



# **THE BLACK POLITICAL ECONOMY IN 2025**

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President, Joint Center for Political and Economic Studies



**JOINT CENTER**  
FOR POLITICAL AND ECONOMIC STUDIES



# The History of the Joint Center for Political and Economic Studies

Following the Black Freedom movement of the 60's that allowed for greater Black elected representatives, the Joint Center for Political Studies was founded in 1970.

Our initial mission was to assist Black leaders emerge from civil rights activism to Black elected officials. In 1990 Joint Center changed its name to the Joint Center for Political and Economic Studies, recognizing the need to focus on both political and economic power for the African American community.

Today we strive to be a primary resource of credible data, analysis, and solutions for Black community organizations, Black elected officials and Black national advocacy groups.

# Mission Statement

The Joint Center for Political and Economic Studies, America's Black think tank, provides compelling and actionable policy solutions to eradicate persistent and evolving barriers to the full freedom of Black people in America.

We are the trusted forum for leading experts and scholars to participate in major public policy debates and promote ideas that advance Black communities. We use evidence-based research, analysis, convenings, and strategic communications to support Black communities and a network of allies.





# Joint Center Areas of Concentration

## Tax and Wealth Policy

Centering Black communities in policy debates about small business, economic development, tax policy and household economic security.

## Workforce Policy

Centers Black workers in policy debates concerning the future of work, workforce development, and access to good jobs.

## Technology Policy

Explores the impact of emerging technologies and developing policy solutions to improve the lives of Black communities with a focus on Platform Accountability, Broadband Access and Adoption, and Privacy and Algorithmic Fairness.

## Government Diversity

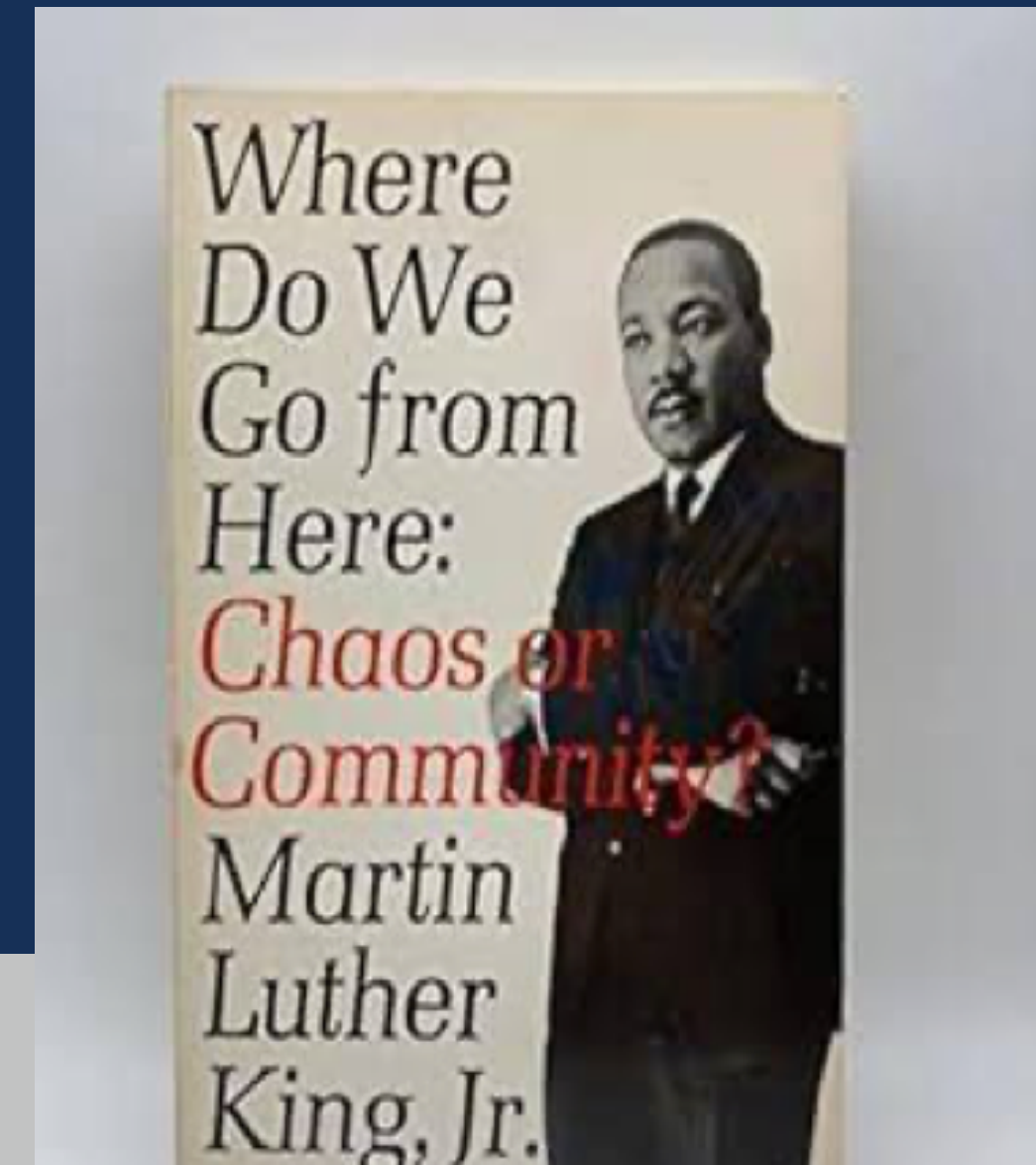
Analyzes staff diversity on the Hill and leading positions in the federal government who will make decisions that could trigger long term systemic change in federal policies and practices.



**Dedrick Asante-Muhammad**, Joint Center for Political and Economic Studies; **Chye-Ching Huang**, NYU Tax Law Center **Sharon Parrott**, Center on Budget and Policy Priorities; **Portia Allen-Kyle**, Color of Change; **Emanuel Nieves**, Liberation in a Generation







Individual Racism vs Institutional Racism - When white terrorists bomb a black church and kill five black children that is an act of individual racism deplored by most segments of the society. But when in that same city- Birmingham, Alabama – five hundred babies die each year because of the lack of proper food, shelter and medical facilities, and thousands more are destroyed and maimed physically, emotionally and intellectually... that is a function of institution racism” Black Power





The current political climate reflects a radical attempt to dismantle efforts to address institutional inequality.

The assault on diversity, equity and inclusion is taking aim at programs and policies designed to address the historic exclusion of African Americans from the federal workforce (the largest employer in the United States), Black representation in government and Black access to wealth building investments, whether through homeownership or entrepreneurship.



