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African American Inequality in the United States

We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty, and the pursuit of Happiness.

- The Declaration of Independence, 1776

Slavery

Transatlantic Slave Trade 1500s – 1800s

The Transatlantic slave trade was the largest deportation of human beings in history. Connecting the economies of Africa, the Americas, and Europe, the trade resulted in the forced migration of an estimated 12.5 million Africans to the Americas. **(Exhibit 1)** For nearly four centuries, European slavers traveled to Africa to capture or buy African slaves in exchange for textiles, arms, and other goods.^{a,1} Once obtained, the enslaved Africans were then transported by ship to the Americas where they would provide the intensive plantation labor needed to create high-value commodities such as tobacco, coffee, and most notably, sugar and cotton. The commodities were then shipped to Europe to be sold. The profits from the slave trade helped develop the economies of Denmark, France, Great Britain, the Netherlands, Portugal, Spain and the United States.

The journey from Africa across the Atlantic Ocean, known as the Middle Passage, became infamous for its brutality. Enslaved Africans were chained to one another by the dozens and transported across the ocean in the damp cargo holds of wooden ships. **(Exhibit 2)** The shackled prisoners sat or lay for weeks at a time surrounded by death, illness, and human waste. Nearly 15% of the transported slaves are estimated to have died in transit.² Upon landing in America, slaves were either taken directly to plantations or to auction houses where they were stripped naked, inspected, and sold to the highest bidder. In 1619, the first documented Africans arrived at Jamestown, Virginia, then part of British North America. These slaves worked the tobacco plantations alongside European indentured servants.

^a The majority of enslaved Africans were captured and sold by West African rulers in exchange for weaponry that was largely used to expand their territories.

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By 1700, slave labor was well established and on its way to replacing indentured servitude^b as the primary source of bound labor.³

Domestic Slavery 1619 - 1865

Slave labor offered effective means for wealth creation and economic development, particularly in the South, where warm climate and spacious plantations facilitated the growth of agriculture. On plantations, "field slaves" (enslaved men and women) typically worked the fields 14-18 hours a day, six and a half days a week, in sweltering heat under the constant supervision of overseers who punished those deemed to be slowing down production. Women were not only used for their physical labor but were also frequently subjected to rape by slave owners and other white men, which often produced enslaved children. Slaves with lighter complexions, often the result of such rape, were deemed more desirable as "house slaves," serving the master's family as cooks, servants, butlers, and maids. At night, both field and house slaves slept in small cabins with dirt floors and handmade furniture (if any) and were often fed leftovers or scraps. **(Exhibit 3)** Slavery also shaped the economy of the North, which financed, shipped, and insured slave-produced goods through New York and other ports.⁴

The Revolutionary War 1775 - 1783

By the start of the American Revolution in 1775, slaves represented about 20% of the thirteen colonies' population.^{c5} After the Declaration of Independence was signed in 1776, slaves fought on both sides during the eight-year war, which was ultimately won in 1783 by American colonists under the leadership of General George Washington. Beginning in 1787, state delegates met to write a new constitution. One critical issue was how to count each state's slave population to determine congressional representation and taxation. Southern states, which had significant slave populations, fought to include slaves in population counts in order to increase their proportional representation in Congress. Eventually the Three-Fifths Compromise was adopted, establishing that slaves would be considered 3/5th's of a person, which gave slave states greater representation in the House and increased influence over Presidential elections than if slaves had not been counted at all. The new Constitution was ratified in 1788, and George Washington became the nation's first president the following year. At the time, more than half of the U.S. founding fathers^d, including Washington himself, owned slaves.

By the late 18th century, two distinct economies had begun to develop in the northern and southern states. **(Exhibit 4)** Southern states continued focusing on slavery-fueled agricultural efforts on crops such as tobacco, sugar, and cotton. These products were sold in international markets, generating immense wealth for southern landowners. The invention of the cotton gin in 1793 and the rapidly increasing global demand for cotton resulted in a shift in southern crop production to primarily cotton.⁶ By the 1850s, the southern U.S. was producing 75% of the world's cotton supply. **(Exhibit 5)**

Less well-suited to these large and profitable agricultural operations, northern cities began to industrialize. These efforts were accelerated by innovations in factory production and an influx of

^b Indentured servitude was a commonly utilized labor system in which "servants" signed a contract to work for a set number of years. Early immigrants to the British colonies often offered servitude in exchange for food and shelter upon their arrival.

^c Thirteen British colonies, established on the coast of the Atlantic Ocean during the sixteenth and seventeenth centuries, declared independence in 1776. These thirteen colonies became the first U.S. states.

^d The founding fathers were a group of politicians, war leaders, and philosophers who served as the thought leadership for the drafting of the United States constitution.

European immigrants. During this time, abolitionists (anti-slavery activists) began documenting the brutality of slavery through speeches and writings. Among the most prominent was Frederick Douglass, a former slave who was considered one of the greatest orators of the nineteenth century – and a significant influence on Abraham Lincoln. With minimal economic viability for slavery in the north, abolitionist movements gained popularity in the northern states, which gradually abolished slavery from state laws.

The Civil War 1861 - 1865

As westward expansion continued, strong ideological disagreements regarding both the expansion of slavery into new territories and the rights of individual states versus the federal government fueled the rising tension between the North and the South. In 1860, Abraham Lincoln, representing the newly established Republican party, won the Presidential election despite strong opposition in the south. Although he won by a significant margin in the electoral college, he secured less than 40% of the popular vote and did not appear on the ballot in 10 southern states.⁷ Lincoln's election signaled the waning political power of the southern states and was a catalyst in the growing divide between the North and the South. Before Lincoln's inauguration took place, most of the southern states officially seceded from the Union and formed the Confederacy. The U.S. Civil War began a few months later.

A year into the war, President Abraham Lincoln took a bold and strategic step toward ending the war and preserving the Union. In 1862, Lincoln issued the Emancipation Proclamation, a declaration that all slaves held in Confederate states were to be freed as the Union armies advanced into southern territory. As a result, numerous slaves fled to the Union side when the North's Union army entered their vicinity. The emancipation further destabilized the economic engine of the war-torn Confederacy and provided the Union army with a constant flow of black recruits. It took nearly two and a half years for news of the emancipation to spread across the Southern states.^{e8} In 1865, the Confederate army surrendered and the 13th amendment was ratified, abolishing all slavery in the country.^f

Segregation

Reconstruction 1865 - 1877

The early years of Reconstruction were marked by Northern troops' occupation of Southern states and African Americans' struggle to exercise equal rights post slavery. As former slaves, African Americans did not inherit property or land and thus continued to work as laborers in order to make a living. Almost immediately following the ratification of the 13th amendment in 1865, several southern states passed a series of state laws, known as the Black Codes, designed to restrict African Americans' civic and economic rights and ensure continued access to low-cost labor. The Black Codes required freedmen to have labor contracts, punished vagrancy, and blocked voting rights. Violators were subject to arrest and in some cases forced labor. Despite the codes, black communities began to develop as former slaves established new communities, schools, and churches. These black churches would

^e The end of slavery in the US is celebrated on the holiday "Juneteenth", which commemorates the June 19, 1865 arrival in Galveston, Texas of a union general who reported that the war had ended and that slaves were free.

^f The 13th amendment states, "Neither slavery nor involuntary servitude, except as a punishment for crime whereof the party shall have been duly convicted, shall exist within the United States, or any place subject to their jurisdiction. Congress shall have power to enforce this article by appropriate legislation."

become the focal points of social and political organization within black communities across the country.

The 14th and 15th amendments (ratified by the states in 1868 and 1870 respectively) granted African Americans legal citizenship rights and African American men the right to vote; however, little was done to support land ownership. With no resources and few opportunities to buy land, many African Americans were compelled to turn to the sharecropping system, whereby they would work small plots of land and in exchange give a share of the crops to a landowner; they essentially paid the landowner to work his land. However, many landowners constructed contracts that resulted in sharecropper families owing more than they were able to produce, which left black families in debt and under the continued economic control of their landowners.

