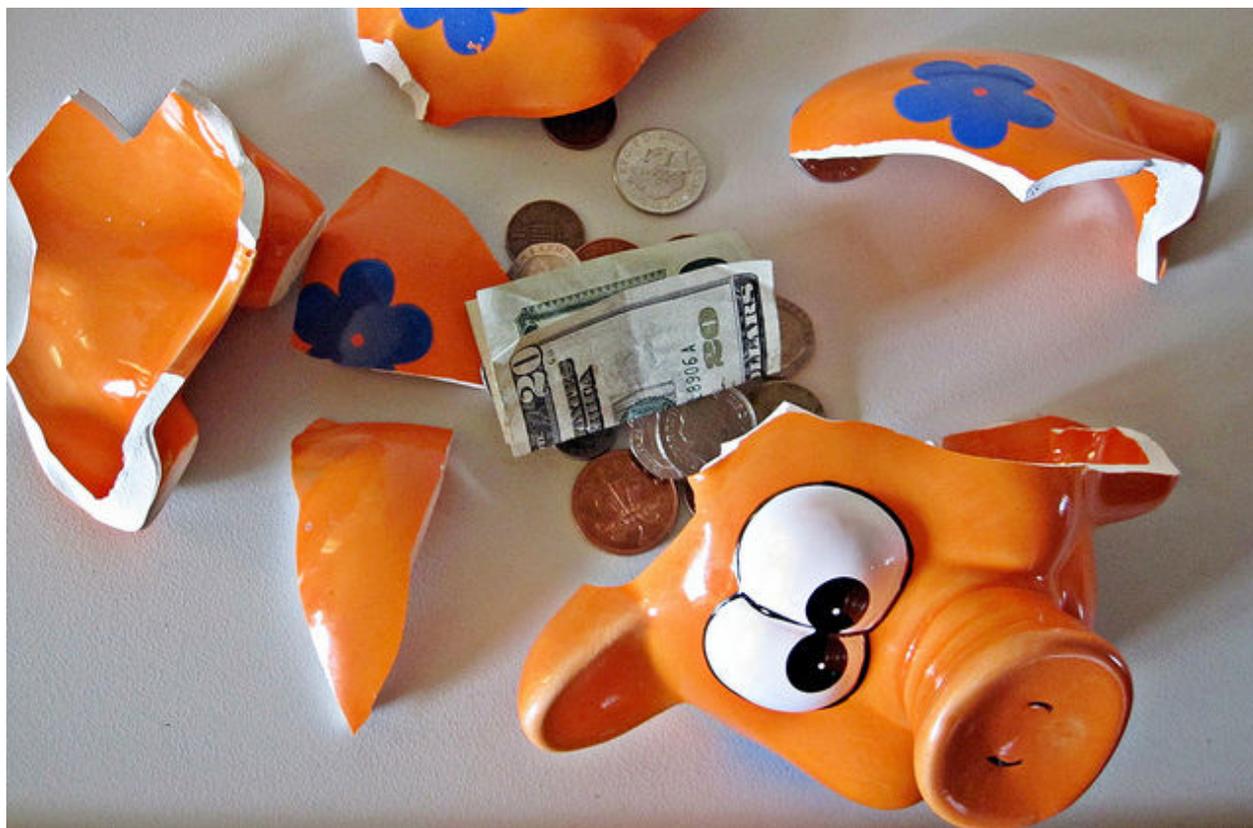


## STUDY: When It Comes to Racial Wealth Gap, Structural Racism Always Wins

“Our policies continue to impede efforts by African-American and Latino households to obtain equal access to economic security.”

*Kenrya Rankin (/writers/kenrya-rankin)* | FEB 7, 2017 4:19PM EST



Between 2010 and 2013, White families' net worth rose by 2%. But in the same period, Latino and African-American families' net worth fell 15% and 34%, respectively.

Photo: Images Money (TaxRebate.org.uk) via Flickr Creative Commons

**SHARE**

---

([https://www.facebook.com/sharer/sharer.php?](https://www.facebook.com/sharer/sharer.php?u=http%3A%2F%2Fwww.colorlines.com%2Farticles%2Fstudy-when-it-comes-racial-wealth-gap-structural-racism-always-wins)

[u=http%3A%2F%2Fwww.colorlines.com%2Farticles%2Fstudy-when-it-comes-racial-wealth-gap-structural-racism-always-wins](https://www.facebook.com/sharer/sharer.php?u=http%3A%2F%2Fwww.colorlines.com%2Farticles%2Fstudy-when-it-comes-racial-wealth-gap-structural-racism-always-wins))

