

First let me thank you for giving me time to speak to the Democratic Whip Task Force on Poverty, Income Inequality, and Opportunity. Chair, Congresswoman Barbara Lee has a long history of being at the forefront of discussion on inequality, and I believe this forum on 50 Years After the Kerner Commission continues this tradition.

Too often, the study of race becomes a discussion of interpersonal relations between people of different racial and or ethnic groups instead of the structural inequality that causes division and tension between communities. As I regularly state "The foundation of racial inequality is racialized economic inequality, and the foundation of economic inequality is wealth inequality." This country's racism is built upon appropriating wealth regarding land and even turning people into private property for white Americans. This continued into the 20th century with the creation of what was defacto the development of the white American middle class. The exclusions of African Americans, Latinos and Native Americans from these investments and an economy that has been concentrating wealth for those at the top has helped solidify racial economic inequality into the 21st century.

Today in 2018, African Americans have about twice the unemployment rate of white Americans as they did in 1963. African Americans and Latinos in terms of income make between 50 and 60 cents on every dollar that white Americans make and in terms of wealth have less than 5 cents on every dollar of white wealth . Using the 2016 survey of consumer finances we see that the median wealth of white Americans is about \$140,000, for Latinos it is about \$6,000 and for African Americans about \$3,000. We also see from the 2016 report "The Road To Zero Wealth" that education and income does not bridge the racial wealth divide. A white household headed by a white high school graduate has about 2x the wealth of Blacks and Latinos with college degrees, and even in the top income quintile Blacks and Latinos have \$250,000 less in median wealth than white households with only about 40% of the median wealth of whites.

Looking at median wealth growth and decline from 1983- 2016 we see that the country is on the path to an ongoing racial wealth apartheid with no prospects of Black and Latino wealth substantively catching up with white wealth. Some of the historic demands of the civil rights era are being reconsidered which is one of the few signs of hope regarding bridging racial economic inequality. We are starting to hear discussion of the need for universal full employment versus the current situation where whites are at full employment and African Americans face recessionary unemployment levels. The Road to Zero Wealth also picks up on the historic call for equitable tax and monetary policy despite the recent passing of the regressive Tax Cuts and Jobs Act of 2017. Before the 2017 Trump tax bill, almost 700 billion a year was allocated to wealth development. The great fault in this allocation is that the majority of the funding invests in wealth development for the already wealthy, further concentrating wealth inequality instead of decreasing it.

For our country to move away from the great racial inequality that has been a part of the nation since before its founding, the United States will have to dramatically shift policy and embrace in the investment of the closing of the racial economic divide. The nation will finally have to heed the call made 50 years ago by the Freedom Budget of 1966, Dr. King's

last civil rights campaign, the Poor Peoples Campaign, and the Kerner Commission we remember today. Thank you again for the time and I look forward to answering any questions you have.

- Dedrick Asante-Muhammad
Senior Fellow of the Racial Wealth Divide Initiative of Prosperity Now