Ku Klux Klan 1865 - Present

With limited economic power, freed African Americans understood the importance of gaining political power and representation. During Reconstruction, black men rushed to the polls to exercise their new voting rights, supporting the Republican party and gaining congressional representation in districts throughout the South. In response, southern states implemented new state laws to restrict new black voters. These laws gave polling stations the agency to administer literacy tests and poll taxes to prospective voters. Because slaves had not been allowed to learn to read or earn income, these tests and taxes became effective tools to disenfranchise black voters.⁹

Voting rights were also obstructed by the Ku Klux Klan (KKK), organized in 1865 to regain white supremacy in the South. A major goal of the KKK was to secure congressional control for the southern Democrats, many of whom were Confederate veterans. The group spread quickly, using violence to intimidate newly freed African Americans and enforce adherence to the Black Codes. Public lynchings, a prime example of this extreme violence, punished and terrorized the African American community. More than 4,700 lynchings were documented between 1882 and 1964.¹⁰ In 2017, members of the KKK alongside other white supremacist groups held a gathering known as the "Unite the Right Rally" in Charlottesville, Virginia to oppose the removal of a statue of Robert E. Lee, a confederate army general.

Jim Crow 1896 - 1964

By reversing African American gains made during Reconstruction, white southerners forcefully regained control of state and local governments and passed a series of so-called "Jim Crow" laws that enforced racial segregation in public spaces such as schools, transportation, restaurants, restrooms, etc.^g These laws were upheld by the Supreme Court's decision in the 1896 *Plessy v. Ferguson* case^h, which declared "separate but equal" as constitutional. This ruling set the precedent for legalizing segregation, and Jim Crow laws further institutionalized the economic and social inequality of African Americans. In reality, facilities built for African Americans were underfunded and inferior in quality relative to facilities for white Americans, which made the separation of public spaces inherently unequal. **(Exhibit 6)** Although many Jim Crow restrictions were not explicitly written into the law,

^g Jim Crow laws spread to many facets of everyday life, requiring separate waiting rooms, elevators, building entrances, textbooks, etc. These laws were not limited to the South and eventually also affected African Americans in Northern states.

^h Homer Plessy, a mixed-race man, took an empty seat in a "white only" train car to challenge the segregationist policies in Louisiana and was arrested when he refused to move. He took this case to the U.S. Supreme Court under the claim that this was in violation of the equal protection clause in the 14th amendment. The court ruled against him.

such practices were often enforced as law even when they had no basis in statute. African Americans who challenged these practices were frequently arrested or subject to violent response.

World War II 1941 - 1945

The United States entered World War II (WWII) in 1941. During the War, African Americans served bravely in the Army, Marine Corps, Navy, Air Force, and Coast Guard but were nonetheless subject to segregationist policies.¹¹ Black service members typically fought in segregated units and experienced discrimination both in and outside the military but still made significant contributions to war efforts. Notably, the Tuskegee Airmen, a group of African American men who volunteered for the first flight training program at Tuskegee Institute, became the first black military aviators in the U.S. armed forces. They were recognized for their exemplary performance throughout the war and are considered to have influenced the integration of the military in 1948.ⁱ Despite their contributions and sacrifices, the Tuskegee Airmen, along with other African American veterans, returned home to a still deeply segregated society. The return of black WWII veterans served as a catalyst for the Civil Rights movement as African Americans, having fought and died for the freedom of others, more fiercely voiced their right to be treated as full citizens.

Civil Rights Movement 1955 - 1968

Organization

In 1955, Emmett Till, a 14-year-old boy from Chicago, was accused of making verbal and physical advances toward a white woman while visiting family in Mississippi. Following the accusation, Till was kidnapped from his uncle's house by the woman's husband. Three days later, his body was found gouged, beaten, and mutilated to the point that he could be identified only by the ring he wore. Till's body was returned to his mother in Chicago, who demanded an open casket funeral so the world could see what happened to her son; the story gained national news coverage. Less than two weeks after Till's burial, an all-white jury issued a not guilty verdict to the known assailants. In 2008, Carolyn Bryant, the woman who accused Till, recanted her original testimony stating that no physical advances had occurred.¹²

The brutal murder of Emmett Till and his killers' acquittal revealed the systemic inequities of American race relations, and the media coverage of the incident enraged many across the nation.¹³ That same rage came to a head later that year when Rosa Parks, a middle-aged black woman, refused to give her seat up to a white man on a bus in the segregated city of Montgomery, Alabama. Jim Crow laws required black riders to sit at the back of the bus and give up their seats if a white passenger requested.¹⁴ Rosa Parks' resistance and subsequent arrest sparked outrage throughout the nation and led to the Montgomery bus boycott, coordinated by the young Baptist minister Dr. Martin Luther King Jr. The boycott lasted over a year, financially crippling the city, and ended in 1956 after the Supreme Court ruled bus segregation to be unconstitutional. Emmett Till's murder, Rosa Parks' resistance, and the success of the Montgomery bus boycott are widely considered to be definitive moments that galvanized the Civil Rights Movement of the 1950s and 1960s, launching a decades-long struggle for social justice and equality.

ⁱ The Tuskegee Airmen flew more than 15,000 individual missions over two years in combat and earned 150 distinguished flying crosses.

In the following years, civil rights activism was both organized and executed by numerous organizations and leaders with varying ideologies on the best way to achieve social equality. **(Exhibit 7)** The most prominent of these ideologies was non-violent protest. The National Association for the Advancement of Colored People (NAACP) was one of the longest standing champions for this ideology. Formed in 1909 by both white and black activists, the NAACP championed legal resistance to oppression, training lawyers and representing victims of civil rights abuses across the nation.¹⁵

The Southern Christian Leadership Conference (SCLC), co-founded by King in 1957, was also a strong organizing force in the movement to end segregation throughout the South. Born out of King's own adherence to non-violent protest, the Student Nonviolent Coordinating Committee (SNCC) formed in 1960 to organize student activism efforts against voter suppression and school segregation. Non-violent protests were met with violent opposition in both the North and the South. In 1966, after leading protests against discriminatory housing practices in Chicago, King stated, "I have never seen, even in Mississippi and Alabama, mobs as hateful as I've seen here in Chicago."¹⁶ The widespread resistance to non-violent protests precipitated the emergence of new black leaders with alternative ideologies.

Malcolm X, a charismatic speaker and member of the Nation of Islam^j, gained national prominence in the late 1950s.¹⁷ He challenged non-violent protests for integration and encouraged African Americans to defend themselves and fight oppression "by any means necessary." Malcolm's black nationalism and empowerment ideology was a stark contrast to King's "turn the other cheek" perspective and the non-violent movement. Malcolm X was assassinated in 1965 by members of the Nation of Islam, a year after his contentious departure from the organization. Malcolm X's teachings and legacy gave rise to new leadership in the late 1960s and are often considered the foundation of the Black Power movement,¹⁸ which emphasized principles of self-love, self-sufficiency, and community empowerment as responses to racial oppression.

Popularized in 1966 by former SNCC leader Stokely Carmichael, "Black Power" became a rallying slogan within black communities as a means of unifying activists in the fight for civil rights. The Black Power Movement emerged in the following years, emphasizing economic empowerment, self-sufficiency, cultural pride, and most notably self-defense. One of the most successful groups to emerge from the Black Power Movement was the Black Panther Party for Self-Defense (later renamed the Black Panther Party or BPP).

Founded in Oakland, California in 1966, the BPP's initial objective was to protect black neighborhoods from police brutality. Exercising their 2nd amendment rights, the organization stationed legally armed men to monitor the behavior of police officers patrolling black neighborhoods. As the BPP grew, community service became a major component of its operations across offices in 68 U.S. cities. Multiple social programs were established, including soup kitchens, health clinics, and free breakfast for school children. Despite the positive impact of these social programs, the outward display of militant organization became the focus of many white citizens and of government officials. In 1969, FBI Director J. Edgar Hoover described the Black Panthers as "the greatest threat to the internal security of the country".¹⁹ That same year, Fred Hampton, a prominent Black Panther leader in Chicago, was assassinated in his sleep in a raid organized by the FBI. In the following years, many of the BPP's social programs were destabilized by the FBI's COINTELPRO initiative, an extensive counterintelligence operation designed to eliminate domestic political organizations deemed dangerous. In 1982, the Black Panther Party officially dissolved.²⁰

¹Nation of Islam, a religious organization founded in 1930, combined black nationalist ideas with aspects of the Islamic religion.

Protests & Response

Civil rights activism in the early 20th century consisted primarily of legal action, public education, and peaceful protests.²¹ The NAACP played a pivotal role in early civil rights judicial victories, winning a number of court cases challenging black disenfranchisement. By the 1940s, desegregation became a key focus of legal battles occurring throughout the nation. With the support of Thurgood Marshall, a lawyer who would later become the first black Supreme Court Justice, the NAACP achieved a monumental United States Supreme Court victory in the 1954 *Brown v. Board of Education of Topeka, Kansas* case. The decision established that race-based segregation in public schools was unconstitutional, and thus, laid the foundation for advancing school integration efforts. The case is often seen as a de facto refutation of *Plessy v. Ferguson's* the "separate but equal" finding.

