

# 2010 Economic Survey of Black America



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**prepared by  
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## INTRODUCTION

Between April 9 2010 and April 23, 2010, African American consumers and workers completed an online economic opinion survey commissioned by TheLoop21.com in partnership with Alpha Kappa Alpha Sorority, Incorporated. This research endeavor represented the views of a panel of 3214 African American consumers and workers, mostly college-educated.

There is a broad diversity of opinion within the African American community that is often overlooked in discussions evaluating the black economic condition. The legitimate need to focus on poverty and the more severe economic challenges that need to be remedied often leaves out the concerns and priorities of African Americans facing less severe challenges.

This survey of mostly college-educated African Americans begins to fill this information and opinion gap by highlighting the concerns of African American consumers and workers in occupations ranging from law to education, from healthcare to high technology, and occupations in between.

The opinions discussed and highlighted here do not speak to the issues of all African Americans. But it does reflect the views and opinions of an important and economically vibrant segment. These are the views of lawyers, doctors, managers, educators, government workers, and business owners. They include the heads of households and people who shape decisions within our community. They matter.

The topics covered by the survey include:

- Immigration and its impact on African American job security
- Government priorities with regard to job creation, deficit reduction, and business taxes
- Impact of the current recession on Black household financial priorities
- Plans to prepare for a more globally competitive market
- The economic outlook for the next 12 months

## JOB SECURITY - POLICY PRIORITIES

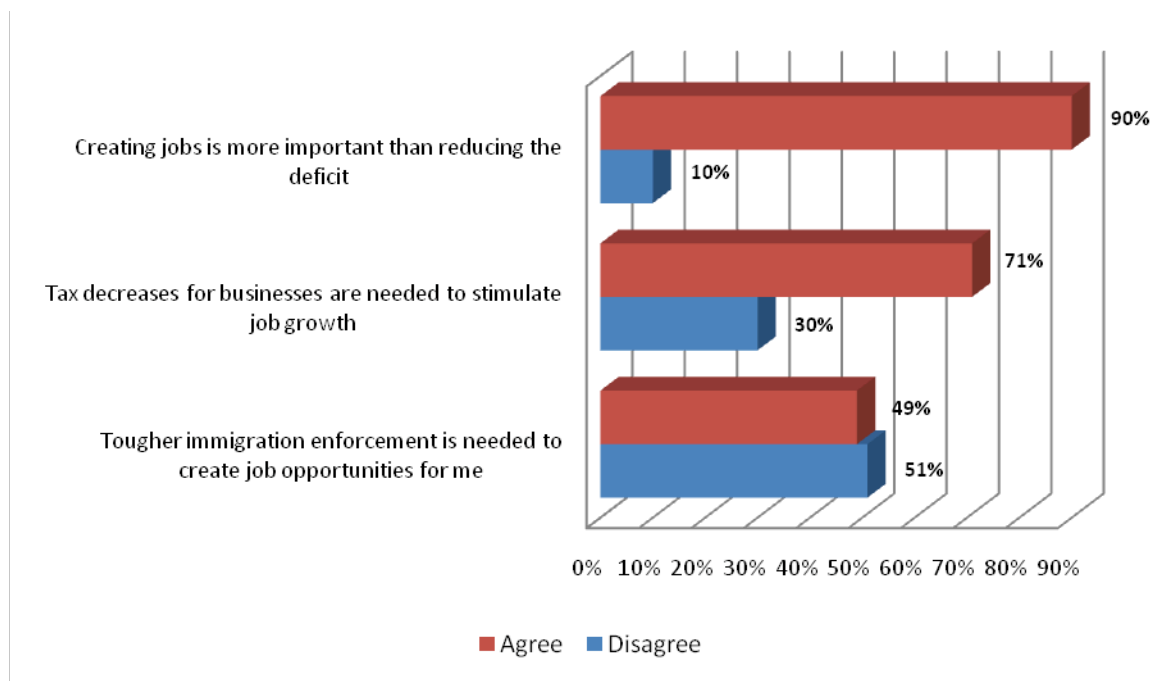
Creating jobs should be the top policy concern, according to our panel of college-educated African Americans. Job creation should take precedent over deficit reduction and should be achieved by reducing taxes on businesses if necessary. Most respondents do not agree that tougher immigration policy is needed to protect their jobs. Their policy priority is clearly more jobs for everyone.

