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75 Must Know Statistics About Race, Income and Wealth

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Systemic racism doesn't only have to do with how African Americans are treated by police and our justice system. Sadly, it is just one dimension of a much broader problem. As Andrew Cuomo recently explained, [the COVID pandemic is disproportionately impacting African Americans](#) and Hispanic Americans. And the divergent gaps in earnings and assets between various communities in this country is responsible for deep-seated economic inequalities that we as a nation can and should address.

To better understand the scope of the wealth gap, we are sharing this detailed investigation into the subject. Here are some highlights:

- The median net worth of a white household in the United States is 10 times greater than that of a black household, a disparity that has grown over the past half-century.
- Having wealth means having a personal safety net to deal with life's emergencies. Measuring by liquid assets, an average white family has six times more cash on hand than the average black family.
- Having wealth eases the path to a college education and homeownership, both of which are also significant wealth creators. And, of course, having wealth provides the ability to build more of it through investing.

75 Must Know Statistics About Race, Income, and Wealth

By: Christine Benz, Morningstar

Income and wealth disparities along racial lines have repercussions for all aspects of life in the U.S.: education, health, homeownership, retirement, and life expectancy.

Racial inequality in the United States has many dimensions, but one of the most impactful and broad-ranging is economic. On average, people of color experience significantly lower levels of income, retirement savings, and rates of homeownership than white Americans. Those shortfalls contribute mightily to other ill effects: poorer healthcare outcomes, lower educational attainment, and shorter life expectancies, for example.

Making strides toward improving these issues, let alone solving them, is far from simple. But a key first step is acknowledging and understanding the magnitude of the problem. And if there's a single positive associated with financial inequality along racial lines, it's that it's incredibly easy to demonstrate with data.

Here are some key statistics about the impact of the racial divide for income, savings, and overall financial well-being.

Income

\$41,692: Real median household income, African-American households in the U.S., 2018.

\$70,742: Real median household income, non-Hispanic white households in the U.S., 2018.

\$51,450: Real median household income, Hispanic households in the U.S., 2018.

\$87,194: Real median household income, Asian households in the U.S., 2018.

-2.1%: Real income growth between 2007-18, African-American households in the U.S.

2.3%: Real income growth between 2007-18, non-Hispanic white households in the U.S.

13.1%: Real income growth between 2007-18, Hispanic households in the U.S.

0.7%: Real income growth between 2007-18, Asian households in the U.S.

\$0.59: The amount earned by the median black household for every \$1 earned by the median white household in the U.S., 2018.

\$0.73: The amount earned by the median Hispanic household for every \$1 earned by the median white household in the U.S., 2018.

Poverty

20.8%: Poverty rate among African-Americans, 2018.

10.1%: Poverty rate among whites, 2018.

17.6%: Poverty rate among Hispanics, 2018.

10.1%: Poverty rate among Asians, 2018.

32.0%: Poverty rate among African-American children (under 18), 2018.

11.0%: Poverty rate among non-Hispanic white children (under 18), 2018.

26.0%: Poverty rate among Hispanic children (under 18), 2018.

18.9%: Poverty rate among African-American people age 65 and above, 2018.

7.3%: Poverty rate among white people age 65 and above, 2018.

19.5%: Poverty rate among Hispanic people age 65 and above, 2018.
25.0%: Poverty rate among African-American women age 65 and above, 2012.
14.0%: Poverty rate among white women age 65 and above, 2012.
31.0%: Poverty rate among Hispanic women age 65 and above, 2012.

Household Net Worth

\$16,300: Median household net worth, all African-American households, 2016.
\$162,770: Median household net worth, all white households, 2016.
\$21,360: Median household net worth, Hispanic households, 2016.
\$102,000: Median household net worth, all other, 2016.
\$10,010: Median household net worth, African-American households where household head completed high school only, 2016.
\$100,600: Median household net worth, white households where household head completed high school only, 2016.
\$26,800: Median household net worth, Hispanic households where household head completed high school only, 2016.
\$52,301: Median household net worth, all other households where household head completed high school only, 2016.
\$68,300: Median household net worth, African-American households where household head has college degree, 2016.
\$391,000: Median household net worth, white households where household head has college degree, 2016.
\$73,910: Median household net worth, Hispanic households where household head has college degree, 2016.
\$368,600: Median household net worth, all other households where household head has college degree, 2016.

Retirement/Retirement Assets

41%: Percentage of African-American families with retirement savings, 2016.
68%: Percentage of white families with retirement savings, 2016.
35%: Percentage of Hispanic families with retirement savings, 2016.
26%: Percentage of African-American families with retirement savings, 1989.
57%: Percentage of white families with retirement savings, 1989.
22%: Percentage of Hispanic families with retirement savings, 1989.
\$29,200: Median savings for African-American families age 32-61 with retirement account savings, 2016.
\$79,500: Median savings for white families age 32-61 with retirement account savings, 2016.
\$23,000: Median savings for Hispanic families age 32-61 with retirement account savings, 2016.
33%: Percentage of African-American families participating in a 401(k)-style defined-contribution plan, 2016.
51%: Percentage of non-Hispanic white families participating in a 401(k)-style defined-contribution plan, 2016.
28%: Percentage of Hispanic families participating in a 401(k)-style defined-contribution plan, 2016.
17%: Percentage of African-American families covered by a pension, 2016.

21%: Percentage of non-Hispanic white families covered by a pension, 2016.
13%: Percentage of Hispanic families covered by a pension, 2016.
33%: Percentage of African-Americans age 65 and older for whom Social Security is their sole source of retirement income.
18%: Percentage of whites age 65 and older for whom Social Security is their sole source of retirement income.
40%: Percentage of Hispanics age 65 and older for whom Social Security is their sole source of retirement income.
85%: The average monthly Social Security retirement benefit for African-Americans as a percentage of the average benefit for white retirees.

Homeownership

44%: Rate of homeownership among African-American households, 2020.
74%: Rate of homeownership among non-Hispanic white households, 2020.
49%: Rate of homeownership among Hispanic households, 2020.
\$56,000: Median home equity, African-American homeowners, 2015.
\$100,000: Median home equity, white homeowners, 2015.
\$65,000: Median home equity, Hispanic homeowners.

Education

24%: Percentage of African-American population with a bachelor's degree or higher, 2017.
38%: Percentage of white population with a bachelor's degree or higher, 2017.
17%: Percentage of Hispanic population with a bachelor's degree or higher, 2017.
\$23,400: Average amount of student-loan debt at graduation for African-American students who have earned their bachelor's degrees.
\$16,000: Average amount of student-loan debt at graduation for white students who have earned their bachelor's degrees.
\$52,726: Average amount of student-loan debt four years after graduation for African-American college graduates.
\$28,006: Average amount of student-loan debt four years after graduation for white college graduates.
40%: Percentage of African-American college graduates who take on debt to pay for graduate school.
22%: Percentage of white college graduates who take on debt to pay for graduate school.

Life Expectancy

77.9 years: Life expectancy at birth, African-American women, 2016.
71.5 years: Life expectancy at birth, African-American men, 2016.
81.0 years: Life expectancy at birth, white women, 2016.
76.1 years: Life expectancy at birth, white men, 2016.
84.2 years: Life expectancy at birth, Hispanic women, 2016.
79.1 years: Life expectancy at birth, Hispanic men, 2016.

My staff and I deeply appreciate the continuing opportunity to work with you. Please let me know if you have any questions or requests. Thank you.

Sincerely,

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