The success of the Montgomery bus boycotts popularized more direct methods of resistance and protest.²² "Sit-ins" were a commonly utilized method of protest in which demonstrators would enter facilities (restaurants, libraries, theaters, etc.) that restricted black Americans and demand the same service that white Americans enjoyed. These sit-ins often resulted in the arrest of the protesters. In the 1960s, "freedom rides" were organized to integrate interstate bus routes across the South.^k The riders, often black and white student activists, were frequently intercepted by KKK members or local police and severely beaten, arrested and jailed, or murdered. In addition to freedom rides and sit-ins, peaceful marches became a popular form of protest. A notable march was the 1963 March on Washington in which nearly 250,000 people of all races gathered in front of the Lincoln Memorial. Martin Luther King Jr. delivered his iconic "I Have a Dream" speech during this gathering. King was assassinated five years later on the balcony of his hotel in Memphis, Tennessee.

Ensuing Legislation

A year after the assassination of President John F. Kennedy in 1963, his successor, Lyndon B. Johnson, continued pushing Kennedy's legislative proposal for equal rights, eventually passing The Civil Rights Act of 1964.¹ The act is considered a landmark legislative achievement of the movement. Under the act, segregation on the grounds of race, religion, or national origin was banned from all public places. Furthermore, the act banned discrimination by employers and prohibited unequal voting requirements. In spite of this new legislation, African Americans struggled to gain full access throughout the country, and thus, continued to protest. For example, the SCLC, led by Martin Luther King, Jr., joined with SNCC and other civil rights activists on a voting rights campaign in Selma, Alabama, that culminated in a 50-mile march to the state capital in Montgomery in March 1965. In what would become known as "Bloody Sunday," the protesters were met with violent resistance from state troopers. Unarmed marchers were beaten with clubs, tear-gassed, sprayed with powerful fire hoses, and had dogs set upon them. The events were televised nationally, fueling public outcry and generating increased pressure on President Lyndon B. Johnson to reduce racial tensions. The Voting Rights Act of 1965 was passed to specifically prohibit intentionally discriminatory voting practices such as literacy tests. In 1968, the Fair Housing Act was approved as part of the Civil Rights Act of 1968, banning discrimination in housing transactions. Despite the success of the civil rights movement and the positive intent of the subsequent legislation, the fight for social equality would continue well beyond the 1960s.

^k Most Southern states continued to enforce segregation on interstate bus travel, despite a 1955 ruling by the Interstate Commerce Commission that banned such segregation.

¹King worked closely with President Kennedy to craft civil rights legislation and continued to work with President Johnson after President Kennedy's assassination.

Housing Policy

The Great Migration 1916 - 1970

Jim Crow laws and acts of domestic terrorism on black citizens by groups such as the Ku Klux Klan reinforced white supremacy throughout the South, well after the Civil War and the Emancipation Proclamation. Nearly half a century later, WWI began, causing a shortage of workers in rapidly industrializing northern cities. In pursuit of better work and to escape the oppression in the legally segregated South, African Americans began relocating in large numbers to industrial northern cities such as New York, Chicago, and Pittsburgh. This mass relocation of more than six million people from the rural South to the urban North, known as the Great Migration, lasted from 1916 until the 1970s. **(Exhibit 8)**

Restrictive Covenants 1920s - 1968

As large numbers of African Americans settled in northern urban cities, many were met with harsh racism and resentment. White city dwellers relocated to suburban neighborhoods outside of the inner cities to avoid cohabitation with black residents. This phenomenon, often referred to as "white flight," laid the groundwork for the racially divided housing conditions that arose in most U.S. metropolitan areas in the first half of the 20th century. After white suburban communities were established, many enforced "restrictive covenants" to exclude black residents from their neighborhoods. These contracts, often written into a property's deed, prohibited the lease or sale of a property to particular groups of people, primarily African Americans. An owner violating the terms of these agreements, might risk forfeiting ownership of the property. The practice of utilizing racially restrictive covenants became so widespread that by 1940, 80% of property in Chicago and Los Angeles carried restrictive covenants barring black families.²³

Although the Fair Housing Act of 1968 ruled racially restrictive covenants illegal, housing segregation persisted through many unregulated tactics. The most common of these was referred to as "racial steering," a practice by which real estate agents intentionally guided buyers to neighborhoods based on their race by only showing available property in specific residential zones.²⁴ Frequently, the motivation for practicing racial steering stemmed from the commonly held belief that the existence of black residents would reduce property values in white neighborhoods. Therefore, real estate agents believed they were protecting white communities from depreciation and perhaps, their own jobs and commissions. As a result of these practices, the vast majority of black families were forced to concentrate in urban neighborhoods. (Exhibit 9)

Redlining 1936 - 1968

During the Great Depression, lasting from 1929 until 1939, President Franklin Roosevelt signed his trademark "New Deal" legislation to stabilize the U.S. economy, decrease unemployment, and develop an ecosystem of social welfare initiatives that ensured a better quality of life for citizens. The Home Owners Loan Act of 1933 was one such policy, passed with the intent to reduce the number of home foreclosures. The act created the Home Owners Loan Corporation (HOLC), a government-funded institution that provided mortgage assistance in the form of refinancing for struggling homeowners. In 1934, the Federal Housing Administration (FHA) was created through the passage of the National Housing Act. The FHA set zoning laws and managed the underwriting and insurance of government-backed home loans.

In an effort to systematize its mortgage approval process, the FHA published its *Underwriting Manual* in 1936.²⁵ The manual dictated several factors that could be used to determine property value and credit risk for mortgages. Many of these factors were related to property location, including factors such as "smoke, fog, and inharmonious racial groups." The manual further stated that "a change in racial occupancy generally leads to less or destroyed owner-occupancy appeal."²⁶ The incorporation of race as a factor in property value perpetuated such stereotypes and institutionalized housing segregation. If a property was deemed too risky, the FHA would not insure the property's mortgage, significantly reducing the likelihood of private financing.

The HOLC published maps for each major city using color-coding to indicate each neighborhood's "risk." Inner city neighborhoods, home to the largest African American communities, were outlined in red, indicating the highest risk properties. **(Exhibit 10)** This process of "redlining" effectively excluded African Americans from government subsidies supporting new and struggling homeowners. In 1944, a decade after the FHA was created, President Roosevelt signed into law the Servicemen's Readjustment Act (better known as the G.I. Bill). In anticipation of returning WWII veterans and a potential housing shortage, the bill provided veterans with many benefits including employment services, stipends for education, and subsidies for buying a home. The bill also provided government-insured low interest loans and offered even more favorable terms for new construction. Empowered to direct the implementation of these new social services, the Veterans Administration (VA) adopted the FHA underwriting regulations for insuring home loans and refused to insure African Americans in designated white neighborhoods. As a result, the G.I. Bill exacerbated housing inequality.²⁷

The denial of insurance in these black neighborhoods caused financial institutions and private investors to significantly reduce investments in inner cities. In fact, the FHA discouraged banks from making any loans in urban neighborhoods and instead encouraged investments in newly built suburbs.²⁸ In 1973, the U.S. Commission on Civil Rights concluded that the "housing industry, aided and abetted by Government, must bear the primary responsibility for the legacy of segregated housing. . . government and private industry came together to create a system of residential segregation."²⁹ When loans were made in the inner cities, they were often offered at higher "subprime rates" to black families who would have otherwise qualified for lower prime interest rates. These higher rates contributed to significantly higher foreclosure rates in black neighborhoods. Nearly a century after the FHA was created, a 2019 study concluded that black families, even those located in primarily white neighborhoods, were still significantly more likely to foreclose on homes due to discriminatory lending practices.³⁰

Home Ownership

Following WWII, home ownership became one of the most effective and reliable means of wealth creation due to continually increasing property values. **(Exhibit 11)** According to 2010 U.S. Census data, on average primary residences constituted 30% of total assets per U.S. household.³¹ Furthermore, homeowners could use asset-based loans to leverage their property to access additional capital for investment and education. Burdened by historical housing policies, most African Americans were systematically excluded from this "American Dream" opportunity to participate in the emerging middle class. As of 2014, black families were 30% less likely to own homes than white families and black families who did own homes were 4.6 times more likely to live in areas of concentrated poverty.³²

At the turn of 21st century, a new housing phenomenon became increasingly prevalent. Driven by increasing demand for urban housing, city centers saw an influx of affluent residents purchasing and renovating undervalued property in urban neighborhoods. This process, referred to as gentrification, often drove an increase in property values and commercial investments. As a result, the existing lower

income residents were frequently displaced. A 2015 housing report concluded that nearly 20% of low-income neighborhoods had experienced gentrification since 2000.³³

Criminal Justice

The War on Drugs 1971 - 2008

By the 1960s America's inner cities were in decline. Between 1960 and 1980, the number of black people living in low income neighborhoods doubled and employment rates decreased.³⁴ "White flight" and the resulting deterioration of property values in majority-black neighborhoods made attracting financial investment for development difficult. Urban neighborhoods became heavily concentrated with low-income residents of color who had limited access to employment and economic opportunities. These conditions are considered one of the factors leading to an increase in the use and sale of heroin, and later, cocaine. The heroin epidemic, accelerated by the return of addicted Vietnam War veterans, was in full effect by the 1970s and heavily impacted urban environments.³⁵ By 1969, a Gallup poll concluded that 48% of Americans identified drug use as a serious problem.