### Deficit Reduction versus Job Security

Our panel of college-educated African Americans clearly favored job creation over fiscal restraint.

- An overwhelming majority (90.1%) of African Americans surveyed agreed that creating jobs is more important than reducing the deficit.
- More than two-thirds (70.5%) of African Americans surveyed believed that “tax decreases for businesses are needed to stimulate job growth.”

Indicate whether or not you agree with the following statements.



### Immigration and Job Security

On the critical issue of immigration reform, the majority of African American respondents were “not concerned” that “immigrant competition” threatened their job security.

- The majority of African Americans surveyed (52.3%) were “not concerned” that “immigrant competition for U.S. jobs” would adversely affect their job security.
- A close majority of African Americans surveyed (51.3%) either “somewhat disagree” (28.0%) or “Strongly disagree” (23.4%) that “tougher immigration enforcement is needed to create job opportunities” for them.

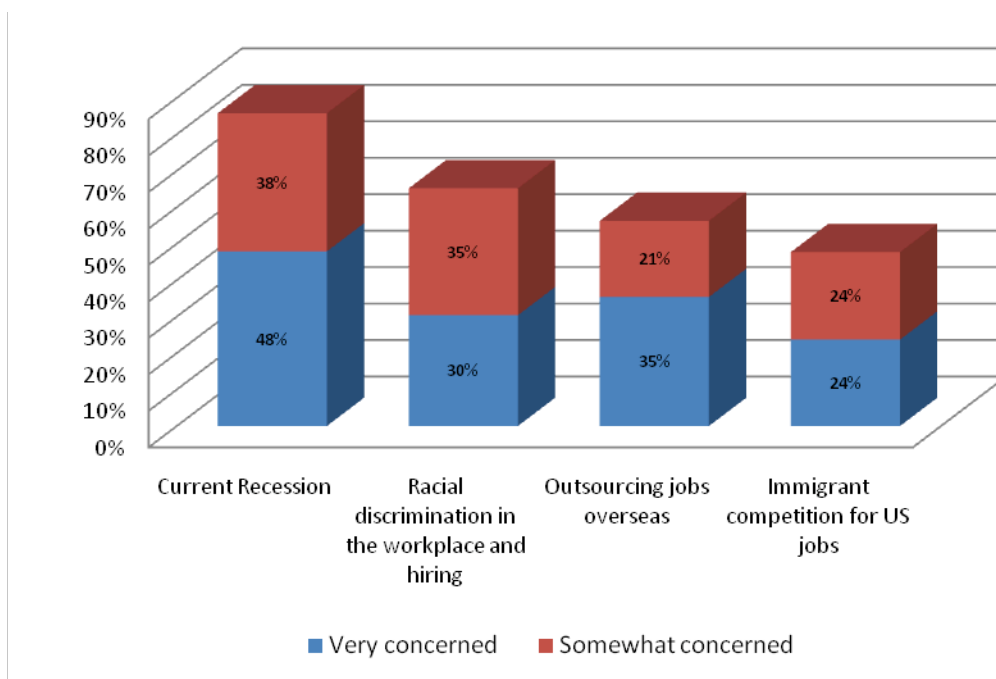
# JOB SECURITY - GLOBAL READINESS

## Major Threats to Job Security

Respondents were asked to identify potential threats to their personal job security and the “current recession” was a major concern. Racial discrimination continues to pose a major risk to job security, according to these respondents.

- The “current recession” (85.8%) was the top job security concern followed by “racial discrimination in the workplace and hiring” (65.2%).
- African American respondents were more concerned that “outsourcing of jobs” (56.3%) was a threat to their job security than competition from foreign workers (47.7%) here in the U.S.

