Closing the Racial Wealth Divide

[Cartoon image of a seesaw with a large bag of money weighted down by a 1% symbol, while 99% of people are struggling to hold it up.]

www.faireconomy.org
“True compassion is more than flinging a coin to a beggar; it understands that an edifice which produces beggars needs restructuring. A true revolution of values will soon look uneasily on the glaring contrast of poverty and wealth.”
Signs of the Times

Growing insecurity, stress, & isolation for many

★ High unemployment
★ Stagnant wages & loss of benefits
★ Rising costs of housing, health care, education, utilities, & food
★ Growing prison population
★ Loss of public services
Poverty Rates by Race, 1980 - 2010

Unemployment Rates by Race, 1980 - 2010

Prison Population by Race, 1980 - 2009

Source: Original analysis of U.S. Bureau of Justice Statistics data, based on applying racial/ethnic data on jail inmates and sentenced prisoners (from various reports of the Bureau of Justice Statistics; estimated where not available) to total prisoner and jail inmates, <http://bjs.ojp.usdoj.gov/content/glance/tables/corr2tab.cfm>.
Median Family Income by Race, 1947 - 2010

Racial Income Inequality Persists


* Prior to 1967, data for African Americans included all “non-whites.” ** The Census Bureau uses the term “Hispanic.” We prefer “Latino.” Persons of “Latino” origin may be of any race.
Racial Composition of the Top Income Quintile, 2010

Total Population
- Other: 7.0%
- Black: 12.3%
- Latino: 16.1%
- White: 64.6%

Top 20%
- Other: 7.9%
- Black: 5.5%
- Latino: 6.1%
- White: 80.5%

Ownership of Household Wealth in the U.S., 2012

The total net worth of the top 1% = $21.9 Trillion

The total net worth of the bottom 90% = $18.4 Trillion

Household Median Net Wealth by Race, 2013

Net Wealth is
ASSETS minus DEBTS
(What You OWN minus What You OWE)

Source: Pew Research Center tabulations of Survey of Consumer Finances public-use data. African Americans and Whites include only non-Latinos. (Dollar figures are in 2013 dollars.)

Source: US Census Bureau. (Dollar figures for Whites and African Americans exclude Latinos.)
The Story of a Village
The Deep Roots of the Racial Wealth Divide

**AFFIRMATIVE ACTION THROUGH AMERICAN HISTORY**

**1776**

The right to vote is hereby reserved for white males only!

**1802**

Property rights are set aside for white men exclusively.

**1862**

We drive Indians off their lands giving homesteads away to white settlers.

**1900**

W.A.S.P. Universe

"Turning Boys into Men"

**1960**

1960

Now hiring faculty.

White Men only please.

**1995**

Affirmative Action for women and minorities? That's un-American!

Sorry honey, these jobs aren't for gals—this is men's work.
Historical Boosts to a Middle Class Path

- G.I. Bill: Free College
- FHA Loans
- Social Security
- Homestead Laws
- Home Mortgage Interest Deduction
The Deep Roots of Inequity

A CONCISE HISTORY OF BLACK-WHITE RELATIONS IN THE U.S.A.
“... as we talk about ‘Where do we go from here’, ... we must ask the question, “Why are there forty million poor people in America?” And when you begin to ask that question, you are raising questions about the economic system, about a broader distribution of wealth. And I’m simply saying that more and more, we’ve got to begin to ask questions about the whole society. But one day we must come to see that an edifice which produces beggars needs restructuring.”
Principles of a Fair Economy

★ Equity in all dimensions (race, class, ethnicity, gender, etc.)
★ Solidarity and Cooperation
★ Political and Economic Democracy
★ Sustainability
★ Pluralism and Diversity
★ Respect & Dignity for People & Planet
Program for Building an Equitable Economy

★ Educate & Change the Conversation

★ Campaign to Build Power & Change the Rules

★ Connect the Dots & Build a Movement