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Racial Wealth Divide Snapshot: Women and the Racial Wealth Divide

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As Women's History Month comes to an end, we at the Racial Wealth Divide Initiative think it is important to reflect upon how racial economic inequality intersects with gender economic inequality. Overall, women earn lower wages and experience higher levels of poverty than men. This holds for Black and Latina women, who also earn lower wages and experience higher poverty rates than White and Asian women. Most women of color face a double disparity: having lower socio-economic outcomes than men, compounded by affiliation with a racial or ethnic group that—whether male or female—has much lower socio-economic indicators than their White counterparts.

Education is one area where [women in all major racial and ethnic groups outperform men](#). Whether Latina, Black, White or Asian American, women's college graduation rates are between five to 10 percentage points higher than men's. However, superior education outcomes for women do not lead to superior incomes. Even with a higher likelihood of college education, [the median income of all women is only 83% of that earned by men](#).

This gendered income inequality varies within different racial groups. Asian American and White

women, who are more likely to come from higher income backgrounds, earn at about 80% of Asian American and White men's income. Latina and African American women, who are more likely to come from lower income communities, make about 90% of what Latino and Black men make.

Similarly, a 2015 study from the Assets Funders Network reveals the [wealth inequality between single men and women varies between races](#).

While single Black women own only \$100 less in wealth than single Black men, disappointingly, the median wealth for single Black women is a mere \$200 while the median wealth of single Black men is only \$300. Single Latina women hold only \$100 in median wealth, \$850 lower than single Latino men. Whites have a gender wealth disparity of over \$13,000 with a low median wealth of \$15,640 for single women and \$28,900 for single men. There was no gender wealth data for single Asian Americans in the cited study.

Looking at this income and wealth data together, there are three important takeaways:

- While women of all races and ethnicities have higher educational levels and suffer lower pay than men overall, their socio-economic status is much closer to men within their racial or



ethnic group than with women across racial or ethnic groups.



- Ironically, single women from the most economically secure communities face the greatest gender disparities compared to single men in their same demographic group. Not only do they earn a lower share of single men's income, but the magnitude of wealth inequality is higher as well.
- Although the magnitude of income and wealth inequality between single Black and Latino men and women is relatively small, they sadly earn low income and hold almost zero wealth regardless of gender.

The share of women of color in America's female population and the workforce is growing. It is increasingly evident that to tackle gender inequality, we also have to tackle the racial economic divide that is so deeply ingrained in this country.

To learn more about this issue, dive into following Racial Wealth Snapshot that focuses on women and the racial wealth divide, part of our series of snapshots highlighting disparities in racial wealth.

Our last snapshot looked at [racial wealth indicators within the Black community](#).



Racial Wealth Snapshot: Women and the Racial Wealth Divide

The historical legacy of the racial wealth divide when combined with gender inequality makes women of color uniquely economically insecure. The greatest socio-economic disparities for most women of color are rooted in racial inequality, which is then worsened by smaller but significant gendered disparities. It follows that, within the most economically disenfranchised racial and ethnic groups, such as Blacks and Latinos, gendered disparities are usually much smaller than among Whites. African American women and Latinas experience greater gender economic equality within their racial and ethnic groups. However, this parity is more an equality in economic disenfranchisement than an equality in economic wellbeing.

Workforce and Income

According to the [2013 Current Population Survey](#), more African American and Latina women work in the service and production industries than White

women, who tend to work in management. Service and production jobs generally offer lower wages and lack favorable tax codes or valuable government benefits that make it difficult for working women's income to turn into wealth.



According to a [2014 report by the Bureau of Labor Statistics](#), the weekly median income of women was \$719, while men earned a median income of \$871. As such, women's median income was 83% of what men earned.

An even bigger disparity occurs when both race and gender are considered (**Figure 1**). Using weekly earnings, White women earned \$734, Black women earned \$611 and Latina women earned \$548, meaning Black and Latina women earned 83% and 75%, respectively, of White women's weekly earnings.

