

Aladangady, Aditya, and Akila Forde. "Wealth Inequality and the Racial Wealth Gap." *The Fed - Wealth Inequality and the Racial Wealth Gap*,
www.federalreserve.gov/econres/notes/feds-notes/wealth-inequality-and-the-racial-wealth-gap-20211022.html?utm_medium=Partnership. Accessed 7 Nov. 2025.

This article examines how data from the Survey of Consumer Finances (SCF) from 1989-2019 illuminates household net worth by ethnicity. These authors address U.S. household-wealth data to outline how racial/ethnic differences in wealth contribute to the overall wealth inequality trend of the United States. In order to paint this picture, the authors use a Lorenz-curve and Gini-coefficient decomposition within a "racial equality" illusory world where all race groups share identical wealth distributions, yet overall inequality remains as is. They estimate that if white households' wealth distributions aligned with the aggregate, the Gini index would actually fall 1.7 points which is $\frac{1}{4}$ of the actual increase in wealth inequality from 1989 to 2019. This disparity represents how much white households' wealth distributions are overly skewed in reference to other ethnic groups within real contexts. Throughout their study, they find that Black and Hispanic households are disproportionately concentrated at the lower end of the wealth distribution while holding fewer high-return assets due to earning considerably less than white households. In addition to this, they are less likely to be homeowners, limiting the ability to pass down intergenerational wealth to posterity, perpetuating the wealth disparity intergenerationally. Overall, this article is helpful due to its ability to quantify the connection between racial wealth gaps and the overall rising of inequality throughout the U.S. This data-driven decomposition approach allows the correlations to be broken down in order to better outline the disparities within wealth distributions as a whole, in addition to race and economic inequality. This source is useful as a jumping point for understanding wealth inequality across the U.S. Seeing this bigger picture and wealth trends across races allows for a steady jumping point across the U.S. that can be boiled down to better understand similar wealth disparities at the Los Angeles level, proving that

that data and representations we are finding are not solely isolated incidents, but actually national trends.

Cruz-Viesca, M. D. L., Ong, P. M., Comandon, A., Darity, W. A., & Hamilton, D. (2018). Fifty Years After the Kerner Commission Report: Place, Housing, and Racial Wealth Inequality in Los Angeles. *RSF : Russell Sage Foundation Journal of the Social Sciences*, 4(6), 160–184.

<https://doi.org/10.7758/rsf.2018.4.6.08>

In this article, the authors offer a comprehensive analysis of racial wealth inequality in Los Angeles, focusing on homeownership and housing patterns in South Los Angeles compared to the broader county. Building on the legacy of the Kerner Commission report, which examined race and urban inequality in the 1960s, the study assesses how place and policy continue to shape economic disparities fifty years later. The authors trace how government-led housing initiatives, like redlining and the use of eminent domain, helped create and sustain racially segregated neighborhoods, limiting the ability of Black and Latino residents to build generational wealth through property ownership. The article's data analysis, covering 1960s, 1990, and 2015, reveals that South Los Angeles consistently lags behind the country in homeownership rates and home values. Even after controlling for factors such as income, education, and age, residents of South Los Angeles remain significantly less likely to own homes. The authors emphasize that while homeownership is a major pathway to wealth accumulation, it is not the only factor contributing to racial wealth gaps; other assets, such as stocks, retirement funds, intergenerational transfers, and business ownership, are also important. Despite major demographic changes and social shifts, the article finds that racial and geographic disparities in wealth persist, especially among Black and Hispanic communities. The authors argue that traditional policy frameworks, including the Kerner Commission's recommendations, focused primarily on improving housing conditions rather than promoting asset and wealth accumulation. They conclude that unless policies explicitly address the structural barriers to homeownership and wealth-building for communities of color, racial wealth inequality will remain an issue.

Davis, Mike, and Robert Morrow. *City of Quartz : Excavating the Future in Los Angeles* / Mike Davis ; Photographs by Robert Morrow. 1st Vintage Books ed., Vintage Books, 1992, <http://catdir.loc.gov/catdir/description/random048/91050492.html>.

