THE BLACK/WHITE WEALTH GAP: THE TRANSGENERATIONAL EFFECTS OF SHARECROPPING SYSTEMS AND ANTI-BLACK RACIAL SYSTEMS ON AFRICAN AMERICANS TODAY

by

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Abstract

The purpose of this study was to investigate how sharecropping systems, a form of racialized agriculture, instituted in the Post-Reconstruction era has had a profound impact on the inability of many African Americans to generate and pass down wealth to successive generations lending to the sizable gap in wealth between whites and blacks (as well as between blacks) in America today. Another aim was to find out how systematic anti-black racism, particularly during Jim Crow, aided in denying a substantial number of southern blacks from entering into the labour market and engaging in the white American ideal of property ownership by re-asserting a white hegemonic order reminiscent of the antebellum period. Another objective was to trace the effects of the Great Migration (1910-1970), the northward and westward migration of close to 8 million blacks out of the South, that occurred as a result of this systemic racism.

It was found that the late move of black men out of agriculture and into other areas of the labour market, in addition to the persistent racism that upheld sharecropping systems in the South, severely hampered the ability of many African Americans from building and passing down wealth holdings to their children, helping to explain some of the staggering wealth discrepancies that we see today. Furthermore, the results of the study indicated that some blacks, particularly in Durham, North Carolina, benefited by the anti-black racism in the South by creating a black clientele in predominantly black neighbourhoods where whites did not want to set up shop, allowing some blacks entry into the coveted middle class. The effects of the Great Migration did not benefit all, however, in that it also created clusters of blacks in northern urban areas who faced increasing anti-black racism and exclusion from the marketplace, lending to the
creation of a lower middle class and an impoverished underclass. The principle conclusion was that in order to understand present day inequalities among African Americans, there must be a historical analysis that is sensitive to the transgenerational effects of sharecropping, Jim Crow and institutionalized racism.
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Dedication

For my nani and aji, the two most beautiful souls.
Professional historians have made good use of the creation of the past as a distinct entity, a creation that paralleled the growth of their own practice. That practice, in turn, reinforced the belief that made it possible. The more historians wrote about the past worlds, the more The Past became real as a separate world...With varying degrees of certitude, they envisioned that narratives about the past could expose with utmost clarity positions solidly anchored in the present. We now know that narratives are made of silences, not all of which are deliberate or even perceptible as such within the time of their production. We also know that the present is itself no clearer than the past.

- Michel-Rolph Truillot, *Silencing the Past: Power and the Production of History*

After a brief period of Reconstruction, the forward movement of black people abruptly stopped and for decades we were stuck in a kind of limbo, neither slaves nor fully citizens.

- Henry Louis Gates, Jr., *Looking for Lincoln*

“But the past is passed; why moralize upon it? Forget it”

- Herman Melville, “Benito Cereno”

When the Cotton's picked
And the work is done
Boss man takes the money
And we get none

- Langston Hughes, “Share-Croppers”
1. Introduction

“The slave went free; stood a brief moment in the sun; then moved back again towards slavery” (Du Bois 1935, 30). So wrote historian W.E.B. Du Bois about the period of Reconstruction, the formidable years “following the Civil War during which Americans attempted to reunite their shattered nation” (Brinkley 1993, 451). In many ways, Du Bois's critique of postbellum Reconstruction has stood the test of time. While many hurdles that had previously disabled blacks from attaining full American citizenship, in addition to entering formally all-white social circles, have been challenged by Warren court rulings and affirmative action policies of the post-Civil Rights era, there remains a significant degree of racialized inequality within America. Although much progress has been made, statistics reveal a troubling reality for many black Americans. Today, black infant mortality in America is more than twice that of white infants (14.1 to 5.7, respectively, for 1999-2005) (DeMott 1995; Fry-Johnson et al. 2010). In 2005, 35 percent of black children were said to live below the federal poverty level compared to 10 percent of white children (Fass and Cauthen 2006). In 2009, poverty rates stood at 25.8 percent for blacks compared to 9.4 percent for whites (National Poverty Center, 2003). In that same year, incarceration rates for black males were six times higher than the rates for white males (Bureau of Justice Statistics, 2010). This inequality, however, is not limited to the social, political and economic differences that bifurcate white and black America. A similar story of inequality, according to scholar Henry Louis Gates, Jr., has created two nations of black

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1 As Benjamin DeMott writes, “Despite the increased numbers of middle-class blacks, the rates are diverging, with black rates actually rising” (1995, 33).
2 Incomes below the federal poverty level are represented by those households at (or under) $20,000 per year for a family of four (Fass and Cauthen 2010).
3 For every 100 000 black men, an estimated 4777 are in prison. By contrast for every 100 000 white men, only 727 are estimated to be incarcerated (Bureau of Justice Statistics, 2010).
America, leading him to question “how have we reached this point where we have both the largest middle class and the largest underclass in our history?” (1998, 1).

Similar to Gates, I am deeply troubled by this question. The answer to his question is not linear, nor is it straightforward and it cannot be found solely with an eye directed toward our present. Rather, in order to have a meaningful understanding of black inequality, as well as its particular salience in today's American society, we must redirect our gaze to the past. This is largely why I chose to conduct a historical analysis of black inequality, one that locates the shifts and turbulences of this inequality in an attempt to uncover how our past is very much a part of our present and, likely, our future. This analysis is important because it forces us as students, social scientists and political activists to seek atonement for past injustices that have contributed to the staggering poverty, infant mortality, imprisonment and unemployment rates that remains the reality for many African Americans. Furthermore, this approach reminds us to be aware of the implications of past events on both present as well as successive generations.

On a personal level, my background in both history and political science reinforced my decision to conduct a more historically sensitive approach to understanding black inequality as it exists today. The statistics above help to reveal the paralyzing side of progress for a large proportion of black America. For many of us living or studying in North America, myself included, these figures were – and for many, still are – unfathomable. I began university with the naive assumption that race no longer mattered in the United States; that the United States, for the most part, had become post-racial as a society. Slavery had ended with the Emancipation Proclamation. Numerous Supreme Court rulings – such as the 1954 *Brown v Board of Education of Topeka*, 347 U.S. 483 (1954) decision and the 1967 ruling of *Loving v Virginia*, 388 U.S. 1 (1967) – had challenged racial segregation and won, achieving some measure of integration for
blacks as well as whites. Rights for colored persons had been achieved via the Civil Rights Act of 1964 along with the Voting Rights Act a year later. Added to this, I thought that affirmative action policies of the post-Civil Rights era had created a level playing field for all Americans finally making the dream of upward mobility a real possibility for those who worked hard to achieve it. Sheltered by a liberal education steeped in a multicultural tradition where acceptance, toleration and respect were the vanguards of progress, I was taught early on that this was the reality in which we all lived. It is not surprising, then, that any hint of racial disharmony, subtle or otherwise, was usually attributed to the past and that the persons who espoused such racist views, doctrines or ideologies became relics of a past world. Evidently, they did not get the post-racial memo. With my second year of university that bout of historical amnesia quickly passed. A class on African American literature, and several classes on African American history in the years that followed, had me in for a rude awakening. It soon became clear that with every narrative of progress there was a counter-narrative of deterioration – with the age old adage of two steps forward, one step back. Although slavery ended de jure with the Thirteenth Amendment to the Constitution, agricultural systems, instituted after both Federal and Congressional Reconstruction efforts failed, had created the limbo described by Gates at the onset of this paper. Although the landmark Brown decision banned racial segregation in schools, a full fifty-seven years later, and still most black students continue to attend majority black schools (Gates and West 1996; Frankenberg et al. 2001). In order to make sense of the current wealth and social inequalities that divide American society today, we need to exhume the voices of the past and construct a workable narrative that depicts the rise and fall of the American dream for many black Americans – a dream not unlike that of white Americans.
This story of black inequality cannot be complete without addressing the role that anti-black racism played during this period of American history, following slavery, where race intersects with class, insofar as African Americans were shifting into the wage labor market, resulting in struggles between, more often than not, poor blacks and poor whites, for jobs as well as status (Du Bois 1935). Thus, I will argue that particular character of the inequalities among African Americans at present reflects a broader history of US racism where exclusion from white social, political and economic life worked together, limiting the ability of a large number of blacks from acquiring and passing down wealth holdings to their children. Therefore, my narrative of African American inequality, which begins at the onset of Reconstruction up through the post-Reconstruction era, cannot be complete without addressing the following questions: how Southern whites, particularly former Planter classes and poor whites\(^4\), contributed to the reconfiguration of anti-black racism that resulted in the system of Jim Crow segregation; the related role of the failure of Presidential and Congressional Reconstruction efforts, as well as the role of state governments in creating and maintaining the Jim Crow order in the aftermath of the 1877 Compromise\(^5\); and, in turn, how the effects of this anti-black racism transformed, according to Du Bois, the newly freed black into a near slave once more by way of racialized quasi-feudal agricultural systems. Specifically, I argue that this systemic anti-black racism of the post-Reconstruction era, in conjunction to the Great Migration (1910-1970), established the two sets of inequalities\(^6\) that have been consolidated in the recent post-Civil Rights era. I argue that while some black communities, such as Durham, North Carolina, were able to prosper, somewhat,

\(^{4}\) In the aftermath of emancipation in the America, a number of Planters advocated the widespread immigration of Europeans, often poor whites, in an attempt to break the bargaining power of black labour in the South (Foner 1983, 47)

\(^{5}\) Each state government in the South had its own brand of Jim Crow segregation defined largely by existing social relations and aided by government policies. State Democrats were often leaders of the KKK and related organizations, created to ensure that racial segregation was maintained in every facet of social, political and economic life.

