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News Release

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MTF releases landmark report on inequity:

“Closing the Racial Divide in the U.S. and MA: A Baseline Analysis”

BOSTON, May 19, 2021—The Massachusetts Taxpayers Foundation, the state's premier public policy organization dealing with state and local fiscal, tax, and economic policies, today released a major new report, “Closing the Racial Divide in the U.S. and Massachusetts: A Baseline Analysis.”

Marking the foundation’s first exploration of racial disparities in the Commonwealth, the 29-page report statistically documents inequities in wealth, income and employment, education, criminal justice, health care, as well as the potential economic and fiscal gains that could be realized by closing the racial gap. The report is intended to become a baseline framework, expanded and strengthened over time, for evaluating the impact of efforts to address racial inequities moving forward.

MTF President Eileen McAnneny said, “The Foundation has always been committed to fiscal stability, economic growth, and opportunity for all, and this new report represents our effort to ensure we are adding a racial-equity lens to our research on policy impacts. This report does not assign blame—it gathers facts, puts them in context, and makes clear the economic as well as moral and justice-based reasons for closing the economic divide.”

In addition to compiling data on disparities from authoritative sources, “Closing the Racial Divide” includes new original Foundation analysis showing that Massachusetts’ gross state product (GSP) would increase by \$25 billion over five years were the Commonwealth to close the racial divide in wages, housing, investments, and wealth. If Blacks and Hispanics graduated from college at the same rate as white peers, MTF calculates, Massachusetts would realize \$20 billion over a decade in increased tax revenues and reduced public-assistance expenditures.

Keith Mahoney of The Boston Foundation said: “When it comes to high-quality research and non-partisan analysis, no one has more credibility on Beacon Hill and across the Commonwealth than the Massachusetts Taxpayers Foundation. In this time when a national reckoning on issues of race is long-overdue, the Foundation’s ‘Closing the Racial Divide’ report makes an exemplary contribution to this critically important discussion. The Boston Foundation is proud to partner with MTF for the next phase of its work, which entails collaborating with all interested stakeholders to improve the metrics by which we will measure our collective progress.”

Among many findings in the report:

- In Massachusetts and the U.S., Black families have markedly lower levels of household wealth and home ownership
- Median income for Blacks lags far behind that of whites, and in the most recent figures income of Blacks in Boston averaged just 45 percent that of whites
- High-school dropout rates for Hispanics in Massachusetts are four times as high as those for whites and more than double those of Blacks
- Blacks and Hispanics are incarcerated in Massachusetts at rates 8 times and 4.9 times, respectively, as whites
- Lack of health insurance, infant mortality, and negative experiences with healthcare providers are all disproportionately higher for Blacks and Hispanics than whites
- As documented by a 2017 survey, Boston continues to carry a national reputation for racism and is seen as the least welcoming of eight major U.S. cities to people of color

“We recognize and acknowledge that this report is not as comprehensive as it could and must be, and many indices of disparity and inequity that the Foundation wanted to be able to calculate and present we found do not exist,” McAnneny said. “For that reason, we are convening an advisory committee to work with and guide the Foundation in how we will expand future editions of the ‘Closing the Racial Divide’ report to provide the most comprehensive and authoritative analysis possible.”

Jane Steinmetz, Chairwoman of MTF, said: “This report lays bare the disparities that exist across virtually every measure of economic and social conditions in our society. We are committed and motivated to work with a wide range of groups and voices to continue to measure progress in efforts to close these disparities and make Massachusetts a more united, diverse, and equal Commonwealth.”

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ABOUT THE MASSACHUSETTS TAXPAYERS FOUNDATION

Founded in 1932, the Massachusetts Taxpayers Foundation (MTF) is widely recognized as the state's premier public policy organization dealing with state and local fiscal, tax, and economic policies. MTF's mission is to provide accurate, unbiased research with balanced, thoughtful recommendations that strengthen the state's finances and economy in order to foster the long-term well-being of the Commonwealth. In the past ten years, MTF has won 16 prestigious national awards from the Governmental Research Association for our work on a wide array of topics including health care, business costs, transportation funding, tax competitiveness, capital investments, and state and local finances.