



part three

THE CASH VALUE OF WHITENESS OR WHITENESS AS A TAX-EXEMPT STATUS

chapter one

HOW THE CRIMINAL JUSTICE SYSTEM ADVANTAGES WHITES

Stephen G. Ray, Jr.

The goal of this section of our curriculum is to help readers understand how being white in the United States inclines our systems, financial and otherwise, to work for your economic benefit relative to people of color generally and Black people more specifically.

There are many ways to approach this issue. The one I find most helpful is to explore how being white exempts one from what I term the Black Tax. The Black Tax is simply a way of describing the situation in which Black people and communities pay the same for services and amenities but receive less value than do their white fellow citizens. I choose this way of proceeding for two reasons. First, to meet head-on the cultural idea that Black people and our communities are undue beneficiaries of the tax dollars paid by “hard working Americans” (here read “white people”). Second, I want to shift the conversation from what white people are getting from the workings of systemic racism to what Black people are paying to maintain this unfair system, thereby re-centering the project away from whiteness being the normative center of the conversation. While there are any number of ways to describe the inequity that creates the Black Tax, the three expressions that I want to focus on are:

- the municipal tax
- the property tax
- the education tax.

The idea of the Black Tax emerges from observations that I have made over my lifetime that Black persons and communities pay the same in support of our common life, but more often than not receive disparate benefit. Put another way, we pay the same dollar for public services but receive less value. In my community, this reality has taken the form of an adage that “the garbage men just don’t seem to work as hard when Black folks move in.” What is being captured here is the recognition that the municipal structures of many localities demonstrate a diminished commitment to service delivery when Black people become an appreciable number of residents within these communities. A recent University of Southampton study (*Racial Discrimination in Local Public Services: A Field Experiment in the US*, Corrado Giulietti et al, <http://www.southampton.ac.uk/news/2015/08/african-americans-discriminated-against-in-access-to-public-services.page>) found that:

- People with distinctively African-American names are less likely to get a response to requests for information from local public services, such as sheriffs’ offices, school districts, and libraries.

- A new study finds email queries coming from those senders are four percent less likely to receive an answer than identical emails signed with “white-sounding” names.
- The difference in response was most evident in correspondence to sheriffs’ offices, with black-sounding names seven percent less likely to receive a response than white-sounding names.
- lost wages which are unavailable to the families because of court appearances and any time spent in detention;
- the cost of bail bonds which are never recouped regardless of the outcome of the case;
- the costs of unexpected child-care in order for families to be present in court;
- the prospect of diminished employability because of an arrest record which emerges from behavior of the police and not the person arrested.

This disparity can be seen starkly in the differing approaches taken to policing in communities. The recent report issued by the task force convened by Chicago’s Mayor Emmanuel found that Black communities were subject to significantly more unwarranted stops, arrests, and filing of charges than white neighborhoods. As the report (<http://www.nytimes.com/2016/04/14/us/chicago-police-dept-plagued-by-systemic-racism-task-force-finds.html>) phrased it:

C.P.D.’s own data gives validity to the widely held belief the police have no regard for the sanctity of life when it comes to people of color. Stopped without justification, verbally and physically abused, and in some instances arrested, and then detained without counsel — that is what we heard about over and over again.

To fully understand the impact on a community of the policing outlined here, it is important to recall the material costs to the people unfortunate enough to be caught up in this system. The costs:

The consequences of this problematic policing can therefore have intergenerational impact on both the accumulation of financial security, or lack thereof, and life opportunities that emerge from these resources.

To step back for a moment, let me be explicit about why I am framing this as a tax. From the most basic service provided by the answering of a phone to the life- altering, or ending, encounter with the police, we are dealing with the realm of public service— public service supported by tax dollars of many sorts. So when we have a starkly different delivery of those services, the citizens and communities receiving less for the same tax dollar are effectively paying an additional levy relative to their fellow citizens who receive acceptable levels in the delivery of these services. This latter group might be thought of as receiving an exemption from this additional levy, thus my usage of the idea of whiteness as tax-exempt status. This disparate treatment in the delivery of

social services acutely affects the desirability of areas for residential and commercial investment. The effect in this area is what I term the Black Property Tax.