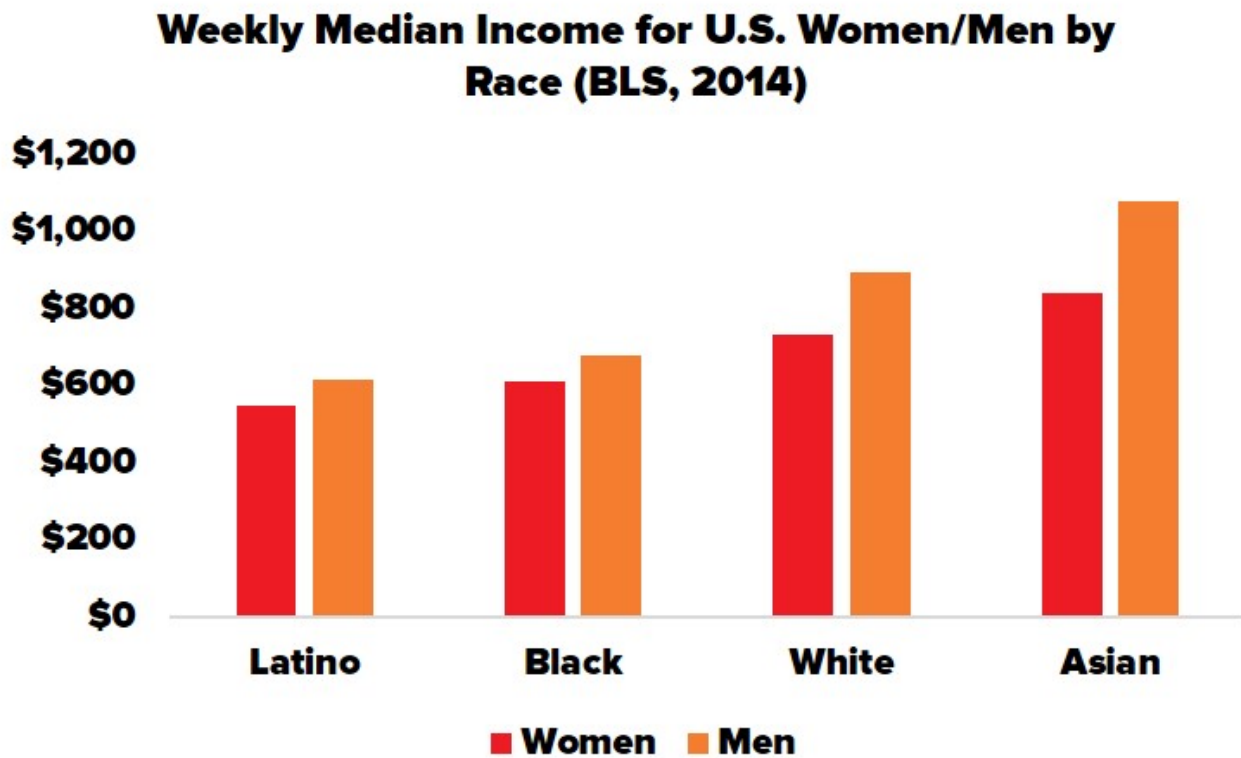
Similarly, White men earned \$897, Black men earned \$680 and Latino men earned \$616 on a weekly basis, showing that Black men made 76% of the weekly median income of White men and Latinos only made 69%. Latina and Black women only made 61% and 68% of White men's earnings, respectively.

Conversely, Asian American women's [median](#)

weekly income was \$841 a week, 115% of the pay of White women. Asian American men earned \$1,080 weekly, 120% of the pay of White men.



