



BLACK METROPOLITAN UNEMPLOYMENT IN 2011

Las Vegas's rate rises significantly

BY ALGERNON AUSTIN

In 2011, the nationwide African American unemployment rate stood at 15.9 percent—and in several of the country's large metropolitan areas, the black unemployment rate was significantly higher.

This issue brief examines African American unemployment rates of the 19 metropolitan areas for which we could derive reliable estimates.¹ The key findings of this brief are:

- In 2011, the Las Vegas and Los Angeles metropolitan areas had the highest black unemployment rates, at 22.6 percent and 21.1 percent, respectively.
- Of the metro areas examined, Las Vegas experienced the largest increase in black unemployment from 2010 to 2011.
- Metro areas in or including parts of Virginia—Virginia Beach, Richmond, and Washington, D.C.—had the lowest black unemployment rates.

However, at around 10 percent, these areas still had high rates of black unemployment.

- The biggest black-white unemployment rate disparity was in the Minneapolis metropolitan area, where the black unemployment rate was 3.3 times the white rate.

African American metro unemployment rates in 2011

In 2011, the Las Vegas metropolitan area had the highest African American unemployment rate among the 19 large metro areas examined (**Table 1**). In 2007, before the recession, it had one of the lowest African American unemployment rates (Austin 2011). Its 2011 rate stood at 22.6 percent—a level comparable to the highest overall national rates during the Great Depression (Carter et al. 2006). In comparison, African American unemployment increased to 21.1 percent in the Los Angeles metro area

TABLE 1

Black unemployment rates of selected metropolitan areas, 2010 and 2011

| 2011 rank* | Metropolitan area | 2011 | 2010 | 2010–2011 percentage-point change |
|---|---|--------------|--------------|-----------------------------------|
| 1 | Las Vegas-Paradise, Nev. | 22.6% | 19.8% | 2.8 |
| 2 | Los Angeles-Long Beach-Santa Ana, Calif. | 21.1% | 19.3% | 1.8 |
| 3 | Chicago-Naperville-Joliet, Ill.-Ind.-Wis. | 19.1% | 17.4% | 1.7 |
| 4 | Detroit-Warren-Livonia, Mich. | 18.1% | 25.4% | -7.3 |
| 5 | Miami-Fort Lauderdale-Miami Beach, Fla. | 17.8% | 16.6% | 1.2 |
| 6 | Minneapolis-St. Paul-Bloomington, Minn.-Wis. | 17.7% | 21.0% | -3.2 |
| 7 | Charlotte-Gastonia-Concord, N.C.-S.C. | 17.2% | 20.0% | -2.9 |
| 8 | Providence-New Bedford-Fall River, R.I.-Mass. | 17.1% | 15.8% | 1.3 |
| 9 | St. Louis, Mo.-Ill. | 14.9% | 16.2% | -1.3 |
| 10 | Atlanta-Sandy Springs-Marietta, Ga. | 14.4% | 15.7% | -1.2 |
| 11 | Memphis, Tenn.-Miss.-Ark. | 14.3% | 15.4% | -1.2 |
| 12 | New York-Northern New Jersey-Long Island, N.Y.-N.J.-Pa. | 13.9% | 14.5% | -0.7 |
| 13 | Philadelphia-Camden-Wilmington, Pa.-N.J.-Del.-Md. | 13.3% | 14.5% | -1.2 |
| 14 | Baltimore-Towson, Md. | 13.1% | 14.4% | -1.3 |
| 14 | Houston-Baytown-Sugar Land, Texas | 13.1% | 13.5% | -0.5 |
| 16 | Dallas-Fort Worth-Arlington, Texas | 12.4% | 12.6% | -0.1 |
| 17 | Washington-Arlington-Alexandria, D.C.-Va.-Md.-W.Va. | 10.1% | 9.7% | 0.3 |
| 18 | Richmond, Va. | 9.8% | 10.7% | -0.9 |
| 19 | Virginia Beach-Norfolk-Newport News, Va.-N.C. | 9.7% | 8.4% | 1.3 |
| National black unemployment rate | | 15.9% | 15.9% | -0.1 |

* The table uses "standard competition ranking," wherein items that tie for a position in the ranking receive the same ranking number, and the ranking numbers of all those below them reflect how many competitors rank above them.

Notes: 2010 estimates may differ from those in Austin 2011 because of revisions to the Local Area Unemployment Statistics. These data exclude Hispanics. Percentage-point changes may not sum properly due to rounding.

Sources: Author's analysis of basic monthly Current Population Survey microdata and Local Area Unemployment Statistics from the Bureau of Labor Statistics

in 2011, giving the area the second-highest rate, up from fifth in 2010.

