ANALYSIS OF BLACK WOMEN’S HISTORICAL LABOR TRENDS & SYSTEMIC BARRIERS TO ECONOMIC MOBILITY
Of course laws will not eliminate prejudice from the hearts of human beings. But that is no reason to allow prejudice to continue to be enshrined in our laws—to perpetuate injustice through inaction.”

— Shirley Chisholm —
ANALYSIS OF
BLACK WOMEN’S HISTORICAL LABOR TRENDS & SYSTEMIC BARRIERS TO ECONOMIC MOBILITY

Women’s Fund of the Greater Cincinnati Foundation’s Research Committee
THANK YOU AND ACKNOWLEDGMENTS

RESEARCH COMMITTEE
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Olivia Ballard
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COMMUNITY REVIEWERS
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Barbara Turner

REPORT DESIGN
Jeni Jenkins, Renegade Babe Design Studio

WOMEN’S FUND STAFF
Meghan Cummings, Executive Director
Holly Hankinson, Advocacy Director
Barb Linder, Coordinator
Samantha Molony, Applied Research Manager
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Kate Tepe, Engagement Manager

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In the Summer of 2020, we witnessed a national movement for racial equity and justice, which has illuminated the continued oppression of and discrimination against the Black community in the United States of America and emphasized the integration of racist policies and practices reinforced in our systems. In our region, the 2028 Jobs Outlook Report emphasized alarming data about the economic well-being of Black women: In 2018, their median annual earnings were approximately $24,100, which is on average **36 percent lower** than median annual earnings across all workers in the MSA, and **42 percent lower** than the Self-sufficiency Standard.¹

These data and the national conversation compelled us to launch a comprehensive research project on the economic mobility of Black women. This project consists of three research papers meant to build on one another to gain a deeper understanding of the factors that fuel and hinder economic mobility for Black women, as well as identify specific policy recommendations. This series will be released in 2020 and 2021 and will be comprised of: a literature review of the historical context of labor trends and systemic barriers to Black women’s employment; a quantitative analysis to understand Black women in the workforce, their economic mobility status and the impact of economic downturns; and a qualitative study to determine the factors fostering or deterring Black women’s economic mobility.

This report serves as the first in our series—an examination of Black women and the labor / employment system. We recognize that this is just one system that enforces the discrimination and racism Black women face in America, and this paper does not cover the other systems that negatively impact Black women and their families. We have other partners and resources that can better inform you on the systemic barriers within those systems. For this paper we have focused on the employment system, and it should serve as a starting point to begin understanding how we have undervalued the occupational contributions of Black women in the U.S. There is a list of references at the end of the paper, in which you can dive deeper into a specific topic highlighted in this report.

The preview? From growing food to caring for children to nursing the sick, the United States of America was built on the backs of Black women and their families. From slavery to today, the perseverance and work ethic of Black women is how our community continues to prosper. And yet, we do not celebrate the work of these women, or even offer basic living wages and benefits to support them. Instead their jobs are overwhelmingly some of our lowest paying and undervalued occupations.

Our economic system is broken. The foundation on which our economy was built was one of pursuing economic advancement on the backs of others with discriminatory, oppressive policies and even at the cost of freedom. It is up to all of us to learn, identify and advocate for change because economic inequity impacts all of us. The first step to a more equitable world is learning. Let us re-imagine a world in which we value and fully compensate the contributions of Black women. Let us listen and learn from our Black neighbors and truly empathize with their experiences. Let us join and fight for an equitable world.

*Learn with us,*

The Women’s Fund of the Greater Cincinnati Foundation

Throughout U.S. history, Black women have been restricted to devalued, backbreaking occupations, with the lowest pay. And yet, Black women (mothers and non-mothers alike) have consistently had higher levels of employment than white women, despite stereotypes to the contrary. Even though Black women work hard to support themselves and their families, too many are constrained to take jobs that prevent them from achieving economic self-sufficiency. Only with wide-spread policy change can we remedy the systemic oppression of Black women in our labor market. Indeed, “it is not Black women’s refusal to work but the lack of jobs that pay them a living wage that prevents them from rising above poverty.” ²

This paper explores the history of Black women’s occupational (im)mobility, in order to provide a context for understanding the economic status of Black women today. This is followed by analyses of the large gap in wages paid to Black women, and how both occupational segregation, and discrimination and stereotypes, continue to reproduce well into the 21st century the restrictions of Black women’s labor that began in slavery. We conclude with systemic policy recommendations that could help alleviate and uplift Black women’s access to economic self-sufficiency.

**EXECUTIVE SUMMARY**

The history of Black women’s employment is consistently one of restriction, low wages and onerous work.

After the abolition of slavery, Black women were occupationally restricted to farm labor (primarily in the South) and domestic service (primarily in the North), a pattern that persisted into the 20th century. Although Black women were allowed into factory jobs as manufacturing expanded, they again were confined to the most undesirable jobs with extraordinarily low wages and worked in segregated spaces. Furthermore, Black women were not welcomed into the clerical, sales and professional jobs that were becoming available to white women. It was not until the Civil Rights Act of 1964 that a fuller range of occupations began to truly open to Black women.³

**KEY FINDINGS**

> **The history of Black women’s employment is consistently one of restriction, low wages and onerous work.**

“It is not Black women’s refusal to work but the lack of jobs that pay them a living wage that prevents them from rising above poverty.”

Despite the advancements of the Civil Rights era, Black women today are still overrepresented in low-wage jobs.

Black women are particularly concentrated in low-wage jobs such as child care, food service, home care, nursing assistance, retail, and non-household domestic work, many of which require intensive manual labor. Black women remain underrepresented in professional and managerial positions.4

Black women are paid significantly less.

In 2019, the median income of Black women was $36,608 (as compared to median earnings for white men of $59,644 and white women of $46,748).5 In Ohio, Black women’s median income was $33,710 as compared to $53,532 for white men; this translates to paying Black women 66 cents for every dollar earned by white men.6 Unfortunately, while these wage gaps did narrow after the passage of anti-discrimination laws, they have widened again since 2000.7

The wage gap for Black women cannot be totally explained by accounting for differences in education, experience, union membership or region of the country.

While accounting for these demographic factors explains about 60% of the wage gap, the other 40% is due to other factors, including both occupational segregation and discrimination. Looking at wages within education levels and occupations reveals that the wages of Black women are lower than those of white men, white women and Black men, at every level of education, and within every occupation.8

The United States occupational structure remains segregated along lines of race and gender.

This segregation has been shaped by gender and racial stereotypes about who is “best suited” to particular occupations, and both discrimination and tradition have served to funnel women and minorities into particular occupations over time.9 Today, Black women are overrepresented in less prestigious occupations, and are less likely to work in positions that carry authority or supervisory roles.10 Ultimately, “there is no female-dominated profession that, when compared to a male-dominated profession requiring the same education and experience, is as highly paid.” 11

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9 Mintz & Krymkowski, 2010, Rosette et al., 2018


11 Bornstein, 2018, p. 589
Stereotyping and structural racism continue to deeply affect the occupational sector.

Discrimination and implicit biases facilitated by racial and gender stereotypes continue to influence occupational choice and advancement at multiple levels, from what girls and people of color study in school, to the occupations they are encouraged to pursue, to their chances of getting hired, promoted, and receiving a raise. As the political will to address labor market discrimination waned in response to intense opposition to Affirmative Action, the economic advancement of Black women slowed, progress in narrowing the racial wage gap reversed, and occupational desegregation stagnated.12

The difficult journey to economic self-sufficiency for Black women has been exacerbated during the current pandemic and recession.

Black families are particularly vulnerable during economic downturns, and Black women typically experience slower economic recovery compared to other groups. Additionally, Black women breadwinners are concentrated in the very occupations most affected by the COVID-19 pandemic, both as essential workers such as health care aides and as employees in the jobs most affected by furloughs and job loss, such as retail and food service.13

It will take many bold and sustained policy actions to create a pathway to equity and mobility for Black women.

