

Too big to fail?

Written by William Reed

Tuesday, 17 November 2009 15:51

Supporters of slave reparations, argue that there is no equal opportunity for African Americans, nor has there ever been. Systematic discrimination deprives African Americans of equal chances and deserve justice and equal parity. The clear lack of parity in the recent instances of bailouts for the rich and disdain for stimulus or reparations to the descendants of slaves. The Black American community's population contribution to the wealth of America is too great to continue failing to address such inequity.

"Too Big to Fail" refers to the idea that in economic regulation, the largest and most interconnected businesses are so large that a government cannot allow them to fail because such failure would have a disastrous effect on the economy. The US Treasury Department's Troubled Asset Relief Program (TARP) and associated bailouts are estimated to eventually cost \$27 trillion, yet the nation's first Black President dismisses the \$24 trillion debt owed Black American descendants. The Presidential acts are paradoxical. The government dismisses Blacks, yet funds a financial industry that has historically been an anathema to Blacks: direct involvement in the slave trade and demonstrated patterns of denying African-Americans access to credit and financial services.

The cost to Blacks is enormous. In terms of net financial assets, the "cost of being Black in America" amounts to a \$94,426 deficit. From the onset, Blacks in America experienced significantly lower income and wealth, higher levels of poverty, shorter life spans, among many other embedded disparities. White households average about \$150,000 more wealth than typical Black families. Total wealth for White families is five times greater than that of Black families. Such wealth gaps makes it much more difficult for Black families to own homes, send their children to good schools, or recover from economic downturns caused by unemployment or illness.

But the American "perception" is that Blacks "are doing alright". "African-Americans are the most privileged blacks in the world. The notion that they should somehow be entitled to reparations because their ancestors were brought to the Americas is intellectually absurd", say many Americans, both Black and White. But they are not experiencing the same American reality. Nine out of 10 White Americans reject reparations to descendants of slaves. Many have a perception that race bias in America has been virtually eliminated, and that Blacks are no longer disadvantaged. But, the truth is, Black Americans' standard of living rates in per capita income, life expectancy, political empowerment, family and community life are at Third World levels. American per capita income is high but less evenly distributed than in most developed countries. The US has one of the widest rich-poor gaps of the high-income nations; the bank buy-outs illustrates how the gap continues, and grows.

The deprivation is historical and institutional. After the Civil War, the U.S. government bailed-out slave owners while it backtracked on practices that allocated Blacks 40 acres and a mule. Governmental policy has always played an absolutely crucial role in determining the racial character of the haves and the have-nots in America. It is fair time direct inheritors that directly benefited from wealth gained from slavery, the slave trade, and slavery related enterprises, pay reparations debts.

Call it 'a stimulus', 'paying off a debt', but it's time to call it "a work in progress. If the Federal Government is going to prop up the richest of the rich, isn't it time to add up the losses that

Too big to fail?

Written by William Reed

Tuesday, 17 November 2009 15:51

Blacks have incurred during their time in America. The amount of \$24 trillion is the estimated sum total of the worth of all the Black labor stolen through the means of slavery, segregation, and contemporary discrimination in today's dollars. This includes the estimated economic loss for African Americans as a result of legal segregation for 1929-1969; discrimination from the end of slavery in 1865 to the end of American apartheid in 1969; the amount contemporary Blacks have lost as a result of discrimination they experienced seeking to secure mortgages for homes and businesses. Great wealth has been amassed on the backs of Blacks, the amount is too big to continue failing to address it.

(William Reed – www.BlackPressInternational.com)