Dignified Jobs and Decent Wages
The Next 50 Years of Civil Rights and Economic Justice

By Maryam Adamu    July 2014
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Introduction and summary

This year marks the 50th anniversary of the Civil Rights Act of 1964. Years of organizing and civil disobedience culminated in a seminal piece of legislation prohibiting discrimination based on race, color, religion, national origin, and sex.

A few years after the Civil Rights Act was passed, Martin Luther King Jr. asked, “What does it profit a man to be able to eat at an integrated lunch counter if he doesn’t earn enough money to buy a hamburger?” It is important to realize what King always understood: The civil rights movement was about both social and economic justice. It was about ensuring that everyone has the right—as well the means—to be successful in this country.

Fifty years later, as the nation reflects upon the profound impact of this fundamental legislation, it is clear the country has made considerable progress in key areas. Still, barriers to progress persist and must be identified and addressed. This report begins with an overview of the nation’s progress. It then goes on to describe how conditions have fundamentally changed over the past few decades, especially since the Great Recession.

Finally, taking these changes into account, this report offers policy recommendations for establishing economic security as a civil right. These recommendations include:

• Raise the minimum wage to $10.10 per hour to increase the collective income of people of color by $16.1 billion.

• Increase federal investment in job-creation programs that prioritize generating job opportunities for youth and low-income and long-term unemployed adults.

• Invest in workforce development to prepare people for higher-skill, higher-wage jobs.
• Strengthen the social safety net to ensure that people can meet basic needs as they get back on their feet.

• Expand access to crucial benefits, including paid family leave and paid sick days.

• Eliminate employment discrimination for people with criminal records to expand the possibilities for those who were formerly incarcerated.

• Reinvest in neighborhoods by expanding the Promise Zones initiative and offer planning grants and tax incentives for neighborhoods.

As the country’s economic climate changes and people of color grow to represent a majority of Americans, it is a moral and economic imperative that the United States pursue polices now to ensure that everyone has a chance at prosperity. This report lays out a pathway forward as the nation seeks to make good on the promises of the civil rights era and to advance them for future generations.
The nation’s progress

Signed into law on July 2, 1964, the Civil Rights Act prohibited discrimination based on race, color, national origin, sex, disability, and age in hiring or firing practices, public accommodations, and programs receiving federal funding. It banned unequal voter registration requirements, laying much of the groundwork for the Voting Rights Act of 1965. It also further encouraged school desegregation. An independent regulatory body—the Equal Employment Opportunity Commission, or EEOC—has since been tasked with enforcing and expanding those protections. Subsequent EEOC rulings have expanded the Civil Rights Act to protect age, disability status, gender identity, and transgender status.

Prior to the Civil Rights Act, years of disenfranchisement, segregation, and oppression meant that African Americans were on track to do worse than white Americans by every single indicator of success, including household income, education, and home ownership. At 10.9 percent, black unemployment was double that of white Americans in 1963.2 Openly discriminatory employment practices meant that job advertisements requesting “whites only” or “men only” were the norm, locking many African Americans and women into low-skilled, low-wage jobs. Consequently, African Americans reported markedly lower household incomes than their white counterparts.3 Prior to 1964, only one-quarter of African Americans over the age of 25 had a high school diploma and about 4 percent had college degrees, compared to 50 percent and 9.6 percent of white Americans, respectively.4 African Americans even had a life expectancy of seven fewer years than white Americans.5

Coupled with the booming economy of the 1960s, the civil rights movement ushered in a period of greater prosperity for communities of color. In the years that followed, black people, poor whites, women, and people with disabilities entered spheres of American life to which they had previously been denied access. People of color and women found new employment prospects in the public sector, which helped create a broader middle class. Black unemployment fell to 6.4 percent in 1969—the lowest rate ever recorded.6 Over the past 50 years, the private sector has been much slower to diversify but is growing to be more representative of the nation’s demography. Tracking the U.S. demographic shifts since the Civil Rights
Act, private-sector employment grew from 11.2 percent people of color in 1966 to 29.7 percent people of color in 2013; at the same time, the share of women grew from 31.2 percent in 1966 to 48.2 percent in 2013. And almost 50 years later, the percentage of eligible black voters who cast a ballot in the 2012 presidential election passed the percentage of eligible white voter participation for the first time ever.

Tracking five important indicators of success—poverty, income, home ownership, higher-education attainment, and voter participation—it is clear that the civil rights era helped create pathways to opportunity for millions of Americans.

