

BREAKING DOWN THE BARRIERS

THE STATE OF BLACK MEN AND BOYS IN ARKANSAS AND

HOW WE CAN BEGIN EXPANDING OPPORTUNITY

Part I: Family Economic Security



MAY 2018



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by Eleanor Wheeler, AACF Senior Policy Analyst
May 2018

OVERVIEW

This is the first data snapshot in a series that details the state of black men and boys in Arkansas. Across the board, our black men and boys encounter significant barriers. They face a higher rate of infant mortality, child poverty, and incarceration than their white peers. They also have lower high-school graduation rates and family income levels. These outcomes are a result of decades of policy decisions that held back and held down black Arkansans.

Continuing a dialog about the obstacles facing black men and boys in our state is a necessary first step on our journey to become a more equitable Arkansas, one in which all people, regardless of race, can thrive. This snapshot specifically focuses on family economic security and where black men and boys stand. The snapshot also offers policy solutions that can help black men and boys succeed. While we are still researching the many root causes of these inequities, we felt it was imperative to share the staggering data.

ECONOMIC SECURITY AND ARKANSAS'S BLACK MEN AND BOYS

Values Statement: All Arkansans should have the opportunity to provide for themselves and their families. Everyone deserves a fair wage for an honest day's work, regardless of their race or gender. Unfortunately, black men and boys face economic barriers that did not happen by chance. Policies and

structures, even past ones, drive these outcomes. Some historic discriminatory policies, like redlining

housing, are still affecting generations of families of color. Because of bad policy, many of these families missed opportunities to invest and build wealth. Decades of lost opportunities continue to make it harder for people of color to find good jobs, especially black men.

Current practices, like discriminatory school discipline, hiring practices, and housing discrimination also affect educational and career outcomes for black men and boys in our state. This tells us that policy is powerful. Good policy decisions can be as powerful and longstanding as bad ones. Arkansas legislators recently created more barriers to economic opportunity for families of color by initiating drug testing for public benefits, reducing unemployment benefits, limiting scholarships, and reducing diversity on regulatory boards.

What If? If we paid black men the same as their white male counterparts, their typical income would increase by over \$11,800 a year in Arkansas.

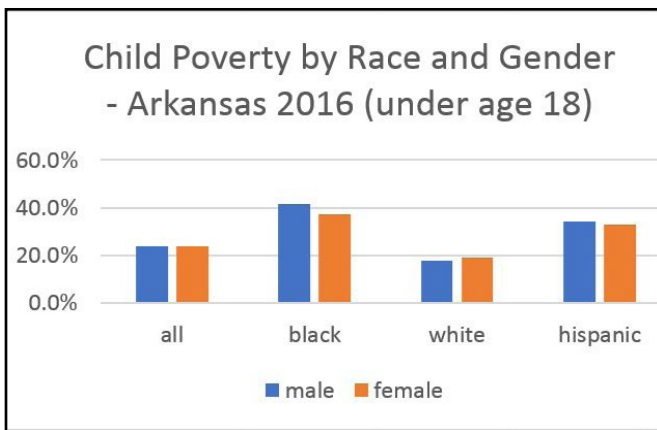




Economic Security Data by Race and Gender in Arkansas:

Child Poverty by Race and Gender

Black children in Arkansas are more than twice as likely to grow up in poverty as white children. At a young age, race has a much larger influence on poverty than gender does. But as children grow into adulthood, the poverty disparities evolve into wage gaps. These vary greatly between both gender and race.



