THE COLOR OF MONEY

BLACK BANKS AND THE RACIAL WEALTH GAP

MEHRSA BARADARAN

A GROWING RACIAL WEALTH GAP

WHITE FAMILIES

- Average Net Worth With a College Degree—$360,000
- Average Net Worth Without a College Degree—$80,000

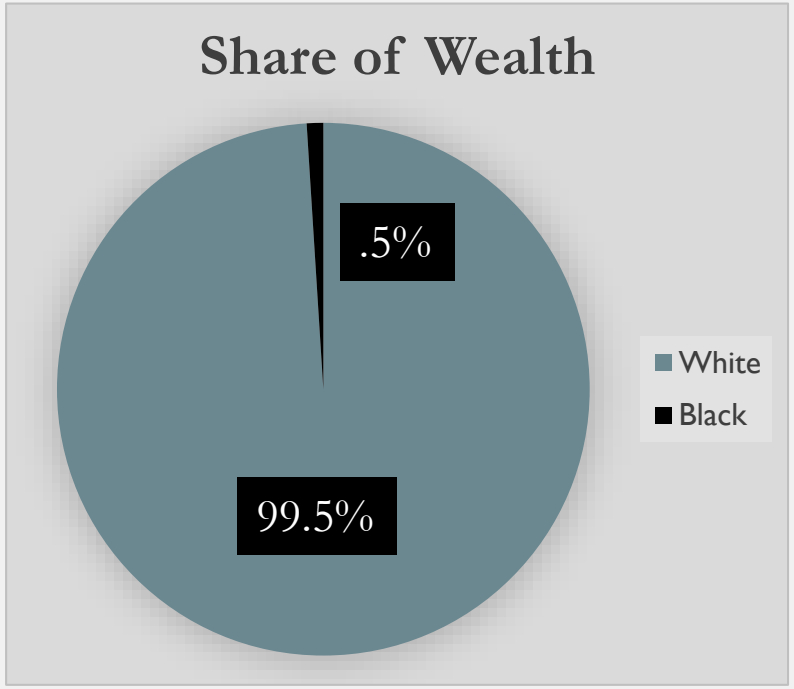
BLACK FAMILIES

- Average Net Worth With a College Degree—$32,000
- Average Net Worth Without a College Degree—$9,000

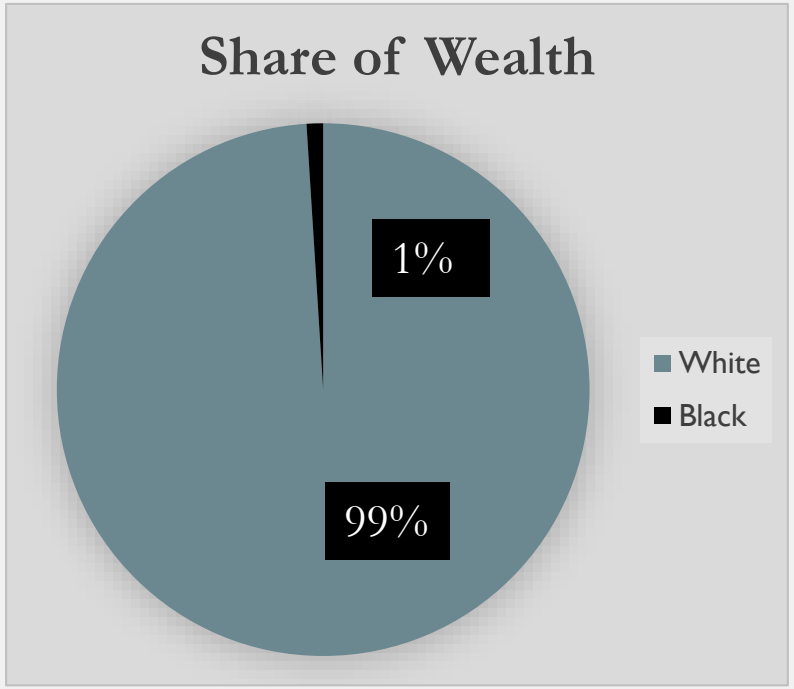
St Louis Federal Reserve https://www.stlouisfed.org/~/media/Publications/In%20the%20Balance/Images/Issue_12/ITB_August_2015.pdf.

BLACK V. WHITE SHARE OF WEALTH

POST-CIVIL WAR



TODAY



Being Black, Living in the Red: Race, Wealth, and Social Policy in America, Dalton Conley, University of California Press 2010. Pg. 25.