Critical initiatives will include strengthening anti-discrimination laws and practices; modernizing employment policies to ensure equity for low-wage workers; building the policy knowledge base through pilot programs and intersectional data; supporting worker education and skill attainment; reforming the benefit system to ameliorate the benefits cliff; and raising the minimum wage.14

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14 Bornstein, 2018; DuMonthier et al., 2017; Gould, 2020
One overarching theme is clear across the history of Black women’s employment: Black women have been deliberately restricted to undervalued occupations and have consistently been relegated to the most onerous and lowest paying jobs.\textsuperscript{15}

From slavery onward, Black women worked almost exclusively in farm labor and domestic service (and to a lesser extent in the lowest paid industrial jobs); it was not until the Civil Rights Act of 1964 that other occupations were truly open to them. Enobong Branch, scholar and author, documents how Black women—parents and non-parents, married and single—have always worked, even during eras when the epitome of white womanhood was to remain protected inside the home. She argues eloquently that we must contextualize the current economic situation of Black women within this history of restricted opportunity and economic discrimination, concluding that “it is not Black women’s refusal to work but the lack of jobs that pay them a living wage that prevents them from rising above poverty.”\textsuperscript{16}

As you will read in this section, the atrocity of slavery established the history of Black women’s employment in the United States, which has been marked by discriminatory and oppressive policies and practices meant to maintain white supremacy.
1600s To Civil War

In 1619, the first twenty Africans, including three women, were brought to America to be enslaved by white landowners. By 1790 African women were one-third of the enslaved.17 Enslaved Black women were forced to work 12 to 16 hours a day in the fields planting, harvesting, and driving mule teams. Those women not working in the fields worked in the plantation house as laundresses, maids, cooks or nurses. They also served as midwives and care providers for both Black and white children. A small proportion of enslaved Black women worked in factories, including foundries, mines, saltworks, and cotton and woolen mills, as it was common for factories to own their own labor force. In 1830, white immigrant women began replacing Black women in the factories, as owners were able to pay white immigrants less than the cost of owning their workforce.18

American slavery was a highly gendered institution, as the methods of violence and oppression were often different for Black men and women. “[Black women] were frequently subjected to sexual violence and had to endure an enormous amount of backbreaking labor that fell upon all enslaved African people… Furthermore, women’s work was largely confined to the boundaries of the plantation keeping them within close proximity of oppressive ‘masters.’”19 Marriage among enslaved people was common, as there is evidence supporting thousands of marriages. Plantation owners used marriages and kinship relations to assert their control, as enslaved men were frequently sold or traded, leaving their wives and children behind. “Slave-owners attempted to justify these separations, arguing family ties among slaves were either extremely loose or non-existent and that slaves were indifferent to separation.”20 This devaluing of Black families has continued throughout United States history.

Most free Black women during this time worked either on farms or as domestics. In the South, the most prestigious occupation for free Black women was as a seamstress. In the North, these women commonly worked as farm laborers and washerwomen. While it was rare, free Black women also entered the education profession.21 When the Civil War began, Black women highlighted the importance of education by organizing schools for soldiers and freed men and women to learn to read and write, but they were eventually forced out of teaching roles by the American Missionary Association (a northern freedman’s aid society). During the war, both enslaved and free Black women also worked as nurses in hospitals and solider camps.22

American slavery was a highly gendered institution, as the methods of violence and oppression were often different for Black men and women.

21Smith, E., 1985; Branch, 2019
With the end of the Civil War, Black women were met with racist and sexist resistance to their freedom. Black people were employed on unequal, repressive terms by former slave-owners and were met with cruel, often violent policies that created the Jim Crow South—state and local statutes that legalized racial segregation and discrimination to maintain the repressive, white supremacist oligarchy. Despite the promises of reconstruction, Black Americans were largely regulated into sharecropping and domestic work that maintained the hierarchy of the formerly enslaved workforce in the South. This hierarchy “subverted the liberating and democratic potential of this new working class.” Southern states strengthened the white supremacist structure through laws and policies. This was accomplished in the northern states through customs and traditions. These segregation practices made it simpler for Black women to find work in domestic roles (as their gender made them less of a threat to white men), while it became difficult for Black men to find work outside of restrictive sharecropping. These systems placed extreme economic and social strain on Black families, and due to the lack of essentials for survival, the mother-child relationship became central in many newly “freed” families.

Black women, especially those with children, were often forced to work for white employers who defrauded them by charging exorbitant amounts for supplies or boarding, and restricting their movement off the property. Gender discrimination was written into the guidelines of the Freedman’s Bureau, mandating that Black women and Black men receive unequal compensation because of gender, regardless of work, ability, or productivity. Agents also gave less land to families with women as the head of household.

Despite restrictions and active discrimination, Black women maintained a large presence in the American economy; Black women were more than three times as likely to be in the labor force as were white women. In 1890, 40% of all Black women worked outside the home, as compared to 12.5% of white women. Of those Black women in the workforce, 52% worked as domestic servants and 44% were in farm labor. Only 4% of working Black women worked in non-farm, non-service jobs, as compared to 52% of working white women.

A large proportion of Black female domestic workers were washerwomen, who handled laundry for white families. Laundry work was the most difficult of domestic jobs, and with cotton clothing becoming widely available with industrialization, the chore was even more difficult to manage. Laundresses were underpaid for their long hours of work, about $4 to $8 a month, and they had to provide their own water and soap for the laundry. Black laundresses were pivotal in early labor movements, calling strikes in Mississippi, Georgia and Texas as early as 1866 to protest their low wages and terrible working conditions.

Despite the promises of reconstruction, Black Americans were largely relegated into sharecropping and domestic work that maintained the hierarchy of the formerly enslaved workforce in the South.
As the 20th century began, Black women were still largely relegated to working as farm laborers (in the South) or domestic servants (in the North). Black women were excluded from the sales and clerical positions that were opening for white women. With increasing urbanization and migration to the North, Black women in the South took on the role of domestic servants that white immigrant women had formerly held. Limited opportunities for Black female entrepreneurship slowly began to emerge; Black women developed businesses as caterers, dressmakers, funeral directors and store operators. However, Black female entrepreneurs still faced many obstacles, especially in securing capital and loans.

At the start of the first World War, some Black women shifted into factory work (although the majority still worked in domestic and farm labor) because men were away at war. Here they were relegated to the most hazardous and undesirable jobs, working in segregated spaces, where they were paid “extraordinarily low wages.” However, Black women on the home front received domestic allotment checks from their husbands in the military, giving those in the South cash beyond the control of their sharecropper employer. Black women also served overseas, providing aid to 200,000 Black soldiers, and managing segregated canteens and leave stations. After the war, Black women were forced out of many of their industrial jobs, returning in large numbers to domestic service.

After WWI, Black veterans demanded full rights of citizenship and fair employment; W.E.B. DuBois famously called upon Black veterans to not simply “return from fighting” but to “return fighting.” During this time, many Black families participated in the Great Migration, with approximately 500,000 African Americans resettling in northern cities by the summer of 1919. Although this migration brought increased economic stability to most Black families (some estimates are that wages more than doubled), it was met with resistance and hostility by white immigrants and returning service members who were competing for the same jobs.

