State of Working Ohio 2020
Reset & Unrig

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EXECUTIVE SUMMARY

People make the economy, and the economy is only as strong as the people who make it run, by buying, selling, and — most of all — working. None could have predicted at this time last year the challenges Ohioans face to their health and economic wellbeing today, but decades of policies that favored the wealthiest and corporations over ordinary Ohioans meant that the longest expansion in U.S. history failed to produce comparable wage growth, leaving many Ohioans with little cushion to face the worst recession of our time and the worst pandemic in a century.

COVID-19 has remade work in Ohio in three key ways. For some, reporting to work in the midst of the pandemic is a frightening new reality. Others have been laid off due to lost business revenues or — for public sector workers — budgets reduced by lagging tax revenues. Some Ohioans have the relative safety of working from home, but as the months drag on and the pandemic continues to sweep the state and nation, the demands of juggling work with added burdens of child care and virtual in-home schooling are making work less tenable.

Amid these challenges, the nation is reckoning with systemic racial injustice as old as America itself. The Black Lives Matter movement formed to demand justice for Black victims of police and vigilante violence and an end to structural racism that forecloses Black Americans’ life prospects. Black Ohioans today struggle with jobs that pay less than their white counterparts and are more likely to expose them to COVID-19.

The State of Working Ohio 2020 gives the latest data on the state of the workforce before the crisis, the job losses it has caused, and what is known about workers on the frontlines. It offers solutions to rebuild the Ohio economy stronger than ever and enable all Ohioans to thrive.

Ohioans are struggling: Nearly a quarter of Ohioans reported using credit cards to cover the basics in June or July, a fifth drew down savings or sold assets, and some — especially those not working — borrowed from friends or family. The Ohio Supreme Court projected “an unprecedented surge” in the number of new eviction cases being filed over the coming weeks and months. The governor deployed 600 Ohio National Guard and Military Reservists to help Ohio food banks distribute food.
Out of work: The pandemic and necessary public health response forced more than 1 million Ohioans out of work this spring. New jobless filings totaled 541,000 in April and 455,000 in May. In April, Ohio had 4.7 million jobs: fewer than at any time in the previous thirty years. Ohio’s unemployment rate spiked to a staggering 17.3% that month. The state added 334,400 jobs by June, bringing the total to 5 million — still fewer than since the Great Recession. The unemployment rate tapered to a preliminary 9.1% by July (8.9% with the seasonal adjustment), but job gains have begun to slow as the Ohioans easiest to re-employ return to work, leaving behind those whose employers face cutbacks.

Racial disparities laid bare: Black Ohioans were more likely to need Unemployment Compensation in all but one of the past 13 months. By June 2020, they filed 1.6 times more claims. Even before COVID-19 struck, Black workers’ wages fell by $1.71 per hour from 1979 to 2019 (in 2019 dollars), and Black workers went from being paid 92 cents on the dollar compared with white workers, to just 76 cents.

Women hit especially hard: Typically men file more unemployment claims than women, because they hold more construction jobs where seasonal layoffs are part of the business cycle. But women worked in many of the 171,000 Leisure and Hospitality jobs displaced in June: three times the rate of other industries. Despite gains, women’s wages still trail men’s by $2.91 at the median. And women do more of the new childcare and home schooling work that could disrupt their careers.

Workers need a reset: Whether they are out of work, on the frontlines, or working from home, working people in Ohio need a change to get through the pandemic recession and thrive. Congress must renew the $600-per-week UC supplement, and support state and local governments to avoid cuts that will deepen job losses and slow recovery. Ohio policymakers must tap all available revenue sources now, and restructure the tax code to be fair and raise enough revenue. They must protect frontline workers and restore balance to labor markets where employers hold more power, with a $15 minimum wage and by supporting workers’ efforts to form unions.

Many Ohioans never recovered from the last recession. This cannot happen again.

Ohio leaders can unrig our economy and build the kind of state that recognizes the dignity of work and affirms the value of all Ohioans. To get through the crisis and thrive, Ohioans need policymakers that put them, not corporations, first. With that commitment, Ohioans can build a new and stronger future.
Ohioans are tough, resilient people. Most of us — from the autoworker in Lordstown, to the ICU nurse in Cleveland, to the janitor in Cincinnati — take pride in the job we do. We know the paycheck we earn supports our families, and it also helps build our communities. When the pandemic hit, Ohioans didn’t hesitate. They did what had to be done, staying home despite the financial pain it caused. Most of us want to give back and do our part. All we ask is a fair return for the work we put in, fair treatment on the job, and not to have our opportunities limited by our race, where we live, or the size of our inheritance.
Ohioans know that at the most basic level, people make the economy. And the economy is only as strong as the people who make it run, by buying, selling, and — most of all — working. Job growth was already slowing down before COVID-19 hit. The unemployment rate hovered around 4%, but the share of Ohioans working or looking for work — 60.4% — remained below the 2007 pre-recession peak of 64.0% and the current national rate of 61.1%.\(^1\) Ohio had gained jobs since the 2008 recession but never completely closed the jobs deficit, accounting for population growth. Many jobs paid far less than what families need to make ends meet, and less than the same job paid two decades ago.\(^2\)

Year after year, Ohioans’ work created record wealth. Policymakers could have chosen to use that wealth to improve lives and shore up our safeguards against the next recession. Yet for decades, at the behest of the wealthy few and big corporations, they chose to hold workers’ wages down and direct public resources away from our schools, our infrastructure, and the other critical building blocks of strong, vibrant communities. In the year before the pandemic, many Ohioans were struggling, but not like this.

This year, Ohioans face the worst recession of our time while contending with the worst pandemic in a century.

Millions of Americans were laid off from their jobs to comply with necessary social distancing orders. This spring the unemployment rates for Ohio and the nation surged to the highest levels ever recorded, comparable with estimates later made of the Great Depression. These levels tapered down subsequently but remain very high. The pandemic and necessary public health measures shrunk the Ohio economy by 5.5% in real gross domestic product (GDP) for the first quarter of 2020.\(^3\) Second-quarter GDP — not yet available for states — fell 34.3% annualized for the U.S., wiping out $2.15 trillion in economic activity.\(^4\)

For some, reporting to work in the midst of the pandemic is a frightening new reality. Others have been laid off due to lost business revenues or — for public sector workers — budgets reduced by lagging tax revenues. Some Ohioans have the security of working from home, but as the months drag on and the pandemic continues to sweep the state and nation, the demands of juggling work with added burdens of child care and virtual in-home schooling are making work less tenable. Others are just starting out in the labor force, graduating from college or training only to have their career prospects limited.
Amid these challenges, the nation is reckoning with systemic racial injustice as old as America itself. The Black Lives Matter movement formed in response to police and vigilante violence especially targeted at Black people. The criminal justice system that treats Black Ohioans so much more harshly than white counterparts is one dimension of a racial caste system that refuses to let Black Americans escape the legacy of forced labor stolen from generations of their forebears. Not only do Black Ohioans earn less than their white counterparts, during the pandemic, they’re more exposed to danger.
Changes to this year’s approach

This has always been a report about people. The numbers are important, because they tell us the ways in which working people in Ohio struggle or thrive. In more typical years, this report is a look back, an analysis of key indicators as they landed in the prior year. COVID-19 and the recession it caused have remade the Ohio economy so quickly and profoundly that many of the numbers we rely on to give contour to the working lives of people in our state are so out of date as to be meaningless.

