



Metro United Way

THE RACIAL WEALTH

Learning Simulation



SIMULATION GOALS



Gain a better understanding of the racial wealth, income, and hunger gap, so that we can.....

- Understand why racial equity is important to address structural inequality
- Discuss racial equity within our organizations and communities
- Incorporate a racial equity lens into our daily work, life, policies, practices, advocacy, etc.
- Feel more comfortable explaining the importance of applying a racial equity lens when talking to donors and funders.

RACIAL WEALTH GAP LEARNING



INSTRUCTIONS

Each table should have 4- 8 participants. Each table receives an envelope and each person blindly selects a card from it. Half of the participants will receive “white participant” cards and the other half will receive “black participant” cards. *In cases where this is possible, please trade cards so that each player has a participant card different from his or her own racial identity.*

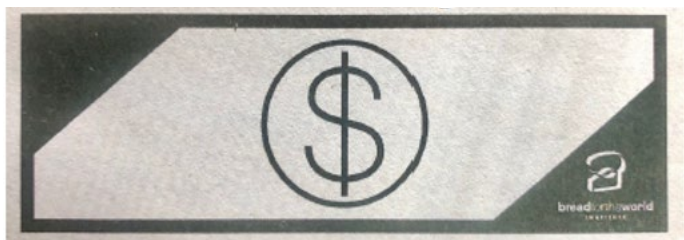
There are three action cards (“money,” “land,” and “opportunity lost”) and 13 policy cards. Starting with a “white participant,” you will take turns picking up a policy card, reading the card to the group, and then reading the action(s) on the card for players to carry out. The person reading should pause so that everyone can carry out their action(s). Everyone will gain or lose one, two, or all three cards in each round.

At the end, count how many money, land, & opportunity lost cards each person has.

THE RACIAL WEALTH GAP



MONEY



LAND



LOST OPPORTUNITY



THE RACIAL WEALTH GAP



MONEY CARDS

III

III II

LOST OPPORTUNITY CARDS

II

THE RACIAL WEALTH GAP



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How many money cards did you have at the end?

THE RACIAL WEALTH GAP

White Participants

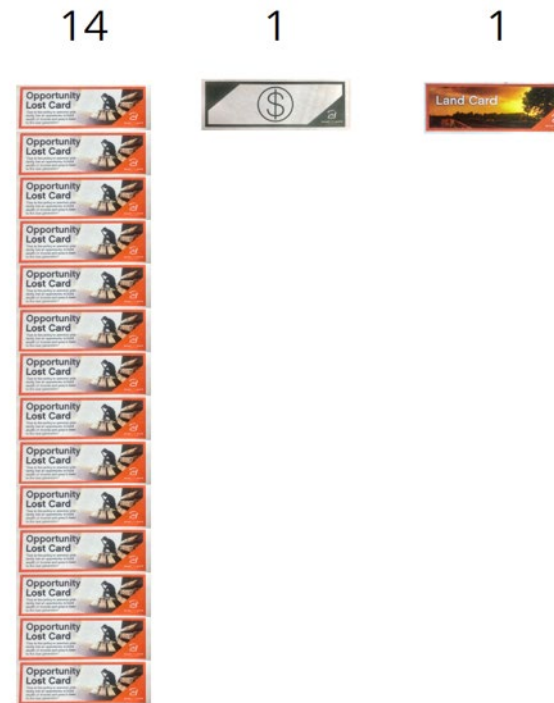


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White Participants



Black Participants



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THE GI BILL

While technically eligible for the GI Bill, nearly 1 million Black veterans were excluded through administrative processes. (1,154,486 African Americans served, about 9% of the Army, 4% of the Navy, and 2% of the Marines, according to the Department of Veterans Affairs.)

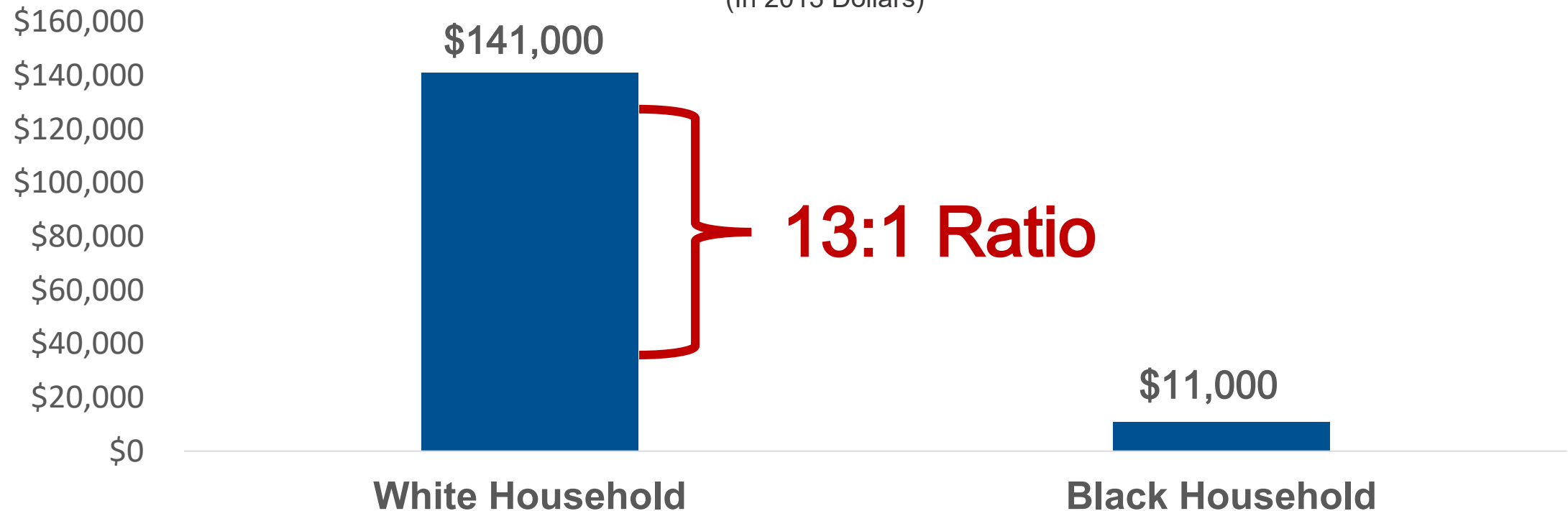
- In New York and New Jersey, the GI Bill insured more than 67,000 new mortgages, fewer than 100 of which were for homes purchased by People of Color.*
- In 1947, the government guaranteed 3,200 mortgages in Mississippi for returning veterans. Only two of them were provided to black veterans.*
- According to scholar Edward Humes in a 2006 article in the Journal of Blacks in Higher Education, 28% of White veterans went to college on the G.I. Bill, while only 12% of Black veterans did so.
- 86% of the skilled, professional, and semi-skilled jobs were filled by White veterans while 92% of the non-skilled and service positions were filled by Black veterans.

