WHY REPARATIONS?

The U.S. has never fully repaired the harm of chattel slavery and the trauma of its legacy.

U.S. local and federal policy has extracted wealth from Black people and stalled Black wealth creation for over four centuries. The Black-white wealth gap continues to increase, and anti-Black narratives remain rampant.

We have an imperative as a nation to accelerate progress toward a truly just, multiracial democracy – but current solutions are incremental and piecemeal. We must build A Culture of Repair and pass a comprehensive reparations program.

GOVERNMENT POLICY HAS ENABLED WHITE WEALTH TO COMPOUND WHILE EXTRACTING BLACK WEALTH

Not Comprehensive

■ The multigenerational journey of a white family   ■ The multigenerational journey of a Black family

Colonial Migration

White immigrant family arrives in colonial United States from Europe and **settles in the south of modern-day United States**

Land Lotteries

Land lottery policies **drive wealth and property accumulation** for the white family, and the second generation moves up several social strata

White Affirmative Action

The 2nd generation's wealth **balloons with the ongoing institution of slavery,** generating wealth from labor of enslaved peoples.

By 1850 the Mississippi River Valley had **more millionaires** per capita than any other region in the United States

New and Fair Deal Policies

The two-century generational wealth expands even more as new **federal policies like New Deal and Fair Deal policies (National Housing Acts, Social Security Act) and the GI Bill transfer >$120 billion** to predominantly white families through low interest mortgages, stipends for tuition programs, and federal guarantees on loans. More than 98% of $120 billion in federally backed mortgages goes to white homeowners from 1934 to 1962.

Intergenerational wealth transfer

Over time, **this white family accumulates inheritances and other in-vivo transfer** (e.g., down payments, tuition payments), which drive the racial wealth gap more than any other behavioral, demographic, or socioeconomic indicator

1750   **Early 1800s**   **Mid-1800s**   **Early-to-mid 1900s**   **Mid-to-late 1900s**   **Today**

Atlantic Slave Trade

1619-1865: Atlantic Slave Trade brings **~400k enslaved peoples** to the United States

Broken Promises

US population of enslaved peoples grows **to ~4M (13% of population)** by 1860

By 1865, formerly enslaved people are promised **~400k acres of land** General William Sherman reallocated to them following the Civil War. Promise is rescinded by President Andrew Jackson who returns land to former plantation owners

1872-1874: Freedmen's Bureau and savings bank is dismantled; Black families **lose most of the >$1M deposited into the bank**

1881: Insurance companies practice **explicit discrimination by declaring that policies held by Black customers are worth 1/3 of the value** of equivalent policies held by white customers.

Jim Crow Era

Descendants of formerly enslaved families are subject to destruction and appropriation of property, as white rioters kill and loot Black towns and neighborhoods throughout the 1900s. This is worsened by *de jure* racial segregation (e.g., discriminatory lending and redlining practices that withhold opportunities for Black wealth accumulation)

1935: The Social Security Act **excludes occupations predominantly filled by Black workers and other minorities**. The National Labor Relations Act **permits unions to exclude people of color from collective bargaining**.

Ongoing atrocities

Mass incarceration, police executions of unarmed Black people, sustained credit, housing, employment discrimination, and more

Sources: CUNY, University of Virginia, PBS, Library of Congress, Harvard University, *When Affirmative Action Was White* (Ira Katznelson)*, The Political Economy of Education, Financial Literacy, and the Racial Wealth Gap* (Darity, Hamilton), Washington Post, New York Times 1619 Project, The Atlantic, BlackPast; California Newsreel; History.com; JSTOR Daily

ANTI-BLACK NARRATIVES REMAIN EMBEDDED IN AMERICAN CULTURE

When slavery ended, the Reconstruction era lasted merely 12 years; not nearly long enough to upend 250 years of racial hierarchy.

