3. The quote on the "basis of real democracy ..." is from Myrdal 1944, 223.
4. For the percentage of white applicants for Southern Homestead Land Act see Lanza 1990.
5. The quote on "the freedman's badge of color ..." is from Lanza 1990, 87.
6. "'No, ' he said emphatically ..." The quote is from Myrdal 1944, 226-27.
7. "When the avenues of wealth opened" is from John Rock's Address to the Boston Antislavery Society, March 5, 1858.
8. For discussions of the suburbanization of America see Feagin and Parker 1990; Jackson 1985; Lipsitz 1995; and Squires 1994.
9. On the constrainment of black American's residential opportunities see Jackson 1985.
10. For quotations from *Crabgrass Frontier* on the discriminatory impact of HOLC standards see Jackson 1985, 196.
11. "We had been paying ..." The quote is from Jackson 1985, 206.
12. The quote on "real estate subject to covenants" is from Jackson 1985, 208. See also Bell 1992b, 691–94.
13. On FHA "redlining" see Lipsitz 1995.
14. Levittown's exclusion of blacks. The quote is from Jackson 1985, 241.
15. On banking discrimination and redlining in Atlanta see Dedman 1988.
16. On lending bias in the nation's capital see Brenner and Spayd 1993.
17. On "reverse redlining" see Zuckoff 1993.
18. For the study of high-interest loans in Boston see *Boston Globe* 1991a.
19. On "social inequality" see Weber 1946.
20. For discussions of the improvements in blacks' social status between the 1960s and the 1980s see Hacker 1992; Jaynes and Williams 1989; and Wilson 1987.
21. For figures on black elected officials see *Black Elected Officials* from the Joint Center for Political Studies 1993.
22. The quote on African American political powers is from Yetman 1991, 394.
23. For information on the trends in education for blacks see Carnoy 1994; Jaynes and Williams 1989; and Yetman 1991.
24. On black-white differentials on social and medical well-being see Carnoy 1994; Hacker 1992; Jaynes and Williams 1989; Thio 1992; and Wilson 1987.
25. For the quote on "the status of black America today ..." see Jaynes and Williams 1989, 4.
26. On black middle-income earners see Wilson 1987.
27. On black-to-white ratio of net financial assets see Oliver and Shapiro 1989.
28. For the quote on Americans' deteriorating living standards see Harrison and Bluestone 1988, 137.
29. On the adverse effects for blacks of slow job growth and deindustrialization see Danziger and Gottschalk 1993 and Hill and Negrey 1989.
30. On the changing quality of life for middle-class families see Levy 1987 and Schor 1991.

31. On it took 21 percent of the average wage of a 30-year old male see Levy and Michel 1986.
32. For by 1990 the average home consumed nearly one-half see Oliver and Shapiro 1992.
33. For the kinds of adjustments made by young families in order to purchase a home see Levy and Michel 1986.
34. On economic conditions during the 1990s see Danziger and Gottschalk 1993; Harrison and Bluestone 1988; and Levy and Michel 1991.
35. For the quote on "caste and class restraints ..." see Phillips 1990, 19.
36. Four percent of the richest men ... see Dye 1979, 200.
37. For discussion of inherited wealth and financial success see Kessler and Masson 1988, Wolff 1987a, and Kotlikoff and Summers 1981.
38. On the distinction between wealth and income see Wolff 1995.
39. For information on wealth data see Turner and Starnes 1976. Soltow 1989 discusses the comparative value of older and more recent data on wealth in the United States
40. For the quote on "income inequality in the United States ..." see Kerbo 1983, 32.

