

“Asset Value Of Whiteness:” Being Smarter, Working Harder, Saving Money Won’t Close Wage Gap

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We’ve all been taught to go to school, get a good job, work hard, and save money to better compete with our white peers, but you might want to consider throwing all those ideas out. According to a new study, none of these concepts will get you ahead.

The new report from Demos and the Institute on Assets and Social Policy entitled “[Asset Value of Whiteness](#)” looks at the connection between racism and capitalism. According to Thomas Shapiro, director of the Institute on Assets and Social Policy:

“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. White households have a leg up, while households of color face systematic barriers to growing wealth, reproducing our long-standing racial wealth gap over generations. Without policies that combat ingrained wealth inequalities, the racial wealth gap that we see today will continue to persist.”

Here are few other interesting points from the study:

–A college education does not close the wage gap. “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,” reported [The Root](#).

–Black women get a lot of flack about the high rate of single Black mothers but, according to the study, raising kids in a two-parent home will not do much to close the racial wealth gap. “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,” reported The Root.

–Having a full-time job won’t make your wealth equal that of whites. “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,” reported The Root.

–Contrary to belief, cutting costs and saving will not help Blacks close the racial wealth gap. In fact, according to the study, the “average white household spends 1.3 times more than the average Black household of the same income group.” Typically, white households spent \$13,700 per quarter, versus \$8,400 for Black households.