Source: 2016 American Community Survey (ACS), 1-year data B17001A and B17001B

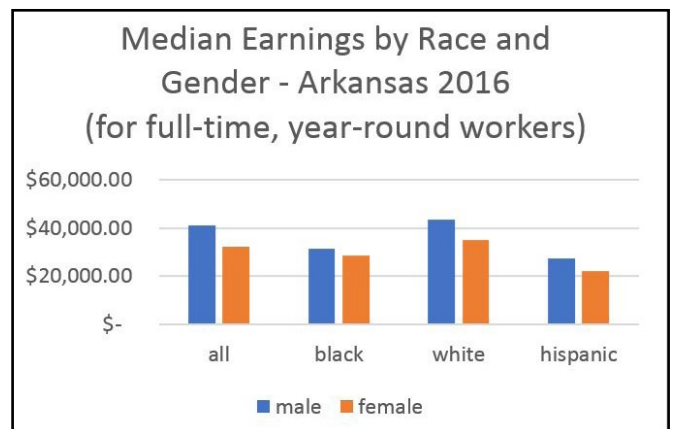
Median Income by Race and Gender

Although wages are improving overall as we recover from the recession, race and gender still play a large role in predicting income. Black men in Arkansas have a median income of about \$31,500 (for full-time, year-round workers). That is more than \$11,800 a year less than white men and about \$3,500 less than white women. Black women have the lowest median earnings, making about \$3,000 a year less than black men.

While we still have much work to do in pay equity, we have made some forward progress in hourly wages. In 2006, AACF worked with the Give Arkansas a Raise Now Coalition to help lead to the passage of landmark legislation raising the state minimum

wage from \$5.15 to \$6.25 an hour, a major victory for low-income families. This provided low-income families more money to help meet basic needs. The legislation was adopted during a special legislative session on education reform. Arkansas became the first state among our southern neighbors to adopt a state minimum wage higher than the federal standard. Our research on economic self-sufficiency was used to make the case for raising the minimum wage. In 2014, Arkansans voted to increase the state's minimum wage from \$6.25 to \$8.50 an hour. Before this change, our state minimum wage was actually [lower than the federal minimum wage](#).¹

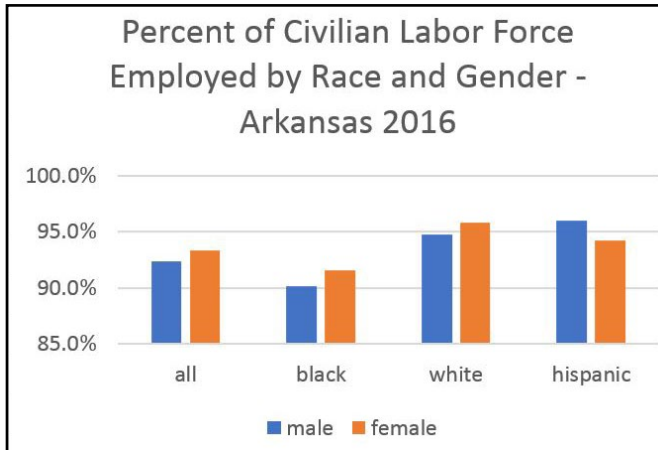
Increases in the minimum wage alone won't close the wage gap, but it is an important first step in ensuring that Arkansas families have the resources they need to make ends meet.



Source: 2016 American Community Survey (ACS), B20017A, B, I

Employment Status by Race and Gender

Arkansas is experiencing record-breaking low unemployment levels. However, the cumulative unemployment rate does not tell the whole story. People of color, particularly black men, are much less likely to be able to find work than white men and women. Black men are also less likely to have jobs than black women.



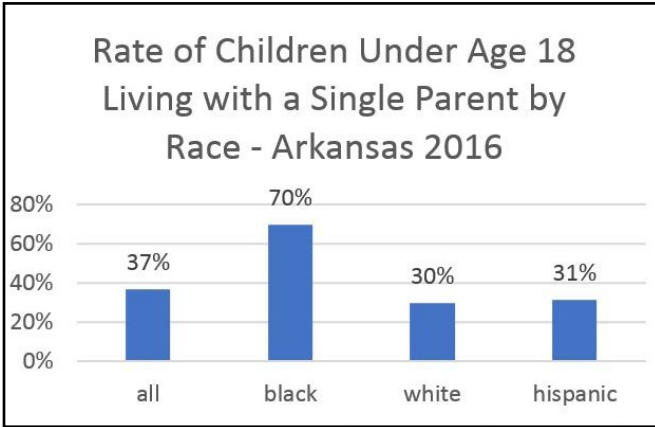
Source: 2016 American Community Survey (ACS), B23001

