The Black middle class is a mirage

Anne Helen Petersen

Among Dee’s friends, talking about money is considered impolite. But that’s not really what stops her. “Most of my peers are white,” she says, “and I get very angry about the systemic inequality evident in our situations, and their seeming obliviousness to it.”

Dee’s family has been middle-class and college-educated going back three generations, “since Black people reasonably could be,” she says. Her maternal grandparents were the children of sharecroppers in the South, migrated north as adults, got graduate degrees, and, unlike millions of Black Americans who were unable to secure mortgages at the time due to racist housing covenants and lending practices, bought a home.

Homeownership was, and remains, the beating heart of wealth accumulation for the American middle class. Our society privileges homeowners in everything from the tax code to the availability of home equity lines to membership requirements for neighborhood associations. You buy a place, that place grows in value, and either you trade up to a bigger place or you keep it until you can pass it down to your kids or your kids get the money from its sale. Stability gives birth to even more stability.

That’s not what happened with Dee’s family. “My grandparents were bludgeoned every time the economy took a downturn,” Dee recalls, in part because of the legacy of redlining and the devaluation of property in Black neighborhoods. “They ended up losing their house. They had enough to live on, but no wealth.” The same happened to her parents. She says they were “destroyed” by the 2008 housing crisis, which disproportionately affected Black homeowners, many of whom, because of longstanding discriminatory lending practices, believed subprime mortgages were the best financing option available to them. Dee’s grandparents managed to make ends meet, but their retirement savings were drastically diminished, and they’ll eventually require some subsidization from Dee.

But Dee, 41, has been struggling for years to find something approximating financial security in her own life. She lives in the Hudson Valley, north of New York City, with her partner and two kids. She and her partner make around $200,000 a year. At more than three times the national median household income, this sounds like a big number, but every month, they found their resources depleted. Before the pandemic, they were allocating most of their money toward their mortgage, child care, and student loans. They’d been putting money into their kids’ 529 college savings accounts, but otherwise the focus has been on credit card and student loan debt, which they’ve just started to be able to actually pay off. These days, they’re no longer paying expensive child care bills, but there’s a real threat that Dee’s partner’s job could disappear at any moment, at which point they would immediately start drowning in debt.

Dee describes herself as frustrated and so very, very angry. “Having everything ‘right’ and still living with precarity, literally living paycheck to paycheck, is deeply upsetting,” she says. Which is why her extra income is going toward her kids’ college savings: to prevent them starting their lives already behind, the way she feels she did. The hole Dee dug in search of middle-class stability for her family is so deep that she’d realistically need to double, even triple her income to pull herself out and have enough to stabilize her parents as well.

She doesn’t have a ton of hope that will happen. “I live in America,” she says. “There is no support for middle-class families, and there is no targeted support for those who have suffered from systemic racism. It’s getting harder and harder to maintain a middle-class life.”

Dee’s story is illustrative of just how different the hollowing of the middle class can feel, depending on your race and family history. Unlike many white middle-class Americans who find themselves bewildered...
by the prospect of going financially backward from their parents, Dee watched as her family’s best-laid plans for a steady, middle-class future were foiled, again and again, by economic catastrophes in which losses were disproportionately absorbed by Black Americans.

As economists William Darity Jr., Fenaba Addo, and Imari Smith recently explained, “for Black Americans, the issue may not be restoring its middle class, but constructing a robust middle class in the first place.” For families like Dee’s, the stability of the middle class has always been a mirage. And you can’t hollow out what’s never actually existed.

A foundational myth of the American dream is the potential of the individual, wholly unbound by context. Parental income level, race, education, access to resources as a child, health, location — positive or negative — all become incidental. The idea is that in America, land of opportunity, you excel on your own merits.

This is a lie, of course. When we talk about class status in America, we still largely focus on current status instead of intergenerational familial legacy; on income, rather than our access to wealth, which "serves as a reservoir that a family can tap into when its income flow is disrupted," according to economist Ngina Chiteji. Wealth can absorb the blow of a recession, a lost job, or a medical catastrophe. Family wealth makes it easier for future generations to buy homes, and makes it less likely that they’ll accumulate debt. If Dee’s grandparents and parents hadn’t been so thoroughly destabilized by various recessions, her student debt load might be significantly lower or nonexistent today.

Wealth begets wealth. It makes it easier to launch a business or take a career risk. It’s correlated with better health outcomes, lower child mortality, longer life expectancy: everything you’d expect from a solid home life and access to health care. Because of intersecting racist policies and practices — redlining, continued segregation in schools, hyper-surveillance and brutality by law enforcement, and the policing of Black bodies, just to start — wealth has been far more difficult for Black Americans to accumulate.

