



Public Work Provides Economic Security for Black Families and Communities

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Public sector work has been a rare source of opportunity and security for African Americans in the U.S. economy for generations. Employment with numerous federal, state, and local government agencies throughout the 20th century not only offered a leg up to millions of Black families, but also became so identified with a path to the middle class that they hold cultural significance to many Black Americans. Government jobs alone, obviously, cannot solve structural racism. But in an economy where structural racism denies Black workers economic opportunities and economic security—which has amplified the racial wealth gap throughout U.S. history and today—public work has a long tradition of benefiting many Black families who serve their communities. Whether in the U.S. Postal Service (USPS), which has a legacy of anti-racist hiring dating back to Reconstruction; the military, which led the public and private sector in integration; the federal civil service; or state and local governments, public sector jobs have offered a refuge from employment discrimination all too common in the private sector.

Today, nearly 1 in 5 Black workers are employed in the public sector.¹ At a time when the American public and policymakers, from school boards all the way to the Federal Reserve, are more engaged in addressing the legacies of structural racism, the federal government must not undermine one of the islands of economic stability Black families have built. Yet for the second time in a decade, the USPS, along with thousands of state and local governments across the country, is facing large, but mostly temporary, budget gaps due to a deep recession. Amid a lack of federal help, these public entities are all looking to reduce budgets by cutting jobs and the crucial services they provide to communities.

Threats to the future of not just the USPS and state and local governments but also to school districts, public utilities, and public transportation agencies—as well as barriers to public workers' right to unionize—all conspire to undermine economic stability for millions of Black workers, their families, and their communities. Public sector work is especially important to Black families who lack wealth

because these jobs provide decent pay, strong health care and retirement security, and job stability, which buffer against economic fragility in ways similar to the role wealth plays for Americans who have it. Moreover, public sector jobs have been disproportionately important to Black families as a means of reaching the middle class and building both wealth and economic stability. Decades of organizing by African Americans and allies in the labor movement as well as many of the more than 90,000 federal, state, and local governments in America² have made a way for Black workers to build personal economic security while serving their communities. Sitting idly by as these jobs disappear will have negative impacts on the very same communities hit hardest by the coronavirus and the deep economic recession—not just in the near term but for years to come.

Public sector jobs provide economic security for Black households

Public jobs provide good wages, better benefits, and greater job security, all of which are critical components of economic security and help families build wealth. Moreover, the wealth gap in the public sector is much smaller. For example, in the private sector, white households have as much as \$10 of wealth for each \$1 Black households hold; in the public sector white households hold closer to \$2 for every \$1 of wealth for Black families.

Public employment can provide greater economic security for Black workers for several reasons:

- Public sector hiring is more accountable to citizen influence than private sector hiring, providing stronger checks on employment discrimination.
- Public sector jobs are more likely to provide a defined benefit pension, which guarantees lifetime benefits upon retirement.
- Public sector jobs offer more stable employment, providing economic security otherwise available only to households with wealth.
- Public sector jobs are more likely to be unionized. Unionized jobs are highly beneficial to workers, and Black workers in particular.³

Historical background

Government jobs have been some of the first—and at times the only—economic opportunities open to Black workers going back to Reconstruction more than 150 years ago. The role of the USPS in providing African Americans economic opportunities—as well as its limits as a bulwark against racial inequality—is well-documented by the Smithsonian National Postal Museum,⁴ whose archive compiles some of the considerable historical research on African Americans in the USPS. The USPS has played an important role in hiring Black workers. Among other things, it provided the first jobs to many former slaves and promoted Black

employees to prominent leadership positions long before other parts of the federal government—let alone the private sector—contemplated such equality. However, it was not a strong enough counterweight to white supremacy to protect even some of its most senior Black leadership—including numerous postmasters—from acts of violence and terror as America abandoned its commitment to Reconstruction and racial equity.⁵ Nonetheless, through a century of policies varying from Reconstruction to legal and de facto segregation and the omnipresence of white supremacy, the USPS consistently provided Black workers with genuine economic opportunities well beyond those afforded by the private sector. Throughout much of the 20th century, the USPS also played a leading role in broadening opportunities for African Americans, especially Black women, who have historically found refuge and success in USPS jobs.⁶

