

**HISTORICAL CONTEXT OF RACIAL INEQUITY IN WASHINGTON, DC**

**Statement of  
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**before the  
Committee on Government Operations,  
Council of the District of Columbia**

**B23-0038 RACIAL EQUITY ACHIEVES RESULTS AMENDMENT ACT  
OF 2019**

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\* The views expressed are my own and should not be attributed to the Urban Institute, its trustees, or its funders.

Chairman Todd, Councilmember McDuffie, and members of the Council, thank you for the opportunity to provide testimony on racial equity in the Washington, DC, metropolitan area. My name is Kilolo Kijakazi, and I am an Institute fellow at the Urban Institute in Washington, DC. I offer my testimony today not to support or comment on a specific piece of legislation but to encourage engagement by the Council and community members in the issues related to racial equity in the DC metropolitan area. The views expressed here are my own and should not be attributed to any organization I am affiliated with, their trustees, or their funders.

In 2016, the Urban Institute, in collaboration with The New School, Duke University, and the Insight Center for Community Economic Development, released *The Color of Wealth in the Nation's Capital* (Kijakazi et al. 2016), a report on racial inequity. Our research found several significant disparities:

- In 2014, White households in the Washington, DC, metropolitan area had a net worth 81 times greater than Black households. This disparity is not explained by differences in education level: the typical Black household in which the head had a graduate degree had less than half the net worth of a White household in which the head had only a high school degree.
- Forty-five percent of Black household heads had a bachelor's degree or higher, compared to 80 percent of White household heads.
- Homeownership rates and home values in the DC metropolitan area were significantly lower for Black families than for White families: 78 percent of Whites owned homes with a median value of \$375,000, compared with 58 percent of Black people whose homes had a median value of \$250,000. Again, this is not explained by differences in education level since 61 percent of Black household heads with a bachelor's degree or higher owned their own home, compared with 81 percent of White household heads with only a high school diploma.
- There was racial parity in business ownership in the DC metropolitan area: about 9 percent of White households and Black households owned businesses. However, when we examined sales in DC, in 2012, the share of private-firm business receipts received by Black owners was only 9 percent, while the share received by White owners was 82 percent. The share of business receipts held by Black business owners was 37 percent lower than it would be if receipts were distributed equitably by race. Conversely, the share of business receipts held by White business owners in DC was 130 percent higher than it would be under a racially equitable distribution.
- In 2014, US Census data showed that Black unemployment rate in Washington, DC, was six times higher than the White unemployment rate.

This study also identified structural racism as the root cause of these disparities and documented the history of policies, programs, Supreme Court decisions, and institutional practices that have driven racial inequality in the DC metropolitan area. Examples of these structural barriers are

- government policies that supported the bondage and sale of people of African descent for the enrichment of White people (Lewis 2015; Morley 2012);
- the disenfranchisement of District residents, thus preventing them from ending the enslavement of Black people earlier;
- failure to fully implement Reconstruction and provide land to Black people who had been held in bondage (Frohen 2008);

- violent attacks on Black people and communities by White people, destroying individual and community assets (Krugler 2015; Lewis 2015; Morley 2012);
- requiring free Black people to pay taxes, but forbidding them to attend public schools, causing them to pay again to build and be educated in private schools (Gillette 2006);
- preventing Black people from attending White colleges and universities, such as Georgetown, even though this university prospered from the bondage and sale of Black families;<sup>1</sup>
- outlawing lucrative forms of entrepreneurship and skilled private-sector jobs for Black people, and severely restricting employment by Black people in government jobs (Gillette 2006);
- using restrictive racial covenants to prevent Black people from buying White-owned houses;<sup>2</sup>
- using redlining to limit loans to Black and mixed-race communities (Hillier 2005);
- demolishing the predominantly Black Southwest neighborhood for urban renewal without providing sufficient alternative housing (Gillette 2006; Lewis 2015);
- targeting communities of color for subprime loans even when they qualified for prime loans (Argarwal and Evanoff 2013); and
- destroying self-sufficient Black neighborhoods by routing highways through them. This includes the original Barry Farms, a community created by 500 freed Black families who worked and bought land from the Freedman’s Bureau by contributing a portion of their earnings every month for two years, then built their homes along with churches and schools (Lewis 2015; Williams 2016).

Elimination of the effects of structural racism will require policy change to achieve racial equity. I commend the Council on its efforts.

Thank you for the opportunity to testify today.

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<sup>1</sup> “History,” Georgetown University, accessed October 18, 2016, <https://www.georgetown.edu/about/history>.

<sup>2</sup> “Racially restrictive covenants refer to contractual agreements that prohibit the purchase, lease, or occupation of property by a particular group of people, usually African Americans. See “1920s–1948: Racially Restrictive Covenants,” The Fair Housing Center of Greater Boston, accessed October 19, 2016, <http://www.bostonfairhousing.org/timeline/1920s1948-Restrictive-Covenants.html>.

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