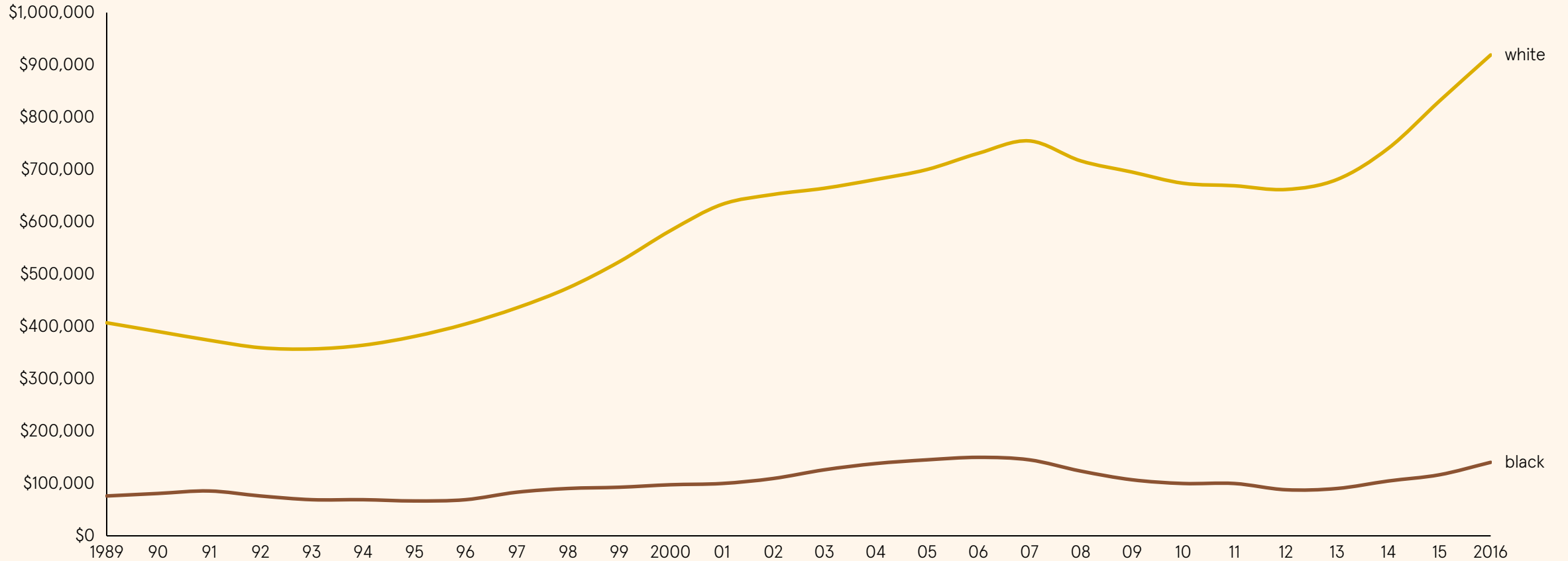Instead of providing reparation, the US:

o **Provided compensation to former slave owners** – not to the people that were enslaved

o **Instituted Jim Crow policies** that maintained violence against Black people and prevented them from exercising their rights

o **Built monuments to enslavers** and Confederate generals

o **Promoted stereotypes** like the welfare queen, jezebel, and mammy

We see anti-Black narratives today in:

o **Persistent ethnonationalism,** an emboldened White supremacist faction in the U.S., and growing support for the great replacement theory – motivating horrifying violence, exemplified by the shooting in Buffalo, NY, where the shooter wrote "Here's Your Reparations" on his gun

o **Persistent anti-history campaigns** that claim we must sanitize the complexity of America's legacy, and exclude Black scholars and history from standard curriculum

o **The "lost cause" narrative,** which falsely asserts that the cause of the Confederate states was not linked to maintaining the institution of slavery

o **Beliefs that question Black deservedness** of government assistance and/or reparation – questions that do not come up when applied to other communities

o **Regular use of "dog whistles" by politicians** to stoke racist sentiment and secure support

AMERICAN CULTURE AND POLICY HAS CREATED A WEALTH GAP THAT CONTINUES TO INCREASE

Black and white mean net worth from 1989 to 2016, *Dollars*

Source: Federal Reserve Board, Survey of Consumer Finance. *Visualized with Smooth Lines, Survey Data from 1989 to 2016*

