

Obstacles to Black Wealth Acquisition North and South in the 20th Century: A Presentation to New York State Reparations Commission, April 10, 2025

I have long thought that discussions of reparations should not only focus on how the wealth of the country was built on the stolen labor of enslaved persons in the 18th and 19th Century, but should also look at obstacles to Black wealth acquisition in the 20th Century, some of which was inflicted through violent attacks, some of which was implemented by the impersonal application of discriminatory policies by government, businesses and private individuals

In the presentation that follows, I will look at how the Great Migration, and events that accompanied it, undermined Black wealth acquisition, and then analyze how policies in the housing and labor markets in New York State in the post world war 2 period made wealth acquisition by Black people who moved to NY State much more difficult than it was for their white neighbors.

The First Great Migration, taking place from 1914 to 1929, saw the first large-scale departure of African Americans from the rural South to Northern cities, in response to events ranging from the consolidation of Jim Crow in Southern states and escalating attacks on Black property owners, to the opening of jobs in Northern industries for Black workers.

It also marked a precipitous drop of Black land ownership, the major form of wealth acquisition at the time, from 14 million acres at its peak in 1910, to fewer than 11 million acres in 1930

Some of this was due to racial massacres and mass dispossession of black property owners taking place in Southern states. Many people know about the destruction of the wealthiest Black community in the nation in Tulsa Oklahoma in 1921, but similar events, involving mass murder of black residents and destruction of established Black communities, took place in Forsyth County Georgia in 1912, in Elaine Arkansas in 1919, in Ocoee Florida in 1920, and in Rosewood Florida in 1923. In each of these instances, Black property owners whose achievements were the envy of local whites, were particularly targeted. Is it any wonder that so many talented Black people decided to leave the South when jobs opened up in Northern communities.

However, although Northern states did provide some opportunities for Blacks to gain higher wages than they could in Southern agriculture, and did with some exceptions, protect black voting rights and freedom of speech, press and assembly that were suppressed in the South- allowing for higher levels of protest and activism-, they presented formidable obstacles to wealth acquisition for Black people who moved there.

Since this commission is based in New York State, I want to discuss obstacles to wealth acquisition by black people right here in New York that were there to great black people who came here not on in the First Great Migration, but during and right after WW 2

The most formidable of these obstacles came in housing markets. Black people in New York State, well into the 1960's, not only could not rent apartments or buy homes in the vast majority of communities in the state's cities and suburbs, they faced huge obstacles in securing loans to finance home purchases, in large part because an agency of the Federal government created during the New Deal, the Home Owners Loan Corporation, gave automatic D ratings to any community which had even a small number of black residents, making banks reluctant to lend in such communities. In addition to facing discrimination in lending, upwardly mobile black housing consumers were barred from renting or purchasing homes in the middle income developments that sprung up all over the New York Metropolitan area during and after WW 2, among them Stuyvesant Town in Manhattan.

Parkchester in the Bronx, the Trump houses in Brooklyn, and Levittown in Long Island. In addition, right here in the Bronx, the largest array of middle income apartment buildings in the borough, on and adjacent to the Grand Concourse, barred black people from renting apartments until the early 1960's. As a result of this, black homeownership rates in New York State lagged far beyond white rates, while blacks who did own homes had their properties valued less than their white counterparts for structures of comparable size and quality. This phenomenon proved to be devastating to Black wealth acquisition in New York because in cities and suburbs in New York State, home ownership represented perhaps the most important financial asset for working class and middle class families in the post World War 2 Era

Equally devastating to wealth accumulation was the discrimination Black people, especially Black men, faced in the New York City labor market. College educated black men were barred from jobs in the vast majority of the city's banks, law firms, insurance companies, real estate firms and corporate offices. But more devastating was the discrimination black men faced in the highest paying sector of the blue collar economy in New York City, the construction industry. To quote from a report from the Economic Policy Institute

"Dating back to the 1960s, the unionized construction industry was a focal point for the civil rights movement as communities of color witnessed a construction boom offering the false promise of good jobs for urban residents. Because of discriminatory hiring practices, the overwhelming majority of union construction jobs went to white workers. In New York City, for example, 92 percent of building trades union members [were] white. Some of the skilled trades had virtually no African American members.

