

**Meeting Materials Part 4 Table of Contents**

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AGENDA ITEMS 4, 7, 8, and 16

ADDITIONAL AVAILABLE WITNESS  
STATEMENTS AND PRESENTATIONS  
(Not all witnesses have submitted written  
statements and presentations)



Dr. Bruce  
Appleyard

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Associate  
Professor of City  
and Regional  
Planning  
San Diego State  
University

# Testimony for AB 3121: Task Force to Study and Develop Reparation Proposals for African Americans

# American Apartheid

In thinking about reparations and infrastructure we need to think about the larger ecosystem of transportation, housing, and land use and the ways the public and private sectors have created inequities and harms to African Americans through a multi-dimensional and systematic array of discriminatory policies from the Federal Government on down.

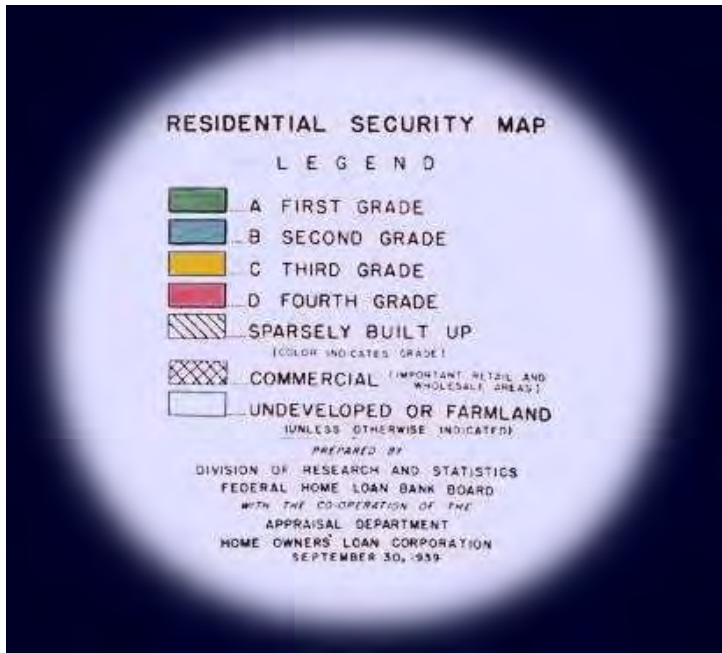
This effectively created a unique form of American Apartheid that must be corrected.

To give an overview, African Americans have been harmed in the following ways:

1. By being barred from mortgage assistance in their own communities.
2. By the building of highways through their communities that tore them apart and barricading them off from opportunities.
3. Through displacement and community severance from urban renewal and eminent domain
4. By being forbidden from buying houses in the white, affluent suburbs - unable to access schools and other career advancing opportunities.
5. By being less served by the bus transit system they relied upon for mobility.
6. By being more vulnerable in the streets to both police and traffic violence.
7. By being overrepresented in the homeless population.

**Issue:** And now African American communities are vulnerable to displacement and community severance that can come from the growing forces of gentrification.

# Harm #1: Redlining and Lack of Support for Mortgages



The Federal government, starting in the 1930s, furthered discriminatory practices first by discouraging the refinance of at-risk loans in and near African-American neighborhoods through the policy known as "redlining", where the Home Owners Loan Corporation (HOLC), working in concert with local real estate agents, marked Black communities with red and gave them a grade of D or "hazardous investment". In tandem, the Federal Housing Administration (FHA) seriously limited the insurance of mortgages in these communities, and the banks followed suit. In effect, the Federal Government, working with locals, actively crippled African Americans in their ability to buy and secure homes in their own communities, effectively lowering home values, wealth creation, and the ability to move up to the middle class.

Graded based on risk for investment.

Green Areas

Safest Investment

Blue Areas

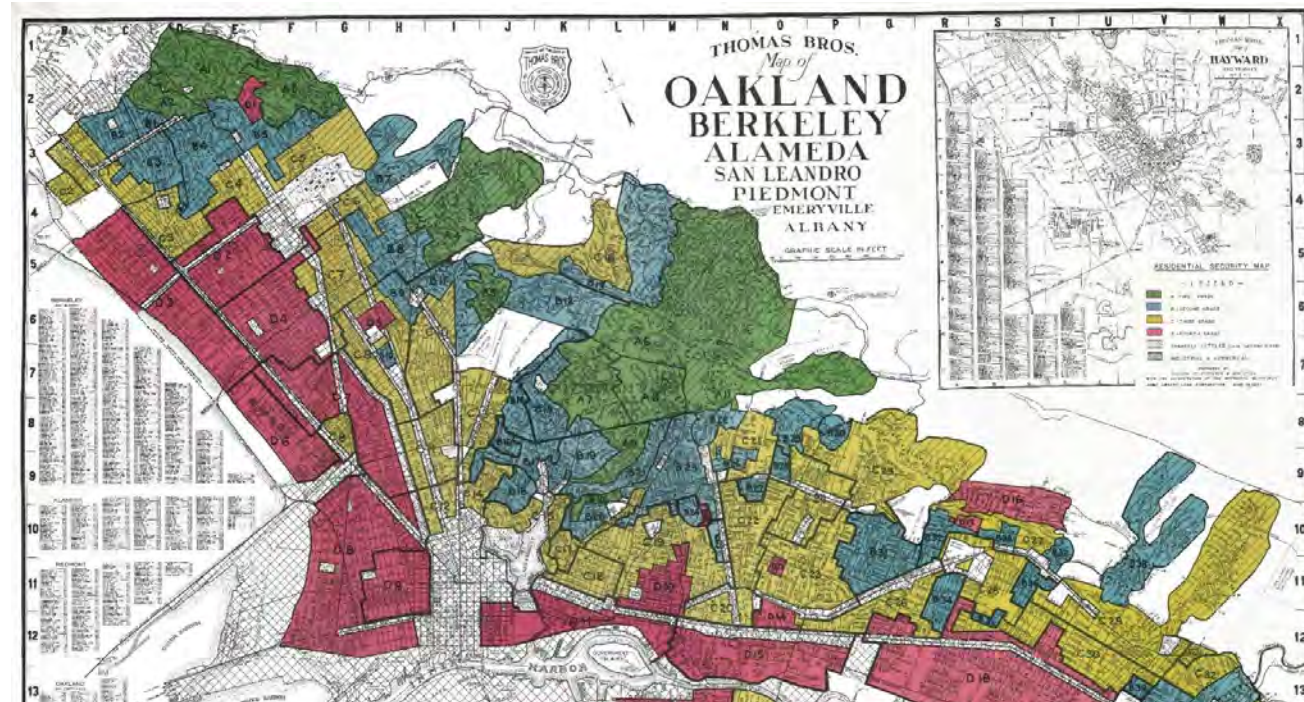
Mostly safe investment

Yellow Areas

Risky investment

Red Areas

Hazardous investment



**UNDERWRITING  
MANUAL**

UNDERWRITING AND VALUATION PROCEDURE  
UNDER TITLE II  
OF THE  
NATIONAL HOUSING ACT

FEDERAL  
HOUSING ADMINISTRATION

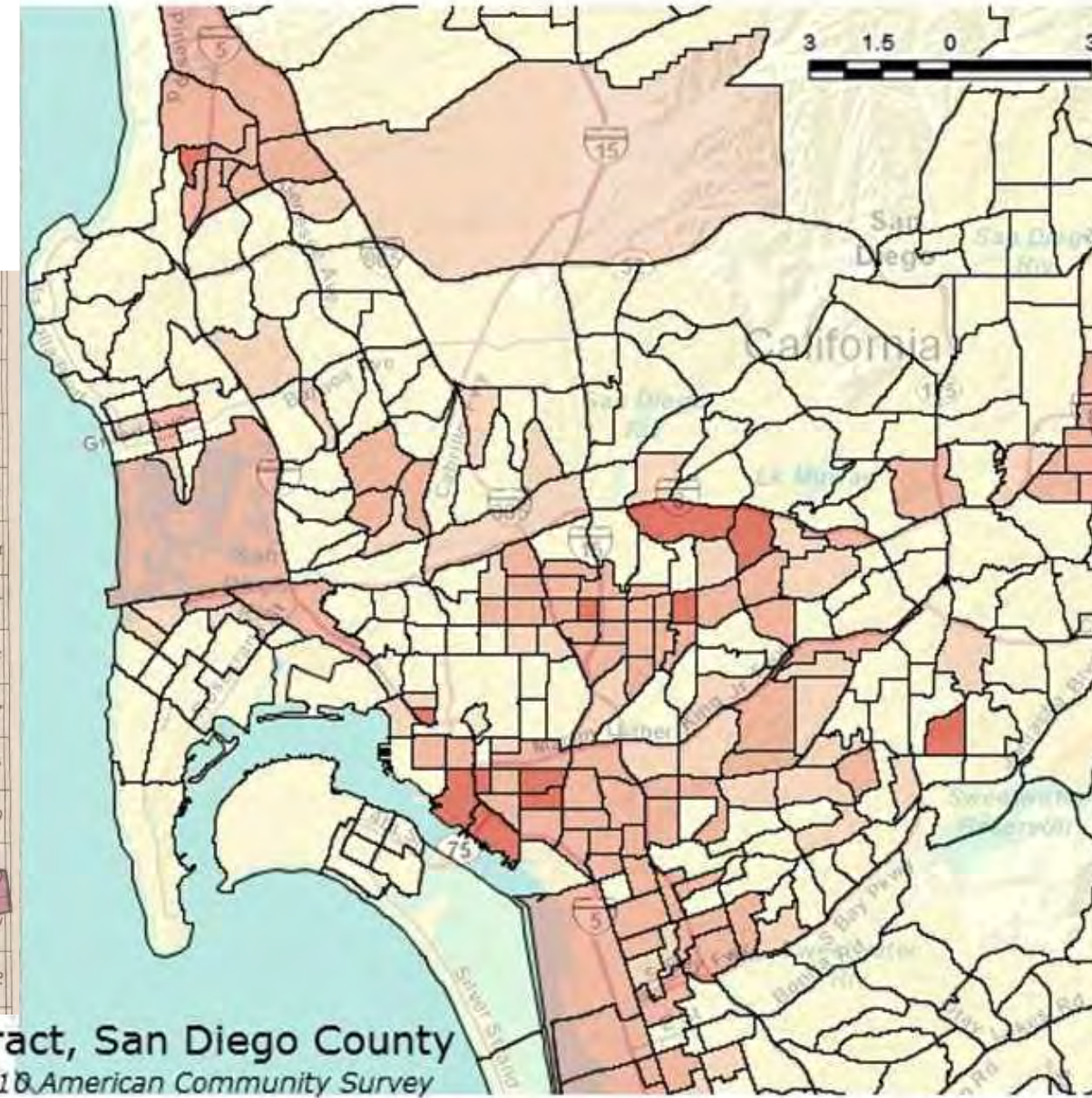
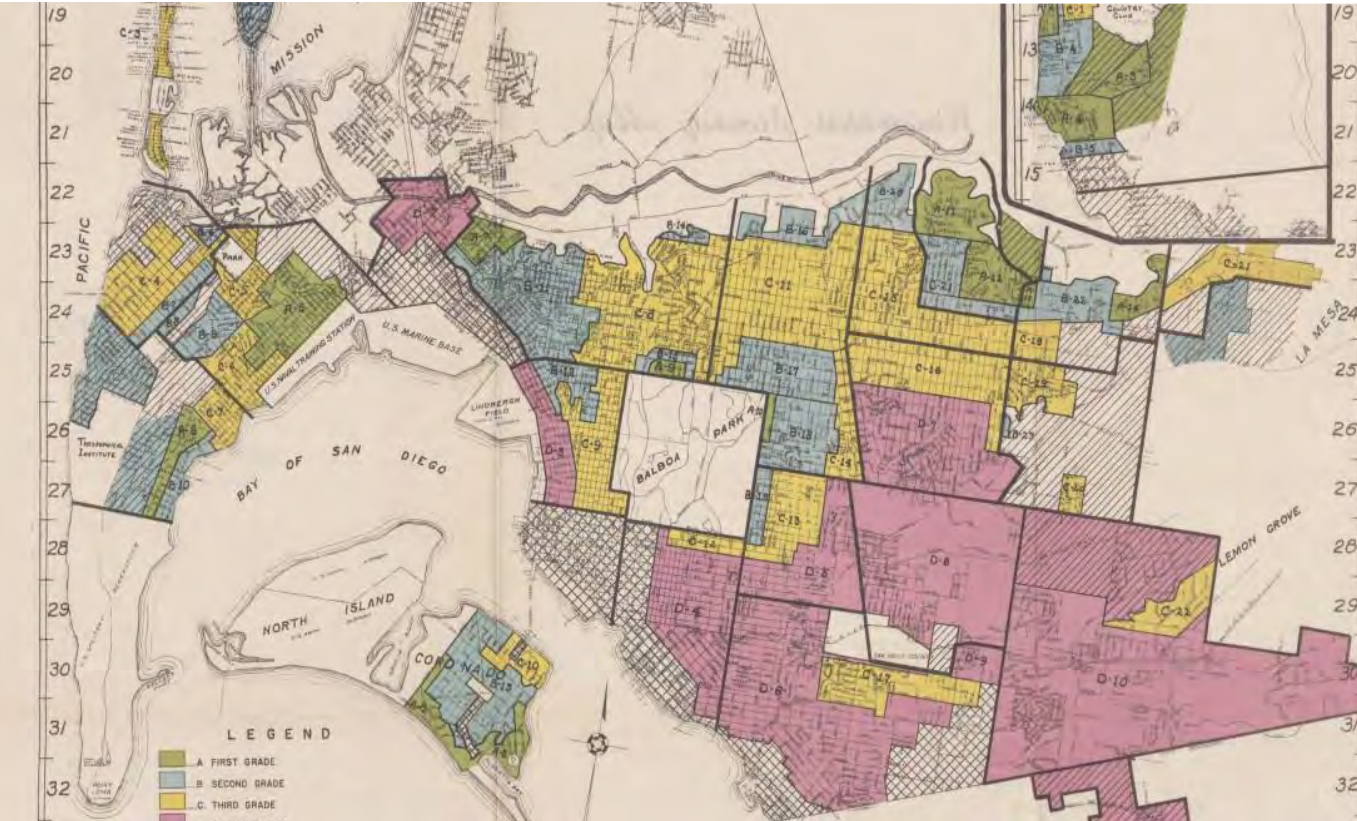


WASHINGTON, D. C.

The FHA discouraged banks from making any loans at all in urban neighborhoods rather than newly built suburbs; according to the FHA Underwriting Manual, “older properties . . . have a tendency to accelerate the rate of transition to lower class occupancy.”

If you couldn't obtain FHA backed loans, you were subject to predatory lending practices with high interest rates and punitive terms.

# Redlining and Poverty Rates



**Poverty Rate by Census Tract, San Diego County**  
Source: U.S. Census Bureau, 2006-2010 American Community Survey



## Harm #2: Highway Building

Another major harm came in the way of highway development through Black neighborhoods that forcibly carved and ripped up whole communities while walling them off from otherwise adjacent opportunities.

A freeway also impacts with noise, pollution, community severance, and traffic violence, which I discuss more below (Appleyard et al. 2021).



# Oakland 1946



UNDERWRITING  
MANUAL

UNDERWRITING AND VALUATION PROCEDURE  
UNDER TITLE II  
OF THE  
NATIONAL HOUSING ACT

FEDERAL  
HOUSING ADMINISTRATION



WASHINGTON, D. C.

The FHA favored mortgages in areas where boulevards or highways served to separate African American families from whites, stating that “[n]atural or artificially established barriers will prove effective in protecting a neighborhood and the locations within it from adverse influences, . . . includ[ing] prevention of the infiltration of . . . lower class occupancy, and inharmonious racial groups.”

## Detroit, MI

Hastings Street (Looking North) 1959



Chrysler Freeway (Looking North) 1961



0993

# Detroit, MI



SAN FRANCISCO ←

Mclaughlin Eastshore State Park

THE CYPRESS FREEWAY CUT THROUGH THE MIDDLE OF WEST OAKLAND FROM 1957 UNTIL AN EARTHQUAKE KNOCKED IT DOWN IN 1989. IT THEN MOVED WEST AND BECAME I-880.

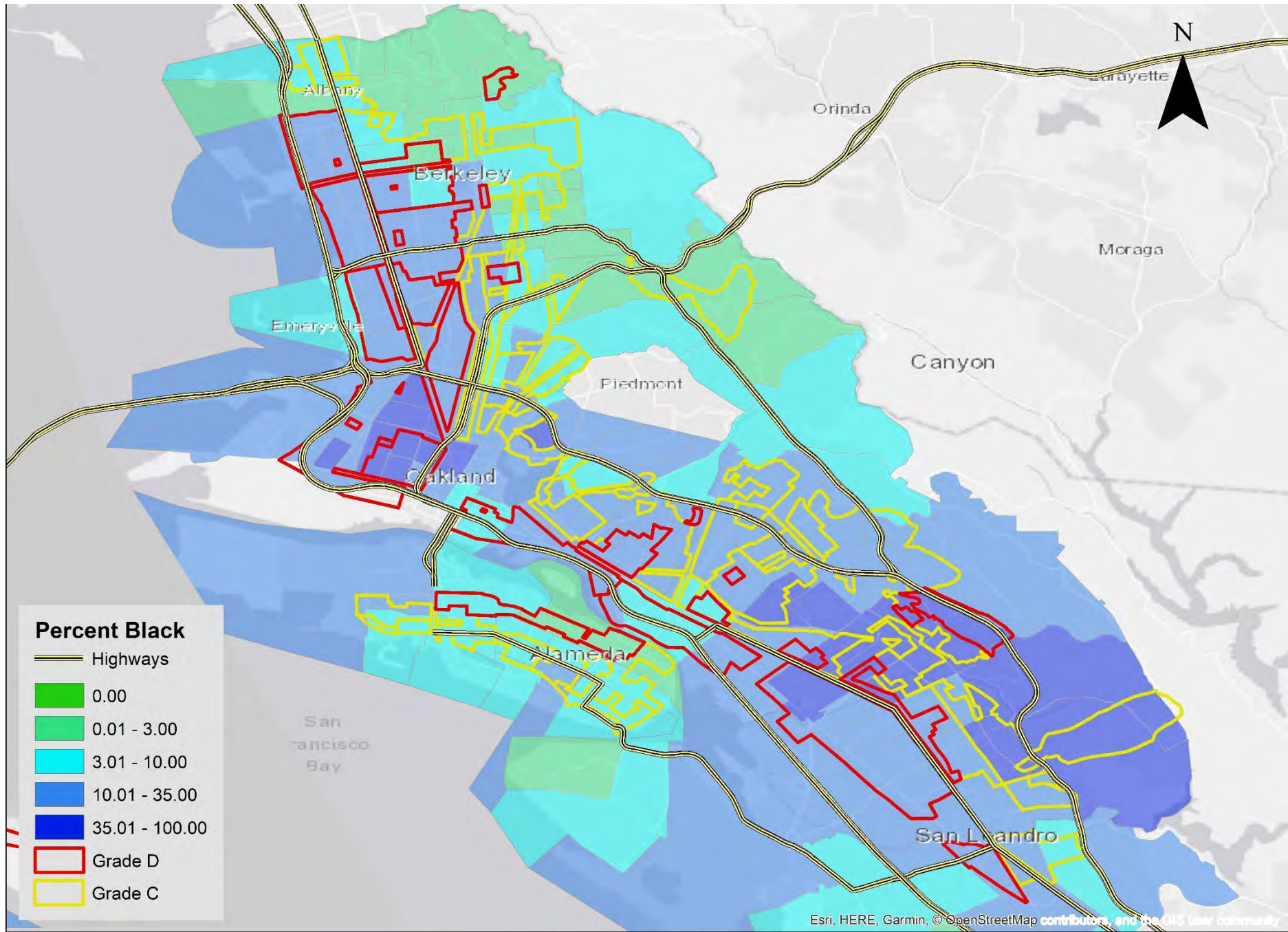
FREEWAY CONSTRUCTION STARTED IN THE NORTH AND MADE IT TO 27TH STREET BEFORE A HOUSING LAWSUIT STOPPED IT

7TH STREET WAS ONCE THE COMMERCIAL HEART OF WEST OAKLAND.

THE POST OFFICE

I-980 RUNS ALONG THE EDGE OF WEST OAKLAND





# Harm #3: Urban Renewal and Eminent Domain

Places like West Oakland were also ravaged by forces of urban renewal from public housing to military port reclamation. In the 1950s, when the federal government started handing out millions for projects, the city declared the redlined areas “slums” and began to clear them out. All of this at the hands of the federal government, which was effectively an unreachable force that community members could not communicate with, like they could a Mayor or City Councilor.





## Eminent Domain & Bruce's Beach



- In 1912, Willa and Charles Bruce purchased land in Manhattan Beach
- Since the surrounding beaches were mostly off limits to African Americans, they built a thriving resort for them.
- Constantly facing harassment and violence from the surrounding white community, the Bruce's had their land seized by the City in the 1920's by way of "eminent domain" purportedly for use as a park. The City would not build this park for nearly 30 years.
- On September 30th, 2021, Governor Gavin Newsom signed a bill that gave the land back to the descendants of Willa and Charles Bruce

## Harm #4

### Banned from the Suburbs

On top of redlining and highway building, the FHA was subsidizing builders who were mass-producing entire subdivisions for whites — with the requirement that none of the homes be sold to African-Americans.



Sign across from a public housing project in Detroit, MI, 1942

Source: Wikimedia Commons

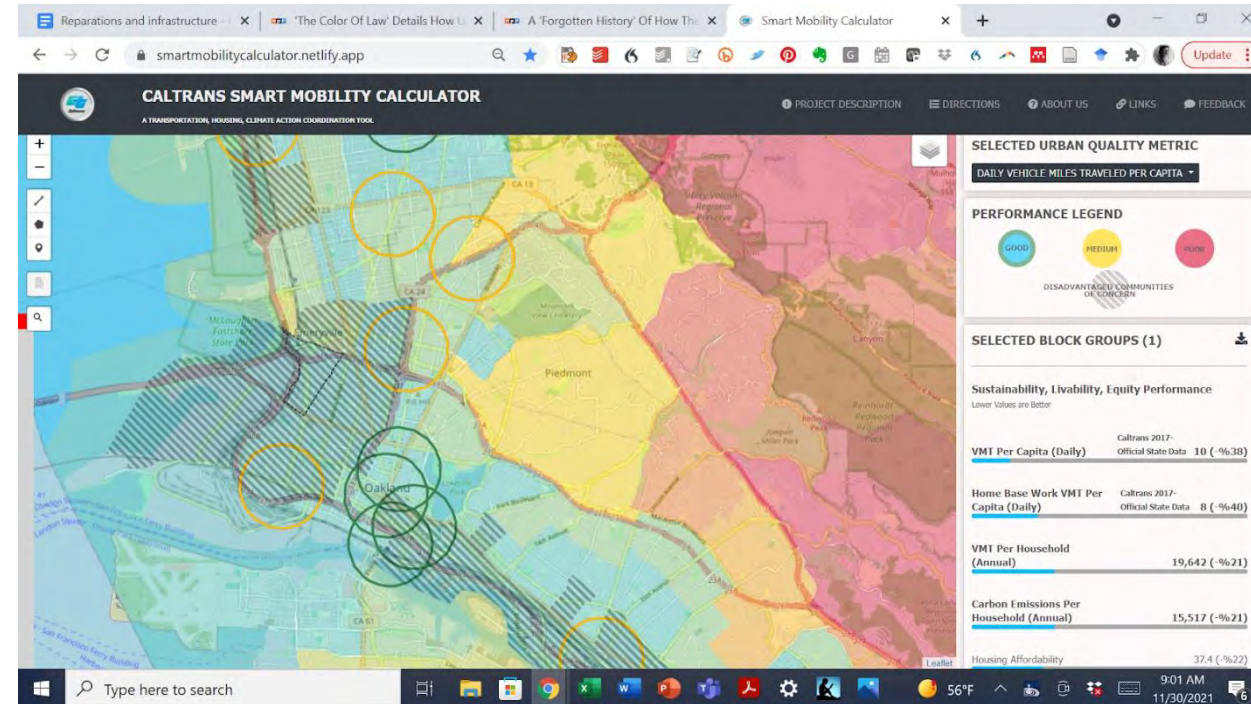
Levittown,  
PA



## Issue: Concerns over Gentrification

Fast forward to today and we can see that the areas that were redlined are now ripe for redevelopment as they are more affordable and in more accessible locations (to transit and highways) .

