



# DEBT AS A WEAPON OF RACIAL CAPITALISM

“Debt should be conceptualized not only in terms of money and repayment, but also in terms of the disciplinary function of debt and the docile subjectivities produced by indebtedness.”

JACKIE WANG/CARCERAL CAPITALISM IN REGARDS TO MAURIZIO LAZZARATO'S THE MAKING OF THE INDEBTED MAN



BETWEEN 1980–2006 **HOUSEHOLD DEBT**

as a percentage of disposable personal income has grown from

**72.1% → 139.7%**



THE FORM OF CREDIT AVAILABLE TO PEOPLE VARIES BASED ON:

- RACE
- CLASS
- GENDER
- GEOGRAPHY

## “GOOD DEBT” vs “BAD DEBT”?

**Student Loans**

12+ years after enrolling in school

**113%** Median loan balance (from amount originally borrowed) of African American students

**65%** Median balance of white students

**Credit Cards**

IN 2016 **44%** Households with credit card debt

**OUTNUMBERED 42%** With a mortgage

FOR THE FIRST TIME SINCE 1998

**Mortgages**

**< 1/2** of African American and Latinx families hold mortgages

Compared with **71%** of white families

**Predatory Lending**

AN AFRICAN AMERICAN WOMAN IS:

**5.7%** More likely to receive a subprime mortgage than an African American man

**256.1%** More likely to receive one than a white man

**Predatory Policing**

**95%** of outstanding arrest warrants are unpaid fines

**Bail/Bond**

Incarcerated people have an average of **\$13,607** in criminal legal debt

**Medical Bills**

**1 in 6** Americans have past-due health care bills on their credit report

More than half of those bills amount to **< \$600** each

IS THERE ANY “GOOD DEBT”?

“The widespread indebtedness is not the fault of the debtors, but the fault of a failing government & financial system.”

HANNAH APPEL, SA WHITLEY, CAITLIN KLINE/ THE POWER OF DEBT

→ ALL DEBT IS GOOD FOR A CAPITALIST SYSTEM, AND BAD FOR THE PEOPLE

How debtors can fight back:

**UNITING AS A SOLIDARITY** to break the stigma of debt and disallowing classifications between “good” and “bad debt”



**CALL OUT THE STATE AND FINANCIAL SYSTEMS** for intentionally limiting freedoms and opportunities, and supporting white supremacy

**POLITICAL SUPPORT** in debt cancellation as a policy option

DEBT FREE JUSTICE CALIFORNIA COALITION

Helped Alameda county to discharge

**\$26 million** in outstanding debt

