

Racial wealth inequality overlooked as cause of urban unrest, study says

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More than 50 years ago, riots tore through many U.S. cities, prompting national scrutiny of the root causes. Yet a half-century later, says new research, a key contributor to the social upheaval of the 1960s remains under-explored: racial wealth inequality.

Meanwhile, the racial [wealth](#) gap that helped fuel the urban violence of the 1960s has only grown, says new research from Duke University, UCLA and the New School.

"Los Angeles may be headed into a new round of problems given growing economic inequality and declining housing affordability," the authors write.

The 1965 Watts riots in Los Angeles were among many urban uprisings of the late 1960s that led President Lyndon B. Johnson to create the National Advisory Commission on Civil Disorders, or Kerner Commission. The unrest also spurred California's McCone Commission report.

Both reports recommended addressing [racial inequality](#) through improved transportation, education, better policing and more affordable rental housing. Both cited poor housing conditions as the most severe root cause of rioting.

But they missed the importance of barriers to wealth creation and [home ownership](#) by black and Latino residents as a contributing cause, the

study says. Neither study commission recommended policies that would have supported wealth-building for households from those communities, such as ending discriminatory mortgage lending practices, curbing residential segregation, and, generally, increasing access to assets.

"Inquiries like the Kerner Commission's and the McCone Commission's, as well as those undertaken by academic researchers, consistently have looked exclusively at income and earnings—and have ignored wealth," said co-author William Darity Jr. "But wealth deprivation seems to have played an important role in producing urban uprisings in black and Latino communities. Los Angeles provides a powerful illustration."

Darity is a professor of public policy, African American studies and economics and director of the Samuel DuBois Cook Center on Social Equity at Duke University.

Persistent socioeconomic problems and frustrations among residents of South-Central Los Angeles also set the stage for another period of unrest, riots that occurred in 1992 following the Rodney King verdict, the authors write.

Over the last 50 years, lack of wealth among black and Latino households and low rates of home ownership in South-Central L.A. have worsened, the report says. Home ownership rates in South Los Angeles dropped from 40.5 percent in 1960 to 31.8 percent in 2015.

The foreclosure crisis that began in 2006 also exacerbated wealth inequality along racial lines. Black and Latino households were more exposed to foreclosures, job loss and declines in home equity than non-Hispanic whites. Asian Americans experienced even larger losses in wealth than blacks and whites. Because they entered the Great Recession with a higher level of wealth, though, Asian-Americans remained relatively wealthy even after the downturn.

During the recovery of the past 12 years, speculative real estate investments and gentrification have expanded in South Los Angeles, making housing increasingly unaffordable for low income and minority residents.

Changes in the immigrant population of the area over the last 50 years have created a more complex landscape of racial inequality, but black and Latino households remain at the bottom of the wealth scale.

"Fifty years later, for every dollar of wealth held by the average white household, black and Mexican households have 1 cent, Koreans 7 cents, other Latinos 12 cents and Vietnamese 17 cents," the authors write.

The article was published September 4 by the *Russell Sage Foundation Journal of the Social Sciences*.

More information: "Fifty Years After the Kerner Commission Report: Place, Housing, and Racial Wealth Inequality in Los Angeles," De La Cruz-Viesca, Melany; Paul M. Ong; Andre Comandon; William A. Darity Jr.; and Darrick Hamilton. 2018. *RSF: The Russell Sage Foundation Journal of the Social Sciences* 4(6): 160–84. [DOI: 10.7758/RSF.2018.4.6.08](https://doi.org/10.7758/RSF.2018.4.6.08)

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