

If There Is Systemic Racism in America, Then Why Is There So Many Black Millionaires?

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I used the standard deviation and mean across four races of millionaires and non-millionaires, to calculate Z-scores, then plotted scores on a standardized Z distribution with quantiles. My research question was simple: If there is systemic racism in America, then why are there 1,621,600 Black millionaires? The fact Black Americans are normally distributed, similar to all the other races, in terms of being classified as net worth millionaires, is clear proof contrary to the proposition that America is systemically racist. Asian, White, Black, and Hispanic races were statistically the same on the standard normal distribution. However, White non-millionaires were the only race to have a significant, unusual z-score (-2.43), with a $p < .01$ the chance of being a White non-millionaire in the United States is not random. Moreover, there are far too many Black millionaires for the evils of systemic racism in America to be real.

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ANY CLAIM IS AN ARGUMENT

It is commonly known that some of the harshest critics of America are among the richest Americans. Mainstream news outlets (Picchi, 2016), television broadcasters, and talk show prognosticators are relentless in painting the picture of doom and gloom for all of Black America. Jan (2017) makes the claim “1 in 7 white families are now millionaires. For black families, it’s 1 in 50.” I never play the lottery, but if the odds were 1 in 50 of winning a \$1.0 million jackpot, no state lottery could survive such odds. I notice the prognosticators don’t caution penniless black Americans against playing any state lottery, spending money they cannot afford to waste, where the odds of winning the jackpot in a Powerball drawing are 1 in 292.2 million (Rodriguez, 2022). Prognosticators claim that most Blacks live in misery and woe, if not financial woe; to them, there surely must be some form of unrequited emotional woe. However, how have these American prognosticators of Black people’s misery given solace to their strife so successfully? Why has the machine of systemic racism not crushed their hopes and dreams down into a pulp of despair and disappointments?

Imagine an exterminator hired to rid your house of roaches. Days or a couple of weeks after the treatment, when the kitchen light is turned on, 8 percent of the roaches are still there? Given that there are tens of thousands of roaches, possibly a million, hiding out in walls and crevices, the homeowner is expecting not a single roach to survive the treatment. In the case 8 percent of the roaches return, a homeowner is under no obligation to trust that second treatment, using a faulty bug-control formula, should be effective. A systemic racist America, by design, would see Black networth millionaires just as an exterminator would see a roach infestation, not one roach should survive. Their claim is that systemic racism

is evil intent; thus, people controlling systemic racism should have no tolerance for one Black millionaire, let alone 1.62 million Black millionaires.

Two Argument Forms

Any declarative sentence, according to Aristotle is a *claim*: any claim is an argument. All arguments require proof to convince the outside listener to advocate that which the speaker (or writer) advocates. Bell and Martin (2019) present the elements of rhetorical argument in the following way:

To argue is to declare. Consequently, a basic argument can be any simple declarative sentence the speaker uses to make a claim that requires proof; for example, Jane has a cute baby; Mark will eventually get cancer because he smokes a pack of cigarettes each day; that quick rabbit will always elude that dumb hound. All the aforementioned declarations need further proof to convince others to advocate the same sentiment. To persuade is to convince outside listeners to advocate that which you advocate. The Greek philosopher Aristotle devised methods for testing claims (p. 89).

Media wants all Americans to see racism their way, without substantial proof required of their claims. They make broad inductions from nuanced individual differences; most often that is one or two extremely non-representative hyperbolic examples of the aspirant groups that they infer their claims. This type of reasoning is flawed. Here is why.

The distinction between types of arguments depends on the conclusion that can be drawn from the claim, and the availability of complete information. For example, there is the deductive syllogism, and then the inductive syllogism. The *deductive* syllogism leads to conclusions that are *certain* because all the information in the premises needed to make a certain conclusion is there in the premises. Conversely, *inductive* syllogisms lack perfect information, therefore, Bell and Martin (2019) argue:

The enthymeme was Aristotle's solution to the problem he recognized with the deductive syllogism: it is not completely realistic, because people do not tend to argue that way. Deductive conclusions require perfect information on the premises, which rarely exists in real life. An enthymeme is a form of inductive syllogism in which the premises include "visible links," and the "missing links" are provided by the audience. The conclusion, therefore, is only a probable outcome and can never be a certain one. The assumption is that audiences are reasonable, and thus worthy to supply the missing links of the argument (see Aristotle, Rhetoric, I, 1-2). In more modern terms, audiences connect the dots (p. 90).