\(^{6}\) That is, the inequalities between both blacks and whites in addition to the inequalities between blacks.
from a segregated economy, creating a black middle class, others were not so fortunate and instead comprised a lower-middle class standing or worse, became a member of the underclass. Lastly, I argue that in order to make effective economic and social policy more attentive to the needs of those African Americans haunted by the reality of inequality today, we must be willing to understand the transgenerational effects of the aforementioned abuses, in all its manifestations, by having a thorough engagement with our historical pasts or else we may become forever disabled in dealing with both present and future black inequality.
2. The Importance of Wealth and Race in America

Inequalities of wealth, I argue, are a crucial criterion for assessing the well-being of black America. Prior to addressing this point, however, it is imperative to understand what we mean when we talk about wealth. As Melvin Oliver and Thomas Shapiro define it, wealth is a particularly important indicator of individual and family access to life chances. Income refers to a flow of money over time. Wealth is what people own, while income is what people receive for work, retirement, or social welfare. Wealth signifies the command over financial resources that a family has accumulated over its lifetime along with those resources that have been inherited across generations. Such resources, when combined with income, can create the opportunity to secure “the good life” in whatever form is needed: education, business, training, justice, health, comfort, and so on...More often it is used to create opportunities, secure a desired structure and standard of living, or pass class status on to one's children (1995, 2).

Thus, wealth is better understood as a person's (or family's) stockpile or nest egg; it is the measure of his or her security.

In the United States the basic wealth gap between blacks and whites has reached alarming new levels according to a 2011 Pew Research Center report entitled “Twenty to One: Wealth Gaps Rise to Record Highs Between Whites, Blacks and Hispanics”. After analyzing newly available 2009 government data from the Survey of Income and Program Participation (SIPP), an economic questionnaire distributed periodically to tens of thousand American households, Pew found that the median wealth of white households is twenty times that of black households.
Household wealth is a more important indicator than income of individual or family access to life chances because household wealth is “the accumulated sum of assets (houses, cars, saving and checking accounts, stocks, and mutual funds, retirement accounts, etc.) minus the sum of debt (mortgages, auto loans, credit card debt, etc.)...Wealth gaps between whites [and] blacks have always been much greater than income gaps” (Kochhar et al. 2011, 4). However, with the bursting of the housing bubble in 2006 and the recession that followed from late 2007 through to mid-2009, the relative gap in wealth between white and blacks widened, lending to the staggering twenty to one ratio (Kochhar et al. 2011). In 2005, the median net worth of black households stood at $12,124 compared to a modest $134,992 among white households (Kochhar et al. 2011). However, “From 2005 to 2009, inflation-adjusted median wealth fell by...53% among black households, compared with just 16% among white households...As a result of these declines, the typical black household had just $5,677 in wealth (minus debts) in 2009;...the typical white household had $113,149” (Kocchar et al. 2011, 1). Apart from showcasing the large disparity in wealth between white and black households, Pew's findings also reveal how sensitive and vulnerable minority black households are to changes in the American political economy compared to white households.

The transgenerational effects of this racialized wealth inequality from one generation to the next is of particular concern to Oliver and Shapiro (1995). For Oliver and Shapiro, in Black Wealth/White Wealth, the barriers that beset many African American youths in their search for jobs and post-secondary education are more often than not determined by the availability of inheritable parental wealth.\(^7\) Citing Thomas Dye's updated study of C. Wright Mill's 1950 analysis on the social background of the nation's wealthiest men, Oliver and Shapiro argue that

\(^7\) Particularly for African American males
intergenerational transfers of wealth provide an important base for the further accumulation and successive transfer of wealth:

In asking whether great wealth was largely inherited or earned, Dye found that 39 percent of the wealthiest men in America came from the upper social class in 1900; by 1950, 68 percent of the richest men were born to wealth; and this figure climbed to 82 percent by 1970. C. Wright Mills estimates that 39 percent of the richest men in 1900 had struggled up from the bottom, whereas Dye finds that by 1970 only 4 percent of the richest men came from lower-class origins (1995, 29).

Oliver and Shapiro (1995) recognize that while inherited wealth remains equally important from persons across all demographic backgrounds, the effects of low to zero intergenerational transfers among blacks are alarming and are indicative of a broader historic inequality. Among whites and blacks of similar occupational backgrounds, the amount of wealth potentially transferable between generations is significantly higher for whites than it is for blacks (Oliver and Shapiro 1995). What's more troubling is the relative importance of parental occupation on determining household wealth – the effects of parental occupation being much stronger among blacks than whites (Oliver and Shapiro 1995). Looking at the effects of race on household wealth and parental standing, Oliver and Shapiro found the following:

Whites from all backgrounds possess assets and their median net worth figures are relatively bunched together, ranging from $38,850 to $54,172. Blacks, by contrast, with the exception of those from professional families, control very few assets and their median net worth figures are, more disparate, extending from $2,483 to $21,430...For whites and blacks from middle-status groups a cloudier pattern emerges. Those with

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8 Being: Upper-white-collar, Lower-white-collar, Upper-blue-collar and lower-blue collar
upper-white-collar parents enjoy an unmistakeably higher net worth than those with lower-blue-collar parents: $47,854 versus $38,850 for whites and $21,430 versus $4,650 for blacks (1995, 162).9

These findings suggest that blacks are less able than their white counterparts to pass on to the next generation any “advantage that may accrue from occupational achievement in the present generation” (Oliver and Shapiro 1995, 163).

Perhaps the most revealing finding is the large discrepancy between white and black net financial assets - meaning cash and bank accounts in addition to securities and investment accounts that can be easily converted into dollars. As Table 1 shows, there is a complete “absence of net financial assets among black households, with the trifling exception of $230 for those from professional families” (Oliver and Shapiro 1995, 162). For whites, the scenario is entirely different with modest net financial assets held in “households from upper-white-collar, lower-white-collar, and upper-blue-collar origins amounting to $9,000, $9,500, and $8,774 respectively” (Oliver and Shapiro 1995, 162). Although white lower-blue-collar workers held a fraction of the wealth as the previous three white groups with a median net worth of just $3,890, blacks in this same occupational category held an astounding $0 (Oliver and Shapiro 1995).

Insofar as people were able to lift themselves up by their own bootstraps and to find work and attain wealth in America, this was true only for some white males10 such that the any discussion of a wealth gap requires a degree of sensitivity as to the role that race and gender play in the creation, and in some cases maintenance, of this gap. Regarding race, it is only in tracing the intersection where race meets wealth historically, that we can begin to understand the

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9 See Table 1, pg 39
10 Whites, for the most part, have had greater success in doing so largely insofar as they started with great advantages compared to a majority of blacks.
maladies of the present. Such an analysis sheds light on why, for instance, in 2000, “more than 25 percent of black men aged 41-50 remained out of the labor force”, making the rates of nonparticipation much higher for black men than for white men (Katz et al. 2005, 81-82). Similarly, it may help to explain why in 2001 only 50 percent of African American high school students completed graduation compared to 75 percent of white students (Martin and Halperin 2006). Consider these figures from 2006 which state that

the extent of racial disparity in imprisonment rates [was] greater than in any other area of American social life: at eight to one, the black-white ratio of incarceration rates dwarfs the two-to-one of unemployment rates, the three-to-one ratio of non-marital childbearing, the two-to-one ratio of infant mortality rates and one-to-five ratio of net worth. While 3 out of 200 whites were incarcerated in 2000, the rate for young blacks was 1 in 9 (Loury 2008, 22-23).

In this same year, “a black male resident of the state of California [was] more likely to go to a state prison than a state college” (Loury 2008, 23). How have these statistics become the reality for a significant number of African Americans?
3. Past in Present

To fully understand the current wealth gap among black households, in addition to the debilitating statistics that resulted from this inability of many African American families to generate and pass down wealth, we need to consider the ways in which the southern white social, political and economic order helped to circumscribe many blacks to a position of semi-peonage following the end of Reconstruction. Although black slaves were eventually freed, albeit only nominally, by way of the Emancipation Proclamation and later the Thirteenth Amendment to the Constitution, the end of the Reconstruction era, following the Compromise of 1877, set the conditions for a system of near slavery, one bent upon denying blacks the opportunity to engage in the white “American ideal of the independent citizen” exemplified by “the right to compete in the labor market” (Foner 1994, 458). Many African Americans, along the southern belt, soon found themselves to be stuck laboring in agricultural systems, such as sharecropping, which were fundamentally designed and enforced by southern whites in an attempt to reassert a white hegemonic order reminiscent of the Old South.