That legacy remains significant today, with Black workers making up 27 percent of postal workers—more than double the share of Black workers in the civilian workforce.⁷ Like most of the public jobs discussed below, these are good jobs with decent pay, opportunities for advancement, good health and retirement benefits, access to leave, and the ability to join a union. While efforts to undermine the USPS will do real harm to postal customers in rural communities, many of whom skew older and whiter, and to people living with disabilities, among many others, there is no question whose jobs are at risk if there is a failure to support this public service. Black postal workers have toiled for more than a century to build the vital infrastructure that the USPS is today, and any discussion of its future must confront its role in building economic security for Black families and how that role and that security will be preserved.

Historical anti-racism in public sector employment

Besides the USPS, the federal government has hired Black Americans at higher rates than the private sector going back a century or more. Virtually every president, from Franklin D. Roosevelt through Jimmy Carter, has signed executive orders to expand discrimination protections to federal workers and contractors, including affirmative action programs designed to actively expand the employment and business ownership opportunities that helped build the Black middle class.⁸ These federal jobs became a significant source of economic security for the Black middle class⁹ for much of the 20th century and are evidence that—when attempted in good faith—government anti-racist policies have been successful in creating lasting economic opportunities for Black families.

In addition, when the federal government has enforced discrimination protections in the private sector, it has led to lasting gains, as shown by economist Conrad Miller. Miller's research shows that affirmative action programs imposed on companies whose conduct led to regulatory action by the Equal Employment

Opportunity Commission (EEOC) not only increased the share of Black workers hired and promoted, but that the share of Black workers at these companies continued to increase after EEOC regulations were relaxed.¹⁰

This is not to say that the federal government has been a model of conduct. As Frederick Gooding, a professor of African American studies, has shown repeatedly through his research, these opportunities are the result not simply of government largess, but of a grudging revelation that amid pressures to find a high-quality workforce amid labor scarcity, the federal government recognized that the contributions of Black workers were greater than the opportunities offered them elsewhere in the economy. Only over time and with growing pressure from these workers themselves, however, did these jobs evolve into good jobs.¹¹

While the federal history is well-documented, state and local efforts to expand opportunities for Black workers have been less uniform and less widely appreciated. However, statistically, it is clear that state and local governments also employ a disproportionate share of Black workers, and by virtue of their much larger employment footprint, employ more Black and minority workers than the federal government by a significant margin. The story of halting yet significant progress is similar. Through the post-World War II period, new opportunities in expanding public transit, public schools, and public hospitals opened to Black workers in much greater numbers. These public jobs were—and remain—largely under the control of state and local governments, but opening these jobs to Black workers, as well as making those jobs good jobs that pay comfortable wages, offer job security, and provide health and retirement benefits to all workers, was yet another struggle and focus of many in the civil rights movement. It was no coincidence that Martin Luther King Jr. was murdered while he was in Memphis, Tennessee, to support the city's sanitation workers' strike in 1968.¹²

The need to push for equity once hired may explain why Black workers are more likely to join unions than other racial and ethnic groups, as a recent report from the Center for the Advancement of Racial Equity at the UCLA Labor Center finds.¹³ Those efforts have delivered real gains over decades of work. In Los Angeles County, 22 percent of public workers are Black, and these public workers earn 46 percent more on average than Black workers in the private sector.

Los Angeles County is not alone. Research from Algernon Austin, former director of the program on race, ethnicity, and the economy at the Economic Policy Institute, shows that public employment is a crucial path to good jobs in Massachusetts.¹⁴ In just one of his many pieces on the importance of public jobs for Black workers, published by Demos, he shows that Black workers double their odds of attaining a good job or owning a home if they work in the public sector.

