Racial and Ethnic Disparities in the UK

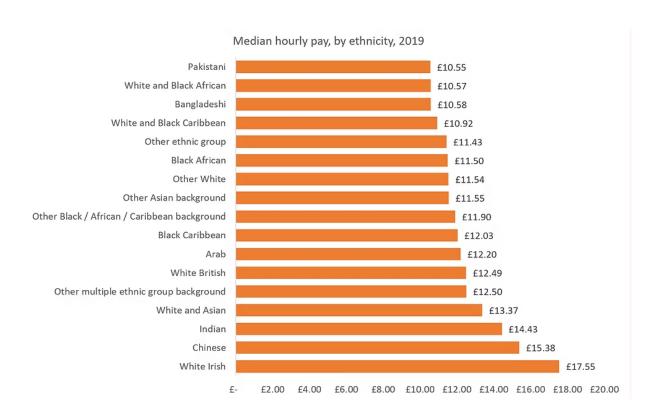
Part 1

After this year's anti-racism protests in the UK, which spread from the US after George Floyd's death in police custody, Boris Johnson commissioned a report focused on highlighting racial and ethnic disparities in the UK. The report was initially scheduled for publication at the end of 2020 but has since been delayed and now will be published early in 2021. Racial and ethnic inequality and racism are sources of injustice in society. Given the delay in the UK's race and ethnic disparities report, we thought it important to highlight some of the key disparities that can be found in the data. These disparities are likely to be discussed in the report and are areas where policymakers should focus to address the problem of racial and ethnic inequality in the UK. We have written two articles on this topic: part 1 focuses on inequalities in the economy and part 2 focuses on inequality in a broader set of social outcomes and experiences.

Note: We used guides on the GOV.UK website on the ONS website to instruct how we wrote about ethnicity and race in this article. For those interested, the GOV.UK guide can be found here and the ONS guide can be found here. Furthermore, as mentioned in the GOV.UK guide, the graphs presented focus on ethnicity rather than race because surveys that collect data usually ask about self-identified ethnicity and not a race.

Income

There are significant disparities between different ethnic groups in income.



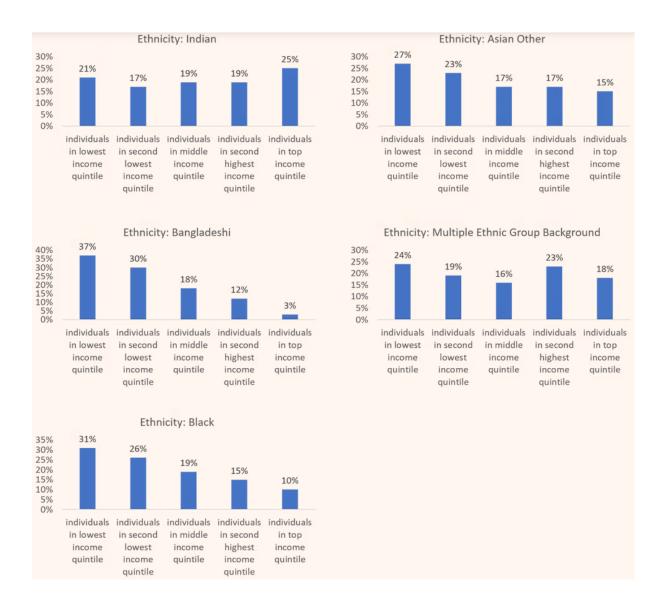
(Link to source: Click here)

Note: The ethnic groupings are those used by the ONS. White and Black African, Black Other, and Arab ethnic groups had small sample sizes, so their median wages may be inaccurate.

Income inequality can be found in median hourly wages with minority ethnic groups tending to have lower median incomes. However, median hourly wage statistics do not show the full picture. How income is distributed, which can be seen below, is arguably more important.

PERCENTAGE OF INDIVIDUALS FROM A GIVEN ETHNICITY IN EACH INCOME BRACKET, 2016 - 2019





Source: GOV.UK (Link: Click here)

Note: The ethnic groups used are those used by the source, GOV.UK. The groupings are limited because "Multiple Ethnic Group Background" is not divided into different groups, such as White and Black African or White and Asian, and "Black" is not divided into different groups, such as Black Caribbean and Black African. This means that the graphs may overlook some individuals' experiences. Data is based on the 3-year average between 2016 and 2019.

Minority ethnic groups are clearly over-represented in the low end of the income distribution. This is an important disparity to address since income may contribute to other disparities, such as inequality in health outcomes.

Wealth

Although there are clear disparities in income across ethnicities, inequality in wealth is even more severe.