In retrospect, Reconstruction was not the harbinger of change that many African Americans anticipated it would be. Its purpose was two-fold: in one sense Reconstruction involved re-uniting the Union after a bitter Civil War, in another sense it involved an attempt to integrate whites and blacks, particularly in the South, where race hierarchies had previously been defined by slavery. However, instead of reconciling black and white America, the white northerners and southerners responsible for Reconstruction had created a whole new conception

11 The new slavery was actually a form of debt peonage but for scholars like Du Bois these agricultural systems, and the related role of white racism, had returned the newly freed slave to bondage in all but name. Hence his book, Black Reconstruction.
12 That is, of the pre-Civil War, or antebellum, period.
of freedom from which blacks were further excluded: freedom redefined as political equality coupled with economic independence. For black sharecroppers in the South, the effects of exclusion in the economic realm made it increasingly difficult, if not impossible, for these individuals to generate and pass down wealth holdings to their children.\(^{13}\) This is because “[s]harecroppers owned nothing but their own labor” (Aeurbach 1966, 114). They were stuck in “an archaic credit system,” wrote historian Jerold Aeurbach, “which left them without cash and at their planters' mercy, also contributed to an impoverished and degrading rural society” (1996, 114). This degrading rural society was made worse by southern whites who depended on extra-legal methods, such as lynching, to keep southern blacks in a position of subordination.

Generations of blacks that follow continue to be haunted by this history of exclusion, not to mention by the legacy of anti-black racism that once helped to secure the quasi-slave economies created by white southerners in the aftermath of the Civil War. This is not to say, however, that all blacks were denied the fruits of their own labor, for this would assume little to no agency on the part of blacks. Indeed, with the First Great Migration (1910-1940) and the Second Great migration (1940-1970) an estimated 1.6 and 6.5 million migrants (a majority of whom were black), respectively, made the trek northward and westward to escape the racism, segregation and extra-legal justice of the South that became Jim Crow, opting instead for the opportunity to find work in cities. A few of these black men and women, who were able to form a nascent black middle class, became the exceptions to an overwhelming majority of southern blacks, many of whom were illiterate and who had few other options but to till the fields.

In order to understand how and why “the economic exploitation that Blacks suffered as slaves was merely modified to accommodate the era of the New South” we need to understand

\(^{13}\) Sharecropping was an economic activity but in a very limited sense. Blacks often made little to no money due to the crippling contractual agreements made by white, often literate, planters.
the various motivations of - Northern Republicans, Radical Republicans, Southern Democrats, the Planter class of the South and African Americans in the aftermath of the Civil War (Fierce 1994). Only in doing so can we begin to grapple with the larger questions of how and why Reconstruction ended as it did and how this legacy of black neglect has been perpetuated by successive federal and state governments, often at the behest of white folk, into the present era adding to black inequality today. By venturing into America's historical past I attempt to illuminate the genesis of the present black inequality with events that transpired in the years prior, for the past and present really are inseparable.

After a bitter Civil War that seemed for a time to show no end, Northern Republicans, led by Abraham Lincoln, made the decision to enact the Emancipation Proclamation on January 1, 1863. The Proclamation, although revolutionary at heart, had little to do with ending slavery in the South. Instead, it was borne out of military necessity (Hofstadter 1960). In a highly calculated move “[t]o keep Border States from leaving the Union and to remain within the President's authority under the Constitution, Lincoln had limited the Proclamation to the rebellious Confederate States” (Looking For Lincoln, 2009). In doing so, Lincoln was able to appease the border states by not denying them the right to their private property, slaves, while at the same time denying Southern traitors of that same property. It was not until the Thirteenth Amendment to the Constitution that slaves were actually freed. The amendment assured that “[n]either slavery nor involuntary servitude, except as a punishment for crime whereof the party shall have been duly convicted, shall exist within the United States, or any place subject to their jurisdiction” (U.S. Const. Amend. XIII). Only enacted after Lincoln’s death, the Thirteenth Amendment was largely attributable to the dissatisfaction on behalf of both Radical and
Moderate Republicans who became increasingly critical of the mild racial progress offered by the 1863 Proclamation and Lincoln's equally weak plan for reconstructing the nation.

For the Radical camp, a minority group of Republicans who demanded a fair degree of equality among both blacks and whites, Lincoln's proposed reconstruction plan was far too lenient on the Southern planter elite. With a general amnesty granted to all Confederate states pledging future loyalty to the federal government under the condition of adherence and “acceptance of the wartime measures eliminating slavery” in wherever a minimum of 10 percent of white male voters agree to take loyalty oaths, it was agreed that “those loyal voters could proceed to set up a [new] state government” (Brinkley 1993, 454). Under this formula, and to the dismay of the Radicals, Louisiana, Arkansas, and Tennessee were re-admitted into the Union. The Radicals acted swiftly to overturn the President’s 10 Percent Plan, unveiling their own design for reconstruction in the event of a Union victory. The Wade-Davis bill, proposed by Senator Benjamin F. Wade and Representative Henry Winter Davis, was passed by Congress in 1864. The authors of the bill argued for a more stringent plan replacing the proposed 10 percent requisite of a state's white male population to take loyalty oaths with a required 50 percent. In addition to this, according to the bill, these states must not deny blacks their right to vote. The bill, which Congress successfully passed, was quietly dismissed by Lincoln via a pocket-veto that same year. After Lee’s surrender to Union forces, and Lincoln’s death in 1865, there was a brief period of Presidential Reconstruction (1865-1867) under Republican Andrew Johnson.14

Following a reconstruction plan not wholly different from Lincoln’s, Johnson moved to pardon all the remaining seceded states thus allowing them to return to the Union. In a single

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14 Presidential (or Federal) Reconstruction. When Congress was in recess in 1865, the then president, Andrew Johnson, began implementing his own plans for Reconstruction, which later became known as Presidential Reconstruction.
day, hundreds of Planters and former Confederate officers and government officials were pardoned. To the surprise of many Radical Republicans, Johnson replaced his previous hardline stance against the planter elite with a pro-states' rights ideology that upheld a state's right to determine its own political, economic and social existence. Thus, limiting the role of federal intervention, President Johnson chose to weaken the authority of the Freedmen's Bureau – a federal initiative designed to aid in the transition of newly freed blacks from slavery to freedom. Against the urgings of the Bureau, Johnson ordered that all confiscated property be returned to white landowners. Johnson's plan, much like Lincoln's, was for a swift period of Reconstruction. Determined to reunite both North and South once more, Johnson had forsaken issues of racial equality for African Americans for the sake of the Union. The result of this short lived episode of Presidential Reconstruction was devastating leaving many blacks crippled by a premature and ambiguous notion of freedom without equality. As Du Bois (1935) remarks in *Black Reconstruction*, economic opportunity and access to land for black Americans, as well as for poor whites, had not yet been settled under federal Reconstruction efforts. He writes,

> In such an economic revolution, the cost of change and uplift ought to fall on the community, the nation, and the government...But such a possible outcome was frustrated by the economic selfishness of the North, and by the intransigent attitude of the vast majority of the planters. They did not believe in freedom for Negroes, and they sought to frustrate it by law, force, and deliberate cheating, and by arrogant demands for economic license and political power, such as no sane nation could grant. This result was Federal Reconstruction (Du Bois 1935, 673 – 674).

The postemancipation white South was confronted with an equally uncomfortable future. Many southern whites came to the realization that the social, political and economic values that
had once defined life for both whites and blacks had become forever compromised under
Presidential Reconstruction. Unlike the Radical Republicans, who viewed President Johnson's
pardonning agreements as too soft a punishment for the southern traitors, white southerners found
these same agreements unbearable and humiliating. For many, if not all, members of the former
planter class, to recognize a black as an equal signalled the end of the Old South and its tradition
of white supremacy. To these men and women, there was an irrevocable change in the way race
relations had previously been conducted in the South. It is not surprising then that many white
southerners viewed the Emancipation Proclamation\(^{15}\) as effectively freeing southern blacks while
simultaneously enslaving white landowners. For one planter, Kate Stone, returning to the Union
meant moral hardship and degradation for the white southerner (Reconstruction: The Second
Civil War, 2004). She writes,

> _Conquered, Submission, Subjugation_ are words that burn into my heart, and yet I feel that
we are doomed to know them in all their bitterness. Another month and our Confederacy
will be a Nation no longer, but we will be slaves, yes slaves, of the Yankee Government.
The degradation seems more than we can bear. By the twenty-fourth we will know our
fate -- Submission to the Union (how we hate the word!), Confiscation, and Negro
equality. God help us, for vain is the help of man (Reconstruction: The Second Civil War,
2004).