**Alexander, Michelle. The New Jim Crow, page 67*

THE RACIAL WEALTH GAP

Median Net Worth

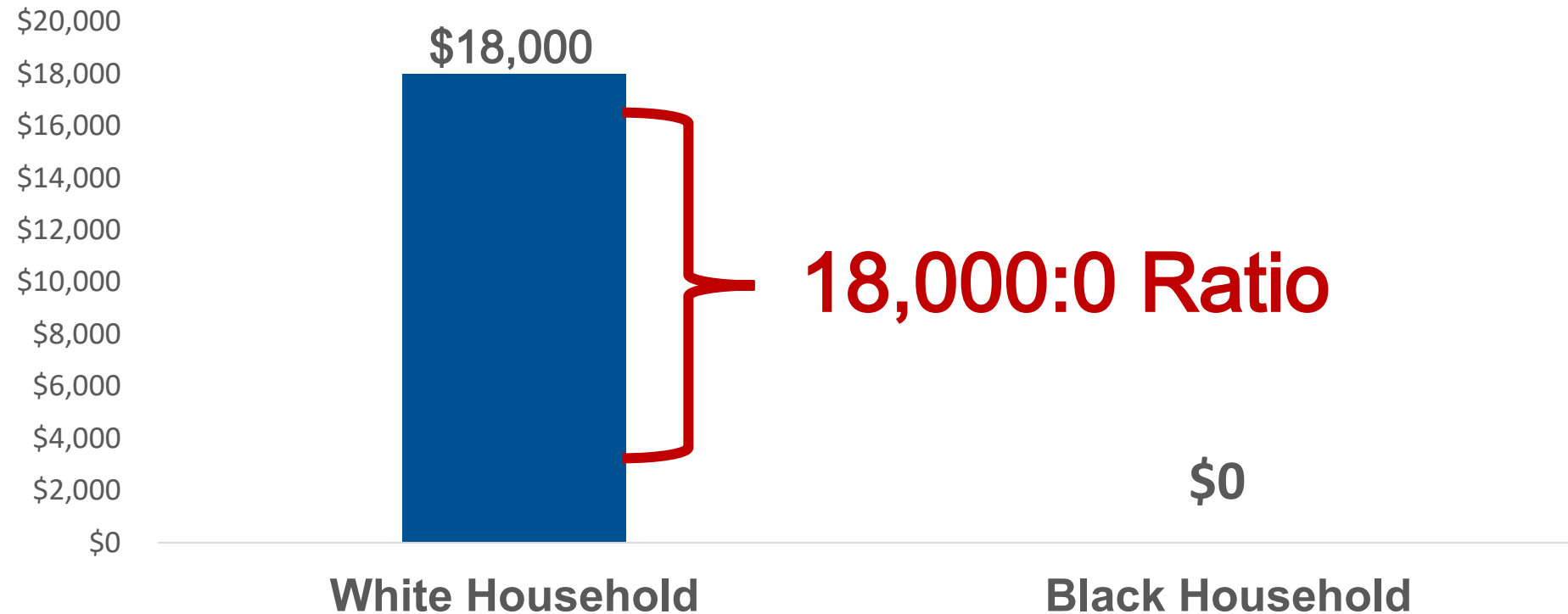
(In 2013 Dollars)



Source: <http://www.pewresearch.org/fact-tank/2014/12/12/racial-wealth-gaps-great-recession/>