In the book “City of Quartz : Excavating the Future in Los Angeles / Mike Davis ; Photographs by Robert Morrow” by Mike Davis and Robert Morrow(1992) Mike Davis examines Los Angeles as a city divided by sharp contrasts between glamour and poverty. He argues that while the city is often portrayed as a place of prosperity and opportunity, beneath that image lies a dystopian reality shaped by racialized inequality, displacement, and systematic segregation. Davis traces how Los Angeles has been constructed both physically and in idea, through the influence on media, urban developers, and political elites, creating a dual city where wealth and poverty coexist. The book explores how the wealthy and powerful have shaped the city’s geography to protect their interest, building privatized, gated communities while pushing working-class and minority populations, especially Black and Latino, and immigrants into areas of low investment and poor infrastructure. Davis connects these patterns to intentional government and policy choices, including zoning laws, urban renewal, and policing practices that reinforce racial and economic segregation. He describes Los Angeles as a “fortress city”, where the militarization of public spaces, surveillance systems, and private security deepens the divide between the wealthy and the marginalized. Davis’s analysis provides a critical framework for understanding the roots of Los Angeles’s wealth gap. By connecting urban planning, real estate, and political power to racial and economic inequality. This book reveals how the city is designed to produce more privilege for the wealthy and impact marginalized communities through policies, according to the author.

De La Cruz-Viesca, Melany, et al. "The color of wealth in Los Angeles." *Durham, NC/New York/Los Angeles: Duke University/The New School/University of California, Los Angeles* (2016).

In the article "The color of wealth in Los Angeles," by Melany De La Cruz-Viesca , alongside her fellow researchers, outlines the deeply racialized wealth inequality within Los Angeles. In

addition to this, they record how the structure of each racial demographic's wealth (beyond income) varies dramatically across racial lines. In doing so, the researchers are able to argue that the racial wealth gaps within Los Angeles are rooted in structural inequality, historical discrimination, and intergenerational advantages rather than individual behavior or cultural traits. By the using data gathered by the National Asset Scorecard for Communities of Color (NASCC), a multi-city survey project designed to measure household assets and debts by race, ethnicity, and national origin, authors are able to separate different ethnic groups within racial categories to show hidden disparities that's missed in national data. Through this data, they found that White and some Asian populations (Japanese, Chinese, and Indian), hold more wealth than black, Mexican, and other Latino households. This inequality reflects systemic barriers such as housing discrimination, lending, employment, and unequal access to intergenerational wealth transfers rather than differences in efforts or value within each group. This report can serve as a more narrow supplement to the U.S. racial wealth inequality understandings that we got from previous sources as it focuses more directly on Los Angeles. By breaking down wealth by debt patterns, liquid assets, median net worths, and other financial sorting methods, one can holistically see how wealth is affected in different categories while aligning with racial and socioeconomic pressures. This information can be used to draw parallels between the facts uncovered here and the narrative we are praying to paint in reference to the distribution of wealth within Los Angeles as our data and narratives align with previously conducting UCLA research.

Pfeffer, Fabian T. . 1 June 2018 "Growing Wealth Gaps in Education". *Demography*; 55 (3): 1033–1068.

doi: <https://doi.org/10.1007/s13524-018-0666-7>

In this article, author Fabien T. Pfeffer looks at cohorts born in the 1970s and 1980s in order to analyze trends in educational attainment by family wealth, urging audiences to be concerned with the growing wealth gaps in education. This study uses data from the Panel Study of Income Dynamics (PSID) which is a longitudinal survey that tracks U.S. families over multiple generations. With this data, Pfeffer is able to examine wealth, income, educational attainment,

and occupational status of parents and their adult children. This information is then used to estimate how parental wealth affects a child's socioeconomic outcomes-independent of income and education. Through this data and analysis Pfeffer finds that wealth strongly predicts a child's socioeconomic outcomes. Parental wealth increases access to higher education, homeownerships, and employment, amplifying long-term advantages. While there has been overall growth in educational attainment at the time of this study, and some signs of decreasing wealth gaps in high school attainment and college access, Pfeffer finds rapidly increasing wealth gaps in college attainment between cohorts born in the 1970s and 1980s. The growth of the wealth gap in higher educational attainment is aligned with the rise in inequality within children's wealth backgrounds despite the fact that the latter doesn't completely account for the former. Because of this, Pfeffer finds that education is not an equalizer for the unequal distribution of wealth. Wealth determines who can make the most of their education, and education helps grow one's existing wealth resulting in a system where educational attainment can contribute to but not overcome the deep structural inequalities that are rooted in wealth. Overall, the goal of this article is to raise concerns about the distribution of educational opportunity within children who grow up in a context of wealth inequality. Pfeffer summarizes that wealth inequality is imperative to understanding social immobility, and how ignoring it deeply understates the persistence of class privilege within the U.S. This article is important because it brings education into the wealth conversation by outlining the relationship between education and potential wealth accumulation. This is important because one of our data-sets looks at the College-Going Rate for high school completers (16 months post graduation) throughout Los Angeles school districts. The information within this article can help explain why some school districts have higher post-secondary education rates than others as Pfeffer outlines the idea that household wealth holds effects on one's ability to pursue and achieve educational goals and how both variables of wealth and education interchangeably affect each other.