In an attempt to reassert the white hegemonic order that had previously fixed the white
southerner's position in society relative to the black's, white southerners had to conjure up new
ways to ensure that the northern conception of freedom, in the age of emancipation, did not

\(^{15}\) This, in addition to the Thirteenth Amendment which was ratified several years later
extend to its black population. As Foner has suggested, most whites in the postemancipation
South,

especially those who assumed that the survival of the plantation system was essential to
maintaining economic stability and racial supremacy, defined black freedom in the
narrowest conceivable manner. Before the Civil War, the white South had condemned
free labor as a disguised form of general slavery. After the war, [white] [southerners]
responded to emancipation by trying to subject blacks to precisely the generalized slavery
[they] had previously condemned (1994, 454).

These new ways of reasserting a white hegemonic order came first in the form of Black
Codes. The Codes were a set of laws enacted by state legislatures in the South in an attempt to
replace the social, economic and political controls that slavery had once offered southern whites
but which had become compromised as a result of the 1863 Proclamation. The Codes existed in
many different variations across the South but all shared a common feature: all blacks found
unemployed would be jailed for vagrancy and fined. The resulting punishment would be decided
by state courts and, in addition, accused blacks would often be subject to extra-legal justice and
intimidation techniques carried out by southern whites. In effect, Black Codes helped to reassert
the white supremacist order that had once been the keystone of the antebellum American South.

By implicitly

[r]ejecting the idea that emancipation implied civil or political equality for the freedmen
or even those opportunities to acquire property and advance in the marketplace that
northerners took for granted as indispensable to any free society, southern leaders insisted
that blacks remain as a dependent plantation labor force, in a work situation not very
different from slavery. The emancipated slave, a southern newspaper insisted, needed to
be taught that 'he is free, but free only to labor.' To enforce this definition of the meaning of black freedom, state governments during Presidential Reconstruction enacted the notorious Black Codes, denying blacks equality before the law and political rights and, through vagrancy laws and statutes making a breach of contract a criminal offense, attempting to circumscribe their economic opportunities so that plantation agriculture could survive the end of slavery (Foner 1994, 455).

The pro-Union Johnson turned a blind eye to these Codes, instead declaring Reconstruction over at the end of 1865 several months before Congress would reconvene. Furious that Johnson had gone through with his own plan for Reconstruction, which included returning all seized territory back to the Rebel states, and equally horrified by the vigilante justice and the new state laws that had been aided by Presidential Reconstruction efforts, Radical Republicans were determined to take a stand.

Inadvertently, Johnson had become the beacon that black America needed. His pro-states' right stance, which allowed southern states the right to impose Black Codes on its black population, was monumental in changing the course of Reconstruction. The Black Codes were important because of their immediate political impact and what they reveal about the likely shape of southern economic relations if left to the undisputed control of the planters. As W.E.B. Du Bois observed, the Codes represented 'what the South proposed to do to the emancipated Negro, unless restrained by the nation.' The Codes persuaded many in the North that continuing federal intervention was essential if the fundamental rights of the freedmen were to be protected. They convinced southern blacks as well that their former owners could not be entrusted with political power (Foner 1983, 52).
Thus, Johnson's refusal to compromise with Congress swung the Moderate Republicans towards the Radical camp. In 1865, with the needed two-thirds majority, Congress refused to recognize the Southern governments pardoned by Johnson. Instead, a Joint Committee on Reconstruction was created under a new phase of Congressional Reconstruction (1866 - 1877). Under agencies like the Freedmen’s Bureau, created in 1865 and renewed in 1866, the Radicals attempted to provide some degree of affirmative action for former slaves and some poor whites. The bureau’s mandate was to “provide former slaves with food, transportation, assistance in getting jobs and fair wages, and schools, and also to settle them on abandoned or confiscated land” (Brinkley 1993, 453). With the ratification of the Thirteenth Amendment in 1865, which successfully reversed the 1857 Supreme Court ruling of *Dred Scott v Sandford*, 60 U.S. 393 (1857) by making slavery illegal, the possibility for slaves to enjoy freedom from bondage seemed inevitable. A genuine move toward a general equality of the races seemed to have been further vindicated by Congress’s second Radical plan for Reconstruction, the ratification of the Fourteenth Amendment to the Constitution allowing *all* citizens equality before the law. As written in under Section 1 of the amendment:

> All persons born or naturalized in the United States, and subject to the jurisdiction thereof, are citizens of the United States and of the state wherein they reside. No state shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States; nor shall any state deprive any person of life, liberty, or property, without due process of the law; nor deny to any person within its jurisdiction the equal protection of the laws (U.S. Const. amend. XIV).

The Fourteenth Amendment offered one realization of the American dream for the newly freed slave: blacks were now deemed citizens and were afforded legal rights. For African
American Tunis Campbell, a high-ranking politician of Georgia, another part of the American myth was being transformed into reality by way of General Sherman’s Special Field Orders No. 15. These orders granted “each freed family forty acres of tillable land on islands off the coast of Georgia” (*Reconstruction: The Second Civil War*, 2004). In addition to this, the Union army had a surplus of mules which would be given to each settler upon arrival. For Campbell, the Sea Islands represented a new political frontier, a new and long deserved chance at real freedom – the promise of forty-acres and a mule (*Reconstruction: The Second Civil War*, 2004). The dream became further actualized with the Military Reconstruction Acts of 1867-68, which established five military districts in the South, premised upon the notion that the Southern states had forfeited their political identity by seceding from the Union. The enactment of these acts helped to diminish the authority of the South by punishing southern whites for treason against the Union and for their participation in denying blacks their hard earned freedom. Black persons, such as Campbell, were now legally equal in citizenship and ready to seek reparations for centuries of abuse dealt by southern whites. With the passage of the Fifteenth Amendment which secured voting rights for black *men*, the white American myth, which secured political rights and economic mobility for white males, became tenable for some black Americans.

Although blacks were granted their freedom from slavery via the Thirteenth Amendment, equal citizenship under the law as a result of the Fourteenth Amendment and voting rights under the Fifteenth Amendment to the Constitution, there was a darker side to Reconstruction. As historian Charles Nordhoff wrote in 1875, in the period of Reconstruction there existed in the South

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16 Voting rights were limited to black men
a condition of lawlessness toward the blacks – a disposition, greatest in the more distant and obscure regions – to trample them underfoot, to deny them equal rights, and to injure or kill them on slight or no provocations. The tremendous change in the social arrangements of the Southern whites had suffered a defeat which was sore to bear, and on top of this, they saw their slaves – their most valuable and cherished property – taken away and made free, and not only free, but their political equals. One needs to go into the far South to know what this really meant, and what deep resentment and irritation it inevitably bred (as cited in Du Bois, 1935).

In a direct response to Congressional efforts to create genuine equality among the races, some white southerners created the Ku Klux Klan, in the summer of 1866, in an effort to bar blacks once more from fully experiencing the American dream.

Functioning as the military arm of the Democratic Party, the presence of the Klan in the South made it very difficult for blacks to exercise their right to vote under the Fifteenth Amendment. The Klan was “frankly terroristic and attempted to frighten or physically prevent blacks from voting or otherwise exercising the normal rights of citizenship” (Brinkley 1993, 473). As Du Bois describes it, “Armed guerrilla warfare killed thousands of Negroes; political riots were staged; their causes or occasions were always obscure, their results always certain: ten to one hundred times as many Negroes were killed as whites” (1935, 674). As a result of the Klan's unmistakeable agenda of intimidating blacks, the Ku Klux Klan Act was passed in 1871. The Act, “authorized the president to use military force and martial law in areas where the secret societies were active” (Brinkley 1993, 473-474). Unfortunately, the Act, an act made with the intention of protecting blacks who were at risk of being dealt with by extra-legal means, went
largely unenforced, breeding fear and insecurity within black quarters of the American South. Matters soon came to a head with the unveiling of the Mississippi Plan in 1875.

The battle lines had been drawn. The Mississippi Plan, an arrangement on behalf of Southern Democrats to suppress the black vote and undermine Ulysses Grant’s efforts for a Republican government, is perhaps better understood as another intimidation technique employed by members of the white South. It called for

whites in each community to organize and arm, and to be prepared, if necessary, to use force to win elections. But the heart of the scheme was in the phrase 'drawing the color line.' By one method or another, legal or illegal, every white man was to be forced to join the Democratic party or leave the community (Brinkley 1993, 474).

The Plan succeeded in making the Democrats a real contender in the 1876 general election. The decisive moment, however, when the newly freed black was transformed into a near slave was with the Compromise of 1877.