Figure 1



Wealth

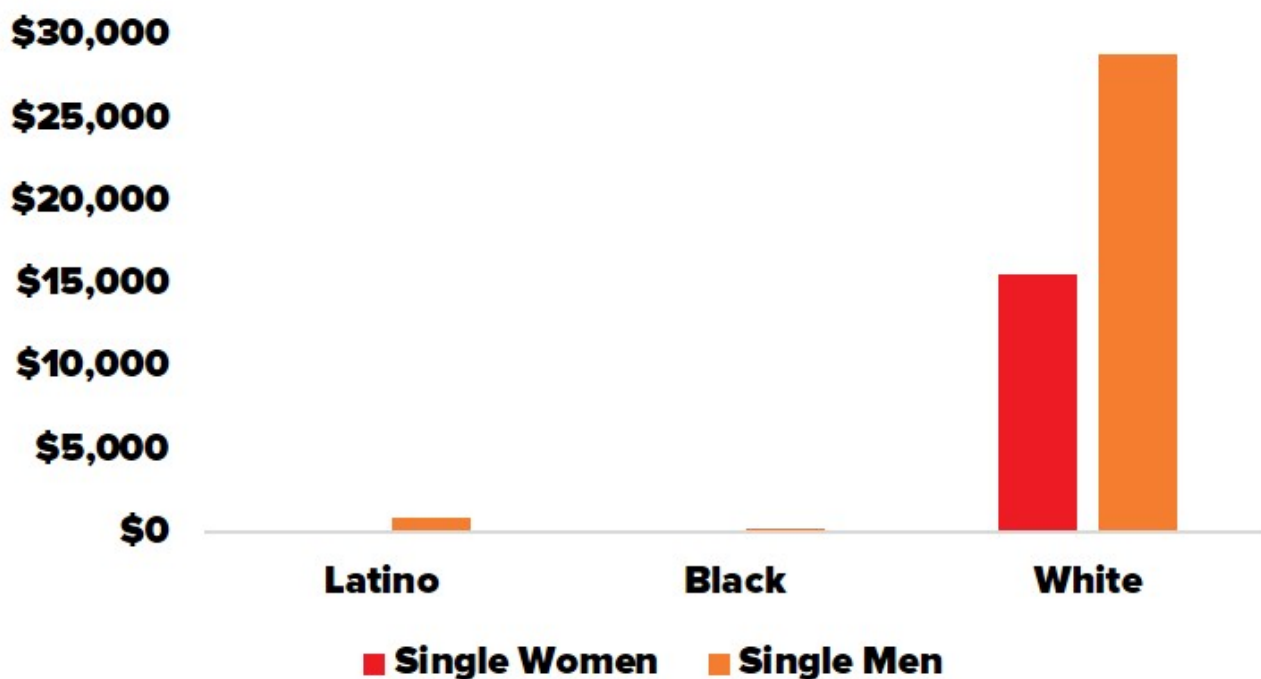
According to a 2015 brief from [Asset Funders Network Center](#), the “2013 Survey of Consumer Finances data” showed that the median wealth for single women was \$3,210 while the median wealth for single men was \$10,150. Single women held only 32 cents of wealth for every dollar of wealth owned by a single man.

There is a greater gender wealth inequality when looking across individual racial lines (**Figure 2**). Per the 2015 Asset Funders Network report, the median wealth of single White women was \$15,640. Yet, the median wealth for single Black women and Latina women was \$200 and \$100, respectively—about one cent for every dollar of White women’s wealth. On the other hand, while White men’s median wealth was \$28,900; Latino men’s wealth was \$950 and Black men’s wealth was \$300, about three cents and one cent on every dollar of White men’s wealth, respectively.



Figure 2

Median Wealth for U.S. Single Women/Single Men by Race (Asset Funders Network, 2015)