Chapter 2

1. For discussions of black-white inequality see Farley 1984; Farley and Allen 1987; Jaynes and Williams 1989; and West 1994. The notion of "two nations" comes from Hacker 1992.
2. The quote on "the most disadvantaged ..." comes from Wilson 1987, 8.
3. The notion of the "structural linchpin of American racial inequality" comes from Bobo 1989, 307.
4. For discussions of race and racism see Omi and Winant 1986.
5. "Ownership ..." The quote is from Franklin 1991, xviii.
6. For discussions of class as a factor in racial inequality see Baran and Sweezy 1966 and Cox 1948.
7. For discussion of black-white class solidarity see Hill 1977 and Jacobson 1968.
8. On structural changes in employment see Johnson and Oliver 1992; Kasarda 1988; and Wilson 1987.
9. On negative racial attitudes and employment see Kirschenman and Neckerman 1991.
10. On slavery's effect on black savings habits see Butler 1991; Light 1972; and Myrdal 1944.
11. For the quote on "three-quarters of America's colonial families" see Anderson 1994, 123.
12. On black homesteaders in California see Beasley 1919.
13. On the exclusion of blacks from New Deal legislation see Quadagno 1994, 20–24.
14. The quote on black earnings and social security taxes comes from Quadagno 1994, 161, and the one on black women's taxes subsidizing "the benefits of white housewives" comes from ibid, 162.

15. For the quote on Boyle Heights see Lipsitz 1995.
16. For the quote on "legal restrictions ..." see Thomas 1992, 140.
17. "White households will begin ..." The quote is from Mieszkowski and Syron 1979, 35.
18. "In sum ..." The quote is from Franklin 1991, 126.
19. On community decline see Skogan 1990.
20. On the nature of the AFDC program see Rank 1994 and Stack 1974.
21. Figures on black and Hispanic AFDC recipients come from Sherraden 1991, 63.
22. "The assets test ..." The quote comes from Sherraden 1991, 64.
23. For the relation between "means tested" and "non-means tested" social insurance programs see Katz 1986, 247.
24. For the 1989 capital gains income figures see Barlett and Steele 1992.
25. On blacks and the tax benefits accruing to home ownership see Jackman and Jackman 1980; Ong and Grigsby 1988; and Horton and Thomas 1993.
26. On blacks' so-called self-employment failings in relation to Japanese and Jewish ethics see Light 1972 and 1980.
27. For a discussion of racial stereotypes in self-employment see Butler 1991, 1–78.
28. The central notion of blacks' unparalleled levels of hardship with respect to self-employment cannot be developed within the confines of this discussion. Several works state the case well. See Part 1 in Blauner 1972 for a theoretical discussion; Du Bois 1935 for a monumental discussion of Reconstruction; Eric Foner 1988 and C. Van Woodward 1955 for trenchant analyses of Jim Crow; and Baron 1971, Bloch 1969, and Bonacich 1976 for penetrating studies of the integration of blacks into the industrial order.
29. On the deficit model of black business failure see Frazier 1957 and Light 1972.
30. For the quote on nonblack ethnics' ability to "enter the open market ..." see Butler 1991, 71.
31. For a discussion of Japanese business success outside the Japanese community see Bonacich and Modell 1980.
32. "It is true throughout history ..." The quote is from Butler 1991, 72.
33. "This [exclusion from the market] is not his preference ..." The quote is from Stuart 1940, xxiii.
34. The quote on "centuries of unrequited toil ..." can also be found in Stuart 1940, xxiii.
35. "Seeking a way ..." The quote is from Stuart 1940, xxxi.
36. For the various occupations and businesses of blacks in Philadelphia in 1838 see Butler 1991, 38.
37. On the business ventures of free blacks during Reconstruction see Harris 1936, 9.
38. On Cincinnati as the "center of enterprise ..." see Butler 1991, 42.
39. On nineteenth-century black instruments of capital formation and business development see Butler 1991, 41–48.