Ryan, M. E. (2020). *The Enduring Legacy: Structured Inequality in America's Public Schools* (1st ed.).

University of Michigan Press. <https://doi.org/10.3998/mpub.11645040>

In this book, Ryan argues that the historical segregation of schools in the U.S. still has both ideological and material effects to this day. He believes that past U.S. leaders such as Thomas Jefferson's upholding of Social Darwinism have been misleading and harmful as their beliefs perpetuate the notion that people of color and other minorities are to blame for their own marginalization, ignoring the fact that several generations of people of color and anybody who is non-white and non-male have lacked access to public education at the hands of people in power. Throughout the evolution of America's public school system, policymakers have often circled back to the idea of separation as equality, whether it be through isolating vocation from academia in schools or forcing students to choose between assimilating to American culture or risking isolation. Emphasis on biased tests additionally obscure manufactured inequity in schools; for example, a kindergarten test administered in 1930 in Los Angeles caused over ⅔ of Mexican American public school students to be marked as slow learners. These ideas reinforce the idea of the "White man's burden" in which White people in power have the authority and believe in their own ultimate power to decide what is right for oppressed people in the U.S., and dictate their own narratives for them. The importance in addressing this issue lies in the fact that education opens opportunities for students' economic and emotional stability in the future; therefore, instability in these categories can contribute to increased cyclical inequality. In his proposed solution to these issues, Ryan argues that, beyond the desegregation of schools internally, there needs to be a holistic approach taken towards housing and the delineation of school districts. States need to incorporate school districts to promote integration, and subsidize lower income residents to allow them access to more neighborhoods. This, alongside increased cultural competency, respect and pedagogy, can help combat educational gentrification and segregation in the U.S.

Wolff, Edward N. (2021) : *Wealth inequality in the United States*, NBER Reporter, ISSN 0276-119X,

National Bureau of Economic Research (NBER), Cambridge, MA, Iss. 2, pp. 14-17

In his article, Edward N. Wolff explores the wealth trends from 1962 to 2019 to study how the role of leverage (borrowed capital with the goal of potential return on investment) and asset price movements, especially following the Great Recession, have exacerbated the wealth gap in the US. He notes that in America, the middle class had a high degree of leverage and high concentration of assets in their homes, which led to a large negative rate of return on their wealth during the great recession. This partly explains why wealth inequality climbed from 2007 to 2010 and further widened the wealth gap. He also explores how black and hispanic wealth climbed steadily until the great recession, with their mean net worth plunging in half. He also notes that 401(k)s, IRAs, and other tax-deferred assets are not the same as other sources of wealth like houses, stocks, and others because retirement funds can be valued much less when they are cashed out and are essentially not accessible for usual funds for many families.

Zewde, N., Rodriguez, S. R., & Glied, S. A. (2024). High-Deductible Health Insurance May Exacerbate Racial And Ethnic Wealth Disparities. *Health Affairs (Millwood, Va.)*, 43(10), 1455–1463.
<https://doi.org/10.1377/hlthaff.2023.01199>

This study explores how high-deductible health plans (HDHPs) reliance on household wealth introduces further racial wealth disparities beyond simply income and can further impact access to quality health care. It draws data from the Medical Expenditure Panel Survey (MEPS) which is a national survey of US civilians using data from respondents' insurance plans. The study compared similar income quartiles between white, black, and hispanic ethnic groups and found visible divergent levels of net worth. In the 3rd income quartile, median financial assets were nearly \$40,000 for white families but closer to \$20,000 for black and hispanic families with similar incomes. They also denote the wealth of enrollees in HDHPs with and without health care savings accounts, and found that the racial disparity existed in both cases, even with similar income levels. This provides strong correlation that beyond simply income, other factors contribute to a racial wealth gap, one of which is health insurance.

Looney, Adam and Kevin B. Moore (2015). "Changes in the Distribution of After-Tax Wealth: Has

Income Tax Policy Increased Wealth Inequality?,” Finance and Economics Discussion Series 2015-058. Washington: Board of Governors of the Federal Reserve System, <http://dx.doi.org/10.17016/FEDS.2015.058>.

