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Response on racial wealth gap and inequality This reading is has its setting tied to America and the several households living there. It appears that its timing is around the early years of the 21st century. The author of this reading was definitely trying to address fellow Americans and bring out the issues concerning inequalities in wealth of different individuals and general wealth gap in America. This text therefore, is all about the net worth of different households in America and the general wealth and assets owned by different households (Shapiro 43). The text also expresses the wealth gap between black people and with people. In that case, brings out clearly how racial differences can be associated with the wealth gap and income inequalities that exist among different people.   
Generally, the most important point that the author is trying to put across is the issue of financial differences and income inequalities among people. It tries to figure out why there is a wide gap between the wealthy and the poor and why there is a wide gap of income inequality too. Therefore, the text explains that wealth gap among different families could be tied to unmerited sources which include family inheritance and other discrimination that mainly lead to racial wealth gaps (Shapiro 42). This means that when one is raised in a rich family and inherits the family’s wealth, there are no chances of wealth redistribution. Thus, the wealth will continue living luxurious lives and enjoying their wealth while those who are poor will continue with their financial state. This makes it difficult to narrow the gap between the two types of households; poor and wealthy.   
Trying to establish the real cause of wealth gap and income inequality gap between the white people and black people, the author finds out that the situation all because one’s amount of wealth is determine by the level of income. According to Shapiro (49), this is because when someone earns more income, that person is then in a better position to make investments and savings. Over time, such a person would have accumulated wealth inform of investments. On the contrary, the low income earners earn less amount of income which may not be enough for them to make any savings or investments. It then turns out that the average income of a white person is higher than that of a black person. This is the reason why a typical white family has wealth of about $73, 450 more than that owned by a black family. In regards to this then, the racial wealth gap would be based on people’s level of income.   
Considering the effect of wealth in relation to owning a home, the argument that the foundation of racial wealth gap or inequalities is tied to general perspective and one’s level of wealth becomes more convincing. It is indeed a common thing the market valuation of homes, the location of such homes and how they are generally bought and sold depend on the wealth of such people; in this case the whites win with about $60, 000 more than the blacks (Shapiro 53). When the whites are considered to be wealthy, they tend to be preferred when it comes to marketing of houses and due to their level of wealth, they are able to own homes in any location of their choice. This is therefore gives the whites more advantage in the housing market over the blacks because it is not easy for them to compete with the whites considering the fact that their income level is relatively low.   
At the end of it all, the author concludes that no matter what perspective or point of view one tries to analyze the advantages and disadvantages of racial differences are people from the black race fall victims of the advantages of the whites (Shapiro 55). As much as many may suggest that the blacks should work on improving their status, it is clear that the whites have a feeling of superiority and power over the blacks such that their efforts even in work places are not recognized. In that case, all the opportunities hat come along with being a white affect the blacks in a negative way.   
Work cited   
Shapiro, Thomas M. The Hidden Cost of Being African American: How Wealth Perpetuates Inequality. New York: Oxford University Press. 2004. Print.