# Black Homebuyers Rely on FHA/VA/USDA Financing

About 60% of Black Homebuyers depend on Government backed/supported lending

2020 HMDA EXECUTIVE DATABOOK (2019 DATA)						
Share of Originations* by Loan Type and Race/Ethnicity Category						
Retail/Broker: Residential (1 to 4 Unit) Mortgage Originations						
Share of Originations Volume (% based on #)						
2017	Conventional Non-Jumbo	Conventional Jumbo	FHA	VA	USDA (RHS/FSA)	Total
Asian	71.76%	13.99%	10.36%	3.52%	0.38%	224,924
Black or African American	35.15%	1.41%	43.68%	17.44%	2.33%	248,253
Hispanic White	44.27%	1.76%	43.46%	8.05%	2.45%	351,678
Non-Hispanic White	61.88%	5.07%	18.98%	10.10%	3.96%	2,465,020
Other Minority	46.13%	2.60%	30.23%	17.78%	3.27%	38,931
Joint	52.78%	9.30%	17.29%	18.86%	1.77%	38,318
Missing	59.59%	8.68%	18.99%	11.49%	1.26%	326,336

Share of Originations Volume (% based on #)						
2018	Conventional Non-Jumbo	Conventional Jumbo	FHA	VA	USDA (RHS/FSA)	Total
Asian	74.85%	13.50%	8.11%	3.23%	0.30%	211,174
Black or African American	39.29%	1.25%	40.70%	16.70%	2.06%	248,093
Hispanic White	50.26%	1.40%	38.94%	7.22%	2.18%	327,251
Non-Hispanic White	65.31%	4.77%	16.52%	9.99%	3.41%	2,426,272
Other Minority	49.65%	2.20%	27.61%	17.30%	3.24%	28,765
Joint	55.12%	8.58%	17.95%	16.73%	1.61%	80,072
Missing	62.02%	7.49%	17.84%	11.42%	1.23%	385,059

Share of Originations Volume (% based on #)						
2019	Conventional Non-Jumbo	Conventional Jumbo	FHA	VA	USDA (RHS/FSA)	Total
Asian	75.97%	11.76%	8.29%	3.72%	0.27%	210,096
Black or African American	39.50%	1.09%	40.56%	16.87%	1.97%	266,588
Hispanic White	50.50%	1.26%	39.01%	7.28%	1.94%	352,548
Non-Hispanic White	65.65%	4.44%	16.43%	10.29%	3.18%	2,460,135
Other Minority	49.55%	1.66%	28.52%	17.27%	2.99%	30,527
Joint	56.00%	7.81%	18.07%	16.60%	1.53%	84,651
Missing	61.02%	6.65%	19.17%	11.86%	1.29%	446,928

\*Home purchase loans for principal residences (in addition to standard exclusions)

NOTE:

[1] Home Mortgage Disclosure Act (HMDA) data are sourced from the FFIEC website. Data as of June 24th 2020. Visit [www.ffiec.gov/hmda](http://www.ffiec.gov/hmda) for details on data exemptions and disclosures.

[2] These summary statistics include 1-4 unit 'closed-end' (or exempt) loans with an action type of 'originated' (no purchased loans) that are 'secured by a first lien' and exclude 'home improvement' loans or loans with 'other' and 'unknown' purposes.

[3] Subsidiary lenders have been consolidated under parent institutions where possible, though some exceptions may apply. This data is provided as is with no warranties of any kind.

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# Racial Inequality has always had economic inequality at its foundation.

**INDIAN LAND FOR SALE**

GET A HOME  
OF  
YOUR OWN  
EASY PAYMENTS

PERFECT TITLE  
POSSESSION  
WITHIN  
THIRTY DAYS

**FINE LANDS IN THE WEST**  
IRRIGATED GRAZING AGRICULTURAL  
IRRIGABLE DRY FARMING

In 1918 the Department of the Interior has been authorized to sell as follows:

State	Acres	Price per Acre	Total Price
Colorado	5,211.21	\$7.27	\$37,885.40
Idaho	17,611.00	24.85	\$437,611.35
Kansas	1,684.50	33.45	\$56,361.23
Montana	11,854.00	5.86	\$69,360.44
Nebraska	5,641.00	36.65	\$206,610.65
North Dakota	22,828.79	5.53	\$126,243.00
Oklahoma	34,664.00	\$12.14	\$420,414.16
Oregon	1,020.00	15.43	\$15,738.60
South Dakota	129,445.00	16.53	\$2,140,000.85
Washington	4,876.00	42.37	\$206,610.65
Wisconsin	2,069.00	17.00	\$35,173.00
Wyoming	865.00	28.64	\$24,773.60

FOR THE YEAR 1918 IT IS ESTIMATED THAT 350,000 ACRES WILL BE OFFERED FOR SALE

WALTER L. FISHER, ROBERT G. VALENTINE,



## Goals of The Freedom Budget of 1965

- Full employment
- Adequate minimum wage
- Farm income parity
- Guaranteed income
- Decent homes for all
- Modern health services for all
- Full educational opportunity
- Equitable tax and money policies

**Dr. Martin Luther King Jr.**  
invites you to join us in the

**POOR PEOPLE'S CAMPAIGN**

Washington, D.C. Spring 1968

**SCLC**  
Southern Christian Leadership Conference

We, the Poor People of America, demand:

- Decent Jobs and Income!
- The Right to a Decent Life!

For Information:  
Poor People's Campaign  
SCLC Washington, D.C.  
P.O. Box 37  
Crescent, Mississippi 39001  
Telephone: (601) 234-1800

**In 2020 A 10 Trillion Black/white Racial Wealth Divide**

## **Massive Racial Wealth Gaps Remain**

Attributes of wealth by race in America

	All	White	Black	Hispanic
Mean Wealth w/Durable Goods	\$718,783	\$942,730	\$135,983	\$178,511
Median Wealth, w/o Durable Goods	\$84,088	\$151,272	\$3,661	\$6,783
Population %	100.0%	76.5%	13.4%	18.3%
Total Wealth w/Durable Goods	\$111.44 trillion	\$95.62 trillion	\$4.68 trillion	\$3.49 trillion
Total Wealth w/o Durable Goods	\$105.69 trillion	\$91.18 trillion	\$4.18 trillion	\$3.14 trillion

Source: Institute for Policy Studies analysis of most recent Federal Reserve & U.S. Census data as of June 2020.





# The Negative Feedback Loop of Black Asset Poverty

## GREATER FINANCIAL RESPONSIBILITIES

Debts, pent-up demand & need for financial support from family & community means increased income go toward consumption then asset development.

## LACK OF HOUSEHOLD ASSETS

57% of Blacks are in liquid asset poverty. (Do not have enough liquid savings to replace income at the poverty level for 3 months)  
Median household income is \$36,651.

