

# Racial wealth gap in america

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Country she does not believe that our economic system is to blame. Instead she believes that because the overall standard of living in America has improved this is proof that the system has successfully filtered out corruption and because of this economic mobility has become achievable for all Americans. Unfortunately the truth is that over the past quarter of a century only the richest four hundred Americans have seen an increase in their net wealth and now have more wealth than half the population of the United States. The wealth gap in America is even more shocking when you consider that out of these four hundred Americans only one of them is black and together they hold more wealth than the entire African American population. Based on this evidence it is clear that the wealth inequality in America has indeed spiraled out of control and because of the corrupted economic system upward mobility in America is actually very hard to achieve especially for people of color.

In the documentary " Inequality for all" Robert Reich discusses rise of economic inequality in America and how it has affected the American people. He claims that the extreme economic inequality that we are experiencing today is due to a corruption in the taxation system. " It's not that people are rich. It's that they abuse their wealth by lobbying for bailouts and subsidies and taxes that are going to entrench their wealth". For the past thirty years the rich have been able to avoid paying their fair share of taxes allowing them to accumulate an obscene amount of wealth while the wealth of the working class citizens remains stagnant. Instead of the trickle down effect the rise of the 1% actually leaves less money for the government to invest in

the people in ways that could spark upward mobility such as the public higher education system which has led to an increase in tuition.

In America the pursuit of higher education has become the main path to upward mobility but due to rising tuition cost people of color are being excluded from opportunities that high education can provide. While many African Americans do go to college 80% of black students must take out student loans in order to afford it even if they qualify for pell grants. While student loans may not greatly affect white upper class and even middle class students the average net worth of the African American family is \$11,000. The racial wealth gap means borrowing large sums of money can be detrimental to an African American student and leads to almost 40% of those who borrow dropping out of school compared to only 23% of white students. Even if black students graduate the overwhelming debt makes it difficult to building wealth or obtaining assets like buying a home, a car, or starting a business. Many people of color cannot afford to pay high student loan debt and as the interest increases it can.