New industrial opportunities in the factories were largely available only to men. However, due to the seasonal nature of many of the industrial jobs, Black women became the sole, consistent wage earner for their families. Black women in the North primarily supported themselves and their families through domestic personal service work, taking in laundry and sewing, and to a more limited extent, running beauty salons, bars, and other small businesses. Black women in Southern cities remained in domestic work, and began to work in low-wage jobs in tobacco factories, industrial laundries, and canning plants. In these factory jobs, they performed the toughest and lowest-skilled jobs, received lower pay, and were physically and occupationally segregated from other workers. As the expansion of manufacturing jobs continued, eventually more of these jobs were opened to Black women in the North and South, including iron, steel, meatpacking and automobile factories.
During the Great Depression, every group of Americans was impacted, but no group was hit harder than Black families. By 1932, about half of Black Americans were out of work, twice the rate of white Americans. When recovery efforts began, Black Americans were largely discriminated against in the New Deal, including in job and housing initiatives.44 Black families were particularly harmed by the Social Security Act of 1935, as the provisions for Aid to Families with Dependent Children was meant to support the welfare of poor mothers who stayed at home with children. Further, the law excluded domestic and agricultural workers from receiving the benefits, thus directly excluding Black working women.45 In fact, many of the policymakers refused to support New Deal legislation that included protections for Black workers, and the New Deal largely favored job creation in male-dominated fields. Black women were forced to turn to other means to find work, and they were actively pitted against each other and against Black men.46

During the Second World War, many women were working outside the home in jobs formerly held by men, including “roughly 38% of nonwhite women,” to help the war effort.47 However, Black women were “universally recognized as laborers of last resort,” and were last hired and first to be let go.48 Within the Armed Forces, Black women served in segregated units, although their work in the army was often below their skills and abilities, shuttling them into menial tasks such as janitorial duties. Additionally, “a quota system was also enforced within the Women’s Army Corps. The number of Black WACs could never exceed 10 percent, which matched the proportion of Black people in the national population.”49

Once again, after the war, Black women were forced back out of factories and into domestic service. At the same time, Black Americans began organizing unions, which allowed them to receive better conditions and salaries.50 Still, as the American economy began to “boom” after the Second World War, the increase in mass-production manufacturing had a disproportionately high impact on Black workers losing their jobs, as they occupied the lowest skilled positions that were most likely to be mechanized. Further as white families moved to the suburbs from the urban core, new jobs moved with them. Working Black families were unable to take advantage of these new jobs without adequate private or public transportation, and because they were prohibited from living in the suburbs by racial discrimination and practices such as redlining. While white Americans “boomed,” Black Americans faced increased unemployment and poverty.51
Professional occupations remained largely unavailable to Black women in the first half of the 20th century. In 1930, less than 5% of working Black women were professionals, managers, or working in clerical and sales positions. By 1960, this proportion had only risen to 18%.[52] One of the professional positions that was highly revered by the Black community was that of teacher. Some 35-50% of teachers in the segregated South were Black prior to *Brown v Board of Education*.53 Black teachers largely supported integration because they imagined an additive model in which Black students would have access to newer school buildings, textbooks, bus transportation, playgrounds, etc., but where they would maintain the power of teaching through the Black experience.[54] However, instead of investing in schools in their communities, integration policies/practices closed the Black schools, and many Black educators were fired or demoted in the aftermath, despite the fact that many of the Black teachers pre-*Brown* had better credentials than their white counterparts.

Many historical scholars have noted that the sacrifice of Black teachers for the passage of *Brown* was strategic, and one they had hoped to fight for next through the NAACP. However, this did not come to fruition due to other NAACP priorities.[55] Today we continue to see the effects of removing Black teachers from their classrooms, as the method used to desegregate the schools in the 1960s and 1970s failed to account for the impact of losing a school-based commitment to Black students. The integration of schools sought to make schooling for all students more equal, but what was needed was an equitable approach that preserved the commitment and curriculum of Black teachers with increased public funding and resources.[56] Today, 7% of teachers, and 11% of principals, are Black[57] despite the fact that more than 15% of students enrolled in public elementary and secondary schools are Black.[58]

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52Branch, p. 110
57Will, 2019
Civil Rights: 1960s and 1970s

During the 1960s and 70s, Black women were at the forefront of the Civil Rights Movement. They not only advocated for the end of discriminatory Jim Crow and segregation policies, they also worked to gain access to new work environments, higher wages and fairer work conditions. Dorothy Bolden worked to organize the first domestic worker union during her bus commute; the National Domestic Workers Union of America was an education and advocacy organization that secured national and local legislation for higher wages, vacation time and training programs for nearly three decades. However, during the Civil Rights era, Black women also faced hesitancy from Black men about their being involved in leadership positions, which highlights Black men’s and women’s different experiences with segregation policies.

During this period, Black women’s income growth outpaced all other groups because of improved access to education and employment opportunities ushered in by the elimination of discriminatory barriers. These gains were largely due to the passage of the 1964 Civil Rights Act, and the establishment of the Equal Employment Opportunity Commission (EEOC) to implement the new law. The EEOC allowed Black women to leave domestic service for higher-paying jobs such as secretaries, typists and stenographers, and for Black women with college educations to take managerial jobs. Black women also used these laws to form unions and make changes in their workplaces. However, it is important to contextualize these gains: the incredibly low wages of Black women prior to this time meant this group had the most ground to make up. Post 1960s wage gains have never brought Black women to wage parity with white women, white men or Black men.

The 1960s and 1970s also brought the second wave of the Women’s Movement, but the movement largely failed to attract Black women to support an agenda that had been designed by privileged white women looking to advance their careers. This movement largely ignored the needs of low-income women of all races, as it failed to promote increased wages, flexible work schedules, access to child care, parental leave, and other benefits that would have changed the economic trajectory of the low-wage women’s workforce.

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63 Branch 2011, p. 6

64 Rutherford, 1992
1980s to Early 2000s

With the legal reduction of discriminatory practices in social service programs, the Aid to Families with Dependent Children New Deal provision was finally available to low-income Black families; however, at this time the perception of “welfare” changed markedly. Before, women on welfare were “noble white mothers working hard to support their children and household.” Once the system admitted Black single mothers, the public perception of welfare became negative. In the 1980s, President Reagan coined the phrase “welfare queens,” which supported the stereotype of a Black woman collecting a welfare check because “she is too lazy to work.” This was despite the fact that Black women with children have always had proportionately much higher labor force participation compared to other mothers. In the 1990s, this negative stereotype led to restrictive work requirements in the public assistance system that still exist today, and the prioritization of many tax credits and anti-poverty initiatives encouraged married family structures. These measures often ignore the realities of living in America as a single Black mother, and do not offer a pathway out of poverty for many women.

This period also saw a rise in single Black female households. In 1960, 22% of Black families were headed by single females, whereas in 1998 the percentage had risen to 47% nationwide. By 2000 73% of white children and 36% of Black children lived in married-couple households. Researchers have identified several reasons for this rise. From slavery to reconstruction into the 20th century, the systems were not conducive to Black families succeeding. Black families frequently rely on kinship and extended families for financial, food, child care and clothes support. This experience is different from white families who largely emphasize the independence of the nuclear family structure. This difference is not accidental, as Black families have been forced to adapt to societal challenges. However, our systems have been designed as if white nuclear families are the ideal. So, modern day public welfare and housing policies in the United States discourage multi-generational households and have contributed to the rise of isolated households. Another argument for the rise of single Black female households is the increasing economic marginality, higher mortality and incarceration rates among Black men that compound to produce a lower rate of marriage in the Black community. “This extreme marginalization of Black men often forces Black women to assume central roles in the Black communities and families.”

Despite employment advancements for Black women in the 1970s, many Black women continued to be overrepresented in service jobs, a trend that remains into the 21st century. The influx of married white women (both with and without children) into the labor force led to the commercialization of services they previously performed within the household, including child care and food services,

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[35x728]1980s to Early 2000s

Three Black women dressed for work in the building construction trade, New York, 1981.