**FIGURE 1**  
**Key advancements for African Americans**

<table>
<thead>
<tr>
<th>Year</th>
<th>Poverty rate</th>
<th>Median family income for African American households</th>
<th>Percentage of African Americans who owned a home</th>
<th>Percentage of African Americans who obtained a four-year college degree</th>
<th>Percentage of voting-eligible African Americans who participated in presidential elections</th>
</tr>
</thead>
<tbody>
<tr>
<td>1966</td>
<td>41.8%</td>
<td>$28,840</td>
<td>38.1%</td>
<td>3.9%</td>
<td>58.5%</td>
</tr>
<tr>
<td>2012</td>
<td>27.2%</td>
<td>$40,517</td>
<td>43.9%</td>
<td>21.2%</td>
<td>66.2%</td>
</tr>
</tbody>
</table>


Though these numbers show important advances for African Americans, the promise of the civil rights era is not yet fulfilled. People of color as a whole still fall short of their white peers on every single indicator. Starting with economic security, the nation must commit to the reducing gaps between racial groups that threaten our success as a country moving forward.
A changing America

This anniversary comes as the nation is growing more racially and ethnically diverse. Protecting and expanding the gains of the civil rights era are of particular consequence to Millennials, the most racially and ethnically diverse generation yet. Roughly categorized as those born between 1980 and 2000, Millennials accounted for 80 percent of President Barack Obama’s national popular vote margin over Sen. John McCain (R-AZ) in the 2008 presidential election. All Millennials will be eligible to vote in 2020 and will comprise 46 percent of the U.S. workforce. The U.S. Census Bureau projects that people of color will make up the majority of the U.S. population by 2042. Along with unmarried women of all ages, Millennials and people of color made up more than half of the voting-eligible population in 2012 and will continue to drive demographic shifts.

According to a 2014 Pew Research Center report, 53 percent of Millennials think the government should do more to solve problems. Millennials are more likely to be optimistic about the future of the country and more likely to value ensuring equal rights—in particular, for African Americans and other oppressed groups.

Finally, according to a previous Center for American Progress report, young people are most likely to identify racial discrimination as an important determinant of who lives in poverty. This is significant because Millennials, in particular those of color, are in or coming into the worst job economy since the Great Depression. Many are graduating from college with a great deal of student-loan debt, only to be met with bleak job prospects. Women of childbearing age in this generation are increasingly becoming breadwinners or co-breadwinners at a time when policies to support work-family balance are largely nonexistent. A system of mass incarceration disproportionately

“For Negro poverty is not white poverty. Many of its causes and many of its cures are the same. But there are differences—deep, corrosive, obstinate differences—radiating painful roots into the community, and into the family, and the nature of the individual. [These differences] must be faced and they must be dealt with and they must be overcome, if we are ever to reach the time when the only difference between Negroes and whites is the color of their skin.”

-President Lyndon B. Johnson,
“To Fulfill These Rights,”
commencement address at Howard University, 1965
targets black and brown people, effectively rendering them permanently unable to participate fully in society. In other words, our country is rapidly changing: Though life is markedly better than it was 50 years ago along many key indicators, Millennials of color are facing a host of new challenges. The country must retool its policy framework to anticipate the needs of the growing American majority and realize the unfulfilled promise of the civil rights era.
Mounting inequality has reversed gains

Although the doors to the middle class opened in the period immediately following the civil rights movement, the Great Recession exposed the fragility of that prosperity for communities of color. For decades, black unemployment has been double that of white unemployment. Even in the robust economy of the late 1990s, African Americans experienced recessionary levels of poverty and unemployment. Hispanics were doing only slightly better. In the wake of the Great Recession, black poverty spiked to 27.6 percent in 2011—almost triple that of white Americans. The following year, the black unemployment rate was twice the white unemployment rate and higher than the average national unemployment rate during the Great Depression. People of color as a whole faced disproportionately high unemployment rates; for example, American Indians and Alaska Natives had an unemployment rate of 14.6 percent in 2011, while Hispanics were at 11.6 percent. The seemingly low Asian unemployment rate of 7 percent masks a high, long-term unemployment rate—half of all unemployed Asians were out of the job for more than 27 weeks in 2010 and 2011. While the Civil Rights Act did enable people of color, poor whites, women, and people with disabilities to enter spheres of American society from which they were previously excluded, we nevertheless mark its 50th anniversary in the wake of widening disparities in wealth, unemployment, and poverty.