This year you’ll find new numbers on unemployment and joblessness and summaries of recent research on COVID-19’s impact on everyone from the frontline workers trying to keep safe to the exhausted parents typing away in makeshift home offices trying to keep their jobs. We have included some key indicators from 2019 that help explain why so many are on the brink. And in the coming weeks, we’ll feature Ohio workers telling their own stories.

To all the Ohioans who shared their stories with us, thank you. To everyone who reads them, we hope this approach will paint a fuller picture of the hopes and challenges of the Ohioans struggling to make it through the pandemic and recession. To the elected officials and policymakers, we hope you use these data to craft policy that puts people first — not special interests and corporations. We urge you to take action now. This is the State of Working Ohio in 2020.
Ohioans are struggling

COVID-19 and the necessary public health response have caused the deepest recession the U.S. has experienced in almost a century. Ohioans are struggling to cover basic needs. The Ohio National Guard and Ohio Military Reserve deployed some 600 service members to help Ohio food banks process and distribute food to Ohioans in all 88 counties. The Ohio Supreme Court found that Ohio’s courts will experience “an unprecedented surge” in the number of new eviction cases being filed over the coming weeks and months. More than 3.5 million Ohioans in 1.6 million households rent their homes.

When surveyed by the Census Bureau in the Household Pulse survey, Ohioans report using an array of makeshift resources to pay their living costs. While 90.6% of Ohioans employed the week before they were surveyed had money from regular income to cover basics, just 58.4% of those not working did. Nearly a quarter of Ohioans relied on credit cards or loans. Roughly a fifth drew down savings or sold assets. Some Ohioans borrowed money from friends or family, with out-of-work Ohioans 61% more likely than their employed counterparts to turn to this method. Many Ohioans cited stimulus money as a source they used to pay for bills or basics.

<table>
<thead>
<tr>
<th>How Ohioans paid for living costs from June 25 to July 21, 2020</th>
<th>Employed Ohioans using this source of funds</th>
<th>Non-working Ohioans using this source of funds</th>
<th>Likelihood nonworking Ohioans used source compared with working</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regular income sources like those used before the pandemic</td>
<td>4,474,662 90.6%</td>
<td>2,232,427 58.4%</td>
<td>-35.6%</td>
</tr>
<tr>
<td>Credit cards or loans</td>
<td>1,182,668 23.9%</td>
<td>881,753 23.1%</td>
<td>-3.7%</td>
</tr>
<tr>
<td>Money from savings or selling assets</td>
<td>906,551 18.4%</td>
<td>827,309 21.6%</td>
<td>17.9%</td>
</tr>
<tr>
<td>Borrowing from friends or family</td>
<td>368,312 7.5%</td>
<td>459,457 12.0%</td>
<td>61.1%</td>
</tr>
<tr>
<td>Unemployment insurance benefit payments</td>
<td>222,928 4.5%</td>
<td>641,003 16.8%</td>
<td>271.4%</td>
</tr>
<tr>
<td>Stimulus (economic impact) payment</td>
<td>709,486 14.4%</td>
<td>953,525 24.9%</td>
<td>73.6%</td>
</tr>
</tbody>
</table>


Nonworking Ohioans included both unemployed and adults not in the labor force, including retirees.
HISTORIC JOB LOSS

COVID-19 and the public health order to contain it sent more than 1 million Ohioans home from work this spring. Ohio reached and surpassed the deepest job losses of the 2008 recession in a matter of weeks.
Preliminary jobs data for July show that Ohio employers added back another 62,700 jobs that month, leaving the state 495,100 short of the July 2019 total.

By July the job gains were starting to slow.

Chart 1 shows Ohio jobs from January 1990 through July 2020, with July’s number being preliminary. Horizontal lines mark job levels in April and June (the latest confirmed month), for historic comparison.

Ohio had fewer jobs in April 2020 (4,704,000) than at any time in the 30 years since January 1990. The state added 334,400 jobs by June, but that month’s 5.04 million jobs were fewer than at any time since the Great Recession — before that, February 1994.

The state appeared to regain more jobs by July, but at a slowing rate, with a preliminary figure of 5.10 million. July’s figure is subject to revision, but it estimates a further gain of 62,700 jobs. Based on that estimate, job growth may have slowed by 70.6% compared with the 213,200 jobs restored in June. Ohio remains 498,000 jobs short of February’s level.

This rapid initial bump, followed by slowing gains, would be consistent with a cohort of workers returning to work quickly once Gov. DeWine’s stay-at-home order lifted, while many other workers’ jobs were destroyed by the economic contraction, or those workers were unable to return to work due to health concerns or the need to care for children out of school and child care. Those challenges are likely to persist much longer.9

The Census Bureau asked out-of-work Ohioans the reason they were not working in the Household Pulse survey.10 Over the four-week period of April 23 through May 26, an average of 4,331,000 Ohio adults were estimated as not working. Among these, 31.7% were out of work due to employer layoffs, furloughs and closures related to COVID-19; about 1.37 million Ohioans. Workers in some of these categories would not have been counted as unemployed. An additional 1,675,000 adult Ohioans (38.7% of those not working) are retired. About 6.1% (264,000) were unable to work due to the need to care for children. Fewer than 1% were estimated to be out due to having the coronavirus or symptoms, and the figure was not statistically significant.11 Household Pulse did not ask whether respondents were students, but nearly 648,000 students were enrolled in Ohio two- and four-year colleges in 2018.12

About 466,000 Ohioans not working during these weeks received full or partial pay from an employer.13 Over the same timeframe, more than 700,000 received some unemployment compensation, with continuing claims for regular state benefits peaking the week of April 25 at 776,302, and Pandemic Unemployment Compensation benefits beginning and reaching 11,024 by May 25.14 The share who used paid leave was estimated around 1% of all nonworking adults and was not statistically significant.