THE RACIAL WEALTH GAP

Median Net Worth Among Households Living Near th



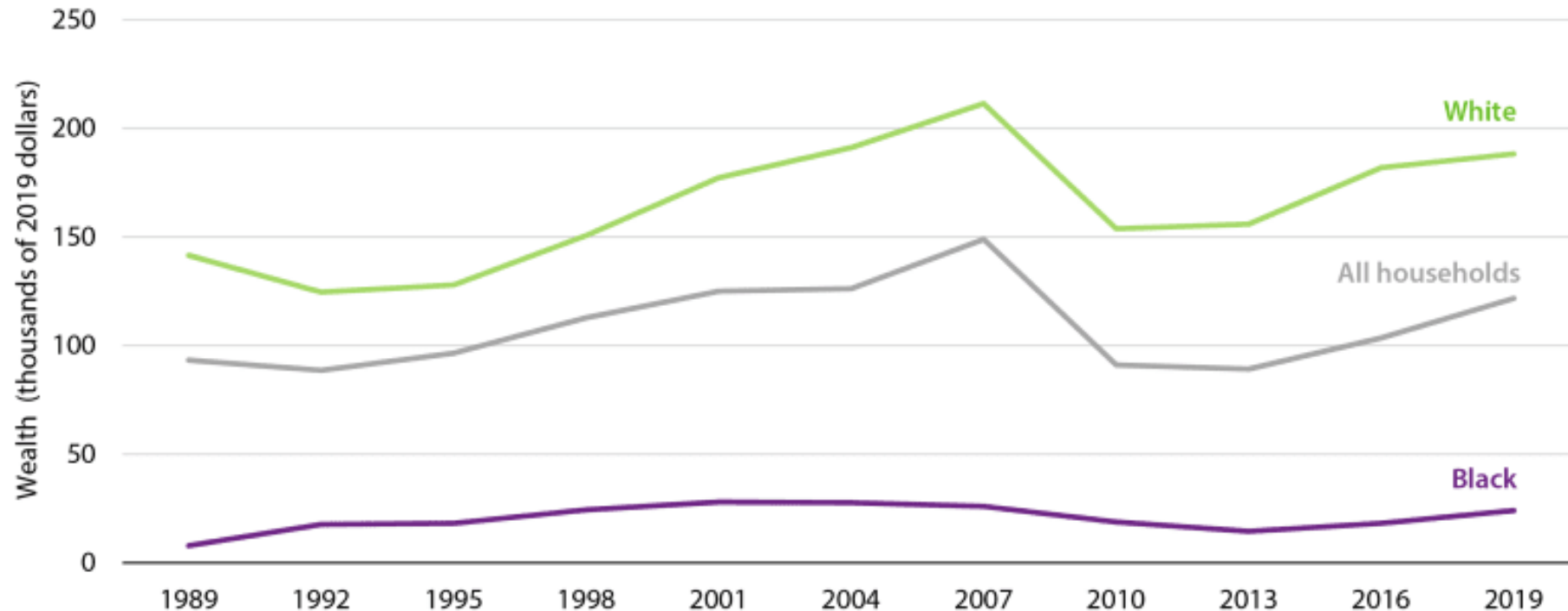
Source: https://socialequity.duke.edu/sites/socialequity.duke.edu/files/site-images/FINAL%20COMPLETE%20REPORT_.pdf U.S. Federal Poverty Guidelines Used

THE RACIAL WEALTH GAP

Based on national data, the median white family has \$188,200 in net wealth, while the median Black family has \$24,100, less than 15% of what white families hold.

FIGURE 1.

Median Wealth for Black and White Households, 1989-2019



Source: Survey of Consumer Finances 1989-2019.

Note: Wealth refers to the differences between assets and debt for a household head. Race is that of the survey respondent.

THE RACIAL WEALTH GAP



The Economic Gains of Equity

Federal Reserve Bank of San Francisco economists recently published research that found disparities in educational attainment, occupational opportunity, employment, and wages across gender, race, and ethnicity, reduced U.S. GDP by more than \$70 trillion over the past 30 years.

- Closing racial gaps in key areas such as wages, higher education, home ownership, and investment would have generated significant additional income for saving, investing, and consumption, leading to a significant increase in aggregate output. Their bottom -line estimate is a boost to GDP of \$16 trillion over the past 20 years and an additional \$5 trillion over the next five years.
- Studies also demonstrate that systemic inequities cost the economy by holding back innovation. The U.S. could have many more inventors if women, People of Color, and children from low-income families were exposed to innovation at an early age.
- The Federal Reserve is finally insisting that addressing racism is an economic imperative.

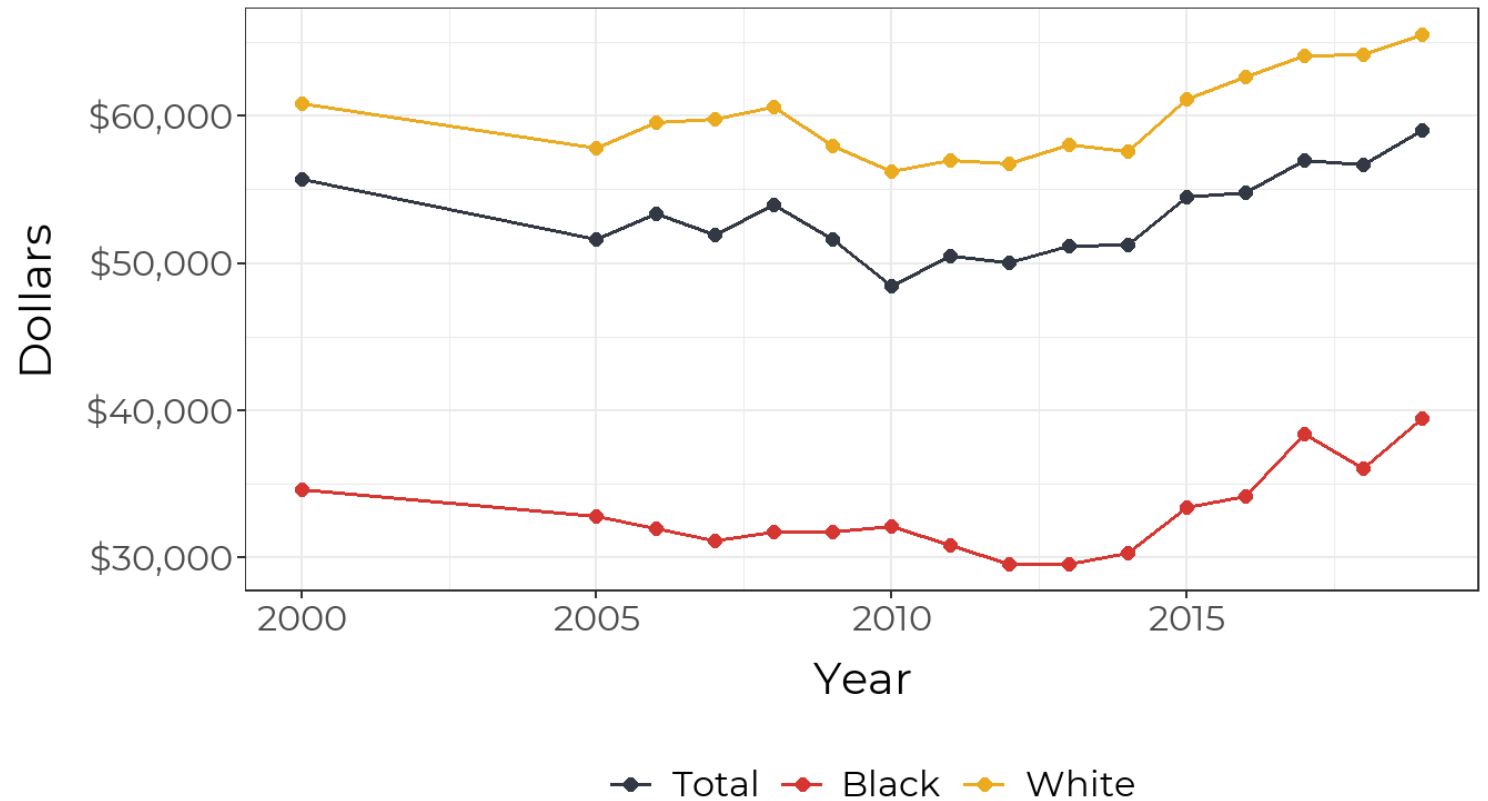
Source: <https://www.frbsf.org/our-district/files/economic-gains-from-equity.pdf>