In 2016, the median net wealth for white families was $171,000. For Black families, it was $17,000. Black people currently hold less than 3 percent of the nation’s total wealth, even though they make up 14 percent of the population. In 2002, the typical white child’s grandparents’ net worth was eight times...
The Black middle class is a mirage. According to one 2006 study, Black middle-class Americans are 2.6 times more likely to have a low-income sibling than those in the white middle class. People in situations like Jasmyne’s have a higher probability of becoming the primary source for the “reservoir” of stability for their extended family — which in turn makes it more difficult to save, or invest, or set up the financial infrastructure that will ensure that you won’t need help from your children later in life.

Jasmyne, 29, works for a nonprofit in Los Angeles. She grew up in the South and attended the same HBCU as her husband, a first-generation college student who now works in STEM. Together, they pull in $192,000 a year, which, according to the Pew middle-class calculator, places them in the upper echelon of incomes in the area. But Jasmyne believes placing her, or anyone else, within a particular class is tricky.

“I consider anything above the average US salary to be middle class, but with a whole slew of caveats,” she says. “For example, my husband and I earn middle-class salaries, but we also have significant student debt and often have to support family. We live in an expensive city, so what seems high [for housing costs] in our hometowns is pretty average here. He is saving for retirement, but I haven’t even begun.”

Until very recently, Jasmyne’s mother lived with them; she’d tapped out her retirement savings, so Jasmyne and her husband helped cover her bills while she got financially secure. “I only know of one other couple that has had to navigate that under the age of 30,” Jasmyne says, “and we will likely have to revisit that living arrangement as she ages.”

Part of Jasmyne and her husband’s burden is shared by hundreds of thousands of other millennials and Gen X-ers, regardless of race, who have found themselves providing a safety net for their parents. But that need is not evenly distributed across the middle class. In the mid-2000s, 36 percent of middle-class Black people had a parent living below the poverty line, as opposed to only 8 percent of the white middle class; according to one 2006 study, Black middle-class Americans are 2.6 times more likely to have a low-income sibling than those in the white middle class. People in situations like Jasmyne’s have a higher probability of becoming the primary source for the “reservoir” of stability for their extended family — which in turn makes it more difficult to save, or invest, or set up the financial infrastructure that will ensure that you won’t need help from your children later in life.

Keisha, who’s 33 and lives in Atlanta with her husband, expressed something similar. As an IT specialist in the transportation field, she makes around $95,000, and her husband brings in $50,000. She was the first person in her family to go to college, and currently pays $450 a month in student loan debt. The other big monthly payments in their lives are $2,000 on their mortgage and $1,500 toward paying down their credit card debt. They’re saving very little every month, usually somewhere between $50 and $100.

In many ways, Keisha thinks her situation is similar to her parents’: Growing up, her family was always “comfortable,” but with “the feeling that if income stops, then that would change very quickly.” The difference, Keisha says, is that her parents had a much larger support network — and they were making less money. “It was understandable for them to need help occasionally, as opposed to myself and my spouse, who don’t have children and make higher salaries. I feel like people in my situation are held to a different standard.” There’s no room to mess up, no room for catastrophe. It’s hard to knit your own social safety net when you’re the safety net for so many other people as well. (This is also true of many immigrant families — something this series will address in the months to come.)

If you focus on an individual’s finances, it’s easy to isolate and judge bad decisions: They shouldn’t have taken out that loan or relied on that credit card or filed for bankruptcy. In my first article on the hollow middle class, I opened with the story of Delia — a middle-class teacher in New Jersey, covering her parents’ bills and struggling to put money aside in part because she was still paying for both of her daughters to attend private school. Delia explained why private school felt so important to her: She saw it as her girls’ ticket out of their small hometown, a place where she felt trapped by the financial ramifications of her parents’ bad decisions. Readers were incredibly antagonistic toward that choice. One man went so far as to send me a 2,000-word breakdown of all that was wrong with how Delia was spending her money. “There was no comments section on the piece,” he wrote, “but she needs to know.”

