



Policy Insights 2019: Examining Racial and Gender Wealth Inequity

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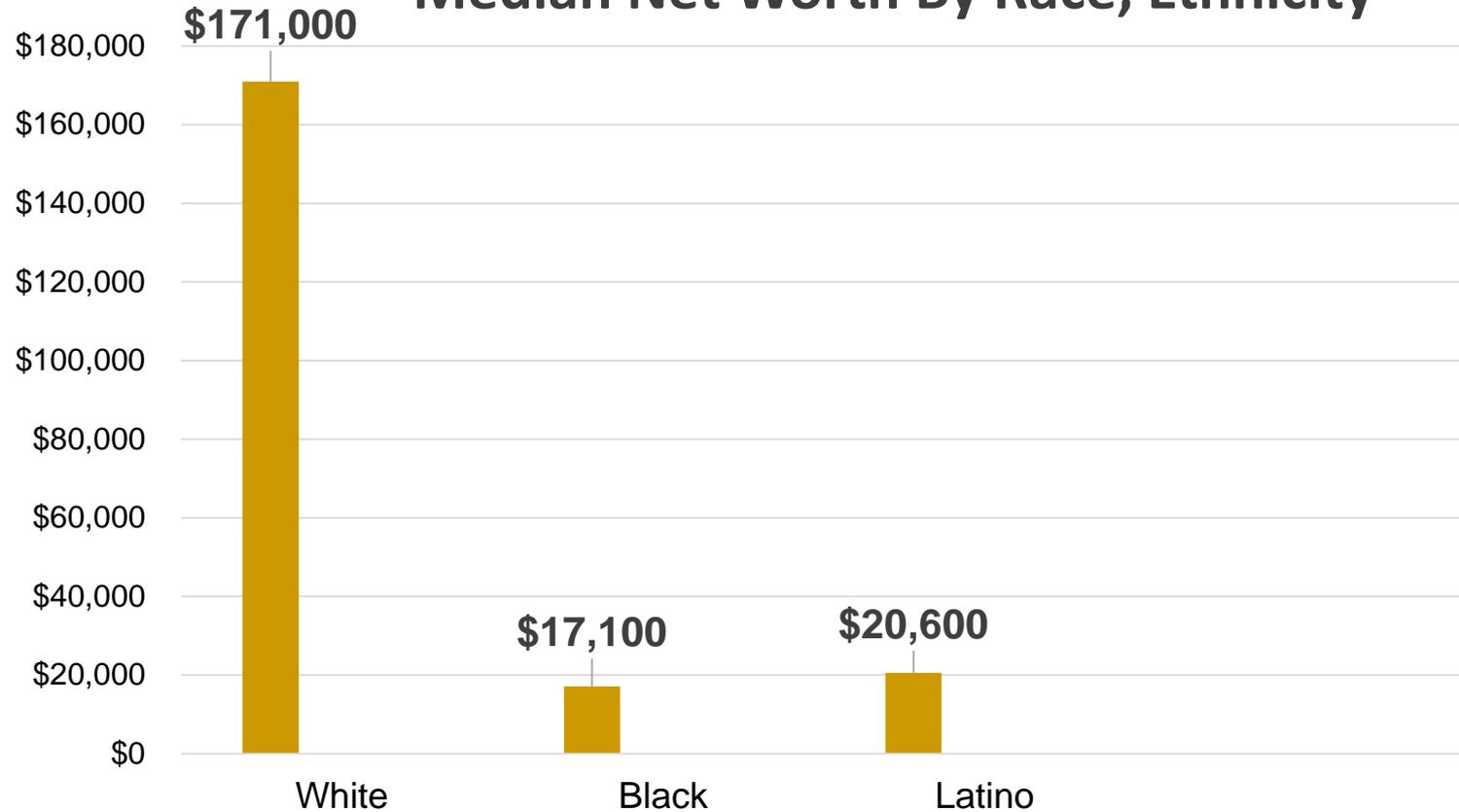
BEHIND THE CURTAIN: THE CREATION OF WEALTH

Wealth, what you own minus what you owe, is the key to ensuring economic security and enables families to build a better future.