- Through the use of the Smart Mobility Calculator I developed for Caltrans, we can also see that the disadvantaged communities and formerly redlined neighborhoods (in hatching) have some of the lowest Vehicle Miles Traveled (VMT) and greenhouse gas emissions (GHGs) as shown in the bluegreen areas.
- All this makes them attractive for development to meet California's climate action goals, especially through such bills as:
  - SB 10 (housing near transit)
  - SB 743 (CEQA exemption for areas of low VMT) and
  - SB 35 (streamlining CEQA processes for affordable housing).
- All this means measures need to be put in place to help stop displacement that can come from gentrification.



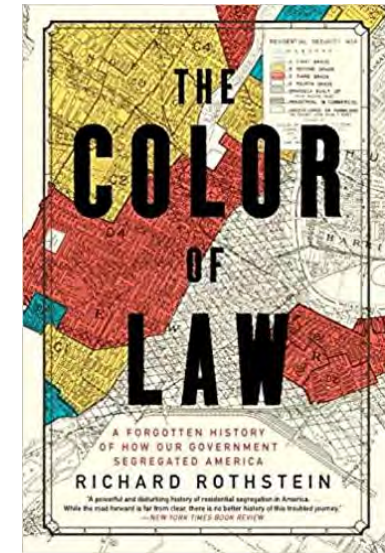
(For more, see <https://smartmobilitycalculator.netlify.app/>)

## Issue: Impacts on Wealth Creation

Today African-American incomes on average are about 60 percent of average white incomes. But African-American wealth is only about 5 - 9 percent of white wealth.

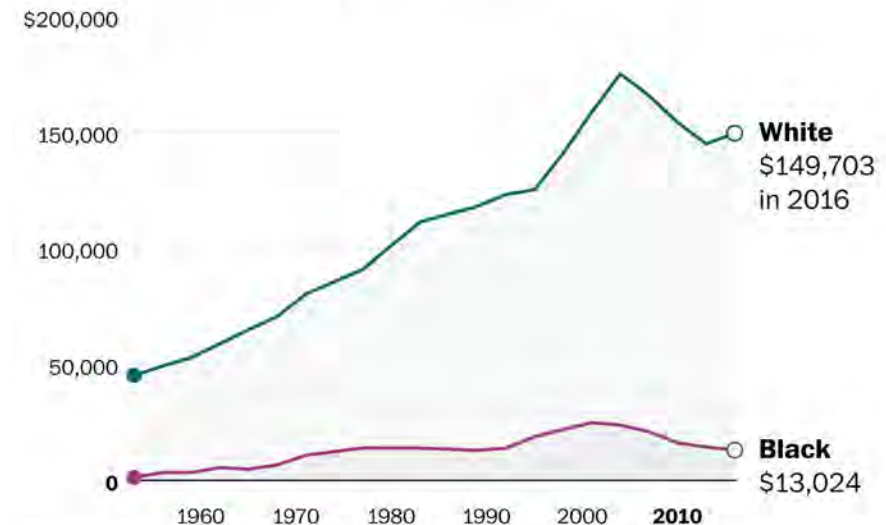
Most middle-class families in this country gain their wealth from the equity they have in their homes.

According to Rothstein, this enormous difference between a 60 percent income ratio and a 5 - 9 percent wealth ratio “is almost entirely attributable to federal housing policy implemented through the 20th century” (Rothstein, 2017).



### White wealth surges; black wealth stagnates

Median household wealth, adjusted for inflation



Source: Historical Survey of Consumer Finances via Federal Reserve Bank of Minneapolis and University of Bonn economists Moritz Kuhn, Moritz Schularick and Ulrike I. Steins

THE WASHINGTON POST

## Harm #5: Public Transit

Another way infrastructure has created inequities and discriminations is in how public transit has been funded and operated. Oftentimes transit funding is being applied to the development of expensive rail projects that serve white suburbs at the expense of bus service that serve communities of color.

Several famous cases have fought this battle, namely the LA Bus-Riders Union in the 90s and the Darensberg vs. MTC case in the SF Bay Area in the 90s and 2000s (Golub et al. 2013).

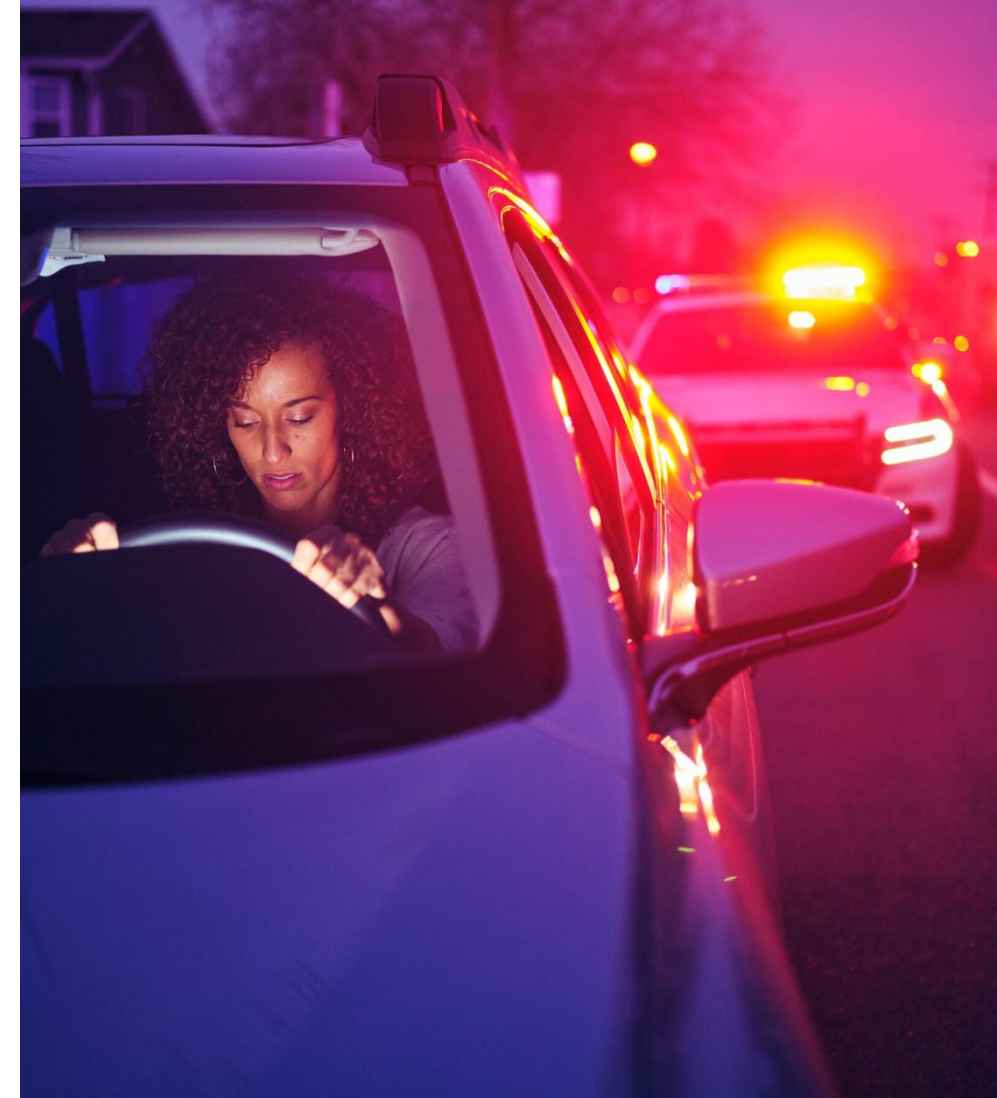


## Harm #6

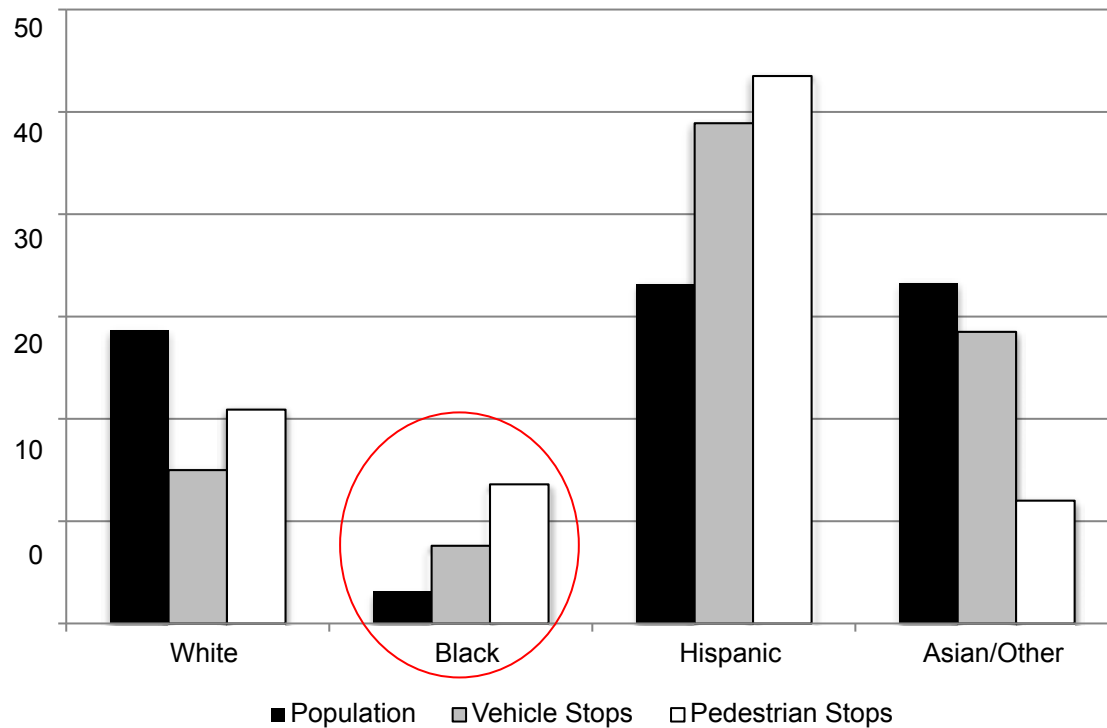
### Police Stops and Traffic Violence

When thinking of infrastructure we also need to think of how things affect people walking, bicycling, and driving. Here are some statistics:

- People killed while walking are twice as likely to have a low income.
- African-American children are twice as likely than white children to be killed while walking.  
(Fox & Shahum, 2017, p. 1).
- Drivers of color are stopped by police at a rate double the national average (24% vs. 12%) (Engel & Calnon, 2004; Epp, et al., 2014).
- For black drivers, the likelihood of being searched has ranged from no-difference to four times as frequently as white drivers.



**Figure 1. Comparing driver and pedestrian stop rates with San Jose's racial composition**



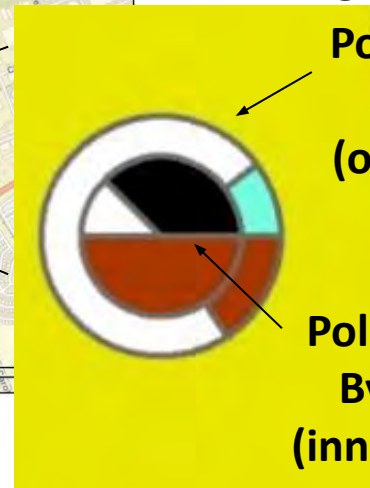
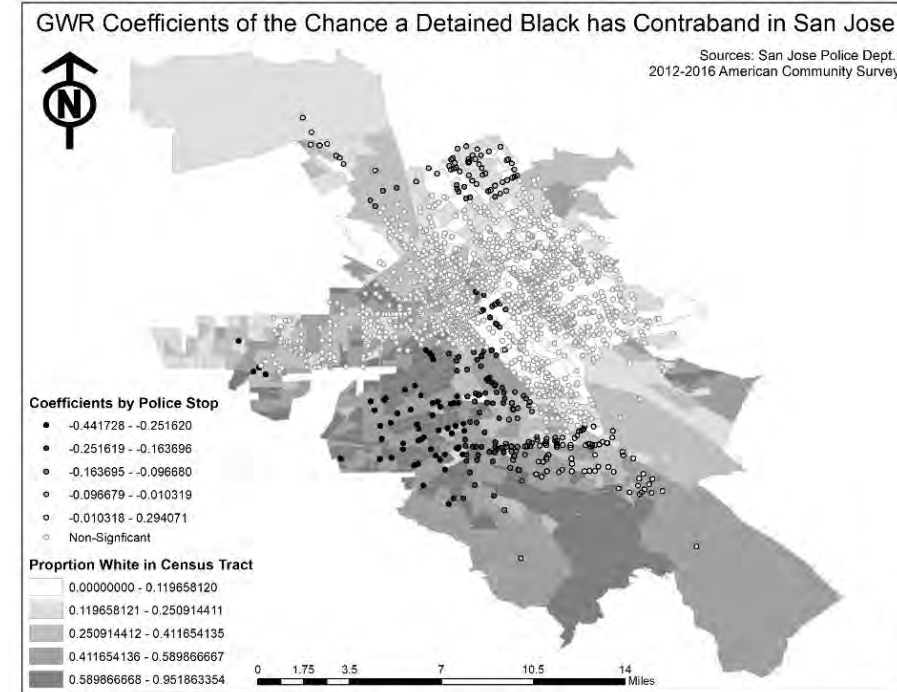
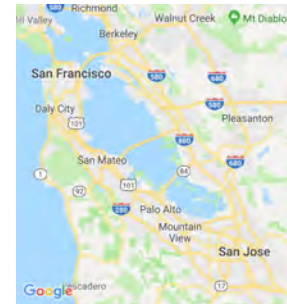
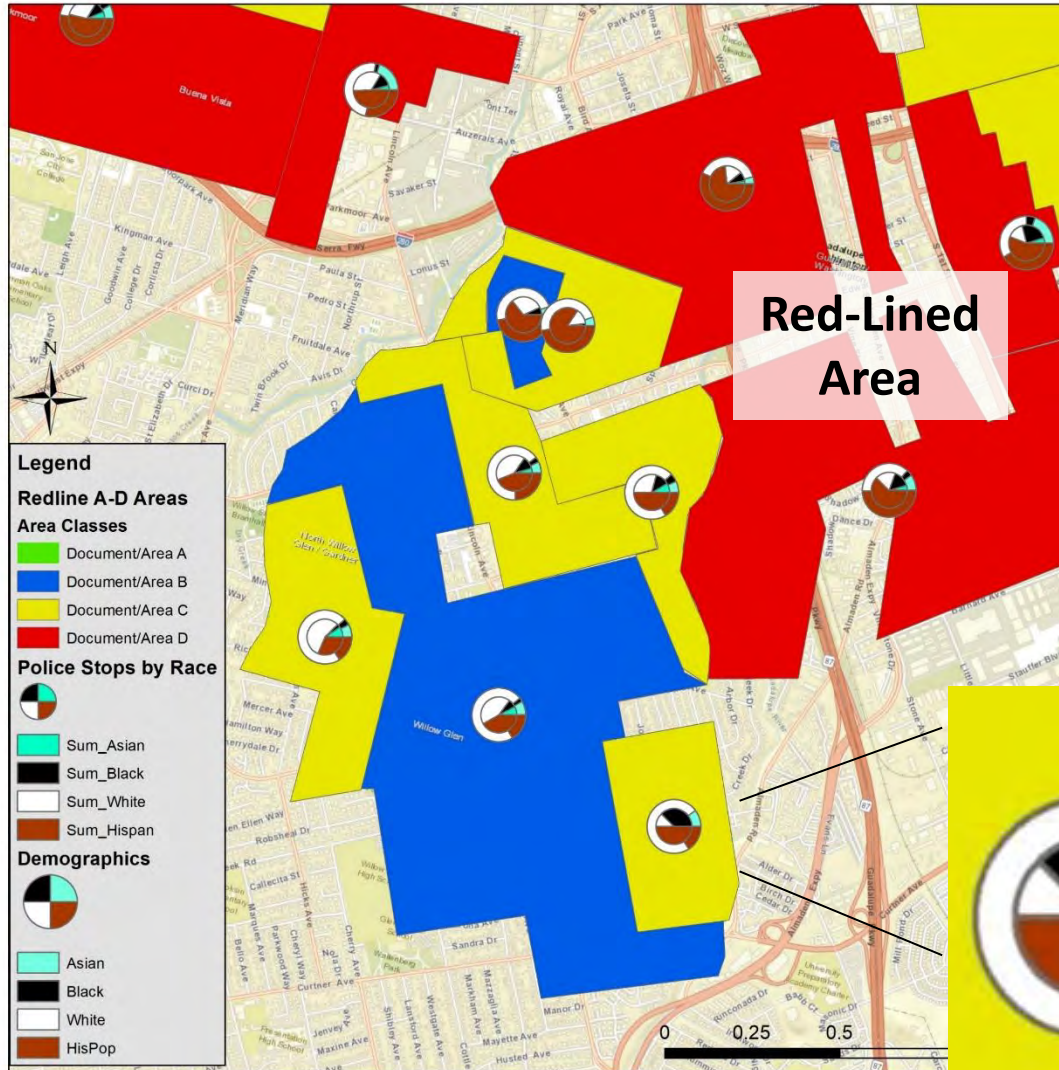
African American pedestrians are stopped at a rate about 5 times that of their underlying population.

# SOCIO-CULTURAL HARMS: POLICE STOPS AND RED-LINING IN SAN JOSE, CA

- JOSHUA CHANIN, JOSEPH GIBBONS, BRUCE APPELYARD

Black Drivers:

- Higher rate of being stopped (twice national average)
- Higher rate of being searched (as high as four times)
- But lower rate of being justified by anything being found
- Appears to be more extreme in whiter, more affluent areas



[bappleyard@sdsu.edu](mailto:bappleyard@sdsu.edu)  
@docappleyard



## Harm #7 Homelessness

African Americans are also often over-represented in the homeless population.

From a survey in San Diego, African Americans account for 31 percent of the homeless population, while only constituting about 5 percent of the underlying population (Welsh et al., 2021)

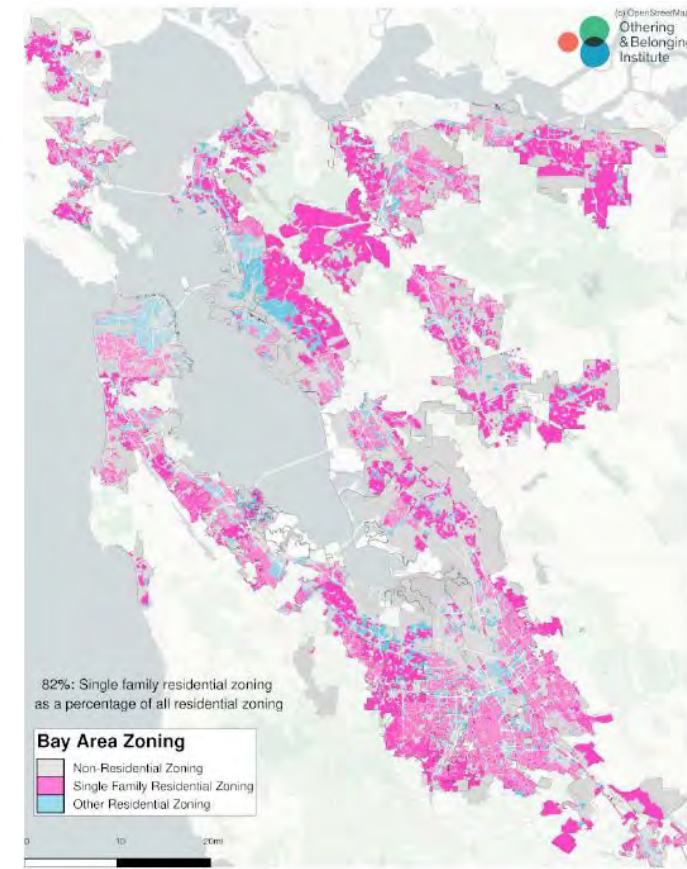


# 1006 Policy Recommendations

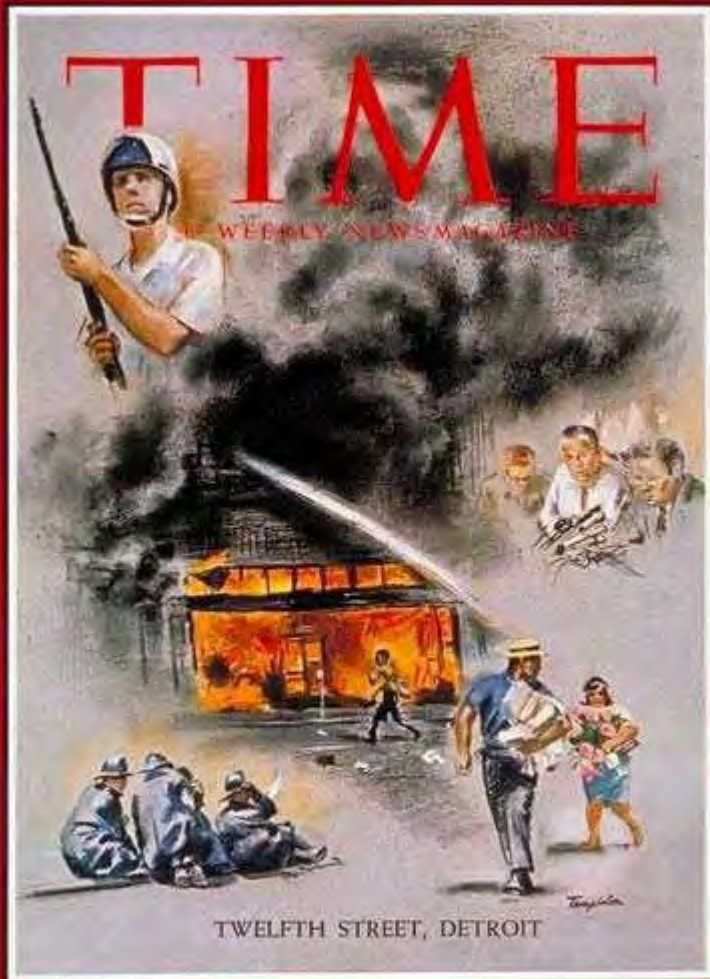
On top of reparations we can think about policy remedies as follows:

- Open up new neighborhoods and suburbs to African Americans by getting rid of exclusionary single family zoning and allowing townhomes and apartments in those zones.
  - SB 9 and SB 35 both go a long way toward making this happen, but banks also need to make changes to facilitate financing for home ownership in these types of developments.
  - These starter homes would allow more access to build wealth and enter the middle class.
- For highways that were built through neighborhoods, we can offer reparations and businesses and other funding programs like those offered in Syracuse, New York. We can also tear them down or run them underground and reconnect the community.
- For neighborhoods attracting gentrification, we can create anti-displacement programs which can include rental and home-buying assistance, business loans, and other programs.
- Create a well-funded bank to invest in communities of color to fund businesses, home loans, etc.

Single Family Zoning in the Bay Area  
85% single family



# Advisory Commission on Civil Disorders (**Kerner Commission**, 1968)



Urban Riots starting in 1964 (Detroit), peaking in Watts in 1965, and then continuing in 1966 and 1967.

# Advisory Commission on Civil Disorders (**Kerner Commission**, 1968)

"Segregation and poverty have created, in the racial ghetto, a destructive environment totally unknown to most white Americans. What white Americans have never fully understood, but what the [African American] can never forget, is that white society is deeply implicated in the ghetto.

- white institutions created it,
- white institutions maintain it,
- and white society condones it."