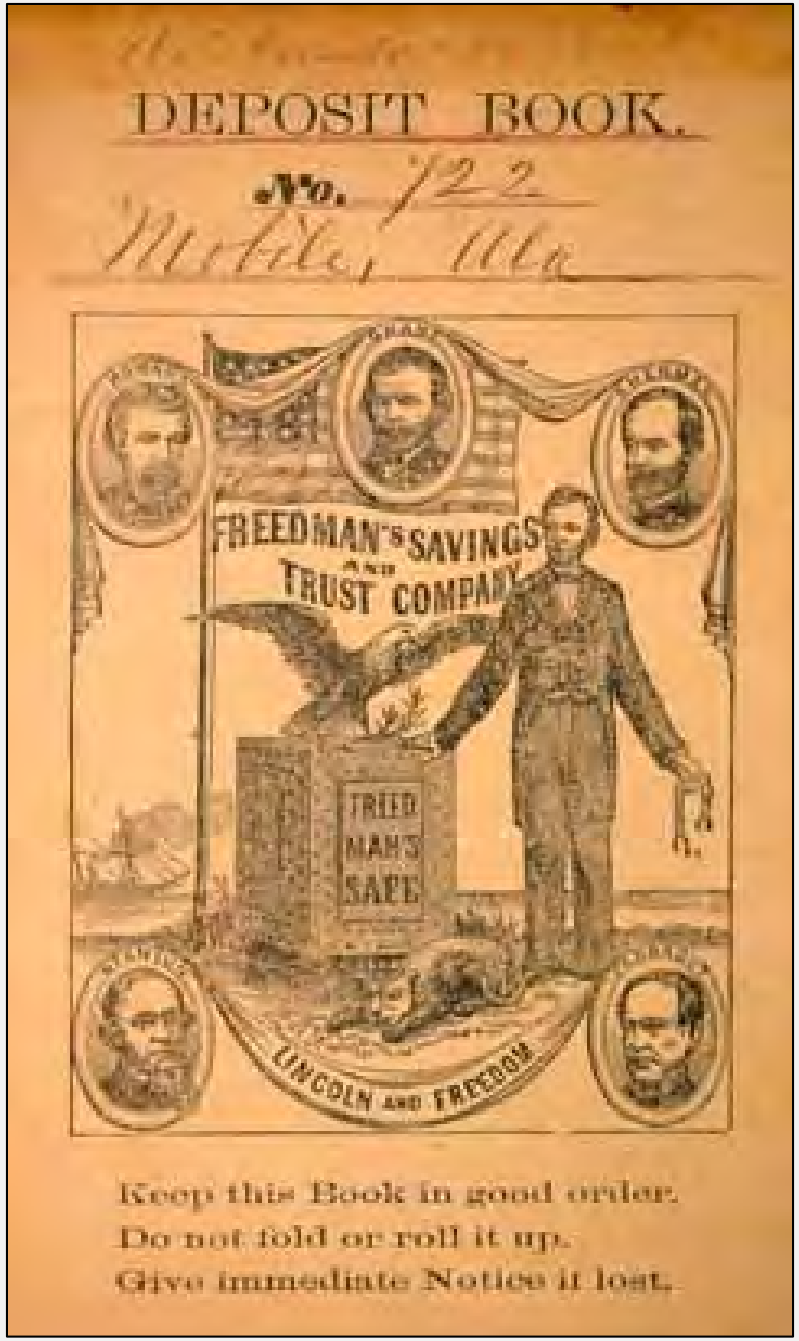
FEBRUARY 1ST AT 12 NOON
JOIN USHER, KILLER MIKE, POLOW THA DON AND INFLUENCER COALITION AT
CITIZENS TRUST BANK
A relationship you can bank on
INFLUENCER COALITION
Zone 4 Inc.
CUZ I'M BLACK
HAPPY BLACK HISTORY MONTH
Supporting Our Own
75 PIEDMONT AVENUE ATLANTA GA 30303 | #ICATL #CUZIMBLACK #SUPPORTBLACKBUSINESSES #BLACKECONOMICS #BLACKDOLLARSMATTER