40. "Between 1867 and 1917 ..." The quote is from Butler 1991, 147.
41. "Restricted patronage does not permit ..." The quote is from Pierce 1947, 31.
42. On the blacks' business enclave in Durham, North Carolina, see Butler 1991, 180.
43. "There was grumbling ..." The quote is from Prather 1984, 179. The quote on the impact of "the massacres" is from ibid., 183.
44. For information on the Greenwood district in Tulsa see Butler 1991, 206–21.
45. "Every increase in the price of oil ..." The quote is from Butler 1991, 221.
46. "What happened in Tulsa ..." The quote is from Butler 1991, 209.
47. On schooling in the South during Reconstruction see Jaynes 1986 and Lieberson 1980. On blacks in the smokestack industries see Bloch 1969 and Bonacich 1976.
48. On the connection between white wealth and black poverty see Blauner 1972; Lipsitz 1995; and Thurow 1975.
49. On housing values during the 1970s see Adams 1988 and Stutz and Kartman 1982.
50. On the upcoming transfer of housing wealth to the postwar generation of whites see Levy and Michel 1991.

Chapter 3

1. On field surveys of wealth concentrations see Ericksen 1988.
   The 1983 SCF sample included 3, 824 households and, "to increase the representation of the wealthy in the survey," 438 high-income families drawn from tax files (see Avery et al. 1986). SCF is a stratified sample, which oversamples the rich. The SCF survey design is particularly valuable in investigating the general distribution and concentration of wealth, because it oversamples wealthy households and therefore captures large wealth holdings better than SIPP.
2. SIPP respondents are drawn from the resident population of the United States excluding persons living in institutions and military barracks. SIPP was a multipanel survey that introduced a new sample at the beginning of four successive calendar years starting in 1984. SIPP was also a longitudinal survey in which each sampled household was reinterviewed at four month intervals for a total of seven interviews, or "waves." The selection of households used in the survey was based on sample selection methods similar to those used for the Current Population Survey (see U.S. Bureau of the Census 1990). The initial 1984 SIPP panel surveyed more than 20, 000 households. After weeding out households that could not be reinterviewed or for which SIPP estimated data, we were left with 11,257 households.
3. Pension funds. There is some disagreement among scholars as to whether or not social security, private pensions, and defined contribution programs constitute wealth. For a discussion ofthese issues see Levy and Michel 1991, 119–23. Even though these pensions clearly provide a measure of

ments than whites. Given what we already know about parental economic well-being, inheritance, and parental gift-giving behavior, we confidently believe that, if anything, whites pay a higher percentage of purchase price in down payment than blacks. If this is the case, then, the proxy understates racial differences in housing appreciation.

29. Mean value. The mean statistic is more appropriate here because it is more sensitive to extreme values. Medians would place an artificial cap on "average" housing appreciation.
30. The racial net worth difference. The mean total net worth for white homeowners with mortgages is $118, 625 and for blacks it is $54, 975, resulting in a $63, 650 difference.
31. Regression analysis. Along with race, the regression considered a number of likely control variables, such as regions with high housing inflation (the Northeast and West), year the home was bought, the amount of the first mortgage, and whether the home was located in a hypersegregated city. A list of twenty-six hypersegregated cities was taken from Massey and Denton 1988. All these factors are significant contributors in determining housing appreciation, as indicated by results displayed in table A6.7.
32. Several studies. See Johnson and Oliver 1992; and Kasarda 1988, 1990.
33. $58 Billion. This figure is arrived at by multiplying the $21, 917 difference in housing appreciation by 2.65 million blacks with mortgages.
34. 177, 501 applications. See Federal Reserve Bulletin 1992.
35. Table 6.4. If the parent's occupational code was not available, then the occupational code of the spouse's parent was used instead.
36. Our occupational-mobility results stand in stark contrast to Hauser and Featherman's (1977) exhaustive findings. The differences may be due in part to the use of different samples, our inclusion of both men and women, and our substitution of any parent's occupation for that of the father.

