



The 2007-2009 Recession's
Effects on New England's

African American Males

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hanges in labor market opportunities over time have different effects on different groups of workers. Among the biggest losers in the national labor market today have been African American males.¹



According to the National Bureau of Economic Research, the nation entered the recession in December 2007. Aggregate civilian job losses as

of this writing have far exceeded those of other post-World War II recessions, and many forecasters expect them to continue through 2009 at least. From November 2007 through May 2009, employment among civilians 16 and older is estimated to have declined by nearly 6.1 million, or 4.5 percent.² Male employment fell by nearly 7 percent versus only about 2 percent among women. (See “Civilian Job Losses, Working Age Adults.”) In each major race/ethnic group, the rate of male job loss was two to nearly five times that of females. Black males experienced the largest relative decline of all gender and race/ethnic groups.

Civilian Job Losses, Working Age Adults

Sixteen years and older, percent change from November 2007 to May 2009 (seasonally adjusted, except for Asians)

Race/ethnic group	Men	Women	Difference (percentage points)
All	-6.8%	-2.3%	-4.5
Asian	-5.5%	-2.0%	-3.5
Black	-9.4%	-2.5%	-6.9
Hispanic	-5.7%	-.8%	-0.9
White	-5.3%	-2.1%	-3.2

Source: U.S. Bureau of Labor Statistics web site. Tabulations by authors.

Note: Hispanics are included with the race group of which they reported themselves to be members.

The relative size of the employment losses among black males from fall 2007 through the early spring of 2009 varied by age group. With the exception of those age 55 to 64, black males in each age group encountered decreases, and all the groups under age 44 suffered double-digit declines. (See “Numbers of Employed Black Males by Age.”)³

Numbers of Employed Black Males by Age*

(1,000s, not seasonally adjusted)

Age group	Sep/Nov 2007	Feb/Apr 2009	Absolute change	Percent change
16 – 19	238	189	-49	-21%
20 – 24	821	698	-123	-15%
25 – 34	1,866	1,590	-276	-15%
35 – 44	1,922	1,667	-255	-13%
45 – 54	1,731	1,608	-123	-7%
55 – 64	736	814	78	+10%
65+	220	211	-9	-4%

Source: CPS monthly surveys, selected months 2007-2009, from BLS web site. Tabulations by authors.

From fall 2007 through early spring 2009, black males in each major educational group experienced job losses. (See “Numbers of Employed Black Males 25 and Older.”)⁴ For example, although employment among all males 25 and older with a bachelor’s degree or higher declined by only 1.5 percent from October/November 2007 through February/April 2009, for black males it fell by 12 percent. Only black male adults without a high school diploma fared worse.

Numbers of Employed Black Males 25 and Older

By educational attainment, October – November 2007 to February – April 2009 (1,000s, not seasonally adjusted)

Educational attainment	Oct/Nov 2007	Feb/Apr 2009	Absolute change	Percent change
Less than high school/ no GED	538	455	-83	-15%
High school graduate	2,256	2,178	-78	-4%
1-3 years of college	1,938	1,823	-115	-6%
Bachelor’s or higher	1,477	1,296	-181	-12%

Source: CPS monthly surveys, public use files. Tabulations by authors.

Black Males in New England

From August-November 2007 to January-April 2009, seasonally adjusted New England employment fell from 7.338 million to 7.074 million, nearly all of it estimated to be among males.⁵ (See “Changes in New England Civilian Employment Age 16 and Older.”)

Changes in New England Civilian Employment Age 16 and Older*

(1,000s, seasonally adjusted)

	Aug–Nov 2007	Jan–Apr 2009	Absolute change	Percent change
All	7,338	7,074	-264	-3.6%
Men	3,920	3,591	-329	-8.4%
Women	3,417	3,483	+66	+1.9%

Males

Black, not Hispanic	182	154	-28	-15.3%
Hispanic	252	211	-41	-16.2%
White, not Hispanic	3,269	3,046	-223	-6.8%

Note: Local Area Unemployment Statistics monthly seasonal adjustment factors for total New England employment were used to adjust group employment levels. The Hispanic male employment figures for 2007 were revised downward proportionally for estimated adjustment to population totals for the national Hispanic population.

Source: Monthly Current Population Survey (CPS), August–November 2007 and January–April 2009, public use files, authors’ tabulations

Between fall 2007 and April 2009, black and Hispanic New England males experienced a double-digit employment decline. Although white, non-Hispanic males saw a decline of only 6.8 percent, black male employment is estimated to have fallen by 15.3 percent.

In early 2009, the black male unemployment rate averaged 16.3 percent in New England, twice as high as that of white, non-Hispanic males. The underutilization rate also was high.⁶ (See “Estimated Unemployment and Labor Underutilization Rates.”) Underutilization includes underemployment (working part-time while desiring full-time work) and hidden unemployment (wanting jobs but not actively looking for them).⁷ An average of nearly 56,000 black

* Data have been corrected from the first printing.

males were underutilized in the first four months of 2009, a rate of 28 percent—55 percent among those under 25.