As noted in other articles in this section, there is a tipping point in neighborhoods and communities at which the presence of Black families motivates significant, if not total, relocation of white families to other areas. What happens at this tipping point is that the dynamics I have noted above begin to kick in, and there is a noticeable decline in the quality of public services and different patterns of policing emerge. This creates somewhat of a self-fulfilling prophecy in terms of property values because it cannot be gainsaid that underserved areas with intense police presence are less desirable and therefore less valuable.

Critical to note here is that these dynamics have little or nothing to do with the actual behavior of Black people, but rather the municipal response to our presence. Two features of this situation that bear our notice are:

- This dynamic of decreasing property values means that Black people and communities are circumscribed in their participation in what for working and middle class families has been one of the greatest engines for the production of intergenerational wealth: home ownership; and
- This disparity, driven by the municipal response to the presence of Black people in a community, becomes inescapably bundled with the services, or lack thereof, which tax dollars fund.

The corollary is, of course, that those not subject to this levy are tax-exempt. This particular levy has perhaps the most significant effect because it shapes educational opportunity—a major element in the creation of, or preclusion from, the accumulation of intergenerational wealth.

In virtually every place in the United States, the funding of education is a local matter. Systems are funded by local property taxes, some level of state contribution, and occasional national and business grants. This means that there is a direct link between the value of properties in a given locale and the resources available for the funding of teacher salaries, the creation and care of educational facilities, the provision of curricula, and the provision of competent administration.

It has long been noted that underfunded systems have difficulty preparing students to compete in emerging economies, and that this then affects their life chances and the possibilities for the creation of intergenerational wealth. Often when comparing the different realities that exist in communities with disparate school systems, the thing least noticed is the role that the municipal response to the presence of Black people plays. The particular effect that I want to bring attention to is the way that this municipal response actually works to devalue every dollar that is spent on education in communities with appreciable Black populations.

As mentioned earlier, the decline in the quality of public services and the change in policing patterns

affect the desirability of neighborhoods when Black people move in. The way this de-leverages every dollar in educational spending is two-fold. First, the care and maintenance of educational infrastructure declines. Given that Black communities virtually always arise in the footprint of pre-existent white communities, this means that these facilities are older and require more care. So the infrastructure requires more from a municipal system that is inclined to do less. Each dollar is therefore not maximized but diminished. The mill rate to support the system does not change whether it is attentive to the provision of the highest level of service or not.

The second effect of this de-leveraging is that the diminished value of each dollar means there are more dollars needed to provide the minimal levels of functioning which developed within the system when its functioning was less ambiguous. The effect is higher mill rates, which adversely affect communities' stability by diminishing resources which could otherwise be used to sustain civic and business opportunities. This levy then creates a cycle of disinvestment, further diminishing desirability and property values. Communities not subject to this downward pressure of devaluation of every educational dollar might then be thought of as being exempt from this levy.

The point of approaching this issue of whiteness as cash value from the perspective of the Black Tax, from which whites are exempt, instead of the usual way of beginning with white privilege, is to re-center the conversation toward the economics of that

privilege. Unfortunately, the economics of the matter have been obscured by a broad-based effort within our society to hide these dynamics by painting the primary beneficiaries of our tax dollars as Black people who do not pay the taxes. This widespread sentiment is captured perfectly in a comment former Senator Rick Santorum made when talking about entitlement reform (<http://www.cbsnews.com/news/santorum-targets-blacks-in-entitlement-reform/>):

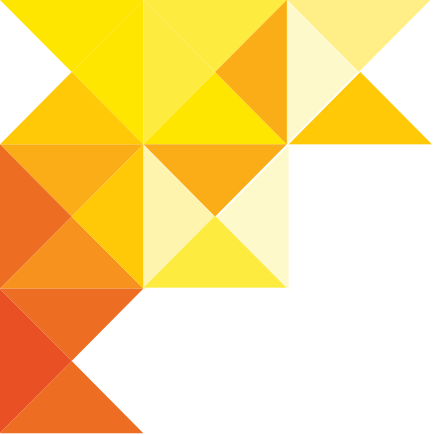
I don't want to make black people's lives better by giving them somebody else's money; I want to give them the opportunity to go out and earn the money.