Keisha feels anxious and stressed about money, particularly about her debt, every day. She doesn’t feel comfortable talking about her debt to her peers about it, so she turns to online forums for support and commiseration. “It’s embarrassing to be in a bad financial situation,” she says. “Even if you can explain away why or how you got into the situation, talking about it still invites extra judgment that you’re somehow irresponsible or that you’ve mismanaged your money, instead of talking about the things that are outside of your control.”
This attitude is wrong when it comes to any person’s financial situation, but it’s particularly wrong when it comes to a person who’s part of a group that’s been historically and systematically marginalized. As sociologists Melvin Oliver and Thomas Shapiro contend in their groundbreaking examination of Black and white wealth disparities in America, the legacy of chattel slavery — low wages, segregation, poor schooling — has “sedimentized” racial inequality. Within that hierarchy, Black wealth falls to the bottom, while explicit and implicit modes of white privilege keep white wealth buoyed to the top.

Darity, Addo, and Smith argue that the Black middle class is best understood as “a subaltern middle class.” Its members may be economically privileged among Black communities, but no amount of money can insulate them from marginalization or the everyday exhaustion of navigating America as a Black person. The authors point to wide-ranging data that underlines as much: A middle-class salary does not exclude Black Americans from higher stress levels than white Americans in their same income bracket, or a higher likelihood of incarceration. If you’re a Black woman with a graduate degree, the chances that your baby will die as an infant are higher than for a white woman without a high school degree. And the more educated you are, the more racism you’re likely to encounter in the workplace.

Dealing with that racism? Combating it, confronting it, attempting to hedge against it? It can cost a lot of money. In Black Privilege: Modern Middle-Class Blacks With Credentials and Cash to Spend, sociologist Cassi Pittman Claytor interviewed dozens of members of what she calls the “modern Black middle class.” One of these interviewees, Sharon, grew up in a tony suburb, attended an elite college, and works as an advertising account manager pulling in somewhere between $75,000 and $99,000 a year. But whenever she tries to consume in accordance with her income level, she’s surveilled. As she tells Claytor, “Because I’m black, they think I’m going to steal something.”

For some, countering stores’ racist surveillance means, well, buying things. Cultivating relationships with salespeople, becoming valuable customers. Proving, again and again, that they are middle-class — an assumption that is granted without a second thought to most white customers. Tasha, who works as an attorney, tells Claytor that she tries to subvert the problem by opening store credit cards. “I can be like, ‘I’m a cardholder, I’ve been a loyal customer since whatever year. … Like I’ve always shopped here.’ You can pull up my card savings. You see the amount of money I spend.”

That’s a ton of purchases just to be taken seriously as a Black consumer, and even then, people might think you’re buying what you can’t afford or that you’re careless with money. Keisha, the IT specialist, tells me that an appliance in her home recently broke down, so she called a company for repairs. Instead of telling her the price, they quoted her the monthly payment for financing. “I’m not sure if that assumption was based on our race or the poor state of the appliance, which hadn’t been serviced in several years, but I’m always wondering in the back of my mind: Is it because I’m Black that you’re making this assumption?”

As a result, Keisha often finds herself overcompensating. “Instead of saying to the repairman, ‘You’re right, I cannot afford this $3,000 repair, I’d like to hear about your financing,’ I end up posturing as if I can absolutely afford it and asking for the total price.” She hates it, but she also wants to disabuse people of whatever negative image they might have of Black people. “It’s like the stereotype that Black people don’t tip. Even if the service was terrible, I never tip below 25 percent,” Keisha says.
Many of Claytor’s interviewees — who work in fields ranging from the arts to finance — are the only Black employee, or one of a handful of Black employees, in their workplaces. The burden of representation falls on them, and they police their own appearances accordingly, often at significant cost. “Jackie Robinson syndrome,” in which Black employees feel they must groom and conduct themselves as exemplars, runs rampant: “For the sake of their careers, they try to be more ‘put together’ than their white counterparts and take far more care of their appearance,” Claytor writes. “They describe wearing dress pants when their white colleagues are wearing khakis. While they are sure to wear clothing that is always clean and pressed, they describe white colleagues as wearing clothes that are wrinkled and have holes.”

It takes a lot of racial privilege to wear whatever you want in the workplace. It also costs a significant amount of money — and time and concern and stress — to counteract others’ preconceptions. Darryl, a bank associate, tells Claytor that he developed a secondary, unspoken dress code for himself. He shaved off his goatee, and because he’d chosen to keep his hair in cornrows, he felt the need to dress in a way that offset it: always “neat” and “nice.” His white coworkers might come in with “some dingy-ass, dirty-ass t-shirt, or a sweater with a hole in it” — an unthinkable option for a Black man in so many workplaces.