LOCAL RACIAL WEALTH GAP

The median Black household only receives about two-thirds the income of the median Louisville household.

Household Income by Race

Adjusted for inflation to 2019 dollars



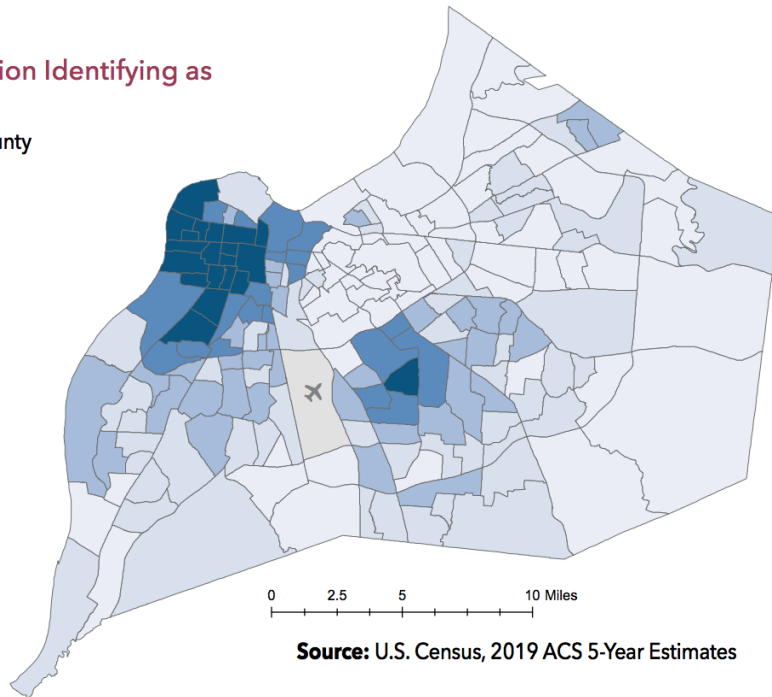
Source: Greater Louisville Project
ACS Tables P053, P152, B19013

LOCAL RACIAL WEALTH GAP

MAP 8 Percentage of Population Identifying as Black or African American

By Census Tracts - Louisville/Jefferson County

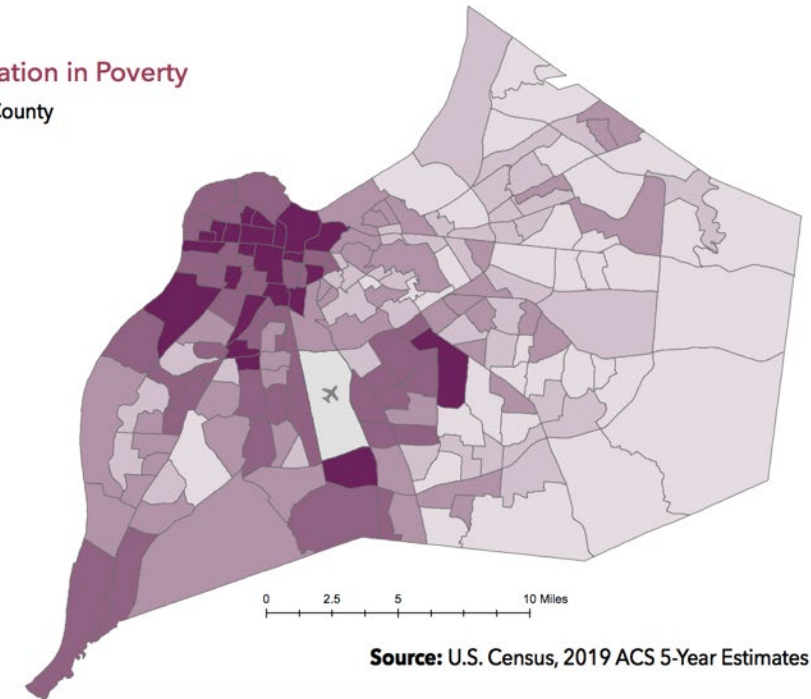
- <=7.7%
- 7.8%-17.1%
- 17.2%-34.3%
- 34.4%-67.7%
- 67.8%-99.2%



