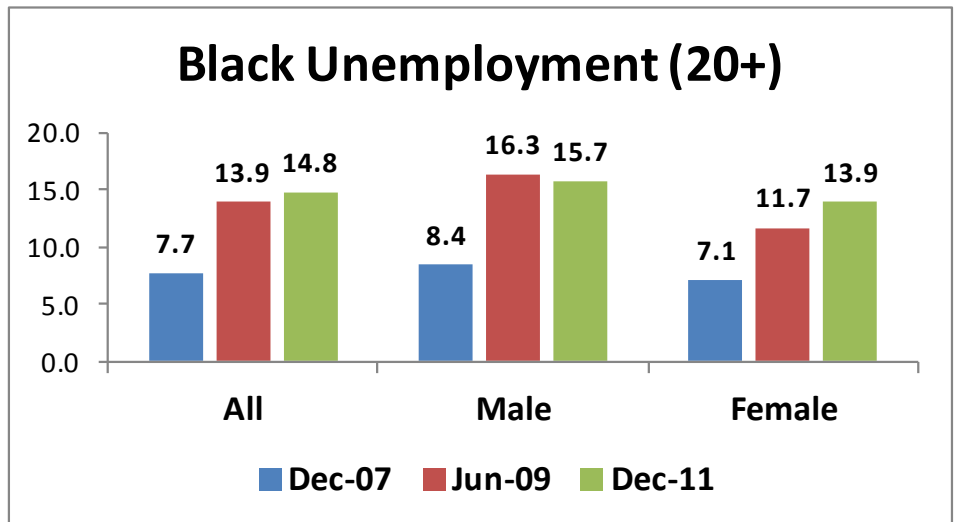


FIGURE A18

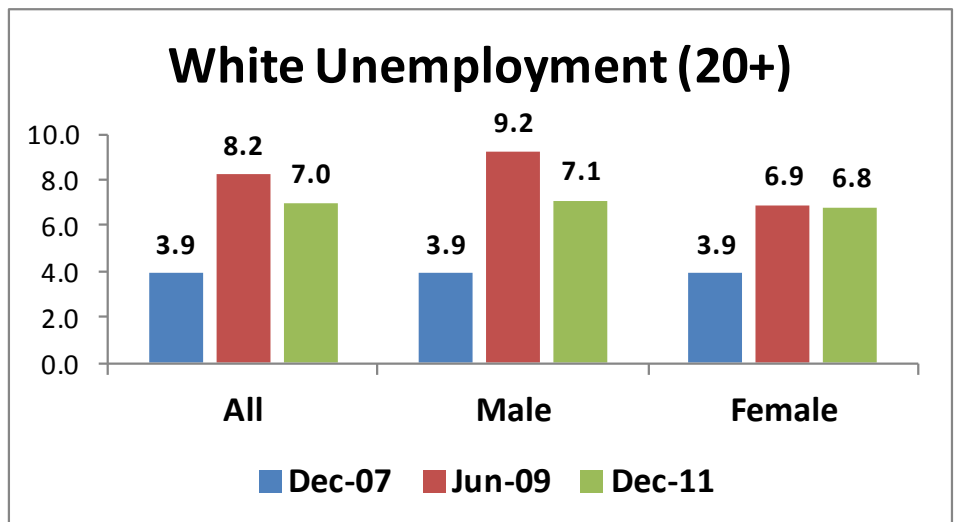


TABLE A1
Unemployment Rates: All

	all			men			women		
	all	16-19	20+	all	16-19	20+	all	16-19	20+
December 2007	5.0	16.8	4.4	5.1	19.5	4.4	4.9	14.2	4.4
June 2009	9.5	24.6	8.9	10.6	26.9	9.9	8.3	22.2	7.7
January	9.1	25.4	8.4	9.6	27.2	8.9	8.5	23.6	7.9
February	9.0	23.9	8.4	9.4	25.9	8.8	8.5	21.8	7.9
March	8.9	24.5	8.3	9.4	26.4	8.7	8.3	22.6	7.8
April	9.0	24.9	8.4	9.5	28.1	8.8	8.4	21.6	7.9
May	9.0	24.1	8.5	9.5	27.0	8.9	8.5	21.3	8.0
June	9.1	24.6	8.5	9.7	27.4	9.0	8.5	21.7	8.0
July	9.1	24.9	8.5	9.6	27.2	8.9	8.5	22.5	7.9
August	9.1	25.3	8.4	9.5	28.1	8.8	8.5	22.4	7.9
September	9.0	24.5	8.4	9.4	27.8	8.7	8.6	21.1	8.1
October	8.9	24.0	8.3	9.4	27.3	8.7	8.4	20.6	7.9
November	8.7	23.7	8.1	8.9	26.6	8.3	8.3	20.7	7.8
December	8.5	23.1	8.0	8.7	26.6	8.0	8.3	19.3	7.9

Table A2
Unemployment Rates: White

	all			men			women		
	all	16-19	20+	all	16-19	20+	all	16-19	20+
December 2007	4.4	14.4	3.9	4.5	16.5	3.9	4.4	12.4	3.9
June 2009	8.7	21.8	8.2	9.8	24.5	9.2	7.5	19.2	6.9
January	8.1	22.6	7.5	8.5	24.3	7.9	7.5	20.7	7.0
February	8.0	21.4	7.5	8.4	22.9	7.9	7.6	19.7	7.1
March	7.9	21.5	7.4	8.3	23.4	7.8	7.4	19.5	6.9
April	8.1	22.1	7.5	8.5	24.9	8.0	7.5	19.4	7.0