SYSTEMIC RACISM HAS ALLOWED TOO MANY BLACK MILLIONAIRES

In a summary article by Victoria Stilwell (2016) reporting on the Federal Reserve Bank of St. Louis's 2010 Survey of Consumer Finance data, covering 12,500 households, the odds of being a millionaire for Asian, White, Hispanic and Black was 22.3%, 21.5%, 6.8%, and 6.4% respectively. Despite these incredibly good odds for all Americans, Stilwell (2016) puts a negative spin on very positive data:

White Americans without a high school diploma start with slightly better chances—1.7 percent—that rapidly improve with more school: A graduate-level education increases their probability of amassing a net worth greater than \$1 million to 37 percent. The divergences race creates are easily illustrated by looking at 40- to 61-year-olds. In middle age, a black graduate-degree holder has just about the same odds of being a millionaire as a white person who only completed high school (para).

Table 1 shows the number of White, Hispanic, Black, and Asian Americans by their 2020 Census population count, the total number of millionaires from each race population, and the percent by race of the

20.27 millionaires in the USA from 2021 data (Jones, et al, 2021; Lynkova, 2022; McCain, 2022). Notice the impressively favorable odds of becoming a millionaire for any race population.

Odds are unfavorable for the White race populations being classified as non-millionaires. For White people, there are 204.3 million - 15,405,200 millionaires = 188.9 non-millionaires. Non-millionaire White people is greater than the populations of the 133 million Blacks, Asians, and Hispanics, both millionaires and non-millionaires combined. In other words, the odds of a White person being classified as a non-millionaire is 1 in 2, while the odds of an Asian person, for example, being classified as a non-millionaire is 1 in 15, while living in the USA. This is why population statistics is a helpful indication of the distribution of millionaires in the USA.

TABLE 1
THE 2020 CENSUS COUNT OF WHITE, HISPANIC, BLACK, AND ASIAN MILLIONAIRES BY POPULATION

Race	USA by Race Population for 2020	Population %	USA Millionaires by Race	USA Millionaires by Race %	Odds of being a millionaire in the General Pop.	Odds of being a non-millionaire in the General Pop.
White	204.3 million	60.6%	15,405,200	76%	1 in 22	1 in 2
Hispanic	62.1 million	18.4%	1,418,900	7%	1 in 238	1 in 6
Black	46.9 million	13.9%	1,621,600	8%	1 in 208	1 in 7
Asian	24.0 million	7.1%	1,621,600	8%	1 in 208	1 in 15

Sources: data was extrapolated from Jones, et al, (2021, August 12); Lynkova, (2022, April 12). The Sum of all populations is: 337.3 million; 20.27 million millionaires.

Table 2 shows the odds of becoming a net-worth millionaire within one's race population. The fact that the odds of being a millionaire is 1 in 29 from a population of 46.9 million Black Americans means systemic racism which is designed to hold Black people down is defective and flawed. There are far too many of them. The people put in charge of systemic racism need to be fired forthwith! Black people are 13.9 percent of the general population of 337.3 million, yet they represent 8% of the 20.27 million millionaires in America, which is 1,621,600 people with a networth of one million dollars [assets – liabilities = networth].

TABLE 2
THE ODDS OF BEING A MILLIONAIRE FOR WHITE, ASIAN, BLACK, AND HISPANIC
WITHIN POPULATIONS

Race	Total US Millionaires Within Pop. / Tot. Pop.	Within Race %	Millionaire Odds within Race*	Ranked within Race
White	15,405,200/204.3 million	7.53	1 in 13	First, Place
Asian	1,621,600/24.0 million	6.76	1 in 15	Second, Place
Black	1,621,600/46.9 million	3.46	1 in 29	Third Place
Hispanic	1,418,900/62.1 million	2.28	1 in 44	Fourth place

*Odds are calculated by dividing a race's total population by that race's population of millionaires. The Sum of all population is: 337.3 million; with 20.27 million millionaires.

