

REWORKED: A CONVERSATION ON EQUITY IN RECOVERY FOR WORKERS

The “Shecession”: Policies, Preferences, and Pink-Collar Jobs

Q&A

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interviewed by **Ashley Putnam**, *Director, Economic Growth & Mobility Project*

Despite record job numbers as businesses begin to reopen, women are still being left behind in the recovery from the COVID-19 crisis. After the first few months of the pandemic, June 2020 data showed that women age 20 and older had an 11.2 percent unemployment rate, 1.3 times higher than the unemployment rate women faced during the Great Recession and following years.¹

Even now as women begin to regain jobs, the disparate impact of the pandemic has led to what some have called a “shecession.” The impacts on women vary decidedly across lines of race. While the unemployment rate for white women was 5.1 percent in July 2021, the unemployment rate for Black women was 8.3 percent. To understand the dynamics impacting women and to begin to understand what is necessary in recovery, Ashley Putnam from the Economic Growth & Mobility Project asked several experts² about the causes of this crisis. Follow along for this three-part series on gender equity in recovery.

1 See Claire Ewing-Nelson, *June Brings 2.9 Million Women’s Jobs Back, Many of Which Are At Risk of Being Lost Again*, Washington, D.C.: National Women’s Law Center, July 2020, available at [nwlc-ciw49tixgw5lbab.stackpathdns.com/wp-content/uploads/2020/07/june-jobs-fs-1.pdf](https://www.nwlc-ciw49tixgw5lbab.stackpathdns.com/wp-content/uploads/2020/07/june-jobs-fs-1.pdf).

2 Conversations with experts were hosted individually and the responses are presented in conversation with one another. The views expressed here are those of the authors and do not necessarily represent the views of the Federal Reserve Bank of Philadelphia or the Federal Reserve System.



What are some of the root causes of the employment disparities that we see impacting women?



Kathryn Edwards: Specific to the pandemic, women lost more jobs than men. In the first month of the pandemic alone, women lost over 10 million jobs, largely because of their overrepresentation in the hardest-hit occupations. The real question is why men and women do not have the same jobs or work at the same rates. Economists explain this by looking at three things: preferences, constraints, and discrimination. Preferences, like what kind of job you want to work in, may result in women being concentrated in certain occupations. Constraints, like lack of access to childcare or paid leave, may impact women’s ability to participate in certain occupations. And discrimination, where women are perceived as less capable of doing certain jobs, may prevent them from being hired in those occupations. How much of what we see is the result of preferences, constraints, or discrimination is not clear.



Rhonda Sharpe: Last year, 12 million women became unemployed, hence why we began referring to the pandemic as a “shecession.” We tend to talk about women as if they are a monolithic group. We need to disaggregate groups, as the issues are more nuanced.

Looking at the unemployment numbers for April 2021, White women had the lowest unemployment rate of any group one year after the pandemic. If these data say anything, they say that there has not been an equitable recovery.

A Michelle Holder: One of the things that lead to less favorable positioning in the labor market for women relative to men started before the Civil Rights Act, when over 30 percent of Black women worked as domestics, largely because they were kept out of many occupations. Afterward, there was a large shift to low-wage clerical positions; while pay did not improve, work conditions did. In contrast, White women began to join the workforce in large numbers, primarily in low-wage, clerical positions. This developed a cultural expectation that women could typically work in these service jobs or “pink collar” jobs where we still see women situated within the American labor force. We still live in a society that enforces these gender norms about work.