When one looks closely at the effects of the Great Recession on differences races, it is apparent that people of color as a whole lost larger percentages of their net worth compared to their white counterparts. Between 2007 and 2010, net worth losses totaled 31 percent and 44 percent for black and Hispanic families, respectively, compared to 16 percent for white families. Many Hispanic and Asian American families bought homes just prior to the housing crisis. The ensuing market resulted in sharp declines both in housing values and wealth in those communities. Black families were more likely to take major hits to retirement assets. Bearing in mind the high black unemployment rate of the time, this is consistent with research showing that low-income families are forced to primarily withdraw
from retirement assets in the event of a job loss. Youn people of color saw their parents lose large chunks of their savings, homes, and overall wealth during the Great Recession and then went on to join the workforce during the worst economic crisis since the Great Depression.

The economic recovery has been sluggish and particularly slow to reach people of color and young people. Throughout the recovery and into 2014, there has been a rise in low-wage occupations, such as home-based caregiving and food service and preparation—fields in which there are high concentrations of people of color. This rise in low-wage occupations was coupled with a 7.3 percent decrease in mid-wage occupations in 2012. Access to good jobs had yet to show significant improvement by 2013. The recovery also showed that educational attainment alone did not equalize economic outcomes. Data show that today, a black person with some college has the same chance of living in poverty as a white person who did not complete high school. Similarly, white people with master’s degrees are more likely to live above middle class than black people with doctorate degrees. Still, education for people of color has important effects on in-race economic disparities. Black people who attend college are five times less likely to live in poverty than black high school dropouts.

Finally, the persistent gender wage gap continues to devalue the important contributions women are making to the economy. Though women make up nearly half of the workforce, Asian American and Pacific Islander, white, black, and Hispanic women make an average of 87 cents, 78 cents, 64 cents, and 53 cents, respectively, for every dollar a white man makes for equivalent work. If we were to close the gender wage gap, we would cut poverty for working women and their families in half and add nearly $500 billion to our national gross domestic product, or GDP. It is imperative that women have wages that support their families.

It is important to note, however, that addressing income inequality does not itself translate into wealth and resource equity. According to a study conducted by researchers at the Institute on Assets and Social Policy, every dollar increase in income over the 25-year period from 1984 to 2009 resulted in $5.19 of wealth for white households but only 69 cents of wealth for black households. People of color are less likely to have access to wealth-building vehicles such as home ownership or employer-based retirement security. Thus, women of color face compounding disadvantages in earning income and building wealth.
Segregation thwarts mobility

The unique challenges facing people of color did not start with the Great Recession. Although the historical differences between black and white poverty are well documented, these differences are replicated in the middle class as well. Many black families were able to join the middle class after the passage of the Civil Rights Act, yet data show that middle-class black families live in notably less affluent neighborhoods than their white middle-class counterparts. Across the board, people of color in every income category live in more disadvantaged neighborhoods than their white peers.

The problem of concentrated, multigenerational poverty, however, is most pronounced in black communities. In 2009, the Pew Economic Mobility Project and New York University sociologist Patrick Sharkey looked at black children who grew up in the middle class from 1955 to 1970 and found that they actually tended to experience downward mobility, falling in adulthood from the top three income quintiles to the bottom two. Neighborhoods can dictate the types of networks of support to which one has exposure and access. In another analysis, Sharkey found that a black family with an annual income of $100,000 typically lives in a more disadvantaged neighborhood—with higher poverty and unemployment rates, among other characteristics—than a white family making less than $30,000—the lowest income level. In the 2009 Pew report, Sharkey explained, “When white families advance in the income distribution they are able to translate this economic advantage into spatial advantage in ways that African Americans are not, by buying into communities that provide quality schools and healthy environments for children.” As a result, white and black children grow up in entirely different social worlds, and the issues that challenge these children go far beyond simple income disparity. A history of racism pervades all conversations about current and future opportunity.

The middle-class lifestyle is getting out of reach

Millennials face a substantially different economic climate than those of their parents and grandparents as obstacles to a traditional middle-class lifestyle continue to grow. Millennials of color have attended college in the highest numbers of any generation—nearly half of all recent college graduates are black, Hispanic, or Asian American and Pacific Islander. The cost of that education, however, has skyrocketed. Seventy percent of 2012 college graduates left with debt averaging $29,400.
On average, debt for graduates of public universities doubled between 1996 and 2006. Unsecured liabilities—or those not backed by an asset or lien, such as student-loan debt and credit card debt—reduced median net worth by 27 percent in households headed by someone under the age of 35. That loss in wealth may mean the difference between being able to purchase a car, put a down payment on a house, or save for the future—many choices that we associate with a middle-class lifestyle. Accordingly, young Americans ages 21 to 34 accounted for just 27 percent of the new vehicles sold in the United States in 2010, compared with 38 percent in 1985. Only half as many young Americans acquired their first mortgage in 2010 as they did a decade earlier. More than one-third of young adults are currently living with their parents, unable to move forward to the next phase of life.