After fairing so poorly in the 1874 election, the Republicans knew their chances for reelection were slim at best. Adding to the Party’s troubles, the United States had been pulled into a major depression that began in the same year. As a result of the tumultuous economic and political environment, the Republicans opted for a new leader to represent the Party and its commitment to economic and political stability. That leadership was found in Rutherford B. Hayes. In the 1876 election, Hayes was pitted against Democrat Samuel Tilden with the preliminary results indicating victory for the Democrats. This was not the case since the “situation was complicated by the disputed returns from Louisiana, South Carolina, and Florida.... Both parties claimed to have won these states, and double sets of returns were
presented to Congress” (Brinkley 1993, 475). Rather than contesting the votes, the two parties reached a compromise. Republicans would keep the seats and hold the presidency as long as there was no enforcement of the Fourteenth Amendment. The South maintained the right to have control over its labor and race relations. With a simple division of votes, Reconstruction had come to an end.

In effect, the Compromise had thwarted all of the Radicals' remaining efforts to create a bi-racial society, allowing southern whites to institutionalize racialized agricultural systems in the South. The new labor institutions proved to complicate an already ambiguous definition of freedom for many American blacks. The advent of crop-lien, tenant-farming and sharecropping systems helped to exclude African Americans once more from the white notions and practices of freedom: while blacks still held voting rights and thus political equality, the lack of enforcement of the Fourteenth Amendment meant they were effectively denied the right to economic independence. Thus, as Foner argues,

Even as the overthrow of slavery reinforced the definition of the contract as the very opposite of the master-slave relationship, the policy of according black men a place in the political nation while denying them the benefits of land reform fortified the idea that the free citizen could be a dependent laborer. Reconstruction helped to solidify the separation of political and economic spheres, the juxtaposition of political equality and economic inequality, as the American way (1994, 460).

Thus, the white American dream of becoming an independent farmer or laborer was, more often than not, an unattainable reality for a majority of southern blacks. Lillie Fenner, who was born into a sharecropping family, describes life in the post-Reconstruction South: “[My
grandparents] didn't own [their] land. They rented and they sharecropped. They had peanuts, cotton, and corn and soybeans. Every one of us [children] worked the farm. We picked cotton. Shake peanuts. They didn't have tractors and things like that. We worked with mules” (as cited in Chafe et al. 2001). It was not unlikely for many African American families to experience labor conditions similar to that of Lillie Fenner and her family. In the new era of Jim Crow, racialized agricultural practices, in the form of sharecropping, had replaced the previous generation's slave system. What had remained intact was the underlying system of white supremacy, the lynchpin that kept southern blacks in a state of perpetual deference to southern whites. And although poor southern whites were in a position of debt-peonage akin to their black counterparts, the thought of aligning in solidarity with poor blacks to achieve profitable land agreements and labor contracts with planters was unfathomable. John Harrison Volter, an African American living under Jim Crow, reveals how the resulting politics of the post-Reconstruction South forbade the poor white from realizing the potential of such an alliance instead forcing the poor white to privilege his or her white racial status at the expense of real economic benefit by enlisting with the Klan:

The Ku Klux Klan was not set up by the lower class of Caucasians. The lower class of Caucasians were recruited into the Ku Klux Klan by former rich plantation owners who saw a way to gain some of their property back. And they used prejudiced ideas, class ideas on these ignorant low-class Caucasians. The act of giving each free slave so many acres of land and then the Ku Klux Klan scared them off it, you know. These poor whites that was the body of the Klan didn't gain nothing. The land went back to the rich owner, you know, it didn't go to them. It's just showing you how [they] manipulated their own people (as cited in Chafe et al. 2001).
“Instead of driving the Negroes to work,” writes Du Bois, bands of poor whites were determined to “keep him from work which competed with them or threatened their work or income” (1935, 673-674). Thus, the issue, as both Foner and Du Bois have noted, “was not so much whether the South could produce wealth with free labor – ’it was the far more fundamental question of whom this wealth was to belong to and from whose interest laborers were to work’” (as cited in Foner 1983). The relevance of this question has extended far beyond the post-Reconstruction American South. It has a lasting legacy on generations in the present and generations yet to come. The question also does well to highlight the importance of race and privilege in America's present.

In short, the wealth inequality among blacks today can be traced, in part, to the rise of sharecropping systems. This form of racialized agriculture was implemented approximately ten years following the Civil War and was one of the most economically efficient agricultural options of the period from the late 1870s through to the 1950s.¹⁷ The institution itself did not arise spontaneously and, as many historians argue, its creation was both deliberate and important in securing not only land, but, more fundamentally, in preserving wealth and prestige for members of the white planter elite. Meanwhile, sharecropping denied freedmen the same economic opportunities as whites in an effort to keep them poor. For instance, when asked in 1876 by a visiting congressman, “what motive has [the former owner] to see you oppressed and downtrodden,” David Graham, a South Carolina black leader, responded, “In case I was rich, and all colored men was rich, how would he get his labor? He couldn't get it as cheap as he gets it now... His interest is in keeping me poor, so that I will have to hire some one else” (as cited in Wright 1978). As a result of the dire economic conditions that plagued many people, both black and white, in the postemancipation South, plantation owners were forced to borrow money in

¹⁷ Other, but less favourable options, included: crop-lien, rent labor and wage systems.
order to continue producing cash crops such as cotton, tobacco, rice and so forth (Raper and Reid 1941). With interest rates on loans as high as 15 per cent, it was not unusual for a given plantation to go bankrupt after just twenty years of operation (Raper and Reid 1941). It is not surprising, then, that those few plantations that managed to survive the devastating economic situation and poor crops, the result of harsh environmental conditions such as the Dust Bowl of the 1930s, were concentrated within the hands of the wealthiest planters, all of whom were white (Raper and Reid 1941).

White planters managed to keep poor blacks poor mainly through the contractual design of sharecropping agreements. Black sharecroppers did not own the land they farmed; instead, white landowners provided them only with the subsistence income they needed to feed and clothe their immediate kin. Sharecropping had, in effect, bound the newly freed black in a state of near serfdom. Poor, often illiterate and worried about the real possibility of backlash from southern whites, southern blacks often signed labor agreements that would make it impossible for them to generate income let alone wealth. One such agreement was signed between a white landowner named Solid South and a black man by the name of Dawson in January of 1879. It is worth quoting at length:

If said Solid South shall furnish to said lessee money or necessary supplies, or stock, or material, or either or all of them during this lease, to enable him to make a crop, the amount of said advances, not to exceed $475 (of which $315 has been furnished in two mules, plows, etc.), the said Dawson agrees to pay for the supplies and advances so furnished, out of the first cotton picked and saved on said land from the crop of said year, and to deliver said cotton of the first picking to the said Solid South, in the gin on said plantation, to be by him bought or shipped at his option, the proceeds to be applied to
payment of said supply bill, which is to be fully paid on or before the 1st day of January, 1880 (as cited in Painter 1977).

In the process of binding the laborer to the land, white landowners, such as Solid South, had effectively created a serf-like existence for the black laborer, in this case Dawson, by making his fate contingent upon the strength of the crop. In the event of poor environmental conditions, including drought, dust storms and leached soil, the sharecropper would not be able to grow food for his or her family and would be left “economically entrapped” and indebted to the white landowner (Brown and Webb 2007). As Daniel Fusfeld and Timothy Bates explain:

Share tenants and croppers were entrepreneurs, however, in one important sense: they carried a considerable share of the risk involved in raising and marketing the crop. When crop was bad or when prices were particularly low, the cropper might find himself at harvest with no remaining cash after the landlord had charged him for food, seed, and fertilizer. The tenant would then be entirely dependent on home-raised produce plus cash advances or credit arranged by the landlord. Living in a perpetual state of indebtedness to the landowner was not uncommon (1973, 33).

In fact, this system was the norm, according to David Brown and Clive Webb who argue that planters would routinely cheat “sharecroppers out of their share by falsifying the account books”; sharecroppers often were told that they “had barely broken even” (1973, 181). Questioning the authority of the white boss would be met with hostility, eviction, violence or even a lynching (Chafe et al. 2001).

With the ruling of *Plessy v. Ferguson*, 163 U.S. 537 (1896), southern blacks were thrown another curve ball. The Supreme Court had upheld a 1890 Louisiana statute “mandating separate
but equal railroad carriages, ruling that the equal protection clause of the Fourteenth amendment to the U.S Constitution dealt with political and not social equality” (Plessy v Ferguson, 1997).