**Please indicate the degree to which you personally are concerned that the following factors will adversely affect your job security.**

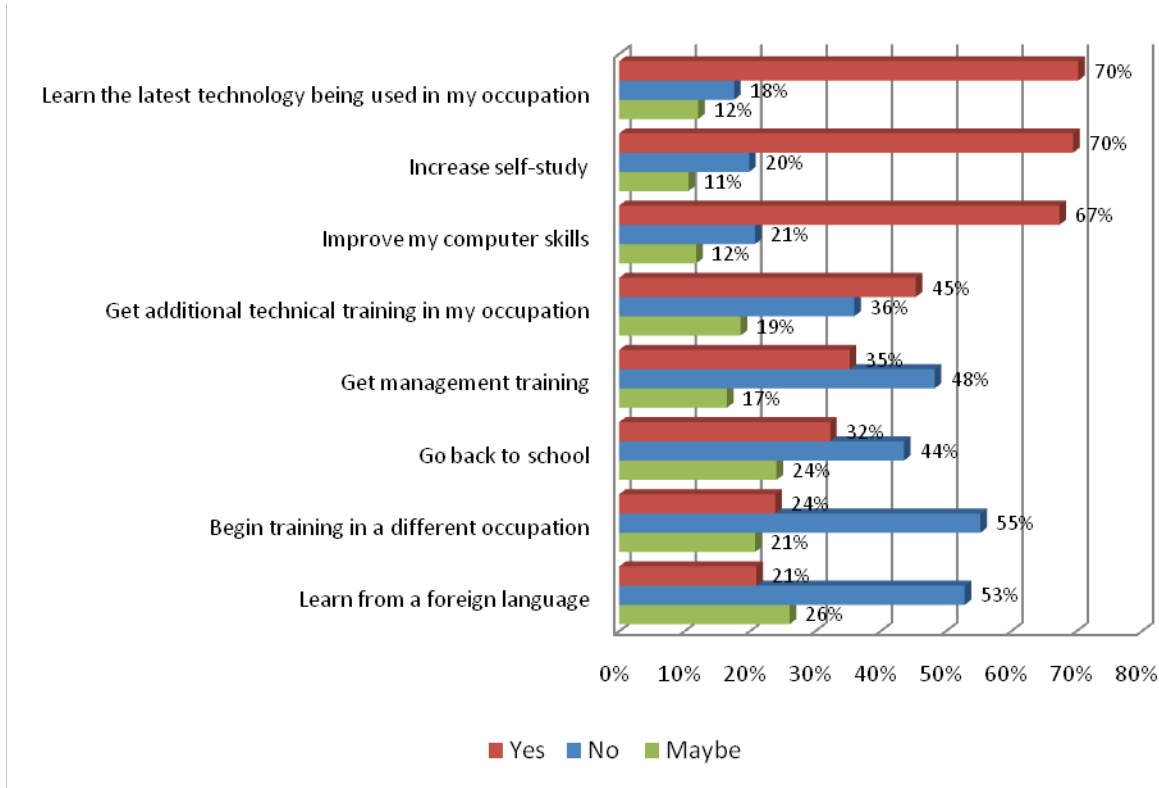


## Responding to Globalization to Improve Job Security

Respondents were asked to reveal any plans within the next 12 months to take steps to improve their employability in the “new globally competitive environment.”

- Most African Americans surveyed were planning within the next 12 months to improve their “computer skills” (67.4%), “increase self study” (69.5%) , or “learn the latest technology” being used in their industry (70.3%).
- However, more than half of African Americans surveyed had no plans to “learn a foreign language” (52.9%) or “begin training in a new occupation” (55.3%) in order to compete globally.

Regardless of your employment status, indicate whether or not you plan to do any of the following in the next 12 months in order to improve your employability in the new globally competitive environment.