This condition is particularly severe for the younger group of Millennials who entered the job market in the wake of the Great Recession, before the recovery. Labor economist Lisa Khan studied how the recession in the early 1980s affected the future earnings of the young workers who graduated during that time period and found that for every percentage-point increase in unemployment, the starting incomes of new graduates dropped as much as 7 percent. Two decades later, these graduates had taken a $100,000 hit to their cumulative earnings. These early missed opportunities in wages and jobs affect graduates’ careers and mobility well beyond any economic recovery.

Mass incarceration extends beyond the jailhouse

Finally, the mass incarceration of people of color, a practice that civil rights lawyer and legal scholar Michelle Alexander labeled “the New Jim Crow,” is well documented. In the past 50 years, the American prison population has exploded from 200,000 people to 2.5 million people. Of those incarcerated today, 60 percent are people of color. African Americans, for example, made up 13 percent of the general population in 2011 but 38 percent of the prison population. Most pointedly, African American men are more likely to be stopped, arrested, and incarcerated—as well as more likely to receive harsher sentencing—than any other group.

When people do return home from prison, our institutions reject them at every turn. Felony criminal records, specifically, make it virtually impossible to secure gainful employment, to be approved for a loan, to attend college, or to access many of the public benefits that critically affect someone’s ability to transition
back into society. Title VII of the Civil Rights Act categorically prohibits discrimination on the basis of one’s criminal record, yet most job applications still require that people provide this information early in the application process, thereby eliminating them from the selection pile.

By pursuing policies that create jobs and support working Americans, the country builds a strong foundation upon which people can build an economic future, thereby mitigating some of the harmful effects of existing inequalities.
What Millennials are marching for today

Moving forward, the nation must recognize the incontrovertible ties between civil rights and economic security and continue to make good on the promise to end discrimination in all its forms. The barriers that have plagued African Americans for generations are growing and spreading in communities of color. The country continues to change and evolve, creating moral and economic urgency for a policy framework that recommits to prosperity for all.

This commitment begins with passing legislation that enables all people, especially people of color, to actualize the promises of the Civil Rights Act.

Raise the federal minimum wage

The stagnated federal minimum wage is one glaring barrier to progress for two major demographics. First, slightly more than 47 percent of people earning the minimum wage or less are Millennials between the ages of 20 and 34. More than 39 percent of people earning the minimum wage are people of color. At $7.25 after inflation, the nation’s minimum wage is actually worth less now than when the organizers of the 1963 March on Washington included a raise in their list of demands. Raising the federal minimum wage to $10.10 per hour would increase the collective income of people of color by $16.1 billion. Of the estimated 6 million people who would be lifted out of poverty by a minimum wage increase, 60 percent would be people of color.

Create jobs

Although job openings returned to pre-recession levels in 2014, there are still 3.4 million workers experiencing long-term unemployment. Young people are more likely to be unemployed, with the unemployment rate reaching 16.1 percent in 2013 for those between the ages of 16 and 24. The country’s high youth unemployment rate has a societal cost of an estimated $25 billion per year in uncollected taxes. Because of the lifetime effects of missed wage opportunities early
in one’s career, young people are in danger of being economically disadvantaged long after the recovery. There is an overwhelming need for federal investments in job-creation programs that prioritize establishing job opportunities for youth and low-income and long-term unemployed adults. Congress should act on the Pathways Back to Work Fund, which proposes to invest in subsidized employment opportunities for long-term unemployed and low-income adults, on-the-job training opportunities, and summer and year-round employment opportunities for low-income young people in the crucial age range of 16 to 24 years old.

Invest in workforce development

It took six years for private-sector employment to return to pre-recession levels. The racial and workforce demographic shifts we will see by 2020 align with a projected shortage of workers with associate’s degrees and technical certificates and credentials. Apprenticeship-focused occupations are expected to grow 22.5 percent in this same period. Given that the U.S. Department of Labor found that apprentices have an average annual starting salary of $50,000, preparing people for these higher-skill, higher-wage jobs—including allowing the use of Pell Grants for apprenticeships and offering tax credits for business that hire apprentices—is a smart investment in people and communities. Research shows that people who experience just six months of unemployment early in their career go on to earn $22,000 less in the following 10 years. The nation needs to invest in expanding job opportunities that serve as critical starting points for people looking to enter the workforce.