STRAIGHT FROM THE A
Brian Stukes/ON-SITEFOTOS.COM

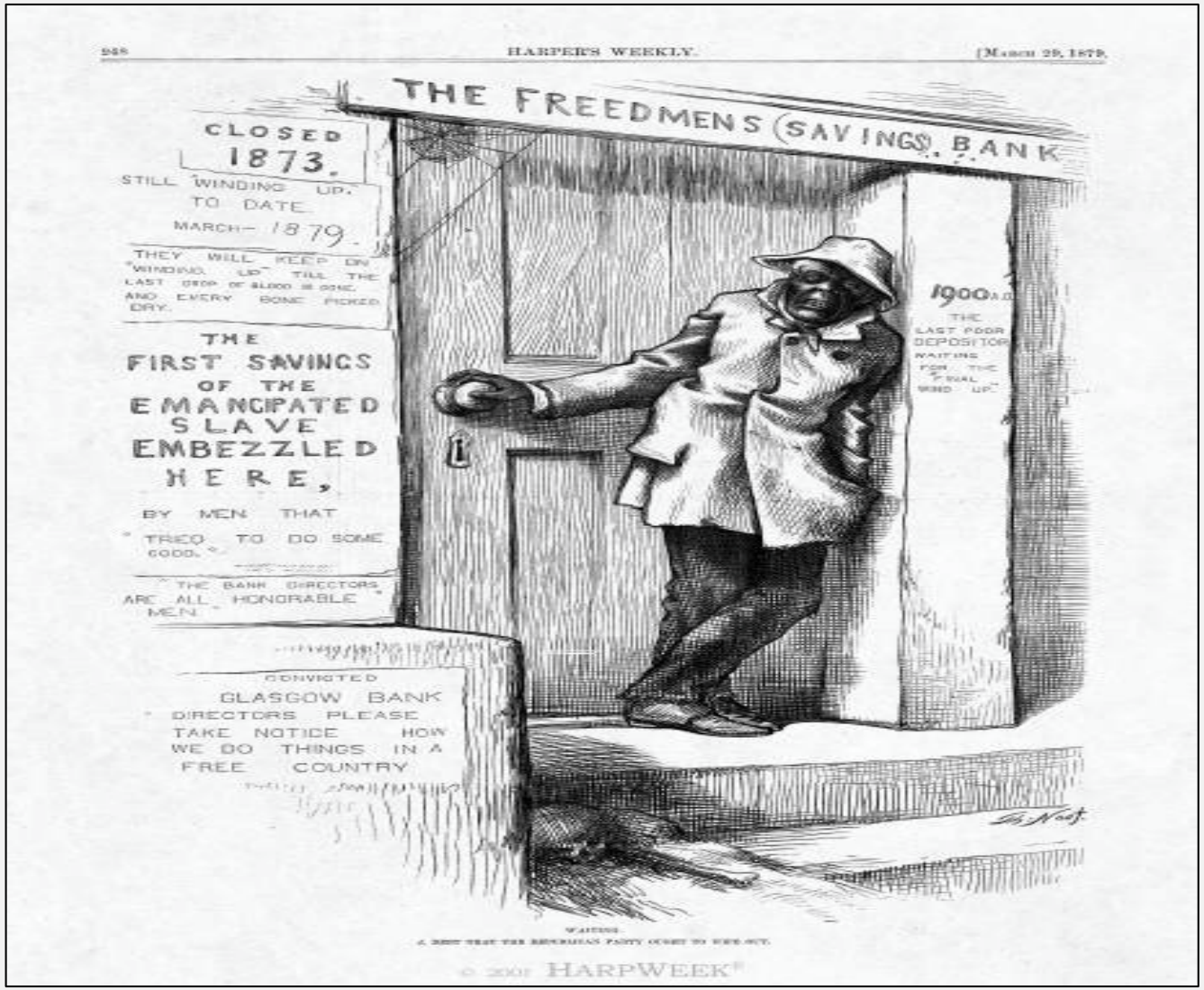
Twelve months after date
THE CONFEDERATE
50
No. 881
STATES OF AMERICA
A
Will pay to bearer FIFTY DOLLARS with interest at half A
a copy of MONTCOMERY
Lud 72698
Register.
Treasurer.
NATIONAL BANK NOTE COMPANY
RECEIVABLE IN PAYMENT OF ALL DUES EXCEPT EXPORT DUTIES
NATIONAL BANK NOTE COMPANY

FREEDMAN'S BANK
1607 PENNSYLVANIA AVENUE

- 35 branches
- $75 million in deposits from 80,000 depositors ($1.5 billion today)