Capitalizing on public sentiment, President Richard Nixon declared a national "War on Drugs" in 1971 and began to crack down on illegal drug abuse. Most notably was the 1973 creation of the Drug Enforcement Agency (DEA), a government agency responsible for eliminating drug trafficking and use in the U.S. Decades later in a 1994 interview, John Ehrlichman, President Nixon's domestic policy chief, provided insight into the political and cultural motivations of the Nixon administration's actions, noting that the "War on Drugs" was intentionally created to target the "anti-war left and black people." ³⁶

[B]y getting the public to associate the hippies with marijuana and blacks with heroin, and then criminalizing both heavily, we could disrupt those communities. We could arrest their leaders, raid their homes, break up their meetings, and vilify them night after night on the evening news. Did we know we were lying about the drugs? Of course we did.

- John Ehrlichman, Domestic Policy Chief for President Nixon, 1994

Ronald Reagan re-adopted the war on drugs in 1982. In 1986 the Anti-Drug Abuse Act was passed, allocating \$1.7 billion to the war on drugs and establishing mandatory minimum sentences for various drug charges. **(Exhibit 12)** These "mandatory minimums" disproportionately affected African American communities.³⁷ For example, there was a large discrepancy in the penalties for possession of crack cocaine and powder cocaine – possession of five grams of crack cocaine versus five hundred grams of powder cocaine both resulted in a five-year minimum sentence. At the time, approximately 80% of crack cocaine users were African American.³⁸

Amidst a thriving crack cocaine market and facing strong public pressure for "tough on crime" legislation, President Bill Clinton signed the Violent Crime Control and Law Enforcement Act, known as the Crime Bill, in 1994. The bill funded new police stations and prisons and included a number of provisions for tougher sentences. One of these provisions was the "three strikes law," which required any person convicted of a violent felony to serve a mandatory life sentence should that offender have two other previous convictions (including previous non-violent offenses). As a result, incarceration rates began to sharply increase. **(Exhibit 13)** In 2008, President Barack Obama announced the end of the war on drugs but made no change to any of the major enforcement policies until 2010, when the passing of the Fair Sentencing Act eliminated discrepanci012fc4es in mandatory minimum sentences.

Mass Incarceration 1971 - Present

From 1980 to 2016, the number of incarcerated citizens increased over 500% and drug related incarcerations grew from 40,900 to 450,345.³⁹ With 2.2 million total prisoners by 2018, the United States had nearly 25% of the world's incarcerated population while constituting less than 5% of its population.⁴⁰ As prison populations increased, so did expenses. State expenditures on corrections grew from \$6.7 billion in 1985 to \$57.7 billion in 2016.⁴¹ This growth in expenditures had a disproportionate impact on African Americans, particularly men, with higher rates of charges, sentencing, and incarceration than white men. A 2015 report found that African Americans (roughly 13% of the U.S. population) constituted more than one in four drug violation arrests, despite similar rates of drug usage across races.⁴² This racial discrepancy in convictions indicated that drug laws were enforced more vigorously against African Americans than against whites. By 2018, men of color (black and Hispanic) represented more than 60% of the prison population, and black men were six times more likely to be incarcerated than white men.⁴³ African Americans were more frequently stopped, searched, arrested, and convicted – including in cases in which they were innocent. This practice was often referred to as "racial profiling."

Mass incarceration had devastating consequences for black communities. Punishment for a drug law violation was meted out by the criminal justice system, and was exacerbated by policies denying child custody, voting rights, employment, business loans, licensing, student aid, public housing, and other public assistance to people with criminal convictions.⁴⁴ African American families felt the reverberations of mass incarceration profoundly. In 2010, one in nine black children had an incarcerated parent compared to 1 in 57 white children.⁴⁵

Private Prisons 1984 - Present

The Prison Industries Act in 1979 legalized the use of prison labor in the private sector, which created an additional revenue source for private prison operators. By the 1980s and 1990s, the U.S. government struggled to house the rapidly growing prison population. Historically, the government outsourced some prison services (e.g. food, medical care, transport) to private firms. With the growing need for more capacity and pressure to reduce government spending, companies like the Corrections Corporation in America (CCA) saw an opportunity to bid on government contracts to manage the entire prison operations.^m

CCA and several similar companies began benefiting from inmate labor contracts with the private sector, often paying prisoners well below the minimum wage. Earnings were as low as 17 cents per hour in some states compared to \$2 per hour wages for prisoners at state run prisons.⁴⁶ In the 2000s, a growing number of legal scholars and activists began to argue that systematic profiting from prison labor was a continuation of slavery, creating a set of perverse incentives to increase incarceration rates. The 13th amendment outlawed involuntary slavery, "*except in the case of punishment for a crime.*" It was this exception that enabled federal prisons to justify their use of prisoner labor at low wages.

Police Brutality 1865 - Present

During the Reconstruction era following the Civil War, rampant acts of violence by organized white mobs in the form of lynchings, burnings, and beatings against black families were often ignored by local law enforcement, and perpetrators typically went unpunished. During the civil rights movement

^m The private prison industry was officially established in 1984 when the Corrections Corporation of America (CCA) was awarded the contract to take over operations of a corrections facility in the state of Tennessee.

of the 1960s, the police were frequently called in to "disperse" protesters, frequently using attack dogs, water from fire hoses, and batons against the often-peaceful protesters. Throughout the late 20th century, activists criticized policing as being overly aggressive towards black citizens. In 1991, the brutal beating of Rodney King by the Los Angeles Police Department was recorded by a bystander and broadcast on national television. After the first three officers involved in the beating were acquitted, riots erupted throughout the city of Los Angeles.

Amidst the rise of social media in the early 21st century, a series of cell phone videos witnessing the killings of unarmed black males as young as 12 years old by police officers were seen by millions of viewers. The 2014 death of Michael Brown and subsequent acquittal of the officer involved resulted in nationally televised riots and protests in Ferguson, Missouri. The death of Brown galvanized the nascent Black Lives Matter movement, which continued to gain a national platform following the recorded killings of Eric Garner, Tamir Rice, Laquan McDonald, and Philando Castile, as well as the death in police custody of Sandra Bland.ⁿ In 2019, a report analyzing fatal police encounters found that black men were killed by police at a rate 3.5 times more than white men when stopped for the same initial crimes.⁴⁷

Education

Enrollment

In the mid-19th century, Historically Black Colleges and Universities (HBCUs) were created to allow black Americans opportunities for higher education, particularly in the segregated south. In many states, HBCUs served as the only accredited institutions in which black Americans could earn undergraduate or professional degrees. By the 1940s, nearly all black college students in the U.S. were enrolled at HBCUs. The 1944 G.I. Bill's education benefits included payments to cover tuition expenses for vocational schools or undergraduate programs for all veterans who had been on active duty, many of whom were African Americans.^o However in practice, racial discrimination hindered equality in the dissemination of these benefits.

The increase in black academic enrollment following World War II put significant capacity and funding pressure on HBCUs, forcing them to turn away high volumes of qualified applicants.^p By 1946, only 20% of the African Americans who had applied for education benefits were able to enroll in colleges.⁴⁸ In 1980, President Jimmy Carter signed an executive order to ensure equitable funding for the nation's public and private HBCUs. However, funding for public education at all levels continued to be a complicated issue that affected low-income communities, particularly communities of color.

