



Metro United Way

POLICYCARDS

THE RACIAL WEALTH

Learning Simulation



INSTRUCTIONS



In your group, you are responsible to assign half of the people as a “White participant” and the other half as a “Black participant.” Ideally, in cases when participants know each other, please make sure that each participant has a race card different from his or her own identity.

There are three action cards (“Money,” “Land,” and “Lost Opportunity”) and 13 policy cards. Starting with a participant with a “White” race card, each participant will take turns reading a policy card to the group, and then reading the action(s) on the card for participants to carry out. The person reading should pause so that everyone can carry out their action(s). Participants will gain or lose one, two, or all three cards in each round and should keep tally on a sheet of paper. At the end, count how many cards you have. Then proceed with the debrief questions provided on the final slide.

POLICY# 1



Andrew Johnson's Land Policies and Sharecropping

After the Civil War, only 30,000 African Americans owned small plots of land, compared to 4 million who did not because an 1865 federal law rescinded the government's promise of 40 acres of land for former slaves. These 4 million Black people largely resorted to renting the farm land of their previous master in exchange for a "share" of their crop. This system of "sharecropping" tied farmers to their former master because they were legally obligated to BUY all farming materials (usually at higher prices) and SELL their farming crops solely to their former master (usually at lower prices).

ACTION

Black participants

Pick up one land card and one money card to represent the less than 1 percent of African Americans who were able to own land and not face debt after slavery. Unfortunately, Black participants should also pick up four lost opportunity cards for the 4 million African Americans who had to sharecrop and were denied the initial promise of land ownership. Buying farm supplies from the landowner at higher prices, only to sell their crops back at lower prices, resulted in African Americans facing higher levels of debt and higher rates of hunger.

POLICY# 2



Land Seizures (Present Day)

From 1865 on, Black people could have their land seized to pay sharecropping debts- or simply because White landowners declared that Black farmers or businesses were in debt. Black people could not fight these charges because they were legally prohibited from suing White people in court. In addition, from 1949-1970, one million people lost their land to abuses of the power of eminent domain, which allows local governments to seize private property. About 70 percent of these families were African American.

ACTION

White participants

Pick up one land card and two money cards for having the legal ability to seize the land of Black farmers and business owners, increasing your income and reducing your vulnerability to hunger.

Black participants

Return a land card for the land lost under land seizures. Also return a money card for the tens of millions of dollars lost from no longer having land to help earn an income and grow food to eat.

The National Housing Act of 1934, Part 1

Policies under this law guaranteed federally-backed loans to White people and legally refused loans to Black people and anyone else who chose to live in or near Black neighborhoods. This practice, known as "redlining," targeted entire Black neighborhoods and identified them as "Grade D." This made it nearly impossible for appraisers in the private sector to do business in Black neighborhoods because all the residents were considered bad credit risks.

ACTION

White participants

Pick up one land card and one money card for the equity gained in purchasing homes not near Black neighborhoods. Equity increased a family's ability to save for future needs.

Black participants

Do not pick up any land cards because of the inability to purchase homes. Do not pick up any money cards since it was illegal to lend to Black people, preventing them from building equity and weakening their ability to save for future needs.

POLICY# 4



The National Housing Act of 1934, Part 2

Since this legislation prevented Black people from receiving federally-backed home mortgages, White people usually purchased homes in Black neighborhoods and then sold "housing contracts" to Black people who wanted to become homeowners, often for two or three times the amount of the mortgage. These contracts only guaranteed Black families the rights to the house AFTER all the payments were complete. Missing even one payment, or being late, would result in the Black family losing their house immediately.

ACTION

White participants

Pick up two land cards for being able to legally purchase homes at the market rate and pick up two money cards for the equity earned from homeownership.

Black participants

Pick up one land card for signing a contract for a home in hopes of becoming a homeowner one day. Do not pick up any money cards because contracts stripped additional income and wealth from several generations. Also pick up one lost opportunity card because of the higher interest paid and less equity earned once the home was actually purchased.