Record unemployment tapers to Great Recession levels

Ohio’s unemployment rate spiked to a staggering 17.3% by April 2020 amid the stay-at-home order imposed by Gov. DeWine to slow the spread of the coronavirus. By July, it had fallen to 9.1% (or 8.9% with the seasonal adjustment), substantially lower, but still more than double the rate from February. And it was surely an undercount, since displaced workers are only counted among the officially unemployed if they are actively seeking work, a factor that excludes many who are sheltering at home due to the inability to work safely or the need to care for children who are out of school or child care, and many who are not seeking work because they expect a callback from their former employer. The Economic Policy Institute estimated that, had all workers displaced by COVID-19 been counted in May, the U.S. unemployment rate would have been 6.4 points higher than the reported 13.3% rate, at 19.7%.15 These factors remain in play and continue to affect Ohio as well as the U.S.
Chart 2 shows the unemployment trend for Ohio and the nation. Figures are not seasonally adjusted because the standard multiplicative approach to the seasonal adjustment is causing large distortions in reported data. Beginning in September, the Bureau of Labor Statistics will switch to an additive seasonal adjustment to avoid these problems.

In the six weeks from March 15 to April 25, the Ohio Department of Job and Family Services (ODJFS) received nearly 1.06 million initial claims for unemployment compensation (UC). Monthly unemployment claims rose dramatically across the state, from 20,498 in February 2020 to 540,542 in March. Claims for the week ended March 21 increased 27-fold (2,688%) statewide. Chart 3 shows this surge. Initial claims declined from March to June, but ticked up again in July. New claims for July (131,675) were 8.3 times higher than they were in July 2019 (17,235). Initial claims declined through the first three weeks of August. Though continued claims had fallen to 344,409 for the week ended August 22, that was still considerably higher than the peak during the Great Recession of 273,669.
New claims mounted as still more Ohioans were let go or were forced to stay home due to health risks particular to their work or health status, or the need to care for children whose schools and child care centers rapidly shuttered. From separate data that surveys employers, 823,700 Ohio workers were unemployed in April. As of July, 495,100 had still yet to return, compared with July 2019.

Unemployment claims rose by orders of magnitude in every Ohio county. Initial jobless claims exceeded 100,000 in both Franklin and Cuyahoga Counties by the end of April, exceeding levels for the entire state just a few months prior. The biggest week-over-week surge for the state and most counties came the week of March 21. New claims ranged from a 165% increase over March 14 filings in Vinton County to a 5,756% surge in Preble County.

Two federal aid plans, Pandemic Unemployment Assistance (PUA) and Pandemic Unemployment Compensation (PUC) provided a lifeline to displaced workers. PUA pulls in workers who would have been excluded by the state UC system due to their low wages, because they work as independent contractors, or because they are self-employed. Until its July 25 expiration, PUC added a $600-per-week supplement to recipients’ regular state payment, in some cases providing workers with enough income to cover their basic needs for the first time.
For the week ended August 22, Ohio had 400,193 continued claims for PUA, as compared with 362,896 continued claims for regular state unemployment. Through August 22, the federal government had directed $1.6 billion in PUA payments and $8.7 billion in PUC payments to Ohio. These payments did not just protect unemployed Ohioans from crisis, they injected critically needed money into the Ohio economy. Now Congress has allowed the $600 weekly PUC payment to expire. The Economic Policy Institute has estimated this will cost Ohio 129,600 jobs, 2.3% of all jobs in the state.

On August 8, President Trump announced that he would use disaster relief funds to create a “lost wages assistance” program to replace some of the income lost to PUC recipients. That program will provide just $300 per week to affected Ohioans, and is poorly designed. It will be cumbersome to set up, payments have only been authorized for three weeks and then must be reauthorized weekly, the program may face legal challenges, and the payments will only last until disaster relief money runs out. It is unlikely payments will last more than five or six weeks, and they certainly will disappear long before the program’s nominal expiration date on December 27.

Ohio’s regular unemployment payment fell from an average of $380.74 for January through June 2019 to $327.39 in June 2020, not only providing too little income replacement to meet basic needs, but also indicating that the make-up of UC recipients changed to comprise a larger share of low-paid workers.

The data indicate that Ohio could remain in recession for a long time. Substantial financial support will remain vital for many months or years to come, both to prevent extreme hardship for displaced Ohio workers, and to prevent even further job losses as displaced workers curb their spending. Ohio policymakers should rise to this challenge by quickly addressing administrative problems that have delayed unemployment compensation recipiency and expanding eligibility.

Ohio’s state and local officials should also demand that Congress fully restore the now-expired $600 weekly supplement to state unemployment benefits. The $300-a-week replacement initiated by the Trump administration is a poor substitute that, when finally available, may only last a matter of weeks. Congress should also replace time limits for the $600 supplement and PUA — which covers otherwise excluded workers — with economic triggers that keep money flowing as long as it is needed.
COVID-19 has made commonplace the phrase “we’re all in this together.” While the solidarity is a good sentiment, the fact is that the coronavirus has not affected Ohioans equally. Black residents are both disproportionately likely to have serious health complications or die from COVID-19, and disproportionately harmed by its economic fallout.
Persistent racial disparities in health status, access to health care, wealth, employment, wages, housing and income all contribute to greater economic and physical susceptibility for Black Ohioans. The DeWine administration acknowledged this crisis and established the Minority Health Strike Force. Policy Matters, with partners, held a series of townhalls to bring people’s voices to the conversation. The administration’s taskforce recommendations included a number of wise goals and recommendations, particularly on lead abatement, child care and other environmental determinants of health for children, as well as public transit, but must do more to address job quality.

Black workers in Ohio and the U.S. have been treated worse by employers than their white counterparts by several measures, for as long as data have been kept. These include hiring, pay, access to benefits and exposure to risks on the job. Today only 58.7% of Black workers nationally have paid sick days, 7.9 percentage points less than their white counterparts. Compared with white workers, only two-thirds as many Black workers have the choice to work at home.

Factors that hurt Black workers’ employment and wages include employer and policymaker attacks on union organizing, deindustrialization facilitated by a pro-corporate tax and international trade regime, and the mandatory minimum sentencing laws during the war on drugs that especially targeted Black Ohioans, combined with a raft of new workplace hurdles that push Ohioans with convictions out of the formal workforce.

Black workers generally face unemployment rates around double those of white workers. They are also more likely to be out of work in the COVID-19 recession. Black workers comprised 11.6% of Ohio workers in 2019, but their share of UC filers reached as high as 24.7% in June 2020.

