In 2022, the Barr Foundation launched a new special initiative focused on advancing racial wealth equity in Greater Boston. Even before making our first grants, we committed to listening and learning from leaders in the community who are already doing the work – to help us understand all the different ways the work is happening and how Barr might be a constructive partner. That commitment still holds – we know we still have much to learn and welcome new partners and perspectives to shape this work going forward.

This document is a snapshot of some of the key themes we’ve heard so far and how Barr has responded. After listening to the priorities identified by local leaders, we moved quickly to support organizations working to advance racial wealth equity in Greater Boston. In the first year of the initiative, we contributed over $15 million to nonprofits in Greater Boston working on this issue, with plans to match and exceed that several times over in coming years. Those early conversations and research helped us articulate this vision of what we’re working towards:

**We aspire to a world where racial wealth equity is commonplace,** where an individual’s race does not predict their capacity to deal with financial challenges or to take advantage of economic opportunities.

But for centuries, systemic racism codified through policy and reinforced through practice has prevented people of color from realizing their full potential for wealth creation.

**Across Greater Boston, people are working to advance racial wealth equity** by tackling some of the most important drivers of wealth creation like entrepreneurship, home ownership, asset transfers, employment income, and savings and investment.

**We hope you will engage with us to create a richer understanding of opportunities, needs, and promising work across the region.**
What is **racial wealth equity**?

Our working definition of “Racial Wealth Equity” is that an individual’s race does not predict capacity to deal with financial adversity or take advantage of economic opportunities, including those related to home ownership, business ownership, or other economic factors contributing to asset accumulation and wealth.

Equity is the core concept that underpins racial wealth equity. It is important to understand its definition and how it differs from equality.

**Equity**

Ensures that outcomes in the conditions of well-being are improved for marginalized groups, lifting outcomes for all. Equity is a measure of justice.

**Equality**

Is sameness; everyone gets the same thing. Equality focuses on everyone getting the same opportunity, but often ignores the realities of historical exclusion and power differentials among whites and other racialized groups.¹

¹ What is racial equity?. Race Forward. (2023, March 10). https://www.raceforward.org/about/what-is-racial-equity-key-concepts

Advancing racial wealth equity benefits everyone

A 2022 report highlights the collective economic benefit of advancing racial wealth equity. If the racial wealth gap were closed, U.S. GDP would grow by 4–6%. In Massachusetts, this would translate to adding an additional $24 to $36 billion to the state’s annual economic activity.²

People are working to build wealth and promote racial wealth equity in multiple ways.

Our conversations and research to date have also helped us see how complex, multifaceted, and interconnected all the different approaches to building wealth are. There is no single solution or cure-all. Based on our initial conversations, we heard the most about five key levers people are pursuing: entrepreneurship, homeownership, asset transfers, employment income, and savings and investments. These are the big categories, to be sure, with lots of opportunities. But we are also aware of other levers, like affordable housing, worker solidarity, and cooperative efforts.

Wealth drivers and approaches to promote racial wealth equity include asset flows to individuals and families (e.g., asset transfers, employment income, and business income) and maintenance and growth of existing asset values (e.g., savings and investment, homeownership, entrepreneurship).

To date, Barr has supported nonprofits working on many and multiple of these different levers. Going into the next round of listening and learning, we’re curious about what we’re missing, what the tradeoffs are, and whether and how we ought to focus going forward.
The people and organizations closest to both the challenges and solutions can and should lead the work.

Our Approach

We believe Barr’s approach to racial wealth equity philanthropy must center trust in our partners and the communities we serve.

So, we started by listening to and centering the voices and perspectives of local leaders working to advance racial wealth equity in Greater Boston. Our first round of conversations led us to a strategy that focused on these three roles for Barr:

- **Empower leaders, organizations, and institutions** through operating support to advance their agendas.
- **Engage in cohort-based convenings** to share knowledge, learnings, and data to inform our ongoing efforts.
- **Elevate and reframe narratives** in the public sphere, including using Barr’s platform to connect, influence, and partner with other funders on these issues, and explore opportunities to use our own voice to inform and advance racial wealth equity efforts.

As we embark on this next set of conversations we’re looking towards how we can evolve and refine our approach.

We know we have a lot more to learn about the history of racial wealth equity in Greater Boston and beyond, including racial wealth equity’s current context, drivers, and barriers. We also recognize that we are in the unique position of being learners in this field while also having a platform to elevate and focus the conversation. Our aim is to champion the wisdom and leadership of others while taking action that leads to increased opportunity and lasting change.

We hope you will partner with us.

We hope you will engage with us as partners and co-learners to inform our understanding of the ecosystem and how Barr can be most impactful. **Please sign up for a session!**