Dr. Bruce  
Appleyard

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Associate  
Professor of City  
and Regional  
Planning  
San Diego State  
University

# Testimony for AB 3121: Task Force to Study and Develop Reparation Proposals for African Americans



# IT'S ABOUT POWER!

PRESENTATION OF DAMIEN GOODMAN BEFORE CA REPARATIONS TASK FORCE | DEC 7, 2021<sub>1</sub>

# DAMIEN GOODMAN, PARTIAL RELEVANT BACKGROUND

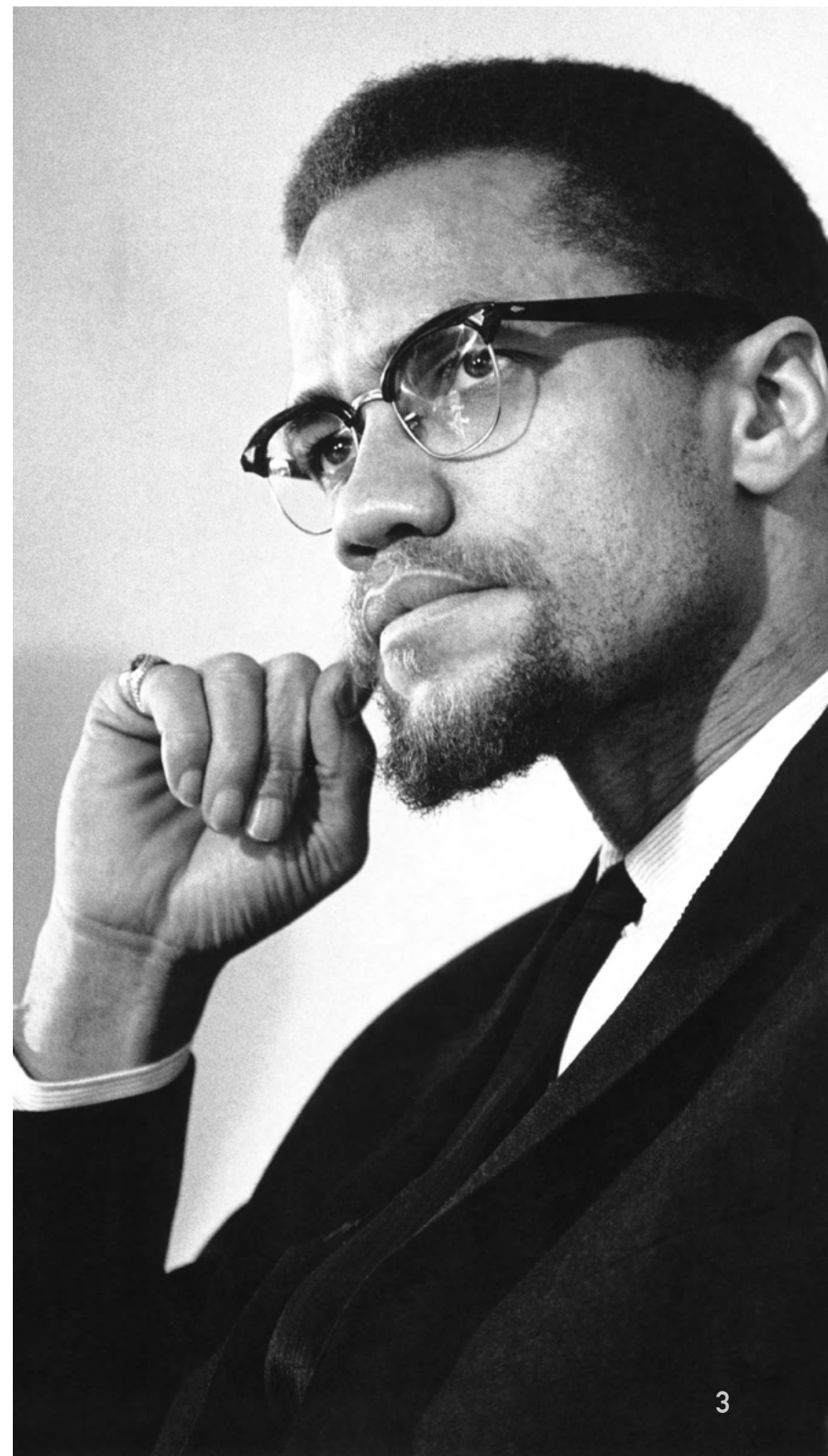
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- Co-Organizer for Institute of the Black World 21st Century (Natl leader in Reparations Conversation) National Emergency Summit on Gentrification 2019
- Founder & Secretary-Treasurer, Liberty Community Land Trust (2019 - Present)
- Founder, Downtown Crenshaw Rising (2020 - Present)
- Founder & Executive Director, Crenshaw Subway Coalition (2006 - Present)
- Lead Organizer/Convener, Housing is a Human Right 2017 Resist Gentrification Action Summit in Leimert Park, Los Angeles, CA
- Campaign Operative, including Campaign Manager of 2018's Yes on Prop 10 - Ballot Initiative to Repeal Costa Hawkins
- Member, Save Leimert Neighborhood Coalition (2007 - 2011)
- Staff Assistant for Facilities Projects, LAUSD Board District 1 (2011-2014)

# IT'S ABOUT POWER

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*"Revolution is based on land. Land is the basis for all independence. Land is the basis of freedom, justice, and equality."  
-Malcolm X*





# THE SOLUTION TO THE CRISIS OF GENTRIFICATION FOR BLACK PEOPLE

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- Repairing the harm caused for past ***and current*** racist actions and policies requires transferring power to Black/marginalized communities
  - **BLACK PEOPLE HAVE THE RIGHT TO SELF-DETERMINATION**
  - Government power must be used (and transferred to Black communities) to regulate the racist housing system
  - Government power (and specifically budgets) must be directed/redirected to building a reparative and restorative economic system where among other elements housing is decommodified, and Black families, businesses, institutions and communities can live, grow and thrive free from the whims of an exploitative and racist capitalist system

# PUBLIC-PRIVATE COLLABORATION FOR URBAN RENEWAL 2.0

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- It is inaccurate to call gentrification or our urban affordable housing crisis a “policy failure.” Gentrification is the manifestation of **successful coordinated public and private policy** intended to create profit for elite investors off of harms inflicted on low-income, working-class and marginalized people, who are disproportionately Black.

## NEW GLOBALISM, NEW URBANISM: GENTRIFICATION AS GLOBAL URBAN STRATEGY\*

By Neil Smith



# CURRENT POWER DYNAMIC THAT SERVES CAPITAL INTERESTS

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- We operate within a racialized capitalist system, where the power to determine the fate of most Black urban communities and the housing security of most Black families rests within of investors/speculators/developers/banks. Government is now and always has been an extension of their power
- Most Black people in California are renters without adequate protection
- Most Black homeowners are actually "bank tenants" & most stretch financially to stay in their homes

# SPOTLIGHT ON CRENSHAW'S DISTRICT SQUARE PROJECT

- Located at intersection of Crenshaw/Obama in the ~80% Black Leimert Park/Crenshaw Community
- Initially proposed as a two story commercial project, then developer changed to a mixed-use **100% market-rate 577-unit** project
  - City of LA: household income of \$125K+/yr needed to afford market-rate apartment
  - Median household income of the surrounding Black community: less than \$45K

## Los Angeles Times

A project could bring South L.A. hundreds of new homes. But critics fear rising rents



A rendering of the District Square project in South Los Angeles. (Los Angeles Department of City Planning)

# DISTRICT SQUARE DEVELOPER ARRESTED FOR BRIBERY

- The public official, who the US Attorney's Office allege District Square developer Arman Gabae bribed, has already plead guilty


United States Department of Justice

THE UNITED STATES ATTORNEY'S OFFICE  
CENTRAL DISTRICT *of* CALIFORNIA

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**Department of Justice**  
U.S. Attorney's Office  
Central District of California

SHARE 

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FOR IMMEDIATE RELEASE
Wednesday, May 16, 2018

## Real Estate Developer Arrested in Federal Bribery Case

### Arman Gabae Allegedly Paid Monthly Cash Bribes and Attempted to Purchase \$1.1 Million Wine Country Residence to Secure \$45 Million County Lease

*LOS ANGELES* – A well-known commercial real estate developer was arrested this morning on federal bribery charges alleging that he paid monthly bribes to a Los Angeles County employee for six years and submitted offers to purchase the employee a Santa Rosa residence for nearly \$1.1 million in exchange for the developer obtaining a \$45 million county lease.

Arman Gabae, known professionally as Arman Gabay, 57, of Beverly Hills, was arrested at his home without incident this morning by special agents with the Federal Bureau of Investigation. Gabae, who is charged in a federal criminal complaint with one count of bribery, is expected to make his initial appearance this afternoon in United States District Court in downtown Los Angeles.

Gabae, a co-founder and co-managing partner of the Charles Company, a Hollywood-based real estate development firm, allegedly paid cash bribes to the county employee for more than six years. According to the complaint, the employee, who is not named and is cooperating with the FBI, negotiated leases for the county to rent office space from private parties and had “significant autonomy to contractually bind the county.”

# A RARE PROJECT REJECTION BY AREA PLANNING COMMISSION

- After successful organizing and education about the project the community was united in opposition & Councilmember came out opposing the project, **South L.A. Area Planning Commission rejected the project citing gentrification the central concern**
- Councilmember Wesson: "What we need is affordable housing, and no matter how you try to tweak this project, this development will not do that. **If the current residents of the neighborhood cannot afford it, we should not build it.**"

## Big market-rate apartment complex snuffed by South LA planning commission

*The City Councilmember has said he could not support the development unless it included a "significant" number of affordable units*

By **Bianca Barragan** | Nov 20, 2019, 4:42pm PST



# CARLA SUPPORTS DISTRICT SQUARE & COURT OVERTURNS BLACK COMMUNITY

- Out of the hundreds of land use cases heard in California cities every week, Bay Area-based CaRLA chose to speak in support of approving a 100% market-rate mega-project (577 units) in a low-income Black community against the opposition of a united Black community (renters, homeowners & local elected), being rushed by a corrupt developer on trial for bribing a public official
- District Square developer challenged the ruling in court. Judge overruled the planning commission & mandated the project be approved using a law CaRLA pushed.

California Renters Legal Advocacy and Education Fund

1260 Mission St  
San Francisco, CA 94103  
[hi@carlaef.org](mailto:hi@carlaef.org)



9/17/2019

South Los Angeles Area Planning Commission  
1968 West Adams Boulevard, Meeting Room A  
Los Angeles, CA 90018  
Etta Armstrong, Commission Executive Assistant I, [apcsouthla@lacity.org](mailto:apcsouthla@lacity.org);  
Eric D. Bates, President  
Gail Willis, Vice President  
Antoinette Anderson, Commissioner  
Jaqueline Orozco, Commissioner  
Stevie Stern, Commissioner

Via Email

Re: Crenshaw Boulevard/Obama Boulevard Mixed Use Project  
Case No. DIR-2018-3204-SPR-SPP-1A

Dear Commissioners,

The California Renters Legal Advocacy and Education Fund (CaRLA) submits this letter to inform you that the South Los Angeles Area Planning Commission has an obligation to abide by all relevant state housing laws when evaluating the above captioned proposal, including the Housing Accountability Act.

# WHO IS YIMBY/CARLA BACKER PETER THIEL?

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- A Bay Area-based Billionaire
- BigTech Founder of PayPal & Venture Capitalist
- Major Republican Donor and supporter of Donald Trump
- Libertarian and early supporter of YIMBY and specifically the CaRLA founder

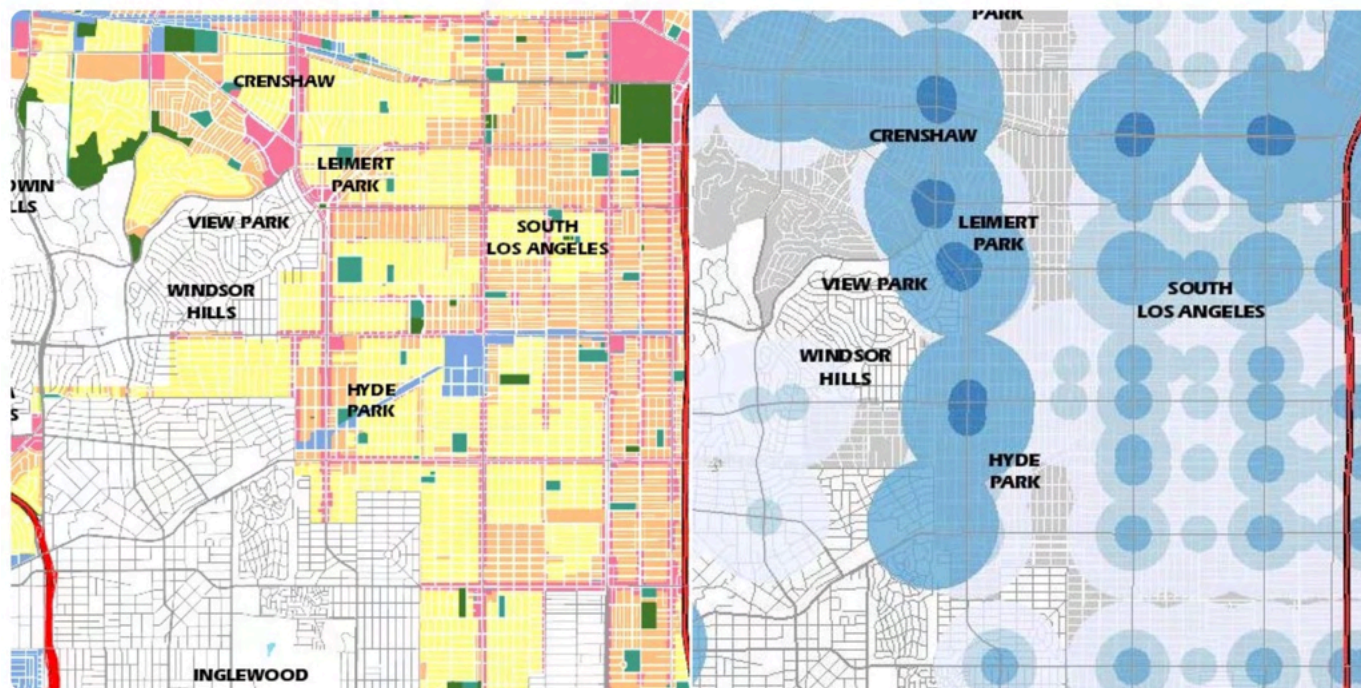




# YIMBY: URBAN RENEWAL 2.0 FOR BLACK COMMUNITIES

- **"Biggest SB 827 change in LA would be in South Central LA"**
- *Since deleted tweet/account from @housingforla (1/4/18)*

Biggest **SB 827** change in LA would be in South Central LA. On the left is the zoning map (yellow is single family zoning). On the right is the transit areas, only the dark gray parts would be unchanged.



## WE'RE IN URBAN RENEWAL 2.0

- Urban Renewal 1.0: "Blight" designations, "slum clearing," freeway routing, landlord setting fires to their apartment buildings, and bulldozers.
  - Apparently too overt for mass acceptance in 2021
- Urban Renewal 2.0: Government (at the request of and for capital) intentionally using its power to strengthen those already in power to exacerbate inequality and destabilize Black communities through upzoning/rezoning, and remake them to attract the "creative class"/gentry and capital



# APPENDIX



# GENTRIFICATION 101 TEACH-IN

CRENSHAW SUBWAY COALITION'S THE UMOJA CENTER | NOVEMBER 6, 2019<sup>5</sup>

# INTRODUCTIONS

## CRENSHAW SUBWAY COALITION OBJECTIVES (WHEN EST. 2011)

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1. Ensure that the line is built the way the community wants (Underground on Crenshaw Blvd & with Leimert Park Village Station)
2. Ensure that the line is built by the community
3. Ensure that the development process along Crenshaw is community-driven & built on principles of local economic empowerment



## JAMES BALDWIN: URBAN RENEWAL... MEANS 'NEGRO REMOVAL'

.....  
<https://www.youtube.com/watch?v=T8Abhj17kYU>

# **TEACH-IN GOALS & CSC PROCESS**



# **PART I: UNDERSTANDING GENTRIFICATION & ITS CURRENT DRIVERS**

# **PART II: FIGHTING GENTRIFICATION & PROMOTING COMMUNITY WEALTH BUILDING**

**PART I:**  
**UNDERSTANDING**  
**GENTRIFICATION & ITS**  
**CURRENT DRIVERS**

# **BREAKOUT QUESTIONS:**

- **WHAT IS GENTRIFICATION?**
- **WHAT IS DRIVING GENTRIFICATION?**
- **WHO ARE THE LEAD DRIVERS OF GENTRIFICATION?**



## DEFINING "GENTRIFICATION" (PROF. WINIFRED CURRAN)

<https://www.youtube.com/watch?v=yj1H8Sdc8Sw>

## DEFINING GENTRIFICATION (L.A. TENANTS UNION DEFINITION)

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- Gentrification is the displacement and replacement of the poor for profit.
- Gentrification is not natural or inevitable but a human-made process.
- Gentrification is rooted in colonialism and white supremacy. It disrupts family ties, uproots communities, and erases the cultural heritage of working class communities of color.

## DEFINING GENTRIFICATION (L.A. TENANTS UNION DEFINITION)

---

- Gentrification has many code words: urban renewal, revitalization, vitality, infrastructure. All entail the accumulation of wealth through dispossessing the poor of their housing and communities.
- Gentrification draws on multiple tactics to defeat resistance: e.g. gang injunctions, racist policing that targets poor communities, policing anti-gentrification activists, denying tenants knowledge about their rights, and the co-optation of non-profits as “legitimate” brokers for the poor.



# TYPES OF DISPLACEMENT (PROF. STACEY SUTTON)

<https://www.youtube.com/watch?v=XqogaDX48nI>

# TYPES OF DISPLACEMENT:

- **DIRECT**
- **INDIRECT**
- **EXCLUSIONARY**



# DIRECT DISPLACEMENT (CHAVEZ RAVINE, URBAN RENEWAL)

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# INDIRECT DISPLACEMENT: THE REEF PROJECT

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- 1,440 luxury units in Historic South Central (95% market-rate)

# INDIRECT DISPLACEMENT: THE REEF PROJECT

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- 1,440 luxury units in Historic South Central (95% market-rate)

“

52% of the nearly 84,000 residents living within 2 miles of [The Reef development] could be at high to moderate risk of financial strain or displacement.

*-Human Impact Partners Impact Study of  
The Reef Development*

# INDIRECT DISPLACEMENT: CRENSHAW MALL REDEVELOPMENT

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69,617 Residents are at Moderate Risk of Displacement



# INDIRECT DISPLACEMENT: CRENSHAW MALL REDEVELOPMENT

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69,617 Residents are at  
Moderate Risk of Displacement

65,447 Residents are at  
Higher Risk of Displacement



# INDIRECT DISPLACEMENT: CRENSHAW MALL REDEVELOPMENT

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69,617 Residents are at  
Moderate Risk of Displacement

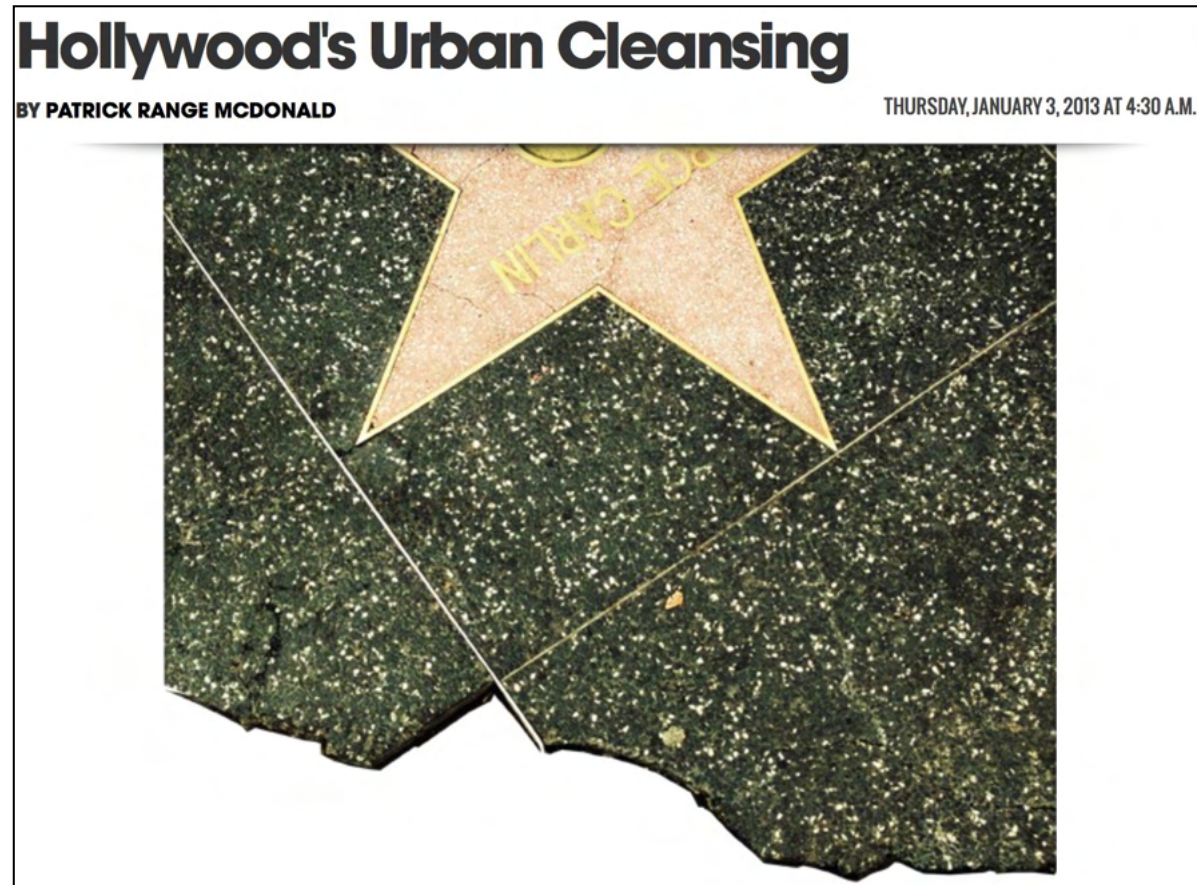
65,447 Residents are at  
Higher Risk of Displacement

40,279 Residents are  
Highly At-Risk of Displacement

# EXCLUSIONARY DISPLACEMENT: PEOPLED OUT

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- Hollywood's redevelopment & building boom led to 13,000 working class families (mostly Latinos) pushed out in early 2000s





# THE COST OF GENTRIFICATION

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- Houselessness & Displacement
- Loss of community social safety nets
  - Personal & public
- Loss of cultural centers
- Loss of community institutions (churches)
- Loss of potential political power & community agenda
- Loss of opportunity to build healthy & stable lives:
  - Longer commutes for those least capable of bearing the burden as low-income people are forced to live far away from jobs/economic opportunities

# GENTRIFICATION

- AMERICAN CONTEXT
- GLOBAL CONTEXT
- LOCAL CONTEXT

# **GENTRIFICATION: AMERICAN HISTORICAL CONTEXT**



## AMERICAN GENTRIFICATION (LATINO COMEDY PROJECT)

<https://www.youtube.com/watch?v=lvpVbX5jE9U>

# AMERICA'S TRUE O.G. (ORIGINAL GENTRIFIER): COLUMBUS

---



# TRAIL OF TEARS

---





## REV. DR. MARTIN LUTHER KING, JR.

---

<https://www.youtube.com/watch?v=pLV5y4utPKI>

# HISTORY OF BLACK WEALTH SUPPRESSION IN AMERICA

---

- **Holmstead Acts vs. Bombing Black Wall Streets**
- **Locking Out Small Black Businesses**
- **Many New Deal Benefits Not Extended to Blacks**
- **Redlining/Racially Restrictive Covenants**
- **Highway Expansion Fueling White Flight**
- **Great Society Ends, Era of Mass Incarceration Begins**
- **Predatory Lending & Flippers**



# RESULT IS THE MODERN DAY BLACK/WHITE WEALTH GAP

**MEDIAN WEALTH BLACK FAMILY: \$4K**

**MEDIAN WEALTH WHITE FAMILY: \$140K**

# **GENTRIFICATION: MODERN GLOBAL CONTEXT**

# UNDERSTANDING THE RECESSION ROOTS

HAVEN'T YOU FOLKS HEARD?  
THE RECESSION IS OFFICIALLY  
OVER!