The new doctrine of 'separate but equal' was misleading. As a whole new generation of African Americans would soon come to understand, public facilities were certainly separate but definitely not equal. For instance, medical care for African Americans was inadequate and far inferior to that for whites (Brown and Webb 2007). The social and economic deprivation experienced by blacks led to the rise of serious health problems among members of the black community (Brown and Webb 2007). As a result of low wages or, for sharecropping families, poor crops, many blacks were forced to rely on restrictive diets that “lacked essential nutrients and rendered African Americans less immune to the diseases that spread through their neighborhoods as a result of poor sanitation” (Brown and Webb 2007, 193). The same story of separate but unequal repeated itself in school systems across the South, leaving black children unable to achieve a standard of education on par with white children. In effect, Plessy had provided southern States with a new way of ensuring the continued presence of white domination: Jim Crow segregation, which represented what, historian Rayford Logan calls 'the nadir' of race relations in the South (Brown and Webb 2007). As Leslie Brown describes Jim Crow,

The jocular term belies the profound abuses perpetrated in the name of white racial supremacy: the lynching of black men, the rape of black women, the burning of black schools and churches, the bombing of black towns, race riots, and random violence attest that Jim Crow was homegrown oppression and terrorism, an American apartheid sanctioned by all three branches of government. A mockery of black hopes, Jim Crow attempted to appropriate black life and labor by any means necessary (2008, 10-11).
The transition from slavery to sharecropping had placed the black laborer in a peculiar position. Similarly, the transition from slave codes to Jim Crow segregation had circumscribed blacks within a very parochial and ambiguous definition of freedom as *freedom from bondage*. Blacks had escaped the vices of chattel slavery only to find that they had entered into sharecropping agreements legitimated and enforced by southern whites under Jim Crow. The resulting social and economic order in the South became reminiscent of the past generation of slavery, suggesting more continuity than change. According to Foner, “Long after the end of slavery, the conflict would culminate in the enmeshing of blacks in a comprehensive system of segregation, disenfranchisement, and, in many cases, virtual peonage, and the proletarianization of the agricultural labor force of the South” (1983, 72).

Frustrating the possibility of black land ownership in the South were issues of race, making sharecropping arrangements all the more palatable to white planter folk who were interested in reinforcing the antebellum social, economic and political order to which they were accustomed – one that kept blacks on the periphery while allowing whites (both rich and poor) the potential to partake in the American dream of upward mobility in the form of land ownership which would allow for not only an accumulation of wealth but of status as well. Although only a handful of planters actually owned most of the southern wealth, poor whites found comfort in the knowledge that one day, if they worked hard enough, they too *may* be able to pull themselves up by their own bootstraps and build their own wealth.\(^{18}\) For the black laborer, however, everywhere there existed a reminder of the irreconcilable differences between white and black that became a site of continued conflict well into the twentieth century (Foner 1983). Like many whites, blacks too understood the importance of land ownership in obtaining the American dream of upward

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\(^{18}\) Du Bois argued that poor whites in the South actually had little such mobility, although they did get certain benefits from white status. The same could not be said for southern blacks.
mobility, viewing property as a tangible expression of wealth. As Sir Frederick Bruce, British
Ambassador to the United States understood it, “The negro here seems like his brother in
Jamaica, to object to labor for hire, and to desire to become proprietor of his patch of land” (as
cited in Foner 1983). Never before had southern blacks come so close to such a realization of the
American myth as they had during the few years under Congressional Reconstruction.
Revolutionary as it was as a proposal, however, the forty acres and a mule promised to black folk
never materialized. Instead, southern whites, such as former Confederate General Robert V.
Richardson, treasurer of the America Cotton Planter's Association, were quick to remind blacks
that “[t]he emancipated slaves own nothing, because nothing but freedom has been given to
them’’ (as cited in Foner 1983). Whereas freedmen across the South believed that “the plantation
land should have gone to those who worked for it” (Du Bois 1935, 673), most southern whites
believed that the land should remain in the hands of whites.

This attachment to land partially explains why, from the 1920s onward, when crops were
being devastated by “disasters of nature and the marketplace” (Fusfeld and Bates 1973, 35),
many African American males, in particular, had a difficult time leaving agriculture and moving
into other areas of the labor market. One of the causes of the rising rates of black men currently
outside of the labor market today was “[p]resent already in 1940.” This trend
did not result initially from deindustrialization in the 1960s and 1970s... Thus, black
men’s inability to find work in the regular labour market is not the residue of a golden age
when many blacks worked at well-playing industrial jobs. Its origins lie in the shift of
black men out of agriculture and their relative inability to move – as [compared to] white
men – into other kinds of work. It remains a structural aspect of inequality in American
labour markets at least since the 1940s. On account of discrimination and bad luck with
timing – black men displaced from agriculture found themselves on the margins of the economy (Katz et al. 2005, 84-85).

The impediments, often the result of Jim Crow violence, poor timing, not to mention racial discrimination (for those few blacks who tried, or who managed, to enter the labor market 19), that worked to limit black males from actively participating in the labor market for long periods of time has had a negative effect on the ability of many black men to generate, and pass down, a stockpile of wealth to their children. For Thomas Christopher Columbus Chatmon, whose mother and father wanted nothing more than to see their child receive a college education that they believed “represented the difference between a future life of backbreaking labor and the ability to earn a better living,” working in agriculture provided little money, and thus little opportunity, to see this through (Chafe et al. 2001, 213). As Chatmon later recalled,

My father would work turpentine to generate enough money to pay for everything until we gathered the crop, and we were going to clear all the crops, and I would have money to go back to school with...So we did, and when we had gathered our crops and sold all the money crops like tobacco, peanuts, and cotton, my father told me that Saturday, 'Let's go and settle up so you can get ready to go to school.' I said 'Okay.' And so we went up to Mr. Thomas's house, to the backyard as usual, and he came out onto the porch. 'Well John, I guess you and Bud came to settle up today.' He said, 'Yes sir.' He got his book out. I had kept a record myself of everything we had gotten from that man that year and I know we didn't owe him, and we were supposed to clear good money...Finally he looked up at my father and said, 'John, you don't have any money coming, but you cleared corn.' Well, when he said that I reached for my book and my daddy stepped on my foot because

19 This was true in the North as well as the South
he knew them crackers would kill you if you'd dispute their word. The first thing that went through my mind was 'how could this man take all our money when my father had six children down there, raggedy, no money, winter was coming and he's going to take it all.' So my father said 'Mr. Thomas, we don't have any money coming?' He said, 'No John, you don't have any money coming, but you're going to clear all your corn.' So we said, 'Okay,' and we started back to the house (as cited in Chafe et al. 2001).

For Henry Donaldson, an African American brick mason, the workplace was a similar site of conflict and degradation. Terrified by the thought of unemployment or a reduction in wages, Donaldson was forced to live with the day-to-day harassment at the hands of white foremen; he acknowledged the sad reality that even unions, which supposedly were created to address the concerns of black and white wage-laborers, were fraught with poor-intentioned white folk:

[The company] moved to another project in Atlanta, Georgia. We were building this project there and it was built out of brick. We [blacks] had practically the same restrictions there working together and we never worked together. This was [laughter] sort of intimidating at times when we went there. The foremen were from Birmingham, Alabama, and they called the black bricklayers 'black scabs.' [Laughter.] 'You black scabs get on this building over here.' We were unionized, had a union, but the whites controlled it. We could meet in the same building on union nights, but we didn't have the same privileges as the white bricklayers (as cited in Chafe et al. 2001).

Both Chatmon and Donaldson's experiences in the workforce reveal how difficult it was for black men to earn a living and pass down opportunities, educational or otherwise, to their
families in the Post-Reconstruction South. While these restrictive work environments certainly added to black inequality, there were other contributing factors.

The resulting poverty among many black communities in recent years, both within the North and South, argue Cornel West and William Julius Wilson, has been further exacerbated by structural and behavioral factors both in the past and in the present that were, and continue to be, complicated by underlying issues of racism. As Wilson observes, the existence of the segregated ghetto in today's society “is the product of systematic racial practices such as restrictive covenants, redlining by banks and insurance companies, zoning, panic peddling by real estate agents, and the creation of massive public housing projects in low-income areas” (1996, 24).
4. The Black Middle Class and the Black Underclass

Similar to the Post-Reconstruction era, the policies of our recent past have contributed in deepening the wealth inequality between blacks and whites, providing further credence to Foner's conception of the new American way of life, juxtaposing some measure of political equality with economic *inequality*. Moreover, in addition to fostering the growth of a substantial middle class, recent polices have also deepened economic inequalities within the black community in the United States. As a result of Jim Crow segregation, few educational and economic opportunities in the South, along with the fluctuation in cotton prices, many African American blacks chose to leave the South and move northward and westward to obtain a decent standard of living in what has since been termed 'the Great Migration' (1940-1970). The movement, as previously stated, is divided into two periods and it is estimated that between 1940 and 1970, approximately 6,963,000 blacks held left southern agriculture in hopes of finding employment opportunities elsewhere. The mechanization of cotton in the 1950s helped to speed up this process, resulting in a tremendous outflow of blacks from the South to the North. This destroyed “what was left of the rural black community” (Gregory 2005, 34). From 1910 up through 1970, the proportion of blacks residing in the South dropped from 90 percent to just 53 percent (Collins and Wanamaker 2001).