## INFERIOR PUBLIC ASSETS

Black communities most often live in areas with inferior public assets: public schools, public safety, public health, public transportation

## SEGREGATED FROM SOCIO-ECONOMIC OPPORTUNITY

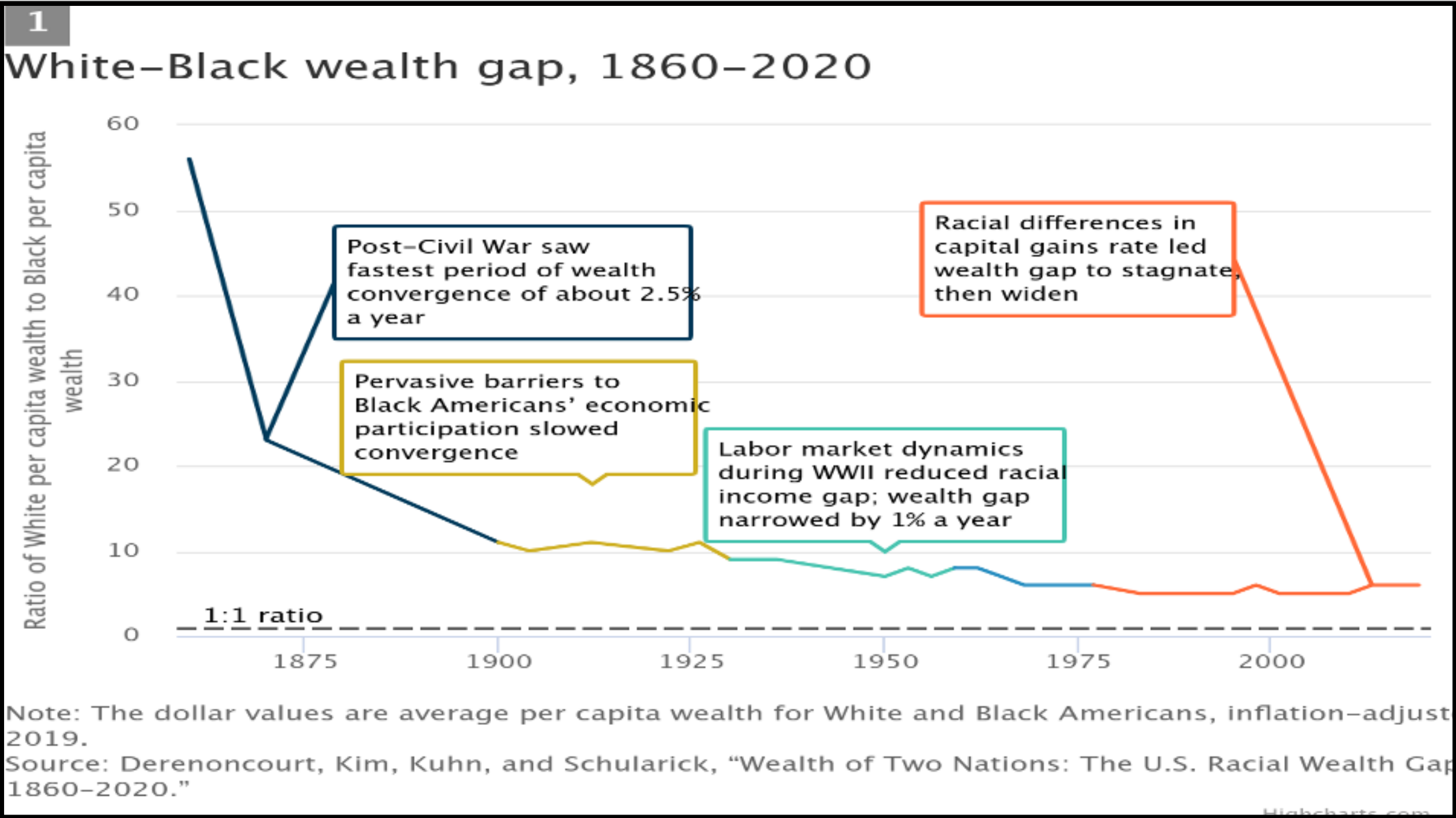
Living wage jobs and social networks are located outside of the communities asset-poor Blacks live in.

## INFERIOR SERVICE FROM THE MARKET:

Products sold in communities of asset poverty are inferior and often times more expensive than similar products available to high income communities.



