



UNEQUAL UNEMPLOYMENT

Racial disparities in unemployment vary widely by state

BY ALGERNON AUSTIN

The United States is suffering its most severe economic crisis in decades. In each of the past 18 months, the economy has shed hundreds of thousands of jobs—an average of about 564,000 per month just in 2009—as the unemployment rate climbed to a 26-year high in June.

This economic hardship is not shared equally, however, and unemployment rates in many states are far worse than the national figures would suggest. In the first quarter of 2009, state unemployment rates ranged from 4.0% in Wyoming to 12.1% in Michigan. Eighteen states had unemployment higher than the national rate of 8.1% for the first quarter of 2009, with six of them (Calif., Mich., N.C., Ore., R.I., and S.C.) already experiencing double-digit unemployment.

Furthermore, the differences *between* states mask sometimes greater gaps *within* them—gaps defined by wide, sometimes growing disparities in unemployment rates by race and ethnicity. The United States has consistently had racial and ethnic disparities in unemployment rates. Nationally, the black unemployment rate tends to be about twice as high as the white rate; the Hispanic rate tends to be about 1.5 times the white rate. This means that within states with high unemployment rates overall, Hispanics and blacks tend to have even higher rates of unemployment.

From the last quarter of 2007 (when the recession began) to the first quarter of 2009, the national white¹ unemployment rate increased 2.8 percentage points, rising from 4.0% to 6.8%. During that same period, the rates for Hispanics and blacks increased by 4.8 and 4.3 percentage points, respectively. At 13% in the first quarter of this year, blacks have the highest national unemployment rate of any major racial or ethnic group. Hispanics have the second highest rate (10.8%), but have had the largest increase in unemployment since the start of the recession, a rise of 4.8 percentage points overall.

Unemployment rates among racial and ethnic groups vary significantly from state to state. In 11 states (Ariz., Calif., Col., Conn., Fla., Md., N.J., N.M., Nev., N.Y., and Texas) the Hispanic population is large enough for the data to be reliable. In the first quarter of 2009 Hispanic unemployment in these states ranged from 7.7% to 14.5%. The states with the highest Hispanic unemployment rates in the first quarter of 2009 are Connecticut (14.5%) and California (14.3%). Hispanics in Connecticut were 2.5 times as likely to be unemployed as non-Hispanic whites. In California, the Hispanic-white ratio was 1.7 times.

Black unemployment, among the 17 states with reliable data, ranges from a low of 7.6% (Md.) to a high of 19.5% in Michigan (Mich.). The highest black-white unemployment ratio was in Louisiana, where blacks were three times as likely to be unemployed as whites. In Alabama, New York, Mississippi, and Texas blacks were *more than* twice as likely to be unemployed as whites.

Although the recession has caused widespread economic hardship, Hispanics and blacks have been hurt disproportionately in most states. Hispanics have lost a very large number of jobs in construction. Black job loss has not been concentrated in any one sector of the economy. Black workers in manufacturing, wholesale and retail trade, transportation and utilities, and finance, insurance and real estate have all experienced significant job losses.

It is clear that the country is in a very deep recession. However, not all states are suffering equally and not all racial and ethnic groups are experiencing the same degree of economic hardship. In developing policies to address the economic crisis, the nation should devote extra resources to those states and groups that are hardest hit.