Chart 4 measures Black Ohio workers’ likelihood of filing UC claims as compared with white workers. Black Ohioans were over-represented among UC claimants in all but one month. In June 2019, Black workers had 81.6% higher risk of needing UC benefits. In March 2020, the month when Ohio saw the largest surge in joblessness, Black workers were about equally likely to file claims as white workers (-0.3%). By June 2020, Black workers were nearly 1.6 times likelier to have to file claims. The pandemic deepened this crisis, but it didn’t start it.

Policies that diminished the power of working people over four decades have especially harmed Ohio’s Black workers. The wage gap between Black and white Ohio workers grew 2.6 times over four decades from $1.55 per hour to $4.74. Black Ohioans are paid $1.71 less per hour at the median today than in 1979 (in real 2019 dollars). In 2019, Black workers in Ohio were paid 76 cents on the dollar compared to white workers. This figure has significantly worsened since 1979, when Black workers were paid 92 cents for every dollar their white counterparts received. Chart 5 shows how Black workers’ wages have been pushed down while white workers saw volatile overall growth.

Wage disparities persist across all education levels. From 2015 to 2017, Black high school graduates on average were paid $1.81 an hour less than white workers who didn’t finish high school.35

The vast discrepancy in wages Black and white workers are paid translates into major income differences for Black and white families. The median income for Black households in Ohio was $33,590 in 2018, just over half that of the typical white household, a difference of more than $27,466.36 That gap grew by $1,446, about 5.6%, since 2007.
Women face challenges on multiple fronts

Evidence is mounting that the COVID-19 recession is especially harming women. During the pandemic, working people are generally in one of three situations: They are frontline workers with elevated levels of exposure; unemployed and dealing with the loss of income; or able to work from home or otherwise insulated from exposure to the virus at work. Women and men are about equally likely to work in frontline jobs, but women hold more health care jobs with high levels of exposure, and low-paid frontline jobs. In the early months of the crisis, more women were laid off than men. Those privileged to work from home are more likely than men to take on additional unpaid caregiving work that could create lasting disruptions to their careers. These factors are compounded by the fact that women in Ohio today are still paid just 86 cents on the dollar compared to men.37

Men typically outnumber women among UC claimants. This is partly due to sectoral segregation: Men more typically hold construction and building trade jobs in which bouts of joblessness are part of the regular, seasonal business cycle. Overall, initial Ohio UC filings by men exceeded those of women from June 2019 through June 2020 by 41,578 claims. However, women’s filings for the months of March and April alone exceeded men’s by 65,251. Women are overrepresented in the leisure and hospitality industry, the hardest-hit sector in this economic downturn.38

Chart 6 shows jobless claims for men and women over the months of June 2019 to June 2020. Last year’s trends show relatively few claims, led by men, as is typical. This spring, COVID-19 caused unprecedented spikes for both men and women, hitting women especially hard and showing that the jobs lost in this recession are not typical. Women’s earnings after inflation have climbed significantly overall since

Source: Ohio Department of Job and Family Services, Labor Market Information, “UC 237 Monthly Claimant Demographics by County” [https://oholmi.com/home/UIClaims]
1979 from $13.43 at the median to $17.19 in 2019, though they still trailed men’s by nearly $3 per hour. Men’s earnings fell more than $2.50 per hour over the same timeframe, harming individual men and reducing the overall gains in heterosexual two-earner families. Women’s income gains are one of the clearest job quality improvements in Ohio’s labor market trends over recent decades, but the recession threatens to undermine that progress. All figures are in inflation-adjusted 2019 dollars. See Chart 7.

**Job loss by Industry**

The coronavirus recession has destroyed half a million Ohio jobs, but its effects have not been felt evenly across industries. Workers in leisure and hospitality were most likely to be laid off due to COVID-19 and remained so by June. Workers in this industry lost 170,800 jobs since last June, a decline of 30.8%. This sector includes many jobs that leave workers with too little earnings to cover the grocery bill for a family of three, and were it not for temporary federal benefits available under PUA, many would be unable to qualify for UC because of Ohio’s stringent earnings standard: Workers must be paid at least $269 a week, averaged over at least 20 weeks to qualify, leaving out minimum wage workers who work 30 hours per week.
Chart 8 shows year-over-year job losses by industry sector for June 2019 to June 2020. The green columns show the sector’s share of all jobs as of June 2019. The blue columns show the sector’s share of job losses by June 2020. The key takeaway: Leisure and Hospitality workers lost jobs at three times their share.

**Chart 8**

Leisure and Hospitality, Educational Services, and Professional and Business Services see outsized job loss

Other sectors with large numbers of displaced workers include Professional and Business Services (-83,500); Trade, Transportation and Utilities (-65,200); Manufacturing (-44,300); and Local Government (-45,200). Only federal government jobs have been nearly untouched (-100).

<table>
<thead>
<tr>
<th>Industry Sector</th>
<th>June 2019 Jobs</th>
<th>June 2020 Jobs</th>
<th>Jobs lost</th>
<th>% jobs lost</th>
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</thead>
<tbody>
<tr>
<td>Construction</td>
<td>225,700</td>
<td>208,300</td>
<td>-17,400</td>
<td>-7.71%</td>
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<tr>
<td>Manufacturing</td>
<td>702,200</td>
<td>657,900</td>
<td>-44,300</td>
<td>-6.31%</td>
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<tr>
<td>Trade, Transportation &amp; Utilities</td>
<td>1,023,900</td>
<td>958,700</td>
<td>-65,200</td>
<td>-6.37%</td>
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<tr>
<td>Information</td>
<td>69,500</td>
<td>64,000</td>
<td>-5,500</td>
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<tr>
<td>Financial Activities</td>
<td>309,600</td>
<td>294,900</td>
<td>-14,700</td>
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<td>Professional &amp; Business Services</td>
<td>736,900</td>
<td>653,400</td>
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<td>Educational Services</td>
<td>118,400</td>
<td>94,900</td>
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<tr>
<td>Health Care &amp; Social Assistance</td>
<td>821,800</td>
<td>776,600</td>
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<td>Leisure &amp; Hospitality</td>
<td>568,500</td>
<td>397,700</td>
<td>-170,800</td>
<td>-30.04%</td>
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<td>Other Services</td>
<td>213,200</td>
<td>192,600</td>
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<td>Federal Government</td>
<td>79,500</td>
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<td>-100</td>
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<td>State Government</td>
<td>178,000</td>
<td>159,200</td>
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<td>Local Government</td>
<td>528,600</td>
<td>485,500</td>
<td>-43,100</td>
<td>-8.15%</td>
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</table>


**Working people need a reset**

It can’t be overstated just how important decisive federal action is right now — not only to help people who were laid off to get by, but to protect women and workers of color who are most harmed by the health crisis and the recession. The federal government must direct more funds to local governments, which are now scrambling to respond to unprecedented need with reduced revenues. Preserving a robust public sector is one of the most direct ways policymakers can fight the recession. Federal support for child care is of particular importance to women — especially Black women, who are more likely to work in the industry. Federal leaders can also support Ohio’s economy and protect people’s health care by boosting funding for Medicaid.