# Wealth of Two Nations: The US Racial Wealth Gap, 1860- 2020



Ellora Derenoncourt



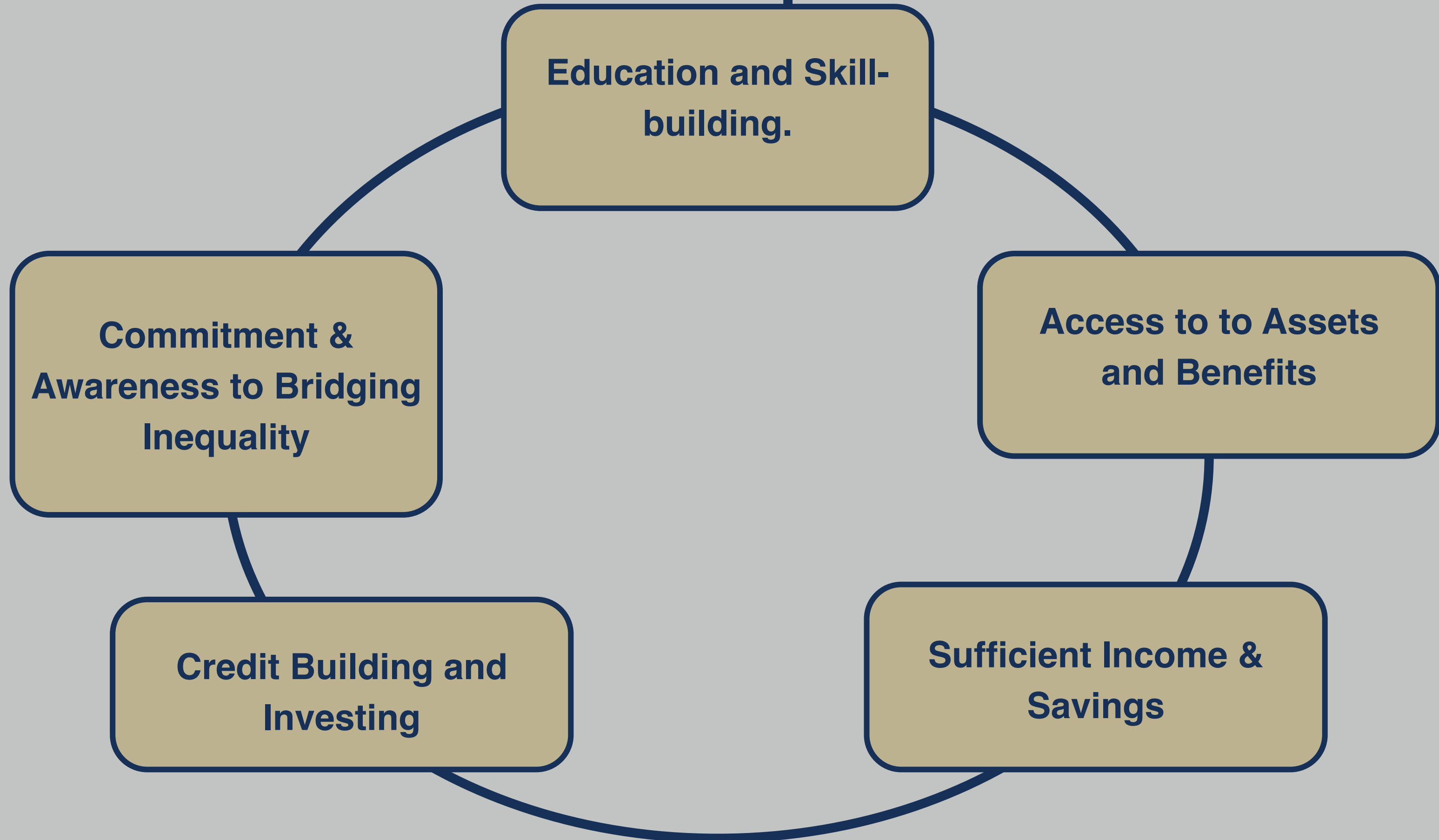
Chi Hyun Kim



Mortiz Kuhn



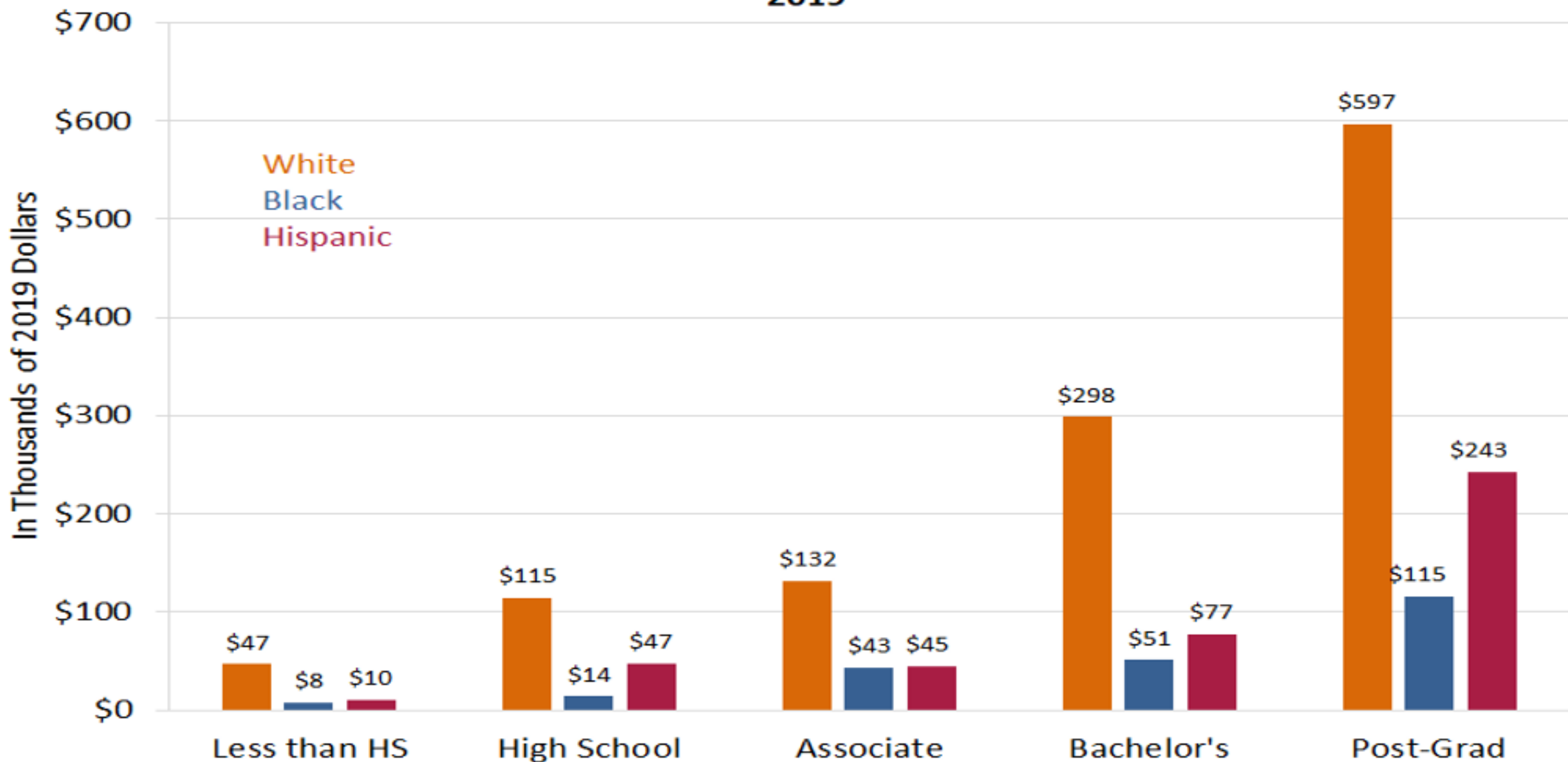
# The Positive Feedback Loop of Black Wealth Building





# Median Household Wealth by Race/Ethnicity and Education

2019



SOURCES: Federal Reserve Board's Survey of Consumer Finances and authors' calculations.



**Investing:** Building assets with a return through achieving individual and/or family Return On Investment (ROI) through knowledge and access to: building asset; access to “Safe” investment vehicles; and public incentives.

**Building Credit:** Achieving a knowledge base of credit prospects, the utilization of credit as a vehicle to support individual and/or family living and how to protect against the loss of credit through inappropriate credit decisions.

**Insurance and Benefits:** Achieving individual and/or family financial sufficiency to serve as a guard against unforeseen financial emergencies and protection of assets.

**Savings and Budgeting:** Achieving income levels, through employment, that is sufficient enough to support individual and/or family living and future saving potential, which meet daily living and/or emergencies. Savings is an essential element.

**Stable Income:** Achieving stability in achieving and maintaining financial resources with specific attention to knowledge and access to: reliable basic goods and services; quality jobs and opportunities; getting assets; and skills related to work, taxes and benefits.