Chapter 7

1. Quote on no prejudice in the Yankee see Rock 1858.
2. David Dinkins. The quote is from Cose 1993, 28.
3. Middle-class blacks "tell of mistreatment ..." The quote is from Feagin and Sikes 1994, 15.
4. "The secret point of money ..." The quote is from Didion's 1967 essay "7000 Romaine, Los Angeles" reprinted in Didion 1968, 71.
5. On restrictive covenants see Zarembka 1990, 101–2. On the Fair Housing Act see ibid., 106.
6. Our emphasis on asset acquisition is not meant to discount the need for income and employment policy. On the contrary, we believe that it is imperative to institute policies that encourage full employment at wages consistent with a decent standard of living. In fact, many of our proposals assume that people have some kind of income. However, to dwell on the intricacies of this area would divert our attention from the unique implications of our argument. There are several important proposals already under discussion that merit serious consideration (see Carnoy 1994; Ellwood 1988; Weir 1992; Wilson 1987).
7. "Asset accumulation ..." The quote is from Sherraden 1991, 294.
8. "Only after a business plan ..." The quote is from Sherraden 1991, 256–57.
9. The Congressional Joint Taxation Committee. See Dreier and Atlas 1994.
10. "Different dollar bills ..." The quote is from Barlett and Steele 1994, 29.
11. "Better still ..." The quotes are from Barlett and Steele 1994, 335.
12. Low-income and minority neighborhoods. Our focus is on the role of financial institutions in providing mortgages. However, an equally important aspect of the low wealth accumulation of black households has been persistent residential segregation. Massey and Denton (1993, 186–216) have provided a blueprint for policy in this area that we need not rehash here. Their proposals, if implemented, would be an important complement to the ones we suggest regarding lending discrimination.
13. "Fair lending ..." The quote is from Federal Reserve Bank of Boston 1993.
14. "Fleet did nothing ..." The quote is from Ryan and Wilke 1994, A5.
15. "Lingering negative effects ..." The quote is from U.S. House of Representatives 1993.
16. The quote on "the costs of federal policies and programs" is from Edsall and Edsall 1991, 11.
17. "The negative intertwining ..." The quote is from Carnoy 1994, 225–26.
18. On efforts to "promote entrepreneurship among [black] community residents" in Los Angeles see Jackson, Johnson, and Farrell 1994.
19. Self-help books. See Anderson 1994 and Fraser 1994.
20. If "one lost ..." The quote is from Morrison 1987, 110.

Chapter 8

1. Wolff, 2004.
2. Johnson, 2005.
3. Johnson, 2005.
4. The vision of an ownership society is one developed by libertarian conservatives and co-opts much of the language used by proponents of asset-based social policy. They too focus on the social impact of asset ownership: "Just as homeownership creates responsible homeowners, widespread ownership of other assets creates responsible citizens. People who are owners feel more dignity, more pride, and more confidence. They have a stronger stake, not just in their own property, but in their community and their society; People can also profit by improving themselves, of course, through education and the development of good habits, as long as they are allowed to reap the profits that come from such improvement," and "Another benefit of private property ownership, not so clearly economic, is that it diffuses power ... The institution of private property gives many individuals a place to call their own, a place where they are safe

from depredation by others and by the state." (See Boaz, 2005.) However, this vision is distinct from the vision of an inclusive perspective on asset building. There is no commitment to progressive benefits for the poor and disadvantaged but rather a commitment to purely market and regulatory reforms that eschew direct benefits and subsidies to the poor that enable them to accumulate assets. The conservative ownership society is premised on assets as a substitute, not a complement to the social safety net. As such, the policies that it implicitly and explicitly supports tend to widen rather than lessen wealth inequality.

Bush's ownership society promotes a program that turns away from well-established, successful strategies of broadening ownership, placing a far greater burden of risk on individuals. We think it is not coincidental that the conservative–libertarian ownership society push comes at a time when social investments are being reduced and risks shifted from public to private. For example, health insurance and pension coverage are shifting from government and employers onto individuals (see Brown et al.).