Meanwhile, Gov. DeWine and state leaders can take action to address the disproportionate effect the pandemic and recession are having on women and people of color. The governor’s Minority Health Strike Force recommends the state increase testing in communities of color, help people find and enroll in affordable health insurance programs, increase funding for early education programs, fund more affordable housing, and eviction prevention programs. Ohio legislators and leaders should implement these basic and overdue protections.
FRONTLINE WORKERS

When Gov. DeWine issued his stay-at-home order, many Ohio workers could not. They are the people who delivered meals and prescriptions to our doors; bottled new batches of hand sanitizer; and cared for us if we got sick—suddenly deemed “essential.” Yet as essential as we finally recognized them to be, many have long gone without decent wages or benefits. Throughout the crisis, they have shown up to work, often without adequate safety measures or protective equipment, while others could shelter safely at home. When Gov. DeWine lifted the public health order, many more Ohioans ventured back into an unfamiliar work world.
Because COVID-19 reshaped our economy so quickly and profoundly, limited data are available at this time to tell frontline workers’ stories. We report what is known.

Men and women are about equally likely to be essential workers, but the jobs they hold differ. Nationally, women comprise the majority of essential workers in health care (76%) and government and community-based services (73%). About a third of all working women are in the essential workforce. Men make up the vast majority of essential workers in the energy sector (96%), water and wastewater management (91%), and critical manufacturing (88%). People of color comprise about half of essential workers in food and agriculture (50%) and in industrial, commercial, residential facilities and services (53%). Low-wage workers were the most likely to be performing essential functions: 63% of U.S. workers paid less than $29,999 per year reported being essential workers, the largest share and lowest paid of any cohort. These essential workers were identified based on their duties by the Economic Policy Institute. When Gov. DeWine issued his stay-at-home order, he allowed businesses to self-designate as essential service providers, but stopped short of naming workers as essential.

Many frontline workers go to work in fear that they will be exposed to COVID-19, and that they could transmit it to the people they love. In a Washington-Ipsos survey, 68% of workers not sheltering at home reported fear of getting sick, and 58% feared making their families sick. Black and Hispanic workers were 36% and 44% more likely to express such fears.

Ohio workplaces have become transmission sites where clusters of people contract the coronavirus. In Clark County, 281 food workers became COVID-positive at Dole Vegetables. At least 323 cases of coronavirus were linked to outbreaks in seven meatpacking plants in Columbiana, Holmes, Stark and Wayne counties, where 31 were hospitalized and three have lost their lives. More than 90 staff and residents at a Newark nursing home were infected and 11 residents have died. In Montgomery County, nearly 200 cases were linked to 13 workplaces in June. Ohio State identified nearly 100 cases among staff and students in pre-semester testing, foreshadowing risks to come with the reopening of onsite schooling.
Workers should not be forced to choose between their safety at work and financial security. Keeping workplaces safe is a critical component of protecting Ohioans against the spread of coronavirus. The federal Occupational Safety and Health Administration (OSHA) has failed to issue workplace safety mandates specifically aimed to protect workers against COVID-19. Without federal action, Ohio’s leaders must step up with not just mandates, but a commitment to enforce them and a plan to support Ohioans’ efforts to meet the guidelines.

Not everyone should go back to work during the pandemic. Some parents or guardians might not be able to send their children to in-person school or to child care and will need to stay home. Ohio lawmakers should provide these parents with unemployment benefits. Other workers might have health conditions, or live with someone especially susceptible to the virus. These people should not have to choose between their health and their income. Ohio leaders should pass an emergency paid sick time program. This will also allow working people who get sick to protect their coworkers and the public by staying home without losing a paycheck.

Those who do return to work need to be as safe as possible when they are on the job. Ohio leaders can implement and enforce mandatory workplace safety protocols like social distancing, protective equipment and masks. They can better enforce the rules by certifying workers and unions as workplace safety monitors. And they can make sure a worker who reports a violation won’t face retaliation.54
Caring for children has become a core challenge in the lives of working families. As frontline workers scramble for child care in fear that their children may be exposed to the coronavirus, those fortunate enough to work from home at least have the peace of mind of keeping their children safe with them. But it comes at a cost: They must care for and school their children themselves, while finding time to get their work done.
Before the pandemic struck, fewer than 30% of U.S. workers had the ability to work from home.\textsuperscript{55} An even smaller share of Black and Latino workers could (19.7%, and 16.4%).

Men and women are about equally likely to be able to work from home, but the burden of new unpaid care work falls especially heavily on women. From February to April, working mothers with young children reduced their work hours four to five times as much as fathers did nationally, widening the work hours gap between men and women by 20-50%.\textsuperscript{56} Added child-caregiving responsibilities are competing with women’s paid work and in some cases forcing women out of the labor force altogether, with consequences for their careers that could be permanent.\textsuperscript{57} Women may never recover the career losses they face to support their families’ child care needs through the crisis. The pay gap with men, which has been narrowing over recent decades, could be wrenched open once more for years to come. Research from the National Bureau of Economic Research found that, whereas past recessions have caused more job loss among men and typically narrow the gender pay gap by about 2 percentage points, the current recession has thus far increased the gap by 5 points.\textsuperscript{58}