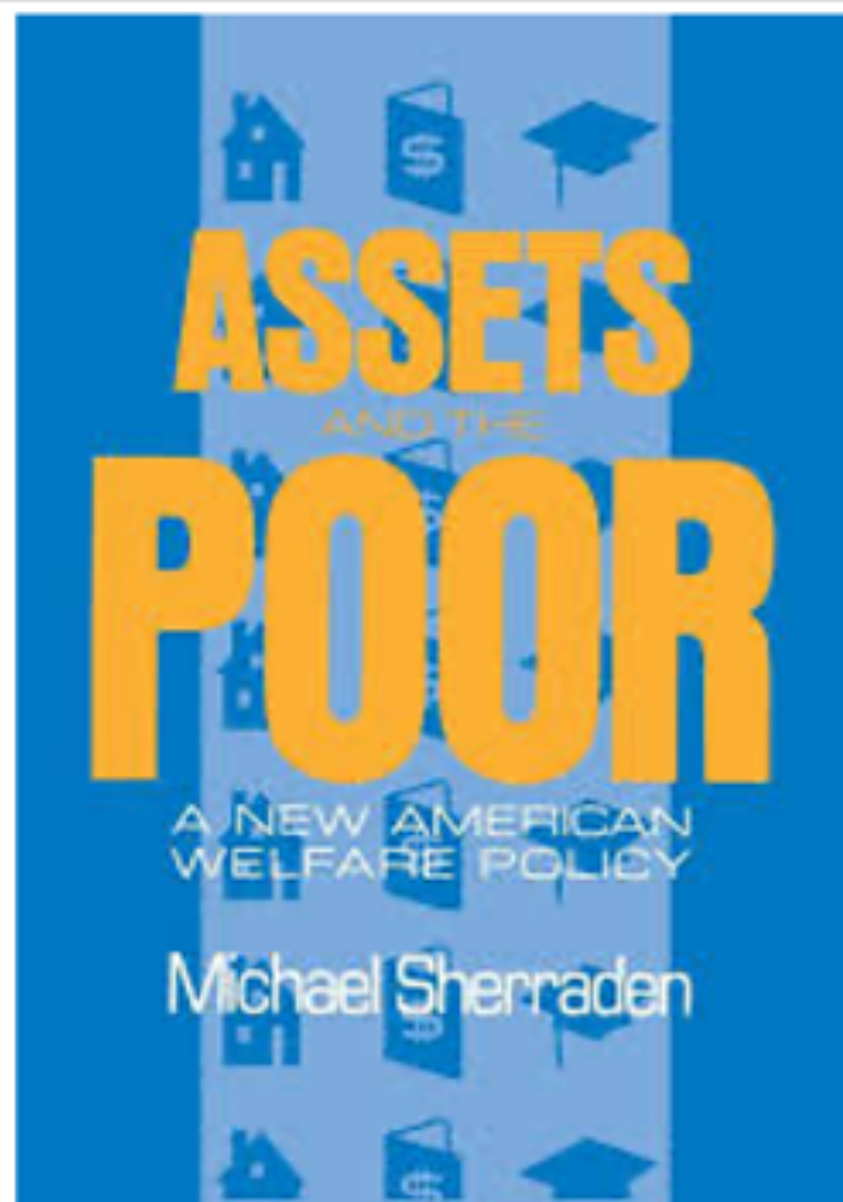
**Education and Skill-building:** Represents an enhancement of educational competency at a variety of intersecting points, including, but not limited to: K-12 education; financial education and counseling; and wealth building education.



### 3 Levels of Financial Security

1. Can pay expected incoming bills and cost.
2. Increasing financial savings and assets while paying incoming bills and expenses.
3. Attained enough wealth and assets where they become an additional income stream beyond the income from work.





Michael Sherraden's *Assets and the Poor* (1991)



Melvin Oliver and Thomas Shapiro's *Black Wealth/White Wealth* (1995)





# The Best Black Economy in Generations – And Why It Isn’t Enough

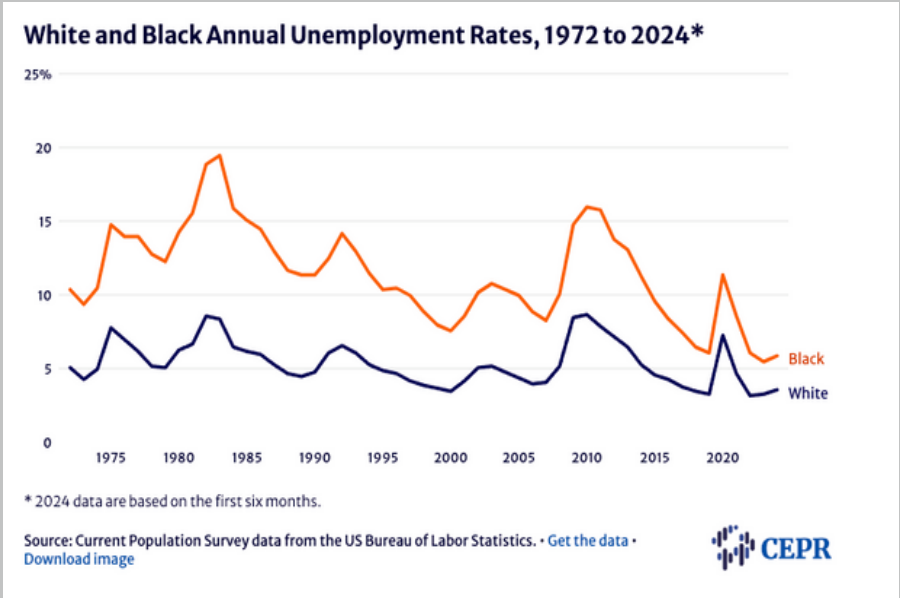
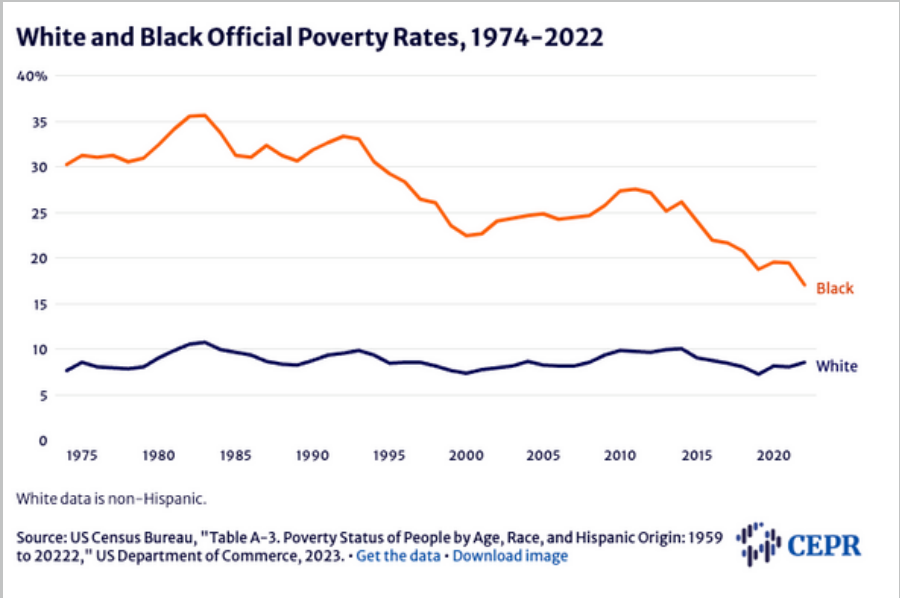
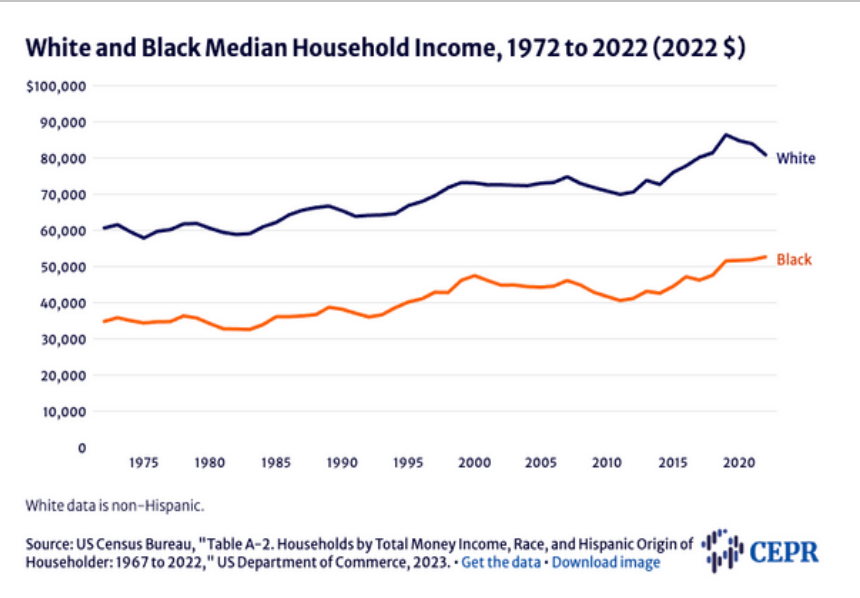
Aug. 26, 2024