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72 Banks, 2019.
73 Branch 143.
75 DuMontier et al., 2017, p. 95.
and Black women were relegated to these jobs.\textsuperscript{72} These mostly part-time service jobs often have little job security, low wages and few benefits.\textsuperscript{73} Ultimately, white women’s occupational success continues to rely on the labor of Black women.\textsuperscript{74} Black female entrepreneurs were not new to the U.S. workforce, but by the beginning of the 21\textsuperscript{st} century, Black women were becoming entrepreneurs at a higher rate than ever before. By 2012, the proportion of Black female-owned businesses (15.4\%) exceed the proportion of Black women in the U.S. population (12.7\%) for the first time. Indeed, from 2001-2012, Black female-owned businesses grew at a faster pace than those of any other ethnic group.\textsuperscript{75} The Civil Rights Movement also created increased opportunities for Black women to attend college and enter professional positions. Still, Black women professionals were more vulnerable than their white counterparts, as Black women mostly entered public sector positions to avoid the discrimination of the private sector. By the 1990s, 85\% of Black female professionals worked in health, social services, education or government or nonprofit sectors. During economic downturns, and as attitudes about the role of government change, such positions are particularly vulnerable to budget cuts, leaving Black professional families continuously vulnerable.\textsuperscript{76}

Conclusions

This historical overview helps to contextualize Black women’s current economic and occupational situation. Black women have been restricted to the least desirable and lowest paying occupations for centuries, often “mirror[ing] their labor roles while enslaved.”\textsuperscript{77} Black women have had higher labor force participation than white women, due to social norms, the low wages of Black men, and the higher proportion of Black female-headed households.\textsuperscript{78} “Today, 78 percent of Black moms with children are employed compared with an average of just 66 percent of white, Asian American, and Latinx moms.”\textsuperscript{79} However, Black women are disproportionately represented in jobs that pay minimum wage, and are underrepresented in professional and managerial occupations. More than 50\% of Black women work in clerical positions or non-household service (care work, housekeeping services, food service).\textsuperscript{80} Ultimately, the disadvantaged occupational and economic position of Black women carried into the 21st century. Although the 1970s and 1980s saw progress toward closing the racial wage gap, from 2000 to today, that gap has widened again.\textsuperscript{81} Indeed, the racial pay gap is now worse than it was 35 years ago.\textsuperscript{82} Even though more than six in ten Black women are in the workforce, their wages continue to lag far behind white men and women, and Black men.\textsuperscript{83} As a result, fully one-fourth of Black women live in poverty in the U.S.\textsuperscript{84} Recently the United States has entered another crisis and economic downturn, which has had a large, negative impact on Black families. Later in this paper, we’ll explore the impact of recent public policies for Black women, including public assistance programs and COVID-19 crisis.

\begin{itemize}
\item Branch, 2011, p. 144
\item Branch, 2011, p. 102
\item DuMonther et al, p. 21
\item Banks, 2019
\item Branch, 2011, p. 146
\item Bornstein, 2018
\item DuMonther et al, 2019, p. xii
\end{itemize}
SECTION 2

UNDERSTANDING THE
CURRENT ECONOMIC AND OCCUPATIONAL MOBILITY OF BLACK WOMEN

This section provides a deeper analysis of the current economic and occupational position of Black women. It begins with a discussion of gender and racial pay gaps, then examines the occupational segregation and discriminatory practices that hold back the economic advancement of Black women.

Gender and Race Wage Gaps

Gender and race pay gaps have existed in the U.S. economy since its inception, and although the gaps have narrowed over the past 50 years, at the current pace of change these gaps will not close for another 30-50 years.\(^{85}\) Closing these gaps is critically important to the health of our economy, as they are key components of income inequality, that is, the widening distance between those at the bottom and top of the income distribution.\(^{86}\) The depressed wages of women and minorities impacts the entire U.S. economy. Indeed, if gender pay equity was achieved, the equitable wages of women would equal “nearly 15 times state and federal government expenditures on TANF,” and would cut the poverty rate of women almost in half.\(^{87}\) The race wage gap also severely constrains economic growth in the United States, with a projected cost to GDP between $1 and $1.5 trillion over the next decade.\(^{88}\) Correcting the racial wage gap would have large, positive implications for our nation’s economy, as increased wages create increased tax revenue and decreased need for government support payments.

Stephanie Bornstein, an expert on American employment and labor laws, documents three important facts about gender and racial pay gaps: They exist at every level of the economy (even after controlling for factors such as education and experience), the narrowing of these gaps has stalled over the past 20 years, and, when an occupation has a plethora of female and/or minority workers, the average pay is lower.

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85 Bornstein, 2018; Hegewisch, 2018, p. 1
88 Bornstein, 2018, p. 599-600
89 Noel et al., 2019
When examining wage gaps, economists typically control for hours worked and duration of employment by examining either the annual wages of full-time year-round workers or examining median hourly wages. Looking first at the gender wage gap for full-time, year-round workers: in 2018 women earned 81.5% of what men earned, with median annual wages of $45,097 for women and $55,291 for men.\(^{89}\) Looking at full-time and part-time workers who receive hourly pay: in 2018 women’s median hourly earnings were 85% of what men earned. Gender wage gaps are wider at the top of the wage distribution, and narrower among those whose earnings are in the 10\(^{th}\) percentile or lower.\(^{90}\)


\(^{90}\) Catalyst, 2020

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**Three important facts about gender and racial pay gaps:**

1. They exist at every level of the economy.
2. The narrowing of these gaps has stalled over the past 20 years.
3. When an occupation has a majority female and/or minority workers, the average pay is lower.

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### 2018 Median Annual Wage

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<th>Wage Level</th>
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<td>$60,001 and up</td>
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*Source: Economic Policy Institute, 2020*

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### Gender Pay Gap

In 2018 women earned 81.5% of what men earned. For every $1 men make, women earn $0.81.

*Source: Economic Policy Institute, 2020*
Although the racial wage gap began to decrease in the 1960s, it began widening again after 2000 (particularly for Black women, and for Black people overall), and wage growth was slower for Black people than for white people during this time.\(^9\) Between 2018 and 2019 Black workers experienced their strongest wage growth since 2000. However, these gains are likely going to be eliminated by the current recession, as recessions typically affect Black families far more negatively. In 2019, Black people earned only 75.6% of the median hourly wages of white people; this represents a significant widening of the median hourly wage gap since 2000, when Black people earned 79.2% of the hourly wages of whites. Racial wage gaps are also greater at the higher end of the wage distribution; for example, Black workers in the 10\(^{th}\) percentile make 93.9% of their white counterparts, and for earners in the 95\(^{th}\) percentile Black workers make 68.3% of their white counterparts.\(^9\)

The intersection between race and gender further clarifies our understanding of wage gaps and documents the doubly disadvantaged position of Black women in the labor force. Comparing the 2017 annual income of full-time year-round workers across the U.S., Black women earned 87.3% of what Black men earned, 80.0% of what white women earned, and 60.8% of what white men earned. Black women’s median income was $36,735 (as compared to white men at $60,388, white women at $46,513, and Black men at $42,076).\(^9\) Median hourly wages show the same pattern; in 2015 (the most recent year of available data), white men earned $21 per hour, white women $17, Black men $15, and Black women $13.\(^9\) These dual gender and race gaps have a hugely negative impact on Black women’s lifelong earnings; Black women experience an average earnings loss of $946,120 over their lifetimes.\(^9\)

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\(^9\) Wilson & Rogers, 2016; Catalyst, 2020
\(^9\) Gould, 2020, p. 2, and Table 3, p. 36
\(^9\) Hegewisch, 2018, p. 2

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### 2017 Median Annual Wage

<table>
<thead>
<tr>
<th></th>
<th>Wage</th>
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<tbody>
<tr>
<td>Black Women</td>
<td>$36,735</td>
</tr>
<tr>
<td>White Men</td>
<td>$60,388</td>
</tr>
<tr>
<td>Black Men</td>
<td>$42,076</td>
</tr>
</tbody>
</table>