It allows us to live with dignity and security and can be passed down from generation to generation.



Median Net Worth By Race, Ethnicity



Source: Survey of Consumer Finances, 2016

Racial wealth injustices are the result of historic bias and racism in public policy, regulations and practice. It will take bold structural changes to close it.



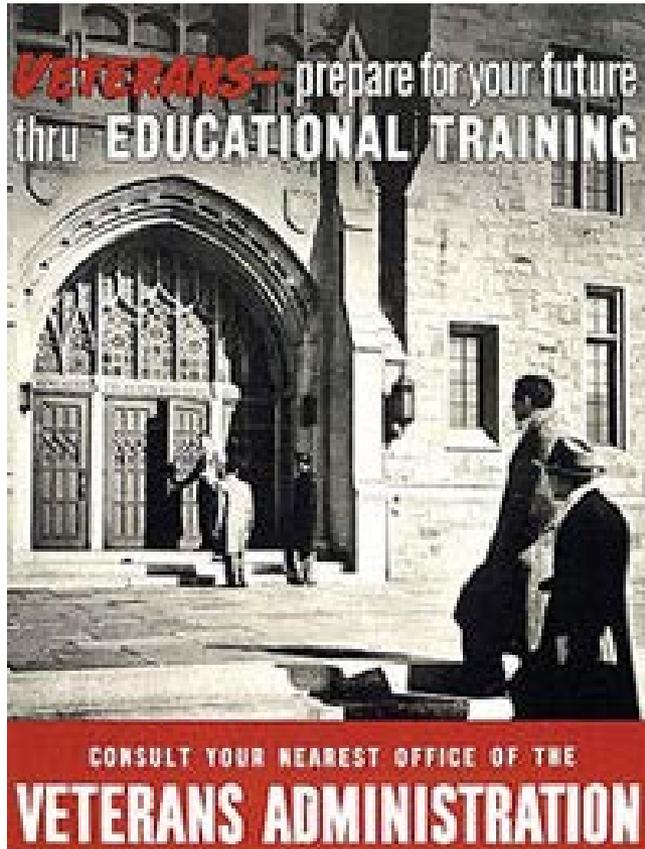
White families had a 30 year head start in building wealth through homeownership



❖ **1935 Social Security:** Blacks and Latino farm and domestic workers paid in, but were excluded from benefits

❖ **1937 FHA:** First federal agency to openly counsel and support segregation-Between 1930 and 1950, 3 in 5 homes purchased in U.S. were financed by FHA, yet less than 2% were made to non-white home buyers

The GI Bill was the single greatest instrument for widening racial inequities in postwar America