The homeownership gap narrows to insignificant after controlling for an exhaustive list of socioeconomic confounding factors for Black workers, though it persists for other racial and ethnic minorities.

This story repeats across many large cities with strong public unions. In Philadelphia,¹⁵ Black workers accounted for 60 percent of transit workers leading up to the recession. In District of Columbia Public Schools,¹⁶ almost half of teachers are Black—48.6 percent—as are a majority of school principals—63.2 percent. In many state and local governments, Black workers form the backbone of public service, and in turn, public service provides economic security to many of these Black families.

Public jobs are not a panacea for disparate economic opportunities; across federal, state, and local governments, Black workers are underrepresented in leadership positions, especially relative to their numbers at these agencies. Sociologist Katrinell Davis used 35 years of records from the East Bay area of California’s Alameda-Contra Costa Transit District to show that the agency hired African Americans, and specifically Black women, in significant numbers but that even as late as 2009, these workers still faced considerable barriers to career advancement and higher pay.¹⁷

In recent years, with anti-government sentiment animating many conservative and local political actions, the challenge of maintaining vital public services, keeping these public jobs, and ensuring that they remain good jobs has been a profound challenge. Especially in the wake of the Great Recession, good public jobs have become fewer and farther between. This is particularly true in state government employment, where governors have sought to weaken worker protections and fire state employees to raise their political stature. The then-governors of Wisconsin and Louisiana—Scott Walker (R) and Bobby Jindal (R), respectively—both suggested anti-public worker actions were qualifications as they ran in the 2016 Republican presidential primary. Walker spoke of taking away bargaining rights, while Jindal spoke of firing state employees.¹⁸ Of course, eliminating public jobs does not make the public work go away; it instead just goes to private contractors, who face less scrutiny and public accountability over the equity of their hiring practices.

Public work and Black workers today

In addition to the disproportionate health impact of the coronavirus pandemic on Black workers and their communities, the recession initiated by the virus threatens to land especially hard on the jobs held by workers in these communities. This is not a subtle point, as David Cooper and Julia Wolfe from the Economic Policy Institute recently discussed at length in a piece aptly titled “Cuts to the state and local public sector will disproportionately harm women and Black workers.”¹⁹ They

note that as of 2019, nearly half of all Black women—48 percent—and more than one-fifth of Black men—21 percent—in the workforce are employed in education, health services, or public administration—the primary occupations of state and local government.

Prior to the recession, African Americans were 25 percent more likely to work in government than the typical worker, representing almost 16 percent of all government workers and 15 percent of state and local government employees, compared with less than 13 percent of workers overall.²⁰ This comes after a lost decade in government hiring, with total government employment recovering its pre-Great Recession high only six months before the end of the longest expansion in modern history. This recession threatens to have much the same effect on the state and local governments that employed nearly 20 million people at the start of the recession if Congress fails to provide them with considerably more aid.²¹ In just six months, 1.2 million of those jobs have disappeared. What's more, women account for roughly 2 in 3 government jobs lost from June through September 2020.²²

Public employment is one of the less exclusionary aspects of the American economy for Black workers, although they often find it difficult to pursue careers in the public sector. Slowing growth in government employment represents a disproportionate shrinking of economic opportunities for African American workers. Indeed, if government jobs continue to be less discriminatory than private jobs, as the working-age population continues to grow more diverse, slowing public job growth will make it harder for Black workers to get onto one of the few available paths to financial stability, if not wealth building.