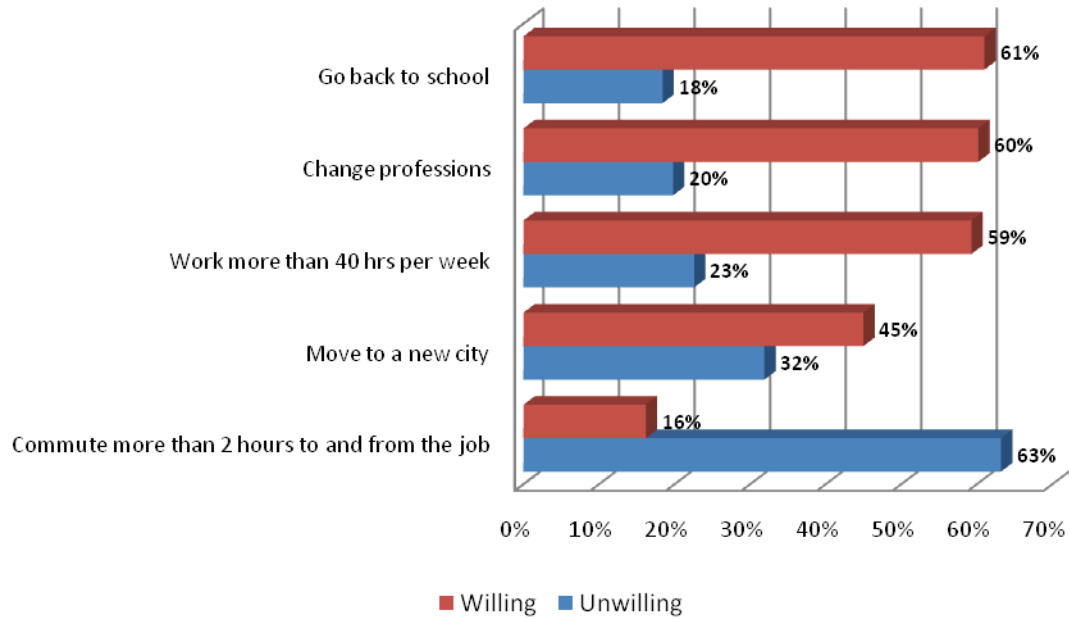


### Lifestyle Changes to Improve Job Security

In order to “get a new job” or “avoid losing an existing job” a surprising large percentage of African American respondents choose geographic preferences over job security.

- More than two-thirds (63.2%) were “somewhat unwilling” or “very unwilling” to “commute more than 2 hours to and from the job.”
- Nearly one-third (31.9%) were unwilling to “move to a new city.”
- Solid majorities were willing to endure lifestyle changes including “change professions” (60.3%), “work more than 40 hours per week” (59.3%), and “go back to school” (61.0%)

Indicate your willingness to do the following to get a new job or avoid losing an existing job:



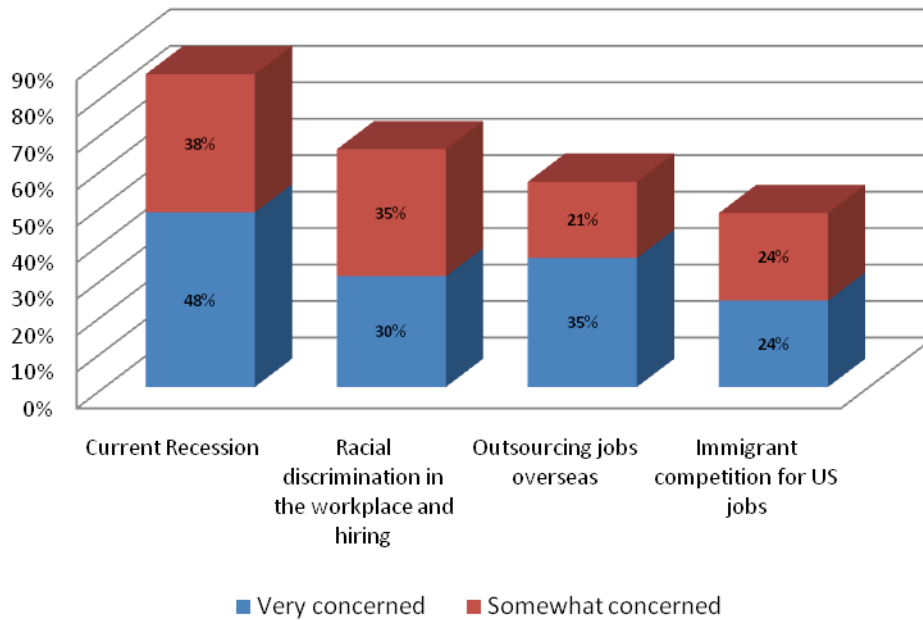
## FINANCIAL SECURITY

Household debt levels are at historic levels. Recently, credit card reform laws were passed to help working Americans cope with the crushing levels of debt. According to our respondents, a major threat to financial security is heavy credit card debt loads and the corresponding inability to “save” for emergencies.