Endnote

1. The racial categories “white” and “black/African American” exclude Hispanics.

QUARTERLY UNEMPLOYMENT RATES BY STATE, RACE, AND SEX

State	ALL	WHITE	BLACK	HISPANIC	MALE	FEMALE
USA	4.8%	4.0%	8.7%	6.0%	4.8%	4.9%
Alaska	6.3%	4.5%	NA	NA	6.6%	5.9%
Alabama	3.7%	3.0%	5.3%	NA	4.3%	2.9%
Arkansas	5.0%	4.4%	NA	NA	5.1%	4.9%
Arizona	4.2%	3.3%	NA	5.8%	3.8%	4.7%
California	5.8%	4.6%	9.8%	7.0%	5.8%	5.8%
Colorado	4.1%	3.5%	NA	5.2%	3.8%	4.3%
Connecticut	4.9%	3.5%	NA	8.3%	4.8%	4.9%
District of Columbia	5.7%	1.7%	10.0%	NA	4.7%	6.7%
Delaware	3.7%	3.0%	5.1%	NA	3.6%	3.9%
Florida	4.7%	3.9%	6.3%	5.7%	4.7%	4.6%
Georgia	4.9%	3.2%	8.0%	NA	4.8%	5.1%
Hawaii	2.9%	3.8%	NA	NA	2.9%	3.0%
Iowa	3.8%	3.5%	NA	NA	3.7%	3.9%
Idaho	3.4%	3.2%	NA	NA	3.5%	3.4%
Illinois	5.5%	4.4%	12.3%	5.7%	5.7%	5.2%
Indiana	4.6%	4.1%	NA	NA	5.0%	4.1%
Kansas	4.0%	3.5%	NA	NA	3.8%	4.3%
Kentucky	5.4%	5.0%	NA	NA	5.2%	5.7%
Louisiana	3.7%	2.2%	8.0%	NA	3.6%	3.8%
Massachusetts	4.5%	4.5%	NA	NA	4.3%	4.7%
Maryland	3.6%	2.9%	5.8%	2.1%	3.2%	4.1%
Maine	4.7%	4.6%	NA	NA	4.6%	4.9%
Michigan	7.3%	6.1%	15.5%	NA	6.6%	8.1%
Minnesota	4.7%	4.1%	NA	NA	4.6%	4.8%
Missouri	5.3%	4.4%	NA	NA	5.3%	5.4%
Mississippi	6.2%	3.8%	10.9%	NA	5.1%	7.4%
Montana	3.7%	3.3%	NA	NA	3.6%	3.8%
North Carolina	5.0%	4.0%	8.2%	NA	4.4%	5.6%
North Dakota	3.1%	2.0%	NA	NA	3.0%	3.1%
Nebraska	3.0%	2.6%	NA	NA	3.2%	2.8%
New Hampshire	3.4%	3.4%	NA	NA	3.3%	3.6%
New Jersey	4.4%	3.8%	8.2%	5.0%	4.5%	4.3%
New Mexico	3.6%	3.0%	NA	4.2%	3.3%	3.9%
Nevada	5.1%	4.4%	NA	6.7%	5.5%	4.6%
New York	4.6%	3.6%	7.6%	6.7%	4.5%	4.7%
Ohio	5.7%	4.6%	13.7%	NA	6.0%	5.5%
Oklahoma	3.8%	3.0%	NA	NA	3.4%	4.2%
Oregon	5.3%	5.3%	NA	NA	4.7%	6.0%
Pennsylvania	4.5%	4.0%	6.9%	NA	5.1%	3.9%
Rhode Island	5.8%	5.2%	NA	NA	5.8%	5.8%
South Carolina	5.7%	3.7%	11.1%	NA	5.4%	6.1%
South Dakota	2.7%	2.0%	NA	NA	2.9%	2.5%
Tennessee	5.3%	4.4%	NA	NA	5.3%	5.3%
Texas	4.4%	3.5%	8.1%	4.6%	4.1%	4.8%
Utah	2.9%	2.5%	NA	NA	2.9%	3.0%
Virginia	3.3%	2.9%	5.1%	NA	3.6%	2.9%
Vermont	4.0%	4.0%	NA	NA	4.4%	3.7%
Washington	4.6%	4.7%	NA	NA	4.5%	4.7%
Wisconsin	4.5%	4.0%	NA	NA	4.7%	4.4%
West Virginia	4.4%	4.3%	NA	NA	4.3%	4.5%
Wyoming	2.8%	2.5%	NA	NA	2.5%	3.1%

Source: EPI estimates using BLS LAUS and CPS data, and projections by Moody's Economy.