Worrisome Trends

Over the past two decades, black males' declining employment prospects have combined with declining real wages to reduce annual earnings, especially for men without four-year degrees. The lower earnings correlate with fewer taxes paid, lower rates of marriage and family formation, and higher rates of incarceration.⁸

During 2005 to 2007 in New England, the mean annual earnings for 20- to 44-year-old black males was \$30,830, or only 62 percent of what New England males in this age group earned overall.⁹ Earnings varied by educational attainment, ranging from a low of \$13,300 among black men lacking a high school diploma or GED to \$80,000 for those holding a master's or more advanced degree. The mean annual earnings of black males holding bachelor's degrees were nearly twice as high as those of high school graduates, but still one-third below those of white male college graduates. (See "Mean Annual Earnings by Educational Attainment.")

Estimated Unemployment and Labor Underutilization Rates

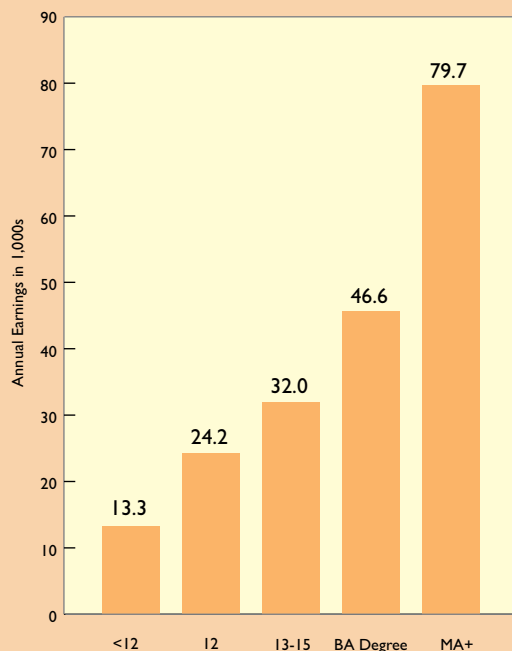
New England males, January to April 2009
(not seasonally adjusted)

	Unemployment rate	Underutilization rate
All Men (16+)	9.3%	17.1%
Asian	6.8%	11.5%
Black, not Hispanic	16.3%	28.1%
Hispanic	17.7%	33.4%
White, not Hispanic	8.4%	15.4%

Source: CPS monthly household surveys, January-April 2009, public use files. Authors' tabulations.

Mean Annual Earnings by Educational Attainment

20- to 44-year-old black males in New England
(2005-2007 averages, in 1,000s of constant 2007 dollars)



Source: American Community Surveys, public use files. Tabulations by authors.

Correlated with low educational attainment are low marriage rates and high institutionalization rates. Institutionalization can generate substantial costs for society, as can single parenting when parents are struggling with poverty. Concerns about the social and labor-market problems of young black and Hispanic males with limited post-secondary schooling have led some states to establish public-policy task forces to boost educational and labor market outcomes for such men.¹⁰ More will be needed.

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Endnotes

¹ See Patrick Jonsson and Yvonne Zipp, "Job Losses Hit Black Men Hardest," *Christian Science Monitor*, March 15, 2009; "For Black Men, It Has Been Our Recession," *The North Star News*, March 9, 2009; and Andrew Sum, Ishwar Khatiwada, and Joseph McLaughlin, *The Impacts of the Current Recession on the Labor Market Situation of Males, Blue Collar*

Workers, and Black Men (Boston: Northeastern University Center for Labor Market Studies, 2009).

² Approximately 400,000 of the overall employment loss was attributable to the U.S. Census Bureau's downward adjustment of the estimated size of the civilian noninstitutional population in January 2009. An earlier population adjustment in January 2008 reduced the total employment decline by another 500,000. With regard to date changes in the tables, we used three- or four-month averages when we analyzed smaller subsets of workers to improve the reliability of the estimates. Also, when the April 2009 data were made available, we decided in some cases to extend the period of analysis from March 2009 to April 2009.

³ Among all males 65 and older, the number of employed across the nation rose over this time period.

⁴ Algernon Austin, "Among College Educated, African Americans Hardest Hit by Unemployment," http://www.epi.org/economic_snapshots/entry/snapshots_20090422.

⁵ Seasonal adjustment factors for our CPS employment estimates for the entire region are based on the Local Area Unemployment Statistics (LAUS) program, <http://www.bls.gov/lau>. The CPS employment estimates of employment decline over this period exceed those of the LAUS (-2.7%) and the CES payroll employment survey (-2.8%).

⁶ The unemployment rates for New England males by race/ethnic group for the first four months of 2009 are not seasonally adjusted.

⁷ Andrew Sum, Joseph McLaughlin, and Sheila Palma, *The Economic Recession of 2007-2009 and the Massive Increase in Labor Underutilization Problems* (Boston: Northeastern University Center for Labor Market Studies, 2009).

⁸ See William Julius Wilson, *The Truly Disadvantaged: The Inner City, The Underclass and Public Policy* (Chicago: University of Chicago Press, 1987); Bruce Western and Leonard Lopoo, "Incarceration, Marriage, and Family Life," in *Punishment and Inequality in America* (New York: Russell Sage Foundation, 2006).

⁹ The 2006-2007 ACS surveys excluded males in jails, prisons, hospitals, etc., from the earnings analysis.

¹⁰ Ron Marlow and Andrew Sum, "A Job Crisis for Young Black Men," *The Boston Globe*, April 22, 2009.