

## AFRICAN AMERICAN ECONOMIC EMPOWERMENT FACT SHEET

### Income and Net Worth

According to a 2005 Census Bureau report, the average African-American family median income was \$30,858 compared to \$50,784 for non-Hispanic Caucasian families. The Bureau also found that the median net worth of Whites is more than 10 times that of African Americans. When home equity is removed from the calculation of net worth, the net worth of Whites was almost 20 times that of African Americans.

African Americans face challenges in every measure of economic status. While African Americans make up about 13% of the U.S. population, they own just 3% of the assets. The average total net worth of white families is \$70,000 compared to just \$6,000 for African American families. One part of this gap is explained by the racial disparity in homeownership, which has more than doubled in recent decades.

### Homeownership

Black and White Homeownership Rates in 1992 and 2004

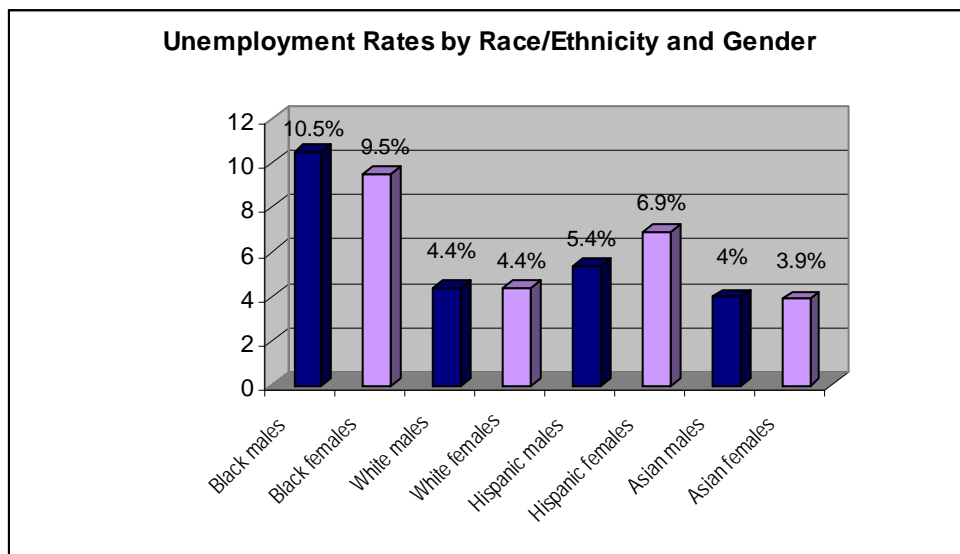
	1992	2004
<b>African Americans</b>	56%	49%
<b>Whites</b>	67%	76%
<b>Size of Gap</b>	11 percentage points	27 percentage points

The subprime market has rapidly increased, expanding from \$35 billion in 1994 to \$640 billion in 2006 and now accounts for over 20% of the mortgage market. According to the Center for Responsible Lending (CRL), 2.2 million subprime loans have been made in recent years – loans which have or will end in foreclosure. A recent CRL study finds that African Americans and Latinos are nearly one-third more likely to receive a subprime loan than are Whites.

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### Employment

African Americans are twice as likely to be unemployed as the average American. 2005 Bureau of Labor Statistics show that unemployment rates are highest for blacks, and that the unemployment rate of black males (10.5%) is higher than that of black females (9.5%). Those African Americans who are employed earn about \$13,000 a year less than whites.



(Bureau of Labor Statistics (2005))

The unemployment rate for blacks ages 20-24 with no high school diploma was 32% compared to 6% for those with a bachelor's degree or higher (Source: Alliance for Excellent Education, 2003. FactSheet: The impact of education on: Crime. Washington, DC: Author)

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**Employment Status of the Civilian Population, by Race/Ethnicity and Age (2004)**

Race/Ethnicity	Civilian Non-Institutional Population	% of Population in Labor Force	Employment Rate	Unemployment Rate	Not in Labor Force
<b>White Males</b>					
16-19	6,429,000	47.4%	39.7%	16.3%	3,379,000
20-24	8,024,000	82.1%	75.1%	8.5%	1,438,000
25-29	7,570,000	92.6%	87.6%	5.3%	561,000
<b>Black Males</b>					
16-19	1,195,000	30.0%	19.3%	35.6%	837,000
20-24	1,326,000	69.9%	55.7%	20.3%	399,000
25-29	1,121,000	83.6%	73.0%	12.7%	184,000
<b>Latino Males</b>					
16-19	1,336,000	42.4%	33.4%	21.2%	769,000
20-24	1,981,000	84.4%	76.4%	9.4%	309,000
25-29	2,097,000	93.1%	87.4%	6.1%	145,000

Source: U.S. Department of Labor, Bureau of Labor Statistics