MY RESEARCH CLAIM AND HYPOTHESIS TESTING

I claim that there are far too many Black American millionaires for systemic racism to be a real thing. The odds of a Black American becoming a millionaire is favorable, with a 1 in 29 chance within the Black population, and 1 in 208 in the general population. I will prove my claim with simple Census bureau data (Jones et al, 2021) and computations of percentages and ratios of networth millionaires across four races: Black, White, Asian and Hispanic, both millionaires and non-millionaires. I stated my hypothesis in the following way:

***H1:** No race of millionaires or non-millionaires will fall outside of ±1.96 standard deviations of the mean of zero when z-scores are plotted along a standardized normal Z distribution with quantiles.*

Why I Rejected the Null Hypothesis

I tested the hypothesis based on the calculated z-scores plotted onto a standardized normal Z distribution. I rejected the hypothesis if any race fell outside of ±1.96 standard deviations of the mean of zero. All four races were assumed normally distributed because of their huge populations and randomness, and the binary nature of race classification is White, not White, Black, not Black, etc. Millionaire status was the measure. Non-millionaire was a negative integer by necessity, as to calculate it, I subtracted the general population from the population of millionaires, by race.

I rejected **H1**; as $p < .05$: The White race of non-millionaires fell outside of ±1.96 standard deviations of the mean of zero when z-scores were plotted along standardized normal Z distribution quantiles. White non-millionaires have a z-score of -2.43, with a significant standard normal probability: $p = 0.00755$.

Formula for Mean and Standard Deviation by Race, Census Year 2020:

- Millionaires:
- White: 15405200
- Black: 1621600
- Asian: 1621600
- Hispanic: 1418900

Non-Millionaires:

White, 15,405,200 - 204,300,000 = -188894800

Black, 1,621,600 - 46,900,000 = -45278400

Asian, 1,621,600 - 24,000,000 = -22378400

Hispanic, 1,418,900 - 62,100,000 = -60681100

Standard Deviation, σ : **62370416.590214**

Count, N: 8

Sum, Σx : -297165400

Mean, μ : **-37145675**

Variance, σ^2 : 3890068865636875

Steps

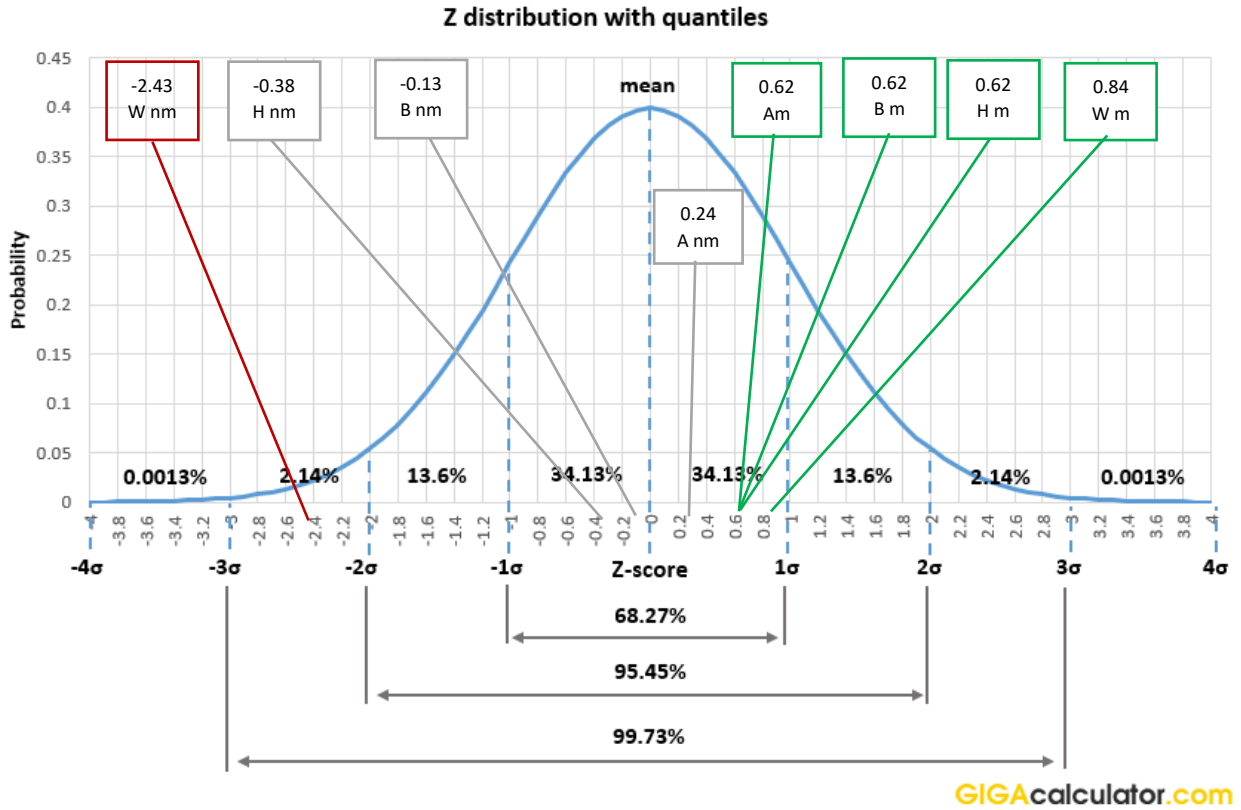
$$\sigma = \sqrt{\frac{1}{N} \sum_{i=1}^N (x_i - \mu)^2}$$