MAP 6 Percentage of Population in Poverty

By Census Tracts - Louisville/Jefferson County

- 0.9%-4.7%
- 4.8%-9.4%
- 9.5% -17.9%
- 18.0%-33.5%
- 33.6%-76.3%

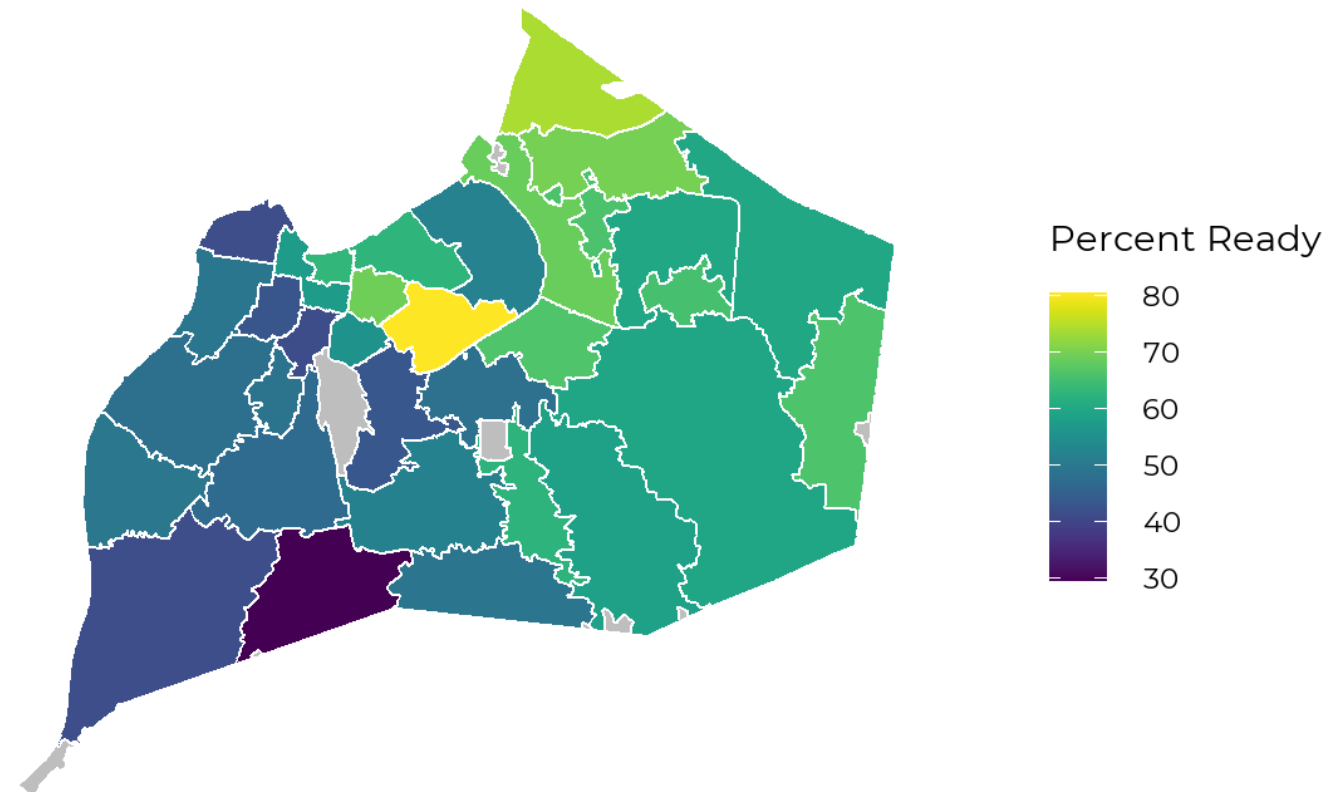


Source: 2020-21 STATE OF METROPOLITAN HOUSING REPORT: "COVID-19 and the Struggle to Stay Safe at Home in Louisville, KY"

LOCAL RACIAL WEALTH GAP

- Jefferson County children in child care settings enter kindergarten with the highest levels of kindergarten readiness.
- The median price of child care for one toddler in Jefferson County is \$8,710 per year-- representing approximately 15% of local median household income and 22% of Black households median income.
- Only 32% of providers have more than 1 star in Kentucky's quality rating system