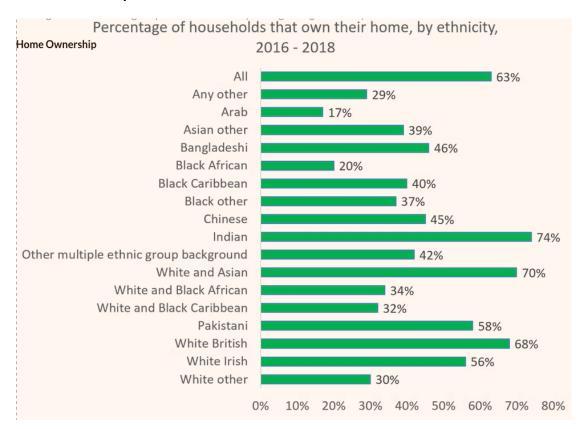


Source: ONS (Link to source: Click here)

Notes: The ethnic groups are those used by the ONS. A limitation of the groupings is that "Multiple Ethnic Group Background" is not split up, which may overlook some individuals' experiences. However, this may be because of a limited sample size. The "Black other" ethnic group was not included by the ONS due to limited sample size. Bangladeshi and Chinese ethnic groups had a limited sample size, so their median wealth may not be representative of Bangladeshi and Chinese ethnic groups in Great Britain.

Households from a White British background have the highest median wealth, which is more than 9X the median wealth of households from a Black African background. Disparities in wealth are especially worrying since wealth tends to accumulate across generations meaning inequalities in wealth may be long lasting unless they are addressed.

Home Ownership

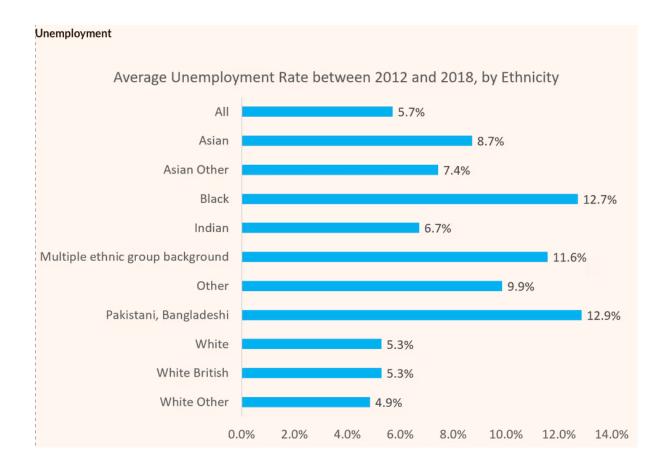


Source: GOV.UK (Link to Source: Click here)

Notes: GOV.UK did not include the White Gypsy or Irish Traveller ethnic group, which is one of the 18 ethnic groups that the government recommends are used (see here), because of a limited sample size.

Homeownership is linked to wealth since people tend to store a lot of their wealth in their homes. It is, therefore, unsurprising that there are also severe disparities in homeownership between ethnic groups.

Unemployment



Source: GOV.UK (Link to Source: Click here)

Note: The groups are those used by GOV.UK. One limitation of these groupings is, again, that some of the groups are not divided. For example, Multiple ethnic group backgrounds could be divided into several different groups which may overlook the separate groups' experiences.

The average unemployment rate for those from a White British background between 2012 and 2018 was 5.3% compared to 12.7% amongst those from a Black background and 12.9% amongst those from a Pakistani or Bangladeshi background. This is a significant disparity that may partially explain the inequalities in wealth and income highlighted above and must be addressed to achieve equality.

Conclusion

This article has highlighted some of the key financial inequalities between different ethnic groups in the UK. Not all inequalities have been highlighted. However, it is clear that members of minority ethnic groups, on average, tend to be worse off, which is unjust and must be addressed. The Runnymede trust released a report in April 2020 focused on the issue of racial inequality in the economy which can be found here. The report analyses inequalities in the UK economy and suggests how inequalities could be addressed by

policymakers. Addressing the significant disparities in the economy is especially important because personal finances have a large effect on peoples' lives.

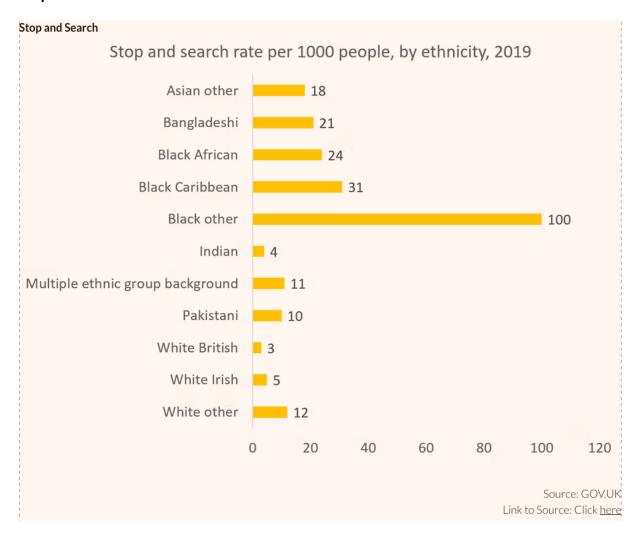
In part 2 of this series, we highlight some of the inequalities found in broader society.

Racial and Ethnic Disparities in the UK

Part 2

The problem of racial and ethnic inequality is not just found in the economy and in personal finances. It is also found in other parts of society. This article will build on part 1 by highlighting some of the disparities found in broader social outcomes and experiences.