$$\begin{aligned}\sigma^2 &= \frac{\Sigma(x_i - \mu)^2}{N} \\ &= \frac{(15405200 - -37145675)^2 + \dots + (-60681100 - -37145675)^2}{8} \\ &= \frac{31120550925095000}{8} \\ &= 3890068865636875 \\ \sigma &= \sqrt{3890068865636875} \\ &= 62370416.590214\end{aligned}$$

I plotted millionaire and non-millionaire z-scores, shown in Figure 1, along the Z distribution into the appropriate quantile. I borrowed the Z distribution main image from GIGAcalsculator.com, a public domain. The line callouts are my additions to the image, which point to the z-score placements on the distribution quantiles, and in the callout box is the abbreviation for race and status; millionaire Black for example is “0.62,Bm” and non-millionaire Black is “-0.13,Bnm,” and so on for the other races. The z-score probabilities for all races of millionaires and non-millionaires can be seen in the Appendix. There was one very unusual probability for White non-millionaires, with a z-score probability of $p = .00755$, or $p < .01$. This is far outside the -1.96 standard deviation rejection criteria. The absolute value of the z-score that is very large with a very small probability is an unusual, and intriguing finding.

The significant finding about White non-millionaires aroused my suspicions about public policy. What does the significant finding tell us about White non-millionaires in the USA? Amazingly, Whites appear to be a much larger number of millionaires; however, the z-scores show a difference that is scientifically significant in its distance from the mean of zero on the Z distribution. Has the White race been throttled by racism, or harmed by public policy?

FIGURE 1
MILLIONAIRES AND NON-MILLIONAIRES PLOTTED ON THE Z DISTRIBUTION BY
WHITE, ASIAN, BLACK, AND HISPANIC



A Throttled White Race?

Although there are more White people (with a z-score of 0.84, $p = .79955$) who have achieved millionaire status, there are far more White people (with a z-score of -2.43, $p = .00755$) who likely never will be millionaires. This fact is scientifically meaningful because 95% of all z-scores should fall within ± 1.96 standard deviations of the mean of zero. Any z-score that falls outside of this range is significant at the $p < .05$ level of confidence, as z-scores falling outside this range, are an indication the z-score is not a random or chance occurrence. The White race of non-millionaires is the only race that cannot be explained by random chance alone. The z-score of -2.43 for non-millionaire Whites is significant with a standard normal probability, $p = 0.00755$, which is not by chance alone. The odds are 1 in 2 of not being a millionaire in the United States of America if you are White, and a z-score outside the -1.96 standard deviations when plotted on the Z distribution.

Therefore, it appears there could be a form of systemic racism in America, based on the z-scores plotted on the Z distribution, happening to White people. Some types of discriminatory activities appear to be happening to the White race of non-millionaires. Perhaps all the affirmative action laws and regulations have throttled their progress. Perhaps it is the constant bashing in mainstream media about how White people are racist? It could be the number of divorces and households led by single parents. Perhaps the television broadcasters and talk show prognosticators who relentlessly paint pictures of doom-and-gloom for people of color against White people are having a deleterious effect? Who knows at this point the reason for this phenomenon?