How public work benefits Black workers

Many of the benefits of public sector jobs stem from the fact that wealth serves many roles, and for economically vulnerable families, it can operate as a kind of universal form of insurance against hardship in America. Throughout much of the second half of the 20th century, public sector jobs often provided opportunities for Black workers not only to find lower levels of hiring discrimination than in the private sector, but also to accumulate wealth by having access to good jobs that partially sheltered workers from economic risks. The racial wealth gap is dramatically smaller among workers in the public sector than in the private sector. Among those working outside the public sector, the median Black household has 9.6 cents for each dollar the median white household has, and depending on how it is measured, white households have between five and 10 times the wealth of Black households. Among households that work in the public sector, the wealth gap is much smaller, with Black households holding 40.8 percent to 50.6 percent of white household wealth. (see Table 1) But these numbers likely understate some of the wealth-like benefits public sector jobs have provided, including better health care and better job stability.

Roughly a full decade ago, economist Steven C. Pitts summarized the importance of the public sector in providing not just jobs for Black workers, but good jobs for Black workers.²³ Pitts documented that in the lead-up to the Great Recession, public administration was among the five most common occupations for Black workers. Moreover, Black workers in the public sector earned 20 percent to 50 percent more than in the other four most common occupations: education and health services; wholesale and retail trade; manufacturing; and professional and business services.²⁴ It is no accident that these are good public sector jobs; they are the legacy of hard-won protections and have some of the few reasonably enforced anti-discrimination provisions in the labor market.

There are a number of race-neutral and race-conscious policies that have driven wealth compression among government workers. But while government jobs have been far from sufficient to equalize wealth gaps, they have allowed many Black families to build modest wealth at a much faster pace than in the private sector and have reduced economic fragility even more. Five effects of public sector jobs are important in the context of the racial wealth gap and economic trends in 2020: Public work is less subject to employment discrimination than the private sector; it is more likely to come with benefits—especially strong health and retirement benefits—that prevent shocks from wiping out family wealth; it offers more stable employment in a downturn; it provides more union protections—including useful job training—to all workers; and—unfortunately—in good economic times, employment and compensation grow slower in the public sector than private sector employment.

First, public sector hiring is more open to citizen influence than private sector employment. Governments are accountable to a broader set of stakeholders than private employers, even when that accountability is weakened by institutions. Economists have constructed models rationalizing racist outcomes as a result of private markets in the presence of legal prohibitions against discrimination for generations.²⁵ These models explicitly rely on the assumption that consumers, workers, and employers are able to engage in some level of racial bias, even in a society that has outlawed these practices due to enforcement challenges. But public hiring is more subject to both explicit government policy aimed at racial progress and frequent scrutiny from the entire population, rather than just from a narrow set of executives, workers, and consumers. This pressure, both from within and outside democratically accountable systems, gives voice to the less powerful and places pressure on directors, who are ultimately accountable at the ballot box, to move past a racist status quo.

Second, public sector jobs are more likely to come with a defined benefit pension, which guarantees lifetime benefits upon retirement. Their structure also overcomes known psychological obstacles to saving more, and workers tend to accumulate more money in defined benefit pensions than in retirement accounts. Public sector

workers also have greater access to 401(k)-style retirement savings plans, typically as an added voluntary benefit in addition to a defined benefit pension. Coupled with stable, well-paying jobs, these retirement savings plans can help people without wealth save more money and make investments in building wealth. Retirement benefits are one of the few ways Black households have accessed financial markets; while 33.6 percent of Black households had a retirement account in all waves of the Federal Reserve's Survey of Consumer Finances between 1989 and 2016, only 4.7 percent held stocks, and less than 10 percent held bonds.²⁶

Third, public sector jobs have historically provided more stable employment, allowing these jobs to offer at least a portion of the economic security, benefits, and opportunities otherwise available only to households with wealth. Having a stable job means that people can better plan for the future, and it gives them the freedom to take smart, longer-term financial risks.²⁷ This ability allows them to grow the wealth they save and accumulate by investing in smart, riskier assets such as housing and stocks that have higher average rates of return than the liquid savings they would otherwise need to keep on hand for emergencies. Having a stable job also means that households face fewer emergencies, such as a reduction in work hours or a layoff, and thus are less likely to need to dip into their emergency savings or resort to the most predatory corners of the financial sector, thereby preserving wealth. The benefits from stable jobs are especially valuable for Black households who, on average, inherit no meaningful wealth and see their savings and wealth grow more slowly over their careers as they regularly face discrimination in the employment, financial, housing, and mortgage markets, to name just a few. As a result, racial minorities must save at much higher rates than white people to build wealth over time. Job and income stability are important avenues for wealth building for all but the wealthiest households, but it is especially crucial for those households who have less wealth to begin with.