Even before the pandemic, our inadequate investment in child care infrastructure left the median Ohio family scrambling to meet child care costs that comprised 16.9% of their income for a single infant — more than twice the 7% threshold the U.S. Department of Health and Human Services considers a hardship.\textsuperscript{59} Infant care in Ohio costs $808 per month at the median; care for a 4-year-old is $658 for one child. Meanwhile, providers struggle to meet the substantial costs of delivering safe care on tight budgets, largely by shifting the costs onto low-paid workers. Ohio’s 73,000 child care workers are paid just $10.67 per hour on average, despite the fact that 44% have some post-high school credential and 24% have a bachelor’s degree or higher.\textsuperscript{60} In Ohio, 95% of child care teachers and other professionals are women, and 28% are Black.\textsuperscript{61} Now many of them are working in close direct contact with children too young to understand the need to social distance. Nationally, child care employment cratered by 33.4% in April.\textsuperscript{62} It has since recovered many of those losses, forcing hard decisions about returning for low pay to a workplace likely to become a rapid transmission hub for COVID-19. Centers squeezed between the need to retain social distancing for safety reasons on one hand, and the need to serve enough children to meet operating costs on the other need deeper public supports.\textsuperscript{63}
Ensuring that all workers recover from the recession means not only creating jobs, but supporting the infrastructure working parents need to take them. Congress should pass the $50 billion in federal stimulus child care advocates have requested. In Ohio, policymakers must deepen state investments in child care infrastructure and eligibility for subsidies, to lay to rest arguments over whether we will provide more child care slots or good ones: Ohio parents and children need and deserve both. Women’s career success and their families’ prosperity depend on it.
Ohio policymakers squandered the longest economic expansion in the nation’s history by prioritizing tax cuts, deregulation, and austerity over people. After more than a decade of state policies built on tax cuts for the wealthiest and for corporations at the expense of everyday Ohioans, too many are seeing too little improvement. The longest economic expansion in the state’s history was not enough to restore incomes.
In what should have been the best of times, Ohio’s workforce participation rate and the employed share of working Ohioans never fully recovered from the Great Recession. In 2019, just 63.2% of working age adults belonged to the labor force, which includes those working or seeking work. That was far below the 67.8% peak reached in 2007. The employed share of adult Ohioans peaked even further back, at 64.6% in 2001, and stood at 60.7% by 2019. See Chart 9.

![Chart 9: Workforce participation and employment share never recovered](chart)

This sluggish return to the workforce indicated weakness in Ohio’s labor market and helps in part to explain why Ohio’s low official unemployment rate — around 4% through 2019, and still 4.1% as recently as February — failed to translate into sustained wage growth. The Economic Policy Institute finds that average hourly wages should have grown $3.19 more since the Great Recession alone. This is a nominal (pre-inflation adjustment) figure based on the Federal Reserve’s stated 2% inflation target, 1.5% annual productivity growth, and a consistent labor share of income. As of July, the share of Ohio adults who were working fell to 55.7%.67
Working people take the brunt

The economic fate of Ohioans has been separating along the fault lines of wealth and privilege for two generations. While the 90th percentile earner — the one paid more than 90% of all workers and less than the other 10% — saw their income rise 30.6% from $32.89 per hour in 1979 to $42.95 in 2019, the middle earner saw hers rise just 3.9% to $19.06. The 10th percentile earner, who made less than the other 90% of workers, made just $9.91 in 2019, an increase of just 1.6% over 40 years. All figures are given in real 2019 dollars adjusted for inflation. See chart 10.

Education does not recover lost ground

The wage premium degree-holders have over Ohioans with a high-school diploma has doubled since 1979, from $6.19 to $12.54 per hour. But while degree-holders made initial gains, that gap continues widening today because wages for others have fallen relative to 1979 levels, not because of gains by the college-educated. Education matters, but degree-holders have seen no real wage growth over 20 years.

Earning a bachelor’s degree is a way to secure a wage premium over workers with less education, but even for BA holders, wages have been roughly flat for two decades. BA holders’ pay peaked in 1999 at $29.42. By 2019 it stood at just $28.77. BA holders’ pay rose 19.6% overall since 1979, but that growth took place by 1999. Since then, Ohioans with a BA have seen their pay fall 2.2%.
Hourly wages for all other education levels peaked at the beginning of the series in 1979. Since then, Ohioans with no high-school diploma lost 25.1% in wages, high-school grads lost 9.1%, and those with some college (including Associate’s degree holders) lost 7.1%. Those with no diploma saw rapid income declines in the first 10 years of the series. High-school grads and those with some college experienced a volatile downward trend throughout the past four decades.

Notably, though educational attainment has become shorthand for the value of a person’s work, some 70% of essential workers nationally do not have a college degree. Chart 11 gives these trends.

**Chart 11**

**Wages by education**

**Education matters, but BA holders peaked in 1999**

For decades in the mid-20th century, wages and economic growth trended together. Before COVID-19 sent 1 million Ohioans home from work, Ohio workers had become more productive than ever, growing the state economy by more than a quarter since 1997. But these productivity and economic gains did not translate into wage gains for the typical worker in recent decades. Chart 12 shows that, by 2018, Ohio workers produced 27.5% more wealth annually — measured in State Gross Domestic Product — than they had in 1997, but wages grew by less than a third of that: only 8.6%. And wages by 1997 had already fallen from $18.35 in 1979 to $16.94.

![Chart 12](image_url)

**Economic growth far exceeds compensation growth in Ohio, 1997-2018**

Policy decisions have driven down workers’ share of the gains by distorting the balance of power to favor firms and wealthy individuals. Policymakers deregulated financial markets, enabling investors to make more money taking risky bets with others’ assets than by producing goods and services that create value in the real economy. Trade policies that offer protectionism to multi-national corporations but expose workers to more intense global competition allow firms to sidestep hard-won labor laws and shift their supply chains to countries where workers’ attempts to organize into unions are violently crushed and forced labor is facilitated by the government. Employment Law centered on formal employment relationships has not kept up with strategies by powerful firms to slough off formal ties to their workers — sometimes by shifting supply chains to intermediary firms or franchising small business owners who get squeezed financially themselves — in ways that hollow out wages and financial security, and increase devastating practices like wage theft.

Ohioans and Americans have lived through a wave of corporate-driven policy-making that has dimmed the life prospects of working people. The result is that minimum wage workers in Ohio make 28% less than their grandparents did in 1968, while corporate CEO’s nationally take home 1167% more since 1978, and all but five of Ohio’s 53 largest employers that must report to the Securities & Exchange Commission paid CEO’s more than 100 times the median worker’s salary in 2018. The Economic Policy Institute estimates that the capture of wealth by the nation’s richest has cost workers and families in the bottom 90% an average of $10,800 per year. This figure represents foregone income these households would have received had their share kept up with the 1979 distribution of income.

The gap between the very wealthy and the merely wealthy is substantial. In Ohio, the highest-income 1% was paid $334,979 on average in 2015. But the highest-paid 0.1% took home $5,640,615 on average, and the 0.01% was paid $15,223,306 on average.
It was not always this way

With the more robust worker protections and unionized workforce of the mid-20th century, productivity and wages grew in tandem from 1948 to 1973. This was President Kennedy’s “rising tide.” The truth was, not everyone benefited equally: Jim Crow segregation, inequality in the criminal justice system, and discriminatory implementation of otherwise good policies often excluded Black and brown Americans. Yet the rising tide created a national myth so powerful it has endured in the cultural identity of America decades beyond the time when it rang true, motivating Americans to work hard, and in some cases more effectively than any others in the world. Before General Motors shuttered the Lordstown assembly plant in March 2019, JD Power ranked that factory GM’s most productive in North America. Before Cleveland’s ArcelorMittal Steel laid off 454 workers, it was the most productive steel plant in the world.