### Household Debt Threaten Financial Security

- Over two-thirds (68.2%) of respondents indicated that they need to “reduce credit card debt”, with 4 out of 10 respondents saying that credit card debt reduction was “urgently needed.”
- An overwhelming majority of respondents (92.3%) indicated they need to “save for emergencies”, with more than half (58.3%) saying that emergency savings were “urgently needed.”
- Despite the current housing crisis, the vast majority (70.4%) said they had no need to refinance their mortgage.

For each of the following, please indicate its importance for improving your financial security.



### Personal Responsibility

Despite the Wall Street meltdown and financial damage in its wake, the vast majority of African American respondents assumed personal responsibility for their current financial circumstances and were planning to take steps to improve their financial security over the next 12 months.

- The vast majority of African American respondents (82.0%) believe “I am totally responsible for my current financial situation.” Most (62.6%) disagree that “my current financial situation is beyond my control.”
- Over three-fourths (80.6%) agreed with the statement “I have a plan to secure my financial future.” But 46.6% indicated that assistance was needed “to secure my financial future.”

### Taking Action

- More than 9 of 10 respondents (90.5%) plan to “save for emergencies” during the next 12 months.
- Roughly 3 of 4 respondents (74.7%) plan to “reduce credit card debt” during the next 12 months.
- Only 34.5% of the respondents plan to “find better employment” during the next 12 months and 15.7% indicated that they plan to “refinance my mortgage.”

# GOVERNMENT POLICYMAKING

## Government Effectiveness

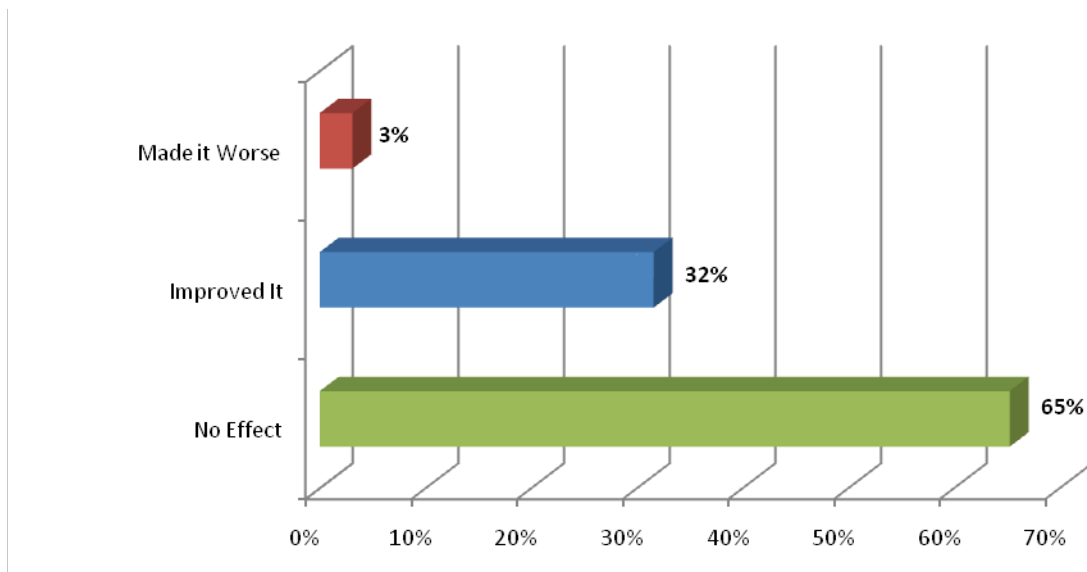
Respondents indicated a high degree of trust in President Obama’s ability to revitalize the economy.

- Nearly 9 out of 10 respondents (88.9%) indicated that they were “somewhat confident” or “highly confident” that President Obama “has a plan to revitalize the U.S., economy.”
- But fewer African American consumers and workers responding were confident that Congress would “do what is necessary to stimulate job growth” (53.0%) and nearly one-third of them were “doubtful” (30.9%) that Congress would take the necessary steps to stimulate job growth.