Integration 1954 – 1970s

The 1896 *Plessy v. Ferguson* Supreme Court case established the precedent of "separate but equal," legalizing the long-held practice of racial segregation in the public education system. The 1954 *Brown v. Board of Education* case ruled racial segregation in schools to be unconstitutional, recognizing that "separate" rarely resulted in "equality". The ruling was met with strong resistance, particularly in the South, where violence and riots impeded desegregation. The students who integrated schools

ⁿ Philando Castile was armed with a legally registered weapon at the time of his death. He is on camera informing the officer of his weapon before he was shot.

^o Of the 16 million Americans to serve in WWII, 1.5 million were African American.

^p In 1946, HBCUs were forced to turn down nearly 20,000 veterans due to capacity and resource constraints.

(including the "Little Rock Nine" in Arkansas in 1957 and six-year-old Ruby Bridges in 1960) were often met with violence, death threats, and riots as they entered the school buildings. In the case of the Little Rock Nine, the governor called in the Arkansas National Guard to block nine black high school students from entering the school, necessitating an intervention from President Dwight D. Eisenhower, who deployed federal troops to escort the students to class.

Despite the brave efforts of early integrators, desegregation remained a slow process. By the mid-1960s less than 20% of African American children attended integrated schools in the South.⁴⁹ (Exhibit 14) In the North, school segregation wasn't formally mandated, but school admissions fell outside of government control, and thus, were subject to biases within particular institutions. Thus, resistance to school integration was not limited to the South. For example, court-ordered desegregation in the Boston Public Schools resulted in a wave of violence and protests in the mid-1970s. Additionally, housing segregation facilitated ongoing school segregation nationwide. The geographic separation of communities of color is often cited as a key cause of school segregation post-*Brown v. Board of Education*. In practice, many schools remained racially segregated in the decades following the court's decision.

School Funding

In the U.S., the majority of public-school funding came from state and locally generated revenue. For example, 2017, the U.S. federal government provided only 8% of public-school funding. Due to variation in income, property values, and tax rates, there were large disparities in public school funding from state to state and across communities within a state, with lower income neighborhoods suffering the most from the resulting "funding gaps." Given the racial disparity in low-income neighborhoods, these "funding gaps" disproportionately affected African Americans. A 2019 study showed that even when controlling for income, majority non-white districts receive roughly \$2,226 less funding per student per year than majority white districts.⁵⁰

Voting & Politics

Voter Suppression 1867 - 1965

In 1870, five years after the Union victory in the Civil War, the 15th Amendment to the Constitution was ratified, giving all men the right to vote. Recognizing the importance of legislative representation, former slaves rushed to the polls backing the Republican Party, which had supported the abolition of slavery. Several black men were elected as delegates for the constitutional conventions as a result.⁵¹ In fact, all of the black U.S. congressman elected during the Reconstruction era were from southern states. In response, domestic terrorist organizations such as the KKK initiated widespread campaigns of violence against black voters as well as white Republican officials across the South. After the Republican congress passed additional legislation prohibiting the use of force or intimidation to prevent voting, former confederates found new ways to legally suppress black voters.

Between 1869 and 1877, southern Democrats began passing legislation to transfer the power to appoint election supervisors from the county level to the state level (governor, state board, or the state legislature). This effectively put southern Democrats (virtually all white) in control of supervising elections throughout the South.⁵² Once in control of elections, southern states established practices to disenfranchise black voters. These practices, including poll taxes and literacy tests issued to individual voters at the discretion of the election supervisor, often targeted black voters. In addition, following centuries of slavery, blacks were significantly poorer than whites and suffered from higher rates of

illiteracy.^q Thus, these practices disproportionately affected black voters. In addition to being subjected to such legal discriminatory practices, black voters remained fearful from the increasing violence throughout 1890s in the form of bombings, arson, and lynchings.⁵³

Securing the right to vote remained a critical goal for African Americans throughout the 20th century, eventually becoming a key right advocated for by various leaders in the Civil Rights Movement. The Voting Rights Act of 1965 banned state and local governments from administering literacy tests and required states with a history of discriminatory practices to gain approval or "preclearance" from federal courts prior to implementing new voting regulations. In 2013, the Supreme Court overturned the pre-clearance clause of the act.

Gerrymandering 1812 - Present

The term gerrymandering originated in 1812 after Massachusetts governor Elbridge Gerry signed into law newly designed electoral districts that benefited his political party. The intent of gerrymandering was to either concentrate voters of the opposing party into a restricted area to minimize their congressional representation or to dilute opposing voters across several voting districts to reduce their chances of a majority vote. The opportunity to redraw districts presented itself every 10 years following the U.S. Census. Although the personnel responsible for redrawing districts varied by state, the state legislature was most commonly granted this authority. In 2018, state legislatures were responsible for redistricting congressional districts as well as state legislative districts in 30 states.⁵⁴

Gerrymandering was utilized by both major political parties to gain advantage in future elections and was one of the primary legal tactics utilized to disenfranchise black voters throughout the 20th century. Due to the geographic concentration of black voters, redistricting to reduce black voting power proved simple and effective. In 1982, amendments were passed to the Voting Rights Act, prohibiting any state practice reducing racial minorities' opportunity to elect representatives of their choice, making racial gerrymandering legally challengeable in court.⁵⁵ Nonetheless, the practice persisted.

Voter Realignment 1900s - 1970s

At the turn of the century, the North continued to industrialize, creating immense wealth amongst northern Republicans and shifting the party's focus away from supporting civil rights efforts in the South to establishing business-friendly policies. The waning efforts of northern Republicans to fight oppressive practices by southern Democrats laid the foundation for the party realignment of black voters. In the 1930s, the Great Depression had an outsized impact on African Americans, with 38 percent of African Americans unemployed as compared to 17 percent of whites.⁵⁶ The "New Deal" legislation, signed by Democratic President Franklin D. Roosevelt, provided significant relief to Americans (including African Americans) in the form of social services and contributed to the increasing number of black Democrats.⁵⁷ By the passage of the Civil Rights Act of 1964 by Democratic President Lyndon B. Johnson, the majority of black voters had aligned themselves with the Democratic Party.⁵⁸ In 2008, Barack Obama was elected as the first African American President of the United States to both significant praise and backlash. A notable example of such backlash was the "Birther Conspiracy", a series of false allegations that Obama was not born in the U.S., thus making him ineligible to be president. The most prominent and outspoken supporter of this theory was then businessman Donald Trump.

^q During slavery, it was illegal for slaves to learn to read, write, or collect an income.

Healthcare 1865 – Present

Since colonial times, racial disparities seen in other facets of American cultural and political life were also evident in medical institutions and practices.⁵⁹ Throughout the 19th century, medical schools and practitioners subscribed to then prevailing theories regarding the physical attributes and intellectual inferiority of blacks.⁶⁰ Further, state legislation in the 20th century deprioritized treatment for black patients and funding for black care facilities through segregation. For example, a Mississippi law established that treatment of black patients would only occur after all white patients were treated, an Alabama law allowed white nurses to refuse treatment to black men, and a Georgia law required the separation of black and white patients. Additionally, the deficit of trained black medical professionals perpetuated inequality in the quality of care for black patients. In 1949, the ratio of African American physicians to the black population was estimated at 1 to 3,681.⁶¹

Centuries of mistreatment resulted in significant distrust of the healthcare system within African American communities. This distrust was amplified in 1972, when the truth regarding a government-funded experiment at Tuskegee University, a historically black institution, became national news. The "Tuskegee Study" of 1932 was conceived to examine the effects of untreated syphilis in African Americans. The 600 black male participants were intentionally misinformed of the study's true objective and none of the 399 patients diagnosed with syphilis received treatment for it. The study continued for nearly 40 years before the story broke to massive public outcry.⁶² African American's distrust of the healthcare system was commonly considered a key driver of their lower usage of healthcare services. By the 1990s, African Americans had an average lifespan 5 to 7 years shorter than white Americans; experienced excess cancer incidence, morbidity, and mortality rates; suffered almost half of the nation's maternal deaths; and experienced infant mortality rates as high as underdeveloped countries.⁶³ (Exhibit 15) A 2010 medical report found that even when controlling for income, neighborhood, and insurance type, black patients were less likely to receive preventative care and more likely to receive lower quality care than white patients.⁶⁴

Media Representation

Representation 1800s - Present

Throughout the 19th and early 20th centuries, the "minstrel show" was a popular form of American entertainment. These comedy shows typically included music and dancing acts depicting people of African descent. Although the majority of minstrel shows included white actors in blackface, some shows were performed by black actors, typically under the direction of white supervisors. The caricatures portrayed in these shows stemmed from the widely perpetuated stereotypes of black identity conceived during slavery. Men were portrayed as "Uncle Toms" (obedient servants in constant need of white approval) or "Mandingos" (strong, physically dominant, and animalistic in demeanor). Women were portrayed as "Mammies" (overweight, maternal housekeepers), "Jezebels" (oversexualized women who sought to serve the sexual desires of white men) or "Sapphires" (angry, hostile, and demeaning, most commonly towards black men). **(Exhibit 16)** Such stereotypes could still be found in 21st-century entertainment.

