

GAVIN LEWIS

THE
OPPORTUNITY
INDEX

A SOLUTION-BASED

FRAMEWORK TO

DISMANTLE

THE

RACIAL WEALTH GAP

WILEY

Praise for *The Opportunity Index*

“I’ve never been more desperately eager to endorse a book, yet I have never found it harder to write or articulate the actual endorsement. And there is a good reason for this: *The Opportunity Index* is such a multifaceted, intellectually robust yet curious, meticulously well researched, historically in-depth, culturally rich, and refreshingly written book that it is painfully hard to do it the justice it truly deserves.

“Case in point, from an ethnic diversity angle, there is scarcely an area in global industry that is more worthy of deep dive examination than Britain’s and America’s financial sectors. These are places that owe much of their origins and wealth to the transatlantic slave trade. They are the epicenter of the racial wealth gap. And like many of the monuments to British and American greatness and success in industry, politics, and religiosity, the City of London and Wall Street are both fascinatingly grandiose yet opaque places. If you come from a working-class background, the construction of the buildings, dress codes, professional conduct, language, and unwritten rules can be enormous barriers to entry. And even greater barriers to prosperity lie within. Yet when compared to other areas in British and American industry, especially liberal-dominated areas such as media, arts, and culture, the City, Wall Street, and the broader financial sectors have done a much better job of providing opportunities—indeed life-changingly lucrative opportunities—to people traditionally shut out of major industry. Very far from a utopia, the City and Wall Street have created once inconceivable professional openings for working-class children of Black immigrants and the descendants of slaves such as Gavin.

“I personally could not think of anyone better placed to conduct this examination of the racial wealth gap and offer solutions than Gavin Lewis, a person who works and lives at

the heart of the juxtaposition of opportunity and historical oppression. Despite the might of the challenge, in *The Opportunity Index* Gavin has created a work of true public service that can conclusively transform how we view, discuss, and address diversity, representation, access to opportunity, and closing the racial wealth gap, a term this book should help make greater common currency in socioeconomic and political discussions and decisions.

“By looking back and taking us on a journey of our histories as people and his own unique history as a working-class Black man who grew up in the economically challenged inner-city area of London to a captain of the finance industry as well as observing the shortcomings of the education and political systems and economic orthodoxy, Gavin shows us how we arrived at the challenge we currently face, and the magnitude of that challenge. Yet by looking so far forward into a potentially much brighter future and offering robust solutions as to how we get there, *The Opportunity Index* helps us pave the path to the more egalitarian, meritocratic, and wholesome tomorrow that we all yearn for.”

—**Nels Abbey**, writer, broadcaster,
and founder of the Black Writers Guild

“The discussions regarding racism, discrimination, and inequity are incredibly important in order to challenge harmful stereotypes many communities fight against. Importantly, they lift the lid on the divisions within the societies we hope would be structured on meritocracy and they provoke debates which cause us to ask ourselves: what can we do? The difficulty with many of these conversations is that they spend a lot of resources and energy focused on the trauma caused by discrimination, but not enough on what needs to be done to disrupt the catalysts which cause that trauma to exist, or at least allows it to continue. *The Opportunity Index*,

with the powerful personal perspectives of the author, allows the reader to fully understand the various ways that race can be a direct barrier to wealth and its creation. This context frames the basis of the solutions that present a direct challenge to the status quo and misconception that the solution to racism sits with those who are treated differently because of the amount of melanin in their skin. The book focuses on presenting an objective way of assessing the impact racial advantage has in the same way many would assume simply a good education would. The complexity of creating equal societies is tackled brilliantly by Gavin and is a must read for those who want future generations, essentially my children and their own, not to have to be held to any different standards. *The Opportunity Index* doesn't lift the lid on what causes racial discrimination (many have focused on that for years), but instead focuses on the hope left in Pandora's box with an optimism for how we move forward in tackling inequality, institutional cultural bias, and planning for a world where there is a higher standard than simply the absence of discrimination being celebrated."

—**Tim Campbell**, MBE, BBC's *The Apprentice*

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**FOR THOSE WHO RAISED ME, MUM AND ERIKA
FOR THOSE WHO SHAPED ME, TREVOR, CHRIS, AND BORAY
FOR THOSE WHO MADE ME, MAI-LAN, EDEN, AND ANÄS**

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INTRODUCTION

THE CITY OF LONDON IS the UK's financial district. It's often referred to as the Square Mile because it covers an area roughly 1.12 square miles or 2.90km².¹ Glass-covered modern buildings are occupied by banks, asset managers, accountants, insurers, and lawyers, cogs in a machine that generates approximately 22% of the UK's GDP.² Among these new buildings are churches, sculptures, and plaques, which signpost the City of London's rich history, but it's incredibly easy to miss them. Busy executives rush from one meeting to another, and on the odd occasion they have some respite from the demands of corporate life, their attention is consumed by mobile phones, even as the hideous figures known as Grotesques on Gracechurch Street gaze down upon them.³ There is one sculpture which, ashamedly, I must have walked past a dozen times before I paid it any heed. On September 4, 2008, Archbishop Desmond Tutu unveiled a monument that

commemorates the abolition of the transatlantic slave trade in 1807. The artwork consists of a group of granite columns protruding out of the ground. Entitled *Gilt of Cain*, it is a collaboration between sculptor Michael Visocchi and poet Lemn Sissay.⁴ Extracts from Sissay's poem "Gilt of Cain" are engraved into the stone.