Fourth, public jobs are more unionized, and unions are highly beneficial to workers—and Black workers in particular—in a number of ways. Not only do unions compress pay disparities²⁸ among workers with similar jobs, but they also raise wealth for all union households and narrow racial wealth gaps.²⁹ The median white union household is 1.5 times richer than white nonunion households, and Black union households have 10 times the wealth of Black nonunion households. Unions also give people voice in their job, reducing turnover, increasing job stability, and providing better, more equitable, and more useful workforce training across all jobs,³⁰ which also allows for more equitable hiring. Union jobs also have more equitable and better health insurance coverage, as well as more access to paid leave. Not only does access to better health care improve health, it also provides benefits to mental health, such as lower stress levels,³¹ and—crucially—greater protections from both health shocks, such as contracting the coronavirus, and the dire financial consequences that frequently follow.

As noted earlier, the pandemic has disproportionately affected Black families because of a long-standing history of occupational segregation and systemic discrimination in health care. As a consequence, Black families end up with worse health outcomes and higher health care costs, which, on top of pain and trauma, also erode families' wealth in the process. Public sector workers typically have reasonably good health insurance, especially relative to similar private sector workers, and thus face fewer of these challenges, such as the accumulation of medical debt, when they are ill. In the same vein as better health coverage, public jobs typically provide more equitable access to paid leave,³² which is especially important now since many workers need to stay home during the pandemic to protect their family's health, often while caring for other family members who may be at high risk. Black women, for example, are much more likely to care for a grandchild than white women.³³ Paid family and medical leave benefits can allow workers to stay at home and care for children without having to worry about their finances. Black women are more likely to have those benefits in the public sector than in the private sector.³⁴ Again, public sector jobs help protect Black families' wealth more than private sector jobs during a downturn because of better benefits.

Fifth, public sector jobs have been slower to recover from severe economic recessions than private sector jobs, especially since the tax revolts of the 1970s—a two-year span when 43 states enacted property tax cuts and dozens of other measures to cut taxes and curtail state governments' ability to raise taxes and alter budgets.³⁵ State and local governments—which typically employ more than 85 percent of all U.S. government workers—have increasingly operated under balanced-budget rules, leading to slower job creation and lower job stability. The combination of balanced budget rules and recessions automatically translates into hiring freezes or even layoffs in the early parts of an economic recovery. This was especially problematic in the last recovery after the 2007–2009 Great Recession. State and local governments cut their budgets and reduced hiring, dramatically shrinking the pipeline of good, middle-class career pathways to wealth building and preservation for Black families.

Achieving wealth-like economic security

Job security is especially valuable to Black workers. In part, this is because a lack of wealth makes income instability especially costly and because stable incomes from good jobs are one of the only paths in the economy available to Black workers for building up any wealth.

Job loss can be costly to any worker, but it is especially costly for Black workers. The median white household has more than 40 months of wages in accumulated and inherited wealth, compared with seven months for the median Black household.³⁶ Add to the mix employment discrimination, which means that Black work-

ers experience longer spells of unemployment than white workers—both at the median and on average³⁷—and the cost of falling into unemployment is systematically higher for African Americans than for white workers.

A lack of wealth also makes unemployment more costly. Not only can a relatively brief spell of unemployment wipe out a huge share of Black families' wealth, but it can also have lasting effects on income. The most obvious effects are through the predatory financial system, where payday lenders exploit vulnerable borrowers, or title loans, which do much the same while also putting access to transportation at risk—especially in remote areas underserved by public transit.

