Why does racial inequality persist despite the decline in overt and covert racism? How do racial advantages get transmitted across generations? Which policies can help level the playing field and promote racial equality? This accessible and relevant book tackles these important questions, yielding new insights and perspectives to this debate.

Instead of standard accounts that emphasize racial discrimination, the book argues that racial inequality persists because of the “locked-in” nature of the white advantage. Once created, racial inequality can be self-reinforcing, with the possibility of continuing indefinitely, even in the absence of intentional discrimination. In other words, racial inequality is a “path-dependent” process in which history plays a critical role in explaining the divergent trajectories across groups. Specifically, the book argues that “racial inequality reproduces itself automatically from generation to generation, in the everyday choices that people make about their lives” (p. 4). This is a rather sobering conclusion in an era when a few pundits have daringly declared a “postracial” America.

The book has several strengths. First, it draws on a robust body of interdisciplinary scholarship, most notably, insights from economics, sociology, social psychology, and law. Second, it adopts a historical perspective that emphasizes the intergenerational nature of inequality and the unintended consequences of race-neutral policies. Third, it focuses on the social mechanisms that generate and reproduce inequality in housing, education, employment, and wealth while also explicitly engaging with policy ideas and their legal implications. Fourth, it is clearly written with an accessible tone, aiming at the general audience of educated readers.

Central to the book’s historical argument is the notion of “racial cartels” under the Jim Crow era and how they perpetuated the white advantage. A cartel is “a group of actors who work together to extract monopoly profits by manipulating price and limiting competition” (p. 29). Historically, “racial cartels” gave rise to the white advantage at the expense of blacks, given whites’ monopoly over good neighborhoods, better schools, and well-paid jobs. These racial cartels were possible because of the de facto discrimination against blacks among employers, real estate brokers, white homeowners, local politicians, and so on.

Although the book is balanced and informative throughout, three critical observations are in order. First, the book focuses primarily on black–white inequality, with only cursory attempts to engage with the new hierarchy of ethnoracial inequality. Since 1965, immigration has fundamentally changed the color of inequality, with significant increases in both intra- and interracial inequality. The black–white framework still applies, but new theories and concepts are needed to help make sense of this emerging diversity. Second, the book draws heavily on economic theory and concepts (antitrust, cartel, etc.) to capture group competitions over and monopoly of resources. And yet these contestations can also be about symbolic power and control, rooted deeply in socially constructed racial boundaries. Third, the book’s treatment of policy is cursory. Although the book proposes many policy ideas—from “baby bonds” (p. 135) and “citizen pensions” (p. 145) to more aggressive estate taxes and promotions of affordable home ownership, there is little attempt to provide some political and economic context to these policy proposals. For
example, what is the social and budgetary cost? How can we afford these programs? How do we build the necessary political consensus? Are affirmative action programs sufficient? More importantly, will they lead to more racial equality? Addressing some of these questions would have strengthened the book's contribution to this important and central debate.

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