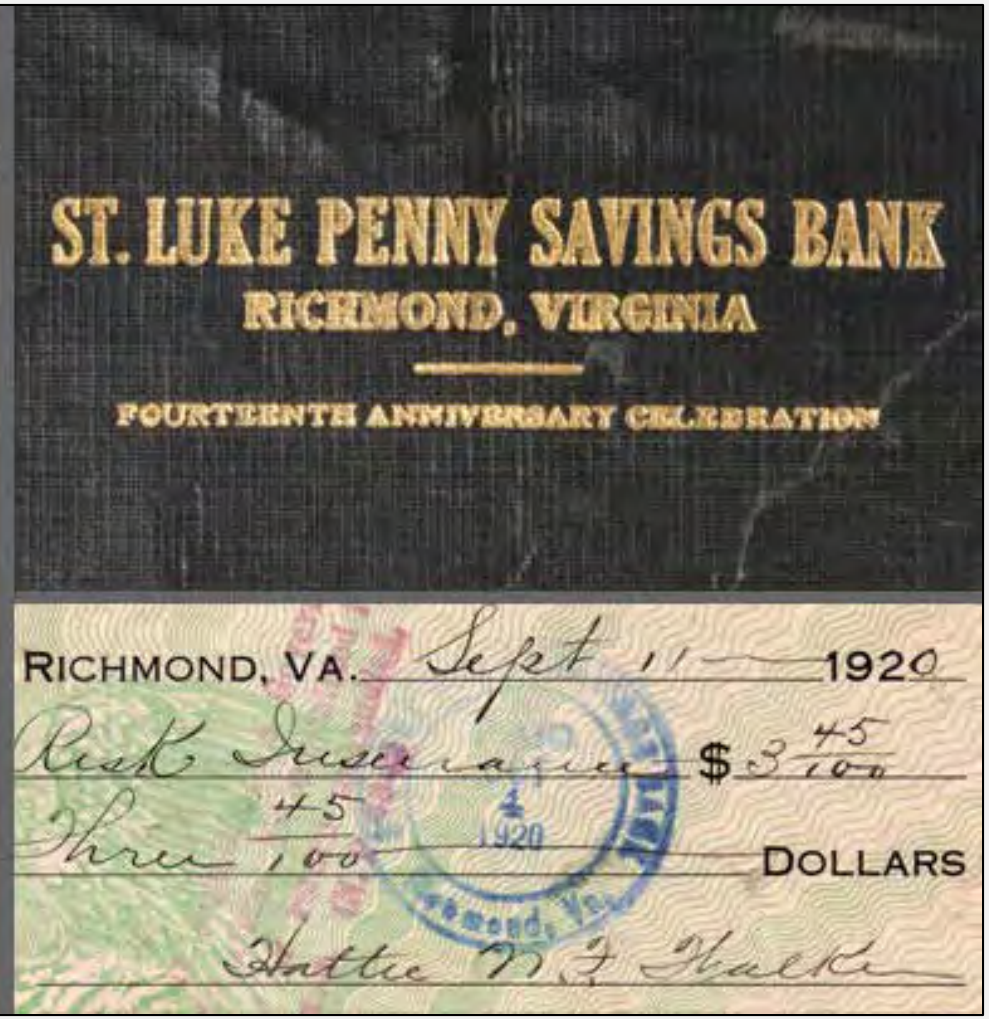

DEPOSIT BOOK.
No. 122
Mobile, Ala
FREEDMAN'S SAVINGS AND TRUST COMPANY
FREEDMAN'S SAFE
LINCOLN AND FREEDOM
Keep this Book in good order.
Do not fold or roll it up.
Give immediate Notice if lost.

Office
Commissioners Freedman's
Savings Trust Company.
ASSISTANT TREASURER, U.S.



"Not even ten additional years of slavery could have done so much to throttle the thrift of the freedmen as the mismanagement and bankruptcy of the [Freedman's bank] chartered by the Nation for their special aid."

—*W.E.B. Dubois*



ST. LUKE PENNY SAVINGS BANK
RICHMOND, VIRGINIA

FOURTEENTH ANNIVERSARY CELEBRATION

RICHMOND, VA. Sept 11 1920

Risk Insurance $3 45/100

Three 45/100 DOLLARS

Hattie M. F. Walker

The color line has reached the north.

WE WANT WHITE
TENANTS IN OUR
WHITE COMMUNITY

Jesse Binga : Banker

Southeast Corner State and 36th Place

BEGIN THE NEW YEAR WITH US

ALL things being equal between a down-town bank and the banking house conducted by the writer, with reference to responsibility and safety of the depositors' money, would you not prefer to give a part of your patronage to a man of your own race?

Let me put the question in another light. Do you believe in all fairness, that there are not a fair proportion of highly capable men in our race who can conservatively safeguard the deposits of their brethren?