*Source: Hegewisch, 2018.*

### 2015 Median Hourly Wage

<table>
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<th>Wage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Black Women</td>
<td>$13</td>
</tr>
<tr>
<td>White Men</td>
<td>$21</td>
</tr>
<tr>
<td>Black Men</td>
<td>$15</td>
</tr>
<tr>
<td>White Women</td>
<td>$17</td>
</tr>
</tbody>
</table>

*Source: Patten, 2016.*

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Catalyst, 2020
2019 data for Ohio, Indiana and Kentucky wages provides a regional picture of the wage gap for Black women. These three states exhibit wage gaps of 64 to 66 cents, which represents a gap of between $17,500 and $19,800 per year, roughly equivalent to more than three years of food, or 15 months of mortgage and utility payments.96

These gaps in wages represent only a portion of the economic disadvantages Black women experience; wage gaps are accompanied by gaps in total compensation, including retirement and social security accumulation, benefits, training opportunities, and paid leave.97 Racial pay gaps are also a key component of the U.S. racial wealth gap, which in 2016 stood at a seven-to-one ratio for white versus Black families. This disparity in accumulated wealth has been fueled by a history of racist policies and practices (e.g., redlining, subprime lending). Together wealth and wage/employment disparities contribute to the fact that Black workers today have higher levels of unemployment, earn lower wages at every level of education, and earn lower wages within every occupation. And, the racial wealth gap persists across generations for Black families while white and Hispanic families have much higher rates of intergenerational wealth mobility.98 Ultimately, analysis of the race and gender pay gaps over time shows the trend of white men maintaining their advantage in wages and in hierarchy of occupations, and the trend of white women having made more progress towards closing the wage gap than have men and women of color.99


99 Mintz & Krymkowski, 2010, p. 50
Why Do Wage Gaps Occur?

Economists and demographers have analyzed many factors that affect gender and race wage gaps. The most common explanation for these gaps is differences across groups in experience and education. Looking first at experience in the labor force, the gender pay gap was traditionally explained by the fact that women worked fewer hours and took off more time for family caregiving. Parenthood does exact a wage penalty for women, as women with children work fewer hours and months, which compounds wage differences over the years, and most largely penalizes for women who have low incomes. Interestingly, parenthood does not lower the average wages of men.100

Certainly, wages are related to education levels, so it is no surprise that education has been used as a major explanation of gender and race wage gaps, given that historically women and Black people had lower levels of education than white men. However, education as a wage gap factor is more complex, since women’s college degree attainment surpassed men’s in 1990, and Black women are increasing their college attainment at a faster rate than white people. So we must examine the relationship between level of education and the size of wage gap. In 2019, for both women and for Black people, the smallest wage differentials are among those with less than a high school education (20.4% for women, 10.7% for Black people), and the largest differentials are among college graduates (26.1% for women, and 22.5% for Black people). College graduates have experienced a larger widening of the wage gap than other education groups, and this is particularly true for Black women. Among Black women, college graduates with less than 10 years of experience showed an adjusted Black-white wage gap in 1979 of 3.7% and in 2015 of 10.8%. More experienced women (10-20 years) showed Black-white wage gaps in 1979 of 1.5% and in 2015 of 12.6%.101 It is important to note that acquiring education is often a suggested solution to inequality and poverty, and while the data suggest this is true for white people, Black people are still faced with fewer opportunities to advance in the same way as their white college-educated peers; they also lack access to intergenerational wealth and incur larger levels of student debt.

Ultimately, as women entered and stayed in the labor force at record numbers during the last half of the 20th century, and surpassed men in pursuing college degrees, the most common explanations for the gender pay gap have become less relevant. Indeed, the decline of the gender pay gap is largely due to increases in women’s labor force experience and education and diminishing of labor force interruptions. One irony is that today, once education is accounted for, even more of the gender pay gap remains “unexplained” than before.102

We examined two additional demographic explanations for the racial wage gap. First, wages vary by region of the country, and racial wage gaps have increased the least in the South (where they traditionally were the highest) and the most in the Midwest (were race gaps were smaller to start). Second, declines in the role of unions are related to the Black-white wage gap. Union membership traditionally was higher for Black workers and provided more wage equity under collective bargaining. Declining unionization accounts for about one-fifth of the growth in the racial wage gap for Black men, and about one-tenth in the growth of the gap for Black women.103 It should also be noted that, “Black women are concentrated in states with “right-to-work” laws, . . . which are associated with lower wages for both union and nonunion workers.”104

Ultimately, what happens to gender and racial pay gaps if statistical controls for these demographic and job characteristics are put into place? After controlling for job type, union status, education, and experience, over 40% of the gender pay gap remains. More recent estimates put the unexplained portion of the gap at about two-thirds.105

102 Blau & Kahn, 2017; Council of Economic Advisors, 2015
103 Wilson & Rogers, 2016
104 DuMonthier et al., p. 25
105 Blau & Kahn, 2017, Council of Economic Advisors, 2015
Controlling for demographic factors also does not eliminate the racial wage gap. Gould, a senior economist for the Economic Policy Institute, presents regressions that account for education, region, gender and age, finding that the 2019 regression-adjusted wage gap for Black people was 14.9% (increased significantly from the regression-adjusted wage gap of 10.2% in 2000). This means that fully 40% of the racial pay gap remains unexplained. Examining wages at all education levels and all occupations further clarifies the disadvantaged position of Black women, as their wages are lower than white men and women, as well as Black men, at every level of education, and within every occupation.

Clearly, demographic factors alone cannot completely explain why gender and race wage gaps occur. Two additional factors provide important contexts for understanding the differences in wages by gender and race: occupational segregation, and discrimination. Between one-third and one-half of the gender and racial pay gaps are due to these two factors.

**Occupational Segregation**

The historical overview provided in the beginning of this paper clearly documents how Black women consistently have been segregated into the least desirable occupations. “Occupational segregation” is the modern term used to describe the concentration of women and minorities into different occupational fields, even when they have the same levels of education and experience as white men. This segregation has been shaped by gender and racial stereotypes about who is “best suited” to particular occupations, and both discrimination and tradition have funneled women and minorities into particular occupations over time. The result is an occupational structure that remains segregated along lines of race and gender, despite recent advancements for both women and people of color.

Although women have increased their proportion in professional jobs (such as doctors, lawyers, managers) from approximately one-sixth to one-third, most women still work in jobs that are female-dominated, and the gender segregation of the labor force has changed little over the past 40 years. This segregation is worse among jobs that require lower levels of education; for example, only 21% of occupations requiring a master’s degree are highly segregated by gender (75% one gender or the other), versus 74% of jobs requiring a high school or vocational degree.

Occupational segregation by race and gender has a significant impact on wages. Women tend to be concentrated in “firms that paid lower wages to both men and women across all occupations, and conversely men tended to be employed at the firms that paid higher wages to both sexes.” Women (both Black and white) are the majority of workers in the lowest paid occupations (e.g., retail, food service, care work) and are underrepresented in the occupations with the highest wages (financial sector, utilities, information services, insurance, mining and logging). Even within professional positions, women tend to occupy lower levels of an occupation’s hierarchy: for example, women are almost half of managers within professional jobs, but are less than 15% of CEOs. Ultimately, “there is no female-dominated profession that, when compared to a male-dominated profession requiring the same education and experience, is more highly paid.”

