

BOOK REVIEW

THE COLOR OF WEALTH

by Meizhu Lui, Bárbara, Betsy Leondar-Wright, Rose Brewer, and Rebecca Adamson with United for a Fair Economy .
The New Press (2006). ISBN-10 1595580042

*Reviewed By Ian Harris**

Some books build bridges. Others incite the reader towards action. United for a Fair Economy (UFE), a non-profit economic justice organization, incorporated both goals into their call for a more just world: *The Color of Wealth: The Story Behind The U.S. Racial Wealth Divide (TCW)*. The book is a scathing - yet accessible - economic historiography that traces the roots of the wealth divide in the United States, including the extensive role that the government has played in producing racial inequalities. Providing a fresh perspective, UFE finds that “*income can change on a dime*” whereas *wealth* is shaped by the “wealth—or lack of wealth—of our parents, our grandparents, and our ancestors.” TCW emphasizes how current inequalities stem from more than 200 years of appropriation and disenfranchisement of economic assets¹ from people of color. Adding to the analysis, the book also explores “the other side of racism,”² suggesting that the average white person has gained an estimated *one dollar for every dime owned by the average family of color* as the result of past discrimination. With extensive data and statistics on both sides of the color line, TCW delineates how official laws, discrimination, and violence put “white families on an escalator to asset ownership while keeping people of color stuck on an economic treadmill.”

Interspersed with personal narrative and written by a diverse group of authors, TCW presents a coherent snapshot of the economics of racialization for five groups: Native American, African American, Latin@³, Asian American, and white. While acknowledging the biological falsity of race, UFE presents the roots of the racial wealth divide through the “common history of racialization and common treatment by the United States Government” within each group. Through a chronological exploration of the impediments to wealth accumulation by communities of color, the book also explores successful resistance against the wealth divide, despite the material benefits gained by white people. UFE humanizes each story while trying to suggest solutions to the racial wealth divide through progressive initiatives that they call “Rainbow Economics.” Many people in the United States insist that racism is a thing of the past and that the U.S. is now a colorblind society. TCW confronts colorblindness with empirically driven examples that connect the dots between historical discrimination and the present distribution of wealth. In a surprisingly reconciliatory tone, TCW outlines how many people of color are desperately working to make up for stolen time,

while many white families receive financial support—accumulated with government subsidy—provided by past generations. Taking inheritance to its logical conclusion, the book then shows how money provided by past generations is turned into appreciable assets, such as a house down payment or stock, that can grow and be passed down to the next generation, adding to the unequal wealth distribution.

For example, according to UFE, today, an estimated 80 percent of private assets come from transfers from prior generations. By illuminating the financial costs of property loss during Japanese American internment, land loss by Native American and Latin@s, and stolen wages during the enslavement of African Americans, TCW shows how ancestral assets, accumulated at least partially through mass discrimination, can serve as a cushion for white decedents during difficult economic times. Consequently, in 2004 a quarter of “white families received an inheritance after a parent’s death, averaging \$144,652, while only one in twenty African American families inherited, with an average of \$41,985. The book masterfully ties examples of past discrimination into the broader division of assets to show why laws that seem “facially neutral” are insufficient to decrease the expanding racial wealth divide. The authors conclude that this supports the use of race-conscious remedies in drafting economic and legislative policy to address the discriminatory impact

TCW tells the story of a country deeply divided; yet the book is filled with hope for a brighter future. Appeals to white voters have often led whites to put “their perceived racial interests ahead of [the] economic interests they share with people of color.” By framing the history of this “racial divide-and-conquer,” UFE’s book implores the reader to recognize that our successes and failures are tied together, and that raising the bottom-line of inherited wealth will benefit us all.

TCW has a left-leaning agenda and is critical of conservative economic policies, which might alienate a larger audience who would benefit from its message. Furthermore, the book repeats many of the same quotations and statistics, making the reader question whether the authors are stretching to make their argument. However, *United for a Fair Economy* has managed the Herculean task of producing an economics book that is comprehensible and informative. With a diverse group of writers working together to build a new world through text and methodology, *The Color of Wealth* not only shows us how we are divided, but also models how we can unite. A must read!

* Ian Harris is a first-year law student at American University Washington College of Law.

¹ Assets include houses and other real estate, cash, stocks and bonds, pension funds, businesses, and anything else that can be converted to cash, such as cars and works of art.

² PAULA ROSENBERG, *WHITE PRIVILEGE: ESSENTIAL READINGS ON THE OTHER SIDE OF RACISM* (Worth Publishers 2004).

³ The @ symbol is used by the author of this article in recognition of the need for gender-neutral language. The term stands for Latino & Latina.