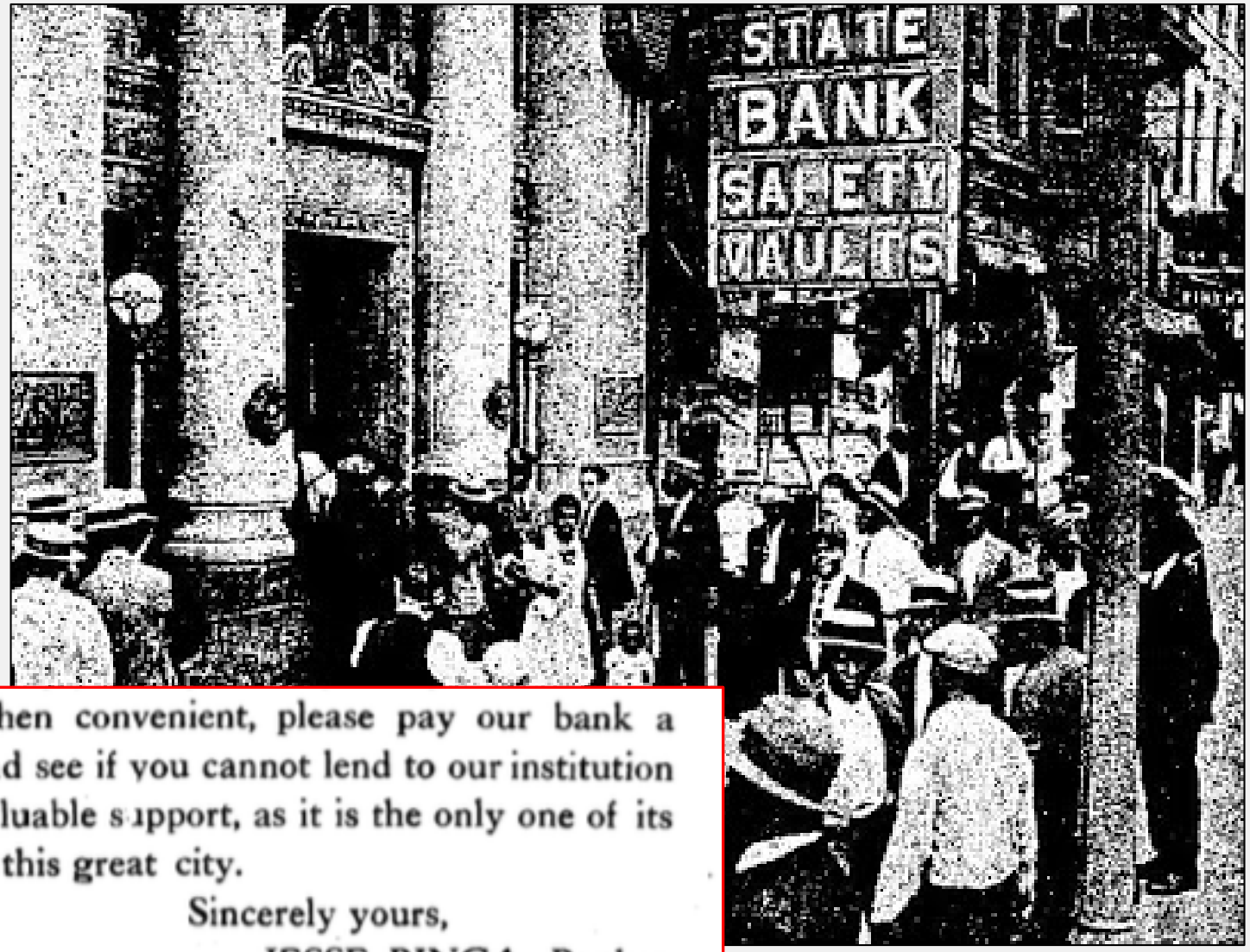
If the colored race have no such men, then the colored race will remain in the background until such men are born, reared, educated and then discovered. If such men do live they should receive the same encouragement, support and co-operation as the Jews, the Irish, the Germans and others accord their bankers.

Several years ago I engaged in the banking business to accommodate those of my race who desired the banking service, and I called into conference with me several good, substantial men, well-known and highly regarded banking officials of other Chicago banks, to advise me as to the proper conduct of my bank, feeling that I did not know it all. I wish you to tell me, as a friend, whether, during all my business career, you know of any reason why my bank should not enjoy the full support and patronage of our people. This does not include the off-hand remarks of those actuated by jealousy or envy of my success.

When convenient, please pay our bank a visit, and see if you cannot lend to our institution your valuable support, as it is the only one of its kind in this great city.

Sincerely yours,

JESSE BINGA, Banker.