# UNEMPLOYMENT RATE DOESN'T REFLECT MISSING WORKERS

## MISSING WORKERS

### The unemployment rate is vastly understating weakness in today's labor market

Unemployment rate, actual and if missing workers\* were looking for work, January 2006-June 2015

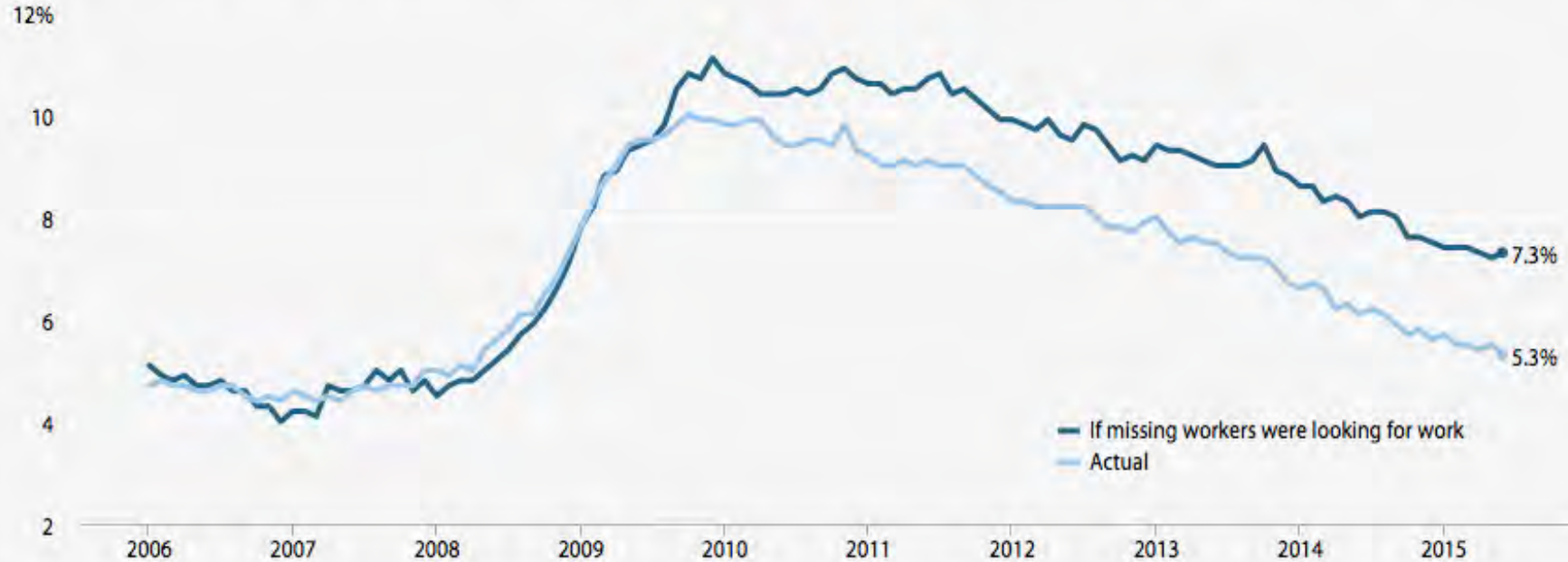


Chart Data

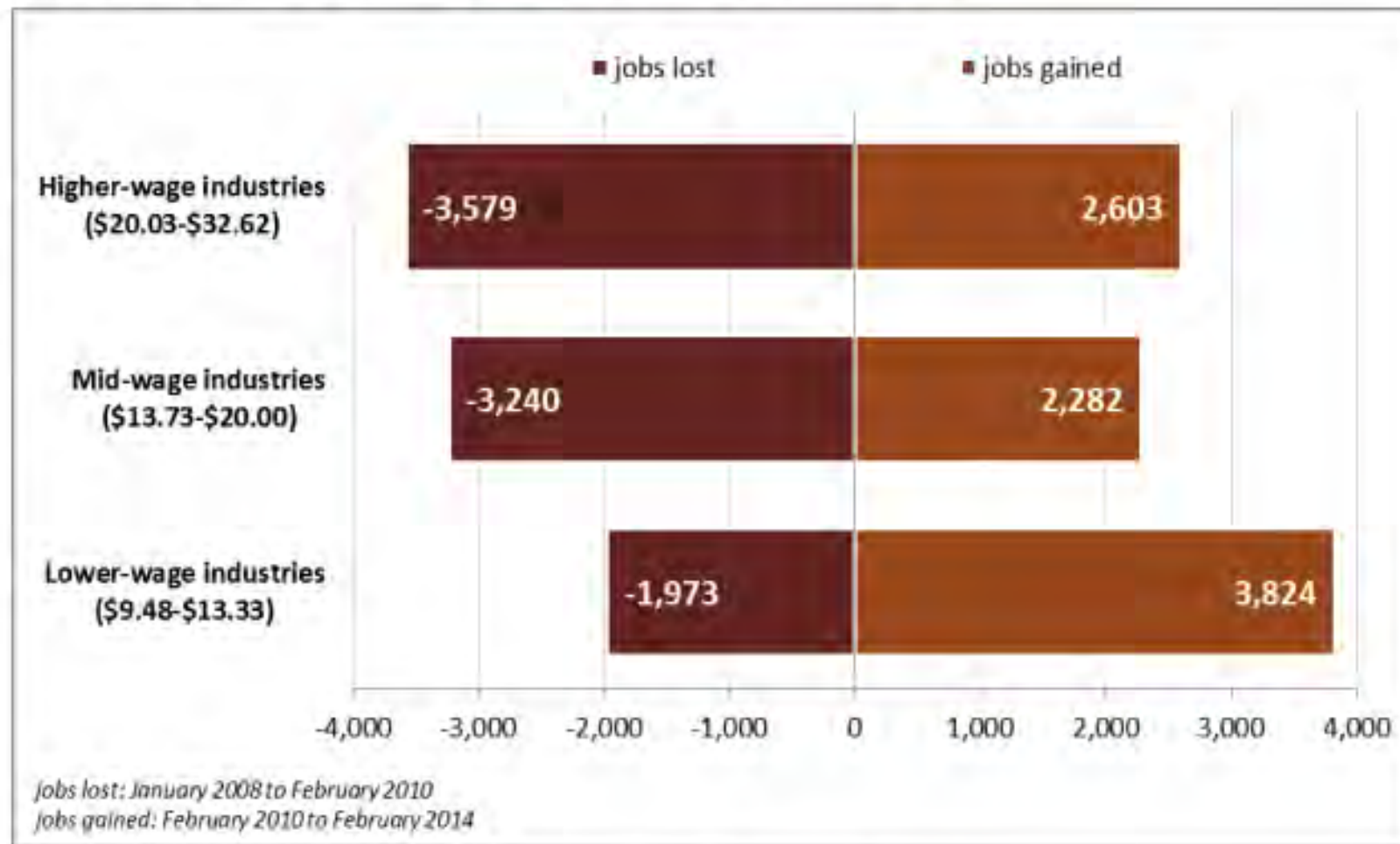
\* Potential workers who, due to weak job opportunities, are neither employed nor actively seeking work.

Source: EPI analysis of Current Population Survey public data series

ECONOMIC POLICY INSTITUTE

# NEW EMPLOYMENT SKEWED TOWARDS LOW-WAGE WORK

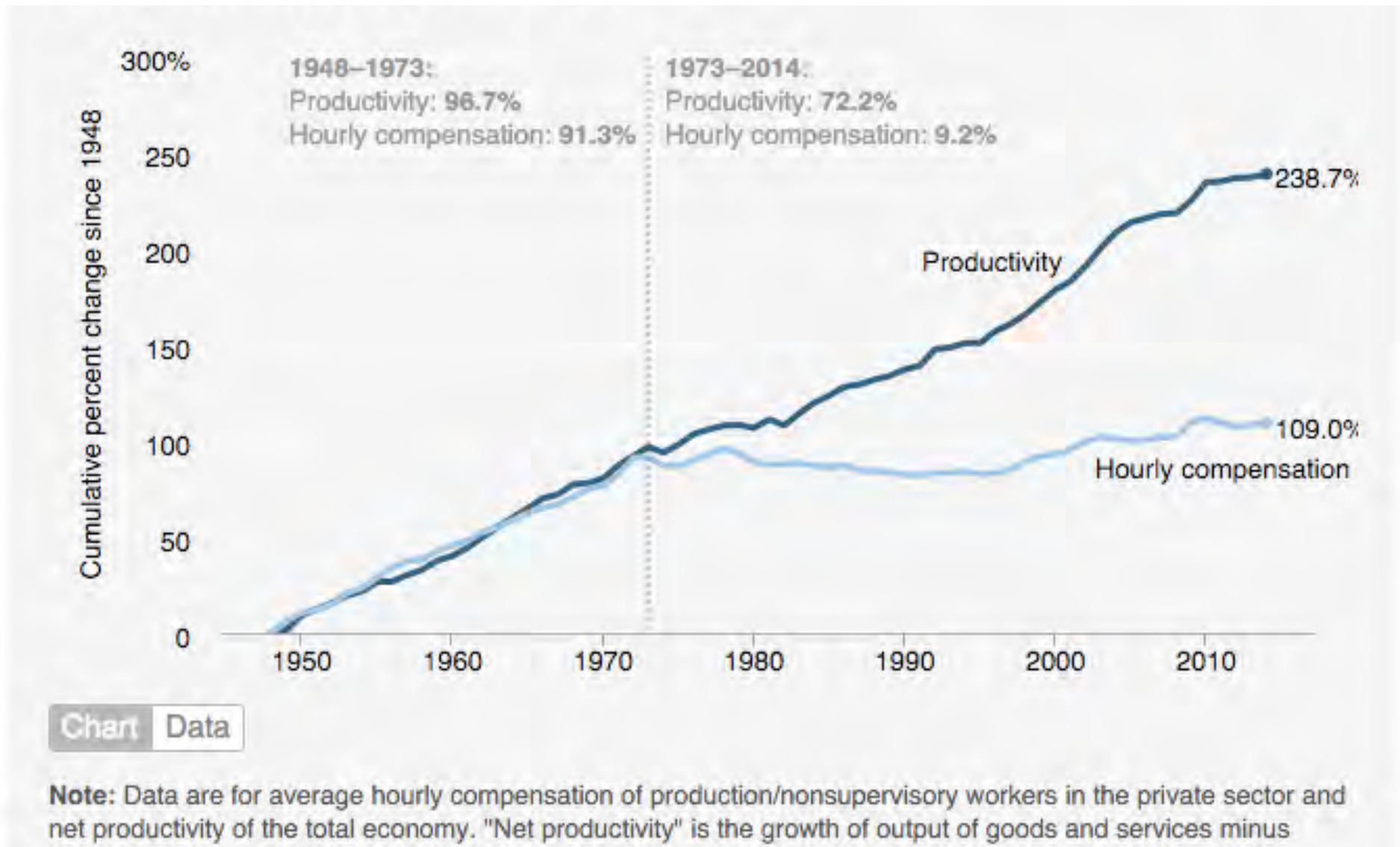
**Figure 1. Net Change in Private Sector Employment (in thousands)**



Source: NELP analysis of Bureau of Labor Statistics data, see Appendix A for details.

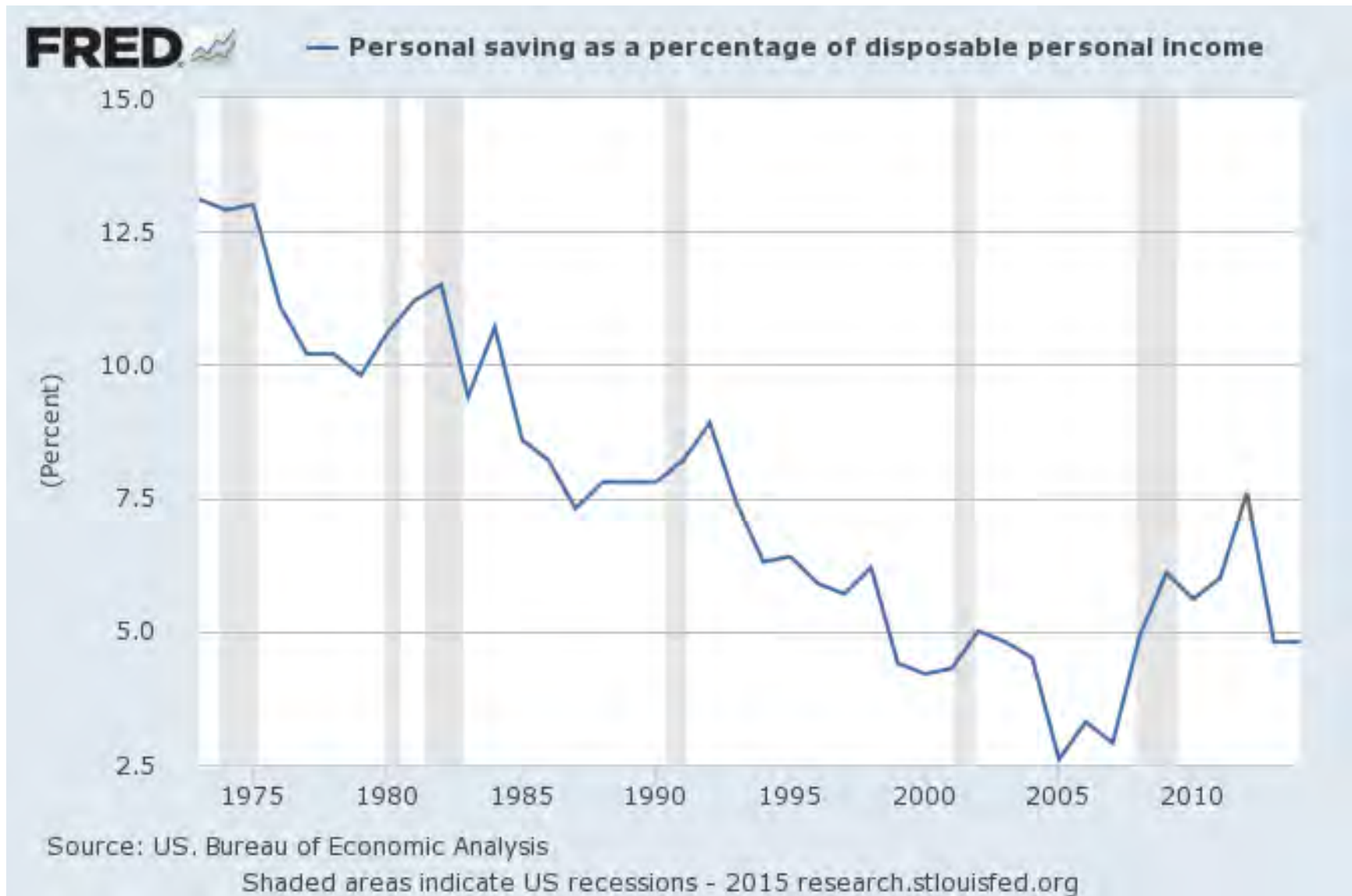
Note: Wage ranges are updated from earlier reports to adjust for inflation and are in 2013 dollars. At the time of publication, employment data for disaggregated industries was only available through February 2014.

# WORKING HARDER, MAKING LESS



# SAVINGS HAVE DECREASED

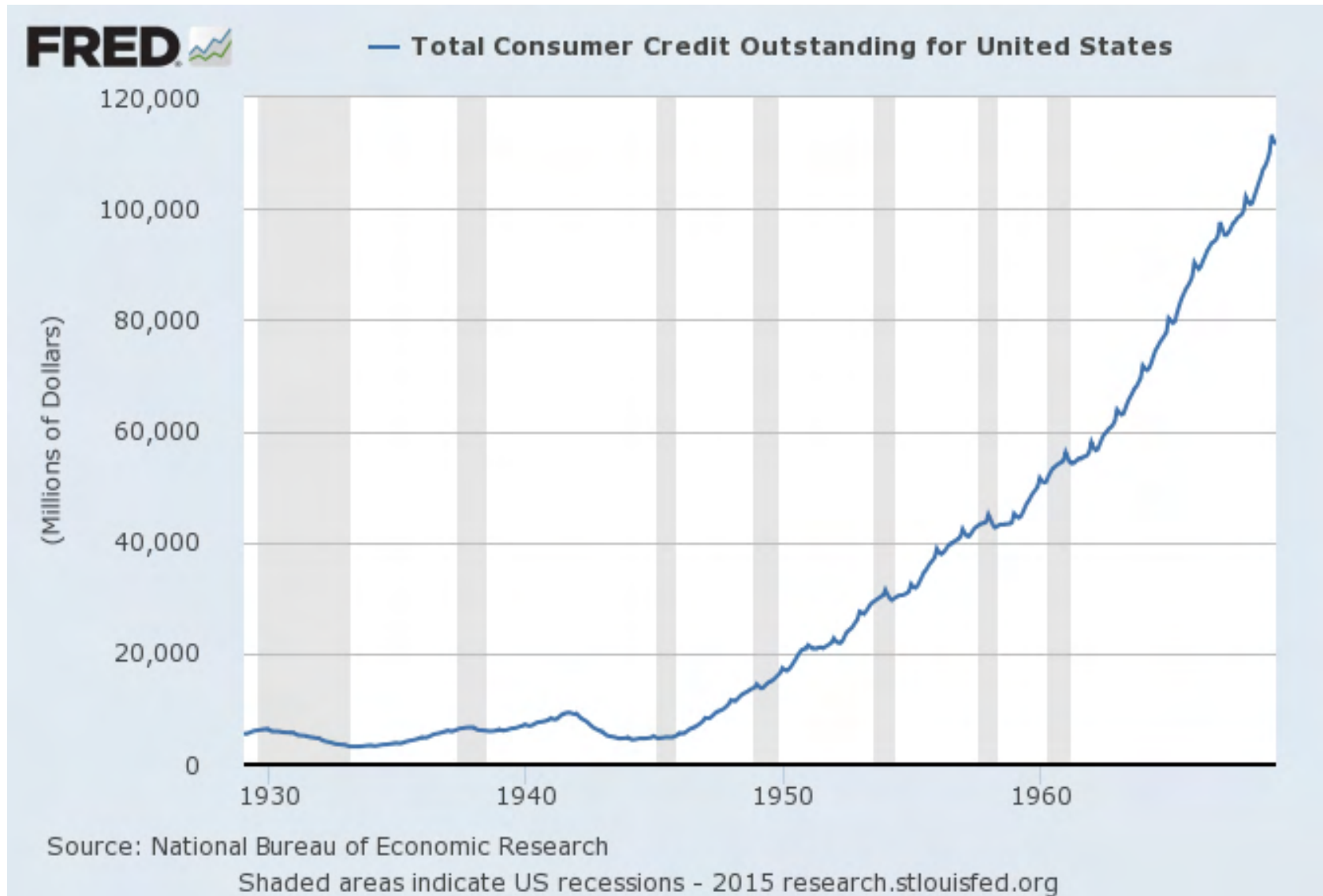
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# CREDIT DEBT HAS DRASTICALLY INCREASED

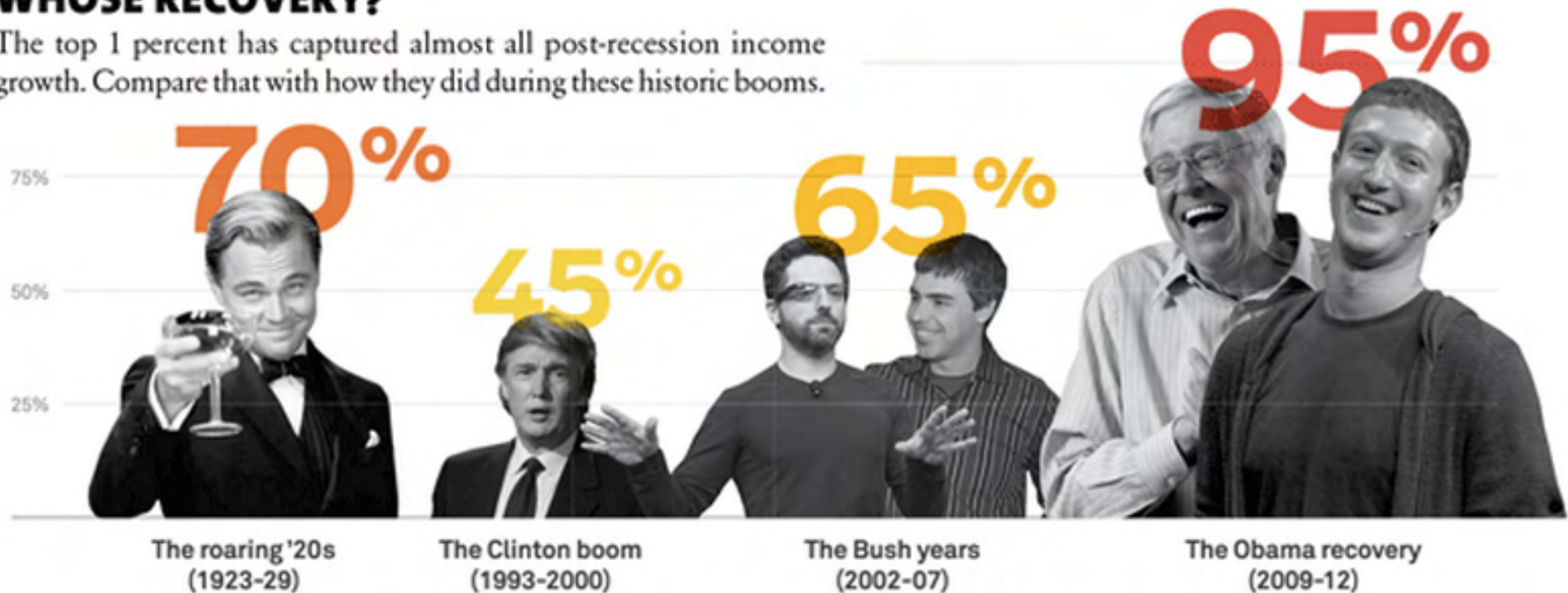
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# TOP 1% CAPTURED ALMOST ALL POST-RECESSION INCOME GROWTH

## WHOSE RECOVERY?

The top 1 percent has captured almost all post-recession income growth. Compare that with how they did during these historic booms.



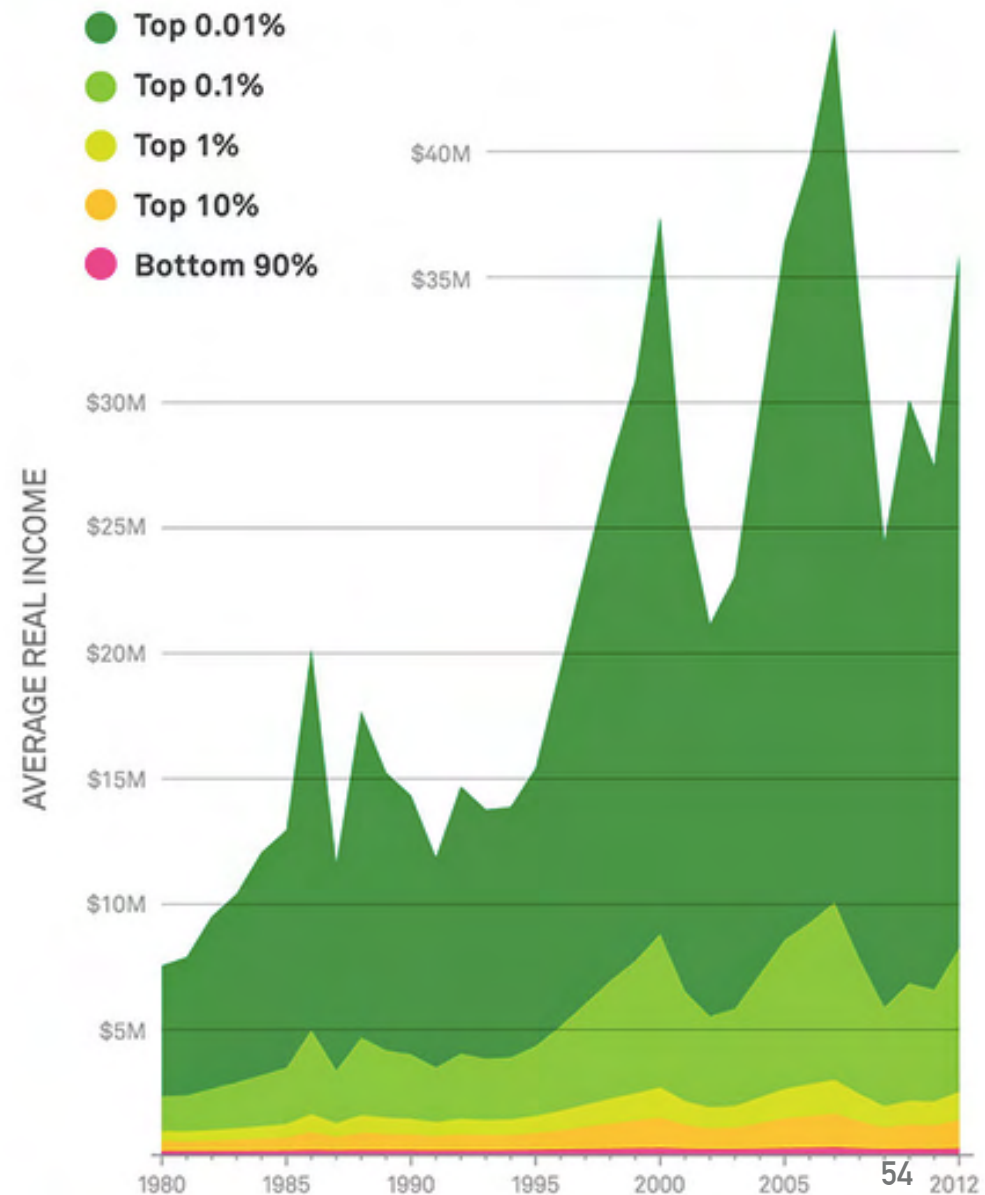
Mother Jones

# THE RICH & THE UBER-RICH

- “Since 1980, the average real income of the 1% has shot up more than 175 percent, while the bottom 90% real income didn’t budge. But as this chart shows, the vast majority of gains have gone to the tippy-top.”

## THE RICH AND THE MEGARICH

Since 1980, the average real income of the 1 percent has shot up more than 175 percent, while the bottom 90 percent’s real income didn’t budge. But as this chart shows, the vast majority of gains have gone to the tippy-top.