To adequately understand the effects of the Great Migration and what motivated it, we need to consider those groups within the black community that chose to stay in the South and who were able to partake in the American dream of upward mobility, forming a nascent middle class, and those who were not so fortunate. In Durham, North Carolina some blacks, including prominent African American brick builder and president of the Mechanics and Farmers Bank,
Richard B. Fitzgerald, “benefited from the shift from an agricultural economy to one based on manufacturing” (Brown 2008, 13). In 1886, a local newspaper said of Durham, “Nothing stands still. There is very little loafing in Durham.... The word 'Durham' is synonymous for 'business.' Work is offered to all who desire it” (as cited in Hall et al. 1993). In the nadir of race relations, black Durham represented, as Du Bois and Booker T. Washington later recognized, a symbol of black nationalism, an indication of what southern blacks could accomplish in the absence of white controls. In 1925, E. Franklin Frazier followed, en suite, and championed Durham as the “Capital of the Black Middle Class” (as cited in Brown 2008). The city was booming and became home to

the North Carolina Mutual Life Insurance company, the largest black business in the world in its heyday; Mechanics and Farmers Bank (founded by Richard Fitzgerald), strong enough to withstand the 1933 banking crisis; Southern Fidelity Mutual Insurance Company, which bonded the agents of black companies; and the National Negro Finance Company, an innovative investment firm that issued bonds for development projects (Brown 2008, 14).

According to sociologist Robert Boyd (2009), the entrepreneurial success of African Americans in the post-Reconstruction era has two broad geographical patterns. One pattern, dubbed the 'Southern advantage' pattern is used to describe the emergence of black businesses within cities such as Durham. It is “based on reports that southern cities were the birth places of a venerable tradition of Black entrepreneurs who succeeded by 'taking advantage of the disadvantages' of racism in the region” (Boyd 2009, 2062). The other, referred to as the 'Black metropolis' pattern is “based on accounts that the large and relatively prosperous Black populations that arose in northern cities after the 'great Black migration' of the 20th century
energised the efforts of the Blacks who sought to create economically self-sufficient communities through business enterprise” (Boyd 2009, 2062). In Durham, some blacks were able to take advantage of anti-black racism in the South by “selling goods and services to [its] burgeoning yet circumscribed Black population” since whites generally refused to operate in black neighborhoods (Boyd 2009, 2064; Ingham 2003). In effect, some black proprietors residing in Durham were able to achieve a certain degree of economic security and a few of these black businessmen went on to amass “considerable wealth by serving the needs” of their black clientele (Boyd 2009, 2064; Rabinowitz 1980). African Americans, like the Fitzgerallds, who were fortunate enough to amass such wealth founded commercial districts such as Parrish Street which earned the moniker “Black Wall Street.” The founders of these districts were upwardly mobile Black entrepreneurs who “increasingly sought to build a community of their own ... within the walls created by segregation and discrimination” (Higgs 1977, 90). To this end, they believed that

through self help, racial solidarity and entrepreneurship, Blacks could create a separate 'group economy' in the South. This group economy was envisioned as a system of interrelated Black-owned businesses that employed Black workers and was supported by Black consumers, existing independently of the economic mainstream of the larger, White-dominated society (Boyd 2009, 2064).

For Richard Fitzgerald, a black group economy was dependent upon the efforts of established black businessmen like himself. In order to aid in the upbuilding of black Durham and to reinvigorate its black community, Fitzgerald, along with several other prominent African American men, founded the Mechanics and Farmers Bank which helped to finance black businesses (Du Bois 1912).
Similarly inspired by the idea of a separate black economy and by African American fraternal orders such as the Grand United Order of the True Reformers and the Royal Knights of King David, which “assisted disadvantaged African Americans and provided services to African American communities that may have otherwise been ignored,” North Carolina Mutual opened up shop (North Carolina History Project, 2011, para 1). Its sole mandate was to “relieve the distress of Negroes” (North History Project, 2011, para 2). By investing in historically black colleges and predominantly hiring black women into their workforce, companies such as North Carolina Mutual increased the size of their staff, specifically within clerical and accounting divisions, providing some blacks admittance into the elusive middle class (Brown 2008).

While Black Durham embodied the realization of the American dream for a select group of blacks, placing them in a better position to have acquired and passed down wealth holdings to their children, another whole generation of blacks attribute their current success, in addition to the successes of many other African Americans, to affirmative action policies won as a result of the Civil Rights Movement. The case can certainly be made that the offerings of affirmative action – for example, access to jobs, admission into university, scholarships and so forth – have increased the scope of opportunities for some blacks enough to allow a fortunate few to generate enough wealth so that their children can go on to have similar, if not better, life chances for themselves and for their own families. The obverse case can also be made. “According to [William Julius] Wilson,” writes Olati Johnson,

the success of the civil rights movement further exacerbated the difficulties of the African American poor and contributed to their social isolation. As integration allowed many middle-class blacks to move to the suburbs, inner-city black communities often suffered the loss of role models, resources, and a level of social organization. Thus, although race-
specific policies such as affirmative action and antidiscrimination laws have strengthened the black middle class, the civil rights revolution cannot remedy the plight of the 'underclass' (1995, 791).

Similarly, Gates touches on this “curious social transformation” in class structure that has facilitated in the creation of two very different notions of black America. He explains such,

By 1990, the black middle-class perilous, though it might feel itself to be, had never been larger, more prosperous, nor more relatively secure. Simultaneously, the pathological behaviour that results from extended impoverishment engulfed a large part of a black underclass that seemed unable to benefit from a certain opening up of society that the Civil Rights movement had long envisioned and finally made possible. And for the first time ever, the inability to benefit seemed permanent (Gates 1998, 1).

While both Wilson and Gates are correct that a sharp class divide has developed among African Americans, they underestimated the security of the new black middle class as a stable middle class. For instance, recent studies suggest that a “realistic appraisal of the economic footing of the black middle class reveals its precariousness, marginality, and fragility” (Oliver and Shapiro 1995, 92-93), creating the potential for some members to slip out of the middle class. As a 2008 report conducted by Demos and the Institute for Assets and Social Policy (IASP) at Brandeis University demonstrates, only one of four black middle class families in America are financially secure (Wheary et al 2008). According to the report, “only 26 percent of African American middle class families have the combination of assets, education, sufficient income and health insurance to ensure middle class financial security. One in three (33 percent) are at high risk of falling out of the middle class” altogether (Wheary et al 2008, 2).
Black Demographics (2009), a website dedicated to providing information on the health of the black community, argues that this “falling out”, in addition to the difficulty many African Americans experience in trying to make it in the middle class, is the cumulative result of a lack of societal cohesion, or “stickiness”. Stickiness refers to a variety of factors such as: living in good neighborhoods, owning property, having good saving habits, being married, and having health care, in addition to having high educational expectations and having access to bequeathable wealth (Black Demographics, 2009). As the IASP report illuminates, the lack of any of these requisites has helped to bolster the numbers African Americans within the black underclass.

Low marriage rates and high divorce rates, coupled with the finding that 72 percent of African American mothers bore their children out of wedlock, have worked together to make the possibility of a dual-household income highly unlikely (“Blacks struggle”, 2010). Fundamentally, instead of good-income families passing down wealth, these single-income households “are predominantly poor families transmitting their poverty to the next generation” (Sitkoff 1993, 227). Added to this, African Americans with little to no high-school and post-secondary education are at an increased risk of entering into a cycle of perpetual joblessness and, in the worst case scenario, turning to illicit economies to make a living. As Wilson argues, “The growth of a nonworking class of prime-age males along with a larger number of those who are often unemployed, who work part-time, or who work in temporary jobs is concentrated among the poorly educated, the school dropouts, and minorities” (1996, 26). And, perhaps the most frightening finding, is that 68 percent of African American middle class families have no net financial assets, often living from paycheck to paycheck (Black Demographics, 2009). This

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20 2011 statistic. In 1950 it was 16.8%, in 1980 it was 40.3% and in 1990 the proportion jumped to 66%.
renders the ability for black parents to save money and generate wealth virtually impossible.

While these figures are alarming, they are certainly not irreversible.
5. The Transgenerational Effects of Abuse

Prior to conducting my research, and through the entirety of this paper, I kept in my thoughts the remarks by Michel-Rolph Truillot and Herman Melville with which I began this paper. A close reading of either piece reveals a warning to generations of the present and future not to view the past as a distinct and distant memory. I would argue Melville and Truillot provide a similar warning for scholars of every discipline. The warning is simple: when we view a moment as an isolated event, something segregated to a distinct period in time, we fail to see the transgenerational effects of that historical moment (Truillot 1995). Readers may ask what this has to do with the current plight of many African American families today. They may also suggest that we should try to move beyond race and, instead, adopt a color-blind lens when considering policy formation. Yet what we should take away from Melville and Truillot is the understanding that history does not occur in a vacuum and that the painful effects of slavery, sharecropping, and the systematic state and social abuse enacted during the Jim Crow era and beyond, similarly were not confined to a spatial or temporal location nor to the individuals who experienced the atrocities firsthand. We are required, then, to see these histories and their effects along a continuum, understanding that “the focus on The Past often diverts us from the present injustices for which previous generations only set the foundations” (Truillot 1995, 150).