THIS IS BECAUSE MOST SOLUTIONS DO NOT ADDRESS THE WEALTH GAP'S LARGEST DRIVER – INTERGENERATIONAL TRANSFERS

Estimated annual flow disparity between Black vs. White Households, by type, *$ Billion*

~$50B

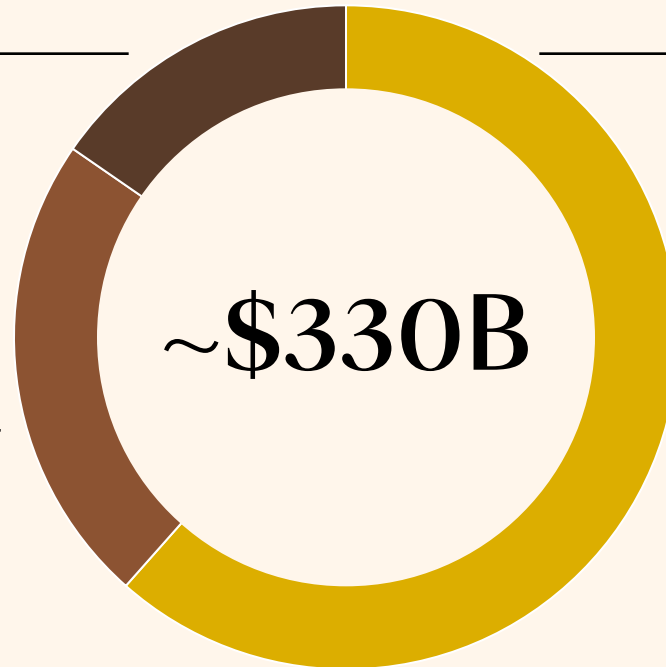**Return on investments and cost of debt**

Stocks and mutual funds

Retirement accounts

Auto loans

~$200B

Intergenerational Transfers

Gifts

Assets passed to heirs through wills

~$330B

~$75B

Savings Potential

Savings potential (wages minus expenditures)

Source: McKinsey & Company; The Economic State of Black America – What it is and what it could be; Exhibit 31

A COMPREHENSIVE REPARATIONS PROGRAM WILL DISRUPT ANTI-BLACK NARRATIVES AND BUILD BLACK WEALTH, CREATING A CYCLE OF RACIAL REPAIR

Redress

Acts of restitution, compensation and rehabilitation, proactive steps taken to embed racial justice into systems and "heal the wound"

Builds Black wealth by providing financial compensation (e.g., significant wealth-building investments in Black communities, etc.); granting Black people and communities greater autonomy

Combats anti-Black narratives by supporting individual congruence; strengthening adherence to fundamental rights and democratic norms

Reckoning

Understanding or grappling with the *what*, *how*, and *why* of actions that have contributed to harm
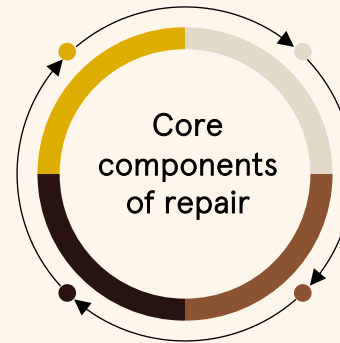
Combats anti-Black narratives through extensive public conversation and education about slavery and its legacies; research to unearth and document injustices; articulation of the policies, practices, and mindsets that created the harm; and curriculum change

Core components of repair

Accountability

Ownership and willingness to take responsibility for harmful actions, commitment to non-repetition

Builds Black wealth by committing financial resources to redress

Combats anti-Black narratives by positioning governments as leaders in the work of repair; supporting institutions in their own learning; stopping ongoing atrocities against Black people

Moving between components takes energy and momentum, and happens at the individual, institutional, and societal levels.

All people, across race, must move through this cycle in relationship with each other. We all have a shared stake in repair.

Acknowledgement

Admission that harm has been done

Combats anti-Black narratives by asserting with certainty the role of governments and institutions in harming people; highlighting the seriousness of harm through public apologies; being transparent about the findings of a reckoning processes; building monuments and memorials that encourage ongoing reckoning

Cycling between these four components is the journey and the destination. Without this, our culture is one of disrepair, which further institutionalizes oppression.