## CAPITAL OVER-ACCUMULATION

---

- Too much capital - not enough profitable places to invest
- Too much capacity - factories can produce more than can be sold
- Too many commodities - warehouses full of unsold goods
- Too many workers - not enough jobs

# UNDERLYING DRIVERS

---

- **Technological Revolution**
  - **Information, Communications, Transportation**
  - **Automation (& soon Artificial Intelligence)**
- **Globalization**
  - **Manufacturing**
- **Wage Repression**
- **Financial Deregulation**

**SO WHERE DO THE  
UBER-RICH INVEST?**



**WHY DOES A PERSON SPEND \$179M ON A PAINTING?**

# THE SPECULATIVE REAL ESTATE MARKET



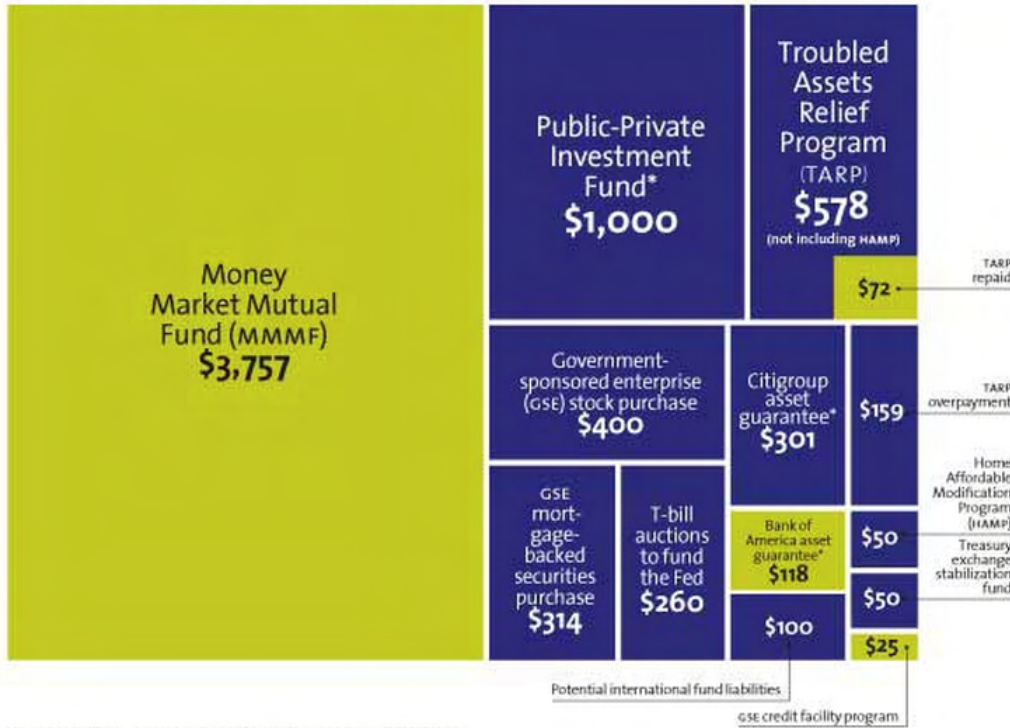


# THE CRISIS OF CREDIT

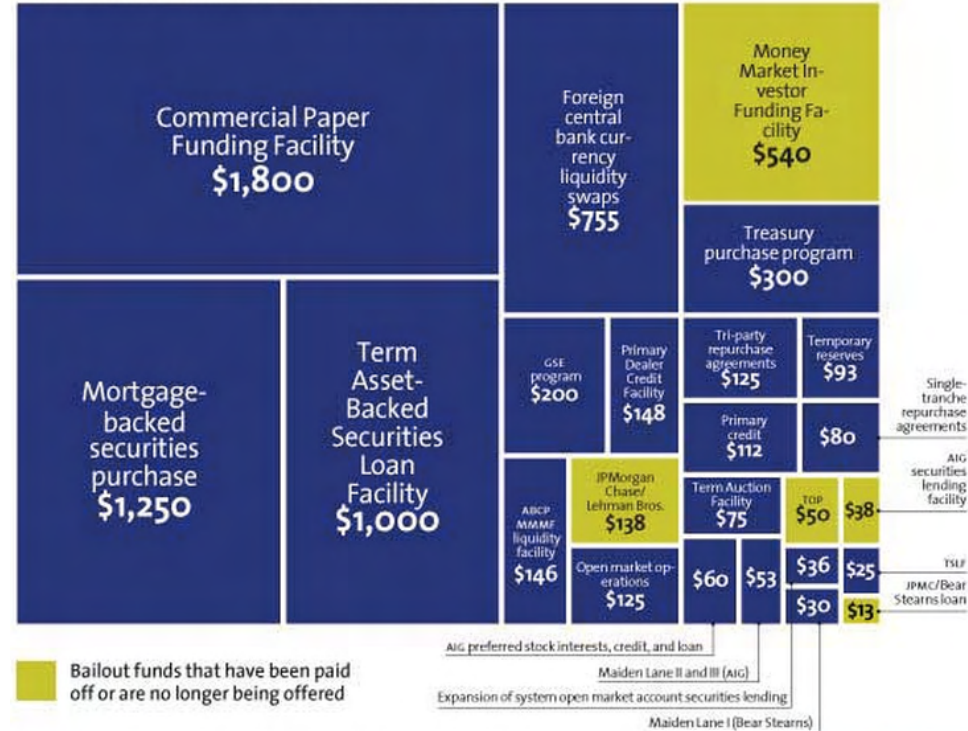
[https://www.youtube.com/watch?v=bx\\_LWm6\\_6tA](https://www.youtube.com/watch?v=bx_LWm6_6tA)

**TREASURY DEPARTMENT: \$7.2 TRILLION**

Bailout funds, in billions



**FEDERAL RESERVE: \$7.2 TRILLION**



Bailout funds that have been paid off or are no longer being offered

\* = Joint Treasury-Fed program. Sources: Federal Reserve; SIGTARP; Treasury Dept. Research by Krisztina Ugrin. More details at [motherjones.com/the-real-bailout](http://motherjones.com/the-real-bailout).

Share Image

# REAL SIZE OF THE BAILOUT: \$14.4 TRILLION

# FIRE SECTOR

- FIRE: Finance Insurance Real Estate
- Financial deregulation
  - Banks now source of the capital investment & construction bonds and hold the mortgage
  - Willing to increase access to credit...to some
    - More affluent and speculators
- Foreign borders fall leading to increase investment from top 1%



Thursday 29 September 2016 07.47 EDT | 0 Shares | 471 Comments

# BIG CHANGES THAT ARE FUELING GENTRIFICATION TODAY

---

- Mom & Pop landlords now “Wall Street landlords”
  - Many LLCs with invisible investors
- Private Equity Firms are now buying single family homes
- Foreign investors
- AirBnB is taking housing off the market
- Flippers
- Upzoning + Speculative Real Estate Development

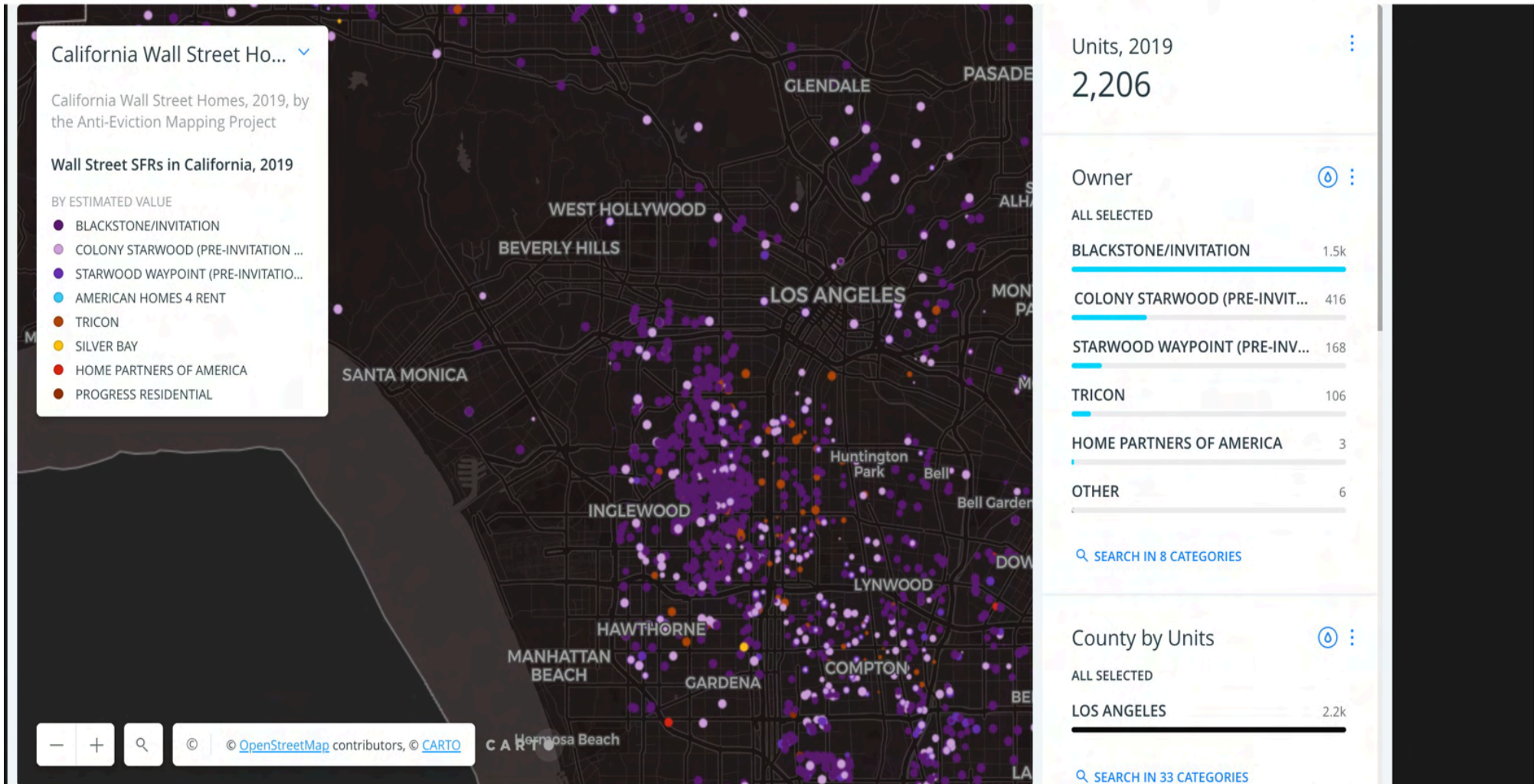
# **SPECULATIVE INVESTORS CONCENTRATING ON LOW-INCOME COMMUNITIES**

# CORPORATE LANDLORDS OF SINGLE FAMILY HOMES

ion Resources / Recursos Reports Writing




Anti-Eviction Mapping Project



*Note: Concentration of Corporate Ownership in Low-Income Communities* 65

Why Fundrise ▾ Investments Historical Performance Resources ▾




**Apartment renovation**  
South LA, Los Angeles, CA • West Coast eREIT

[View details >](#)

Rating <b>B2</b>	Our commitment <b>\$4,532,000</b>	Structure <b>Equity</b>	Projected ann. return <b>5.0 - 12.3%</b>
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Page 1 of 21

Why Fundrise ▾ Investments Historical Performance Resources ▾ Log in




**Stabilized apartments**  
West Adams, Los Angeles, CA • Growth eREIT II

[View details >](#)

Rating <b>B1</b>	Our commitment <b>\$1,388,000</b>	Structure <b>Equity</b>	Projected ann. return <b>5.3 - 11.4%</b>
---------------------	--------------------------------------	----------------------------	---

Los Angeles, CA

Why Fundrise ▾ Investments Historical Performance Resources ▾ Log in



**Single-family rental home**  
South LA, Los Angeles, CA • National eFund

[View details >](#)

Rating <b>B2</b>	Our commitment <b>\$590,000</b>	Structure <b>Equity</b>	Projected ann. return* <b>5.8 - 12.7%</b>
---------------------	------------------------------------	----------------------------	--

\*The projected annual return presented for this asset is at the portfolio level, because this asset is held in a pooled portfolio.

# CROWDFUNDING: A VEHICLE FOR SPECULATORS FROM ACROSS THE GLOBE

# **RACIALIZED DISPLACEMENT THROUGH REZONING**



# UPZONING TO PRICE OUT LOW- & MIDDLE-INCOME

  **Homes By Favio**  
Sponsored ·  

**NEW**  
ON MARKET

**\$999,900**

1	2	0
Ba	Bd	Ro

**kw** KELLER WILLIAMS REALTY

562-305-7952



US.PROSPECTS.COM  
**New Listing in Los Angeles at 1517 S Cochran AV**

 Like  Comment  Share

   20

15 shares

Most Relevant 

 Like  Comment  Share

   20

15 shares

Most Relevant 



**Tony Alvarez-Rivera**  
Not even by Westchester area, so expensive 😂

17h Like Reply



**Homes By Favio**  
**Tony Alvarez-Rivera** hey Tony, the lot is a RD2 on a TOC: Tier 1 if you know what that means. It's actually a really good property for an investor. Maybe too expensive for regular buyer. Let me know if I can help you with any of your Real Estate needs. Thank you for your comments.

# FLIPPERS BACKED BY SPECULATIVE INVESTORS NEED NO MONEY

## 7 Ways To Start Flipping Houses With No Money



BY THAN MERRILL | @THANMERRILL



### Key Takeaways

- There are no rules stating that the money you use to flip houses needs to be your own.
- There are two necessary assets every investor needs at their disposal: private and hard money lenders.
- While they may come at a higher price, private and hard money lenders are often the greatest source of funding for investors to take advantage of.



**WHY DO SPECULATORS  
FOCUS ON LOW-INCOME  
COMMUNITIES / DISTRESSED  
PROPERTIES?**

# RENT GAP THEORY (URBAN GEOGRAPHER NEIL SMITH)

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- Actual Rent: Actual rent that the landlord/property owner is being paid for a piece of land
- Potential Rent: How much the landlord could make if convert to the most profitable use
  - Only possible by removing current residents & replacing with “gentry” & newer businesses
- Rent Gap: The difference between actual rent and potential rent. As the rent gap grows, gentrification is more likely

# **GENTRIFICATION: LOCAL CONTEXT**

# DEFINING HOUSING TERMS

**“MARKET-RATE” . . .  
MEANS “NOT FOR ME”**

# FEDERAL DEFINITION OF HOUSING AFFORDABILITY:

**“SPENDING NO MORE THAN 30%  
OF INCOME ON HOUSING COST”**



**“AFFORDABLE HOUSING”**

# "AFFORDABLE HOUSING" ELIGIBILITY

<b>FAMILY SIZE:</b>		1	2	3	4
<b>Los Angeles County</b>	Extremely Low	21950	25050	28200	31300
	Very Low Income	36550	41800	47000	52200
	Low Income	58450	66800	75150	83500
	<b>Median Income</b>	51150	58500	65800	<b>73100</b>
	Moderate Income	61400	70150	78950	87700
Area Median Income: <b>\$73,100</b>					

## Median Household Income for Family of 4:

90008: \$36,641

90016: \$43,443

90018: \$37,341

90043: \$41,812

**“AFFORDABLE FOR  
WHO?”**

**LARGEST PROPOSED  
DEVELOPMENTS IN ALL  
OF L.A. COUNTY (MAY '16)**

# LARGEST PROJECTS IN L.A. COUNTY (MAY 2016)

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1. Inglewood
2. Boyle Heights
3. Leimert Park/Crenshaw
4. Baldwin Vista/Baldwin Hills
5. *Downtown LA*
6. Boyle Heights
7. Historic South Central



**#1 Inglewood (Rams Stadium/Hollywood Park) -  
3,000 all market-rate residential units**



**#2 Boyle Heights (“New Wyvernwood”) - 4,400 residential units (3,740 market rate)**



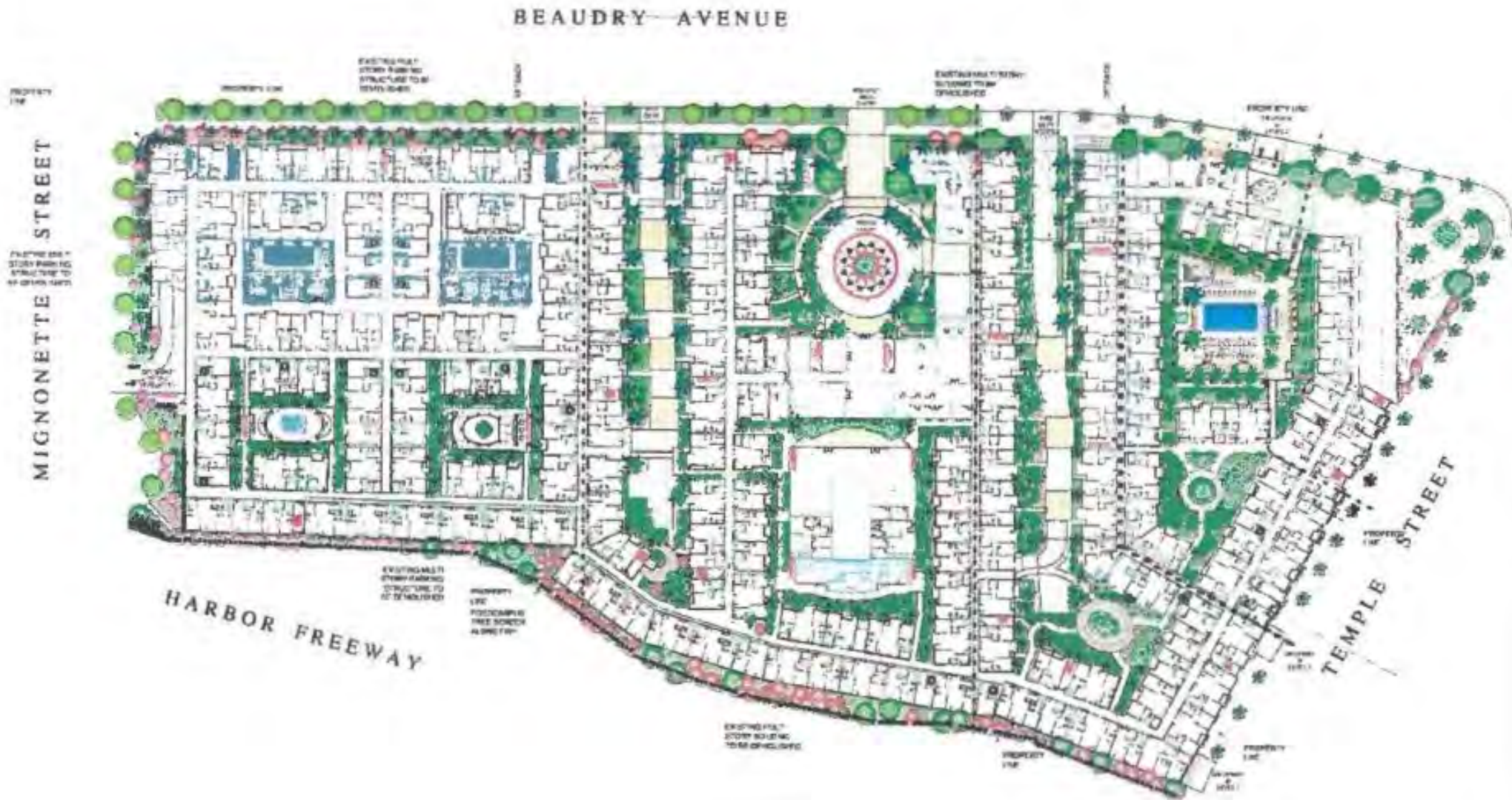
**#3 Leimert Park/Crenshaw (Crenshaw Mall  
Redevelopment) - 961 residential units (90% market-rate)**





TOWER - SOUTH ELEVATION

**#4 Baldwin Vista/Baldwin Hills (Cumulus Skyscraper) - 1,200 all market-rate residential units**



**#5 Downtown (Geoff Palmer's Ferrente Apartments)**  
*- 1,500 market-rate residential units*



**#6 Boyle Heights (Sears Adaptive Re-Use) - 1,030  
*market-rate units***



**#7 Historic South Central (The Reef) - 1,440  
residential units (1,368 market rate)**

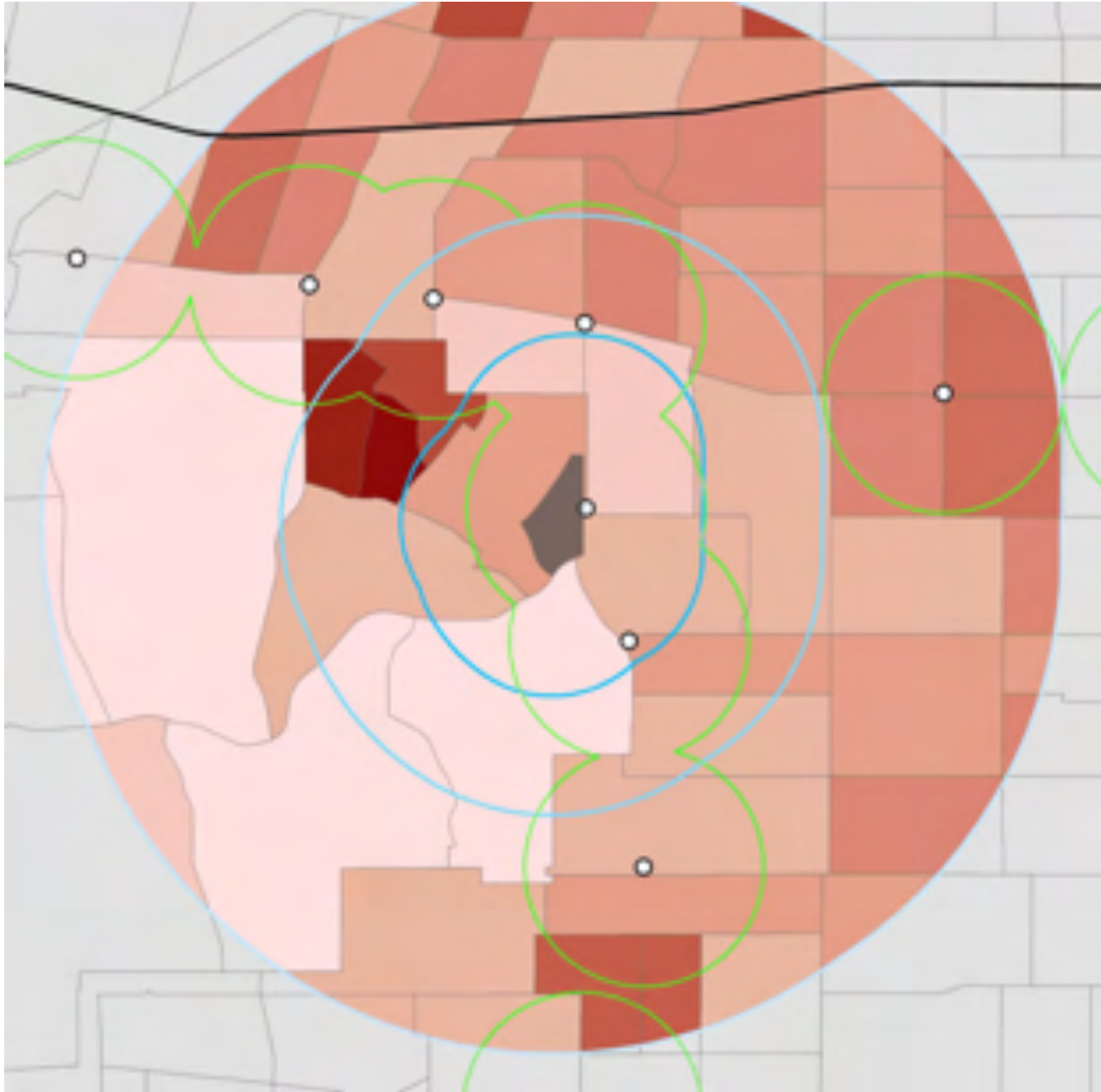
**CAUSING DISPLACEMENT  
THROUGH LARGE  
“CATALYTIC” MARKET-  
RATE PROJECTS**



**Crenshaw Mall Redevelopment: 961 residential units  
(90% market-rate)**

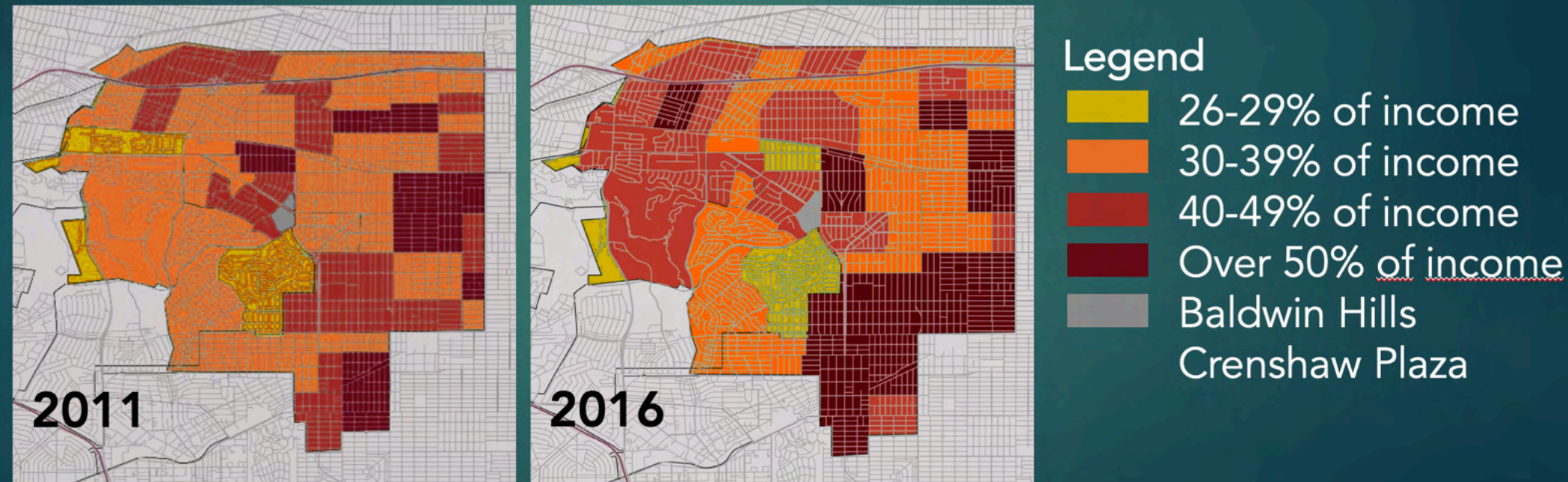
# CRENSHAW SNAPSHOT: THE TWO MILE RADIUS FROM MALL

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# Median % of Income Spent on Rent

Rent as a share of household income has grown dramatically.