Occupational segregation continues to be a concern for Black women. Olga Alonso-Villar and Coral del Rio, economists who specialize in occupational segregation, provide an overview of the occupational segregation of Black women from the 1940s to 2010. There were dramatic declines in occupational segregation between 1940 and 1960 as Black women worked less in domestic work and agriculture, and increasingly in the fields of clerical/office work, nursing, hospital

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106 Gould, 2020, pp. 14 & 40
107 Kijakazi et al., 2019
108 Bornstein, 2018; Blau & Kahn, 2017
111 Mintz & Krymkowski, 2010, Rosette et al., 2018
112 Blau & Kahn, 2017, Kijakazi et al., 2019, Kleinjans et al., 2017
113 Bornstein, 2018, p. 595
114 Kleinjans et al., 2017, p. 582
115 Blau & Kahn, 2017, p. 827
116 Catalyst
117 Blau & Kahn, 2017; Bornstein, 2018; Council of Economic Advisors, 2015; Catalyst, 2020
118 Bornstein, 2018, p. 589
work, and telephone operation. The trend in decreased segregation continued from 1960 to 1980, and as more Black women moved into teaching, janitorial services, sales, and manual labor. However, decreased segregation lost its trending momentum after 1980, with only modest decreases from 1980 to 2000, and stagnation since 2000. Black women are still segregated within the labor force and are overrepresented in lower paying and lower prestige occupations. They are particularly concentrated in low-wage jobs that include child care, food service, home care aides, nursing assistants, retail cashiers, and domestic work. Note that many of these positions require intensive manual labor (e.g., food service, cleaning, adult care work), in contrast to the low-wage positions of white women (clerical and administrative assistance). Ultimately, Black workers are less likely than white workers to be in work positions that carry authority (e.g., supervisory roles, hiring and firing decisions), and this gap cannot be explained by differences in education, family background, or occupation.

What has been the impact on wages when women and minorities enter an occupation that was previously closed to them? When women and minorities have entered white male-dominated professional occupations, wages in these occupations have decreased. This erosion of pay has been observed in jobs such as biologists, bank tellers, retail clerks, designers, real estate agents, recreation workers, and pharmacists. Occupations that come to be seen as the work of subordinate groups are believed to be less valuable and important, with a resulting negative impact on wages, and a decline in their desirability. Clearly, occupational segregation is an important determinant of gender and race wage gaps, by concentrating these groups into lower paid occupations. However, it is important to note that within the same occupation, and the same job, women and Black people receive lower pay. This is true even in occupations that are female dominated, for example, administrative assistants, elementary school teachers, and nurses. And it holds true for Black workers across the full range of occupations, including (but not limited to) construction, financial specialists, health care, management, sales, and transportation. Wage gaps that cannot be accounted for by education, experience, or occupation are attributed to discrimination, for there is little else that can explain them.

**Stereotypes and Discrimination**

Racial and gender stereotypes, and implicit biases (attitudes that affect our understanding, actions and decisions in an unconscious manner), influence occupational choice and advancement at multiple levels, from what girls and minorities study in school, to the occupations they are encouraged to pursue, to their chances of getting hired, promoted, and receiving a raise. These stereotypes are rooted in notions of “difference,” including assumed differences between women and men, or Black people and white people, as well as assumptions about how these groups differ in their work and family situations. All too often, these assumed differences are used to explain the lower rewards and outcomes received by women versus men, and Black versus white people. And, they form the undercarriage of implicit biases that produce gender and racial discrimination.
Gender stereotypes play a key role in occupational segregation; for example, the assumptions that women are better at verbally-based jobs and men at jobs that require mathematical and mechanical reasoning or that women are less committed to their careers than men.\textsuperscript{124} Racial stereotypes are equally insidious, and for Black Americans include assumptions of incompetence and unreliability.\textsuperscript{125}

Race and gender stereotypes intersect in unique ways for Black women. Black women were seen historically as capable of back-breaking work that traditionally was the realm of men, which relegated them to farm labor. Simultaneously, they were seen as fit for the traditional female roles they had performed on slave plantations and were relegated to domestic service and janitorial duties in the factory.\textsuperscript{126} Today, while there are some positive stereotypes of the strength and assertiveness of Black women, most stereotypes are negative. These negative images depict Black women as loud, domineering, angry and threatening, leading to the “angry Black woman” and the “Sapphire” stereotypes (imagery that portrays Black women as rude, loud and overbearing). Contrasting stereotypes include the “matriarch” who is a self-reliant head of the family, and the “welfare queen” who is lazy and unwilling to work.\textsuperscript{127} Both stereotypes are damaging to Black women who are often forced to carry the world on their shoulders. Even seemingly positive stereotypes that demonstrate the perceived strength of Black women can have negative impacts on Black women, who suffer emotionally and physically from stereotypes.

Black women are also stereotyped as all being single mothers, which in turns leads to assumptions that they are distracted and likely to be absent due to child care commitments.\textsuperscript{128} Assumptions about motherhood commitments can also result in being offered a lower starting salary.\textsuperscript{129} In fact, Black women are less likely than white women to leave their jobs after the birth of a child, and thus the motherhood wage penalty is lower for them. These dynamics are different still for Black women who live in poor neighborhoods, as they are less likely to move to seek a higher wage job since they rely on local social networks to assist with caring for their children.\textsuperscript{130}

Racial and gender discrimination have long histories in the United States, and the roots of systematic pay discrimination and the devaluing of the work of women of color can be traced to our “horrific past of enslaving Africans and their descendants.”\textsuperscript{131} Racial and gender discrimination was a widespread and legal practice until the 1960s. It is no longer legal, but it has “likely become less overt and more subtle, as well as unconscious.”\textsuperscript{132} Stereotypes, implicit bias, and discrimination all influence who is hired, their salary, and their promotion both directly and in subtle ways. The attribution of less value to the work traditionally done by women and people of color (e.g., care work) is one of many results of gender bias, and leads occupations to be stereotyped as feminine versus masculine.\textsuperscript{133} Experimental studies also show consistent evidence of gender and race discrimination in promotion, hiring, initial pay and subsequent raises.\textsuperscript{134}

\begin{figure}[h]
\centering
\includegraphics[width=\textwidth]{image.png}
\caption{Black women at work in a laundry facility, Virginia 1899.}
\end{figure}

\begin{thebibliography}{134}
\bibitem{124} Blau & Kahn, 2017; Mintz & Krymkowski, 2010; Rosette et al., 2018
\bibitem{126} Branch, 2011; Mintz & Krymkowski, 2010
\bibitem{127} Branch, 2011
\bibitem{128} Rosette et al., 2018
\bibitem{129} Blau & Kahn, 2017, pg. 823
\bibitem{130} Blau & Kahn, 2017, Rosette et al., 2018
\bibitem{132} Blau & Kahn, 2017, p. 831
\bibitem{133} Bornstein, 2018; DuMorrow & et al., 2019; He et al., 2019; Roos & Stephens, 1992
\bibitem{134} Bornstein, 2018, Council of Economic Advisors, 2015; Lips, 2003
\end{thebibliography}
Employers may both consciously and unconsciously engage in “statistical discrimination”. This occurs when employers use observable and assumed differences between groups as part of a “rational decision” about who to hire or promote. In other words, the employer’s beliefs about group averages or wide-spread stereotypes influence their treatment of the individual member in spite of professional and personal characteristics. When such assumptions are based on implicit biases (i.e., women are less committed, Black people are less productive, Black women are difficult to work with), they may influence who an employer is willing to invest in. Additionally, the ability to work longer hours and not having child care responsibilities may be taken as signs of “worker commitment” to the job, and employers may unconsciously screen out candidates they assume cannot meet those criteria. The most common example of statistical discrimination is among married women who may not be hired because they are statistically more likely to take time off to raise a family.

Workplace expectations also contribute to statistical discrimination. Stereotypically, women are expected to be warm and communal at work, and receive sanctions when they violate these assumptions, while men are rewarded for being disagreeable. Women who are dominant are penalized across multiple arenas, including promotion and salaries. In fact, McKinsey & Company’s Women in the Workplace survey found that for every 100 men promoted to manager, only 60 Black women are promoted, and 40% of Black women have had their judgment questioned in their area of expertise (compared to 27% of men).

Organizational support is yet another factor that contributes to race and gender disparities in the workplace. Women consistently report receiving less organizational support than do men, and women fare better when there are more women above them in the company hierarchy. Black women are rewarded less for staying longer at a firm, and for them the processes of moving into positions of authority are more constrained than they are for whites. Because there are so few Black women in senior positions, Black women relative to white women have fewer role models and mentors, as well as smaller workplace support networks. Ashley Rosette and colleagues provide the example of Black female firefighters; while Black men could use their gender and white women their race to create connections with white men, Black women were unable to leverage either their race or gender on the job.

