

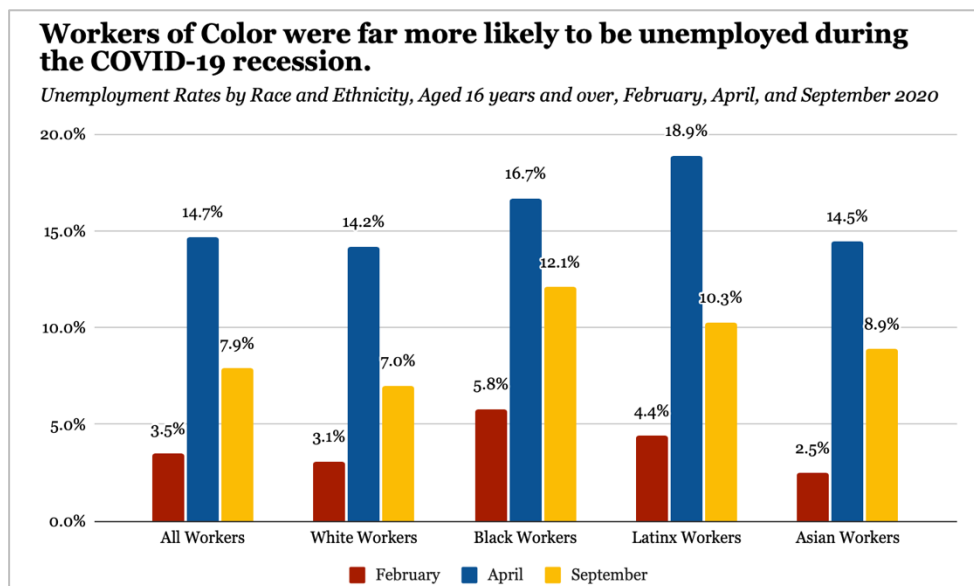
Executive Summary

The Dual Crisis: How the COVID-19 Recession Deepens Racial and Economic Inequality Among Communities of Color

By Adewale Maye, Asha Banerjee, and Cameron Johnson

The United States is experiencing an unequal recovery. The ongoing COVID-19 pandemic poses an unprecedented threat to our economy and the livelihoods of workers and their families, particularly workers paid low wages and Black, Latinx, Indigenous, and immigrant workers. The U.S. economy is slowly recovering, but not at all evenly or equitably. While the economy has experienced slight gains in employment since the **20.5 million jobs lost** in April, the unemployment rate for Black people as recently as October was still in the double digits and higher than it was during the peak of the 2008 Great Recession.

In this brief, *The Dual Crisis: How the COVID-19 Recession Deepens Racial and Economic Inequality Among Communities of Color*, the Center for Law and Social Policy (CLASP) analyzes Bureau of Labor Statistics unemployment data from April through September 2020. We uncovered the stark disproportionate impact the COVID-19 recession has had on key communities including **Black, Latinx, and Asian** workers, **women** workers, **youth** aged 16-24, **workers earning low wages**, **part-time/self-employed** workers, **public sector** workers, and more. The brief also includes an analysis of rising household and food insecurity and the concerning trends in job gains and losses in the economy.



Source: CLASP analysis, Bureau of Labor Statistics, *Employment Situation*, Series LNS14000000, Series LNS14000003, Series LNS14000006, Series LNS14000009, Series LNS14032183.

Note: While the data analyzed used "Hispanic," we refer to this population throughout the paper as "Latinx."

This brief concludes with the following policy recommendations:

1. Promote High-Quality Jobs

- The abundance of low-quality jobs, along with the lack of comprehensive protections and critical worker benefits, presents perennial risks to economic prosperity, particularly for workers paid low wages and workers of color. Policymakers must advance equitable job quality standards and worker protections that center workers' needs through policy vehicles including the FAMILY Act, Healthy Families Act, Part-Time Worker Bill of Rights Act, and others described in the full brief.

2. Invest in Workforce Development

- The pandemic has upended the core tenets of workforce development, such as skill acquisition and job training. Millions of workers are facing a depressed job market as they have not been able to get their original jobs back and long-term unemployment has increased. Policymakers must invest in critical and emerging sectors to provide high-quality sustainable jobs, most importantly jobs in the green economy and the care economy.

3. Increase Federal Fiscal Support to States, Local Governments, Tribes, and Territories

- Federal policymakers must increase investment in states beyond the CARES Act. As the recession continues, states and localities are struggling to tackle a mounting budget crisis in their health, employment, and education systems. Without significant federal aid, many states will be forced to implement harsh spending **cuts** in vital sectors in order to balance their budgets as required by law. These cuts will only make workers of color and workers paid low wages suffer more than they are now.

Workers paid low wages and workers of color are not experiencing an economic recovery. Unless the federal government implements specific policies to uplift the people who have been historically overlooked and barred from opportunities for upward mobility, these vital workers will continue to suffer. These systemic inequities must inform policies that ensure a comprehensive safety net to support all workers and their families. With such solutions, policymakers can build an equitable economy for all, which will ensure the nation's economic recovery and success.