

OPINION

Opinion articles do not necessarily represent the views of the Portland Observer. We welcome reader essays, photos and story ideas. Submit to news@portlandobserver.com.

Wealth Divide Nothing Short of Shocking

Understanding history of racial discrimination



BY DEDRICK ASANTE-MUHAMMAD AND CHUCK COLLINS

Most media coverage of racial injustice has understandably focused on our country's unfair policing and criminal justice system. But to fully understand the current reality of racial inequality in America, we also need to take an honest look at our nation's shocking wealth disparities.

Wealth — the total assets a family owns after the bills are

paid — is the safety net we all need to help us get through the tough times and invest in our futures. And its polarization along racial lines is striking.

The average wealth for white households is \$656,000. For Latinos it's \$98,000, and for black households it's just \$85,000. The average wealth of black and Latinos combined still doesn't come close to half of white wealth.

And while white wealth continues to grow substantially, any gains in black and Latino wealth pale in comparison. Current estimates show that if nothing changes, the racial wealth divide will grow to \$1 million by 2043.

In fact, it'll take the average black family 228 years to accrue the same amount of wealth that white families have today. That's just 17 years shorter than the centuries-long institution of slavery in the U.S. For Latinos, it'll take 84 years to reach aver-

age white wealth today.

Generations of racial discrimination in programs like housing and government benefits are now reflected in dismal bank statements and paltry retirement funds for blacks and Latinos.

In particular, racial bias in mortgage lending — known as redlining — has consistently barred communities of color from the wealth-building train, resulting in low homeownership rates.

After World War II, for example, predominately white families received government-subsidized mortgages that allowed them to purchase homes, while black families didn't. The result has played out over generations: Today, more than 70 percent of whites own homes, compared with only 41 percent of blacks and 45 percent of Latinos.

For many blacks and Latinos, a lack of assets has contributed to economic insecurity and sometimes-heartbreaking rever-

sals of fortune. This explains the dizzying disparities in retirement savings: The average white household in the U.S. today has \$130,000 in retirement funds, while average black and Latino households have \$19,000 and \$12,300, respectively.

The younger generation isn't doing any better. College debt is rising for all races, and nearly half the workforce earns less than \$15 an hour — barely enough to pay the bills.

The structures in place driving these inequalities, like tax cuts for the wealthy and global trade deals that drive down wages, amplify existing racial wealth divisions. They pit low-wage workers of all races against each other, leaving us vulnerable to the politics of blame and deflection.

The good news is we can reverse these trends through public policies that both reduce overall inequality and close the racial wealth divide.

First, we should fix the upside-down system of tax incentives that currently flows almost exclusively to wealthy households. We should redirect the \$650 billion a year Congress allocates in tax subsidies to support first-time homebuyers and first-generation college students.

Additionally, taxing multi-million dollar inheritances and investing in tuition-free higher education are approaches that can expand wealth and opportunity for everyone.

We can reverse the racial wealth divide if we understand our history of racial discrimination and press lawmakers to stand on the side of opportunity, not inequality.

Dedrick Asante-Muhammad directs the Racial Wealth Divide Initiative at the Corporation for Enterprise Development. Chuck Collins is a senior scholar at Institute for Policy Studies. Distributed by OtherWords.org.

Connected to Young Africans for Life

Forging deep connections at Portland State

BY TOM H. HASTINGS

Recently I have had the great privilege to work with some of the 1,000 Mandela Washington Fellows, a select group of young sub-Saharan African leaders ages 25-35 placed for six weeks at about 40 universities around the U.S. The young leaders are electrifying.



The opening ceremony, some weeks ago, featured some of the world's best drummers—Ghanaian—and the usual welcomes from university officials. Then came the opening address by one of the cohort at Portland State University, a young man—not even 30 yet—from Sierra Leone, Ansumana Bangura.

He was a 12-year-old boy when the rebels came for his father during the horrific war of the 1990s.

His father was at work so they hacked off the boy's right arm.

Imagine being brutalized, liv-

ing in wartime, driven from the country to live as an amputee refugee for four years, and repatriated only because the host country's citizens were suddenly told that "all Sierra Leoneans are terrorists," and all the refugees had to flee again.

Ansu, who works with slum children in Freetown (capital of Sierra Leone) is a brilliant public speaker, forceful, charismatic, with rhetorical power that connects instantly, stressing equal access and equal opportunity for every child. He is the very definition of resiliency, which is the hallmark of the best of Africa right now.

The Mandela Washington Fellowship (MWF) has forged many new deep connections at Portland State University and, I'll wager, at all the other host universities around the U.S. Beyond that, I've observed the fellows developing profound relationships with my fellow Portlanders and I'll similarly bet that all host communities are also now benefitting from these new relationships with young African leaders from all sectors of all sub-Saharan African countries.

I watch as a young Nigerian pursues knowledge of best prac-

tices for floating homes, an innovation that both promises housing relief in his homeland but also a threat if poorly regulated ("That's how it is now," he told me). And a young environmental official from Ethiopia engages with public officials and public policy professors and practitioners to seek out the newest US methods of dialing up commuter efficiency while dialing down carbon footprint. She has both science and development degrees and is drawn to Portland's model in several areas, just as other MW Fellows are learning from other communities across the US.

The MWF grew out of President Obama's surprise visit to the late Nelson Mandela and began with 500 fellows in 2014, the same in 2015, and expanded to 1000 this year. We are confident that this initiative will weave vital, enduring mutually beneficial relationships, individually and organizationally, in direct links, Africa to America.

While this is a state department-funded-and-conducted Obama initiative, there is an excellent chance that it will continue, depending on the 2016 election.

In our enlightened self-interest, I hope Americans make the choice that will indeed result in this ongoing exchange that ties emerging African leaders from politics to architecture to agriculture to banking to education to energy development and much more to America. Our assumptions about Africa often flip when we meet young women and men who work on peace, human rights, gay and transgender rights, sustainable agriculture, alternative energy, and mix in traditional Africa wisdom and ancient sustainable technologies hybridized with the latest high tech advances.

Continuing the MWF will be good for Africans and good for Americans. Africa is an incredibly rich continent with Russia, China, and America all vying for the most favored status with many of the 54 countries on the continent—this initiative goes a long ways toward strengthening the healthy, positive, peaceful connections that will advantage more Americans and more Africans. Anything else would be a pity.

Tom H. Hastings is a professor at Portland State University and the founding director of PeaceVoice.

The Law Offices of Patrick John Sweeney, P.C.

Patrick John Sweeney
Attorney at Law

1549 SE Ladd, Portland, Oregon

Portland: (503) 244-2080

Hillsboro: (503) 244-2081

Facsimile: (503) 244-2084

Email: Sweeney@PDXLawyer.com

Advertise with diversity in The Portland Observer
Call 503-288-0033 or email ads@portlandobserver.com