May	8.0	20.3	7.5	8.4	22.5	7.9	7.5	18.3	7.1
June	8.1	21.8	7.6	8.6	25.0	8.0	7.5	18.6	7.0
July	8.1	23.1	7.5	8.5	25.3	7.9	7.6	20.8	7.0
August	7.9	22.8	7.3	8.4	26.8	7.7	7.5	18.5	7.0
September	7.9	21.2	7.4	8.3	24.9	7.7	7.5	17.4	7.1
October	8.0	21.7	7.4	8.5	25.5	7.8	7.4	17.7	7.0
November	7.6	21.3	7.1	7.9	24.6	7.3	7.3	18.0	6.9
December	7.5	20.3	7.0	7.6	23.2	7.1	7.2	17.3	6.8

Table A3
Unemployment Rates: Black

	all			men			women		
	all	16-19	20+	all	16-19	20+	all	16-19	20+
December 2007	9.0	33.1	7.7	10.0	39.8	8.4	8.1	26.8	7.1
June 2009	14.9	39.0	13.9	17.5	45.1	16.3	12.7	33.8	11.7
January	15.7	44.8	14.6	17.9	47.2	16.6	13.8	42.3	12.8
February	15.4	38.4	14.6	17.3	41.6	16.4	13.7	35.2	13.0
March	15.6	41.9	14.6	17.8	40.3	16.8	13.7	43.5	12.5
April	16.2	41.3	15.2	18.1	45.5	17.0	14.4	37.3	13.5
May	16.2	40.8	15.3	18.5	44.8	17.4	14.1	36.3	13.4
June	16.2	39.8	15.2	17.8	41.3	16.9	14.6	38.3	13.7
July	15.9	39.1	15.1	17.8	37.9	17.0	14.2	40.3	13.4
August	16.7	46.3	15.6	19.1	44.9	18.0	14.5	48.0	13.4
September	15.9	43.6	14.8	17.7	43.5	16.6	14.3	43.6	13.2
October	15.0	37.5	14.2	16.9	38.7	16.0	13.4	36.4	12.6
November	15.5	39.6	14.6	17.3	42.7	16.4	13.9	36.8	13.0
December	15.8	42.1	14.8	17.1	48.3	15.7	14.6	34.6	13.9