*Cash flow runs deep but spirit deeper
You ask Am I my brothers keeper?
I answer by nature by spirit by rightful laws
My name, my brother, Wilberforce.*

It's tempting to focus on the fact that the poem and sculpture address the abolition of slavery, particularly given the reference to William Wilberforce (August 24, 1759–July 29, 1833). Wilberforce was a British politician, philanthropist, and leader of the movement to end the slave trade.⁵ But Sissay's poem is also littered with references to the economics of this period:

*The dealer lied when the dealer said
the bull was charging the bear was dead,
the market must calculate per capita, not head.
And great traders acting in concert, arms rise
as the actuals fraught on the sea of franchise
thrown overboard into the exchange to drown
in distressed brokers disconsolate frown.
In Accounting liquidity is a mounting morbidity
but raising the arms with such rigid rapidity . . .*

The sculptures jutting out of the ground are shaped in the form of sugar cane, a staple and valuable commodity during the slave era, and adorned with excerpts from Sissay's poem.

Similarly, I have now lost count of the number of times I have visited New York, either for business or pleasure, and knew nothing of the slave market that once occupied Wall Street. Wall Street itself was an actual wall, erected by the Dutch to keep out Native Americans who might attack the area.⁶ But between 1711 and 1762, on the corner of Wall Street and Pearl Street, there was an active market where enslaved were traded.⁷ On June 27, 2015, Mayor Bill DeBlasio dedicated a plaque commemorating the site in Lower Manhattan.⁸

I never really questioned my “right” to establish a career in finance. Often being the only Black person in the room, I always felt like an outsider, a guest, on tenterhooks in the event that my pass ran out and I would be asked to leave. Yet, as a British person of Caribbean heritage, my very being is inextricably linked with this world. Black people helped create the wealth of the US, the UK, and Europe, yet we don’t participate in it. I do, however, recognize the difference that working in finance has made to my life after growing up in a single-parent family in inner-city London where, on paper at least, my life chances were poor. The journey has been difficult and there are still too few who are able to even conceive of embarking on anything similar. This is a waste—of potential, of life, and of opportunity. So the question is, what can I do to equip others with the belief to take the first step and how can I change the world to accept them?

The Black diaspora is not monolithic, but many segments of the Black community in today’s Western democracies face a range of challenges, including higher rates of unemployment, poorer physical and mental health, lower educational attainment, and higher rates of imprisonment or incarceration than our White counterparts. When we think about these challenges, we tend to see these as a social construct caused

by the way someone treats us, interacts with us, or behaves toward us. I am 44 years old, live a pretty middle-class lifestyle, and yet when I'm heading back from the gym wearing a tracksuit and I pop into the supermarket, I may still find myself being followed by a security guard. This is demeaning, and the cumulative effects of this cause significant physical and emotional harm. However, my life outcomes cannot be solely attributed to situations like this. Social advantage must be created alongside economic advantage. For example, the prevention of discrimination of Black patients must come alongside equal access to healthcare; preventing the schoolteacher from negatively stereotyping Black pupils must come alongside the opportunity to receive a quality education; and equality of opportunity through promotion in the business world must come alongside equal pay. This book will argue that the key challenges Black communities face stem from our economic position and that the way to overcome them is to change our economic situation alongside combating social prejudice. This "socioeconomic inequality" needs to be deconstructed, because to date the economic considerations have been neglected.

To fully understand this economic inequality, we must assess the origins. We find that they are rooted in the histories of Western democracies through the transatlantic slave trade, industrialization, and the growth of capitalism. These pivotal periods changed both the economic fortunes of the United States and Europe, with vast amounts of wealth created, but concentrated in the hands of a few segments of society. This wealth—which we define as the economic value of assets such as property, land, business interests, and income—affords access to healthcare, education, and employment and improves the life outcomes of individuals. Meanwhile, this same period saw African states and the descendants of the 10 million enslaved who were transported across the Atlantic

Ocean and who now reside in the Americas, the Caribbean, and Europe systematically prevented from accumulating wealth, which has had a detrimental impact on their life outcomes.⁹

Today, the legacy of this period is plain to see. Our finance system, from banking to insurance or broking, was built during this period and shaped the dominant economic belief system of Western capitalism. Meanwhile, our education, policing, judicial, and health systems have been created to operate in this system.