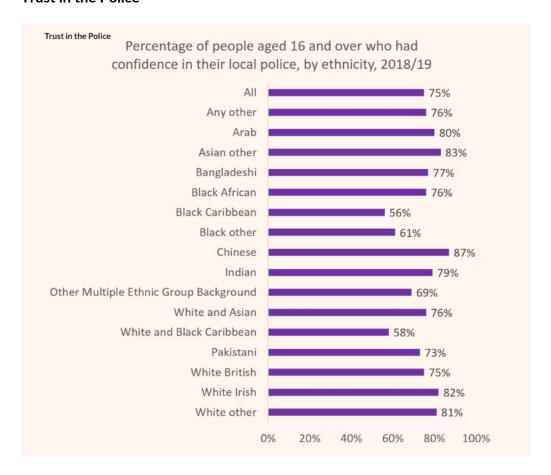
Stop and Search



Source: GOV.UK Link to Source: Click <u>here</u> Note: The ethnic groups are those used by GOV.UK. As previously mentioned, a limitation of the groupings is that "Multiple Ethnic Group Background" is not split up, which may overlook some individuals' experiences.

There are significant disparities in stop and search rates amongst different ethnic groups. The rate for people from a Black Caribbean background is more than 10X the rate for people from a White British background. The Equality and Human Rights Commission released a report (found here) in 2010 which focused on the problem of disproportionately high stop and search rates amongst minority ethnic groups. The report concluded that "the police use of the powers in England and Wales remains disproportionately weighted against Black and Asian people" and that this disproportionality was not justified.

Trust in the Police

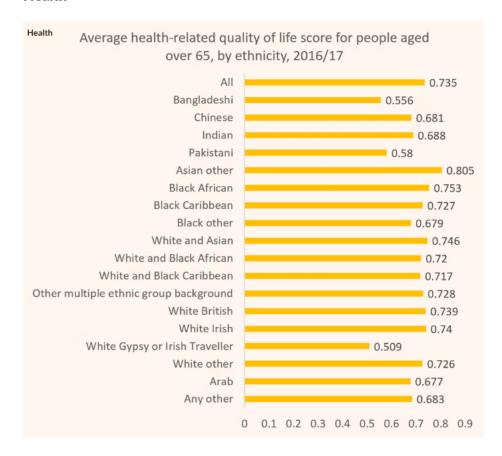


Source: GOV.UK Link to Source: Click here

Notes: The White and Black African, and White Gypsy or Irish Traveller ethnic groups were withheld due to small sample sizes.

Given the discrepancies in stop and search rates, it is perhaps unsurprising that there are also significant discrepancies in confidence in the police between different ethnic groups.

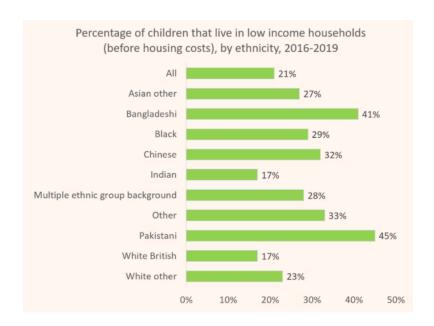
Health



Source: GOV.UK Link to Source: Click here

The disparities in average health-related quality of life after the age of 65 between people of different ethnicities are less significant than in other areas. However, there is still inequality; notably, people from Bangladeshi, Pakistani, White Gypsy or Irish Traveller backgrounds tend to have significantly worse health outcomes than those from other ethnic groups. Furthermore, people from minority ethnic groups have been disproportionately affected by the coronavirus pandemic. You can find more about the disproportionate effects of coronavirus <a href="https://example.com/here-ethnic-group-new-ethnic-group-n

Children in Low-Income Households



Source: GOV.UK Link to Source: Click here

Note: The ethnic groups are those used by GOV.UK. As previously mentioned, a limitation of the groupings is that "Multiple Ethnic Group Background" is not split up, which may overlook some individuals' experiences. Furthermore, the Black ethnic group aggregates the Black African, Black Caribbean, and Black other ethnic groups which may overlook some peoples' experiences.

There are significant disparities between ethnic groups regarding the percentage of children living in low-income households. Children from a Pakistani background are most likely to be part of a low-income household, whilst children from an Indian background and children from a White British background are least likely to be part of a low-income household.

Conclusion

The articles in our racial and ethnic disparities series have highlighted that there are several key disparities between different ethnic groups in the UK. As mentioned in part 1, we have not highlighted all inequalities and there are some disparities that are more insidious that will not necessarily be directly observed, such as unconscious bias. Instead, unconscious bias and other forms of racism will contribute to the directly observed inequalities highlighted above. It is clear, from the data that has been presented, that the UK has a problem of racial and ethnic inequality with several gaps that must be closed. Hopefully, the government's race and ethnic disparities report mentioned at the start of this series will go some way in informing how policymakers can address gaps by highlighting disparities, how these disparities are interrelated and what causes them. However, addressing inequality and racism in the UK, and therefore creating a more just society will require more than a report - it will require action.

Assumptions 2020 Team, 20th December 2020