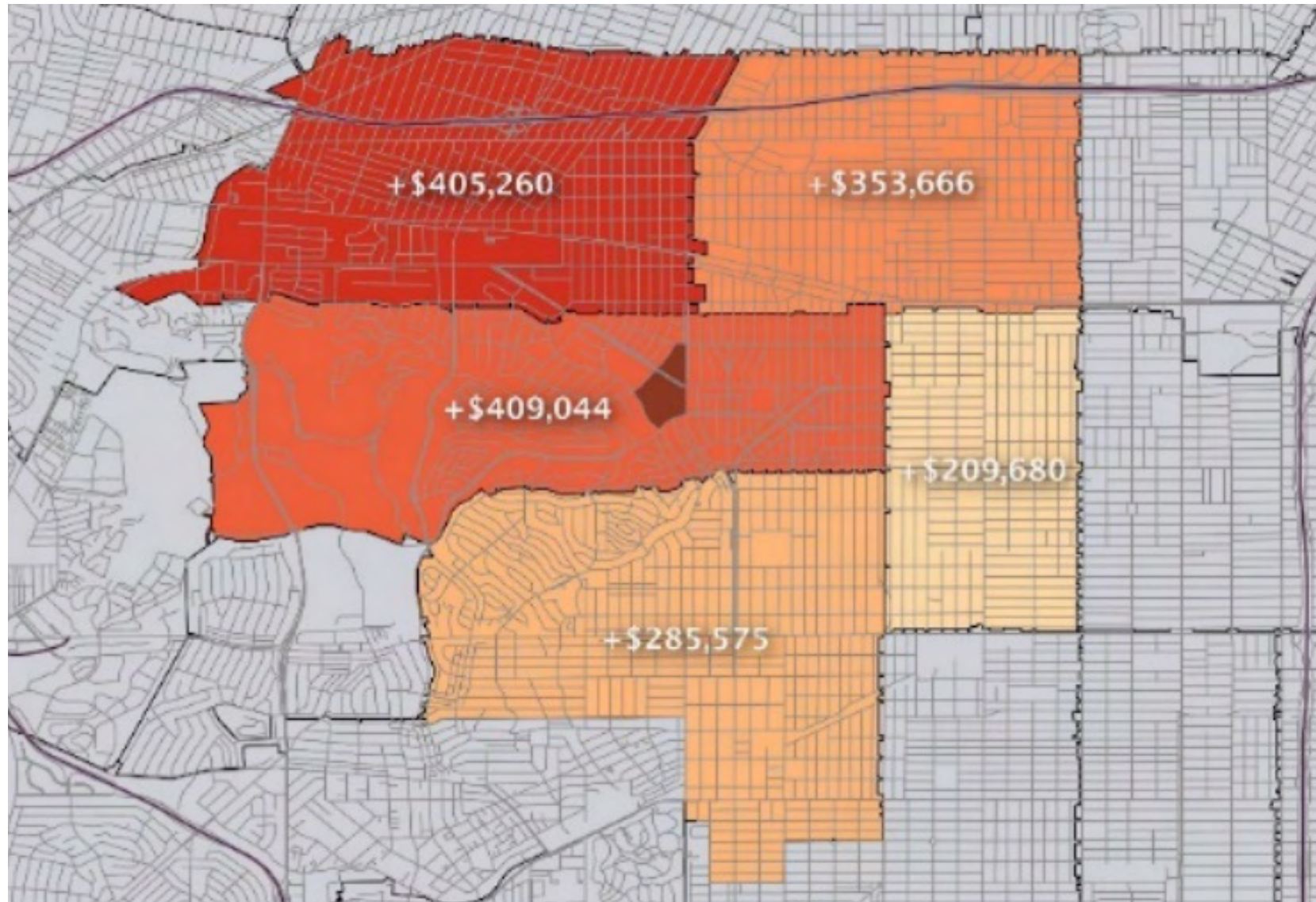


Renters are spending more of their income on Rent



# PRICED OUT: CHANGE IN MEDIAN HOME SALE PRICE (2011 - 2017)

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# It's worse for low-income folks

For Households Making Under \$50,000 Annually:

Rent-Burdened

Cost-Burdened Homeowners

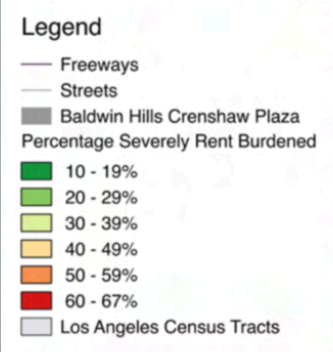
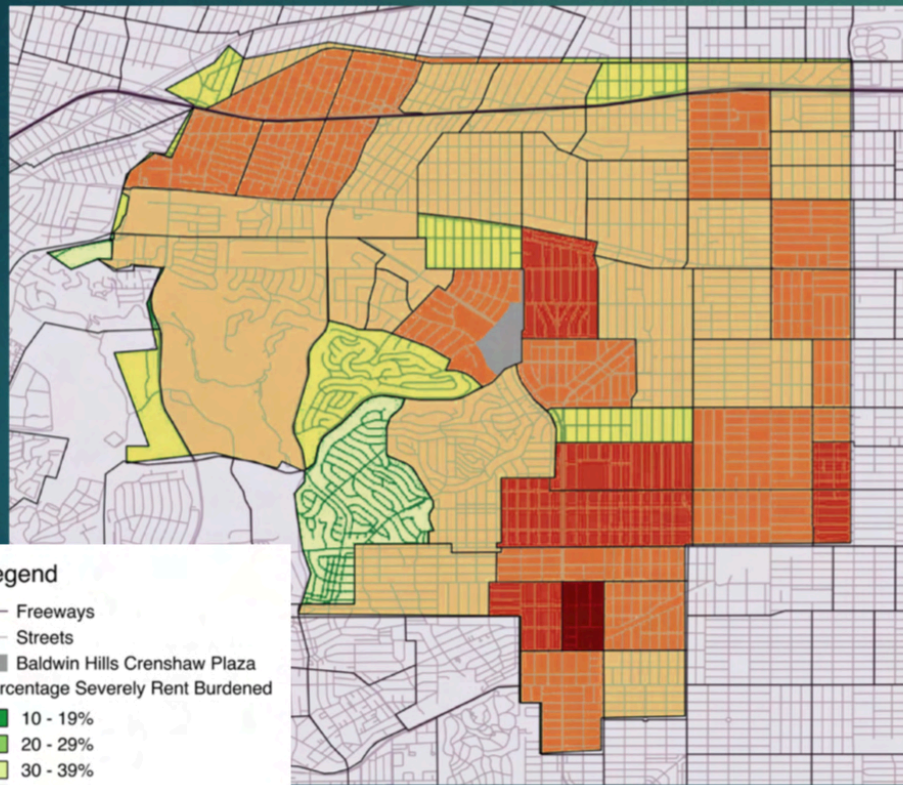
Legend



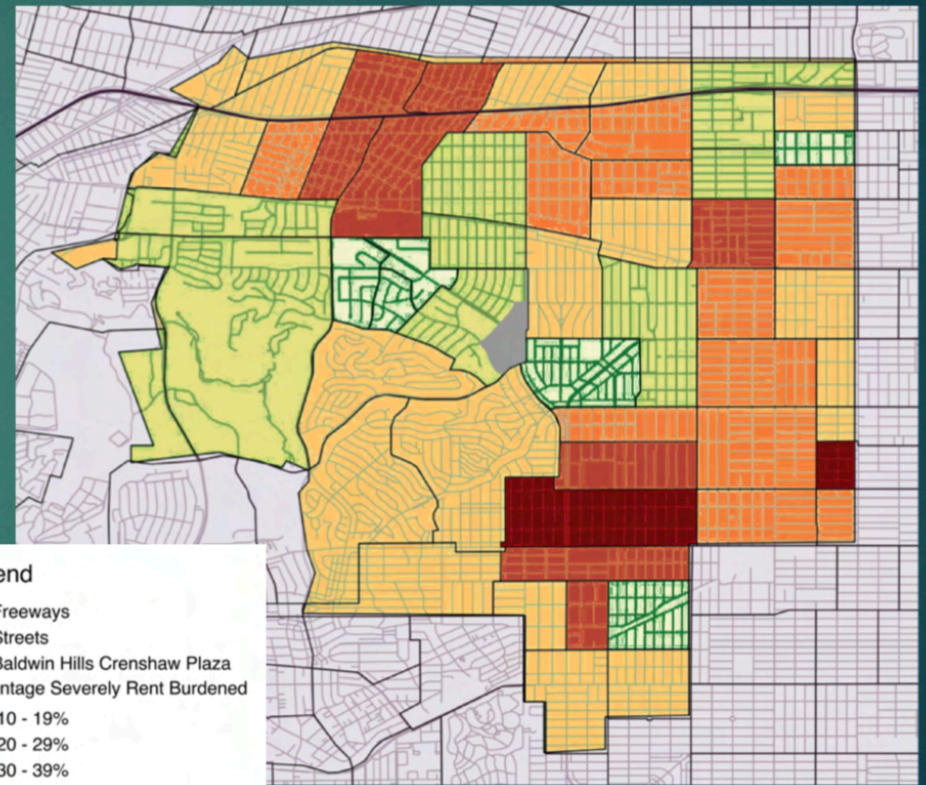
We are a low-income community

# Severely Cost-Burdened Households

## Percentage of Severely Rent-Burdened



## Percentage of Severely Cost-Burdened Homeowners



The most vulnerable: Spend over 50% of income in housing

# MYTH ABOUT CRENSHAW “HOMEOWNERS”:

**56% OF BLACK & 62% OF BROWN  
HOMEOWNERS SPEND OVER 30%  
OF INCOME ON HOUSING**

# MYTH ABOUT CRENSHAW “HOMEOWNERS”:

**30% OF BLACK & 34% OF BROWN  
HOMEOWNERS SPEND OVER 50%  
OF INCOME ON HOUSING**

# **CRENSHAW COMMUNITY RENTERS:**

**70% OF BLACK & 67% OF  
BROWN RENTERS SPEND OVER  
30% OF INCOME ON HOUSING**

# CRENSHAW COMMUNITY RENTERS:

**48% OF BLACK & 39% OF  
BROWN RENTERS SPEND OVER  
50% OF INCOME ON HOUSING**

# CRENSHAW MALL GENTRIFICATION TSUNAMI

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69,617 Residents are at  
Moderate Risk of Displacement

65,447 Residents are at  
Higher Risk of Displacement

40,279 Residents are  
Highly At-Risk of Displacement





# ASM. CHARLES BARRON (EAST NEW YORK) 2015 INTERVIEW

<https://www.youtube.com/watch?v=qIo8iE4qVDg>

# STRATEGY FOR SUCCESS

## EAST NEW YORK RESULTS:

**13.2% INCREASE IN BLACKS**

**6% DECREASE IN WHITES**

**6,000 NEW AFFORDABLE HOUSING  
UNITS**

# CSC'S "BARRON RULE":

**"IF OUR PEOPLE CAN'T  
AFFORD IT,  
DON'T BUILD IT"**

## RENTER'S BURDEN

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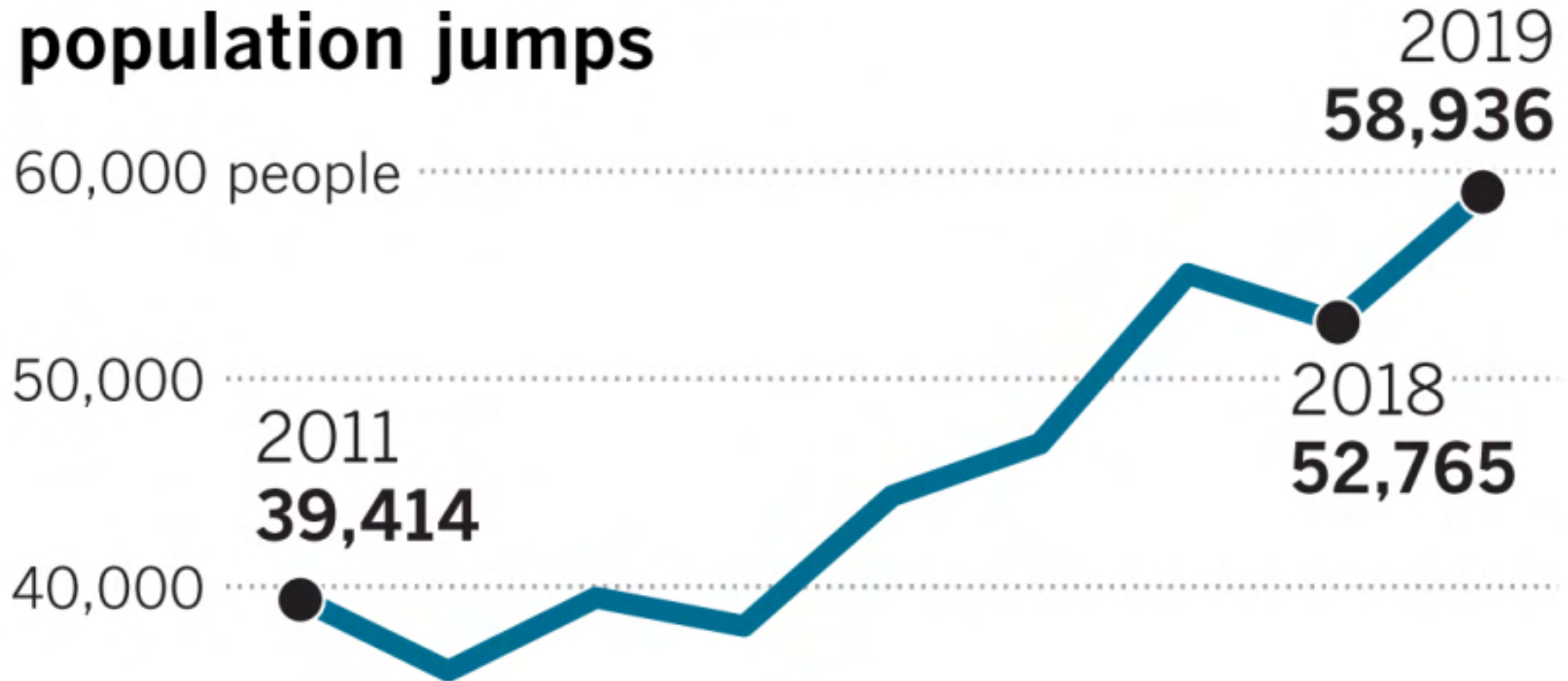
- **2015: Over 58% of L.A. region renters pay more than 30% of income in rent**
- **2015: Over 32% of L.A. region renters pay more than 50% of income in rent**
- **Feb 2017: Average rent in City of L.A.:**
  - **1 bed: \$2,313**
  - **2 bed: \$3,011**



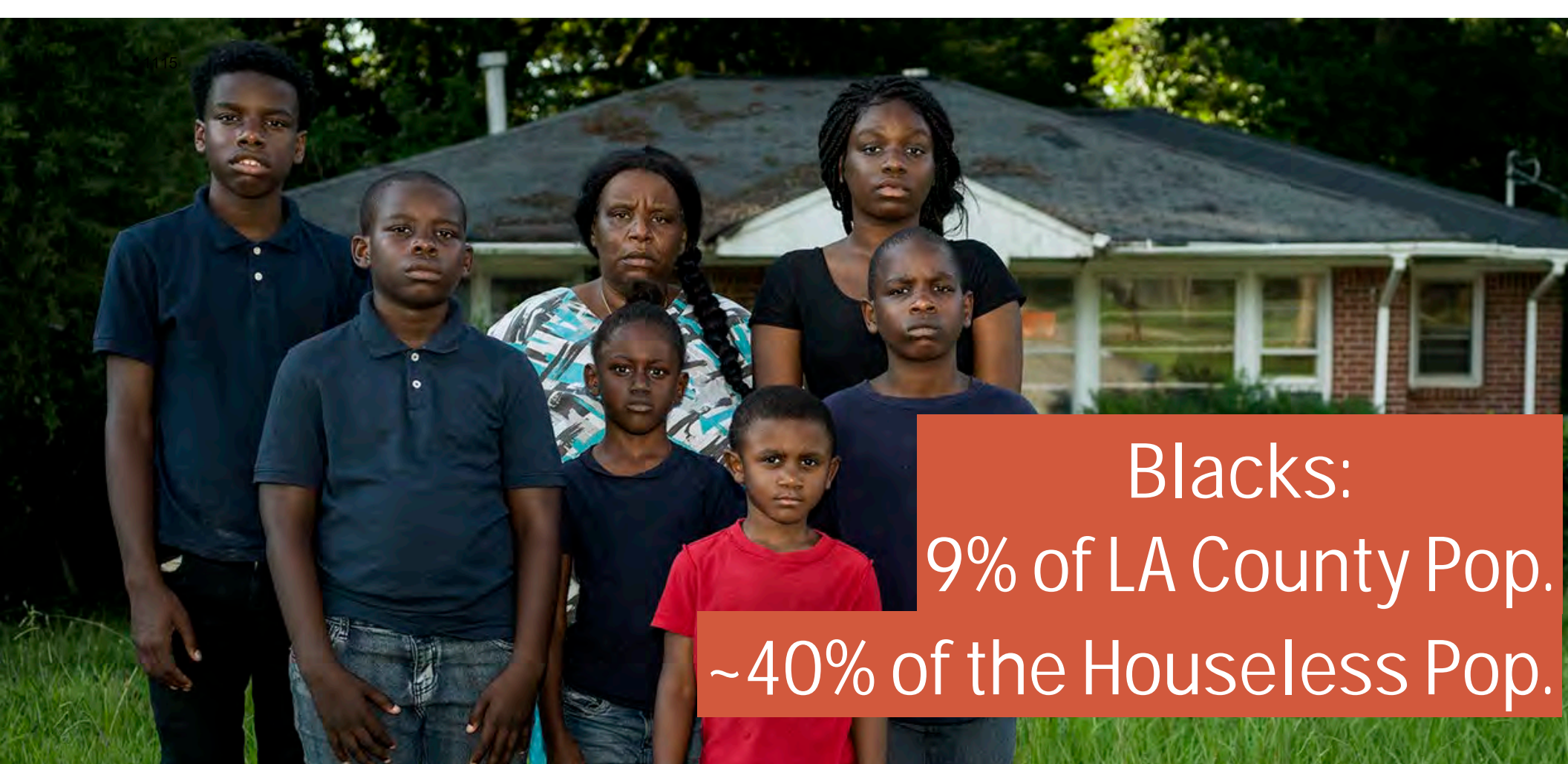
Los Angeles is home to the nation's worst housing affordability and homelessness crisis

# NATION'S LARGEST UNHOUSED/UNSHELTERED POPULATION

## L.A. County homeless population jumps



- Nearly 59,000 people are houseless every night in LA County
  - Found that houseless are more educated than general population (About half have a HS diploma & about 1/3rd college degree)



Blacks:  
9% of LA County Pop.  
~40% of the Houseless Pop.

# “THE NEW AMERICAN HOMELESS”

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Article in The New Republic (August 21, 2019)



**POLICE VIOLENCE/  
OVER-POLICING IS A  
CRITICAL LEVER IN  
GENTRIFICATION**

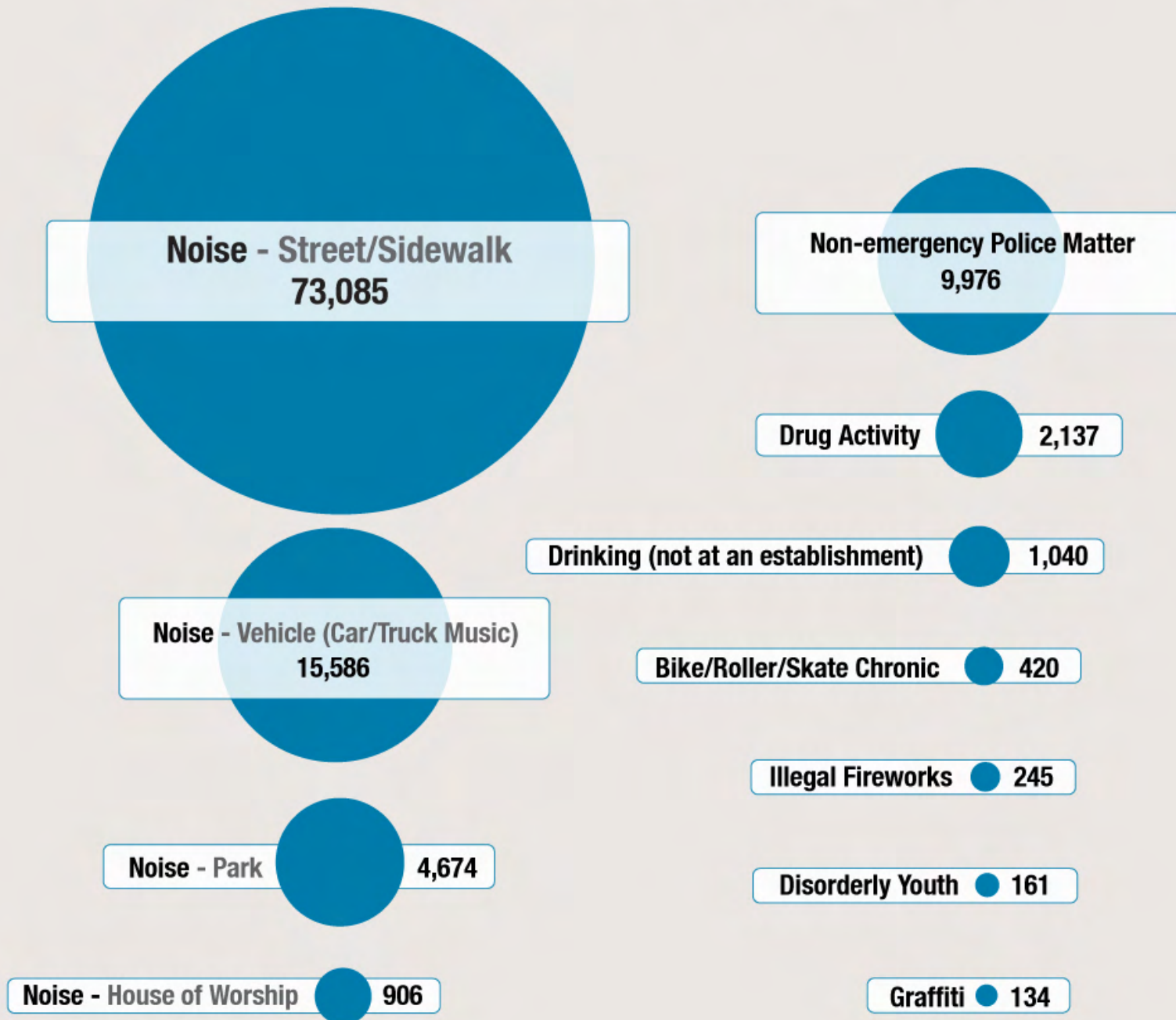


# 311 QUALITY-OF-LIFE COMPLAINTS | REFERRED TO THE NYPD (2011-2016) \*



\*Only census tracts with median household income below the citywide average in 2011.

