



UNEQUAL GROUND

**Black Californians' Employment
in a Shifting Economy, 2024-2025**

Executive Summary



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OVERVIEW

This short report from the Black Policy Project at the UCLA Ralph J. Bunche Center for African American Studies examines how Black Californians' labor market outcomes shifted between 2024 and 2025 – a period marked by federal policy rollbacks, mass layoffs in the public sector, dismantling of diversity, equity, and inclusion (DEI) programs, the elimination of affirmative action in higher education admissions, and a broader economic slowdown. Drawing on harmonized monthly data from the Current Population Survey (CPS), the analysis tracks unemployment, employment rates, involuntary part-time work, government employment, and institutional disconnection by race, gender, age, and educational attainment.

The findings paint a sobering picture: in a remarkably short period of time, many of the employment pathways that Black Californians have relied upon to achieve and maintain middle-class status have been greatly weakened or shut off entirely. These trends represent not only individual hardship, but compounding losses of income, health benefits, and economic security for Black families and communities across the state.

KEY FINDINGS

RISING UNEMPLOYMENT

Black Californians experienced the largest single-year increase in unemployment of any racial or ethnic group, with their unemployment rate rising 2 percentage points – from 5.6% in 2024 to 7.5% in 2025 – reaching double the rate of White Californians by year's end.

- ▶ Younger (ages 18–34) and prime-working-age (ages 35–54) Black Californians saw unemployment climb by more than 2.5 percentage points each, with prime-age Black workers reaching an unemployment rate more than twice that of White Californians.
- ▶ Black women's unemployment doubled from 3.5% to 7.1%, while Black men's already high unemployment rate (7.9%) remained persistently elevated.
- ▶ Unemployment rose most sharply for college-educated Black women, tripling from 2.7% to 8.5% – a rate nearly twice that of college-educated White Californians.
- ▶ Black men without a high school diploma faced the highest unemployment rate of all groups examined: 15.9% in 2025.

MODEST EMPLOYMENT DECLINES MASKING DEEPER SHIFTS

Overall employment rates for Black Californians dipped only slightly

(less than half a percentage point) between 2024 and 2025 – but this aggregate stability obscured notable divergence beneath the surface.

- ▶ Black men’s employment rate increased by approximately 5 percentage points, driven in part by growth in part-time work.
- ▶ Black women’s employment rate fell by about 6 percentage points over the same period.
- ▶ Employment declines were most pronounced among Black Californians with higher levels of educational attainment.

SURGE IN INVOLUNTARY PART-TIME EMPLOYMENT

Behind the modest overall employment decline lies a troubling shift in the quality of work. The involuntary part-time employment rate for Black Californians increased by 10 percentage points, from 39% to 49% – the largest increase of any racial group.

- ▶ Black men experienced the steepest rise – nearly 12 percentage points – in involuntary part-time employment.
- ▶ Among college-educated Black men, involuntary part-time work surged by nearly 30 percentage points.
- ▶ This shift signals a real deterioration in employment conditions, not merely a change in preferences given the overall share of Black workers in part-time jobs remained constant at roughly 20%.

DECLINING PUBLIC SECTOR EMPLOYMENT

Black Californians have historically held the highest share of public sector employment. Between 2024 and 2025, this cornerstone

POLICY IMPLICATIONS

The report identifies four areas of priority action for California policymakers, employers, and community advocates:

- ▶ **Strengthen employment regulations and social safety nets.** Improve unemployment insurance, raise wages in caregiving and public sector roles where Black women are overrepresented, strengthen anti-discrimination protections, and mandate pay transparency disaggregated by race and gender. California Senate Bill 464, signed into law in October 2025, is a promising step toward greater transparency in pay data.
- ▶ **Diversify pathways to quality employment.** Expand appren-

of Black economic security eroded greatly at the state and local levels.

- ▶ Federal employment rates remained unchanged for Black Californians – a likely reflection of California’s relatively small share (8%) of federal employment.
- ▶ Black Californians’ share of state government employment declined by nearly 2 percentage points, even as it increased for all other racial groups.
- ▶ Municipal employment for Black Californians fell by nearly 3 percentage points.
- ▶ Changes in the employment rates for college-educated Black women drove these declines, experiencing roughly 3 percentage-point drops in both state and municipal employment, likely reflecting federal funding cuts to state and local programs and the rollback of DEI offices.

GROWING INSTITUTIONAL DISCONNECTION

Institutional disconnection – defined as being neither employed nor enrolled in school – increased by 3 percentage points among Black Californians overall between 2024 and 2025.

- ▶ Black women’s disconnection rate rose by nearly 7 percentage points, a sharper increase than any other group.
- ▶ Disconnection rose by roughly 5 percentage points among prime-age Black Californians (ages 35–54).
- ▶ Black Californians with less than a high school diploma experienced a 6 percentage point increase, with over a third of this group disconnected by 2025.

ticeship programs, mentorship, and career pathways that do not require four-year degrees, with particular attention to connecting young Black men with both employment and holistic support services (mental health, education, social support).

- ▶ **Continue investing in California’s public colleges and universities.** While findings show that education alone no longer guarantees economic equity for Black Californians, graduates of the UC and CSU systems still achieve earnings above the state’s median within five years. Sustained investment in ex-

panding access to higher education and supporting Black students remains essential.

► **Invest in Black-led organizations and initiatives supporting Black entrepreneurship.** Black-led organizations serve as vital economic lifelines, often delivering essential services and cultivating community wealth. Worker organizations like the Bay Area Black Worker Center and Southern California Black Worker Hub, as well as workforce development programs such as SheWorks California, represent models for target-

ed investment. Supporting Black-owned small businesses — 185,000 of which operate in California — through long-standing institutions like the California African American Chamber of Commerce and local Black chambers of commerce, and expanding access to technical assistance and capital through vehicles like The Alliance for Community Development, Black Funders Network of the Bay Area, Black Cooperative Impact Fund, and PledgeLA can further strengthen economic well-being.

CONCLUSION

The 2026 State of Black California Report offers a timely and urgent portrait of a labor market under stress for Black Californians. The data reveals that the compounding effects of federal policy changes, DEI rollbacks, public sector cuts, and economic slowdown are not abstract trends — they are reshaping the economic realities of Black families and communities across California.

Particularly striking is that the workers bearing the heaviest burden are often those who did everything “right” — college-educated Black women whose employment in public service and professional roles is being dismantled at an accelerating pace. At the

same time, young and less-educated Black Californians continue to face deep and persistent barriers, compounded by cuts to the very safety net programs designed to buffer economic hardship.

The path forward will require targeted, sustained action at the state, local, and community levels. California has the policy tools, the institutions, and the community organizations to respond — but doing so demands both urgency and a commitment to centering racial equity in economic policy.