In addition, a lack of wealth means Black workers have less power in the labor market and aren't in a position to hold out for a better job or to negotiate a weak job offer—yet another force that pushes against Black workers getting rehired at a fair wage. Unsurprisingly, the burden on Black women is even more onerous, particularly in light of evidence that women in general are less likely to negotiate salaries than men. This means that a lack of wealth makes it even harder for a Black woman to both wait for the right job and to negotiate for a fair wage once she is offered one. And indeed, research consistently finds that not only are Black applicants less likely to get job interviews and offers, but even when they do receive job offers, Black applicants are offered lower starting wages.³⁸ This amounts to a rehiring tax that Black workers are forced to pay every time they become unemployed through no fault of their own; therefore, it is no surprise that the value of job stability is high for Black workers.

Stable government jobs not only offer Black workers a partial shield from the shadow that the racial wealth gap casts on rehiring, but also are one of the few ladders out of low wealth for Black families in a system stacked against them. Having been systematically excluded from essentially all avenues of wealth accumulation for generations, what little power Black families have to amass wealth comes almost exclusively in the form of wage income. Here, too, public sector jobs have been a force for higher incomes and wealth for workers of color and Black workers in particular. The earnings distribution in the public sector is uniformly higher across the entire distribution than the private sector distribution for Black and Hispanic workers.³⁹

While income and wealth are different, it is clear that public sector jobs produce not only higher wages and incomes for Black workers, but also greater wealth and economic security. Indeed, the Black-white wealth gap is profoundly robust to statistical decompositions. However, the gap is dramatically lower for families who have income from a public sector job than for families who only earn income from the private sector—and lower than the racial wealth gap for families overall.

Wealth gaps in the public and private sectors

Analyzing data from the 2010, 2013, 2016, and 2019 Survey of Consumer Finances reveals that Black households have dramatically lower levels of wealth any way the data are cut, but the gaps in Black-to-white wealth ratios can vary dramatically—from 9 percent to 51 percent—when looking at the difference between public and private sector workers. Excluding certain retirement benefits, the median wealth of private sector Black households is just 9.5 percent of that held by private sector white households. In the public sector, though the wealth gap remains striking, Black household wealth is 37 percent that of white households. This excludes imputed defined benefit pension wealth, which closes the gap further, in part because public workers typically have better retirement benefits. Including defined benefit pension wealth, both gaps shrink slightly at the median—the median Black public worker is much more likely to have a defined benefit retirement plan, though these workers are less likely to be covered by social security—with Black households holding just 12 cents for every dollar in wealth held by white households in the private sector. Black government workers, meanwhile, have 42 cents for every dollar white households hold. Looking at means shrinks the gap between Black and white households even further.

TABLE 1

Black-white wealth gap is smaller in government than in private industries

Household wealth—excluding defined-benefit pensions—by race and public versus private employment, 2010–2019

	Private industry		Government	
	Black	White	Black	White
Median wealth	\$16,519	\$172,182	\$70,250	\$147,305
Mean wealth	\$128,479	\$898,762	\$154,315	\$378,666
	Black-to-white		Black-to-white	
Median wealth ratio	9.6%		47.7%	
Mean wealth ratio	14.3%		40.8%	

Notes: Wealth excluding defined-benefit pensions is for the years 2010, 2013, 2016, and 2019. Figures are based on inflation-adjusted values in 2019 dollars. "Government" refers to public administration and armed forces. "Private industry" includes all other industries.

Sources: Authors' calculations based on Board of Governors of the Federal Reserve System, "Survey of Consumer Finances" (Washington: 2010, 2013, 2016, and 2019), available at <https://www.federalreserve.gov/econres/scfindex.htm>.