Economic Analysis and Research Network



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USA	8.1%	6.8%	13.0%	10.8%	9.1%	6.9%
Alaska	8.0%	6.6%	NA	NA	9.4%	6.5%
Alabama	8.4%	5.8%	15.1%	NA	9.2%	7.6%
Arkansas	6.4%	5.7%	NA	NA	7.2%	5.6%
Arizona	7.4%	5.9%	NA	9.9%	9.3%	5.1%
California	10.6%	8.2%	16.5%	14.3%	11.8%	9.2%
Colorado	7.1%	6.3%	NA	10.3%	7.9%	6.1%
Connecticut	7.4%	5.9%	NA	14.5%	7.9%	6.9%
District of Columbia	9.6%	3.6%	15.5%	NA	9.3%	9.9%
Delaware	7.2%	5.7%	10.4%	NA	8.4%	5.9%
Florida	9.4%	8.4%	13.3%	10.8%	10.8%	7.9%
Georgia	9.0%	6.8%	12.0%	NA	9.2%	8.7%
Hawaii	6.6%	5.3%	NA	NA	7.0%	6.0%
Iowa	5.0%	4.3%	NA	NA	6.0%	3.9%
Idaho	6.7%	6.2%	NA	NA	7.9%	5.4%
Illinois	8.5%	7.5%	13.5%	9.6%	9.5%	7.3%
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Louisiana	5.5%	3.6%	10.7%	NA	6.8%	4.2%
Massachusetts	7.6%	6.5%	NA	NA	8.9%	6.2%
Maryland	6.6%	6.1%	7.6%	6.4%	7.7%	5.6%
Maine	7.9%	7.7%	NA	NA	9.0%	6.6%
Michigan	12.1%	11.0%	19.5%	NA	14.5%	9.4%
Minnesota	7.9%	7.4%	NA	NA	9.3%	6.4%
Missouri	8.4%	7.6%	NA	NA	9.6%	7.0%
Mississippi	9.1%	6.1%	13.8%	NA	10.4%	7.6%
Montana	5.9%	5.6%	NA	NA	6.3%	5.4%
North Carolina	10.4%	9.2%	14.8%	NA	11.4%	9.3%
North Dakota	4.2%	3.3%	NA	NA	5.0%	3.4%
Nebraska	4.4%	3.8%	NA	NA	4.7%	4.2%
New Hampshire	5.7%	5.7%	NA	NA	6.1%	5.2%
New Jersey	7.9%	6.5%	14.0%	10.1%	8.9%	6.9%
New Mexico	5.5%	3.5%	NA	8.0%	5.5%	5.4%
Nevada	9.9%	9.2%	NA	13.6%	11.4%	8.1%
New York	7.5%	6.0%	13.7%	8.7%	8.8%	6.1%
Ohio	9.3%	8.2%	16.6%	NA	10.8%	7.7%
Oklahoma	5.5%	3.6%	NA	NA	6.7%	4.0%
Oregon	10.8%	9.9%	NA	NA	12.8%	8.5%
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Rhode Island	10.5%	9.1%	NA	NA	12.7%	8.1%
South Carolina	10.9%	9.0%	15.8%	NA	11.1%	10.7%
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Tennessee	9.1%	8.1%	NA	NA	9.8%	8.2%
Texas	6.5%	4.8%	10.4%	7.7%	6.7%	6.3%
Utah	5.0%	4.0%	NA	NA	5.8%	3.8%
Virginia	6.5%	5.3%	9.9%	NA	7.7%	5.1%
Vermont	7.0%	7.1%	NA	NA	7.2%	6.9%
Washington	8.4%	8.6%	NA	NA	10.1%	6.5%
Wisconsin	7.8%	6.5%	NA	NA	9.1%	6.3%
West Virginia	6.0%	5.8%	NA	NA	7.4%	4.2%
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