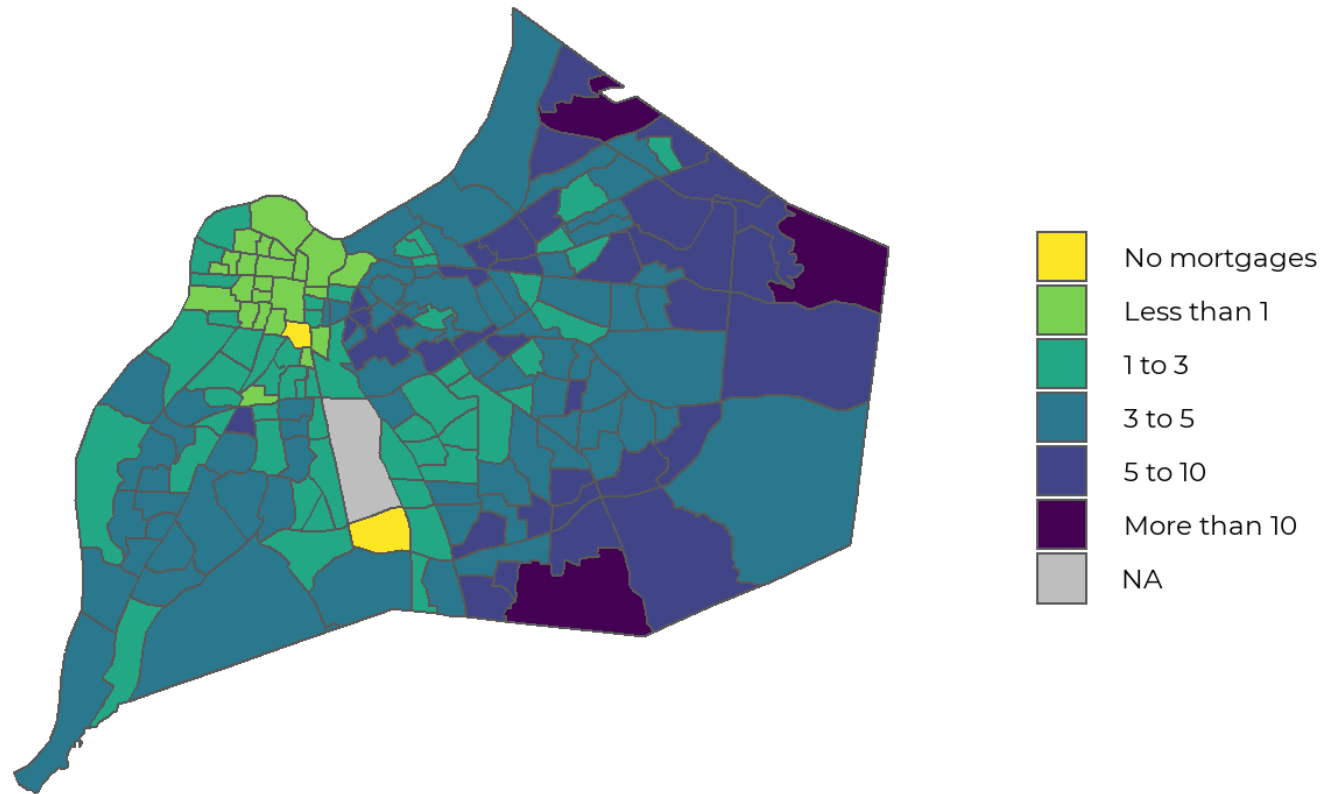
JCPS Kindergarden Readiness by Student's Home Zip Code
Average for the school years 2017-2018, 2018-2019, and 2019-2020



LOCAL RACIAL WEALTH GAP



Mortgages issued per 100 residents in 2019

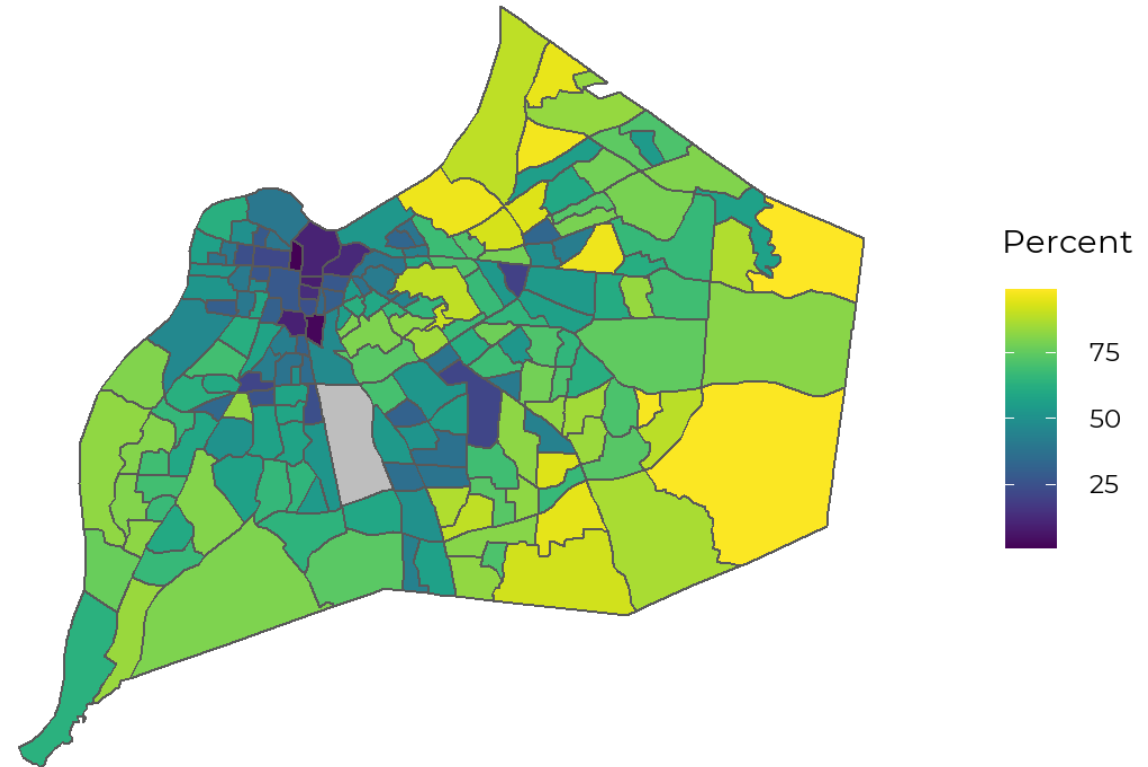


Source: Greater Louisville Project
GLP analysis of data from the Consumer Financial Protection Bureau

LOCAL RACIAL WEALTH GAP

Homeownership

The rate of homeownership for Black households in Louisville is 36% compared to 71% for White households.