# QUALITY OF LIFE COMPLAINTS MADE TO 311 AND REFERRED TO THE NYPD (2017)



# THE DEADLY CONSEQUENCES



The long read

## Death by gentrification: the killing that shamed San Francisco

the San  
dead  
brielle



Alejandro Nieto was killed by police in the neighbourhood where he spent his whole life. Did he die because a few white newcomers saw him as a menacing outsider?

# FORCING SELF-EVICTIONS THROUGH THREAT OF POLICE VIOLENCE

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## **In California, Landlords Threaten Immigrant Tenants with Deportations**

Housing lawyers are reporting a troubling trend: Landlords exploiting the growing fear of immigration authorities to evict tenants, raise rents, and clear residents from gentrifying neighborhoods.

KRISTON CAPPS |  @kristoncapps | Apr 5, 2017 |  45 Comments

## OTHER LANDLORD ABUSES

---

- **Tenant Harassment**
- **Ellis Act Abuse**
  - **Over 25K rent-stabilized units  
lost to Ellis Act**

# PART I WRAP UP

**REVIEW MATERIAL:**

**WWW.CRENSHAWSUBWAY.ORG/**

**GENTRIFICATION101**

**PART II:  
FIGHTING  
GENTRIFICATION  
PROMOTING COMMUNITY  
WEALTH BUILDING**

# **FIGHTING GENTRIFICATION**



# HOW TO STOP GENTRIFICATION

---

## 1. Protect the Vulnerable (Regulate the Speculators)

- Tenants, at-risk homeowners and community-serving small businesses

## 2. Take Land Off the Speculative Real Estate Market

- Create non-market based structures for housing and community development

## GENERAL PRINCIPLES OF “COMMUNITY-CENTERED DEVELOPMENT”

---

- “Development without displacement”
  - **Better neighborhood, same neighbors**
- Development for existing residents needs
- Development that plays by the rules (the community’s standards)

# CSC'S PRINCIPLES OF COMMUNITY DEVELOPMENT

# GENERAL PRINCIPLES OF “COMMUNITY-CENTERED DEVELOPMENT”

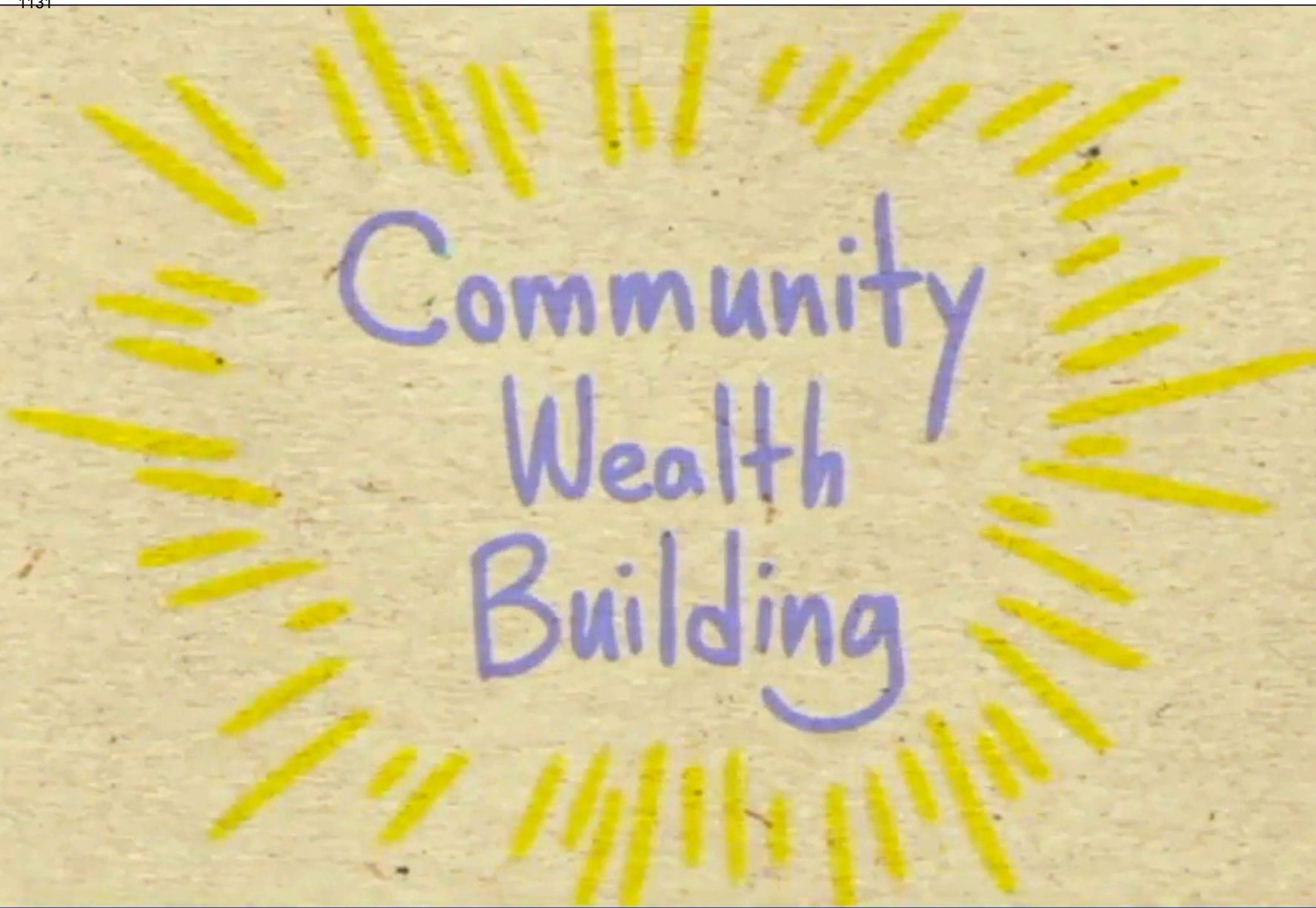
- Right to Self-Determination: We believe that people of color have a right to space to cultivate their culture, maintain their unique history, develop institutions, build political power, and define the community’s future.
- Right to Housing: We believe that decent housing is a human right, housing should be affordable and accessible to historically marginalized populations, and housing should be well integrated socially and geographically.
- Right to Protection from Displacement: We believe that people’s homes need to be protected from market forces that cause displacement and changes in government policy over time.
- Right to Land: We believe that land and housing should be community-controlled through democratic structures and processes such as community land trusts and cooperatives.
- Community Wealth Building: We believe public resources should NOT go towards enriching large corporations and rich shareholders, but should instead go towards community wealth building models such as worker owned-cooperatives, housing cooperatives and community controlled land trusts.
- Right to Build & Maintain Small Businesses: We believe that productive community-serving small businesses have the right to be sustained and maintained against corporate chains and corporate interests.
- Right to Good Jobs: We believe that everyone who wants a job should be provided a job with a living wage, good benefits, equal pay, and the right to unionize, especially traditionally marginalized populations such as the formerly incarcerated.

# RESIST! BOYLE HEIGHTS BATTLE AGAINST “ART WASHING”

---



**COMMUNITY-WEALTH  
BUILDING  
("SHARE THE WEALTH")**



Community  
Wealth  
Building

## WHAT IS COMMUNITY WEALTH BUILDING?

.....  
<https://www.youtube.com/watch?v=LipsduV5rI>

# SEVEN DRIVERS OF COMMUNITY WEALTH BUILDING

---

- **Place**: Leverages many kinds of assets rooted in community, for maximum benefit of local residents.
- **Ownership**: Promotes local, broad-based ownership as the foundation of a thriving, resilient local economy.
- **Multipliers**: Encourages institutional buy-local strategies to keep money circulating locally.
- **Collaboration**: Brings many players to the table, including nonprofits, philanthropy, anchor institutions, and cities.
- **Inclusion**: Aims to create inclusive, living wage jobs that help families from all walks of life enjoy economic security.
- **Workforce**: Links training to employment and focuses on jobs for those with barriers to employment.
- **System**: Develops new institutions and support ecosystems, to create a new normal of political-economic activity.

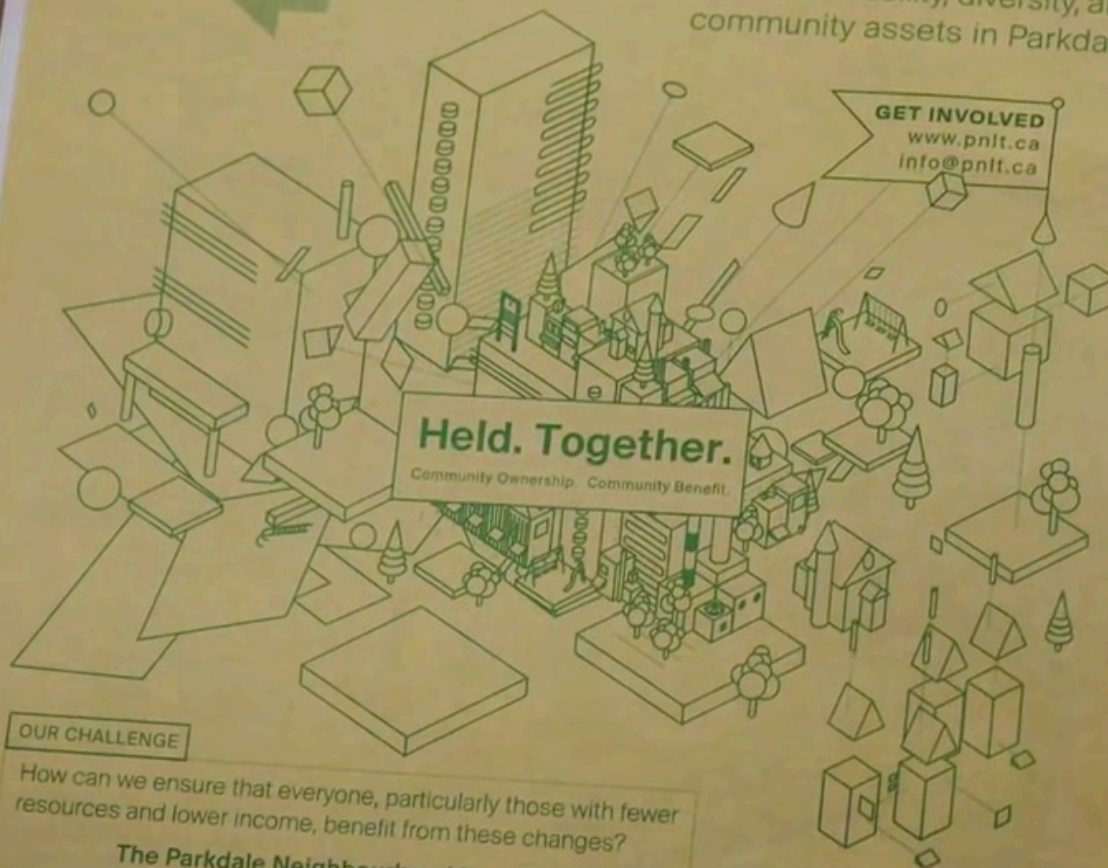


# VALUE CAPTURE:

**“RECOVERING SOME OR ALL OF THE VALUE CREATED FOR PRIVATE LANDOWNERS BY PUBLIC INFRASTRUCTURE INVESTMENT”**

## Parkdale Neighbourhood Land Trust

Parkdale is changing rapidly.  
This change is not inherently good or bad,  
but it raises important questions  
about affordability, diversity, and  
community assets in Parkdale.



### OUR CHALLENGE

How can we ensure that everyone, particularly those with fewer resources and lower income, benefit from these changes?

The Parkdale Neighbourhood Land Trust (PNLT) was formed to address this challenge.

### OUR ACTION STRATEGY

PNLT will acquire land, removing it from the real estate market.

### ABOUT PNLТ

The Parkdale Neighbourhood Land Trust (PNLT) is a community-controlled non-profit organization of residents.

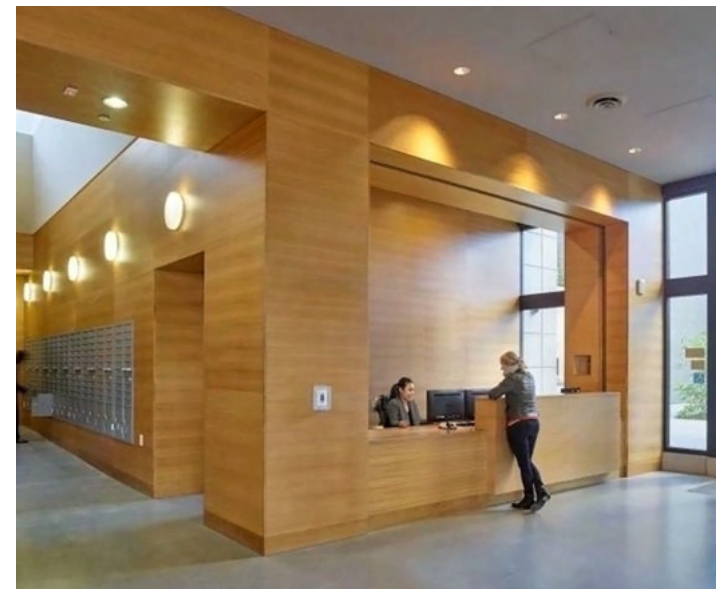
# COMMUNITY LAND TRUST

<https://www.youtube.com/watch?v=QdjIzultZtc>

# SOCIAL HOUSING IN THE UNITED STATES



**WHICH PROJECT IS  
“AFFORDABLE HOUSING”?**



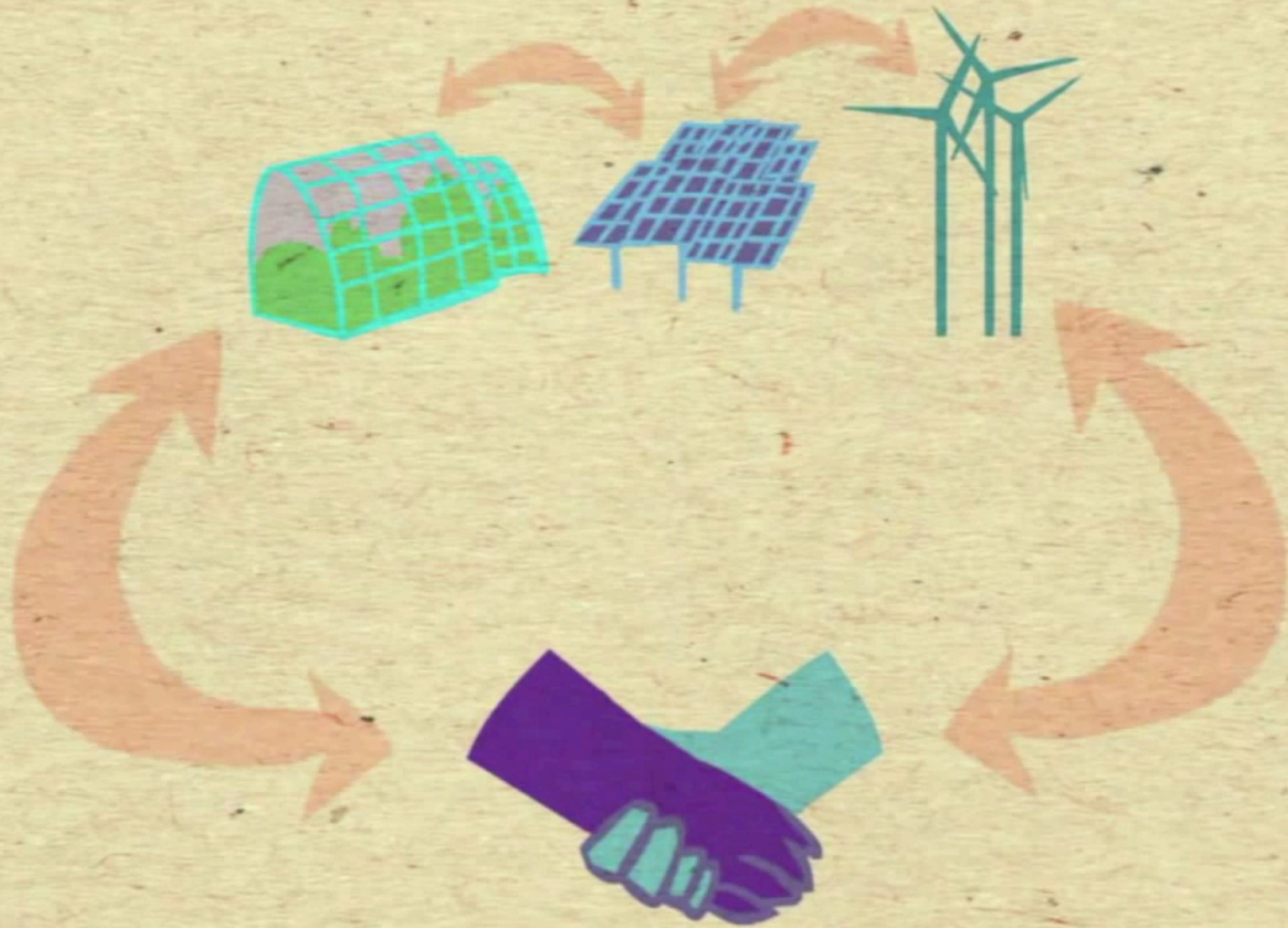
# CHOICE "A"



# CHOICE "B"



# CHOICE "C"



# WORKER-OWNED COOPERATIVES: THE CLEVELAND MODEL

[https://www.youtube.com/watch?v=s\\_kLye\\_6VBc](https://www.youtube.com/watch?v=s_kLye_6VBc)



# WRAP UP



## PARTING WORDS OF WISDOM

<https://www.youtube.com/watch?v=qIo8iE4qVDg>

## FOR ADDITIONAL ONLINE RESOURCES

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- CSC's Gentrification 101 Page:  
[www.crenshawsubway.org/  
gentrification101](http://www.crenshawsubway.org/gentrification101)
- CSC's Gentrification Page:  
[www.crenshawsubway.org/  
gentrification](http://www.crenshawsubway.org/gentrification)

# CONTACT INFORMATION

---

- **info@crenshawsubway.org**  
**(323) 300-6078**



# HOLLYWOOD'S STORY

---

- 13,000 working class families (mostly Latinos) pushed out in early 2000s
- Highest vacancy rate in the city
- Highest homelessness rate in the city
- Homeless encampments up 50% in one year



# CA HOUSING CRISIS

- More broadly seen as a crisis throughout the state
- Some policy experts have asked the governor to declare a “State of Emergency”

Large metros where it takes the most years of income to buy a home

Rank	Large Metro	Years of Income to Buy a Home
1	Los Angeles, CA	9.0
2	San Jose, CA	9.0
3	San Francisco, CA	8.8
4	San Diego, CA	7.6
5	New York, NY	5.8
6	Sacramento, CA	5.8
7	Riverside, CA	5.3
8	Boston, MA	5.0
9	Seattle, WA	5.0
10	Portland, OR	4.7

*(Metros with over one million people)*

Testimony for the AB 3121 Reparations Hearings  
Darnell M. Hunt, PhD  
Dean of Social Sciences, UCLA  
Professor of Sociology and African American Studies  
December 8, 2021

My name is Darnell Hunt, and I have studied the status of Black Americans in the Hollywood entertainment industry for nearly thirty years. I am currently Dean of Social Sciences at UCLA and Professor of Sociology and African American Studies. Since 2014, I have been the lead author on a series of annual UCLA reports documenting the progress of people of color and women in front of and behind the camera in the Hollywood Industry. Before this, I authored a series of reports for the Writers Guild of America, West on diversity among Hollywood writers, a study on the state of African American inclusion in primetime television for the Screen Actors Guild, and I helped staff Hollywood interviews for testimony before the U.S. Commission on Civil Rights' 1993 Los Angeles hearings in the aftermath of the 1992 uprisings.

I am here today to testify about the significant impact that Black exclusion from and underemployment in the Hollywood industry has had on the group's position in America. First, it is important to consider that the Hollywood industry was born in the early years of the 20<sup>th</sup> century during the height of the Jim Crow era, itself a backlash against Reconstruction and unfinished efforts to address the damages suffered by Blacks during centuries of American slavery. A product of that moment, the Hollywood industry was structured by the same doctrine of white supremacy that organized life throughout American society. Though recent years have seen some advances for Black talent in the industry — mostly on-screen<sup>1</sup> — white males remain firmly in control, calling the shots behind the scenes.

But why does any of this matter in the overall scheme of things? Given the very real challenges that the legacy of American slavery continues to pose for Black Americans in terms of economic, political, and social justice, why should we care about how the group has been treated by Hollywood? The answer is simple: While the films and television shows Hollywood produces are entertaining, they are much more than mere entertainment.

It is no accident that one of the earliest campaigns of the National Association for the Advancement of Colored Persons (NAACP) centered around protesting the highly popular and racist 1915 film, *Birth of a Nation*. The NAACP recognized the power of media — of the stereotypical and dehumanizing images of blackness promoted in the film — to undermine its

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<sup>1</sup> See UCLA's "2021 Hollywood Diversity Report: Pandemic in Progress," (Parts 1 and 2), UCLA Division of Social Sciences. Black Americans were overrepresented among top film roles in 2020, claiming 19.4 percent of the roles. Meanwhile, the group also exceeded proportionate representation among all roles in broadcast (18.4 percent), cable (20.9 percent) and digital (15.1 percent) for the 2019-20 season.



efforts to integrate Black Americans into a Jim-Crow-era nation clinging to the doctrine of white supremacy.<sup>2</sup> Though the smoking gun of causation is often difficult to locate when it comes to the impact of media on society, there is ample evidence supporting the idea that heavy media consumption has a normalizing or “mainstreaming” effect, pushing consumers’ understandings of the world in directions popularized in the films and television shows they consume.<sup>3</sup> This effect appears to be strongest when media serve as a stand-in for real, face-to-face encounters with others and/or in-person experiences with the issues depicted.<sup>4</sup>

Indeed, concerns about this media effect motivated the advocacy group Color of Change to commission a 2017 study I authored exploring the role race plays in the writers’ room, the creative spaces responsible for producing the scripts that animate Hollywood’s television shows.<sup>5</sup> Among the more important takeaways from the study was the finding that Black voices were largely absent from these spaces for a longstanding and staple genre of network television — the crime procedural. Accordingly, crime procedurals were found to routinely glamourize policing and to legitimize the criminal justice system, while downplaying the degree to which Black Americans are racially profiled and victimized by both. This finding is particularly alarming given what we know about the normalizing effects of media, about the potential for media, in this case, to condition police officers, prosecutors, juries, judges, and/or vigilantes to perceive Black bodies as a threat, and police violence against them as justified.

According to the U.S. Census, Black Americans (alone) constituted 12.4 percent of the population in 2020, the last year examined in our most recent UCLA Hollywood Diversity Report. But among the (mostly) men empowered to make decisions about which films and television shows will be “greenlighted” for production, who will produce or direct them, and how large their budgets will be, Black Americans were largely absent. Indeed, there were no Black CEOs or members of the senior management team at the major Hollywood studios in early 2020, and only 3.9 percent of major studio unit heads were Black.<sup>6</sup> The numbers were better for Blacks at the television networks but still well below proportionate representation: 6.8 percent of network CEOs, 2.9 percent of senior management team members, and 7.5 percent of unit heads in 2020.<sup>7</sup> It should be noted that Hollywood did not welcome its first Black head of a major television network until 2016, when Channing Dungey was promoted to president of ABC Entertainment. But Dungey soon left ABC for a VP level position at Netflix.

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<sup>2</sup> For a fuller discussion of the cultural and political implications of media representations for race in America, see Hunt, Darnell. M. (ed), 2005. *Channeling Blackness: Studies on Television and Race in America*, New York: Oxford University Press

<sup>3</sup> Gerbner, G., Gross, L, Jackson-Beeck, M., Jeffries-Fox, S, Signorielli, N. (1994). “Growing up with television: The cultivation perspective”. In M. Morgan (ed.), *Against the Mainstream: The Selected Works for George Gerbner*. Hillsdale, NJ: Lawrence Erlbaum and Associates, pp. 193-213.

<sup>4</sup> For example, Robert Entman and Andrew Rojecki, 2001, *The Black Image in the White Mind: Media and Race in America*, Chicago: University of Chicago Press.

<sup>5</sup> See “Race in the Writers’ Room: How Hollywood Whitewashes the Stories that Shape America,” October 2017, Color of Change: [https://hollywood.colorofchange.org/wp-content/uploads/2019/03/COC\\_Hollywood\\_Race\\_Report.pdf](https://hollywood.colorofchange.org/wp-content/uploads/2019/03/COC_Hollywood_Race_Report.pdf)

<sup>6</sup> See UCLA’s “2020 Hollywood Diversity Report: A Tale of Two Hollywoods” (Part 1, Film).