What this meant was that Black men with high school educations, in contrast to Irish and Italian men with comparable economic backgrounds, had no chance of getting high paying construction jobs that would allow them to move out of public housing, or decaying urban neighborhoods, to purchase a home. This is one of the reasons that large construction projects, such as one at Downstate Hospital in 1962, or at the World's Fair in 1964, were the site of huge protests to get Black men access to unionized jobs, protests that did not yield significant results until the 1970's and 1980's

This deadly combination of employment discrimination and obstacles to home ownership in a housing market filled with discriminatory practices in lending as well as rentals and purchases had a devastating impact on wealth accumulation by Black families in New York state, as well as producing traumatic personal consequences for people who experienced this discrimination first hand.

In closing, I would like to bring this to life with a passage from a book I worked on "The Rat That Got Away: A Bronx Memoir" where the author describes the devastating effect this discrimination had on his father, a highly skilled WW 2 Veteran

... would laugh as my
door, we would
father came in and asked, genuinely puzzled and a little bit hurt, "How
come when I come home, everyone runs away?"

My father may have had a mean streak in him, but he was also a man
with great talents. He was a painter, nurtured in that skill by Mr. Hug-
gins, a gifted artist who lived below us in apartment 7G. My father's
paintings hung on our living room walls, most of them large landscapes
with greenery and gentle waterfalls. Looking back, it seems ironic that
such peaceful scenes were produced by such an angry man. Art offered
him a kind of peace he couldn't find in the workaday world or in family
life. Another source of solace for him was music. He especially loved jazz
and knew many jazz musicians. Our living room had a state-of-the-art
phonograph built by my father. A gifted carpenter, he had bought ply-
wood, insulation, and Masonite for the finish, and constructed a speaker
set that looked better than anything you could buy in a store.

Yet it seemed that the world we lived in had little use for his talents,
and this was a source of endless frustration for him. He was not alone in
this: The majority of black men in the Patterson Projects were ex-
servicemen trying to make a living in a society that did not want to let
them in. Because of their lack of education and employers' racist prac-
tices, they were forced to take low-paying jobs that went nowhere. As a
result, almost everyone had to find some way of making money off the
books, and many felt driven to crime. My father was a true hustler who
had all kinds of innovative ways of paying the rent. He would sell his
paintings and the speaker systems he built in our apartment. At one point,
he drove a cab. He put his athletic skill to work for us, becoming a golf
pro and giving private lessons at the Mosholu and Van Cortland Park
courses. He also made money bowling in local leagues and would bring
home trophies, which he displayed proudly in our living room.

A man of his talent and energy should have been rewarded with
respect, a job, and a good income, but like many black men of his era,
he had to scramble for every penny. The stress of making a living in a
white man's world sometimes got to him, and there were times that he
said as much. One morning, at 5; we were fishing for stripers and catfish
on the East River, which was only a six-block walk from our building.

"Son," he said to me, "you'll never know the things I have to do some-
times to put food on the table." He never gave me specifics, but I had
the definite impression that he was working all kinds of illegal deals when
he was driving his cab at night.

My fear of my father's rages was balanced by my gratitude for his
moments of generosity and by my pride in the respect he commanded
in our neighborhood. The Patterson Houses was a place where even the
most reputable families played the numbers and resorted to unorthodox
ways of bringing in extra income, and my father, who was supposedly a
nobody downtown, walked through the Projects like a king. Everyone
knew him, and nobody—I repeat, *nobody*—messed with him. He had a
street cool and a physical presence that even the numbers runners
deferred to, and he commanded respect as a hard-working family man
whose children were well fed, well dressed, and polite to their elders.

A song by The Crystals, called "Uptown," speaks to this double life
that my father, like so many other black men of his era, had to live:

He gets up each morning and he goes downtown
Where everyone's his boss and he's lost in an angry land.
He's a little man.
But then, he comes uptown each ev'nin' to my tenement
Uptown where folks don't have to pay much rent.
And when he's there with me he can see that he's everything
Then he's tall, he don't crawl, he's a king.

Who knows? Maybe if my father had been able to live one life instead
of two, he might have been a better man.

As this passage suggests, the obstacles that Black people faced to wealth acquisition right here in New York, as well as in the South, took a terrible toll on Black families and the Black community. It is deeply gratifying to me that New York State has created a Commission to document these obstacles, and find a path to some form of compensatory justice.

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