From 1963 to 2013: Is black America better off 50 years after ‘I Have a Dream’

by Shartia Brantley | August 28, 2013 at 1:31 PM

Thousands of Americans descended upon the Washington Mall on August 28, 1963 to participate in the March on Washington for Jobs and Freedom.

With 1,651 carefully crafted and dynamically delivered words, the Rev. Dr. Martin Luther King raised a nation’s awareness to the atrocities of denying civil rights for all Americans.

As we commemorate this historic day, theGrio spoke to experts on jobs, poverty, housing and wealth to provide a status report and ideas to tackle major issues facing the nation today.

Fifty years ago, the national unemployment rate stood at 5.7 percent compared to 10.8 for blacks and other groups, according to the U.S. Labor Department. In July 2013, the latest figures available, the national unemployment rate was 7.4 percent versus 12.6 percent for blacks.

“There has been no improvement,” says Algernon Austin, director of the Economic Policy Institute’s Program on Race, Ethnicity, and the Economy. “African-Americans are still less likely to get jobs even if they have the same qualifications as whites.”
Experts say bias may be behind the disparities in employment, housing, wealth and poverty.

“There continues to be racial bias in the labor market. Some of it is overt in consciousness, some is not.” Until we acknowledge the presence of overt bias and subtle unconscious bias we will not be able to solve the problem of excessively high black unemployment, Austin warns.

Where are the jobs?

“The deficit our leaders should be talking about is the jobs deficit,” Austin laments. The U.S. needs 9 million new jobs to return to the unemployment levels of 2007, which was before the Great Recession. He estimates an additional 2 million jobs must be created to put a dent in black and Hispanic unemployment.

Infrastructure as a jobs creator

Repairing our nation’s crumbling infrastructure is one way to get all Americans back to work, Austin proposes. Infrastructure projects create construction, transportation and a wide range of supporting jobs.

Public sector job creation is vital to bringing down unemployment. Austin says the public sector is where blacks have succeeded in getting good jobs because it has had the strongest commitment to anti-discrimination policies for equal opportunity.

The wealth effect

Employment is a major contributor to wealth accumulation.

“We’ve seen a game change in blacks getting white collar jobs,” says Tom Shapiro, director of the
Institute on Assets and Social Policy at the Heller School at Brandeis University. “The African-American middle class is no longer coming out of a service industry serving only the black community,” he says. These advancements are underplayed.

However, the wealth gap between whites and African-Americans has tripled since 1984. Shapiro’s research estimates the wealth gap for median white households compared to black households grew from $85,000 in 1984 to $236,500 in 2009.

Shapiro says the huge increase in the wealth gap suggests the historical legacy and past policies of Jim Crow and slavery. “Contemporary policies only help to exacerbate the racial gap over the past 25 years,” he argues.

“The wealth gap remains persistently stubborn,” says Darrick Hamilton, associate professor of economics and policy at The New School. He says African-Americans made strides in income and education until the 1970s, but has been stagnant since.

“Wealth is probably your best determinant of economic opportunity, well-being and security. The indicator for which blacks and whites are most disparate,” Hamilton says.

Critics may say the racial wealth gap exists because blacks do not save enough, make good financial decisions, or engage in entrepreneurial activities, Hamilton debates.

“Blacks are less involved in entrepreneurship because of assets,” Hamilton argues. According to the Pew Hispanic Center, in 2009 the median net worth for African-American households was $5,677.

“Market forces alone will not solve the wealth gap problems,” Hamilton warns. Post World War II and Depression-era policies created a middle class of white asset owners. He cites the GI bill and FHA as prime examples. “We need big ideas from the federal government to create economic opportunity for all races,” Hamilton advises.