

Why Do a Racial Wealth Barrier Study?



EXECUTIVE SUMMARY

The path to economic opportunity has been paved in the Portland area and the United States for some but not all. These inequities inhibit our region's ability to make the most of the talents of every person, which harms us all. A study of the "Color of Wealth in the Portland Area" would provide insights to policy makers who seek to address barriers to equitable attainment of wealth and assets related to race.

THE CHALLENGE

Racial inequality can impede efforts to build wealth, leading to cycles of poverty, particularly for racial minorities, whom research shows are experience poverty at higher rates nationwide. The Portland metro area lacks a body of research on the local racial wealth barriers, an omission that makes it difficult to develop community-specific policy and program solutions.

The local community would benefit from a study examining the asset and debt positions of racial and ethnic groups in Multnomah, Clackamas and Washington counties. The result of such work would help to improve the overall social well-being of this community by reducing poverty and improving intergenerational mobility, family stability, economic opportunity, security and help people access to more opportunities.

The primary source of wealth for most Americans with positive net worth is the transfer of resources, especially inheritance and bequests, within a family. These transfers account for more of the wealth position of Americans than any other demographic or socioeconomic measure, including education, income and household structure.

However, most information on wealth and debt is not collected at the local level and considers only broad demographic categories. To better understand and address the needs of local residents, we need to know what racial disparities are prohibiting people from acquiring wealth in the Portland region.



IF AVERAGE BLACK FAMILY WEALTH CONTINUES TO GROW AT THE SAME PACE IT HAS OVER THE PAST THREE DECADES, IT WOULD TAKE BLACK FAMILIES 228 YEARS TO AMASS THE SAME AMOUNT OF WEALTH WHITE FAMILIES HAVE TODAY.

- Institute for Policy Studies and CFED, 2016.

BUDGET

Survey: \$82,000
Analysis: \$35,000*
Grand Total: \$117,000

*Analysis by PSU, Duke, New School

POTENTIAL PARTNERS

Oregon Community Foundation
Portland Development Commission
Meyer Memorial Trust
Collins Foundation
Multnomah County Health Department
Northstar Foundation

Oregon Business Council
Stoll Berne
NW Health Foundation
Coalition of Communities of Color
City of Portland
City of Gresham

STRATEGIES

As part of its ongoing effort to help residents acquire assets and build wealth, the Multnomah Idea Lab, plans to gather detailed demographic information on racial and ethnic subgroups, age, sex, educational attainment, household composition, nativity, income and family background of people experiencing poverty in the tri-county region. The survey will also gather information about assets, liabilities, financial resources, personal savings and investment activities, among other things.

The survey method will be modeled on the National Asset Scorecard for Communities of Color. The MIL will partner with Portland State University Survey Research Lab, researchers from Duke University, the New School and EcoNorthwest to conduct the research.

The partnership of community organizations, members of the business community and local governments also will be necessary to complete the research.

The resulting report, will provide reliable information to grassroots organizations to support their efforts to address racial disparities. The report will also provide a set of tangible, implementable policy proposals that target the identified factors that drive wealth-related racial barriers in the Portland area.

The report is modeled on the series “Color of Wealth” and is the first of its kind. It provides insights into the barriers to racial wealth equity that policy makers who work at the local level do not have without the report.



DATA THAT TRULY REFLECTS THE DIVERSE AND EMERGING PATTERNS OF WEALTH INEQUALITY ACROSS SPECIFIC ETHNIC AND RACIAL GROUPS HAS BEEN HARD TO COME BY.
- *William Darity, Duke University*

TIMELINE

