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African Americans & the Economic Crisis: Bold Action a Must Left Margin By Carl Bloice BlackCommentator.com Editorial Board

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Joe Biden was quite out front about it. On the same day the newspapers were trumpeting the news that President Obama had felt a "glimmer of hope" in the economic situation, the Vice-President was telling CNN that we can expect unemployment to increase each month for the rest of the year. Joblessness stands at 8.5 percent at the moment; if it continues to climb at anything like its current rate it could be over 10 percent by Christmas. That's bad news for working people; very bad news for African Americans and catastrophic news for African American men. At present a little less than one out of every six black men is without a job.

That statistic, as horrendous as it is only underscore a larger disaster, one too often downplayed or ignored: the disproportionate negative consequences of the current economic crisis on African Americans and other people of color.

"As bad as today's unemployment news is for the nation, for the African-American community it's much worse," Isaiah Poole wrote the other day on the <u>Campaign for America's Future</u> website. "African Americans as a group continue to bear a disproportionate share of the damage done to the economy by misguided conservative policies. It consequently needs a much greater focus from the Obama administration, Congress—and us."

Unemployment now stands at 13.3 percent among African American – 15.4 percent for black men. There were 124,000 fewer black people at work in March than in February.

Hispanic workers' unemployment was 11.4 percent last month, up from 7.0 percent a year ago. The rate for white job seekers stood at 7.9 percent in March, up from 4.5 percent a year ago.

(Mandatory caveat here: the government figures are understatements; they don't count the people who have given up looking for work or are too young to have ever

had a job or who are working part time because that's all the work they can find.)

These are national figures, however. Seven states now have jobless rates of over 10 percent and many are states with large African American population centers.

Appearing recently on *Democracy Now!*, Dedrick Muhammad, senior organizer and research associate at the Institute for Policy Studies, said there are suggestions that African American unemployment could eventually reach 20 percent or more. He cited a projection by William M. Rodgers, a professor in the School of Management and Labor Relations at Rutgers University that black male joblessness will reach 18 percent by 2012 after figuring in the effects of the Obama Administration's economic stimulus program; without it the rate could rise to 23 percent

"When you look back a year ago, every estimate of how bad things are going to be underestimated how bad things currently are," said Muhammad. "And I think that's still going to be true. So—and if you look—I mean, the current unemployment rate of about 13 percent is a higher unemployment rate that—white Americans haven't had such a high unemployment rate since about the time of the Depression. So we're truly in a crisis."

Muhammad is co-author of the new report "State of the Dream 2009: The Silent Depression."

"The disgrace of the Reagan-Bush era is that despite the emergence of a highly visible black middle class and the shattering of some racial barriers, African Americans as a group were casualties of conservative economic policies and the misguided notion that race is no longer a significant determinant of economic well-being," said the researcher.

Unemployment is not the only area where capitalism's current crisis is battering African American individuals and families. Taken as a whole black people are getting poorer as a result of developments over which they have no control. The mortgage crisis has hit especially hard with housing foreclosures reducing economic assets that people had worked hard to acquire and was key to their plans for the future. African American median family income has actually declined over the past decade.

Meanwhile, the country awaits word of the next shoe top fall in the auto industry with the expectation that General Motors will file for bankruptcy, be forced to pare down its operations, close additional plants and thus further contribute to unemployment in the regions where the company operates. Unemployment in Michigan reached 12 percent in February having reached the highest level as any state the previous month.

The Detroit-Warren-Dearborn area of Michigan has the highest jobless rate - 14.6 percent - for a metropolitan area of more than one million in the nation.

Michigan's labor force has declined every month since January 2007 with 88,000 people joining the jobless rolls the first two months of the year. Mass layoffs, restricted credit availability and shrinking pay envelopes are acknowledged to be the reason housing foreclosures are on the rise. A similar situation exists in other parts of the country.

Relating the situation to the steps being taken in Washington to arrest the economic decline, Poole of the Campaign for America's Future wrote, "In education, labor, social services, energy, transportation and urban development, Congress and the Obama administration will have opportunities to put in place programs specifically designed to close the employment race gap between African Americans, especially men, and the rest of society.

"Obama can lead in this area by explicitly addressing the plight of black men and challenging the nation—not just elected officials in Washington but grassroots organizations, think tanks and educational institutions—to make a central goal of economic recovery ending the decades-long pattern of black men being almost twice as likely to be unemployed as white men. That gap should be reduced to zero well before 2016.

"That would tell the rest of the world that we have entered a new racial era."

The situation facing African Americans and other people of color in the U.S. has a global corollary. The policies carried out by the major industrialized countries amid the expanded process of globalization have for decades increased the inequities both between and within many countries. Now, amid a staggering world economic upheaval, those policies stand in disrepute. Insecurity and deprivation are being experienced nearly everywhere. But the greatest burden is falling on the most vulnerable countries and people. In Asia, Africa and Latin America leaders and social movements are exploring new way of responding and are insisting upon bold initiatives to fashion and regulate economic relations on a more equitable basis. The current crisis in employment and shelter must compel us to do the same at home.

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