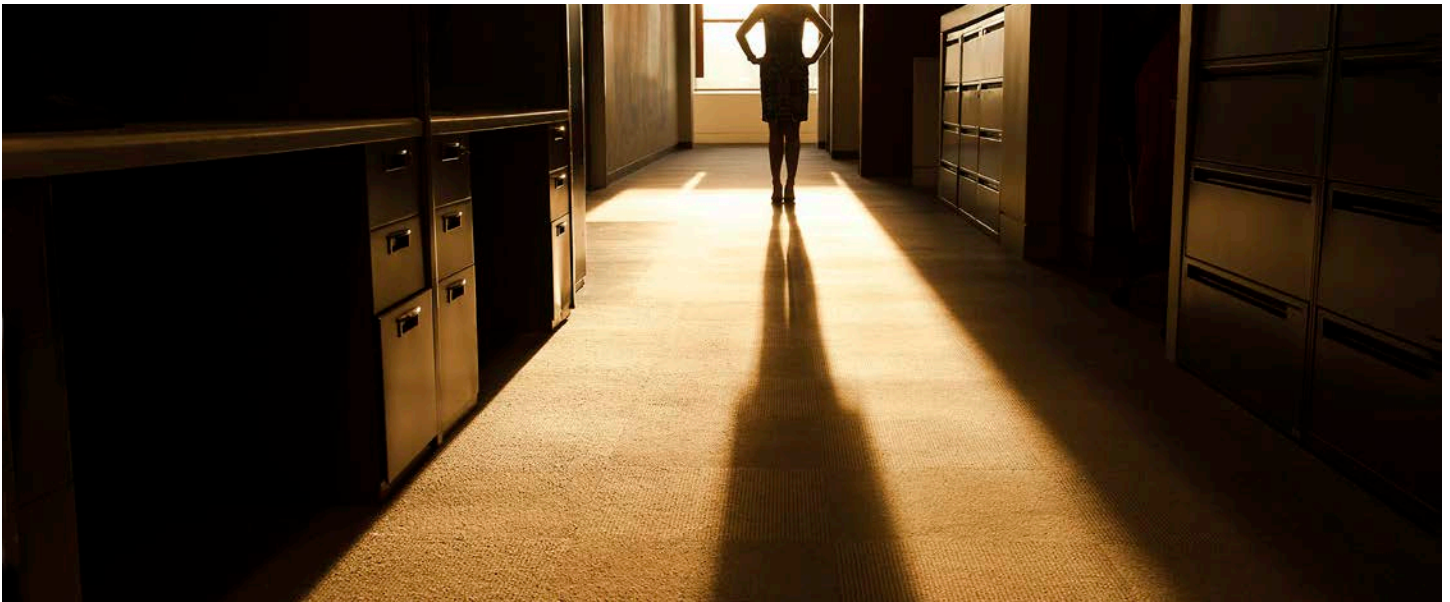
A Jhumpa Bhattacharya: If we are going to talk about root causes, we have to talk about narratives. Narratives surrounding work are both racialized and gendered. Service work, which has historically been done by Black women, has always been one of the most exploited industries. Black women were forced to do this work for free, and once they began being paid for their services, they still did not receive a fair wage. This history of exploitation of women in service occupations (Black women, now Asian and Latinx and immigrants as well) seems to keep repeating. We see that in conversations about scheduling, benefits, even paid sick leave. We fail to value the work traditionally done by women of color, which is why we see some of the inequities and unfair treatment in these industries.

A Michelle Holder: It is also important to note that Black women have historically had higher labor participation rates than their



White counterparts. When there are economic downturns, Black women are then in turn disproportionately impacted. This is largely because most Black women have to work. These women historically had to work because Black men’s wages were simply too low to support their families.

A Rhonda Sharpe: This is why using the “women of color” umbrella creates difficulty for implementing effective policy, because the experiences of the groups under that umbrella are so different. Within this larger group, Asian women are doing the best and Hispanic women are doing the worst. The disparities we see for women across racial groups is correlated with the history of occupational segregation. From slavery to Jim Crow, Black women were often in domestic work, and now they are often in low-wage, high-risk jobs on the front lines during the pandemic. We need to examine data at the intersection of race and gender to identify the underlying issues.



Share what you've learned and follow the conversation online: **#EquityInRecovery.**



History's Long Shadow

These responses demonstrate that we need to grapple with the history of economic policies that have impacted women's wages and work. This economic crisis's disproportionate impact on Black and Hispanic women³ reflects the type of occupations these women hold, including those in hospitality, retail, and childcare. Occupational segregation intersects with policies around wages, particularly as they pertain to care workers and women. Even today, women are more likely to work in occupations with lower wage regulations, like a tipped minimum wage, and without protections.

The experts also encourage us to reflect on our narratives around work that is typically "women's work" and what skills and occupations we value. Occupational segregation happens at the intersection of policies, preferences, and discrimination, and we cannot build an inclusive recovery if we fail to grapple with the role systemic bias has played (and continues to play) in the labor market. In examining our narratives around work, we need to consider the intersection of race and gender to foster an equitable recovery.

*This is the first of a three-part series about women in the labor market. The Reworked series aims to change narratives, challenge conversations, and elevate ways that we can change work together to advance an equitable workforce recovery. How is your organization addressing these issues? Share what you've learned and follow the conversation online: **#EquityInRecovery.***

³ Ariane Hegewisch and Eve Mefferd, *The Weekly Gender Wage Gap by Race and Ethnicity: 2020*, Washington, D.C.: Institute for Women's Policy Research, March 2021, available at iwpr.org/wp-content/uploads/2021/03/2021-Weekly-Wage-Gap-Brief-1.pdf.