(<https://twitter.com/intent/tweet?url=http%3A%2F%2Fwww.colorlines.com%2Farticles%2Fstudy-when-it-comes-racial-wealth-gap-structural-racism-always-wins&via=colorlines>)

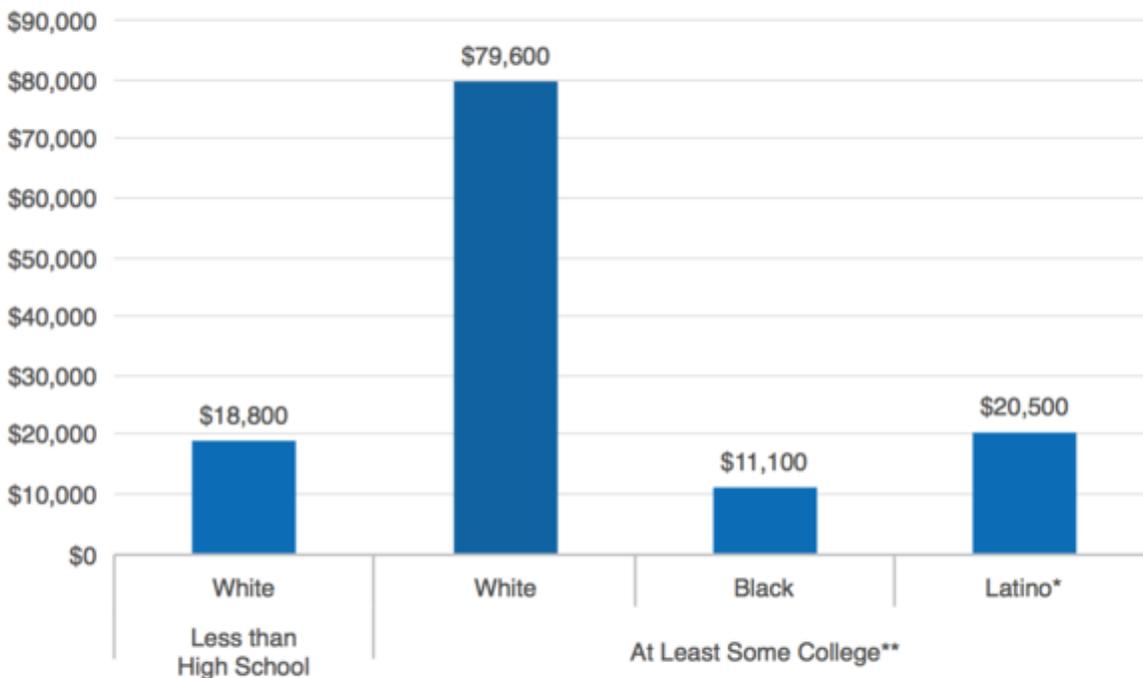
The term “racial wealth gap (<http://www.colorlines.com/tags/racial-wealth-gap-1>)” is used to describe the difference in accumulated wealth that White households enjoy versus their counterparts of color. Researchers have long tried to attribute the contemporary differences—which are rooted in discriminatory legacies from slavery to housing segregation—to so-called life choices, including education and single parenthood. But a new study from public policy nonprofit Demos (<http://www.demos.org/>) says that “individual choices are not sufficient to erase a century of accumulated wealth: structural racism trumps personal responsibility.”

“The Asset Value of Whiteness: Understanding the Racial Wealth Gap (<http://www.demos.org/publication/asset-value-whiteness-understanding-racial-wealth-gap>)” uses data from the 2013 Survey of Consumer Finances (<https://www.federalreserve.gov/econresdata/scf/scfindex.htm>) (SCF) to explain why White adults who drop out before finishing high school, have children out of wedlock and work part time jobs have greater wealth (defined as assets minus debt) than Black and Latinx adults who completed more schooling, raise their families in a two-parent home and work full time. Per the SCF, the median White household has \$13 in wealth for every dollar in the median Black household, and \$10 for every dollar in a Latinx home.

These three graphs break down the biggest takeaways from the study, which was released yesterday (February 6):

The median White adult who attended college has 7.2 times more wealth than the median Black adult who attended college and 3.9 times more wealth than the median Latino adult who attended college.

