

The Case for Reparations: Historical Extraction and Economic Redress

Slide 1: The Economic Ledger of Extraction

- **Overview:** Reparations is not merely a social demand but an accounting of unpaid labor, legal deprivation, and state-backed exclusion.
- **The Starting Entry:** The colonial and constitutional era established a system where Black labor was extracted without compensation, forming the bedrock of American capital.
- **Modern Context:** The current racial wealth gap is the "live residue" of these historical transfers and denied opportunities.

Slide 2: Slavery and Constitutional Codification

- **Legal Extraction:** The U.S. Constitution and early legal frameworks codified unpaid labor and deprivation of rights.
- **Three-Fifths Compromise:** A structural mechanism that used Black bodies to expand political power for enslavers while denying humanity to the enslaved.
- **Impact:** This era established the legal precedent for wealth accumulation through the total exclusion of Black participants from the property-owning class.

Slide 3: Broken Promises: Special Field Order No. 15

- **The Promise:** In 1865, General Sherman's "Forty Acres and a Mule" promised 400,000 acres of land to freed families.
- **The Rescission:** President Andrew Johnson's immediate reversal of this order returned land to former Confederates, stripping freedmen of self-sufficiency.
- **Economic Significance:** This rescission denied a generation the primary means of capital accumulation at the exact moment of national expansion.

Slide 4: Jim Crow and Systematic Dispossession

- **Legal Exclusion:** Post-Reconstruction Black Codes and Jim Crow laws institutionalized violence and land theft.
- **Compounding Damage:** Between 1920 and 1997, Black farmers lost approximately 90% of their land—around 16 million acres.

- **Lost Potential:** Land loss represents more than lost acreage; it is the loss of collateral, inheritance, and political autonomy.

Slide 5: Redlining: State-Backed Housing Exclusion

- **HOLC and FHA:** The federal government's Home Owners' Loan Corporation created maps that graded Black neighborhoods as "hazardous" (red).
- **Public Liability:** Redlining was a state-backed system of exclusion, not a private-market failure, providing a clear legal basis for public reparations.
- **Persistent Gaps:** Neighborhoods redlined in the 1930s remain lower-income and have lower home values today, locking in generational wealth disparities.

Slide 6: The GI Bill: Blocking the Postwar Wealth Escalator

- **Discriminatory Administration:** While the GI Bill built the white middle class, its local administration systematically blocked Black veterans from benefits.
- **Missed Equity:** Denied access to low-interest mortgages and college tuition meant Black families were excluded from the 20th century's greatest wealth-building tool.
- **Transfer Deprivation:** This period represents a massive, government-sponsored missed opportunity for Black wealth accumulation.

Slide 7: Quantifying the Debt: The Scholarly Framework

- **Thomas Craemer:** Estimates the present value of unpaid labor (1776-1865) between \$5.9 trillion and \$14.2 trillion.
- **William Darity Jr. & A. Kirsten Mullen:** Argue that reparations must close the \$10-14 trillion racial wealth gap.
- **The Federal Scale:** Scholars insist on a federal-scale response commensurate with the multi-generational scale of the harm.

Slide 8: The California Proof Set: A Modern Roadmap

- **Task Force Findings:** The California Reparations Task Force (2023) provided the first governmental proof set for modern redress.
- **Key Recommendations:** Identified specific harms in housing, mass incarceration, and health, providing monetary estimates for each.
- **Precedent:** California's work serves as a visible model for state-level data collection and policy recommendation.

Slide 9: Metrics of Repair: The Wealth and Land Gap

- **Racial Wealth Gap:** Black households currently hold approximately 10% of the wealth of white households.
- **Land Loss Value:** Estimates of lost agricultural land value range from \$326 billion to over \$600 billion in present-value terms.
- **Housing Equity:** The compounding missed equity from redlining and GI Bill denial remains a central pillar of the reparations case.

Slide 10: Conclusion: The Design of Redress

- **Sovereign Responsibility:** The federal government holds the primary responsibility for addressing the systemic harms it codified and enforced.
- **Inheritance and Repair:** Redress must focus on inheritance, capital accumulation, and the actual design of closure for the wealth gap.
- **Next Steps:** Detailed evidence, metrics, and risk assessments are available in the accompanying Reparations Economic Analysis Report.