In the 1960s, this legacy of abuse was finally being met with by federal intervention in a tangible and concerted effort to tackle black inequality. For Gates and West (1996), President Lyndon B. Johnson's 1964 Great Society speech, embraced one of the most ambitious agendas for social and economic reform, only matched by the New Deal of the 1930s. Some of the most
important measures passed in the early days of the Great Society included the Civil Rights Act of 1964 and the Voting Rights Act of 1965. However, as with the New Deal decades earlier, a number of the Great Society programs “were poorly conceived and ineffectual” (Gates and West 1996, 23). For blacks, the Great Society and the early instances of affirmative action were a welcomed change; the time had come for redress of centuries of systematic abuse. The past had finally caught up with the present. For whites, however, it was a different story. For “white America – the rank and file, the lower middle class – felt itself to be under siege.... Liberalism was coded as a philosophy elevating black grievances over white ones, concerned about the welfare of layabouts over that of workers” (Gates and West 1996, 23). Once enthusiastic about a new order of policy reform, the federal government soon developed

a dismissive view of the civil-rights movement and its accomplishments gained credence. Black commentators disparaged it as 'bourgeois' or elitist, and belittled the reforms of the 1960s for failing to produce major structural changes or to overturn racism. Only African-American professionals and entrepreneurs had gained, they argued, while the mass of blacks saw their status decline and their hopes dashed. Continuity, not change was the chief characteristic of their interpretation of African-American history (Sitkoff 1993, 232).

Once more, issues of race, segregation and inequality had taken the backseat to white working class interests. The resulting trepidation that federal and state governments exercise when considering policy options that would aid in the social and economic betterment of many black communities whose members comprise the black underclass, or whose members may be at risk of falling out of a precarious middle class, is discouraging to many African Americans who view government intervention as a requisite for change. This sentiment is reflected in a 2007 Pew
report gauging black respondents attitudes as to whether blacks are better off now than five years ago:

In 1969, a few years after landmark civil rights legislation on voting, housing, public accommodations and schools, 70% of blacks said the situation of blacks was better than it had been five years earlier. But this positive view faded over time. By 1981, just 30% of blacks said their situation was better than five years earlier; in 1986 the number was 34%. In the 1990s, this positive view had sunk to 24% (in 1997) but rallied to 32% in 1999. Meantime, the number of blacks saying that the situation is worse than five years earlier had declined to just 13% in the 1999 survey... but is now back up to 29% (2007, 19).

These spikes in the positive appraisal concerning the situation of blacks coincide with dates in which the degree of government intervention was greater and dates in which there was greater overall economic stability. For instance, the spike in positive appraisal from 1997 to 1999 is probably a reflection of a relatively good economy coupled with low unemployment rates towards the end of the Clinton Administration.

Although affirmative action has been important in the African American fight for racial equality, West cautions us as follows:

Like earlier de facto affirmative action measures in the American past – contracts, jobs, and loans to select immigrants granted by political machines; subsidies to certain farmers; FHA mortgage loans to specific home buyers; or GI Bill benefits to particular courageous Americans – recent efforts to broaden access to America's prosperity have been based upon preferential policies. Unfortunately, these policies always benefit middle-class
Americans disproportionately... tilt[ing] these measures away from the have-nots and the have-too-little (1993, 129).

In 1990 (in 1990 dollars), 30 percent of black families were earning more that $35,000 annually (Sitkoff 1993). These African Americans were the fortunate few who benefited the most from “equal-employment opportunity efforts and from affirmative action, from improved educational credentials and the greater willingness of many employers to treat blacks equitably, and from the combined earnings of two breadwinners” (Sitkoff 1993, 225). Another one third of the black population, constituting the lower-middle class with earnings between $13,000 and $35,000, often lacked the credentials that would provide opportunities for better-paying, white-collar positions (Sitkoff 1993). These families were more likely to have the earnings of a single spouse, working in “lower-paying, non-unionized jobs, in nursing homes and as domestics, in fast food eateries and as sanitation workers, in hair salons and as bank tellers” (Sitkoff 1993, 226). The remaining group of African Americans belong to,

the poorest of the poor, the persistently poor, they are the underclass which is chronically jobless, barely educated, and trapped in isolated rural areas or, more often, in the densest census tracts of decaying neighbourhoods where mainstream norms have been overwhelmed by decades of enforced second class status, the despair of welfare dependency, and family deterioration... (Sitkoff 1993, 226).

For these members of the black community, affirmative action has little to no positive impact. It is precisely this need for more comprehensive social and economic reforms for those segments of the black population that are (or are close to) living on the margin that I chose to re-tell the narrative of African American inequality from Reconstruction to present. By applying an
approach that engages a broad number of disciplines – historical, sociological, psychological and political – I believe that we, as policy makers, students and activists, would be in a better position to fully understand black inequality, in all its manifestations, and the resulting inability of many African American families to not only obtain, but to maintain, wealth. Only when armed with such an understanding can we begin to make effective policy that will eventually, over time, reverse these negative trends. However, this can only be accomplished by fully engaging and coming to terms with our historical pasts. For “[m]oral and political prescription,” writes Charles Mills,

will depend in part on empirical claims and theoretical generalizations, accounts of what happened in the past and what is happening now, as well more abstract views about how society and the state work and where political power is located. If the facts are radically different from those that are conventionally represented, the prescriptions are also likely to be radically different (1997, 121).
6. Conclusion

These prescriptions must address the basic wealth inequality between whites and blacks (and between blacks as well) however, they must also be sensitive to the paralyzing psychological abuse bequeathed to successive generations of both black and white Americans. As West argues, the threat facing black America today is

not simply a matter of relative economic deprivation and political powerlessness – though economic well-being and political clout are requisites for meaningful black progress. It is primarily a question of speaking to the profound sense of psychological depression, personal worthlessness, and social despair so widespread in black America (1993, 122).

These feelings of personal worthlessness and social despair must be dealt with at the most basic and fundamental levels of: community, family and individual agency. It is precisely at these loci where positive development and self-affirmation take place. As Toni Morrison reminds us in Beloved, the past is ripe with memories both positive and negative. Although the past may be a source of pain, it is also a powerful source of understanding, inspiration and agency. If we are careful not to be consumed by our past, that is if we are careful not to become unwilling victims to our personal and national histories, we can use this past to create self-valuation and “encourage political resistance in one's community” (West 1993, 128). For, “These modes of valuation and resistance are rooted in a subversive memory – the best of one's past without romantic nostalgia – and guided by a universal love ethic”\textsuperscript{21} (West 1993, 128).

\textsuperscript{21} Universal love ethic is defined by West as “a last attempt at generating a sense of agency among downtrodden people” (1993, 128).
The legacy of the past weighs heavily on persons here in the present. The uncomfortable memory of slavery, sharecropping and Jim Crow segregation, to name a few things, have left an undeniable mark on successive generations of African American men, women and children. Such is the case for Congressional Reconstruction efforts and affirmative action policies of the Civil Rights era. Although these marks may not be visible, they are forever present in the day to day struggles and victories that have allowed some black Americans the opportunity to occupy a seat in the coveted middle class while relegating others to the lower-middle class or, worse yet, the black underclass. With the memory of slavery and the Civil War in America's distant past and the Civil Rights Movement in its recent, we can say with great pride that a number of black families have managed to obtain and maintain their middle class footing. However, for a large number of African American families, this is not their reality. The startling infant mortality, joblessness and disparate wealth rates, between blacks and whites as a whole, indicate an enormous social and economic inequality among America's black population. In order to devise effective policy that will facilitate in the creation of wealth and security for the less fortunate members of the African American community, policy makers must first be sensitive to the narrative of their nation's past. Only in doing so, that is, only in unsilencing the past, can we demonstrate how and why the past matters and, in turn, how that understanding implicates us in our present. It is equally true that “only in the present can we be true of false to the past we choose to acknowledge” (Truillot 1995, 151). And, although that past may be painful, and uncomfortable, we need to come to terms with it if we are to solve the quagmire of African American wealth inequality in the present.
### Table 1: Parent's Occupation, Wealth and Race

<table>
<thead>
<tr>
<th>Parent's Occupation</th>
<th>Net Worth</th>
<th></th>
<th>Net Financial Assets</th>
<th></th>
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<tr>
<td></td>
<td>Whites</td>
<td>Blacks</td>
<td>Whites</td>
<td>Blacks</td>
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<td>4650</td>
<td>3890</td>
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</table>

References


U.S. Const. amend. XIII.

U.S. Const. amend. XIV.