This problematic statement shows the way that Black people and communities have their contribution to the economic common life dismissed, thereby making it nearly impossible to see, much less deal with, the ways municipal systems function to actively disadvantage them. When we can't see this, we are surely blinded to the ways our system financially supports and furthers the interests of white people and their communities at the expense of Black communities.

This system of racial levy is present not only in the instances just reviewed. We see it also in the policing and judicial operation condemned by the Department of Justice in their report on the municipal courts of St. Louis County (<http://graphics.stltoday.com/apps/muni-courts/>). We thus have municipal systems that actually hamper the development of intergenerational wealth for Black people and

communities while facilitating its formation in white communities. This facilitation is made possible through both the systems just outlined and the largely unnoticed contribution made to the wealth and infrastructure of white communities through the salaries of civil servants who largely do not reside in Black communities. This municipal operation is the Black Tax from which whites are largely exempt.

What we are dealing with here are matters of economic injustice. This is what makes this whole conversation relevant for a Church curriculum. In the preceding, I have invited a way of thinking about how this injustice works but is largely obscured by the ways our culture portrays wealth, taxes, infrastructure, and public investment. It is my sense that we are all diminished by these public discourses and the operation of the municipal systems which they obscure.



chapter two

HOW EDUCATION ADVANTAGES WHITES

John Dorhauer

This section is an exploration of the notion that whiteness has a cash value.

In his landmark book on this subject, *The Possessive Investment in Whiteness: How White People Profit from Identity Politics*, George Lipsitz writes:

Whiteness has a cash value: it accounts for advantages that come to individuals through profits made from housing secured in discriminatory markets, through the unequal educations allocated to children of different races, through insider networks that channel employment opportunities to the relatives and friends of those who have profited most from present and past racial discrimination, and especially through intergenerational transfers of inherited wealth that pass on the spoils of discrimination to succeeding generations. (p. vii)

He goes on to write: “I contend that the artificial construction of whiteness almost always comes to possess white people themselves unless they develop antiracist identities, unless they disinvest and divest themselves of their investment in white supremacy” (p. viii).

Education is an economic tool. Our government and our society recognize that investing in the education of our children and youth fuels a strong economy and provides the country and its businesses with skilled laborers. The better one’s education, the greater one’s earning potential over a lifetime.

A recent study done by the Center on Education and the Workforce by Georgetown University, entitled *The College Payoff: Education, Occupations, and Lifetime Earnings* (<https://www2.ed.gov/policy/highered/reg/hearulemaking/2011/collegepayoff.pdf>) reports that the average lifetime income for a graduate with a Bachelor’s degree is \$2.7 million (in 2009 dollars), 75% higher than a worker with only a high school diploma.

This raises the question: is the American educational system as we know and experience it today, given that it is a principal driver of economic outcomes and benefits, in any way affected by a culture of white privilege that consistently advantages those with white skin over those with darker skin?

There is evidence that strongly suggests that race plays a significant role in determining what educational opportunities are available to you, and how much education you can afford to acquire before leaving

school to enter the workforce. This evidence will not suggest that race is the only factor, nor will it suggest that race is the primary factor. But it will be hard to deny, given current data and research in the field, that race is a neutral factor when it comes to determining both the quality and the quantity of education available to anyone in America. It is also important to note that this will have a significant economic impact, as education affects earning potential. This data, and current research in the field, supports the statement that whiteness has a cash value attached to it.

Let's look at what we know before we discuss what knowing calls us to do.

- From a recent study (<http://www.ascd.org/publications/educational-leadership/mar01/vol58/num06/Closing-the-Achievement-Gap.aspx>) done by the Association for Supervision and Curriculum Development, a global community dedicated to excellence in learning, teaching, and leading comprising 125,000 members made up of superintendents, principals, teachers, and advocates from more than 138 countries:

In every subject area, students in high-poverty schools are more likely than other students to be taught by teachers without even a minor in the subjects they teach; only about half the teachers in schools with 90 percent or greater minority enrollments meet even their states' minimum requirements to teach those subjects—far fewer than in predominantly white schools.

- That same website reports that:

In just one academic year, the top third of teachers produced as much as six times the learning growth as the bottom third of teachers. In fact, 10th graders taught by the least effective teachers made nearly no gains in reading and even lost ground in math.