Strengthen the social safety net

When work is unavailable, impossible, or pays too little to get by, it is important to have a robust social safety net to ensure that people can meet basic needs as they get back on their feet. The reality is that more than 70 percent of families receive income from the Supplemental Nutrition Assistance Program, or SNAP; formerly known as food stamps; Temporary Assistance for Needy Families, or TANF; Supplemental Security Income, or SSI; or unemployment insurance, or UI, at some point during their lives. To that end, the country needs to protect key safety net programs from harmful cuts and make permanent the 2009 improvements to the Earned Income Tax Credit, or EITC, and child tax credit, which address the marriage penalty, expand EITC for families with three or more children, and lower the earnings thresholds for the child tax credit. In addition, Congress should expand the EITC for childless workers, who on average receive only one-tenth of the income support that workers with children receive.
President Barack Obama’s proposal to lower the eligibility age to 21 and increase the EITC is an important tool to help young workers establish financial security.\textsuperscript{74} An adequately funded safety net has the ability to lift people out of poverty, creating a bridge to the middle class.

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### Expand family-friendly policies

Access to crucial benefits including paid family leave and paid sick days must be expanded at the federal level. Today, 70 percent of children grow up in households headed by a single working parent or two working parents.\textsuperscript{75} The majority of homes today do not have a full-time, stay-at-home caregiver.\textsuperscript{76} Yet, 4 in 10 parents do not have access to even a single paid sick day to recover after their own illnesses let alone those of their children.\textsuperscript{77} For those in minimum-wage work—who are already being paid poverty wages—losing even a single day of pay is simply not an option. Additionally, though the lack of affordable child care affects all parents, it is particularly burdensome for young parents. Working mothers under the age of 25 tend to spend more than one-third of their income on child care.\textsuperscript{78} The lack of work-support policies prevents parents from effectively balancing family and work responsibilities.

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### Eliminate employment discrimination for people with criminal records

Especially in this economic climate, it is critical to reduce barriers to entering the workforce. Starting with Hawaii in 1998, 11 states have removed or are in the process of eliminating questions related to criminal backgrounds on initial job applications—except in positions for which a background check is required by law or there is a “rational relationship” between the offense and the position, such as work in state departments of corrections and education.\textsuperscript{79} The EEOC endorses this movement as a modern-day extension of Title VII of the Civil Rights Act, which prohibits employment discrimination based on criminal background. Most importantly, it will go a long way toward expanding the realm of possibility for formerly incarcerated people looking to build a future.
Reinvest in neighborhoods

Pew Research Center data show that 84 percent of black children born from 1955 through 1970 grew up in “high” disadvantage neighborhoods, compared to 5 percent of white children. Disadvantages in the study encompassed poverty, unemployment, and neighborhood violence. Just 2 percent of blacks were raised in “low” disadvantage neighborhoods, compared to 45 percent of whites. The study found few improvements in neighborhood quality for today’s children of color. Hispanic children tend to live in neighborhoods with similar income and racial segregation as well. As data show the importance of neighborhoods in shaping the outcomes of children, federal place-based initiatives, such as Promise Zones, are increasingly essential. The federal government should expand the program to offer planning grants and tax incentives for neighborhoods looking to increase access to affordable housing options, develop quality schools and strong institutions, and improve employment prospects.
Conclusion

Unless there are significant policy changes, the rising population of young people of color will mature in a society that is not structured for their success. It is critically important that we address these issues now—before the inequality that disproportionately affects communities of color compromises our nation’s economic future. We must organize around a vision of prosperity that is reflected in our economic and social spheres.

Rep. John Lewis (D-GA)—one of the architects of the 1963 March on Washington and former head of the Student Nonviolent Coordinating Committee—asked of the struggle for civil rights, “If not us, than who; if not now, then when?” Fifty years after the passage of the Civil Rights Act, the best way to honor the sacrifices and triumphs of the civil rights era is to answer, once and for all: us and now.

About the author

Maryam Adamu is an Emerson National Hunger Fellow at the Center for American Progress. She graduated from Northwestern University in 2013 with a degree in political science. Previously, Adamu worked on implementation of the federal Summer Food Service Program with the Greater Pittsburgh Community Food Bank and interned with Illinois State Rep. Sara Feigenholtz (D). Additionally, Adamu served as the co-director of the Global Engagement Summit, a student-organized conference aimed at building the capacity of the next generation of social justice leaders.
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