One of the earliest prominent representations of African Americans in film was in the 1912 film, *Birth of a Nation*. The silent film continued the portrayal of black men, played by white actors in blackface, as brutish, stupid, and sexually aggressive towards white women. In contrast, the KKK members were often portrayed as the brave, chivalric saviors of the South. As the country's first full length feature, *Birth of a Nation* was screened nationwide (as well as in the White House during Woodrow Wilson's presidency) and was widely deemed the first box office hit.

Media portrayal is often considered as one of the primary influencing factors of self-image and personal identity; thus, derogatory representation had deep implications for many black Americans. In the 1940s, The Clark Doll Test, published by Dr. Kenneth Clark and Dr. Mamie Clark confirmed these implications through an experiment using dolls to measure children's self-perception of their own race. The experiments consisted of showing black children two separate sets of dolls, one with black skin and one with white skin and otherwise identical features. The psychologists then asked the children a series of questions such as which doll was nice, bad, or best to play with. The results showed that the majority of the black children attributed the white doll with the positive attributes and the black doll with the negative, indicating the internalization of racist stereotypes at a young age.⁶⁵ The test was recreated in 2006, the results showed that 71% of the black children indicated a preference for the white dolls, an increase from the original experiment.

Black Power Movement - 1960s

In the early 20th century, much of black style consisted of altering natural physical appearances to emulate Caucasian physical features. Most commonly, hair was straightened or "relaxed" from its natural curly state to resemble hair from Caucasian heritage. The earliest method, referred to as "conking," involved applying corrosive chemicals to the scalp and rinsing it out quickly before permanent damage could occur. Over time, new relaxers were introduced utilizing various methods to straighten black hair. Sarah Breedlove, known as "Madam C.J. Walker", became a prominent black businesswoman known for her line of hair relaxing products. She is widely considered to be the first black millionaire. During the Black Power Movement of the 1960s, African Americans began to celebrate their natural look and beauty more openly. Many political leaders and artists publicly pronounced natural black appearances as beautiful.⁶⁶ As a result, the "afro" hairstyle, a fully natural style achieved from growing out hair and combing it outward, gained prominence in the 1960s.

Implications

Achievement Gap

Generations of racial inequality contributed to disparities in the education, income, and wealth potential for communities of color. **(Exhibit 17)** This could be observed in the achievement gap, which referred to the disparity in academic performance between different groups of students. A 2011 report by the National Center for Education Statistics concluded that 4th and 8th grade black students scored 20 points lower on math and reading assessments than their white peers, a difference equal to two grade levels.⁶⁷ This academic performance gap could be attributed to multiple factors including the disproportionate number of people of color living in low-income neighborhoods, which in turn resulted in less access to adequately funded schools and often, less access to educational resources at home.

Research indicated that the psychological burden of the achievement gap on African American students contributed to perpetuating the gap.^r One such impact is "stereotype threat", in which the

^r The most notable of these psychological burdens include imposter syndrome, costs of "covering", and stereotype threat.

concern to not confirm a stereotype can negatively impact performance. ^s A 1995 experiment divided diverse Stanford undergraduates with similar IQ levels into two groups and gave both groups the same test. The first group was told that the test was a measure of IQ and intellectual capability and the second group was not; the black students performed poorer in the first group whereas the performance of white students was unaffected across groups. These results indicated that the fear of confirming the negative stereotype of intellectual inferiority affected the ability of the black students to perform. Similar experiments on various social groups with negative stereotypes have shown similar effects.

Wealth Gap

In addition to, and in part as a consequence of, the achievement gap, there was also a significant wealth gap between white families and families in communities of color. As of 2016, the median white family had 10 times the wealth of median black and Hispanic families.⁶⁸ (Exhibit 18) In some regions, the disparity was larger. For example, in 2015, the Boston Federal Reserve Bank reported that in Boston, the median net wealth of white households was \$247,000 versus \$8 for U.S. born black households.⁶⁹ Several factors contributed to this wealth disparity, including less access to community wealth building opportunities, less generational and family wealth, lower family income, and lower family savings rates. In 2018, African American families were 4.5 times more likely to live in areas with concentrated poverty.⁷⁰ These communities were often "redlined" neighborhoods that experienced lower levels of public and private investment, lower homeownership rates, and lower housing values, significantly reducing community wealth creation opportunities.

Lower rates of inheritance also reduced African Americans' ability to manage income volatility and increased the likelihood that families took on debt. African American families experienced lower rates of economic mobility. Research in 2018 found that nearly 70% of middle-class African American children were more likely to become poorer than their parents as adults.⁷¹ This was attributed in part to the achievement gap – black students without access to opportunities to develop skills were unprepared for higher skilled jobs/careers, often creating a vicious cycle. Further, lower rates of financial inclusion and financial literacy compounded these differences due to their impact on investment levels, risk tolerance, and family savings rates.^t

Finally, personal bias and discrimination in the job market exacerbated the wealth gap. A 2002 study conducted by the National Bureau of Economic Research sent out nearly 5,000 identical resumes, half with common African American names and the other half with common Caucasian names. The findings indicated a 50% lower callback rate for African American-sounding names. The difference in callback rates was equivalent to an additional 8 years of relevant experience.⁷² As of 2019, African Americans were twice as likely as white Americans to be unemployed and earned nearly 25 percent less when employed in the same jobs.⁷³

^s The notion that people tend to underperform when confronted with a situation that confirms an existing negative stereotype about their social group.

^t In 2018, 3% white vs. 18% black families were unbanked; the primary reason for not having a bank account was not having enough money to deposit.

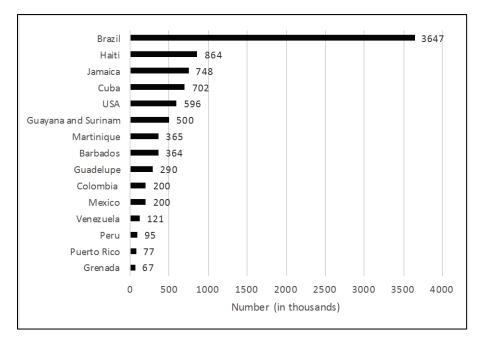


Exhibit 1a Principal Destinations of Slaves Brought from Africa, Years 1451 - 1870

Source: Thomas K. McCraw, "Slavery," HBS No. 792-001 (Boston: Harvard Business School Publishing, 2018). Compiled from data in Robert Fogel and Stanley Engerman, *Time on the Cross: The Economics of American Slavery* (Boston: Little, Brown and Company, 1974), vol. 1, p. 18.

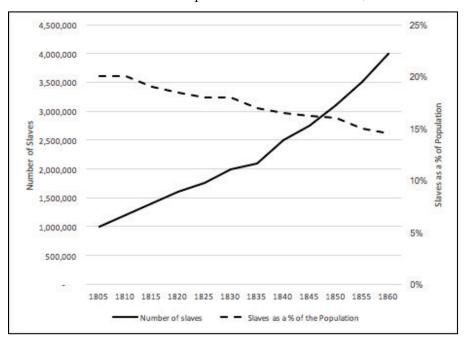
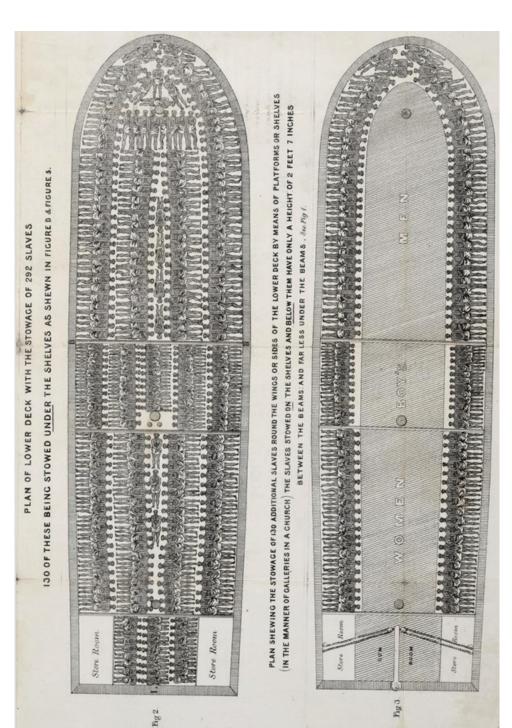


Exhibit 1b Domestic Slave Population in the United States, Years 1805 – 1860

Source: Thomas K. McCraw, "Slavery," HBS No. 792-001 (Boston: Harvard Business School Publishing, 2018). Compiled from data in Susan B. Carter et al., *Historical Statistics of the United States, Earliest Times to the Present: Millennial Edition* (New York: Cambridge University Press, 2006), Bb214.