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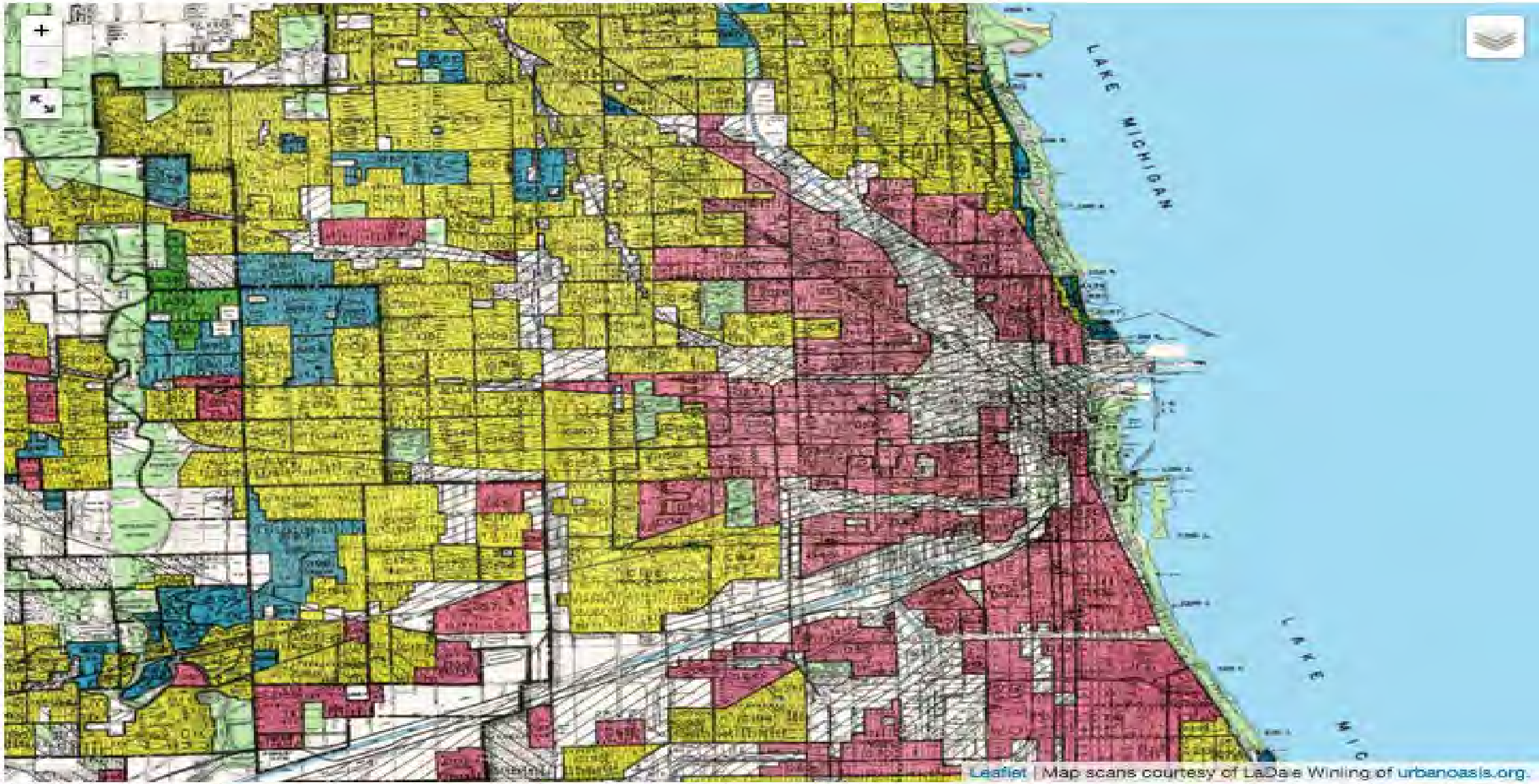
Sincerely yours,

JESSE BINGA, Banker.

OWN
A MODERN LIVABLE
HOME
Build · Buy
Refinance
and
Modernize
with a
Government Insured
LOAN
EASY MONTHLY PAYMENTS
BETTER HOUSING PROGRAM
Ask any Approved
BANK or BUILDER
FEDERAL HOUSING ADMINISTRATION



A 1939 Home Owners' Loan Corporation "Residential Security Map" of Chicago shows discrimination against low-income and minority neighborhoods. The residents of the areas marked in red (representing "hazardous" real-estate markets) were denied FHA-backed mortgages. (Map development by Frankie Dintino)

FORM 8
10-1-37

Close

AREA DESCRIPTION - SECURITY MAP OF Atlanta, Georgia

1. AREA CHARACTERISTICS:

a. Description of Terrain. Level to rolling

b. Favorable Influences. Negro schools, parks, Atlanta University (negro). community business centers and churches in area. Street car transportation to southern portion on Fair Street, south-central portion on Hunter Street, and along Ashby and Bankhead Avenue in northern portion. Majority of streets paved.

c. Detrimental Influences. Heavy vehicular traffic along Ashby, Hunter, and Simpson Streets.

d. Percentage of land improved 80 %; e. Trend of desirability next 10-15 yrs. Up for negroes

2. INHABITANTS: Negro business and professional

a. Occupation men; clerical workers b. Estimated annual family income $ 1.2 - 3.0 M

c. Foreign-born families 0 %; None predominating; d. Negro Yes ;100 %

e. Infiltration of None ; f. Relief families few

g. Population is increasing slowly; ~~xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx~~

