

HR-40 AND THE PROMISE OF REPARATIONS FOR AFRICAN AMERICANS:  
TESTIMONY BY DR. JULIANNE MALVEAUX  
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Let me begin with appreciation for this hearing, and for the members of Congress – Congresswoman Sheila Jackson-Lee, Congressman Jerold Nadler, and the others who have made this hearing possible.

It is not time, but overtime, to deal with the issues of economic justice and reparations that bring us here.

I am an economist, and economics is the study of who gets what, when where, and why. It is the study of the way that factors of production are paid. The elements are land, labor capital, and the "secret sauce," called entrepreneurial ability or creativity. Land gets rent, labor gets wages, capital gets interest, and the secret sauce gets profits. The work of predatory capitalism is to figure out how to extract more from the factors of production, and we've seen that in the past three decades, with productivity rising and wages remaining stagnant. For enslaved people, wages were once zero.

Indeed, enslaved people represented capital for others. This is significant and important in any examination of our nation's foundations, foundations that rest on the unpaid labor of enslaved people, and their post-emancipation exploitation. My comments today speak most directly to Section 3-b-3 of the legislation, "the federal and state laws that discriminated against formerly enslaved Africans and their descendants who are deemed United States citizens from 1868 to the present.

I have attached an article that I recently wrote that speaks to the connection between economic envy, lynching, and the suppression of Black wealth accumulation. I have also attached a table that shows the many ways that formerly enslaved people were closing the wealth gap until, with the complicity of federal, state, and local governments, this progress was deterred. These items are the basis for my testimony.

From Robert Higgs, we see that the wealth gap between Black and white people narrowed significantly between 1880 and 1910. In 1880, African Americans had just one dollar for every 36 dollars whites had. By 1910, the gap had narrowed to one dollar for every 16 dollars. Depending on the source you use, today African Americans have as little as one dollar for every twenty dollars that whites have in wealth or as much as one dollar for every fourteen dollars. Neither of these represents significant improvement from 1910. Indeed, one can argue there has been an erosion in the Black wealth position from 1910 until today.

Why? I would suggest that there have been deliberate attempts to marginalize African American people, especially those who have been formerly enslaved because the interests of predatory capitalism are such that it was expedient to maintain the

status quo of exploiting Black labor and preventing wealth accumulation. Despite the 13th, 14th and 15th amendments, Black people were treated as "other" and perniciously and viciously excluded from the possibility of economic advancement.

The Emergency Land Fund documented the reduction of Black land ownership between 1910 and 1969, from 16 million acres to 6 million acres. How and why? There were land grabs, tax schemes, faulty deeds, and downright force. My own family, in Moss Point, Mississippi, experienced the expropriation of land through a "moving fence" and a so-called reparation that involved naming the stolen property after our family – Hawkins Lane. In 1978, Joseph Brooks estimated that Black folks were losing 6000 acres of land per week. The *Pigford v. Glickman* case documented discrimination against Black farmers.

The post-enslavement case for reparations can be made by examining racially hostile public policy and government complicity to white supremacy. The journalist Ida B. Wells describe lynching as the "first example" of white supremacy because it was a tool of terrorism. It dampened the ability of African American people to participate in the vibrant entrepreneurship of the late 19th and early 20th century with the chilling message that their economic success could be punished by the rope.

The economic damage to Black people, post-Reconstruction, can be summarized in three ways:

African American people were denied the right to participate in our nation's economic growth. The Homestead Act of 1862 only included citizens and did not include formerly enslaved people. More than 10 percent of continental US land was distributed to recent immigrants who became citizens. They were assisted in their land settlement by grants from the federal government. African Americans were denied the right to participate in these wealth transfers.

African American people were denied the right to accumulate. The attached paper details the ways that, in just a few instances, African American entrepreneurial ability was punished by lynching, massacres, or worse. The cases mentioned in this paper, in Memphis, Wilmington, North Carolina, and Tulsa, Oklahoma, represent the tip of the iceberg. These were not acts that were perpetrated by just a few bad apples. These were acts that were sanctioned by public policy. Those who destroyed Black communities and lynched people were never punished. Federal legislators failed to pass anti-lynching legislation. Government-sanctioned attacks against Black entrepreneurs placed a chilling effect on other entrepreneurial development. While it is possible to identify the persons and families who lost businesses, land, and opportunities, the case for reparations must include the effect that economic violence had on the economic aspirations of people and communities. African American people were subjected to public policy hostility, which provided rights for whites that were unavailable to African Americans. This public policy included

GI Bill legislation that truncated opportunities for African American veterans.

Housing regulations that reinforced redlining and segregation, as an official policy of the Federal Housing Administration

"Urban renewal" or Negro removal policies that accelerated homeownership loss in the wake of "redevelopment."

The National African American Reparations has developed a ten-point plan to repair communities. I would respectfully request that a comprehensive focus on community repair be considered as we grapple with the many ways our nation can make the Black community whole and close the wealth gap.