Occupational discrimination against Black people is well documented. For example, there was an implicit “rise in market discrimination against Black people during the 2000s, as indicated by the growing size of the unexplained portion of the racial pay gap,” and Kililo Kijakazi of the Urban Institute and colleagues provide extensive evidence for the structural racism that remains in the workforce today. For Black women the consequences are clear: lower wages and much higher unemployment rates than both white men and white women at every level of education.

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135 Blau & Kahn, 2017; Mintz & Krymkowski, 2010
136 Blau & Kahn, 2017; He et al., 2019; Rosette et al., 2018
137 McKinsey & Company (2019). Five years in, the path to equality is clear.
139 Mandel & Semyonov, 2016, p. 1057, Kijakazi et al., 2019
140 A Black woman takes her child to work due to no child care facilities, New York, 1973.
Ultimately, discrimination in the U.S. labor market is not just due to an individual’s decision to discriminate but is structurally embedded into our systems and workplace policies. A study by Boston University and the Brookings Institution evaluated racial discrimination in the labor market and found that the “structure amplifies even modest racist tendencies or small productivity differences to yield highly visible economic outcomes with important social consequences.”[^140] Even in equilibrium between white and Black workers, firms hired white workers over Black workers contributing to segregated workplaces and persistent wage discrimination.[^141] Scholars at Harvard University, Princeton University and University of Chicago found similar results in their study.[^142] Research from the National Bureau of Economic Research, identified consistent, systemic gender discrimination through the “gender punishment gap” in the financial advisor industry (a data source of 1.2 million registered financial advisors), in which women were more likely to lose their job (20%) and less likely to find a new one (30%) than male advisors.[^143] This systemic discrimination is felt doubly by Black women through racial and sexist discrimination. Therefore, anti-discrimination enforcement and amplification are imperative to correct our labor market.

The slowing of closing the racial and gender wage gaps, and slower occupational desegregation, are related to the “ebb and flow” of anti-discrimination legislation. Early on, the Civil Rights Act led to enforcement of anti-discrimination policies and a subsequent narrowing of the wage gap. As the political will to address gender and racial labor market discrimination waned in response to intense opposition to Affirmative Action in the 1980s, the economic advancement of Black women slowed and again worsened wage gaps. Recently, there are increasing calls for enhanced enforcement, along with other policy changes to address gender and racial pay gaps, as key components of addressing the disproportionate levels of poverty experienced by Black women and their families.[^144]

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Given the previous discussion of wage gaps, occupational segregation, and discrimination, it is no surprise that the rate of poverty among Black women and their families is alarmingly high. Twenty-five percent of all Black women live below the poverty line. Of even greater concern is the plight of Black mothers: Eight out of ten are family breadwinners (providing between 40 and 100% of the family’s income), and 39% of Black mothers and their families live in poverty. Because of these high rates of poverty, 36% of Black Americans receive support from at least one public benefit (compared to 19% of the total U.S. population). Black Americans are disproportionately more likely than their white counterparts to receive public benefits such as Supplemental Nutrition Assistance Program (SNAP), Earned Income Tax Credit (EITC), Child Care vouchers, Women, Infants and Children (WIC), and Temporary Assistance for Needy Families (TANF).

To sustain a journey to economic security, it is essential to discuss the public benefit system in the United States and its structural disincentives keeping participants in a cycle of poverty. Often called the benefit cliff or cliff effect, the public benefit system has structural flaws within it that do not allow participants to gradually work off of the system, as a small increase in wages can trigger a complete cut off of public benefit programs.

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145 DuMondier, 2017, p. xii

This can mean the participant would be worse off financially by taking a raise versus staying at current wages in order to continue to receive public benefits. This structural flaw negates the primary purpose of the public benefit system—to support citizens during tough financial times and help people transition out of poverty. “We often perceive policymakers as defenders of economic opportunity, and social policy as a set of tools to alleviate inequalities. But state governments often function as a source of inequality rather than its cure. Instead of narrowing gaps between the advantaged and disadvantaged, social policy can, when deployed unevenly across the country, act to deepen them instead.”

As previously stated, Black women have a fraught history with public benefits, initially being largely excluded from the Aid to Families with Dependent Children Act portion of the New Deal and other benefit programs. When they finally were able to utilize the systems, the public perception of these programs became negative, and many politicians perpetuated heinous stereotypes of Black women on welfare. These perceptions were solidified in public policy in the 1990s as federal and state governments changed the assistance structure to utilize work requirements that created barriers to access for those who needed it most. These work requirements did not create a path to gainful employment without public benefits as intended, but instead have increased dependency on programs and widened racial economic disparities. Correcting inequities and disincentives in the public benefits system would reduce poverty and increase economic mobility for Black women. States with a higher proportion of Black Americans are more likely to enact policies that make it difficult to utilize benefits; closing these racial differences in the program would narrow the Black-white child poverty gap by up to 15%. These problematic state policies are “more likely to allocate TANF funds toward efforts to ‘encourage the formation of two-parent families’ and ‘reduce the incidence of out-of-wedlock pregnancies’” than provide cash to support basic expenses of the poor.

**COVID-19**

Once again Black women are faced with a crisis that threatens their economic well-being. The COVID-19 pandemic has crippled the US economy, as many Americans have lost their jobs, transitioned to staying at home and practicing social distancing. Early in this crisis, it is clear the pandemic will have an inequitable impact on the African American community and especially Black women. Black women are more likely to hold jobs in the identified essential professions of health care and food supply, including nursing assistants, cashiers, registered nurses, child care providers, and personal care aids. During this crisis Black women are in a difficult situation as their jobs put them at higher risk of contracting COVID-19, all while working for the lowest wages, and scrambling to identify child care due to center closures. The pandemic and recession have highlighted the deep inequities of these low-wage jobs, many without paid leave and other benefits needed to support their families, even as we hail our essential workers as heroes.
Black women are also disproportionately represented in industries hit the hardest by the COVID-19 pandemic including restaurant, retail, social assistance and hospitality. These occupations are some of the lowest paid in our economy and have critical gaps in workplace protections/supports.\textsuperscript{154} Many of these workers have been furloughed or laid-off from their jobs and are less likely to have resources to support themselves and their families during an economic downturn, including savings accounts, assets and wealth; at the same time these low-wage jobs have largely been excluded from worker protections in the relief bills. Further, many Black female business owners are “solo-preneurs” meaning they are a staff of one and had a harder time qualifying for the forgivable loans provided by the government. By one estimate, “ninety-five percent of businesses owned by African Americans have no employees, according to data compiled by CRL” and many Black business owners do not have formal relationships with banks, which further derailed these business owners from receiving any government assistance.\textsuperscript{155} Black florists, hairdressers, caterers, child care providers and more saw a devastating impact to their businesses. This crisis will exacerbate the challenges for Black women with economic mobility and employment racial disparities noted throughout this paper. Without intentional policy support for Black women and other women of color, their recovery from the recession will be at a slower rate than their white counterparts.\textsuperscript{156}

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As explored in this report, race and gender disparities in our employment system have long hindered Black women’s economic success. After centuries of oppression and discrimination, it will take many bold and sustained policy actions to create a pathway to equity and mobility for Black women in the United States. We briefly highlight several policy initiatives as we conclude this report. We also refer you to other policy reports created by the Women’s Fund of the Greater Cincinnati Foundation, as well as the resources cited in the reference section.157

Employment Policies

Modernize Employment Policies to Ensure Equity and Support Low-Wage Workers

Many initiatives fall into this category, including pay transparency, salary history bans, benefits and paid sick leave for part-time workers, and paid family leave.158 Low-wage workers will also benefit from employment practices that include predictable and flexible scheduling, payment for shifts canceled by the employer, and transportation support.159

Expand Protections for Domestic Service Workers

Domestic service workers have been left out of protections available to workers in other industries. Policies exempting these workers from unemployment insurance and workers compensation should be eliminated. Additionally, Congress should amend the National Labor Relations Act to allow domestic workers to form organized labor unions.160 Finally, federal policymakers should consider passing a National Domestic Workers Bill of Rights, which would provide key protections, transparency and access available to many other workers.161 See the work of Stephanie Bornstein in particular for an extensive analysis of existing federal and state laws, their limitations and needed reforms.

