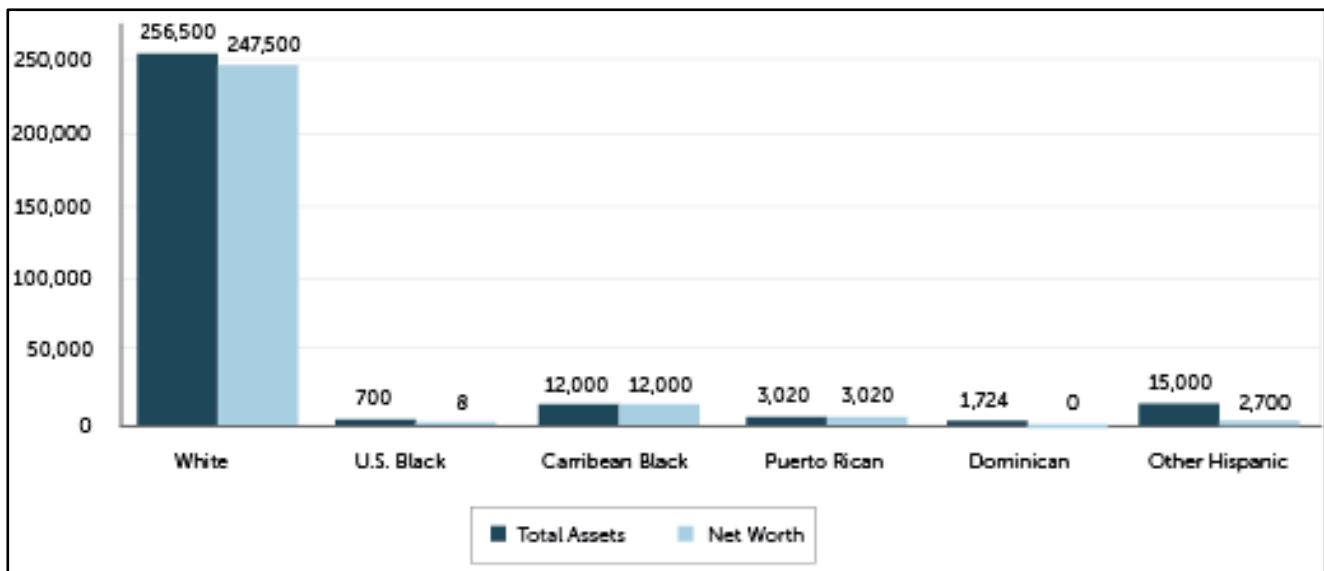




# Racial Wealth Gap

A Case Study of Racist Humility: Racial Wealth Gap and Outsized/Oppressive Economic and Power Disparity in Boston



The widening wealth gap in the United States is a worrisome sign that millions of families nationwide do not have enough in assets to offer better opportunities for future generations. Wealth allows families to make investments in homes, in education, and in business creation. On the basis of data collected using the National Asset Scorecard for Communities of Color (NASCC) survey, when analyzed by race, wealth accumulation is vastly unequal. By means of the NASCC survey, researchers have collected, for the first time, detailed data on assets and debts among subpopulations, according to race, ethnicity, and country of origin—granular detail ordinarily unavailable in public datasets. In this analysis we focus on estimates for U.S. born blacks, Caribbean blacks, Cape Verdeans, Puerto Ricans, and Dominicans in the Boston Metropolitan Statistical Area (MSA)....Analysis shows that with respect to types and size of assets and debt held, the data collected on white households and nonwhite households exhibit large differences. The result is that the net worth of whites as compared with nonwhites is staggeringly divergent (*see graph above*).

\*This case study document is an excerpt from the [Boston Fed in Partnership with Duke University and The New School - see here for the full study.](#)

(The study) totaled the value of all assets held by each racial group, including the value of all liquid assets, financial assets, retirement, home and vehicle equity, and the values of all other assets (these include life insurance policies and valuables such as jewelry). White households had by far the highest values; the median total value of assets was **\$256,500**. The median asset values for communities of color were far below this threshold, at best, barely approaching 20 percent of the median asset value of white households. Blacks had the lowest median asset value, **\$700**, which is less than 0.3 percent of the median asset value of whites. The median asset value of Puerto Ricans and Dominicans was only 1 percent of the median asset value of whites. Caribbean blacks were slightly better off, at 5 percent of the median asset value of whites. The median asset value of other Hispanics was 6 percent that of whites. All told, (the) analysis of these data substantiates the existence of a staggering racial wealth gap in the Boston MSA.

### **Additional Key Findings**

- The typical white household in Boston is more likely than nonwhite households to own every type of liquid asset. For example, close to half of Puerto Ricans and a quarter of U.S. blacks don't have either a savings or checking account, compared to only 7% of whites.
- Whites and nonwhites also exhibit important differences in assets that (are) associated with homeownership, basic transportation, and retirement. Close to 80% of whites own a home, whereas only one-third of U.S. blacks, less than one-fifth of Dominicans and Puerto Ricans, and only half of Caribbean blacks are homeowners. And while most white households (56 percent) own retirement accounts, only one-fifth of U.S and Caribbean blacks, and 8 percent of Dominicans have them.
- Although members of communities of color are less likely to own homes, among homeowners they are more likely to have mortgage debt. Nonwhite households are more likely than whites to have student loans and medical debt.
- Nonwhite households have only a fraction of the net worth attributed to white households. While white households have a median wealth of \$247,500, Dominicans and U.S. blacks have a median wealth of close to zero. Of all nonwhite groups for which estimates could be made, Caribbean black households have the highest median wealth with \$12,000, which is only 5 percent of the wealth attributed to white households in the Boston MSA.

## Reflection Prompts:

- From your own lived experience, how have you built wealth/power? What seems just and right in the ways you have built wealth? What seems unjust? What systems and structures are connected to the ways you have been able to or not been able to build an adequate amount of wealth to support you and your family?
- Considering the Torah and Mussar based definitions of humility, what's the connection between humility and the disparities in net worth between white and Black families in Boston?
- Imagining you lived in Boston and thinking of your identity in terms of positionality within the racialized context of the U.S, what would be an appropriate application of humility within a balance of care to alleviate the racial wealth gap and subvert the power structure in an interpersonal and/or in a structural way?

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