Chart 13 shows that wages for the U.S. grew with productivity during the decades when workers enjoyed more union density and stronger labor laws. Over recent decades, workers have not been fully compensated for the contributions they have made to the economy.
At both the state and federal level, policymakers have cut taxes for the wealthy and corporations, draining our public infrastructure of the funding it needs to be able to respond to a crisis like the one we are in.

Congress needs to pass, and the president needs to sign another robust COVID aid package. With federal leaders unwilling to agree, Ohio’s working people need state leaders to step up. Ohio policymakers have options to generate the revenue needed to protect working people, their families and communities. Instead of making painful cuts that will prolong the recession and cost more jobs, lawmakers can tap unspent federal dollars through the Temporary Assistance for Needy Families program, and spend all the federal aid from a previous COVID package, the CARES act. Ohio has a $2.7 billion rainy day fund that policymakers should use right now. They can also close unproductive and costly special-interest tax breaks and rollback the tax cuts that primarily benefit the wealthy and corporations.
State and federal policymakers can take action today to help everyone get through the pandemic and recession, but in the long run, our elected leaders will have to make larger structural reforms. Because corporations and the wealthiest have rigged the rules in their favor, recovery for Ohio’s working people will require taking back some of the power they have lost.
Firms have always had advantages over workers in setting the terms of employment and pay. What made the difference in the mid-20th century was that decades of labor organizing brought collective bargaining power to key industries and prevailed on governments to leverage their own power, both of which provided better balance. Meanwhile, elected leaders directed more public resources toward programs that put people to work, provided people with health care, and provided cash assistance to families who needed extra support: New Deal and War-on-Poverty programs like Social Security, Medicaid, the Civilian Conservation Corps, and Aid for Families with Dependent Children.

Welfare reform in the 1990s villainized poor people and sought to end poverty by making it so unbearable people would somehow scramble out of it on their own. Unsurprisingly, this did not work. Poverty rates in Ohio, coming out of the longest period of economic expansion, barely budged. But Social Security remains one of the nation’s most powerful anti-poverty programs. Medicaid insures 3 million Ohioans. And advocates are calling for a new Civilian Conservation Corps to revitalize Appalachia through sustainable development.

Ohioans need a new path: one that recognizes the value of public policy and that strengthens labor protections in the law, enforces those laws, and supports workers as they form unions to set the terms of their employment.

Working people urgently need protection against the spread of COVID-19. Those displaced from work need adequate and sustained income replacement. Congress must act. Only the federal government can provide the scope of resources this moment demands. Workers and families need those resources, as do state and local governments. Congress and the president must restore the $600 weekly supplemental unemployment benefit, provide meaningful rental assistance, support state and local governments, increase the federal share of Medicaid, boost the maximum amount of food assistance and bolster the struggling child care system.

State leaders have a responsibility to see Ohioans through these crises. The economy rests on the safety and prosperity of those who live here. Elected leaders must restore an adequate and fair tax system to raise critical public revenues, tap the state’s rainy day fund to avoid further debilitating cuts, and use remaining CARES money allocated to Ohio by the federal government. Policymakers must act rapidly, and policies must last for the duration of the crisis to protect workers from the pandemic and recession.

Then Ohio lawmakers must strengthen workers for the long term by recognizing the power imbalance workers face with their employers and leveraging government power to restore balance.
RAISE THE WAGE

Needed legislation includes a $15 per hour minimum wage to meet the cost of living. Policy Matters Ohio has found that 2 million Ohio workers would benefit from such legislation.\(^{86}\) Minimum wage workers in Ohio today are paid 28% less than their grandparents were. A $15 minimum wage would recover the losses to the minimum wage from policy neglect that allowed inflation to erode its value. It would enable low-wage workers to recoup a portion of their share of overall wealth increases they helped make possible.

PAY WORKERS FOR OVERTIME

Ohio should increase the earnings threshold below which salaried workers are eligible for overtime pay to $47,476.\(^{87}\) Passing such a law would restore the standard established by the Obama administration. That administration’s rule was set to take effect in December 2016, but it was challenged in court and the Trump administration failed to defend it. The current threshold sits at $35,308. The gap between the Obama and the Trump standards leaves behind 226,000 Ohio workers.\(^{88}\) The Fair Labor Standards Act set a standard work week at 40 hours in 1938. Without overtime pay, salaried workers receive no additional earnings for working hours beyond the standard week. This enables employers to shift tasks to existing salaried workers and pay nothing for those hours. A case study of retail employees in the recovery from the Great Recession found employers did just that. While 45% of part-time sales associates reported wanting more hours than their employer would give them,\(^{89}\) salaried managers said they routinely assigned excess hours to themselves — unpaid — because their hours did not count toward the company’s strict scheduling limits.\(^{90}\) As the state moves toward recovery from the coronavirus recession, overtime protection is a vital tool to return as many workers as possible to the workforce, with sufficient hours to earn a living.
STOP WAGE THEFT

Ohio must also step up protections to stop employers from stealing their workers’ wages. Ohio employers steal from an estimated 217,000 Ohio workers each year through minimum wage violations alone. The typical affected worker loses $2,800. The scale of this crisis bodes poorly for the state’s ability to also oversee workplace safety in the midst of COVID-19. Ohio must substantially deepen resources by hiring more investigators and starting with the basic enforcement tool of requiring employers to give workers a paystub.

PROTECT & ENCOURAGE UNIONIZATION

One of the best ways people can improve their material circumstances is by forming a union. Unions, through collective bargaining, give working people a voice on the job. By bargaining with their employers, union members make gains. Chart 14 below shows that the typical Ohio worker who belongs to a union is paid $4.28 more in hourly wages, a 23.4% premium over non-union counterparts. Union members are more likely to have employer-sponsored health insurance and higher employer contributions; paid vacation and sick leave; more predictable scheduling and control over their work hours; and retirement plans. And unions narrow the race and gender wage gaps.