- The NAACP Fact Sheet on African Americans and Education (<https://www.naacp.org/page/-/education/documents/AfricanAmericansAndEducation.pdf>) reports that “greater percentages of African American (33%), Latina (35%), and American Indian/Alaskan Native (25%) students attend high-poverty schools than did white (4%) or Asian/Pacific Islander students (13%).”
- In 2007, the immediate college enrollment rate was 70% for white high school graduates and 61% for Latino high school graduates, compared with 56% for African American high school graduates.
- African Americans trail other ethnic groups in terms of college completion. Based on the most recent college completion data, Asian/Pacific Islanders had the highest six-year graduation rate (67%), followed by whites (60%), Latinos (49%), African Americans (42%), and American Indians/Alaska Natives (40%). This pattern held at public, private not-for-profit, and private for-profit institutions, with African Americans and American Indians/Alaska Natives having the lowest graduation rates of the five racial/ethnic groups.

I want to pause here. That only 56% of black high school graduates start college, compared to 70% white students, and that of the 56% who enroll, only 42% end up with their Bachelor's degree means that only about 23% of all black students will achieve the lifetime earning potential of a college graduate. That is almost exactly half of the proportional number of white laborers who enter the market place with a college degree.

These last items that we will look at come from U.S. News and World Report: "U.S. Education: Still Separate and Unequal"

(<http://www.usnews.com/news/blogs/data-mine/2015/01/28/us-education-still-separate-and-unequal>):

- Disparities in discipline begin in preschool and continue through every level of schooling. While blacks make up 18 percent of students in preschool, they account for 42 percent of students with an out-of-school suspension and 48 percent of students with multiple out-of-school suspensions.
- Black Americans are suspended and expelled at three times the rate of white students. They make up 16 percent of school enrollment, but account for 32 percent of students who receive in-school suspensions, 42 percent of students who receive multiple out-of-school suspensions and 34 percent of students who are expelled.
- Black children are less likely than white or Hispanic children to live in households where at least one parent has secure employment, and

black children have the greatest rate of any race for families with children living in homeless shelters. Nearly 25 percent of black parents report that their children live in unsafe neighborhoods, compared with 7 percent of white parents.

- Fewer black students graduate from high school (16 percent of blacks drop out compared with 8 percent of whites), meaning fewer are eligible for college enrollment from the beginning. Yet, disparities continue to snowball at every level.
- Of individuals aged 16 to 24 who completed high school or earned GED certificates in the last year, 56 percent of black students enrolled in a two or four-year college compared with 66 percent of whites. Fewer black students make it from enrollment to graduation, and, for the ones that do, graduating takes longer. For the class starting at a four-year college in 2006, only 20 percent of black students graduated in four years versus more than 40 percent of white students. Within six years, 40 percent of blacks finished, but 60 percent of whites did.

These are sobering data.

They demonstrate that skin color impacts educational quality and access, disciplinary protocols, dropout rates, and overall ability to navigate what can be a very challenging and expensive undertaking.

None of the subjects that we discuss in this section on Whiteness as Cash Value are independent of one another. Incarceration rates that find black males disproportionately picked up, arrested, convicted,

and serving longer sentences have a direct impact on educational outcomes. Housing values that decline, regardless of one's economic status, in any neighborhood with more than a 9% non-white makeup affect both tax bases built to support public education as well as a family's ability to fund a child's education. Inheritance laws that distribute wealth accumulated during slavery to succeeding generations also give whites a greater ability to fund expensive college degrees. The same can be said of white families who earn tens of thousands of dollars a year more than racial minority families working the same jobs. The single greatest factor in finishing college once one is accepted and enrolls is ability to pay. That a far higher percentage of black college students fail to complete college than their white counterparts is mostly due to the lack of a sufficient financial safety net for either the student or their family.

This all amounts to an environment where whiteness remains an economic, financial, and cash advantage. Over a lifetime, that difference is profound.

When it comes to education, statistically whites have greater access to schools with higher tax bases to support them. Because of that, their teachers get paid more and have, on average, much better education themselves in the courses they teach. White students

have more electives and accelerated programs to choose from during their secondary education, making it even more likely that they will succeed once they decide to pursue a higher degree.

