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## BOOK REVIEW

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*Toxic Inequality: How America's Wealth Gap  
Destroys Mobility, Deepens the Racial Divide, &  
Threatens our Future*

by Thomas Shapiro

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WALTER GOETTlich

*University of Kansas*

Thomas Shapiro argues for the need to analyze wealth inequalities in the US as mutually constitutive *of* and *through* racial inequality. The two are inseparable, Shapiro posits, and any attempt to address economic inequality without also simultaneously addressing racial inequality is certain to prove of negligible value. Shapiro is specifically critical of what he identifies as a “new conversation about inequality,” (12) in America, which focuses on income and ignores any serious examination of race. Rather, Shapiro argues, wealth, not simply income, is one of the primary drivers of persistent, material-structural racial inequality, and at the same time, omitting race from discussions of contemporary inequality obscures this very structure, instead allowing the substitution of discourses of personal responsibility and failure.

Shapiro advances the concept of *toxic inequality*, which he argues is a “powerful and unprecedented convergence” of both income and wealth inequalities on the one hand, and a widening racial wealth gap on the other (18). Toxic inequality is a recursive

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Walter Goettlich is a PhD student in sociology at KU. His doctoral research investigates the relationships between traditional ecological knowledge (TEK) and Western technoscience in Pacific island nations' climate change adaptation initiatives. Walter also works for the Surveillance Studies Research Center at the University of Kansas. His work on the Digital Inequalities in the Heartland project has included ethnographic fieldwork at the Lawrence Public Library, where he explored computer users' experiences, in particular the strategies they employ to protect their privacy in public spaces. He can be reached at [walter.goettlich@ku.edu](mailto:walter.goettlich@ku.edu).

dynamic of socio-economic (and physical) mobility constraint, historically rooted, and expressed across multiple fields, including housing, education, and employment. Toxic inequality also expresses itself through individual bodies, as an array of psychological and physiological symptoms in what Shapiro terms *toxic inequality syndrome*, itself amplified through cascades of adversity that redouble the difficulties posed by structures of toxic inequality in the first place.

In stepwise fashion, Shapiro dedicates a chapter each to the examination of family strategies for wealth accumulation, differential housing and neighborhood opportunity structures, differential employment benefit opportunity structures, inheritance, the role of government policy in perpetuating toxic inequality, and lastly a set of policy recommendations to begin dismantling the structures of toxic inequality and remediating their effects. In Chapter 1, Shapiro asserts that building a better life in America is predicated on having access wealth, and that an examination of how wealth is built, shared, used, and lost is critical to understanding inequality generally, and the racial wealth gap specifically. Challenging cultural myths about the prevalence of both inter- and intra-generational social mobility, Shapiro identifies a marked tendency toward “stickiness at the top and bottom of the wealth distribution” (43), and illustrating a variety of wealth management strategies, and the importance of structural forces over individual character and decisions in the maintenance of the racial wealth gap.

In Chapters 2 and 3, Shapiro demonstrates how differential housing and work opportunity structures condition wealth building, or the lack of it. Shapiro locates opportunity structures in both location, and career path. Spatial segregation has long played a significant part in maintaining racial inequality in the US, and Shapiro cites historical initiatives such as the 1916 St. Louis “Negro Block” housing ordinance and redlining practices by the FHA later in the 20<sup>th</sup> century as institutional modalities of reinforcing special segregations. Furthermore, these initiatives condition the persistent and growing disparity between low- and high-opportunity neighborhoods and communities, the latter of which increasingly engage in resource hoarding as a means of bolstering themselves against racial diversification. In terms of career opportunity structures, Shapiro demonstrates the racialization of a majority of

employment categories, and the concomitant mapping of certain benefit types—employer contributions to pension plans and health insurance for example—that engender wealth building to predominantly “White” jobs.

In Chapter 4 Shapiro examines the crucial role inheritance plays in the reproduction of wealth, and demonstrates the vast disparities in both likelihood of inheritance and median size of inheritance across racialized lines. Inheritance, Shapiro argues, is a “linchpin of toxic inequality” (133), whose existence “belies the idea that people enjoy generally equal opportunities and rise or fall on merit alone” (123).

Shapiro dedicates Chapters 5 and 6, respectively, to an examination of how government policies of putative ‘non-intervention’ actually actively structure the racial wealth gap, and a range of policy suggestions for reversing the causes and effects of toxic inequality. Channeling both Polanyi (2001) and Harvey (2005), Shapiro demonstrates how so-called government non-intervention is in fact a coherent set of policy positions that systematically favor the wealthy over the majority of middle- and low-income citizens. While public discourses of inequality wrongly focus on income rather than wealth, the already-wealthy grow richer and continue to use their economic, social, and political capital to influence policies behind the scenes. Perhaps nowhere is this more evident in the political preference for tax reduction initiatives over spending programs, two forms of entitlement whose budgetary difference is null, but whose beneficiaries are entirely different constituencies. In the final chapter, Shapiro offers the outline of a reform agenda rooted in wealth-building and racial justice. This agenda must be oriented to the correction of legacies of injustice and inequality, and as such must seek universal outcomes, rather than remain satisfied with the relatively lower bar of universal eligibility (190). To this end Shapiro sketches possible initiatives to reform the tax code and make access to housing, employment, retirement savings, and education opportunity structures more equitable.

Overall, Shapiro’s methodological approach is robust, and the result is an empirically rich and compelling study. His primary data comprises a set of panel interviews conducted approximately 10 years apart, on either side of the Great Recession. The initial wave of interviews included nearly 200 families, and the second wave

nearly 140. The families were roughly 50% African American and 50% White, living in Boston, L.A., and St. Louis. Shapiro also draws on a wealth of other statistical data to contextualize and validate his findings.

It is, of course, worth asking just how new toxic inequality is, and whether its novelty is truly one of type, or rather simply one of degree. From my perspective, however, the main issue with Shapiro's approach is in its implications. Shapiro argues inheritance is not simply a "key driver of toxic inequality; it is also the enemy of equal opportunity and meritocracy [...] quite possibly democracy itself" (145-6). Shapiro offers a number of policy recommendations, all of which carry a face validity of equitability. Nonetheless, I am left asking myself whether the racial wealth gap, among other expressions of racial inequality in America, persists primarily as the result of a lack of policy ideas. Or, more likely, do epistemologies of ignorance (Mueller 2017; Mills 2007) underpin the inability of American political and cultural apparatuses to adequately address the white supremacist ideology endemic to American democracy and prosperity? Policy changes are unquestionably necessary to redress the racial wealth gap and short-circuit the recursive dynamics of toxic inequality. But where is the evidence of the sort of majority political support (or perhaps more to the point, an equitable political structure) required to make those changes reality? Recent efforts across each of the largely conservative-dominated branches of US Federal Government suggest the political-structural changes required in order to make the social-structural changes Shapiro suggests are not forthcoming.

In summary, *Toxic Inequality* is compelling exercise of the sociological imagination, linking history and biography to tell a story which profoundly challenges certain noxious, racialized American meritocratic myths. Shapiro demonstrates personal character alone is not the fertile or barren soil in which upward social mobility thrives or dies. Instead, Shapiro's participants tell stories of both stymied perseverance and unearned privilege, each of which belies the belief any of our financial successes or struggles are strictly of our own making.

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