5. Oliver and Shapiro, p. 30
6. Oliver and Shapiro, p. 32.
7. Oliver and Shapiro, pp. 85–86.
8. Shapiro, 2004a.
9. Kochhar.
10. Federation of Consumer Services data yield a more narrowed ratio. These data are inconsistent with virtually all other data measuring wealth inequality. We are not confident with its methodology or operational definitions of wealth. See Consumer Federation of America and BET.com, 2003.
11. We adjusted the 1988 figure originally reported in the book to reflect 2002 dollars.
12. Oliver and Shapiro, p. 36.
13. Oliver and Shapiro, p. 51.
14. The National Bureau of Economic Research's Business Cycle Committee keeps track of business expansions and recessions; see http://www.nber.org/cycles/recessions.html. For a general overview of the Clinton expansion's impact on the poor, see Blank and Ellwood.
15. Bradbury, p. 14, and Holzer, Raphael, and Stoll.
16. Bradbury, p. 14.
17. Bradbury, p. 15.
18. Bradbury, p. 4.
19. Shiller. Also see http://www.irrationalexuberance.com/index.htm for historical data on the stock market.
20. See quarterly stock prices for Yahoo at http://finance.yahoo.com/q/hp?s=YHOO&a=03&b=12&c=1996&d=07&e=14&f=2005&g=m&z=66&y=66.
21. The origin of the descriptor "irrational exuberance" is found in a speech by Federal Reserve Board Chairman Alan Greenspan, 1996.
22. These data are from a survey of high-income blacks (yearly incomes of $50, 000 or more) sponsored by Ariel Mutual Funds/Charles Schwab & Co., Inc. This very valuable survey examines the financial behavior, asset value, and composition of this group of African Americans. See Black Investor Survey.

23. Black Investor Survey.
24. Kochhar, p. 18.
25. Rusk.
26. Shapiro, 2004a.
27. Affordable home ownership is conceptualized as home ownership that costs no more than 30 percent of housing costs for a family of four at 80 percent of the region's median income.
28. The exemplar for "easing" regulatory oversight and financial institution accountability was the repeal of the Glass-Steagall Act of 1933. This act was designed to protect the public from collusion between commercial banks, insurance companies, and brokerage firms, which contributed to the stock market crash of 1929. The Financial Services Modernization Act of 1999 does away with restrictions on the integration of banking, insurance, and stock trading, which has encouraged a rash of mergers leading to greater concentration in the financial sector. As a result, banks were looking for new markets and were anxious to provide new products. As part of the 1999 Act, regular oversight opportunities provided to community organizations through the Community Reinvestment Act were relaxed considerably. Consequently, the frequency of CRA examinations was limited. See Berton and Futterman.
29. Joint Center for Housing Studies, 2005.
30. Silva and Epstein.
31. Draut and Silva.
32. Silva and Epstein.
33. This section uses SIPP data from 2002 as reported in the Pew Hispanic Center report.
34. Joint Center for Housing Studies, 2004.
35. Silva.
36. These are based on distribution of mean worth, so the figure for whites, in particular, because of the skewed distribution, looks low and vastly understates the importance of home equity in the wealth portfolios of middle-class white families (Kochhar).
37. Joint Center for Housing Studies, 2005.
38. Quercia, Stegman, and Davis.
39. Quercia, Stegman, and Davis.
40. Duda and Apgar.
41. National Community Reinvestment Coalition; Adams.
42. Joint Center for Housing Studies, 2005.
43. Joint Center for Housing Studies, 2005.
44. Dickerson.
45. Crockett.
46. Himmelstein et al.
47. Stuart.
48. Cited in African American Market Profile. Magazine Publishers of America, http://www.magazine.org/content/files/market_profile_black.pdf.

49. The Brookings Institution.
50. The Brookings Institution; Center for Responsible Lending, 2005a; 2005b.
51. The Brookings Institution, pp. 5–6.
52. Joint Center Data Bank.
53. Crockett; Dyson.
54. Sharon Collins.
55. Harison and Karberg.
56. Blumstein and Beck.
57. Mauer.
58. Wacquant 2000, 2001
59. Wacquant 2001, pp. 83–84.
60. Petit and Western.