This all amounts to an environment where whiteness remains an economic, financial, and cash advantage. Over a lifetime, that difference is profound. Over generations of tens of millions of lifetimes of white students advantaged by factors beyond their personal control—the difference is incalculable and indefensible.

America's schools remain, as the U.S. News and World Report study concluded, separate and unequal. The inequalities and inequities have a clear, direct, and lasting impact on the earning potential of an entire generation of minority students. Legislation and regulations written to remedy this have proven to be ineffective in a culture that continues to maintain its possessive investment in whiteness.

This is what we know. What does knowing this call us to?

That is an important question.

What do white leaders of white churches have to say about the discrepancies that race engenders in educational opportunities and outcomes between whites and students of almost every other race?

What actions can be taken by committed community leaders to create educational opportunities that don't

disadvantage racial minority children and youth?

Some Affirmative Action policies designed to level the playing field in college admissions, to respond to and minimize the inherent advantages that white students assume upon application, were ruled unconstitutional in *Gratz v. Bollinger*, decided by a 6-3 vote of the U.S. Supreme Court. White leaders in white churches can both learn more about the effectiveness of Affirmative Action policies, and be strident vocal supporters of such policies. White silence on this matter not only casts doubt on their public commitments to racial equity, but also enables predominantly white legislative and judicial bodies to perpetuate their own inertia on these matters.

In a brilliant article written for the *Harvard Law Review* entitled “Whiteness as Property,” UCLA law professor Cheryl I. Harris distinguishes between corrective and distributive justice. Without getting too distracted by the subtleties of law that most of us will struggle to understand, suffice it to say that corrective justice seeks to remedy an imbalance created when one individual acts in a way that harms or disadvantages another individual. Corrective action is sought by a court to restore what was illegally deprived of another.

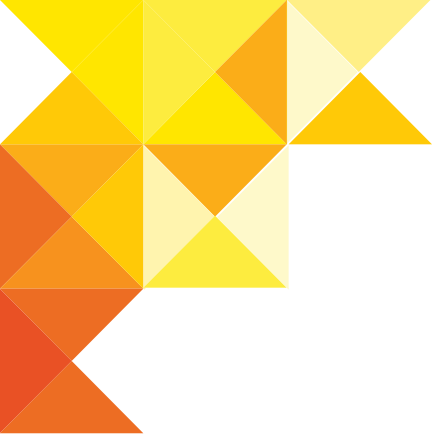
The challenge comes when systems exist that advantage one race over another. Because those systems of privilege were constructed over centuries of commitments to whiteness, entire populations are advantaged without active agency while simultaneously other communities are collectively

disadvantaged. When courts are restricted to identifying a single person who is accountable for the damage done, much of the injustice perpetrated by privilege must go unchallenged and unpunished. As Harris points out:

The focus on innocent whites changes the affirmative action inquiry from one of rectifying harm to Blacks to invoking legal protection for the rights of whites who are innocent to discriminatory acts, although they have benefited from prior discrimination. (*Harvard Law Review*, Vol. 106:1707, p. 1782)

Affirmative Action as Distributive Justice is the remedy to that. It is a way of ensuring that all individuals receive their share of the benefits they would have secured in the absence of racism. It changes the lens of inquiry from “what did any individual do to create the harm” to “. . . what would have been the proper allocation of resources in the absence of the distortion of racial oppression.” (*Harvard Law Review*, p. 1784).

An unfair distribution of educational resources remains one of the most entrenched impediments to racial equity in America.



chapter three

HOW HOUSING PRACTICES ADVANTAGE WHITES

John Dorhauer

No single factor impacts the wealth disparity between whites and people of color more than housing.