Dedrick Asante-Muhammad and Algernon Austin





- 1972 to 2022, Black unemployment averaged 11.6%.
- In 2023, it was 5.5% – a record low rate.
- Since 2011, Black income has grown from about \$41,000 to almost \$53,000 in 2022, a nearly 30% increase.
- From 1959 to 1970, Black poverty declined from 55% to below 35%. The Black poverty rate stayed above 30% until 1994.
- 2025 – Median Black wealth has reached a new high.
- In 2022, median Black household wealth reached nearly \$45,000, more than double the post Great Recession low of about \$17,000 seen in 2013.





# STILL A DREAM:

## OVER 500 YEARS TO BLACK ECONOMIC EQUALITY

Black Economic Inequality 60 Years After  
the March on Washington For Jobs and Freedom



AUGUST 2023

By Dedrick Asante-Muhammad, Chuck Collins, Omar Ocampo, Sally Sim  
Institute for Policy Studies and National Community Reinvestment Coalition



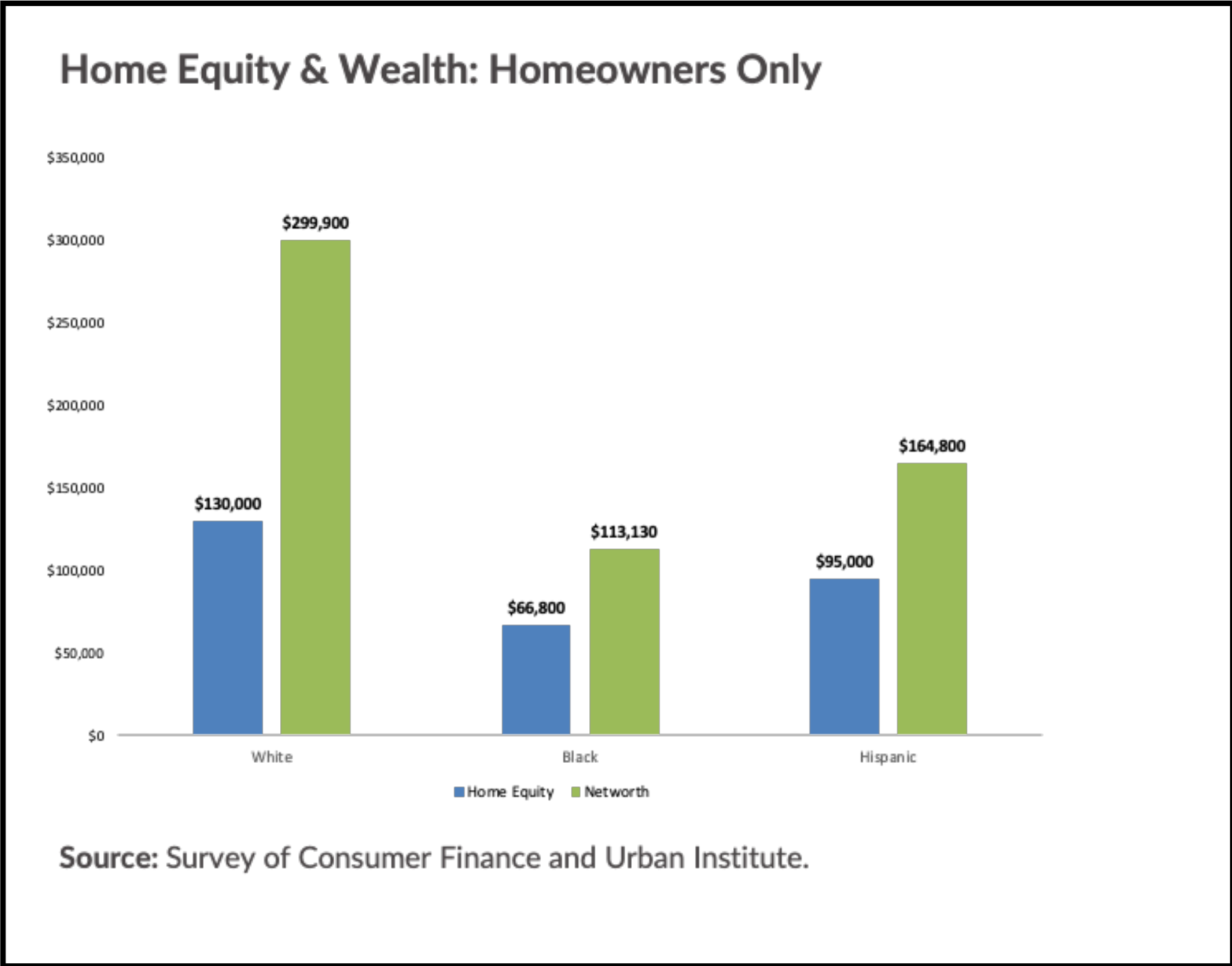
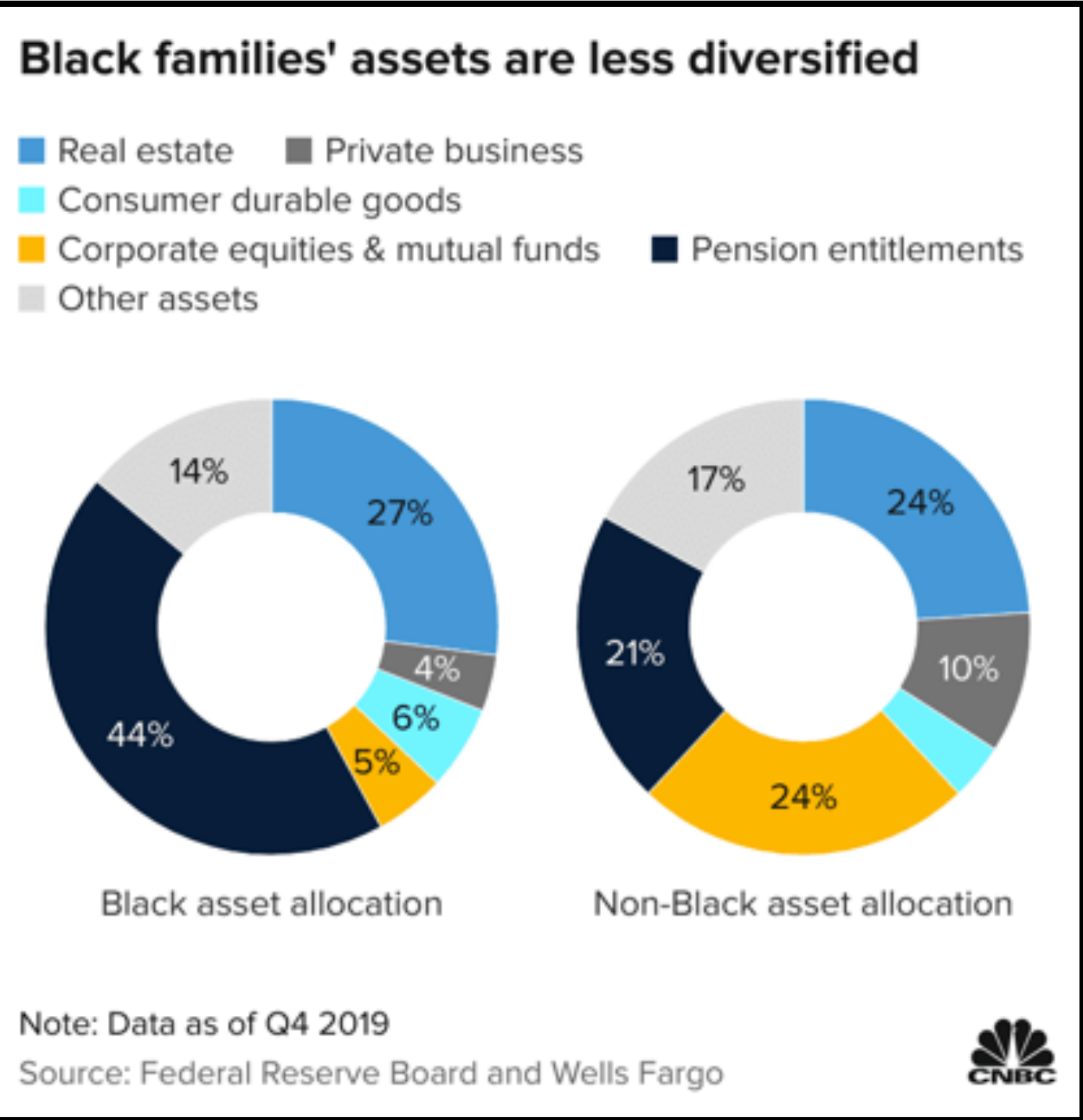
For every dollar of white family income, African Americans had 58 cents in 1967 and in 2021 African Americans had 62 cents.