The Social Security Act (1935)

This act excluded farmworkers and domestic workers, who were predominantly Black, from receiving old age and unemployment insurance. Although Social Security was meant to help those affected by the Great Depression, and African Americans were twice as likely as the "average" American family to face hunger during this time, 65 percent of African Americans were ineligible to receive Social Security.

ACTION

White participants

Pick up one money card for being able to benefit from unemployment and old age insurance during a very grim time in American history.

Black participants

Pick up one lost opportunity card for the inability to benefit from unemployment insurance even though African Americans were between two and three times as likely as White people to experience poverty and hunger.

POLICY# 6



The Fair Labor Standards Act of 1938

This was enacted to help bolster the economy and get the country out of the Great Depression, but it excluded tip-based jobs and other jobs predominantly held by Black workers - including servers, shoe shiners, domestic workers, and Pullman porters - from this first-ever minimum wage legislation. Even though the Black unemployment, hunger, and poverty rates were at least twice those of White people during the Great Depression, the very policies meant to alleviate economic strain were withheld from the Black community.

ACTION

White participants

Pick up one money card for benefiting from the minimum wage to make their families less vulnerable to hunger and poverty.

Black participants

Pick up one lost opportunity card for being stuck in tip-based occupations that did not offer a minimum to help families survive during the Great Depression. This made it even harder for them to get back on their feet and build for the future.

POLICY# 7



The G.I. Bill of 1944

This was enacted to help World War II veterans adjust to civilian life by providing low-cost home mortgages, low-interest business loans, tuition assistance, and unemployment insurance. Unfortunately, Black veterans were excluded from many of these benefits.

ACTION

White participants

Pick up two money cards and one land card for the opportunities you received, such as government-guaranteed housing loans, which helped to build the American “middle class.”

Black participants

Only one Black participant picks up a money card, representing the few African Americans who had access to some benefits of the GI Bill. All Black participants pick up one lost opportunity card for not being able to benefit from the GI Bill even though they too had fought for the United States in World War II.

Overturn of "Separate but Equal" Doctrine

Although the "Separate but Equal" Doctrine was declared unconstitutional in 1954 (Brown vs. Board of Education), American schools are more racially segregated today than at any other time in the past four decades. Academic success is less likely in predominately low-income Black neighborhoods. Black students are five times as likely to live in an area of concentrated poverty, with underfunded, understaffed, and overcrowded schools. This leaves Black students with limited education, and many often settle for minimum-wage jobs that offer little hope of advancement or better pay.

ACTION

White participants

Pick up two money cards for having up to \$733 higher annual per-student spending on education than Black students. This contributes to a greater likelihood of attending college and later getting a higher-paying job.

Black participants

Pick up only one money card to represent the 75 percent high school graduation rate among African American students, compared to 88 percent among White students. Also pick up one lost opportunity card for the lower student spending that helps funnel many Black students into low-wage work after high school.

POLICY# 9



Subprime Loans

Starting in the 1970s and continuing today, the private sector issued subprime loans (loans with higher interest rates) to Black families almost exclusively - regardless of a family's income, education, or good credit history. As a result, Black people continue to unfairly pay more for homes of the same value as their White counterparts. This increases foreclosure rates among Black people, which also contributes to higher food insecurity levels.

ACTION

White participants

Pick up two land cards and two money cards for securing good interest rates on homes.

Black participants

Black people were forced into subprime mortgages as their only option for more than three generations - stripping income and wealth from the Black community. High-income Black people were 80 percent more likely to lose their homes than high-income White people when the housing bubble burst in 2008, and 240,000 Black people lost their homes. Therefore, Black participants pick up only one land card and one money card.

POLICY# 10



The War on Drugs

The War on Drugs, initiated in 1971 and continuing today, widened the racial wealth gap with policies targeting Black and Brown communities. Although rates of using and selling drugs are comparable across racial lines, Black people are up to 10 times as likely to be stopped, searched, arrested, prosecuted, convicted, and/or incarcerated for drug violations as White people. Since this means that Black families are up to 10 times as likely to have a family member sent to prison, they are more than 10 times as likely to fall into hunger because of incarceration.