Owner-occupied property is the single greatest factor in determining one's wealth capacity. Blacks and people of color seeking to own homes have had to overcome centuries of laws, regulations, zoning restrictions, inheritance rights, and real estate practices. Consider the following historical factors or conditions that explicitly disadvantaged people of color from the start:

- A constitution written to define non-whites as 3/5 human and property laws that restricted ownership to whites
- Supreme Court decisions, like *Dred Scott v. Sandford*, which held that Americans descended from African slaves could not be citizens of the United States
- Laws that prohibited slaves from marrying
- Black Codes written in Southern states after the Civil War that restricted black citizens from voting, bearing arms, gathering in groups (including assembling for worship), and learning to read and write
- Vagrancy laws written during Reconstruction

that imprisoned former slaves in forced labor camps and prevented them from acquiring property

- Red-lined real estate covenants that, into the 1950s, prohibited white real estate agents from “introducing into a neighborhood a character of property or occupancy, members of any race or nationality, or any individual whose presence will clearly be detrimental to property values in the neighborhood” (former National Association of Real Estate Boards ethics code, article 34)

The impact of these injustices continues to be felt today through the intergenerational factors discussed throughout this curriculum. Beyond just the residual impact of these practices, though, people of color continue to be actively disadvantaged today. Consider how Fair Housing laws written to reverse this type of discrimination have gone largely unenforced. According to George Lipsitz' book, *The Possessive Investment in Whiteness: How White People Benefit from Identity Politics*, fewer than 30% of complaints in the 1970s led to any mediation, and of those, 50% remained noncompliant. By 1986, only about 400 fair-housing cases had led to damages being awarded, and all but a small handful of those were for under \$3,500. Even after aspects of the law were strengthened starting in the mid-80s, an

estimated 2 million cases of housing discrimination still occur every year with no recourse (p. 29).

Consider that, according to a Zillow report on racial disparities in home ownership trends, one in ten whites who apply for a home loan are rejected, while one in four black applicants are turned down for the same type of loan (<http://www.zillow.com/research/minority-mortgage-access-6127/>).

Consider that, in December of 2011, the U.S. government successfully filed a lawsuit against Countrywide Lending, an arm of the Bank of America, alleging—among other things—that Countrywide’s policies and practices caused more than 200,000 Hispanic and African-American borrowers to pay higher loan fees and costs for their home mortgages than non-Hispanic White borrowers, based not on their creditworthiness or other objective criteria related to borrower risk, but because of their race or national origin. The court also found that black and Hispanic homeowners were placed into subprime mortgages when similarly qualified whites received prime loans.

Bank of America was required to pay \$335 million to compensate victims of these practices. That averages out to about \$1,675 per family affected—a total insufficient to restore the families’ access to home ownership in middle-class neighborhoods.

The effects of these practices reverberate throughout the housing market. Take the foreclosure crisis of 2009, which hit Black and minority homeowners

disproportionately hard. For every 10,000 homes, white homeowners suffered 452 foreclosures during the crisis. For Latino homeowners, that number was 769; for blacks, 790.

In an article titled “Them That’s Got Shall Get” (published on the website *The American Prospect*), Nathalie Baptiste cites a study of the Washington D.C. region which found that black homeowners were 20% more likely to lose their homes during the crisis than whites with similar incomes and lifestyles. The disparity persists even as income increases: high-earning blacks were 80% more likely to lose their homes than their white counterparts (<http://prospect.org/article/staggering-loss-black-wealth-due-subprime-scandal-continues-unabated>).

These foreclosure rates affect entire communities, because foreclosures can negatively impact the property value of surrounding homes. When foreclosures are more heavily concentrated in neighborhoods that are primarily black or Hispanic, that drives the wealth disparity even further. The Center for Responsible Lending estimated in 2010 that between 2009 and 2012, the loss of property value to homeowners living near foreclosures would drain \$194 billion from Black communities and \$177 billion from Latino communities, on top of the cost of the foreclosures themselves. (<http://www.responsiblelending.org/mortgage-lending/research-analysis/foreclosures-by-race-and-ethnicity.pdf>)

White Privilege is evident throughout the history of land wealth and home ownership. At the birth

of the nation, only white men could own property; only property owners could vote; only whites could transfer property through inheritance laws. After the Emancipation Proclamation, the Civil War, the 14th Amendment, and Reconstruction all sought to create a legal racial equality, the entirely white legislative and judicial bodies found ways to circumvent these new freedoms.