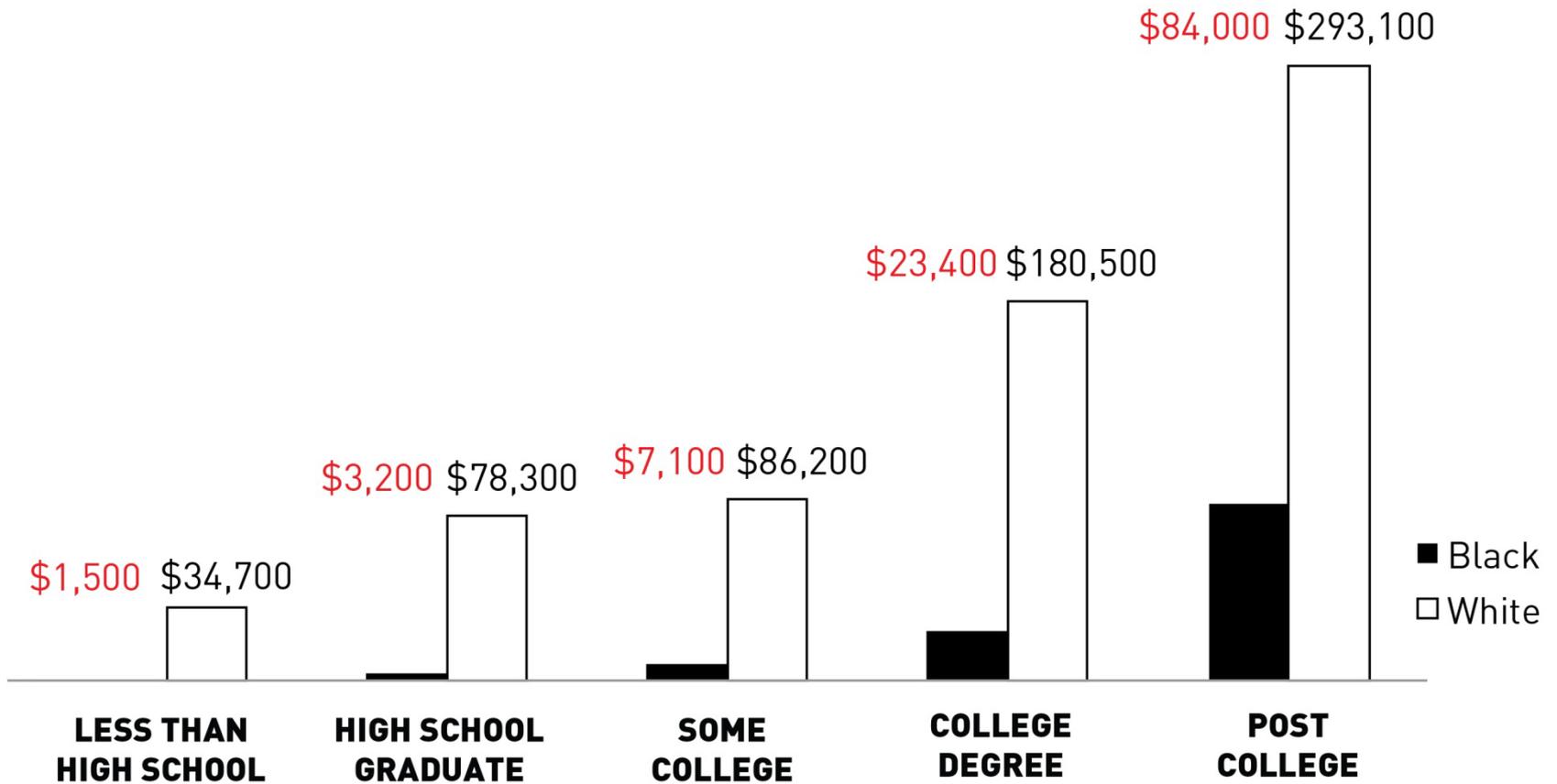


The largest federal public benefits program in history, and a low-cost route to wealth creation

- Paid college tuition
- Low interest home mortgages
- For every dollar invested, the GI Bill returned \$7 dollars to the nation