What is now known is that White non-millionaires fall far outside the threshold of random chance and that their status is likely due to a systemic problem. The White race appears to be throttled in the non-millionaire status. The reason for their being the only significant outlier deserves further exploration. There is no good reason as to why they were the only race to be significantly outside of a -1.96 standard deviation of the mean of zero. The chance of a White person falling between a White millionaire and White non-millionaire status is 79.2%. On the other hand, the chance of a Black person falling between Black millionaires and Black non-millionaire status is 28.4%, for Hispanics, 38.0%, and for Asians, 13.8%. This significant finding provides some evidence that systemic racism might be happening to the White race of non-millionaires. The formulas for calculating the z-scores, and probabilities found in the z-score tables for White, Black, Asian and Hispanic, millionaires and non-millionaires, are located in the Appendix.

SUMMARY AND CONCLUSION

People in the media have been implying that America is unfair to Blacks. Their claims have been shown untrue when millionaires by race are measured by z-scores on a standard normal distribution. Their claims go against the grain of credulity that any system designed to keep something out would be also actively seeking to let in the very thing it was designed to keep out. Black millionaires, 1.62 million of them, are a contradiction to the claim of systemic racism: financial independence is the aspirant goal of nearly every American. What are the astronomical odds of winning a \$1.0 million Powerball drawing, for any race? What could those lottery expenditures be worth in 40 years? Ramsey (2022) argues that \$100 per month in a 401(k) invested in an index 500 mutual fund with, ROI of 11%, which means \$1.0 million or more in 40 years. Social and psychological options are either favorable or unfavorable (Bell, 2013). Getting rich is a favorable option for any American.

Imagine a cooling system designed to cool an engine, which allowed the engine to overheat each time the engine was running. Every mechanic that I know would deem that system defective. Imagine a deep-sea diver wearing an oxygen canister that did not produce oxygen, but methane gas instead. There are numerous examples of design features in machines and systems which can be used to illustrate system failures, whether those features are mechanical or procedural. Systemic racism by design would treat Black, Hispanic, and Asian American opportunities like varmints needing to be eradicated by systemic racist formulas; nevertheless, the system of holding Black, Asian and Hispanic Americans down is failing dramatically.

For the theory of systemic racism to hold, there need to be far fewer Black millionaires (approaching zero) in the USA. The odds are extremely favorable of being a millionaire, for Black, Hispanic, White, and Asian Americans, which means the chances of becoming one, is very good! All races of millionaires are statistically the same on the Z distribution; z-scores for millionaires cluster between .065 and .85, just below +1 standard deviation above the zero means. The odds of becoming a millionaire preclude the dictates of systemic racism toward people of color. The data shows that the volume of Black, Hispanic and Asian millionaires in America should not be possible in a system designed specifically to lock people of color out of the American Dream.

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APPENDIX

Race	z-score calculation*	z-score probability
White Millionaires	$Z \text{ score} = \frac{x - \mu}{\sigma}$ $= \frac{15405200 - -37145675}{62370416.590214}$ $= 0.84256$	p. = .79955
Black Millionaires	$Z \text{ score} = \frac{x - \mu}{\sigma}$ $= \frac{1621600 - -37145675}{62370416.590214}$ $= 0.62157$	p. = .73237
Asian Millionaires	$Z \text{ score} = \frac{x - \mu}{\sigma}$ $= \frac{1621600 - -37145675}{62370416.590214}$ $= 0.62157$	p. = .73237
Hispanic Millionaires	$Z \text{ score} = \frac{x - \mu}{\sigma}$ $= \frac{1418900 - -37145675}{62370416.590214}$ $= 0.61832$	p. = .73237
White Non-millionaires	$Z \text{ score} = \frac{x - \mu}{\sigma}$ $= \frac{-188894800 - -37145675}{62370416.590214}$ $= -2.43303$	p. = .00755**
Black Non-millionaires	$Z \text{ score} = \frac{x - \mu}{\sigma}$ $= \frac{-45278400 - -37145675}{62370416.590214}$ $= -0.13039$	p. = .44828
Asian Non-millionaires	$Z \text{ score} = \frac{x - \mu}{\sigma}$ $= \frac{-22378400 - -37145675}{62370416.590214}$ $= 0.23677$	p. = .59483
Hispanic Non-millionaires	$Z \text{ score} = \frac{x - \mu}{\sigma}$ $= \frac{-60681100 - -37145675}{62370416.590214}$ $= -0.37735$	p. = .35197

*Source: Calculator.net <https://www.calculator.net/standard-deviation-calculator.html?numberinputs=15405200%2C+1621600%2C+1621600%2C+1418900&ctype=p&x=61&y=18>