Attempts to improve the life outcomes of Black communities have been both piecemeal and focused on the symptoms of economic inequality rather than the causes. This might be the crime rates experienced in the Black community being met with increasingly forceful methods of policing and imprisonment or incarceration rather than understanding that they are more likely to be victims of crime and that the issue is one rooted in social deprivation due to the economic position and lack of economic opportunities Black communities face. When we have seen attempts to reduce the racial wealth gap, they have tended to focus on one segment of an individual's life, rather than across an individual's life journey. So if we are to reduce the wealth gap, it can't only be focused on educational attainment; we also need to understand the household a child is born into, their access to healthcare, their ability to enter the workplace, their capacity to be paid and promoted equally, and their adequate retirement and healthcare provisions. By creating an "index," it can allow us to set a benchmark for progression of different cohorts and make and measure interventions during an individual's life.

One might argue that creating economic freedom in a system constructed on racial inequality is impossible, that the system itself requires wholesale change. Others are concerned the progression of Black communities means the

regression of White communities, often referred to as a zero-sum game. If we are spending a significant portion of a county's gross domestic product on policing, healthcare, and our prison systems, this presents an ongoing economic burden on a country. And yet there is no universal measure for this risk, and consequently it goes unnoticed. This is in stark contrast to other risks such as inflation, interest rates, longevity, and increasingly climate, geopolitical conflicts, and a pandemic, which are all measured. If we can develop a measure for inequality, it can be monitored and mitigated by governments and corporations. Measuring racial inequality risk presents the prospect of measuring gender, class, or even geographical risks—risks that also impact White communities. The creation of risk measures for Black economic inequality could be transformative for all. These risks are measured and mitigated not because of an individual's belief or values, but because they make rational economic sense.¹⁰

Furthermore, the creation of an index alongside an understanding of its economic impact presents us with an opportunity to gain social and economic value from Black communities. This may mean bringing more people who have a host of attributes into firms in this era of social, political, and economic upheaval. It might mean releasing their economic potential by increasing productivity. Or it may mean contributing to economic output by tapping into Black consumerism. The following chapters detail my own experience of much of the above, from a council estate in London to the senior levels of finance.

Some names and places have been changed to protect identities.

PROLOGUE

WHEN ADDRESSING THE CHALLENGES THAT segments of the Black community in today's Western democracies face, the discussion typically focuses on poor mental and physical health outcomes, lower educational attainment, higher rates of unemployment, and greater rates of imprisonment or incarceration than our White counterparts. The discussion also tends to focus on social interactions or behaviors directed toward Black people as the cause of these challenges. For example, poor educational attainment among Black children is often seen as a result of a schoolteacher's bias or higher rates of imprisonment due to prejudices in the judicial system. These undoubtedly have an impact on the ability of Black communities to progress, and we should continue to combat this. However, the removal of these alone are not enough to change the life outcomes of Black communities. By comparison, White communities in Western democracies

experience better life outcomes and much of this is due to their ability to access healthcare, education, and maximize opportunities in the workplace. Any attempt to improve the life outcomes of Black communities, whether in the realm of better physical and mental health, better performance in education, or progression in the workplace or business world, needs to tackle the economic factors. Instead, to date, we focus on the symptoms of inequality rather than the cause.

To truly change our position in society requires access to adequate healthcare alongside fair and unbiased patient treatment; it requires access to quality education alongside unbiased teaching practices; and it requires equality of opportunity in the business world, whether employment, progression, or equal pay alongside fair treatment by line managers. These challenges are economic in nature and it is the combination of these two elements, both the social and economic challenges, that comprise “socioeconomic inequality.” But while a significant portion of time has been spent understanding the societal factors, less has been spent analyzing the economic considerations. Increasing the economic opportunity of the Black community so it is at least comparable to our White counterparts, what we typically refer to as the reducing the wealth gap, is critical to improving this community’s life outcomes.

Attempts to increase the economic position of Black people today have so far been piecemeal rather than understanding that the deprivation is compounded over the course of an individual’s life. So if we are to truly tackle this, we need to find a method of tracking the life journey of an individual, what advantages or disadvantages they might have, and what interventions are necessary. For example, what are the prospects for a Black girl born in a single-parent family on a lower income when compared to a White boy born with both parents present, in a higher-income household. If we

can track this, we might be able to assess what interventions can make a difference to the Black girl's life. This may also allow us to assess the economic contribution of different groups within society and not only measure the risk of not improving their life outcomes but also the contribution to a country's economy. If we can treat inequality risk in the similar way to other risks—interest rates, inflation, and longevity, but also climate, geopolitical, and now pandemic risk—it moves this discussion from being one of values and beliefs to one of rational decision-making. Furthermore, applying this successfully to reduction of racial inequality opens the possibility of reducing other inequalities such as gender or class, inequalities that impact a cross-section of diasporas.

However, if we are to dismantle the wealth gap, we need to understand its origins and how it manifests today. Our finance system, from banking and insurance to broking and wealth management, influences Western democracies' political systems and social stratification. After all, our education, policing, judicial, and healthcare systems have been designed to operate within this construct. To begin to unravel this complex and interwoven societal system, we must start with the birth of capitalism and the transatlantic slave trade.

This is my story, but we all have a part to play. I can see the opportunity; I hope you will too.