Clearly, the shrinking of the racial wealth gap that is apparent in the public sector is not an answer to wealth inequality writ large. At best, it only leaves Black households with half the wealth of white households. But these results do offer clear evidence that deliberate steps to reduce discrimination have undeniable effects on racial wealth gaps. Tropes that suggest that Black households' lack of economic resources is caused by Black individuals not working hard enough—or that working harder is a solution to wealth inequality—wither in the face of a very simple test. In industries where racism in employment is no longer treated with extreme permissiveness, the compression of wealth differences has been substantial, even

just over the last 50 years. Public employment is just one of many conventional, race-neutral policies that have been shown to reduce racial wealth gaps, and it is important—as a simple first step—to prevent further backsliding from these proven solutions.

TABLE 2

Defined benefit pensions add substantially to wealth and reduce wealth inequality in public service

Household wealth—including defined-benefit pension—by race and public versus private employment, 2010–2016

	Private industry		Government	
	Black	White	Black	White
Median wealth	\$29,036	\$237,921	\$206,627	\$484,842
Mean wealth	\$214,640	\$1,009,638	\$506,899	\$1,001,971
	Black-to-white		Black-to-white	
Median wealth ratio	12.2%		42.6%	
Mean wealth ratio	21.3%		50.6%	

Notes: Wealth including defined-benefit pensions is for the years 2010, 2013, and 2016. Figures are based on inflation-adjusted values in 2019 dollars. "Government" refers to public administration and armed forces. "Private industry" includes all other industries.
Sources: Authors' calculations based on Board of Governors of the Federal Reserve System, "Survey of Consumer Finances" (Washington: 2010, 2013, and 2016), available at <https://www.federalreserve.gov/econres/scfindex.htm>; John Sabelhaus and Alice Henriques Volz, "Are Disappearing Employer Pensions Contributing to Rising Wealth Inequality?," Board of Governors of the Federal Reserve System, February 1, 2019, available at <https://www.federalreserve.gov/econres/notes/feds-notes/are-disappearing-employer-pensions-contributing-to-rising-wealth-inequality-20190201.htm>.

As monumental a task as closing the wealth gap seems, the fact that doing the bare minimum has created profound gains for Black families in the public sector should serve as a powerful reminder that fatalism is no excuse. Indeed, when racism in employment was countered by affirmative action, Black workers made persistent gains.⁴⁰ At the same time—70 years after major efforts to desegregate the federal government—the median Black family with a government job has less than half the wealth of a similarly employed white family. The nation must, and clearly can, do much more to end racism in the public sector. At the same time, America cannot make the mistake of pretending jobs—even good, stable jobs—are enough to close the wealth gap.

In addition to the greater direct legal protections against racism provided by public policies, public jobs are also unionized at much higher rates. Through a variety of mechanisms, unions have reduced systemic pay differences across racial and gender lines.⁴¹

Conclusion

Closing the racial wealth gap is important, partly as a tangible way to improve the economic opportunities and outcomes for Black families and partly because closing the gap is an economywide measure of progress toward eliminating racism in the nation's economy. In the current moment, the pursuit of long-term goals must not distract from the fact that for the second time in a decade, the gains won by Black families through hard work in the public sector are once again at risk as state and local governments make deep cuts to the jobs that made this progress possible. In the last recession, 850,000 public sector jobs were lost. It is difficult to track precisely who was affected because the cuts took place over many years, but by 2012, more than 200,000 fewer African Americans had public sector jobs than in 2008.⁴² A similar pattern is emerging today, with roughly 1 million public sector jobs gone already. There were 211,000 fewer Black workers working for governments in September 2020 than in September 2019. Signs point to the problem getting worse as state and local governments are forced to meet balanced-budget requirements, and the federal government fails to provide the financial backstop needed to slow this growing crisis.

Government jobs are not the solution to the racial wealth gap. But they have been one of the few avenues available to Black families to build economic security where there is clear evidence of success. However, bad policy endangers that security for millions of middle-class Black households, threatens to make the problem even harder to solve, and undermines one of the only means of reducing racism and racial wealth gaps ever tried at scale in the United States.

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Endnotes

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