Chapter 9

1. Oliver and Shapiro, p. 177.
2. See Grusky; Ferguson; Shapiro, 2004b; Giddens, Dunier, and Applebaum.
3. Kim and Lee; Holme; Shanks.
4. Prior to the mid-1980s, there was little reliable information on wealth and liabilities of normal American families. Since then, several excellent, nationally representative surveys began collecting and reporting wealth data. These include the Panel Study on Income Dynamics, the Survey on Income and Program Participation, and the Health and Retirement Survey.
5. Chiteji and Stafford; Segal and Sullivan.
6. Keister.
7. The work of Edward Wolff anchors much of the wealth inequality field, especially see his *Top Heavy*. Many scholars have made important contributions to understanding racial wealth inequality. This includes the work of Alontji, Doraszelski, and Segal; Kerwin and Hurst; Scholz and Levine; and Hao. The work of Mariko Chang also has been important.
8. Moran and Whitford; and Harris.
9. Moran and Whitford.
10. A conceptualization on wealth as an essential component of class refocuses the analytic discussion to family and property relations and how wealth is accumulated by and inherited through families. Family and history thus regain prime stature in discussions about class. Patricia Hill Collins.
11. Banks.
12. Lipsitz.
13. Roediger, 2000; 2005; Ignatiev; Brodkin.
14. See Doan and Bonilla-Silva.
15. Birney and Shapiro.
16. Greenberg Quinlan Rosner Research conducted the survey for OMB Watch. See http://www.ombwatch.org site for data.

17. http://www.faireconomy.org/Maine/index.html
18. Testimony given July 21 before the Senate Committee on Banking, Housing, and Urban Affairs.
19. OMB Watch.
20. http://www.ombwatch.org/estatetax/pdf/Estate_Tax_Principles_Final_03.pdf.
21. A recent Congressional Budget Office report effectively lays to rest the myth that the estate tax poses a significant threat to America's farms and small businesses by levying too large a tax on families who cannot afford to pay it. This has been a main claim made by anti–estate tax proponents, including President Bush. The report finds that very few farms are affected by the estate tax with 2005 exemption levels (and thus even fewer would be affected by exemption levels through 2009). In fact, if the current exemption level of $1.5 million had been in place in 2000, only three hundred farms would have owed any estate tax. Raising the exemption to $3.5 million, the 2009 level, drops the number of farms affected to sixty-five. Furthermore, those very few farms have sufficient liquid financial resources to pay the estate tax. See "Effects of the Estate Tax on Farms and Small Businesses," July, 2005. http://www.cbo.gov/ftpdocs/65xx/doc6512/07-06-EstateTax.pdf.
22. Shapiro 2004a, p. 196.
23. See Cato Institute Web site. Many of these arguments were picked up by the Bush administration.
24. Survivors' benefits lifted one million children out of poverty and helped another one million avoid extreme poverty (living below half the poverty line). See Spriggs 2005b.
25. Again, see the Cato Institute Web site.
26. See his work on the Economic Policy Institute and Dollars and Sense Web sites.
27. Spriggs, 2005a.
28. This idea is developed in an op-ed by Stoesz, Sherraden, and Shapiro found on the PolicyAmerica.org Web site.
29. Center for Disease Control.
30. Kim and Lee.
31. Kim and Lee.
32. For more, see the Web sites for the Center for Social Development (http://gwbweb.wustl.edu/csd/) and for CFED (http://www.cfed.org/).
    This work is especially important because it directly addresses an emerging new understanding of poverty from the work of Rank. If welfare policy only targets those currently below the official poverty line, it focuses on about one in eight Americans, but it neglects the nearly six in ten Americans who will experience at least one year of poverty while they are adults. The economic fragility of those who will experience poverty would be improved vastly by building an asset safety net.
33. Center for Enterprise Development; Howard.
34. Center for Enterprise Development.
35. Center for Enterprise Development.
36. Shanks.