One strategy was to write new laws intended to criminalize blacks, starting with the Reconstruction-era vagrancy laws and continuing in practice today with the war on drugs, as documented in Michelle Alexander's landmark book *The New Jim Crow*. This particular strategy both strips blacks of the right to vote and keeps them from earning wages that can be invested in land accrual. Even after release from prison, the earning potential of a convicted felon is impacted over a lifetime—thereby reducing how much wealth can be accumulated and invested in property.

Another strategy was to refuse to comply with laws written to level the playing field. As long as whites continue to hold most of the public offices, laws can be passed to assuage public rage over discriminatory practices—but failure to prosecute, fine, or punish those who transgress those laws renders them utterly ineffectual.

This combined history of white America restricting access to property ownership—of refusing to enforce laws intended to level the playing field, of real estate agencies outright refusing to sell to families of color

in certain neighborhoods, of banks charging higher rates leading to disproportionate foreclosures and higher costs for lower property values—all of this has combined to ensure that whites consistently control more wealth than other races.

If you are white, what commitment do you have to racial equity? Are you willing to invest your capital wealth in a diverse neighborhood if you know that at a certain point your property will be devalued?

Even today, there is a 10% rule in effect in America. Less a rule than an actual phenomenon, what this means is that any home, in any neighborhood—regardless of the economic stratum—is worth less once the black population of the neighborhood hits 10%. That poses some very compelling questions for whites and for blacks.

If you are white, what commitment do you have to racial equity? Are you willing to invest your capital wealth in a diverse neighborhood if you know that at a certain point your property will be devalued? Will you move out of a neighborhood that reaches that saturation point once you see how your property is now worth less?

If you are black, you are faced with a very different question—and one with very different consequences on the other side of the answer. The question is this: if you are part of a population that has a 12% demographic ratio, and you aren't among the first 9% to live in a neighborhood of your choosing, where do you live without compromising the return on your investment and the value of your property?

This phenomenon has nothing to do with economic or even legal impediments. This is nothing more than the byproduct of the privilege given to whites to build communities that conform to their liking. This gets reduced to whites feeling threatened when blacks move in—regardless of how rich they are or how much money they bring to the table (note, not *being* threatened, but *feeling* threatened).

Whites will tolerate some diversity on their street—up to a point. Without calculating anything, without legislating anything, without drawing up new covenants or codes of ethics, white America has uniformly decided that 10% is too much. There is no formula that announces that at 10% we are going to reduce our property value. It just is a consistent phenomenon that shows that at the 10% mark, whites begin to feel as if—*feel as if*—they don't want to live in that neighborhood anymore. That alone—that desire to flee to greener grass—makes the same house on the same street in the same neighborhood worth less money.

In community after community across America, only 9% of racial minorities are able to invest in

property commensurate with the values that whites with the same earning potential receive. This is a manifestation of whiteness that carries a cash value.

Property values then affect a whole array of other community assets. They establish the tax bases that generate revenues for schools, for roads, for common services that every neighborhood wants and needs. Business owners will make decisions about where to locate their businesses. Grocery stores, department stores, gas stations, hospitals, restaurants—all look for neighborhoods where enough wealth is accumulated to make it worth their while.

Where neighborhoods are populated by largely minority communities, the tax base generated from property value is often insufficient to provide those things that white families take for granted. Food deserts are becoming more and more common in minority communities.

So much of what middle class white families take for granted is a byproduct of their property value. During one's lifetime, it generates higher taxes to support the schools, hospitals, and government agencies built to meet the common needs of any community. After they die, inheritance laws afford them the opportunity to transfer that accumulated wealth to another generation. Centuries after a system that began with an instantiated prohibition against property ownership by anyone but white men, these current biases that manifest when more than 9% of a community is no longer white conspire to perpetuate white privilege.

Reflection Questions and Discussion Topics

1. *Talk about the racial composition of your street or neighborhood. How did the racial composition of your neighborhood affect your decision to move into this house or this neighborhood?*
2. *Often in conversations about privilege, and in particular in conversations about the communities in which one lives, one will hear it said: “But we don’t have any people of color in our community/neighborhood/town.” If that is true of your community or church, take some time to talk about what conditions and circumstances contribute to that being the case. How does it feel for you to live in an all white community or worship in an all white church?*
3. *Share something that you learned about how white privilege affects housing markets. Name one thing you will commit to do as a result of this new insight.*