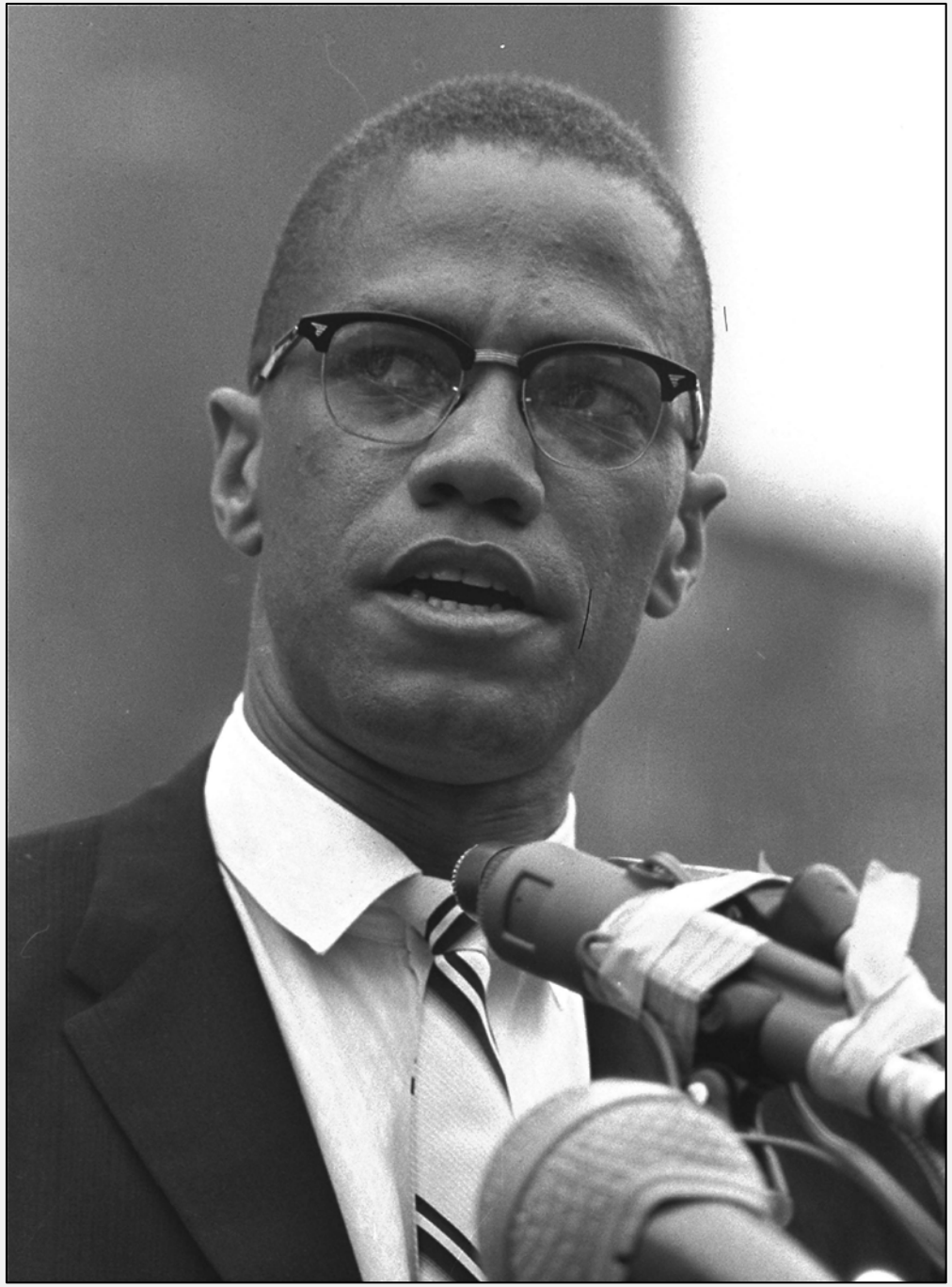
3. BUILDINGS:

	PREDOMINATING 90 %	OTHER TYPE 5 %	OTHER TYPE 5 %
a. Type	1 sty singles	2 sty singles	2 sty singles
b. Construction	Frame	Br. Veneer	Br. Veneer
c. Average Age	6 - 15 Years	10 - 15 Years	1 - 2 Years
d. Repair	Fair	Good to fair	Excellent

D17 Best negro section in Atlanta

D16 Lee Street section of West End

D18 Bellwood to Atlanta University, east of Ashby Street and west of Marietta



"Black nationalism means that we should control the economy of our community. **Why should white people be running the banks of our community?** ."

—*Malcom X, "The Ballot or the Bullet," 1964.*

In a sense we've come to our nation's capital to **cash a check.** When the architects of our republic wrote the magnificent words of the Constitution and the Declaration of Independence, they were signing a **promissory note** to which every American was to fall heir. **This note** was a promise that all men, yes, black men as well as white men, would be **guaranteed** the 'unalienable Rights' of 'Life, Liberty and the pursuit of Happiness.' It is obvious today that America has **defaulted** on this **promissory note**, insofar as her citizens of color are concerned. America has given the Negro people **a bad check**, **a check** which has come back **marked 'insufficient funds**.' But we refuse to believe that the **bank of justice is bankrupt**. We refuse to believe that there are **insufficient funds** in the **great vaults** of opportunity of this nation. And so, we've come to **cash this check**, a **check** that will give us upon **demand the riches of freedom and the security of justice.**

“We've got to strengthen black institutions. I call upon you to **take your money out of the banks downtown** and deposit your money in Tri-State Bank. We want a **"bank-in" movement** in Memphis.”