In this article, Adam Looney and Kevin B. Moore used the Survey of Consumer Finances to find trends over time and income bracket to analyze the distribution of tax-deferred assets from 1989 to 2013. The novel aspect of how wealth trends were analyzed in this paper is that for a substantial share of Americans, wealth is held in tax-deferred form such as retirement accounts or as unrealized capital gains. However, most data/statistics on wealth measure pre-tax wealth, which may not provide an accurate measurement of the financial well-being of families. Stated simply, much of this tax-deferred money cannot be used to pay the bills for many families. They start off by first analyzing median and mean of pre-tax net worth, which has shown that from 2007 to 2013, the share of wealth for the bottom 90 percent decreased and the top 1 percent increased substantially. Next, they took a look at the share of net worth held in tax-deferred assets like IRAs, 401ks, etc and found that 30% of the majority of most people’s wealth was in these tax-deferred accounts. Further, they found that unrealized capital gains of the top 0.1 percent account for nearly 40 percent of wealth in 2013, whereas tax deferred assets only account for about 2 percent. This suggests that the majority of net worth for the top 0.1% exists in the form of untaxed unrealized capital gains, which is substantially different for lower tax brackets. Finally, they explore an alternative tax policy that taxes unrealized capital gains at ordinary income tax rates, and estimate that the after-tax wealth for the top 1 percent would be lower than the pre-tax share in every survey year. Policies such as these could help improve the wealth gap in the US.

Adames, Alexander, & Bryer, Ellen. “The Development of Racial Wealth Gaps in Early Adulthood.”

Social Science Research, vol. 120, May 2024, 103010. <https://doi.org/10.1016/j.ssresearch.2024.103010>

In this article, Adames and Bryer examine how racial wealth gaps form and expand during early adulthood, a critical stage in the life course when individuals typically begin accumulating assets,

establishing credit, and building financial independence. Using data from the National Longitudinal Survey of Youth (NLSY-97), which follows a nationally representative sample of individuals from adolescence into their mid-thirties, the authors track changes in net worth, home equity, financial assets, and debt across racial and ethnic lines. Their findings reveal that racial disparities in wealth emerge rapidly after individuals enter the labor market and widen consistently over time. Black-White and Hispanic-White gaps in net worth, savings, and investments grow throughout young adulthood, with the largest divergence occurring in financial assets such as stocks, savings, and retirement accounts. The authors also conduct decomposition analyses showing that differences in financial asset ownership and returns explain a greater share of wealth inequality than disparities in homeownership or debt. These results suggest that the accumulation of financial capital, rather than housing or education alone, plays a central role in the intergenerational transmission of inequality. The study provides important evidence that wealth gaps are not confined to older households but are produced and compounded early in adulthood, reflecting structural barriers to asset accumulation that persist across generations. This article contributes valuable context for our project by illustrating how wealth inequality operates across the life course and reinforcing that the disparities observed in Los Angeles mirror a broader national pattern of systemic disadvantage. Although the study's national scope does not directly address region-specific factors such as local housing markets or employment segregation, its longitudinal approach offers a crucial foundation for understanding how early-life inequalities grow into entrenched racial wealth divides later in life.

McConnell, Eileen Diaz. (2012). *House Poor in Los Angeles: Examining Patterns of Housing-Induced Poverty by Race, Nativity, and Legal Status*. *Housing Policy Debate*, 22(4), 605–631.

<https://doi.org/10.1080/10511482.2012.697908>

Through the residual income methodology, McConnell in her paper assesses living cost honesty in Los Angeles by taking into account the income left to households after paying for housing. As

a basis for her work, she utilizes Wave 1 of the Los Angeles Family and Neighborhood Survey (approximately 3,000 households), where she carries out logistic regressions in order to assess the probability of "housing-induced poverty" across five different groups: U.S.-born Latinos, White non-Hispanics, Black people, legal Latino immigrants, and illegal Latino immigrants. The research, however, finds that the native Latinos are, for the most part, the only ones experiencing housing-induced poverty compared to Black people and Latino immigrants, while unauthorized Latino immigrants are not counted among the high-risk groups once covariates are included. In another capacity, the paper highlights how the residual-income standard may be more telling than the 30-percent rule, notably in expensive metropolitan areas like Los Angeles. This piece of literature backs up the Los Angeles segment of your project by correlating high housing prices with non-estate and non-consumable incomes, which in turn explains the persistence of racial and nativity-based wealth gaps even when households are said to "meet" the conventional affordability ratios.