Several women in Black Privilege describe straightening their hair instead of wearing braids, to decrease the likelihood, in one woman’s words, of looking “too quote-unquote ethnic and angry black woman, Black Power-esque.” Tasha, the woman who developed the strategy of shopping places where she’d opened up a line of credit, worked in a firm where the majority of employees were white women. She was always vigilant — in attitude and appearance — to never give her employers a reason to avoid hiring Black women in the future. Vigilance is exhausting. It breaks the body down. And it’s yet another invisible cost for members of the Black middle class to bear.

“What is often not acknowledged is that the same social system that fosters the accumulation of private wealth for many whites denies it to blacks,” Oliver and Shaniro wrote back in 1995, “thus forming an
The Black middle class is a mirage :: Reader View

Recall Dee’s frustration and disinclination to talk about her own money problems with her white peers: It’s hard to have a conversation about wealth when the mechanisms, policies, and societal practices that may have helped one family maintain stability were used to prevent another family from ever achieving it. Not because they weren’t as hardworking, not because they were “worse with money,” but simply because they were Black.

When we talk about the middle class, we have to be precise about which part of the middle class we’re talking about. I didn’t do that as well as I should have in the first piece in this series; I wanted to use subsequent pieces to dive deeper, but that was a poor excuse. In introductions, in headlines, in tweets, and in conversations with friends, we should be specific. Over the past 40 years, the middle class has hollowed out for white Americans, undercutting the foundation of the belief system so many expected to inherit as their own. That is a categorically different experience from reaching the middle class and realizing just how much work and time and diligence and luck it will take for others like you, even your someday children, to reach that same point.

It’s not just that so many white Americans were born on third base, as the old saying goes, and think they hit a triple. It’s that they don’t understand that for centuries, Black Americans were not even allowed in the ballpark. Worse than that, they were treated as tools of the game that is American capitalism, never the beneficiaries. When they were begrudgingly allowed on the playing field, they were hobbled, again and again. Called cheaters, given bad calls, left with the worst equipment, all but a small section of the stands rooting against them.

If, as a Black American, you somehow managed to distinguish yourself, the understanding was that it only happened because someone let you on the field when another player was actually better. Other players were powerful enough that they could help their kids get on the team, even if they’re not that talented. Your kid could be a superstar, and still, she has to go through everything you went through, deal with all the same bullshit, beat all the same opponents, just because she’s a Black kid. The game is rigged against you: actively invested in keeping those in power still in power. It’s a bad baseball analogy, but baseball is as American as you can get.

So how do you actually fix that game? You can acknowledge that reparations, whether in the form of lump payments, preferential lending terms, universal free college, or any other number of potential iterations, are not radical. They are a recognition of historical, enduring inequality, economic and otherwise, and an attempt to restore a modicum of the stability systematically denied to Black families.

For the middle class as a whole to solidify, Congress and the Biden administration will have to dramatically rethink the costs, from child care to higher education, that are pulling families out of the middle class and into debt, and preventing millions of others from reaching the middle class in the first place. But unless they want that solidified middle class to be a white echo of what it was before, reparations must be a part of that solution.

This is more true than ever amid the Covid-19 pandemic: Black people are more likely to work in “essential” jobs, but also more likely to work in industries that cut or laid off workers during the pandemic. Last month alone, 154,000 Black women dropped out of the job force while white women actually gained jobs. More than one out of every 750 Black Americans has died of Covid-19, and Black people have died from the disease at 1.5 times the rate of white people. A Johns Hopkins study from August showed that Black people have nearly double the infection rate of white people, a statistic for which the full implications are still coming into focus as we learn more about the long-term effects of the disease.

As Nikole Hannah-Jones wrote for New York Times Magazine last summer following the killings of George Floyd, Breonna Taylor, and Ahmaud Arbery, “race-neutral policies simply will not address the depth of disadvantages faced by people this country once believed were chattel. Financial restitution cannot end racism, of course, but it can certainly mitigate racism’s most devastating effects. If we do nothing, black Americans may never recover from this pandemic, and they will certainly never know the equality the nation has promised.”

One of the simplest arguments for reparations, I found on Reddit. “Reparations isn’t free money to blacks,” one user wrote. “It’s a bill owed to blacks.” For slavery, and the economy that was built upon it. For World War II, and the benefits the vast majority of Black GIs did not receive for it. For redlining, and all the home equity lost because of it. For police brutality and mass incarceration and Covid-19, and all the time and life and promise they have stolen. The tab goes on for so long that it’s impossible to imagine its end. That doesn’t mean it doesn’t need to be paid. Quite the opposite: It means it must be.
If you’d like to share your experience as part of the hollow middle class with The Goods, email annehelenpetersen@vox.com or fill out this form.