## No Obama Effect

But most respondents did not believe that President Obama’s election had benefitted them economically. Nearly two-thirds of African Americans surveyed (65.3%) responded that the election of President Obama has had “no effect” on their personal economic situation. Thirty-one percent (31.6%) indicated that the election of President Obama “improved” their “economic situation.” Only 3.1% responded that the President had “made it worse.”

**In your opinion, how has the election of President Obama affected your economic situation?**





## ECONOMIC OUTLOOK

Despite the impact of the current recession on black unemployment and mortgage defaults, respondents were generally optimistic about the future of the U.S. economy and their personal economic circumstances. However, they indicated lingering concerns about future job security.


### ECONOMIC OUTLOOK


Most African American respondents were optimistic about the U.S. economic outlook and their personal economic growth.

 Nearly three-quarters of respondents (74.4%) expected the U.S. economy to “significantly improve” or “moderately improve” in the next 12 months.

 And, nearly as many (72.0%) expected their personal economic circumstances to improve in the next 12 months.

### LINGERING CONCERN OVER FUTURE JOB SECURITY

 Over forty percent (41.7%) of respondents were either “somewhat concerned” or “very concerned” that they would “involuntarily” lose their job within the next 12 months. But a majority of this college-educated group (58.3%) was “not at all concerned” that they would lose their job within the next 12 months.

 Most respondents expected “average” job growth in the industry where they “have the most experience and/or training.” But more than one-quarter (26.5%) of respondents expected job growth in their industry to be “less than average.” About 1 in 6 expected “greater than average” job growth in their industry.

## CONCLUSION

As we approach the end of the worst recession since the end of World War II, our panel of mostly college-educated African Americans overwhelmingly responded that a top policy priority is job creation. Roughly 9 out of 10 respondents favored job creation policies over deficit reduction. Indeed, over two-thirds of respondents favored reducing taxes for businesses, which would likely increase the budget deficit, in order to stimulate job growth.

The risk of job loss still lingers. More than 4 of 10 respondents were concerned that they would involuntarily lose their job in the next year. According to our panel, the biggest threat to job security is the current recession. The second greatest risk to job security was racial discrimination in the workplace, even for these mostly college-educated African Americans, demonstrating that the notion of a post-racial society is far from a reality for many people.

The U.S. suffered from a major credit crisis during this recession and African American households represented by these respondents face their own credit crisis, although of a different kind. More than 2 of 3 respondents indicated that they need reduce credit card debt with 4 of 10 saying they urgently need to do so. Plans to remedy the problem are in the offing. Nearly three-fourths of respondents plan to reduce credit card debt in the next 12 months and the overwhelming majority of respondents plan to increase savings for emergencies.

Despite concerns about job security and financial security, our panel of college-educated African Americans is predominantly optimistic about future economic conditions. Recently released economic data on April 2010 job growth suggests they may be right.

## About the organizations

### About The Loop 21

The Loop 21 is the premier online destination for in-depth analysis of economic and political news presented from the minority perspective. The Loop 21 not only highlights problems, but also offers insights and solutions, plus a platform where everyone is invited to join the conversation. The site is an alternative to mainstream media with a mission to lead the discussion on economic progress for people of color. For more information about The Loop 21, visit [www.theloop21.com](http://www.theloop21.com).

### About Alpha Kappa Alpha

Alpha Kappa Alpha Sorority is America's first Greek-letter organization founded in 1908 by, and for, African-American college women. Headquartered in Chicago, Illinois, it is one of the world's leading service organizations. The Sorority's members have made a commitment "to serve all mankind" through a nucleus of more than 250,000 women in over 975 chapters in the United States, the Caribbean, Canada, Germany, Korea, Japan and in the continent of Africa. Barbara A. McKinzie is the 27th International President. Her administration is marked by the ESP theme, which stands for Economics, Service and Partnerships.

### About the Survey

For more details about the survey, visit [www.theloop21.com](http://www.theloop21.com) where the survey responses are available.

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