The Las Vegas metro area experienced the largest increase in black unemployment from 2010 to 2011; its rate

increased 2.8 percentage points. In contrast, the Detroit, Minneapolis, and Charlotte, N.C., metro areas saw significant decreases. The largest decrease, 7.3 percentage points, was in the Detroit metro area, while Minneapolis's

TABLE 2

Black-to-white unemployment rate ratios of selected metropolitan areas, 2011

| Rank* | Metropolitan area | Ratio |
|-------|---|------------|
| 1 | Minneapolis-St. Paul-Bloomington, Minn.-Wis. | 3.3 |
| 2 | Baltimore-Towson, Md. | 2.6 |
| 3 | Chicago-Naperville-Joliet, Ill.-Ind.-Wis. | 2.5 |
| 3 | Miami-Fort Lauderdale-Miami Beach, Fla. | 2.5 |
| 5 | Washington-Arlington-Alexandria, D.C.-Va.-Md.-W.Va. | 2.4 |
| 6 | Los Angeles-Long Beach-Santa Ana, Calif. | 2.3 |
| 7 | Dallas-Fort Worth-Arlington, Texas | 2.2 |
| 7 | Memphis, Tenn.-Miss.-Ark. | 2.2 |
| 9 | New York-Northern New Jersey-Long Island, N.Y.-N.J.-Pa. | 2.1 |
| 10 | Philadelphia-Camden-Wilmington, Pa.-N.J.-Del.-Md. | 2.0 |
| 10 | Charlotte-Gastonia-Concord, N.C.-S.C. | 2.0 |
| 10 | Atlanta-Sandy Springs-Marietta, Ga. | 2.0 |
| 13 | Houston-Baytown-Sugar Land, Texas | 1.9 |
| 13 | St. Louis, Mo.-Ill. | 1.9 |
| 13 | Virginia Beach-Norfolk-Newport News, Va.-N.C. | 1.9 |
| 13 | Las Vegas-Paradise, Nev. | 1.9 |
| 13 | Providence-New Bedford-Fall River, R.I.-Mass. | 1.9 |
| 18 | Richmond, Va. | 1.8 |
| 18 | Detroit-Warren-Livonia, Mich. | 1.8 |
| | National ratio | 2.2 |

* The table uses "standard competition ranking," wherein items that tie for a position in the ranking receive the same ranking number, and the ranking numbers of all those below them reflect how many competitors rank above them.

Note: Estimates exclude Hispanics.

Sources: Author's analysis of basic monthly Current Population Survey microdata and Local Area Unemployment Statistics from the Bureau of Labor Statistics

rate declined 3.2 percentage points and Charlotte's fell 2.9 percentage points.

Fifteen of the 19 metropolitan areas examined in this brief had black unemployment rates below 20 percent but above 10 percent in 2011. Of these 15 areas, Chicago and Detroit had the highest African American unemploy-

ment rates, at 19.1 percent and 18.1 percent, respectively. Among all 19 metros examined, Chicago ranked third and Detroit fourth.

The lowest African American unemployment rates were barely below 10 percent. The Virginia Beach and Richmond areas had black unemployment rates of 9.7 percent

and 9.8 percent, respectively—the lowest rates among the 19 metro areas examined. The Washington, D.C., metro area ranked third lowest, with a rate of 10.1 percent. This metro area includes parts of northeastern Virginia; therefore, in 2011, metro areas in or including parts of Virginia were the best for black employment. However, their black unemployment levels were still high.

The biggest black-white unemployment rate disparity was in the Minneapolis metropolitan area (**Table 2**), where the black unemployment rate was 3.3 times the white rate. The lowest disparities were in the Detroit and Richmond metro areas, where the black unemployment rate was 1.8 times the white rate—still far from equal.

Conclusion

The 19 large metropolitan areas examined in this issue brief had high African American unemployment rates in 2011, ranging from 9.7 percent to 22.6 percent. As compared with white unemployment rates in these metros, the black rates range from about two to three times as high.

While the country as a whole needs the federal government to provide more economic stimulus, African Americans—who currently experience the highest unemployment rates among America's major racial and ethnic groups—are especially in need of such assistance. There is broad agreement among economists that the American Recovery and Reinvestment Act worked; the Congressional Budget Office estimates that the act created more than three million jobs (Montgomery 2012). Additional federal aid to state and local governments is particularly important to black workers, who have suffered the biggest proportional losses of good public-sector jobs as state and local governments responded to budget shortfalls with layoffs (Cooper, Gable, and Austin 2012). While the Obama administration has proposed providing more aid to state and local governments, conservatives in Congress have blocked such efforts (Pear 2011). The time to act is now.

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Endnote

1. Unemployment rate estimates were created for metropolitan areas that had a sufficient African American sample size in the Current Population Survey for reliable estimates. Austin 2011 included some metropolitan areas below the sample size threshold used in this issue brief.

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