With this same rate of progress, it would take Black households 513 years to reach income parity with white households.

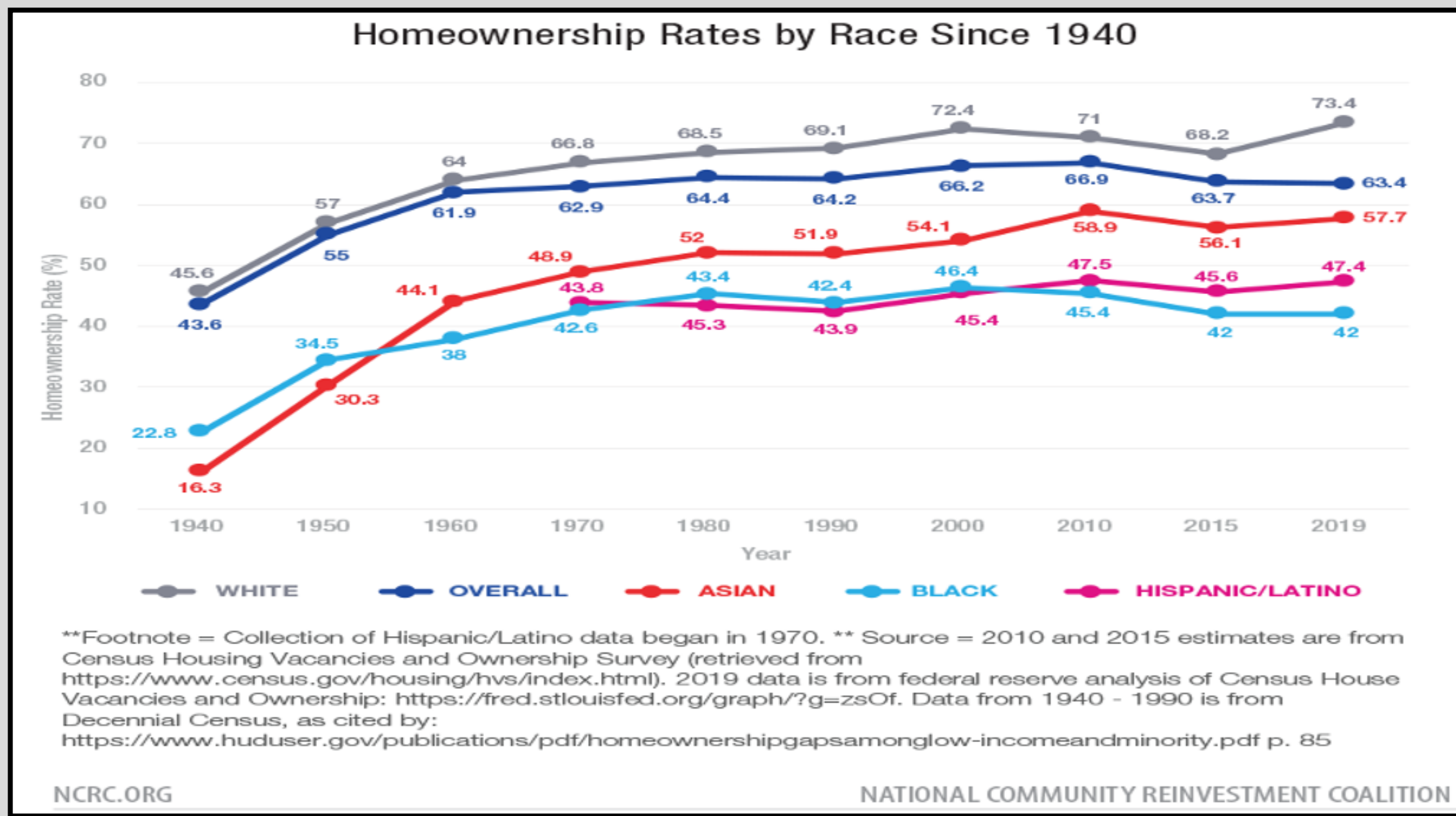
Wealth - In 1962, African Americans had 12 cents for every dollar of wealth of non-black Americans.

By 2019, African Americans had 18 cents for every dollar of wealth of non-Black Americans. At this rate it would take 780 years for Black wealth to equal non-Black wealth.