Number of Single Parents by Race

Black children are much less likely to grow up with married parents. Around 70 percent of black children in Arkansas live with a single parent. Only 30 percent of white children live with a single parent. Single-headed households miss many of the [economic benefits of marriages](#)² that are associated with financial stability, such as child well-being and the likelihood a kid will be successful in school.

The solution isn't to point low-income parents down the aisle. But we should account for changing family structures to make smarter public policy choices. If we know that more low-income parents are raising kids by themselves, a broader child care and pre-K





Source: 2016 American Community Survey (ACS), C17010 A, B, and I

program could address some of the family structure differences. Similarly, an Earned Income Tax Credit (EITC) that considers family size and structure can help reduce the economic imbalances that single parents face.

During the 2017 legislative session, we did make some progress that should help families in both two-parent and single-parent households of all races. Our research and advocacy on the importance of paid family leave helped get a bill passed that allows state employees to access maternity leave for the first time. This change makes Arkansas a leader in the region. While it currently provides leave only for mothers, the benefits of paid leave extend to the entire family. Plus, it is an important first step toward expanding paid leave to fathers as well.

POLICY SOLUTIONS

- 1. Help working people in Arkansas with a state-level, refundable [earned income tax credit](#)³ (EITC).** Tax credits like the EITC help minority families because they are more likely to work low-wage jobs. About [a quarter of families](#)⁴ eligible for the EITC are black.
- 2. Revise decisions made during the 2015 and 2017 legislative session that harmed communities of color.** Problematic policies

included reducing unemployment benefits, which directly affects families, and expanding a program that drug tests families who apply for public assistance. This policy unnecessarily stigmatizes families who need assistance.

- 3. Provide better protection against wage theft, which disproportionately affects communities of color.** Unlike most other states, Arkansas doesn't require pay stubs, which deter wage theft by allowing employees to keep track of their earnings and dispute any errors. Arkansas also lacks strong anti-retaliation laws and reasonable penalties for employers caught skimming off the top.
- 4. Provide paid leave to more families.** Because they can't afford to miss a paycheck, low-income families, who are disproportionately people of color, are more likely to continue working even when they need to take time off. Many working people in Arkansas ([65 percent](#))⁵ are not even protected under the Family and Medical Leave Act (FMLA), which is a federal law that guarantees 12 workweeks of unpaid leave each year with no threat of job loss. This is because they haven't worked at the same place for over a year, or they work at a company that is too small, among other reasons.

ENDNOTES

1. "Fact Sheet on the Increase of the Arkansas Minimum Wage," Arkansas Department of Labor. <http://www.labor.arkansas.gov/Websites/labor/images/FactArkansasMinimumWage.pdf>.
2. "The Future of Building Wealth: Can Financial Capability Overcome Demographic Destiny?" Ray Boshara, Federal Reserve Bank of St. Louis. <http://www.strongfinancialfuture.org/essays/future-of-building-wealth/>
3. "State EITC Would Help Working Families," Arkansas Advocates for Children and Families. <http://www.aradvocates.org/state-eitc-would-help-working-families/>.
4. "Who's Getting Credit: EITC Participation in Arkansas" infographic, Eleanor Wheeler, Arkansas Advocates for Children and Families. <http://www.aradvocates.org/wp-content/uploads/EITC-participation-infographic-v5.pdf>.
5. "Paid Leave Means a Stronger Arkansas" fact sheet, National Partnership for Women & Families, January 2018. <http://www.nationalpartnership.org/research-library/work-family/paid-leave/paid-leave-means-a-stronger-arkansas.pdf>.



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