<sup>7</sup> See UCLA’s “2020 Hollywood Diversity Report: A Tale of Two Hollywoods” (Part 2, Television).

Among television show creators — the creatives who develop and pitch ideas for new TV series to the networks and studios — Blacks were just 4.5 percent of the total in broadcast and 7.4 percent in digital during the 2019-20 season.

In short, the cost of marginalizing Black talent among those who call the shots in Hollywood is exceedingly high. Not only are Black managers and creatives deprived of lucrative employment opportunities,<sup>8</sup> but the decisions of the white men who dominate the industry result in films and television shows that often fail to affirm the realities of Black life in America. Given what we know about the power of media to influence how we think about who we are, who we are not, and who we hope to be, this is a legacy of white supremacy that must be rectified.

Thank you.

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<sup>8</sup> Echoing white supremacy's grip on Hollywood, a recent study from McKinsey & Company estimates that the industry is leaving \$10 billion on the table by undervaluing Black-led projects: <https://www.mckinsey.com/featured-insights/diversity-and-inclusion/black-representation-in-film-and-tv-the-challenges-and-impact-of-increasing-diversity>.

**ERIKA ALEXANDER: CA TASK FORCE REPARATIONS HEARING**  
**TESTIMONY - FINAL DRAFT 12082021**

**Hello.** My thanks to The California Task Force for the invitation. Ms. Alecia Turner for getting me here, and my friend screenwriter, CS Drotman for her help. I appreciate the opportunity to speak with you today. I've been trying to get "government" attention for a while, so if I'm here now that means all my "good troublemaking" has not been in vain.

My name is Erika Alexander and I'm an actress. I've been an actress for nearly 36 years. You may have seen my work, if not there's still time. Thank goodness for syndication. Through the years I've expanded my skill set and added to my resume, now I am also a writer, producer, director and cofounder of Color Farm Media. We call ourselves the Motown of film, television and tech.

And I had to learn those skills in order to survive and thrive in a business that has for years traded on toxic narratives that were designed to create me, and minority communities as "the other." We have made progress and for that I'm grateful to those who paved the way, and for abolitionist creators determined to

destroy those stereotypes. But along the way I learned a thing or two, about being human and influencing narratives. So I can bear witness to the power of story as a mighty tool towards making reparations for African Americans today and in the future. Here's what I want to talk about. 1:26

- Storytelling. If you ain't in the storytelling business you ain't in the game. Everything is about narratives. Everything. And those who control the narratives, control the world.
- Activists. I'll tell you what I learned from great activists who are for reparations and others who are against. Why they tell the best stories and why that matters.
- Theory. Why Storytelling is the vehicle to move hearts and minds of Americans toward reparations.
- Techniques. I'll discuss how key narratives devices help the medicine go down.

Today I am here as a journeyman *storyteller* and explorer returned from the front lines and badlands called Storyville. **I'm here to tell you how to sell the story of reparations.** To start, I'll tell you my story.

## My Story

It's an *origin* story. I've worked in tv & film. You probably know me from *The Cosby Show*, *Living Single* and *Get Out*. You may even know me as the Producer of the recent John Lewis documentary, *Good Trouble*. And I'm proud to be a working actor. I'm one of the lucky ones, because before all of that I was just a Black girl from the mountains of Flagstaff, Arizona. 2:57 My mother was a teacher. My father was an itinerant preacher. They were both orphans. They had six kids. We lived in the Starlite motel's two-bedroom shack, off of Route 66.

It was tough and we did a lot of dumpster diving. I started work around five years old, knocking on doors and asking for jobs, sweeping the porch or taking out the trash. My brothers, they were stronger, they would shovel snow. And when they got it, a twenty dollar bill was *mythological*. That was the way it was, until one day fate stepped in and my father, a COGIC Pentacostal and Baptist preacher was discovered by the German Lutherans. They thought he was special and sent him to the Lutheran Theological Seminary in Philadelphia. And life changed for me. Suddenly there were more opportunities. My mother sent me to a summer arts program. And when an Merchant Ivory independent

film came to town in the fifth week of that six week program, they held an open call, looking for girls of color to audition. I, along with hundreds of girls, showed up, hoping for a miracle. When the smoke cleared a miracle happened, they chose me for the lead. I was discovered there in a basement theater called New Freedom. That first job got me a union SAG card, health care and a career. I was fourteen and I've been trying to make good on being the one that "got over" ever since.

Story. Now that you know mine, I'm no longer a stranger or a face on a screen. I'm more human. And I believe in reparations for descendants of African Americans. As a way to heal a nation who has yet to reform, repair, or to apologize for its heinous history.

Reparations will need creators and great storytellers to use all their powers to lift it above the clouds. Storytelling is the most powerful tool for change in the world. You see, most people cannot remember details beyond the way something makes them feel. Story is the conduit to our mind, but once a seed is planted it's the quickest to our hearts.

**REV. DR. WILLIAM BARBER II - The Third Reconstruction**

My friend and mentor Rev. William Barber II is a master storyteller. The gold standard for the power of story in its might to create right. To have this discussion, I'll borrow his signature framework called *The Third reconstruction*. In it is a moral, constitutional and economic call for reparations.

Reverend Barber, a MacArthur Genius Fellow, is senior pastor of Greenleaf Christian Church in Goldsboro, North Carolina. He is also co-chair of The Poor People's Campaign, started by MLK Jr.

Rev. Barber says, "I don't separate morality from economics. I don't think America can be if she doesn't ultimately deal with this issue, the legacy of systemic racism and how it continues to hold the country back."

Rev. Barber is the Creator in this story. A world builder. He says we are "the architects of the Third Reconstruction." See now, just right there - you sat up straighter in your seat. Because w/ one phrase he

recreated you as a character with a purpose, in a more dynamic world. Our everyday ordinary just became *mythological*. He believes "you have to have a place to shift imagination...prophetic, moral imagination, before you could even have a hope of political and public policy implementation."

In storytelling terms he helped me see *the arc of history*:

The first reconstruction, after slavery; the second after the assassination of Martin Luther King Jr.; Rev. Barber gave me a perspective from slavery's end, through civil rights, to the turbulent journey we're on today.

Now slavery, its effects and deformities, don't feel so far away. With that knowledge Americans are assured a place inside history. That's what woke is: You, consciously, making history in your own time. Now reparations are within our grasp. The challenge is to awaken others into joining this journey.

The Third Reconstruction is in progress. Barber has the blueprint, he's given us the compass, now we can start drafting. No experience required, but imagination is essential. We'll need that to move the



reparations conversation forward. If this is the Third Reconstruction then we are all the architects of it. All of us. Surely that is a higher calling. But be forewarned, if it only took reason to make a season all our days would be 72 and sunny. But this ain't Hollywood. They'll be real Katrina's and other storms to endure. We can succeed, but we'll need to declare that we are responsible for a better tomorrow. Rev. Barber's superpower, and he has many, is shifting that "everyday to a brighter way." Rev. Barber declared this is The Third Reconstruction. Believe him, and let's get on our way.

**Our next master storyteller is Saru Jayaraman.** As an archetype Saru is a modern day warrior and battle cat. In real life she is the President of *One Fair Wage and the Director of the Social Movement Center* at the University of California, Berkeley. And she leads an army, alongside Rev. Barber and other grassroots justice organizations, working daily to advance the moral agenda and uplift service workers' voices on the historic and continued abuses of tipped wage workers. Saru's mission is to destroy the tipped waged economy, a holdover from slavery, and redress the tremendous gap in wealth between Black and white households--the effects of accumulated inequality and discrimination, as well as differences in power and opportunity that

can be traced back to slavery and this nation's inception. She approaches this complex issue by telling us a story about a practice we all do that holds the nation's poorest people and women together in poverty. Tips. It's a powerful message for people to understand what is on the end of our fork and why it's there. Making the invisible visible is its own clarifier and can move many from daytripper and down from the cheap seats to the dugout.

Our next master storyteller is a Killer and a wordsmith. He uses his tremendous vocabulary and first rate mind to chisel a new image for a tribe of lost people.

**Michael "Killer Mike" Render.**

I met him earlier this year when making our documentary and podcast about reparations, called The Big Payback with my white, male co-director Whitney Dow. It's because of the podcast, and not my killer smile, that I imagine I was invited here. Well doing those projects we had great conversations with Michael "Killer Mike" Render. One of the best storytellers on this hot, blue rock, a disrupter for social justice and a leader in Barber's Third Reconstruction. As a rapper and activist he has street cred, charisma and

bold appeal, that's rooted in his *authenticity*. In storytelling terms he's a shapeshifter and a trickster. Able to move between class, commerce and politics, as an artist and intellectual. Michael uses his influence to reach a segment of America's most marginalized citizens, Black men. Inviting them into complex discussions that are engineered to benefit them, their families and their communities, but they are rarely invited to contribute in a meaningful way. Michael is their emissary. He is able to convey the bigger picture of how reparations can empower them now, but also future generations, to greater heights. He speaks to their aspirations to engage their appetite for *imagineering*, to borrow a Disney term, to create their future now.

Sure, he believes in reparations, but his approach is holistic. "...as long-term, systemic, purposeful organizations and systems set up that puts, for the first time, Black people who were brought in here as beasts and chattel on a pathway to having their full rights and privileges, recognized and enjoyed."

Through Michael's lens, we can also envision the greatness Reparations can build in African American communities. Not just as cash payments, but through land grants or lotteries, plus exemption from

taxation, forgiveness of federal loans, etc. If you begin with equal footing, as he puts it, then it's possible to scale new heights ... only dare to imagine bigger. And we can, because he's a product and the endorsement. The message he's sending works precisely because it is aspirational and motivational; it cuts through the noise and confusion as he keeps it relatable.

There are, and were others like him through the years. Most notably James Forman who crashed a Sunday service at Riverside Church service in Morningside Heights, on May 4th, 1968, to deliver his *Black Manifesto*; demanding 500 million dollars in reparations from white religious establishments. Or "\$15 dollars a Nigger." That woke them up that morning on his Straight Talk express. Though folks like this make people nervous, we'll need more shapeshifters to shake it up and not hide behind politeness and respectability politics.

### **Katrina Brown**

But every great story needs its villain, and though reparations has many, our next storyteller volunteered for the position. Her name is Katrina Brown. Katrina is a descendant of the DeWolf family in Rhode Island

and they were the largest slave traders in North America. Katrina learned of her family's history from her grandmother and has since taken personal accountability for their actions. In doing so she willingly placed herself in this story as her family's proxy for the brutality, greed and evil of white supremacy. Katrina gives life to the ever-present white shadow hanging from sea to shining sea. To admit that her family was the largest slave trading family in US history, is a mea culpa of epic proportions. It's a powerful position and strikes citizens as participants in an ongoing modern, conversation of slavery, racism, and its systemic nature. Instead of a past disassociation in a bygone era. Katrina, and some of her family members, even took the step to travel to Africa and as an act of reparations apologized for their involvement. That brings it home. No hide n' seek there.

### **Yvette Carnell**

Her approach, to some, may be considered controversial, but her style and delivery are effective. Yvette Carnell is the co-founder of ADOS or African Descendants Of Slavery and her buzzword is ***specificity***. She is speaking to and for the descendants of American slavery only. The core of the issue is, who is eligible? Her answer would say, to

the folks who were harmed the most. The descendants, who paid w/ flesh, blood and pain, the hundreds of years moneyball, that created the US's endless revenue stream. Her words create excitement and exclusivity to that audience. She speaks in the first person to *the first person(s)*. She's on a linear quest and she's a threshold guardian for an specific group, the children of American Slaves. She says...

"... The descendants of chattel slavery have made a different and a heavier contribution to America than anybody else. And, "did it unwillingly and we got abused because of it. And we have a specific cost. Now, when you have a specific cost, that means a specific payment." Thus, they suffered what she calls an *accrued disadvantage*. She does not disavow the harm of slavery to others, but says, those "who came here voluntarily—would not be eligible for Reparations, but would have access to our *Black agenda* in terms of our collective *lived experience*."

As we go along we'll find reparations works like a Rubik's cube. We keep turning the tiles until they align in a way that makes sense, but the hope is to one day reach a good consensus and make Reparations a reality.

Other effective advocates are the people fighting against it. **Larry Elder** is one such person.

He's a conservative and failed candidate for CA Gov. He's also a successful radio personality.

Every great story has powerful forces that work against its goals. In fact, Rev. Barber, the creator of our story world and an architect of the Third Reconstruction, asked me to quote educator and theologian, Howard Thurman: *"The measure of a mans estimate of your strength are the kinds of weapons he feels he must use in order to hold you fast in a prescribed place."*

We call them good and bad guys, fate, karma, luck. But let's not assign a motive, let's talk about the methods used to speak to a counter audience, or the arch-conservative, Larry Elder fans. When he took the stage and made a case for Reparations, to the slave owners! Again, not to the actual descendants of slaves, but to their torturers. His argument, though specious, is effective with a huge segment of our country.

As a storytelling tactic that reversal, or twist, it's awesome, because it upsets expectations. By fighting

against reparations and arguing for the slave owners, for damages, or reparations, he makes the entire subject radioactive. You've seen it happen before with critical race theory, the 1619 project and BLM. Larry Elder says:

"Like it or not, slavery was legal. Their legal property was taken away from them after the Civil War. So an argument can be made that the people owed Reparations are not just Black people but the people whose property was taken."

You may not dig that message, but the news outlets do and so does *The Gram* (Insta). That sound bite resonates with his arch conservative audience and liberals. Especially, because he is an African American. But the real benefit is it sows chaos, doubt and exhaustion in the entire population. Now the conversation is no longer about who's responsible or remedy. And being an unreliable narrator in a tragic-comedy, he uses his exposition as ammunition. It's as good as shooting a firearm in a crowded theater because the effect is similar. Chaos. How can you create possibilities, and make progress in that atmosphere? And that rhetorical device is reliable. Just when it works he is victorious. Effectively reorienting and shifting blame on the victim and



heaping empathy and new perspective on the wrongdoer.

Finally, this all brings me to a surprising turn of events in this 400 year slavery drama. And, perhaps, the most notable story I could tell you today about the determined, young ingenue in this passion play, Evanston, Il; 5th ward Alderwoman, **Robin Rue Simmons**. She's an all star in anyone's playbook and a "first", like the moon walker, John Glenn. Dubbed the "Rosa Parks of Reparations," Robin did something no one has ever done before, she passed the first reparations bill in American history. And in true hero's fashion she did it in the year of the return, 2019. The 400th year since we arrived as enslaved in 1619. It was an auspicious year indeed.

Uniquely made for the moment, Robin traveled to Africa and came home inspired by the idea of reparations "as a tool" in Evanston, Illinois. Though she was a novice herself to the idea of reparations, she knew how to maneuver in her town's local political space. Tying it's funding to recent legislation in Illinois, legalizing marijuana, she knew she had to move fast to assign a percentage of that new revenue stream toward a reparations agenda for African-Americans who lived in her city. It was a genius move, because it did not require residents to pay or redirect city funds. And

it tapped a new income source; drawing on that recreational marijuana tax revenue.

Though she is our ingenue and hero in this story, she has the political instincts of a national player. Using the "element of surprise" and capitalizing on her city's relative ignorance of the decades-long reparations debate and struggle. She got the bill passed in an 8 to 1, majority white council. She "just put her head down and got it done."

Like any hero she also had personal stakes and understood the dramatic disparity between the properties available to whites vs lack of access for black homebuyers, and she became determined to help correct that inequity in Evanston. Their Big Payback is redressing discriminatory housing policies. Like all heroes she's paying the price for her success. Stress, death threats, anxiety, exhaustion. But she sees its worth, because, *"This is our nation's history, not just black history."* Which Evanston, the little town that could, proved when right thinking white people were moved to action with historic results.

Robin is preceded and matched in Washington, DC by the awesome Congresswoman Sheila Jackson Lee with her push for HR40. A bill to study reparations started by the

late Detroit Cgrs. John Conyers. And her successful passing of a new holiday Juneteenth. A storytelling engine of tremendous proportion. Again, the element of surprise in her favor, her opposing party passed the holiday. I see it as effectively getting weeks of marketing, branding, celebration and education around the subject of American slavery, freedom and the legacy that created the conditions for that to flourish. In other words, Critical Race Theory. They didn't see it coming. It is a trojan horse. Story is a smuggler too and is the best smart power we have to change the world. If we tell a better, truer stories we can disrupt the evil story a white racist has that tells him he can murder us in broad daylight, with in impunity. We can change the narrative and rebrand Blackness, to recreate as human, so he will finally get his knee off our neck.

One last nod to other interesting archetypes in the reparations fight. Including the billionaire, Tom Steyer, as well as pioneers like Callie House and Queen Mother Moore. Their stories and their ability to recruit partners and collaborators because of their storytelling ability made a way out of no way. We must see story as the first line of defense and the most effective offense we have to make progress.

If we are to make the world ready for reparations, we must tell a better story. And as a part of my personal journey, and professional mission, I'll continue to do my part to create the conditions for change in the national reparations conversation for African Americans. Our success here and nationally will have global implications. Good. We end our story with a powerful, unvarnished truth, To quote the economist and professor Julianne Malveaux, who is wary of using the term Reparations *too broadly or too narrowly*. In her view, it must encompass awareness as well as compensation for what's been lost--or rather taken. She says, Reparations is about justice denied and justice attained. Let us all seek justice. Thank you.

**Erika Alexander, Co-founder, Color Farm Media. X. e.**

Timed - 20:21

## **Testimony of Professor Kevin J. Greene before the California Taskforce on Reparations for African-Americans**

**December 8, 2021**

I would like to begin by thanking the Taskforce for this historic and vitally important work. This is truly history in the making for an idea whose time has come.

For over twenty years, I have analyzed African-American cultural production in music, and how copyright in conjunction with contract law expropriated the work of Black artists and performers. In 2008 I wrote the first legal scholarship on reparations in the music industry.<sup>1</sup> It has taken long years for this issue to reach mainstream acknowledgement.

The American entertainment industry, past, present and future, is built upon a mountain of Black creativity and innovation, particularly in the music space. Pretty much every musical genre finds its roots in the soil of the blues, which has birthed jazz, rock, soul funk, doo-wop, disco, hip-hop and electronic dance music.

But whereas American innovators in fields of science, commerce and computers became millionaires and billionaires, the Henry Fords, Thomas Edison's, and more recently the Steve Jobs and Bill Gates, the innovators of blues, jazz and rock too often died impoverished, with no funds even for a headstone.

Today, African-American youth are at the vanguard of creativity, making hip-hop music, which is the basis for fashion out of the large fashion houses. Black youth fuel content on Instagram and Tik-Tok with viral dances pulsing to the backdrop of Black music, and creating memes that become marketing sensations. The dances, vernacular, fashion and music of Black youth generate untold riches for corporate America, but even today, in 2021, the Black artists and performers too often find that both credit and compensation go unpaid.

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<sup>1</sup> K.J. Greene, "Copynorms," Black Cultural Production and the Debate Over African-American Reparations, 25 Cardozo Arts & Entertainment Law Review 1179 (2008).

The music business today is characterized by soaring revenues from digital distribution models like streaming, but the payouts to artists are paltry. There is also a feeding frenzy of catalog sales of Black music old and new led by Wall Street money men in the tens and even hundreds of millions of dollars. Black music from the 50's, 60's, 70's and the '80's hip-hop catalog are being bought up like hotcakes.

And yet, the artists and performers from those eras signed patently unfair contracts and many were never paid anything. A major record label recently did a study that found that the contracts of Black artists from past eras revealed unequal compensation in comparison to those of their white counterparts.<sup>2</sup>

Because the expropriation of the fruits of creativity is an old problem that is ongoing today, I propose three pillars to right these manifest wrongs.

First, an apology for fostering stereotypes in entertainment from films and television shows that are making money for movie studios and networks to this day, and for excluding African-Americans from the casting floor to the boardroom.

Second, economic justice for past transgressions. Those profiting off catalog sales should be required to finally provide compensation to Black artists and performers. These buyers are profiting off of past discrimination and inequity. The American recording industry is one of the most highly concentrated in the country. A few companies own virtually all sound recording and music publishing rights. Because most everything created after 1926 is still under copyright today, these companies are in essence beneficiaries of racially tainted assets. They should audit and make payouts to those who were deprived of the fruits of their creative labor.

Third, the entertainment industry remains highly segregated in the boardroom and in the ranks of its employees and executives, particularly at the highest level.<sup>3</sup>

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<sup>2</sup> See Mark Savage, "Black artists 'may have received unfair record contracts', says BMG report", Dec, 18, 2020, noting that "BMG owns rights to recordings by dozens of influential black artists including Nina Simone, John Lee Hooker, Little Richard, The Sugarhill Gang, Grandmaster Flash and Toots & The Maytals."

The disparity is highly negative in the motion picture and TV industries.<sup>4</sup> Even more scandalous is the underrepresentation of African-Americans in the music industry, which is almost wholly built on Black music and its derivatives: “across 70 major and independent music companies, just 13.9% of top executives across were from underrepresented racial/ethnic groups, 4.2% were Black, and 13.9% were women.”<sup>5</sup> The industry must take concrete and detailed steps to address this exclusion, with firm deadlines for this to come about.

I want to speak now to the instructional entertainment industry. A key objection to redress for racial inequalities of the past is “well, I had nothing to do with this, I wasn’t even alive.” However, these institutions are on an ongoing basis still profiting off the injustices of the past.

In the wake of the protests over the murder of George Floyd, a number of major record labels did in fact make contributions, in the millions of dollars to African-American community groups. I applaud that, and thank them for taking one small step. However, a serious accounting of how racial discrimination and exclusion has enriched these companies would go far beyond millions and into billions, perhaps more.

The institutional entertainment industry should not fear this outcome. For every dollar paid out to right past wrongs, and to fund initiatives to enhance African-American opportunities in the arts and in the boardroom, the industry will reap double and more in profits. The Black community is well-spring of creativity and innovation that is untapped in so many ways. I believe that doing the right thing

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<sup>3</sup> See Manohla Dargis and A.O. Scott, “Hollywood, Separate and Unequal”, NYT, Sept. 16, 2016, noting that the “movie business is overwhelmingly run by white people — the top talent agencies are, according to one study, almost 90 percent white — who may not be overtly racist but are also not doing anything to transform their industry.”

<sup>4</sup> See Tambay Obenson, “Hollywood Reckoned with Its Past — and Present — When It Came to Diversity”, Indie Wire, Dec. 29, 2020, noting that “According to UCLA’s 2020 Hollywood Diversity Report, television network chairs/CEOs were a whopping 92 percent white and 68 percent male as of September 2020.” <https://www.indiewire.com/2020/12/2020-diversity-in-film-tv-1234606659/>.

<sup>5</sup> Jem Aswad, “The Music Industry Has a Long Way to Go on Diversity, USC Annenberg Report Concludes”, June 15, 2021, (noting “these figures are startling, given that Black artists were 37.7% of all artists on the popular charts in the last nine years.”, <https://variety.com/2021/music/news/music-industry-diversity-usc-annenberg-report-1234996163/>).

in the form of redress will be very economically beneficial to record labels, movie studios, TV networks and distributors and music publishers.<sup>6</sup>

Beyond that, I want to say that I am friends and colleagues with so many people of goodwill in the industry, folks I know at television and movie studios, music labels, video game companies, and in the U.S. Copyright Office. These people must step up as our allies in the struggle for justice. They know that redressing inequality in the entertainment industry is the right thing to do.

### **Conclusion:**

The American entertainment industry is the recipient of many forms of government giveaways and kickbacks, including an extension of the copyright term that reaped a billion-dollar windfall and special interest legislation for enhanced copyright damages. Inequitable contracts, information disparities and a broken and corrupt copyright system have all played a role in a massive wealth drain from the creative African-American community of artists.

The great Dr. Martin Luther King said in the Dream Speech that:

“It is obvious today that America has defaulted on this promissory note, insofar as her citizens of color are concerned. Instead of honoring this sacred obligation, America has given the Negro people a bad check, a check which has come back marked "insufficient funds."

“But we refuse to believe that the bank of justice is bankrupt. We refuse to believe that there are insufficient funds in the great vaults of opportunity of this nation. And so, we've come to cash this check, a check that will give us upon demand the riches of freedom and the security of justice.”

This is Dr. King on reparations. An idea whose time has come.

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<sup>6</sup> There is empirical evidence that the exclusion of BIPOC communities is unequivocally detrimental to the entertainment industries' bottom line. See Jake Coyle, “Study: Lack of diversity in Hollywood costs industry \$10B”, March 11, 2021, citing a McKinsey study finding “that the \$148 billion film and TV industry loses \$10 billion, or 7%, every year by undervaluing Black films, filmmakers and executives.” <https://apnews.com/article/race-and-ethnicity-demographics-hollywood-25ab017a013d7f2e4225f45f1570ccf7>.