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157 Women’s Fund Research Reports are available at https://www.gcfdn.org/Investing-In-Greater-Cincinnati/The-Womens-Fund/Our-Work-at-The-Womens-Fund/Research-The-Pulse-Study

158 Council of Economic Advisors, 2015; Hess & Hegewisch, 2017


160 DuMonther et al., 2019

Support Collective Bargaining

Collective bargaining has long been a route to increasing pay equity, across a wide variety of occupations, and may be a particularly important vehicle for low-wage workers. For example, home health care workers who are unionized have higher wages, and better benefits, as well as lower turnover. Indeed, wages are higher for all workers in states that support collective bargaining versus states that have enacted “right to work” laws. Black women who are members of unions have higher wages, more benefits, and greater economic stability.162

Strengthen Anti-Discrimination Policies

Despite public perception that “Affirmative Action” has been a failure, EEOC policies on anti-discrimination were having their intended impact until they were weakened in the 1980s. Ironically, the group that made the most gains in wages and occupational desegregation was white women, and white men were not economically disadvantaged by these policies.163 We must continue to prioritize holding employers accountable for hiring, compensation and promotion practices that exacerbate pay inequity and occupational segregation; strengthen our enforcement of anti-discrimination policies and pay equity; and implement diversity and inclusivity training to promote better cultural practices for Black women.164 There needs to be additional work to ensure the solutions are equitable and not just “checking off the box” for employers.

Government Assistance Policies

Reform the Public Benefit System to Ameliorate the Cliff Effect

Rather than supporting a smooth path to economic self-sufficiency, our current benefits system contains barriers that create disincentives to wage advancements. Addressing these disincentives will support an increase in economic mobility for Black women, as they provide a pathway out of poverty supported by a social safety net that would remain until they are able to support themselves and their families on their incomes alone.165

Prioritize Child Care as Essential Infrastructure

The COVID-19 crisis has illuminated the essential relationship between child care and the American labor market, by exposing the lack of a strong, well funded child care infrastructure in the U.S.166 In order for working parents to function properly in our employment market, they need safe, affordable child care for their children. Governments should prioritize this community need, as they do other publicly funded infrastructure. There are many proposed ideas to accomplish this including universal pre-K,167 expanding reimbursement rates for providers,168 and incentivizing employers to expand child care for their employees through pre-tax child care accounts or investing in on-site providers.169

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162 DuMonther et al., 2019; Hess & Hegewisch, 2017; Bornstein, 2018
163 Mintz & Krymkowski, 2010
164 Bornstein, 2018; DuMonther et al., 2019; Mandel & Semyonov, 2016; Wilson & Rogers, 2016
165 Parolin 2019; University of Cincinnati and the Women’s Fund, 2016
Expand and Measure Success of Pilot Programs and Policies

Governments and institutions should invest in pilot programs and demonstration projects focused on closing pay equity gaps, supporting Black women’s economic mobility, and reforming the benefits system (an example of such a pilot is Colorado’s 2014 successful pilot project to ameliorate the cliff effect). These pilot programs and other pay equity programs and policies must incorporate cost-benefit analyses and robust measurements that fully explicate the impact of these policies.170

Education and Training Policies

Expand Training and Career Advancement Opportunities

Policymakers and workforce development programs should develop strategies and goals, including funding increases, aimed at promoting gender and racial equity in training programs for higher-wage career paths and in traditionally male-dominated fields.171 Expand apprenticeship opportunities in careers women are interested in, so they can earn a wage while becoming experts.

Support Education Reforms

Our public schools remain deeply segregated, and significant funding inequities result in a lack of resources available to many predominantly Black public-school districts. Kijakazi et al. of the Urban Institute provide an extended discussion of K-12 educational reform, including investing to eliminate racial inequities in public school quality, reforming education finance, and promoting school choice. Reforms should also include alternative ways to fund public education that are not directly connected to property taxes and other funding subjected to the income level of the students’ households.

Address Inequities at the Post-Secondary Level

At the collegiate level, tuition assistance for Black women is critical, as they typically graduate with higher student loan debt and matriculate into careers that pay less. Increasing funding for Pell Grants and student loan debt assistance should be considered.172

Wages and Wealth Policies

Increase the Minimum Wage

Evidence is mounting that states and localities that have increased the minimum wage have seen higher wage growth at the bottom of the scale than have areas where the minimum wage has remained unchanged.173 Raising the minimum wage will move us toward a living wage that allows many working poor families to achieve economic self-sufficiency.174 Raising the minimum wage is particularly important for Black women, who are disproportionality in minimum and tipped-wage jobs.175


172 DuMontier et al, 2019

173 Gould 2020

174 Hess & Hegewisch, 2017

175 DuMontier et al., 2017
Expand Evidence and Data Transparency

Both governments and employers should be required to regularly publish intersectional data on hiring, promotions, pay and benefits. Policies should be enacted to increase funding and expand intersectional data collection on key indicators of economic mobility.

Expanding Opportunities to Entrepreneurship

As discussed earlier in this paper, Black people have been systemically excluded from access to capital and investing that would have helped them grow businesses and wealth. Policies should be enacted to expand capital resources to the Black community and establish procurement and contracting opportunities for Black-owned businesses.

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Reparations

Policymakers should research and consider implementing a reparations program to address our long history of slavery, systemic racism and oppression. While there is no settled definition of reparations in the United States, it should include truth-telling and the official acknowledgment of the atrocities of slavery and systemic racism, as well as significant financial investment to address their consequences. Several approaches to reparations have been raised by thought leaders in the field, including deep investments in social service, education and training programs focusing on racial justice, as well as baby bonds, among others. The idea of reparations has been gaining traction over the past number of years and should be given meaningful consideration in state and federal policy discussions.

FINAL WORDS

Each program and policy suggested above is an important step, but none in isolation is sufficient to eliminate racial and gender disparities. Governments, employers and communities must apply a gender and racial lens to data collection and policies across the entire system. Governments and employers should create infrastructures to support racial and gender equity by establishing equity departments, conducting equity audits of budgets and programs and examining the race and gender impacts of each new policy or pieces of legislation. Many resources are available to support this work.

Leadership also matters. We must prioritize increasing the number of Black women in decision-making roles in both governments and companies. This increase can be achieved through intentional recruitment, training and funding of Black women candidates, as well as prioritizing mentorships and increasing the pipeline of Black women leaders within organizations. By embedding equity in our institutions and lifting up more diverse leaders, we can take an important step to reduce barriers to economic mobility for Black women across our communities.

176 Kijakazi et al, 2019;
179 DuMonthier et al., 2019;
181 Baby bonds is a proposal for the establishment of federally funded savings accounts for every child born in the United States, with annual deposits based on family wealth. The child would have access to the funding at age eighteen, for limited purposes. See Kilolo Kijakazi. Bold, Equitable Policy Solutions are Needed to Close the Racial and Gender Wealth Gap in America. U.S. House Committee on Financial Services, Subcommittee on Diversity and Inclusion. (September 24, 2019) (available at: https://www.urban.org/sites/default/files/publication/101086/kilolo_kijakazi_testimony_on_racial_and_gender_wage_gap.pdf).
182 DuMorthier et al., 2017, p. 131.
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