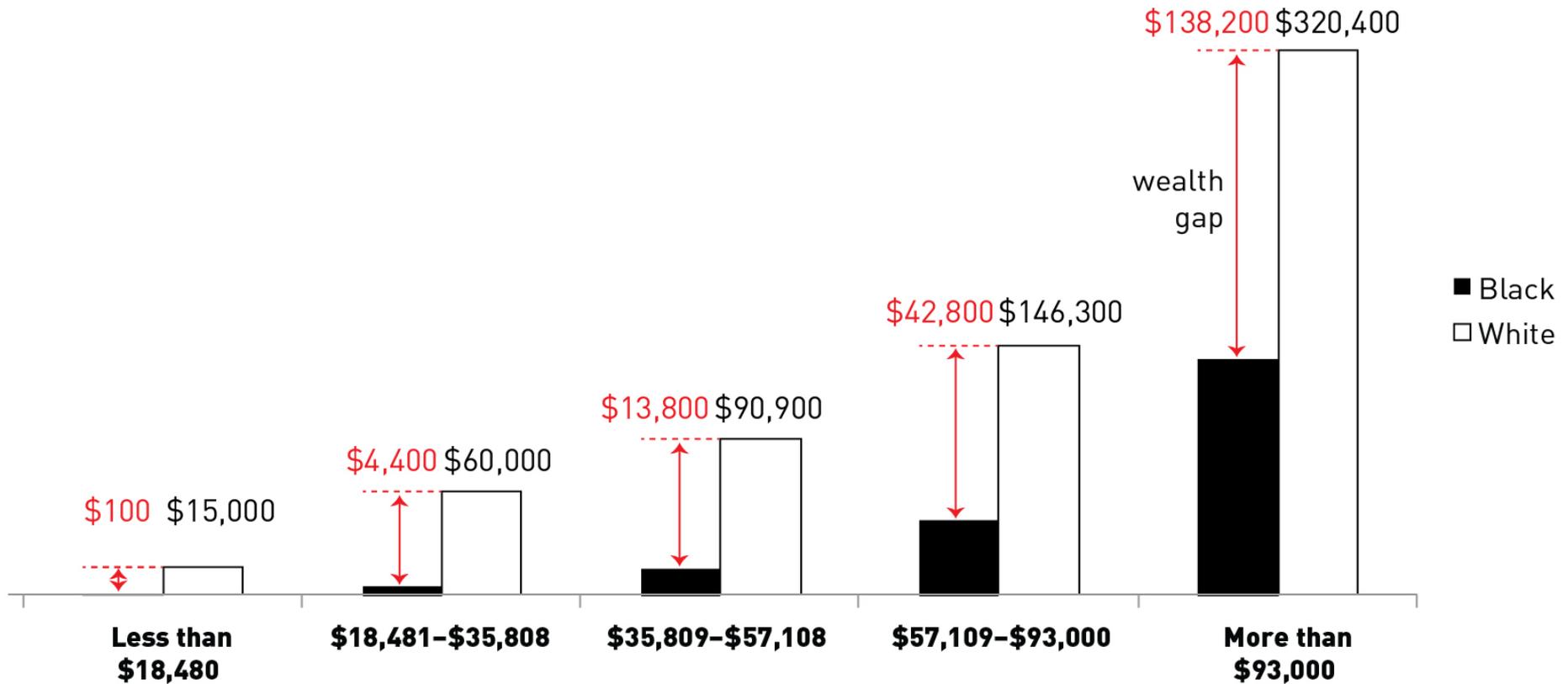
but...

Discrimination in college admission and housing markets prevented most soldiers of color from using the benefits, and thus prevented an accumulation and transfer of wealth to future generations.



Education is not the Great Equalizer

Median wealth by educational level and race, SIPP 2011



Family Income is Not the Great Equalizer

Median wealth by income quintiles and race , SIPP 2011



Black mothers have the least amount of wealth to draw from to provide assistance to their children. While single white mothers have a median wealth of \$3,000, Black single mothers experience the largest wealth disadvantage, with a median wealth of zero.

A college degree fails to yield significant wealth gains for Black women. Black women have far less wealth than white women regardless of level of education. Single white women without a college degree have \$3,000 more in median wealth than single Black women with a college degree.

Single white women with a bachelor's degree have **7x** the wealth of Black women with a degree.

Increased age does not translate into wealth for Black women. Older, single Black women (60+) with a college degree have a mere **\$11,000 in wealth**, which is in stark contrast to the **\$384,400 in median wealth** among older single white women with a bachelor's degree.

Source: Women, Race and Wealth Research Brief

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Samuel DuBois Cook Center on Social Equity and Insight Center for Community Economic Development

Present Day State Sponsored Wealth Extraction



“Officers appear to see some residents, especially those who live in Ferguson’s predominantly African-American neighborhoods, less as constituents to be protected than as potential offenders and sources of revenue.”

FERGUSON POLICE DEPARTMENT REPORT

Department of Justice