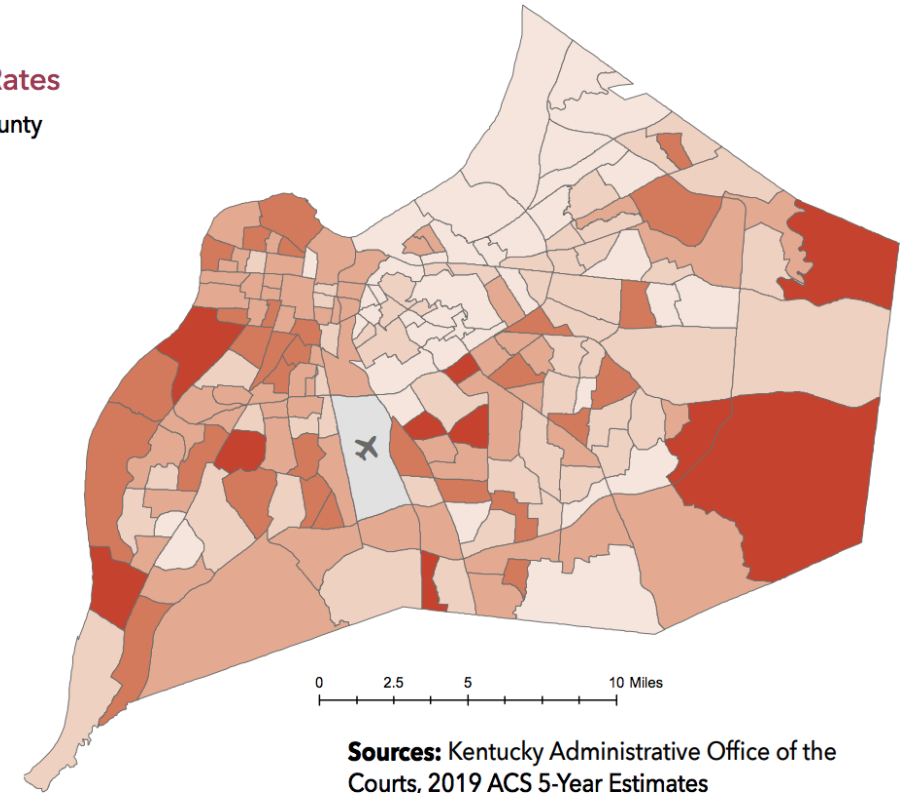
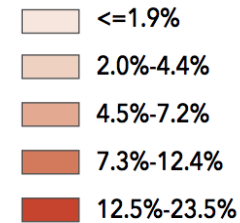
Source: Greater Louisville Project
ACS table B25106

LOCAL RACIAL WEALTH GAP

Louisville is short more than 31,000 units needed to affordably house community members with the lowest-incomes.

In July, 31% of Black Kentucky homerenters had slight to no confidence that they could pay next month's rent compared to 22% of White homerenters.

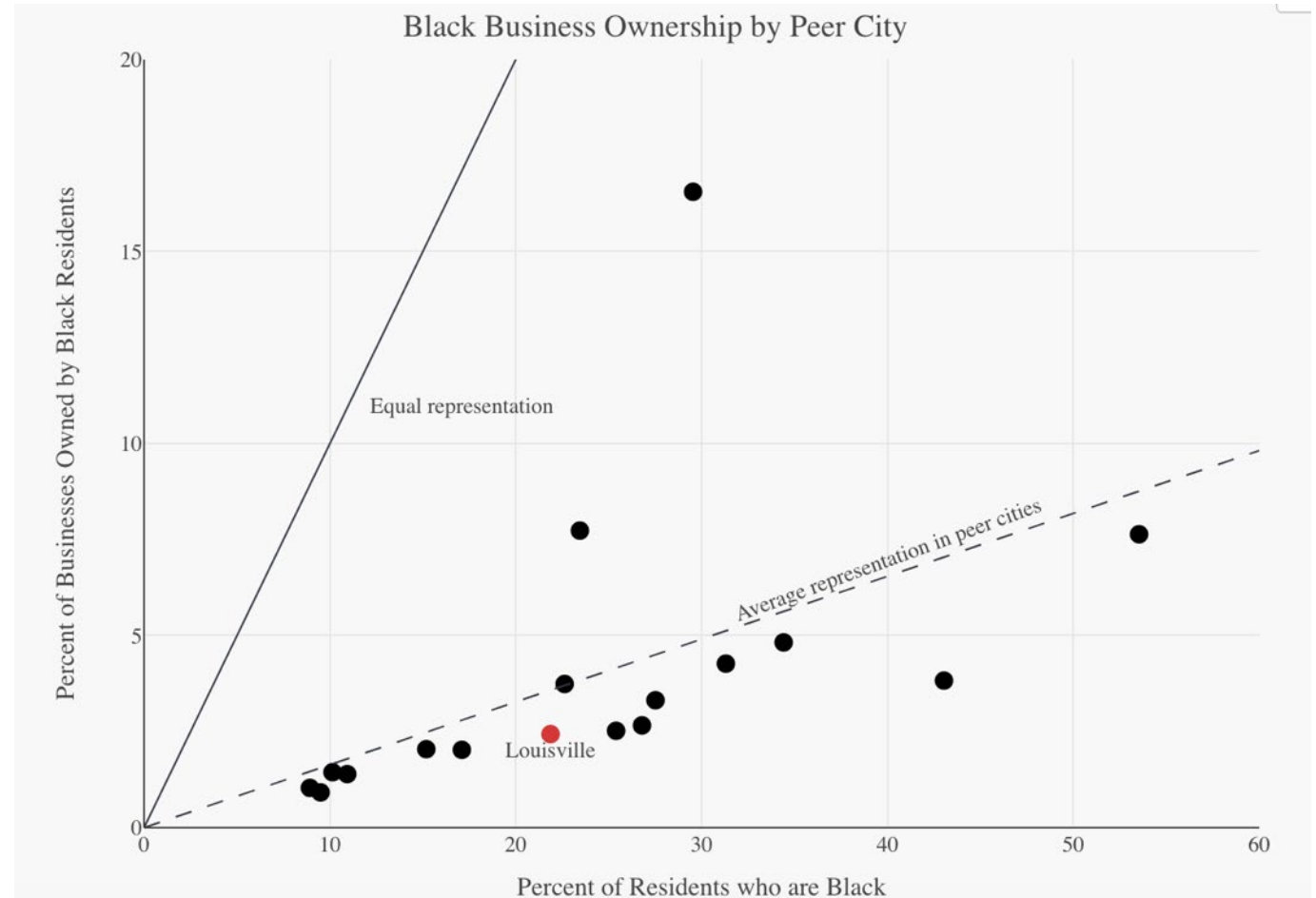
MAP 2 2020 Eviction Filing Rates
By Census Tracts—Louisville/Jefferson County



Source: 2020-21 STATE OF METROPOLITAN HOUSING REPORT:
COVID-19 and the Struggle to Stay Safe at Home in Louisville, KY

LOCAL RACIAL WEALTH GAP

In Jefferson County, Black residents make up 21.9% of the population, and they own 2.3% of employer businesses.



