



ECONOMIC EMPOWERMENT LEVELING THE OPPORTUNITIES FOR BLACK WOMEN - SISTER-NOMIC\$(c)

Background

The success and growth of small business owners and entrepreneurs of color can transform individual lives and be an engine for building a more racially equitable economy and society. Data shows that Black women lead the surge in entrepreneurship gains and that investing in Black women can be a catalyst for economic growth and community development. At the intersection of sex and race discrimination, the barriers on the road to economic empowerment for Black women can be significant.

Black Women and Economic Opportunities

As shared on July 1, 2022, in the Urban Institute article, wealth and income are two components of economic well-being. Income is a flow of money that comes in from employment, social security, or other sources, yet wealth consists of assets (e.g., homes, cash, businesses, vehicles) minus debt (e.g., credit cards, student loans, mortgages, medical debt).

Wealth is critical. In its absence, families have difficulty managing financial emergencies, passing money down to the next generation, and participating in activities that can build even more wealth like purchasing a home or starting a business. Research shows the racial wealth gap is even larger than the income gap.

But wealth is not equally accessible. Black households have just 15 percent of the wealth of white households, and this has not changed much over time. For Black women, the gap is also stark.

For instance, single Black women household heads with a college degree have 38 percent less wealth (\$5,000) than single white women without one (\$8,000). Among married women who are the head of the household, Black women with a bachelor's degree have 79 percent less wealth (\$45,000) than white women with no degree (\$117,200) and 83 percent less wealth than those with one (\$260,000). Marital status and education do not close the gap.

On top of this, Black women also have greater student loan debt than Black men, white men, and white women. Urban Institute research shows that in 2016, the typical Black woman heading a household had \$0 in home equity and white women had nearly 10 times the value of stocks and bonds as Black women. These factors contribute to the lack of wealth among older Black women as they approach retirement.

Similarly, Black women earn less than white people, despite their educational attainment. For

example, Black women without a high school diploma earn 61 percent of the median white men's wages, those with a bachelor's degree earn 64 percent and those with more than a bachelor's degree earns just 60 percent.



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Between 2009 and 2020, Black college-educated women experienced a 3.7 percent wage decrease, and Black women categorized as working class experienced a wage increase of 4.2 percent. Black women also face a high level of unemployment compared with white people. Seventeen percent of Black women with less than a high school degree were unemployed in 2017, compared with 10 percent of white women and 9 percent of white men. And the COVID-19 pandemic widened these disparities because Black women were more likely to work in occupations and sectors heavily affected by the economic downturn, such as health care and social services, educational services, retail, and accommodation and food services.

Black women who stayed employed during the pandemic faced a disproportionate risk of virus exposure because they are overrepresented in essential work, working in close physical proximity to others, and paid less when in those roles. None of these disparities are accidental. They stem from the interlocking systems of racism and sexism that permeate US institutions' policies and practices. These forces shaped the historical devaluing of Black women's labor for centuries.

The National Coalition of 100 Black Women, Inc. advocates on behalf of black women and girls to promote leadership and gender equity in the areas of health, education, and economic empowerment.

NCBW advocates for **affordable housing** so Black women have a greater chance to build wealth through purchasing a home.

NCBW advocates for black women business owners to have access to more **capital** to jumpstart, maintain and leverage businesses as described in the *Infrastructure Investment and Jobs Act*.

NCBW advocates canceling **student load debt** to improve the racial and gender wealth gap Black, college-educated women face.

NCBW advocates for **equal pay enforcement**. On average, Black women typically make just 62 cents for every dollar paid to white, non-Hispanic men. The parental status also impacts the wage gap, with Black mothers making just 50 cents to every dollar a white father makes. The pandemic and social unrest about racial injustice have amplified existing inequities in America.

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