ACTION

White participants

Return two money cards for the more than \$180 billion in tax dollars that it costs to maintain mass incarceration today. Also pick up one lost opportunity card since these taxpayer dollars could instead be used to support programs that end hunger and poverty in the United States.

Black participants

Combined, debt and property depreciation increase hunger and poverty rates within the Black community. Return two money cards for being more likely to be incarcerated than White people and owing debts of about \$13,000 per household in fees and court costs when a family member is incarcerated. Return one land card for the estimated \$11 billion in lower property values in many African American communities caused by the return of large numbers of people from jail or prison.

POLICY #11



Life After Incarceration: Consequences of the War on Drugs

When people are released from jail or prison, they are hoping for a second chance. But they face more than 48,000 separate restrictions, known as collateral consequences. Some examples of lifelong penalties include being denied the right to vote in some states, being prohibited from applying to higher-paying jobs, being ineligible to participate in social safety net programs such as SNAP (the Supplemental Nutrition Assistance Program, formerly food stamps), and other restrictions, such as being banned from getting a barber's license. Since Black people are up to 10 times as likely as White people to be stopped, arrested, and sentenced, they are also up to 10 times as likely to face these restrictions.

ACTION

Black participants

There are five times as many Black people as White people returning home with criminal records. Pick up two lost opportunity cards to represent how Black communities are more likely to fall into hunger because so many returnees are unable to reintegrate into society, get a Job, and/or access SNAP benefits.

POLICY #12



Employment Discrimination

Although racial discrimination in the workforce was legally abolished in 1964 with the Civil Rights Act, racial discrimination continues among all educational levels and job sectors. For example, Black people are twice as likely not to be called back after they complete job applications or interviews. In addition, the gap between the hourly pay of Black people and White people has grown from \$3.55/hour in 1979 to \$6.73/hour in 2016.

ACTION

White participants

Pick up two money cards for being twice as likely to receive a call back for a job and for earning an average of \$14,000 a year more than your Black peers.

Black participants

Pick up two lost opportunity cards for being two times less likely to receive a job callback and for earning an average of \$14,000 a year less than your White peers. Doing the math shows that racial discrimination in the workforce costs Black workers at least \$600,000 over the course of their working years.

POLICY #13

Voting Restrictions



Voting is key to ending hunger. As early as 1890, Black people faced organized campaigns to prevent them from voting, including biased "literacy tests," poll taxes, and lynching. In 1965, the Voting Rights Act passed, making efforts to prevent voting illegal. But today, people returning from jail or prison (who are disproportionately Black) are denied the right to vote in many states. In addition, as recently as 2017, states have proposed "Voter ID" laws, which would require voters to have government-issued identification. It is more difficult for African Americans to obtain these - one in four face barriers, compared with one in 10 White people. Barriers include, for example, having to pay up to \$150 for an acceptable copy of a birth certificate and Social Security card, travel costs, and time taken off from work.

ACTION

Black participants

Pick up one lost opportunity card for: (1) being prevented from voting in the early 1900s, when the votes of Black people might have prevented some of the harmful laws mentioned in this simulation from being enacted, and (2) still facing voting restrictions that disproportionately impact Black communities and weaken efforts to improve policies that end hunger and poverty.

DEBRIEF



How many money, land, and opportunity lost cards does each participant have? After counting, feel free to discuss these questions with your group!

- Tell your group about your experience. How did it feel to be a "Black" or "White" participant?
- What was something that you learned or found the most interesting?
- What trends did you see in this simulation?
- How did these policies make generational impacts?
- What was the role of land or credit in the creation of wealth?
- How do you see the racial hunger, income, and wealth gap play out in your home communities?
- What are some ways you can apply a racial equity lens in your work?



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PEAR
STRAW

THANK YOU