—*Martin Luther King, Jr. “I Have Been to the Mountaintop,” 1968*

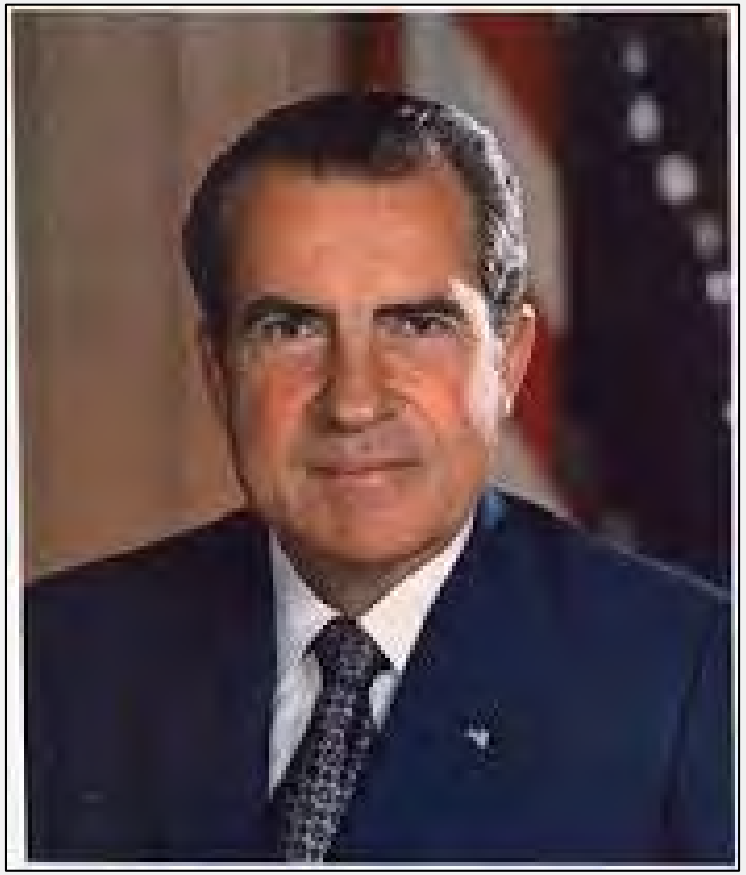
Detroit - 1967

"We more black ownership, black pride, black jobs, black opportunity, and yes, **black power**..."

Richard Nixon greets Frederic Morrow, the first black American to serve an executive Position in the White House, under Pres. Eisenhower, and later, first black VP of Bank of America

"It is no longer enough that white owned enterprises employ greater number of Negros. Whether its labors or middle management personnel. This is needed, but it has to be accompanied by an expansion of black ownership, of **black capitalism**. We need more black employers, more black businesses. Integration must come, but in order for it to come on sound and equal basis the black community has to build from within. Even as the old barriers between black and white is dismantled from without. We have to get private enterprise into the ghetto. But at the same time, we have to get the people of the ghetto into private enterprise as workers, as managers, as owners. .. It's time to move past the old civil rights and to bridge the gap between freedom and dignity between promise and fulfillment."

–"Black Capitalism" Radio Advertisement,1968 Presidential Election



"[minority business development] is a key to black economic progress.

Black-owned businesses have a beneficial multiplier effect…"

"A free economy helps defeat discrimination by fostering opportunity for all."

—*Ronald Reagan, 1982*

“You have to enable people to take control of their own destiny. We need to create a different sort of banking system. This is **community empowerment** [and] the truth is that America can’t get very far with a **dependent or helpless population**.“

—*Bill Clinton, 1992*

COMMUNITY DEVELOPMENT
FINANCIAL INSTITUTIONS FUND

Community Capital Bank
Brooklyn, New York
January 8, 1991

(L to R) Lyndon Comstock, Tehron Freeman, Sadiya Taylor, Ruth Messinger, Chuck Schumer

President Bill Clinton speaks on Shore Bank in Chicago and the success of urban and rural micro-lending.

“…My plan will be to help bring businesses back to our inner-cities….

—*Barack Obama, 2007*

Donald Trump campaign event in Raleigh, NC

"We will also have tax holidays for inner-city investment, and new tax incentives to get foreign companies to relocate in blighted American neighborhoods…"

—Donald Trump, 2016

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