RACIAL WEALTH GAP LEARNING

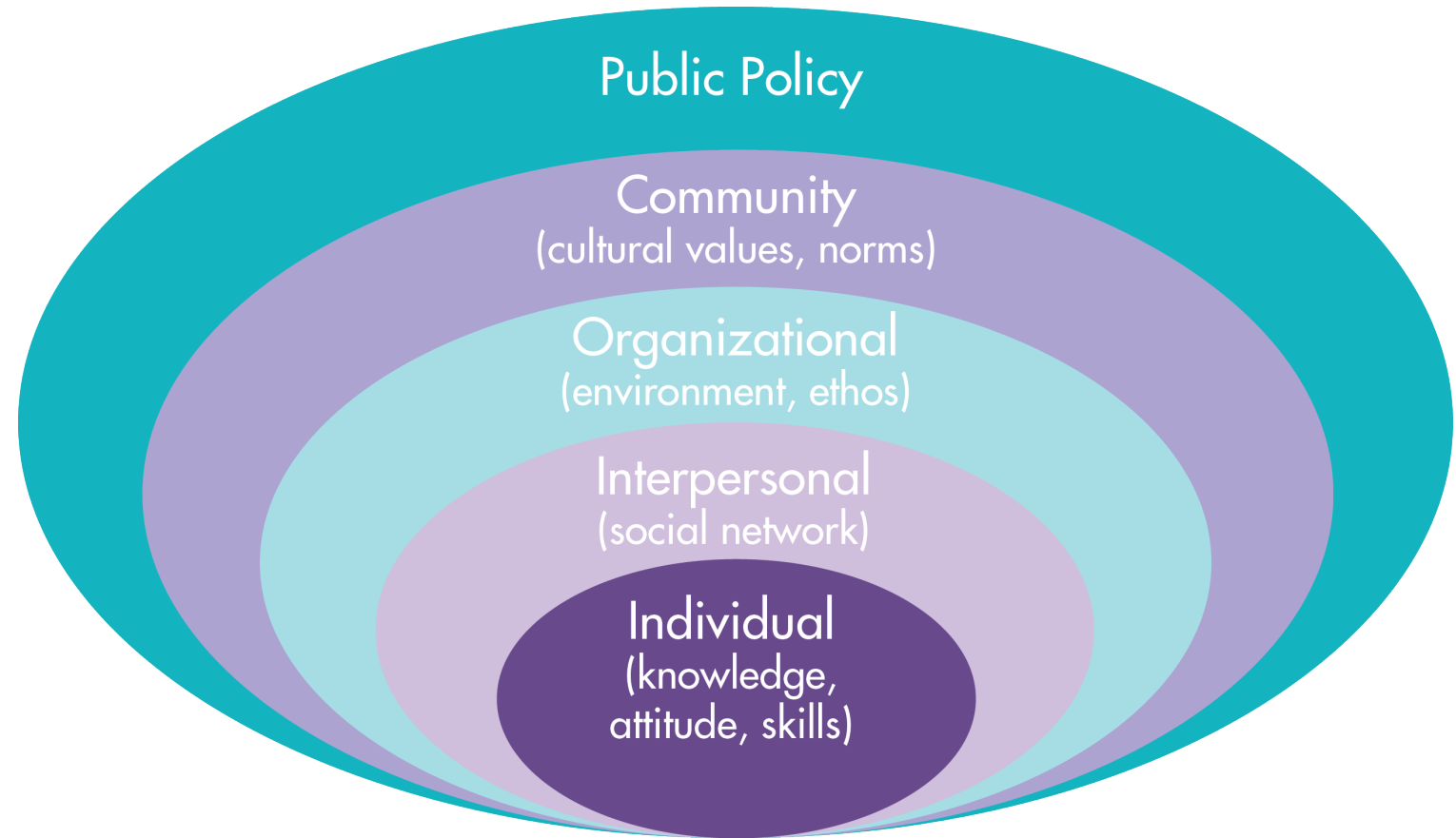


1. What **did you learn** that you didn't know before?
2. What **were some common themes** that you noticed?
3. How **did the simulation help you understand** the importance of implementing a racial equity lens in all your work (i.e. policies, practices, advocacy, etc.) ?
4. **How does this impact your work** to end poverty or engage in other work in your community?
5. **How can you incorporate** a racial equity lens into your daily work, life, worship, policies, practices, advocacy, etc.?

METRO UNITED WAY IMPACT



We believe in improving lives by advancing equity & opportunity—two change mechanisms rooted in the highest levels of influence.



ADDITIONAL RESOURCES

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- “Louisville Metro Health Equity Report 2017” —Louisville Metro Center for Health Equity
- “22,000 EQUITIES, Addressing Racial Gaps in Homeownership and Wealth: 2019 State of Metropolitan Housing Report” –Metropolitan Housing Coalition
- Equity & Justice for All —Metro United Way, [metrounitedway.org/equity -and-justice](https://metrounitedway.org/equity-and-justice)
- Black L.O.V.E. (Live Own Vote Excel) Philanthropic Partnership, [metrounitedway.org/program/black -l-o-v-e-philanthropic -partnership](https://metrounitedway.org/program/black-l-o-v-e-philanthropic-partnership)



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PEAR
STRAW

THANK YOU