**Figure 1. Median Wealth by Educational Attainment for Working Households under Age 55**



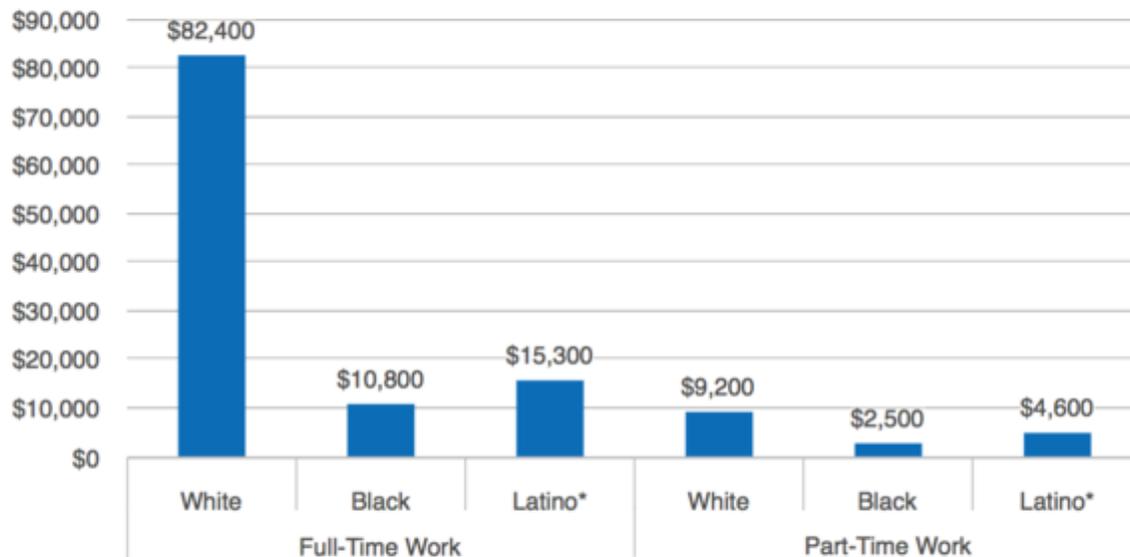
Source: Authors' calculations of the Survey of Consumer Finances, 2013

\* Latino refers to anyone who identified as Hispanic or Latino on the Survey of Consumer Finances and may be of any race.

\*\* This group includes households who attended college but attained no degree as well as those with associate's or bachelor's degrees. Households with graduate and professional degrees are not included.

The median White single parent has 2.2 times more wealth than the median Black two-parent household and 1.9 times more wealth than the median Latino two-parent household.

**Figure 3. Median Wealth of Full- and Part-Time Workers, for Working Households under Age 55**

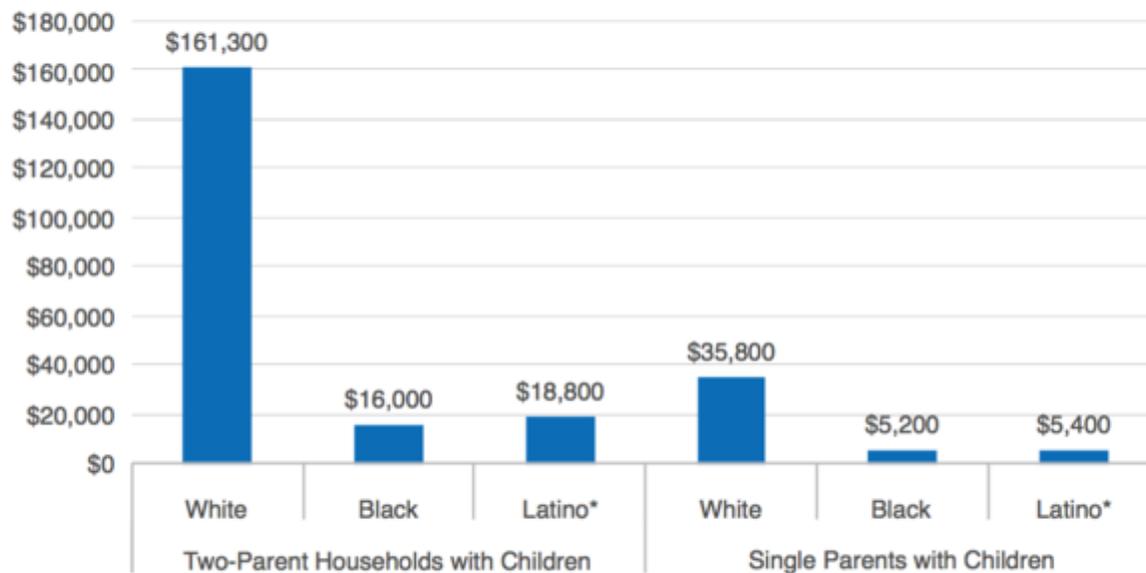


Source: authors' calculations of the Survey of Consumer Finances, 2013

\* Latino refers to anyone who identified as Hispanic or Latino on the Survey of Consumer Finances and may be of any race.

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. The median White household that includes a full-time worker also has 5.4 times more wealth than the median Latino household with a full-time worker.

**Figure 2. Median Wealth of Households with Children by Partnership Status**



Source: authors' calculations of the Survey of Consumer Finances, 2013

\* Latino refers to anyone who identified as Hispanic or Latino on the Survey of Consumer Finances and may be of any race.