Exhibit 2 Example Layout of a Slave Ship



Source: Wikimedia Commons, https://upload.wikimedia.org/wikipedia/commons/f/fd/Slaveshipposter_%28cropped%29.jpg, accessed Jan 2020.

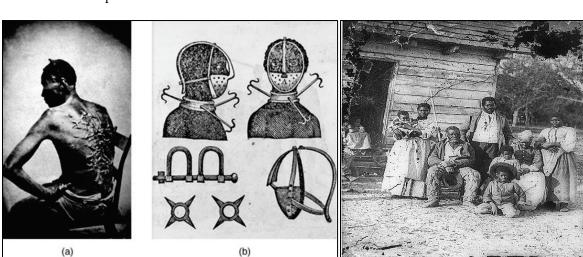


Exhibit 3 Examples of Slave Conditions on Plantations

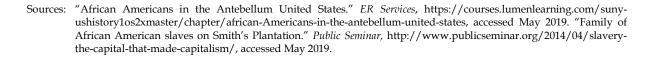


Exhibit 4 Estimated Population of American Colonies and States (Thousands), Years 1740 - 1790

	1740		1770		1780		1790	
	Black and White	Black						
Totals	906	150	2,146	462	2,781	582	3,931	759
Northern States	491	24	1,100	49	1,392	59	1,968	67
Southern States	415	126	1,046	413	1,389	523	1,963	692

Source: Adapted from David A. Moss, "Constructing a Nation: The United States and Their Constitution, 1763-1792," HBS No. 795-063 (Boston: Harvard Business School Publishing, 1996). Compiled from U.S. Department of Commerce, "Historical Statistics of the United States, Colonial Times to 1970," (Washington, D.C., 1975), Part 2, p. 1168, Part 1, pp. 24-37.

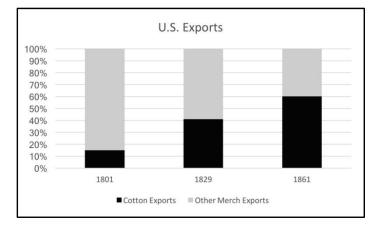
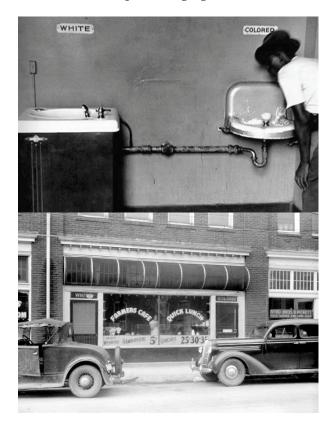


Exhibit 5 Share of Cotton Exports in Relation to Total U.S. Exports, Years 1801 - 1861

Source: Adapted by casewriters from Alan Olmstead and Paul Rhode. "Cotton, Slavery, and the New History of Capitalism." (PDF Oct 2016), https://www.law.columbia.edu/sites/default/files/microsites/law-economics-studies/olmstead_-_cotton_slavery_and_history_of_new_capitalism_131_nhc_28_sept_2016.pdf, accessed April 2019.

Exhibit 6 Examples of Segregation under Jim Crow



Source: © Elliott Erwitt/Magnum Photos, compiled from Robyn, "Remembering Jim Crow," January 16, 2015, https://www.reclaimingkin.com/remembering-jim-crow/, accessed April 2019. Delano, Jack. "White Door Colored Door," May 1940. https://commons.wikimedia.org/wiki/File:WhiteDoorColoredDoor.jpg#file

1957	Sixty black pastors and civil rights leaders from several southern states—including Martin Luther King, Jr.—meet in Atlanta, Georgia to coordinate nonviolent protests against racial discrimination and segregation.
	Martin Luther King cofounds the Southern Christian Leadership Conference (SCLC)
	"The Little Rock Nine," nine black students are blocked from integrating into Central High School in Little Rock, Arkansa
	Civil Rights Act of 1957 signed by President Eisenhower, protecting voter rights
1960	Student Nonviolent Coordinating Committee (SNCC) formed
	"The Greensboro Four," four college students in North Carolina refuse to leave a "whites only" lunch counter without being served. Their nonviolent demonstration sparks similar "sit-ins" throughout the country
	6-year-old Ruby Bridges attends her first day of school at a previously all-white elementary school, which was met wit angry protests
1961	Freedom Rides begin in protest of segregated bus lines
1963	Bombing at a Baptist Church in Alabama kills four young girls, fueling angry protests
	March on Washington, 250k people gather in front of Lincoln Memorial to hear MLK's "I Have a Dream" speech
1964	Civil Rights Act of 1964 is passed by President Johnson, preventing employment discrimination due to race, color, ser religion or national origin
1965	"Bloody Sunday," 600 civil rights marchers walk from Selma to Montgomery Alabama in protest of voting discriminatio and are met with violent police force
	Watts Riots, a series of violent confrontations between the city police and residents of Watts, a predominantly Africa American neighborhood of Los Angeles began after a white police officer arrested an African American man, Marquet Frye, on suspicion of driving while intoxicated
	Voting Rights Act signed by President Johnson
	Malcolm X assassination by members of the Nation of Islam
1966	Rise of the Black Power movement
	Founding of the Black Panther Party for Self-Defense
1967	Supreme Court rules on Loving v. Virginia, declaring any statutes prohibiting interracial marriage unconstitutional
	Detroit Riot, series of violent confrontations between residents of predominantly African American neighborhoods ar city police in Detroit, after a raid at an illegal drinking club where police arrested everyone inside, including 82 Africa Americans
1968	Martin Luther King Jr. assassination
	Civil Rights Act of 1968 (Fair Housing Act) is signed by President Johnson

Exhibit 7 Timeline of Civil Rights Movement Key Events

Source: Compiled from "Timeline of the American Civil Rights Movement," https://www.britannica.com/list/timeline-ofthe-american-civil-rights-movement, accessed May 2019, "Civil Rights Movement Timeline," https://www.history.com/topics/civil-rights-movement/civil-rights-movement-timeline, accessed May 2019.

Exhibit 9

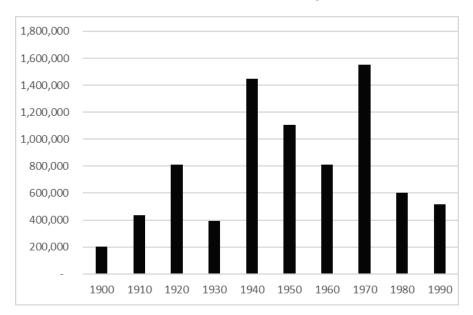
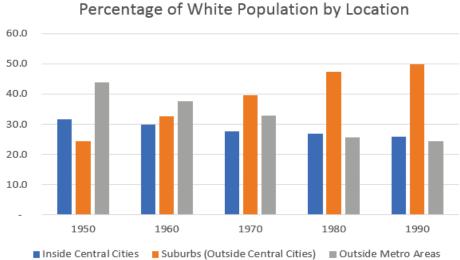


Exhibit 8 Number of African Americans Moving to Northern States, 1900 - 1990



White Population Shift to Suburbs, Years 1950 - 1990

Adapted by casewriters from "An Overview of Racial and Ethnic Demographic Trends." National Research Council. Source: 2001. America Becoming: Racial Trends and Their Consequences: Volume I. Washington, DC: The National Academies Press. doi: 10.17226/9599.

Source: Adapted by casewriters from James N. Gregory, The Southern Diaspora: How the Great Migrations of Black and White Southerners Transformed America (Chapel Hill: UNC Press, 2005), 15. Based on data from Steven Ruggles, Matthew Sobek, Trent Alexander, Catherine A. Fitch, Ronald Goeken, Patricia Kelly Hall, Miriam King, and Chad Ronnander, Integrated Public Use Microdata Series: Version 3.0 (machine-readable database) (Minneapolis, 2004).