# Blacks and Latinos have less home equity than whites but their home equity is a larger part of their wealth

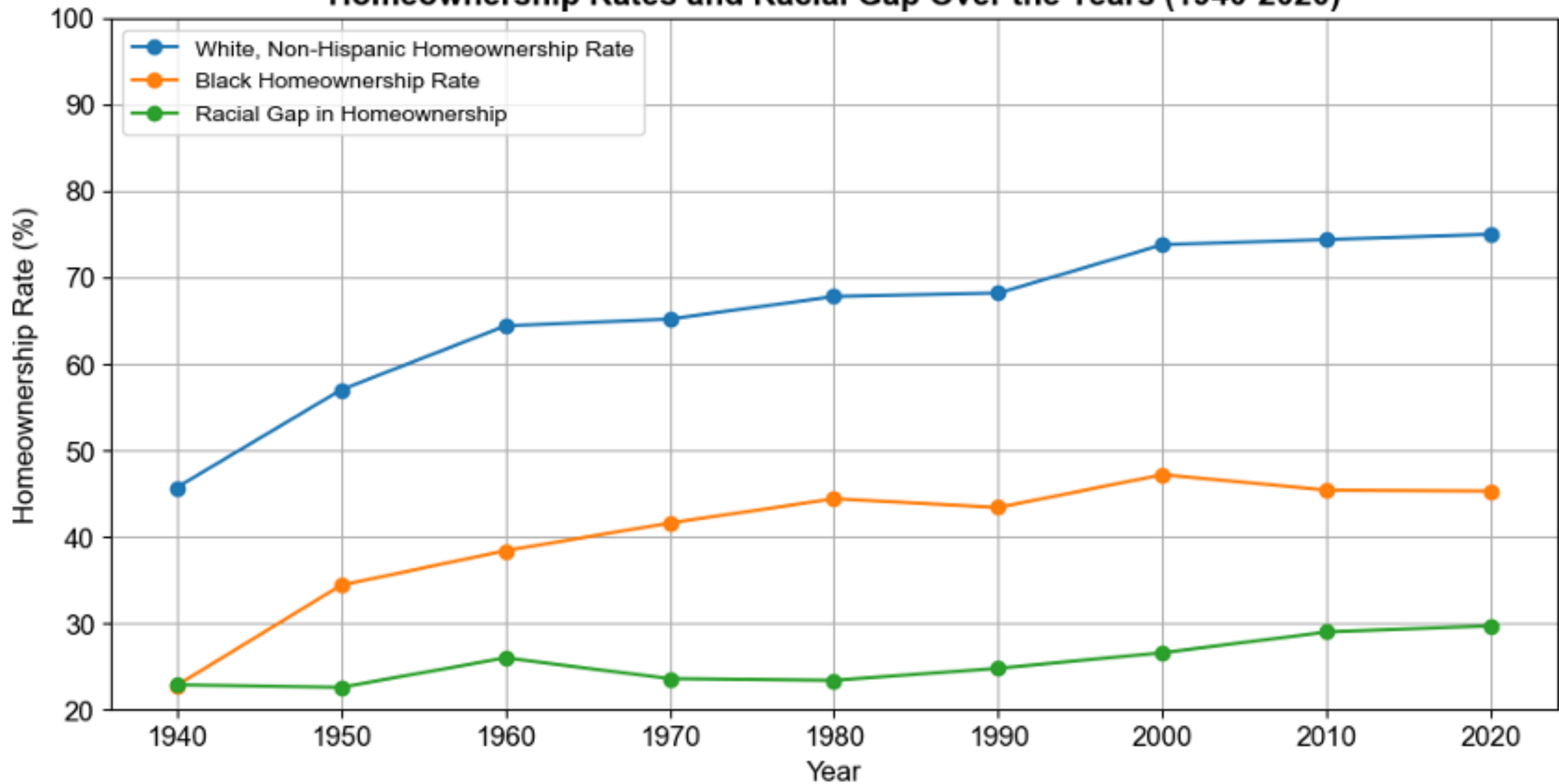






**Black homeownership increased from 38 percent in 1960 to 44 percent in 2021, an increase of 6 percent. White homeownership has increased from 64 percent in 1960 to 74 percent in 2021, a 10 percent increase. In over 60 years, there has not been a bridging of the Black-white homeownership divide.**

## Homeownership Rates and Racial Gap Over the Years (1940-2020)



Source: US Census Bureau

Homeownership rates for 1940, 1950, 1960, 1970, 1980, and 1990 are from the report, "Tracking the American Dream. 50 Years of Housing History from the Census Bureau: 1940 to 1990" by F. John Devaney.

Homeownership rates for 1994 to 2022 from US Census Bureau, Housing Vacancies and Homeownership (CPS/HVS), Annual Statistics for 2022.

From 1994 onwards, White homeownership rate is White, not-Hispanic homeownership rate.



**60% Black Homeownership: A Radical Goal For Black Wealth Development**  
**requires an estimated 90% increase or about an additional 165,000 new Black homeowners a**  
**year for 20 years**

- **Black populations with moderate incomes in geographic areas with affordable housing offer strong opportunities to increase African American homeownership.**
- **A bold federal program, such as the proposed 21st Century Homestead Act, that focuses on revitalizing large clusters of abandoned properties in cities with hyper-vacancies, paired with federal jobs programs that combine infusing greater income and homeownership opportunities targeted at African Americans, is the type of plan that needs to be explored to bridge these historic inequalities.**
- **Marshalling federal resources to address the devaluation of Black neighborhoods and enable communities to develop new and preserve existing affordable housing stock.**
- **Special Purpose Credit Programs from the Equal Credit Opportunity Act aimed at addressing racial economic inequality**



**The Forgotten  
1968 Housing and Development Act**

# 5 STEPS TO ADDRESSING RACIAL ECONOMIC INEQUALITY AT THE LOCAL LEVEL

Recognize the racial economic divide:

**“Lending Report Hamilton County 2018 – 2023” – Black households represent 25% of population but only 15% of borrowers**

**“The Road So Far” – Hamilton white homeownership rate of 70%, 33% African American**

Organize a cohort of who through coalition can strengthen advocacy and programmatic work

Endorsing organization of the Roadmap for Increasing Black Homeownership: NAACP, Urban League, LISC Greater Cincinnati, Found House, Santa Maria Community Services, etc. etc

Develop a project that will keep these institutions engaged

Integrate the goals of addressing racial economic inequality and strengthening institutions of color into the non-profit community, business leaders and associations, city leaders and agencies, foundations, community leaders and institutions

Identify quantifiable metrics to judge success of programs designed to address racial economic inequality



# Products and Services for Advancing Racial Economic Equality Small Business & Mortgages

## Standards for Increasing Racial Equity in Design, Service & Delivery

### Standards for Increasing Racial Equity in Design, Service & Delivery

**Minimum** - Train staff on the reality of structural racial/ethnic economic inequality and the depth of the racial/ethnic wealth divide.

**Level 1** - Connect clients with financial capability organizations, with a history of serving well communities of color

**Level 2** – Offer products specifically designed for the wealth and income levels common in the Black and Latino Community.

### Evaluating Racial Representation in Lending:

**Minimum** - Percentage of BIPOC mortgage and small business lending is in line with peers

**Level 1** – Lending rates to each group is equal to representation of financial institution's client base

**Level 2** – Percentage of mortgage loans given to BIPOC consumers equal to local area population share for each group

# THANK YOU



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