The Economic Policy Institute has found that declining worker power was the biggest factor driving widening inequity in the midst of pre-COVID economic growth. Workers
meet their employers on an uneven field tilted in the employer’s favor. Public policy can provide a counterbalance. Workers’ other most effective tool is to form a union. That’s one reason employers often fight hard to thwart workers’ organizing efforts. Today just 13.1% of Ohioans are in a union, down from 23.0% in 1989.96 This share had already been falling by then: Union membership as a share of wage and salary employment peaked at 34.8% for the U.S. in 1954.97

Corporations have made attacks on unionization a primary goal in recent decades. They have convinced conservative policymakers to attack collective bargaining through legislation, executive rulemaking, and the courts. Faced with a workplace organizing effort, firms now routinely hire anti-union law firms to intimidate and misinform workers against voting for the union, often employing illegal tactics for which they face few or no legal consequences. The Economic Policy Institute found that employers were charged with illegal union-busting practices in 41.5% of union election campaigns from 2016 to 2017, including firing one or more workers in a fifth of all cases.98 The Fair Labor Standards Act includes no civil penalties or punitive damage for these acts, but simply requires employers to pay back wages — minus anything the worker has earned while waiting to be reinstated — if caught.

But even as unions face new challenges to fair and free organizing, Americans report wishing they could belong to one. In 2017, 54.2% of U.S. workers, including both union and non-union workers, reported that they would choose to be in a union.99 In a separate study, 48% of workers surveyed by researchers at MIT in 2017 who are not in a union said they would join a union if they could: four times as many as belong to one now.100 Three in five Americans (62%) approved of unions in 2018.101 In a survey published in 2020, 69% said workers have too little power.102

In 24 states, the number and share of workers represented by a union rose between 2018 and 2019.103 Ohio was not among them. De-unionization accounts for much of the widening of the wage gap between typical workers and those at the top of the wage distribution. Estimates range from 13–20% for women and 33–37% for men.104
Today, Ohio workers face the dual crisis of the deepest recession in living memory and the deadliest pandemic in a century. It is too soon to see the other side of the COVID-19 pandemic, or to predict how long this recession will last. Policy choices will play a major role. Ohio’s leaders must act on what we’ve learned from the last recession.

By 2018, the wealthiest 1% in the United States had captured 45% of all income gains in the recovery from the Great Recession. Many Ohioans never recovered from the last recession at all.

This cannot happen again.

Ohioans can re-forge our economy and build the kind of state that recognizes the dignity of work and affirms the value of all Ohioans. To get through the crisis and thrive, Ohioans need policymakers who put them, not corporations, first. With that commitment, Ohioans can build a new and stronger future.
ENDNOTES


5 See Ohio Association of Foodbanks, “Coronavirus Outbreak,” https://bit.ly/2YN8kIv. Director Lisa Hamler-Fugit said later by email that Gov. DeWine increased the number of Guard members assigned from the reported 400 to 600.


11 The remaining respondents cited not wanting to work, caring for a sick or elderly person, being sick or disabled not related to COVID-19, or “other reasons” for not having worked. Those figures are not detailed here because they were not statistically significant over the four weeks sampled here.


13 See note 10.

21 Franklin County workers filed 100,121 claims from March 15 through April 18, and 110,510 by April 25. Cuyahoga County workers filed 99,506 claims by April 18 and reached 109,393 by April 25. Ohio Department of Job and Family Services, Labor Market Information, “UC 236C-W – Weekly Claims by County,” https://ohiolmi.com/home/UIclaims
26 Ibid.
27 Ohio Department of Job and Family Services, Labor Market Information, “UC 199 Summary of monthly activities under Ohio Law” https://ohiolmi.com/home/UIclaims
29 Elise Gould and Valerie Wilson, Black workers face two of the most lethal preexisting conditions for coronavirus - racism and economic inequality,” The Economic Policy Institute, June 1, 2020 https://www.epi.org/publication/black-workers-covid/
32 See note 29.
43 See note 30.
46 Campbell Robertson and Robert Gebeloff, “How women became the most essential workers in America: One in three jobs held by women has been designated as essential,” The New York Times, April 18, 2020.
55. Bureau of Labor Statistics, “Table 1: Workers who could work from home, and were paid to work at home, by selected characteristics, averages for the period 2017-2018, retrieved August 26, 2020, https://www.bls.gov/news.release/flex2.t01.htm


58. Titan Alon, Matthias Doepke, Jane Olmstead-Rumsey, Michele Tertilt, “This time it’s different: The role of women’s employment in a pandemic recession,” National Bureau of Economic Research, August 2020, https://bit.ly/2G8Hh3Z. The researchers express hope that in the long term, the recession may accelerate the trend toward men taking more equal child caregiving roles and more employers accommodating work-from-home arrangements, which could ultimately narrow the pay gap.


64. Ibid.


68. See note 45.

69. Private equity firms work by buying companies through extensive use of debt securitized by the company itself, bleeding its assets to pay dividends to themselves through more debt, or aggressively cutting costs — i.e. workers and services — to maximize short-term profitability and then try to resell the company at a markup before the changes they’ve made bankrupt it. Since the controlling partner puts up only 1-2% of the equity, but gains 20% of the profits, they have incentives to take reckless risks, and can destroy many companies and still come out ahead by extracting windfalls from just a few. See Eileen Applebaum and Rosemary Batt, “Private Equity at Work,” or, for a lighter take, Richard Gere’s Edward Lewis in the 1990 film, Pretty Woman. A particularly troubling development in the midst of COVID-19 is how hospitals have been stripped of resources to pay dividends to shareholders in private equity firms. Bain Capital received $750 million in payouts exceeding ten times its $64 million investment after five years as part of a consortium to acquire Hospital Corporation of America in 2006: 80% of the purchase price was debt-financed with the hospital system’s assets. A parade of hospital acquisitions followed, resulting in patient harm, cleanliness problems, staff reductions, closure of departments that provide less profitable services such as obstetrics and gynecology, whole hospital closures and bankruptcies. See Eileen Applebaum and Rosemary Batt, “Private Equity buyouts in Healthcare: Who wins, who loses?” Center for Economic Policy Research, March 15, 2020, pp. 21-25 https://
77  Some past institutions did benefit Black Ohioans. These included greater union density, a flourishing manufacturing sector, and more public sector jobs. It is serious cause for concern that, on some measures, Black Ohioans fare worse today than they did one and two generations ago. See Chart 5 on falling wages for Black Ohio workers.
81  See note 76.
84  Re-Imagine Appalachia: A New Deal that works for us, accessed September 1, 2020, https://reimagine-appalachia.org/
85  See note 81.
89  Susan J. Lambert and Julia R. Henley, “A profile of retail sales associates in a women’s apparel firm,” The


93 Heidi Shierholz, “Working people have been thwarted in their efforts to bargain for better wages by attacks on unions,” Economic Policy Institute, August 27, 2019, https://files.epi.org/pdf/173263.pdf


95 See note 76.


99 See note 92.


104 See note 92. The gaps in these estimates reflect results from two separate studies.


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