The study closes with a push for policymakers to evaluate proposed policies for their potential to shrink the wealth gap between races in America.

“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,” Amy Traub, report co-author and associate director of policy and research at Demos said in a statement (<http://www.demos.org/press-release/new-report-shows-racial-wealth-gap-structural-and-fueled-public-policy>). “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.”

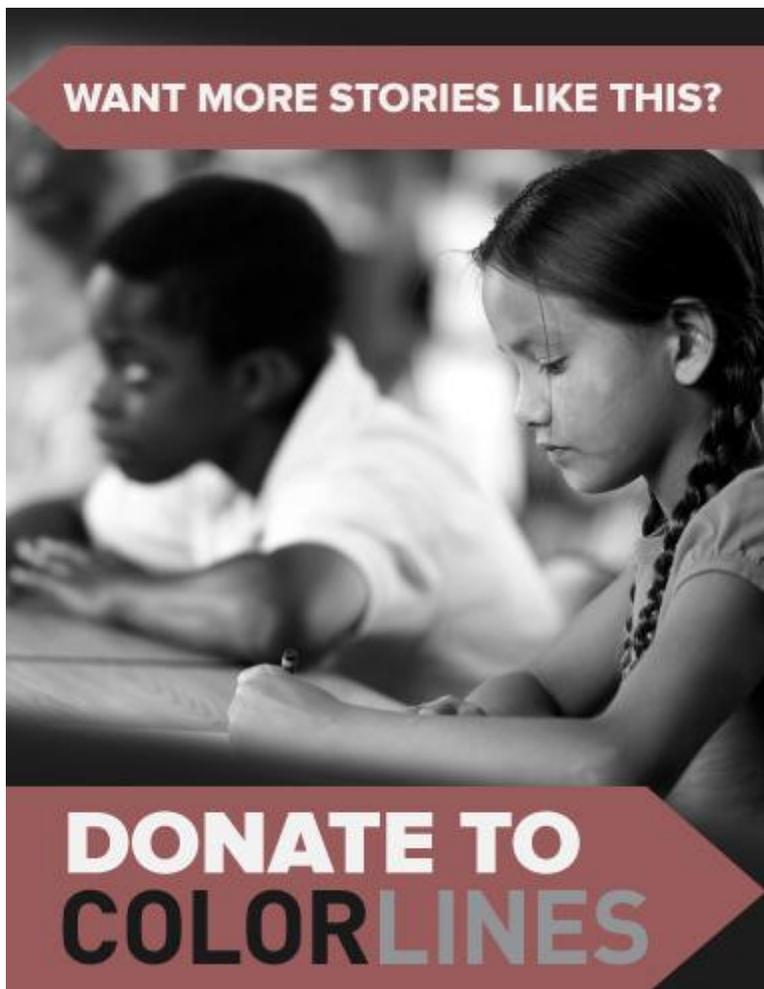
**Tags:**

Racial Wealth Gap (/tags/racial-wealth-gap-1)    Demos (/tags/demos)

Asset Value of Whiteness (/tags/asset-value-whiteness)    Study (/tags/study-0)

Log in (/user/login?destination=node/30226%23comment-form) to post comments

COMMENT



(/donate/Colorlines)

## RELATED ARTICLES

**Hillary Clinton Proposes Plan to Dismantle Systemic Racism**  
(/articles/hillary-clinton-proposes-plan-dismantle-systemic-racism)



(/articles/hillary-clinton-proposes-plan-dismantle-systemic-racism)

**Could These Four Policy Changes Close the Racial Wealth Gap?**  
(/articles/could-these-four-policy-changes-close-racial-wealth-gap)



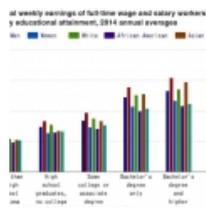
(/articles/could-these-four-policy-changes-close-racial-wealth-gap)

**Report: Future Generations of Black People Will Feel Great Recession Pain**  
(/articles/report-future-generations-black-people-will-feel-great-recession-pain)



(/articles/report-future-generations-black-people-will-feel-great-recession-pain)

**Black Workers With Advanced Degrees, White Workers With B.A.'s Make Roughly the Same**  
(/articles/black-workers-advanced-degrees-white-workers-bas-make-roughly-same)



(/articles/black-workers-advanced-degrees-white-workers-bas-make-roughly-same)

**The Racial Wealth Gap in the U.S., Or, Whites Own Almost Everything**  
(/articles/racial-wealth-gap-us-or-whites-own-almost-everything)



(/articles/racial-wealth-gap-us-or-whites-own-