



Report: Racial wealth gap fueled by public policy

[Cyril Josh Barker](#) | 2/10/2017, 3:34 p.m.



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A new report indicates that even when individuals in racial groups go to college, have full-time jobs and are from two-parent homes, racism remains prevalent.

Public policy organization Demos and the Institute for Assets & Social Policy at Brandeis University's Heller School for Social Policy and Management released a new report that explores explanations for the racial wealth gap between African-American, Latino and white households.

Changing individual behavior in areas such as education, family structure, full- or part-time employment and personal consumption habits would not reverse the economic harm done by structural racism, according to the report. Instead, public policy is needed to eliminate racial wealth disparities.

The report's findings revealed that the median white adult who attended college has 7.2 times more wealth than the median Black adult who attended college; a white single parent has 2.2 times more wealth than the median Black two-parent household; and the median white household that includes a full-time worker has 7.6 times more wealth than the median Black household with a full-time worker.

"For centuries, white households enjoyed wealth-building opportunities that were systematically denied to people of color. Today our policies continue to impede efforts by African-American and Latino households to obtain equal access to economic security," said Amy Traub, associate director of Policy and Research at Demos

and co-author of the report. “When research shows that racial privilege now outweighs a fundamental key to economic mobility, like higher education, we must demand our policymakers acknowledge this problem and create policies that address structural inequity.”

IASP Director Thomas Shapiro added that white households have a leg up whereas households of color face systemic barriers to growing wealth, resulting in the persistent wealth gap.

“Equal achievements in key economic indicators, such as employment and education, do not lead to equal levels of wealth and financial security for households of color,” he said. “Without policies that combat ingrained wealth inequalities, the racial wealth gap that we see today will continue to persist.”

After the release of the full report Feb. 13, Demos and IASP will launch a new website containing information on their Racial Wealth Audit, a framework to help evaluate a potential policy’s impact on the racial wealth gap. The website will also feature the full series of reports, statistics and policy recommendations from their research.

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