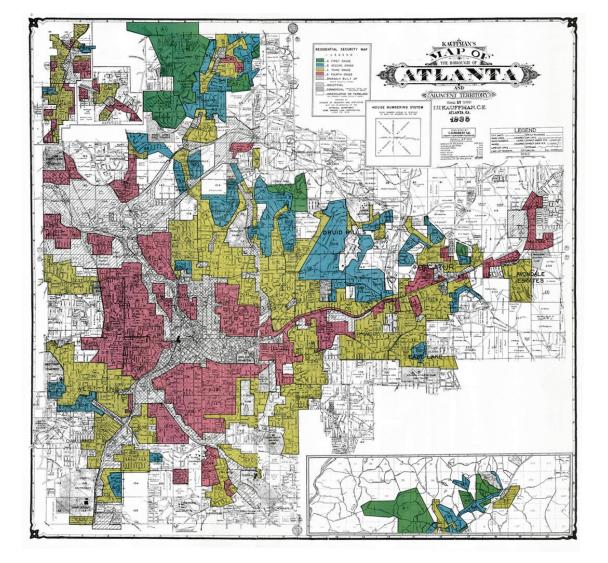


Exhibit 10 Example of Redlining Map – Atlanta, GA

Source: Bruce Mitchell, "HOLC 'Redlining' Maps: The Persistent Structure of Segregation and Economic Inequality," National Community Reinvestment Coalition, March 20, 2018, https://ncrc.org/holc/, accessed April 2019.

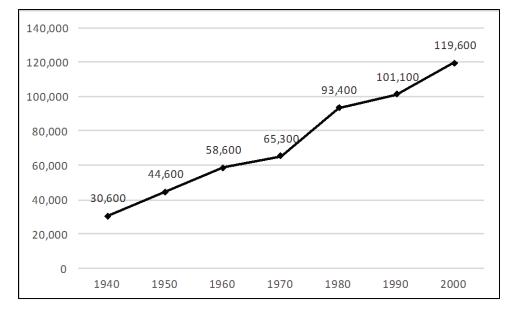


Exhibit 11 Median Home Values in the United States (Adjusted to 2000 Dollars), Years 1950 - 2000

Source: Historical Census of Housing, from the United States Census Bureau website, https://www.census.gov/hhes/www/housing/census/historic/values.html, accessed May 2019.

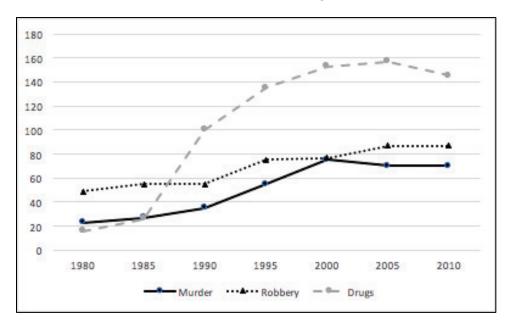


Exhibit 12 Incarceration Rates Across Crime Categories, Years 1980 – 2010

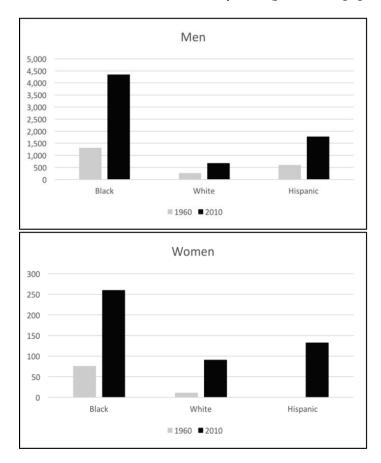
Source: Tonry, M. (2012, April 26). Sentencing Presentation to the Robina Institute Annual Conference. Crime and Justice in America, 1975-2025, University of Minnesota Law School, Minneapolis.

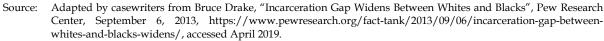
1,600,000 1,400,000 1,200,000 1,000,000 President Nixon 800,000 declares "War on Drugs" in 1971 600,000 400,000 200,000 0 2010 1930 1940 1950 1960 1970 1980 1990 2000

Exhibit 13a Total Male Prison Population, Years 1930 - 2010

Source: Prisoner Series, via Bureau of Justice Statistics, accessed May 2019.

Exhibit 13b Incarceration Rates by Race (per 100,000 population), Years 1960 and 2010





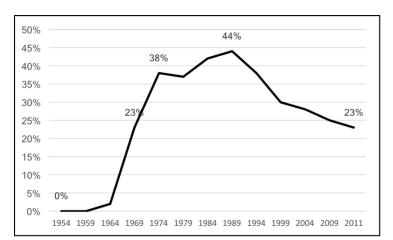


Exhibit 14 Black Students Attending Southern Schools at Least 50% White, Years 1954 - 2011

Source: Alvin Chang, "The Data Proves that School Segregation is Getting Worse," March 5, 2018, https://www.vox.com/2018/3/5/17080218/school-segregation-getting-worse-data, accessed April 2019. Data from the National Center for Education Statistics, via UCLA's Civil Rights Project.

Exhibit 15	Differences in Medical Outcomes by Race, 1992
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Health Parameters	Black/White Comparison		
Very low birthweight infants (<1500g)	Black rate 2.5 times the white rate		
Infant mortality (death in first year of life)	Black rate twice the white rate (21.4 per 1000)		
Maternal deaths	Black rate 3.3 times the white rate;		
	43% of US total		
Dental care	40% of black children under the age of 17		
	have never seen a dentist		
Hypertension under the age of 45	Black males: 10.2 times the white		
	death rate; black females: 13.4		
	times the white death rate		
Tuberculosis	Black males: 17.4 times the white		
	death rate; black females: 15.6		
	times the white death rate		
Heart disease	Twice as common in blacks		
	Black death rate 1.25 times higher		
	than white rate		
Stroke	Black death rate 80% higher than		
	white rate		
Diabetes	33% more prevalent in blacks		
	Black death rate more than twice the		
	white death rate		

Source: W. Michael Byrd and Linda A. Clayton. "An American health dilemma: a history of blacks in the health system." *Journal of the National Medical Association* vol. 84,2 (1992): 189-200.



Exhibit 16 Examples of Racial Caricatures from Past and Present

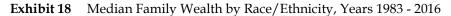
Source: Compiled from "Caricatures of African Americans: Mammies,

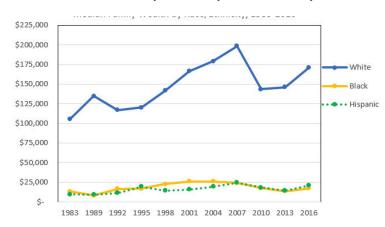
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1775	Start of Revolutionary War
1776	Declaration of Independence
1787	U.S. Constitution is drafted; ratified in 1788
1863	President Lincoln enacts the Emancipation Proclamation
1865	13th amendment enacted, abolishing slavery
1868	14th amendment enacted, granting voting rights
1870	15th amendment enacted, granting citizenship rights
1896	Supreme court rules on Plessy v. Ferguson, declaring "separate but equal" as constitutional
1934	National Housing Act passes, Federal Housing Administration is created
1938	Federal Housing Administration publishes the Underwriting Manual to systematize the mortgage approval process
1944	President Roosevelt signs the Servicemen's Readjustment Act (G.I. Bill)
1948	President Truman issues executive order to end segregation in the Armed Services
1954	Supreme court rules on Brown v. Board of Education, effectively ending racial segregation in public schools
1956	Supreme court rules bus segregation to be unconstitutional
1957	Civil Rights Act of 1957 signed by President Eisenhower, protecting voter rights
1964	Civil Rights Act of 1964 is passed by President Johnson, preventing employment discrimination due to race, color, sex, religion or national origin
1965	Voting Rights Act signed by President Johnson, restricting usage of literacy tests
1967	Supreme Court rules on Loving v. Virginia, declaring any statutes prohibiting interracial marriage to be unconstitutional
1968	Civil Rights Act of 1968 (Fair Housing Act) is signed by President Johnson
1971	President Nixon declares a "War on Drugs"
1982	President Reagan re-adopts the "War on Drugs"
1994	Violent Crime Control and Law Enforcement Act (Crime Bill) signed by President Clinton
2010	Fair Sentencing Act signed by President Obama, eliminating discrepancies in mandatory minimum sentences

Exhibit 17 Timeline of Major Legislation and Political Events, Years 1775 – 2010

Source: Compiled by casewriters.





Source: Adapted by casewriters from Urban Institute calculations from Survey of Financial Characteristics of Consumers 1962 (December 31), Survey of Changes in Family Finances 1963, and Survey of Consumer Finances 1983–2016. https://apps.urban.org/features/wealth-inequality-charts/

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