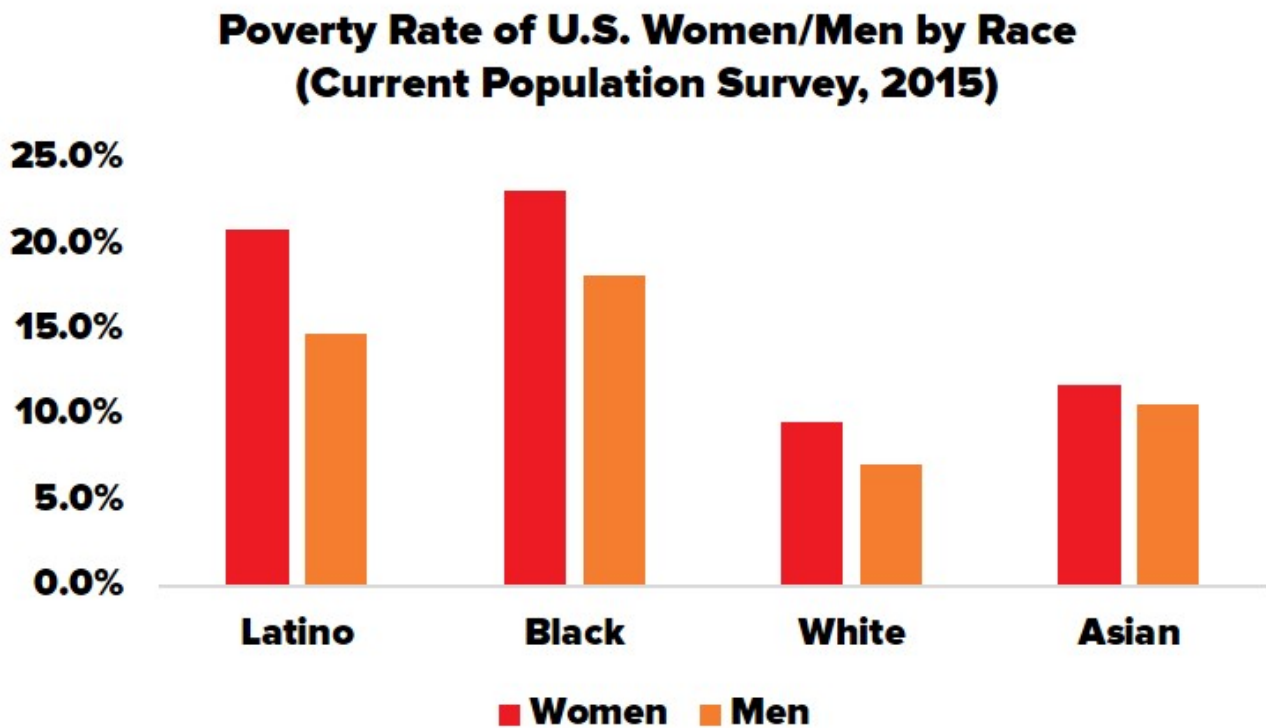


Poverty Rates



According to the [2015 Current Population Survey](#), 16.9 million women and 11.7 million men lived in poverty. That is wholly 13.4% of women and 9.9% of men in the US. Disparities grow when race is factored in (**Figure 3**): 9.6% of White women live in poverty while 20.9% of Latina women, 11.7% of Asian women and 23.1% of Black women do. For comparison, 7.1% of White men, 14.7% of Latino men, 10.6% of Asian men and 18.2% of Black men lived in poverty.

Figure 3



Unemployment



Per the [U.S Bureau of Labor Statistics](#), for the last quarter of 2017, the unemployment rate was four percent for men and 3.8% for women. White men's unemployment rate was 3.5% and White women's rate an even lower 3.3%. During the last quarter of 2017, Asian American men and women had remarkably low unemployment rates of 2.8% and 2.7%, respectively. African Americans, on the other hand, had the highest unemployment levels: a total of seven percent, with African American men at 7.8% and African American women at 6.3%. Finally, Latinos are the only demographic group in which unemployment for men is lower than women, with the Latino unemployment rate at 4.3% and Latinas at 5.2%.

Educational Achievement

Despite generally having lower socio-economic indicators, women in all our demographic groups had substantially higher college graduation rates than men. According to the [Fact Sheet from Center for Global Policy Solutions](#), in 2013, 62% of Asian American women and 53% of Asian American men had college degrees. Forty-four percent of White women and 37% of White men had a bachelor's degree or higher in 2013. Women's stronger

academic achievement continues within the African American and Latino communities with 23.2% of Black women and 17.4% of Black men having earned degrees, and 19% of Latinas and 13% of Latinos holding college degrees.



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1200 G Street NW, Suite 400,
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