



RACE – The Power of an Illusion

"By far the best documentary series on race of the last decade."
Troy Duster, president, American Sociological Association

We tend to believe that the world's people come divided into distinct groups- "red," "black," "white," "yellow"- reflecting innate biological differences. But what if we found out this isn't true? **And if race isn't biological, what is it?**

[Episode 1- The Difference Between Us](#) examines the contemporary science - including genetics - that challenges our common sense assumptions that human beings can be bundled into three or four fundamentally different groups according to their physical traits.

[Episode 2- The Story We Tell](#) uncovers the roots of the race concept in North America, the 19th century science that legitimated it, and how it came to be held so fiercely in the western imagination. The episode is an eye-opening tale of how race served to rationalize, even justify, American social inequalities.

[Episode 3- The House We Live In](#) asks, If race is not biology, what is it? This episode uncovers how race resides not in nature but in politics, economics and culture. It reveals how our social institutions "make" race by disproportionately channeling resources, power, status and wealth to white people.

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For more information about the series,
Log onto www.newsreel.org/films/race.htm

RACE – The Power of an Illusion

Background

A Long History of Racial Preferences - For Whites

by Larry Adelman

Many middle-class white people, especially those of us who grew up in the suburbs, like to think we got to where we are today by virtue of our merit – hard work, intelligence, pluck, and maybe a little luck. And while we may be sympathetic to the plight of others, we close down when we hear the words “affirmative action” or “racial preferences.” We worked hard, we made it on our own, the thinking goes, why don’t ‘they’? After all, it’s been almost 40 years now since the Civil Rights Act was passed.

What we don’t readily acknowledge is that racial preferences have a long, institutional history in this country - a white history. Here are a few ways in which government programs and practices have channeled wealth and opportunities to white people at the expense of others.

Early Racial Preferences

We all know the old history, but it’s still worth reminding ourselves of its scale and scope. Affirmative action in the American “workplace” first began in the late 17th century when European indentured servants - the original source of unfree labor on the new tobacco plantations of Virginia and Maryland - were replaced by African slaves. In exchange for their support and their policing of the growing slave population, lower-class Europeans won new rights, entitlements, and opportunities from the planter elite.

White Americans were also given a head start with the help of the U.S. Army. The 1830 Indian Removal Act, for example, forcibly relocated Cherokee, Creeks and other eastern Indians to west of the Mississippi River to make room for white settlers. The 1862 Homestead Act followed suit, giving away millions of acres – for free - of what had been Indian Territory west of the Mississippi. Ultimately, 270 million acres, or 10% of the total land area of the United States, was converted to private hands, overwhelmingly white, under Homestead Act provisions.

The 1790 Naturalization Act permitted only “free white persons” to become naturalized citizens, thus opening the doors to European immigrants but not others. Only citizens could vote, serve on juries, hold office, and in some cases, even hold property. In this century, Alien Land Laws passed in California and other states, reserved farm land for white growers by preventing Asian immigrants, ineligible to become citizens, from owning or leasing land. Immigration restrictions further limited opportunities for nonwhite groups. Racial barriers to naturalized U.S. citizenship weren’t removed until the McCarran-Walter Act in 1952, and white racial preferences in immigration remained in place until 1965.

In the South, the federal government never followed through on General Sherman’s Civil War plan to divide up plantations and give each freed slave "40 acres and a mule" as reparations. Only once was monetary compensation made for slavery, in Washington, D.C. There, government officials paid up to \$300 per slave upon emancipation - not to the slaves, but to local slaveholders as compensation for the loss of their property.

When slavery ended, its legacy lived on not only in the impoverished condition of Black people but in the wealth and prosperity that accrued to white slaveowners and their descendants. Economists who try to

place a dollar value on how much white Americans have profited from 200 years of unpaid slave labor, including interest, begin their estimates at \$1 trillion.

Jim Crow laws, instituted in the late 19th and early 20th century and not overturned in many states until the 1960s, reserved the best jobs, neighborhoods, schools and hospitals for white people.

The Advantages Grow, Generation to Generation

Less known are more recent government racial preferences, first enacted during the New Deal, that directed wealth to white families and continue to shape life opportunities and chances today.

The landmark Social Security Act of 1935 provided a safety net for millions of workers, guaranteeing them an income after retirement. But the act specifically excluded two occupations: agricultural workers and domestic servants, who were predominately African American, Mexican, and Asian. As low-income workers, they also had the least opportunity to save for their retirement. They couldn't pass wealth on to their children. Just the opposite. During old age, their children had to support them.

Like Social Security, the 1935 Wagner Act helped establish an important new right for white people. By granting unions the power of collective bargaining, it helped millions of white workers gain entry into the middle class over the next 30 years. But the Wagner Act permitted unions to exclude non-whites and deny them access to better paid jobs and union protections and benefits such as health care, job security, and pensions. Many craft unions remained nearly all-white well into the 1970s. In 1972, for example, every single one of the 3,000 members of Los Angeles Steam Fitters Local #250 was still white.

But it was another racialized New Deal program, the Federal Housing Administration, that helped generate much of the wealth that so many white families enjoy today. These revolutionary programs made it possible for millions of average white Americans - but not others - to own a home for the first time. The government set up a national neighborhood appraisal system, explicitly tying mortgage eligibility to race. Integrated communities were ipso facto deemed a financial risk, a policy known today as "redlining." Between 1934 and 1962, the federal government backed \$120 billion of home loans. More than 98% went to whites. Of the 350,000 new homes built with federal support in northern California between 1946 and 1960, fewer than 100 went to African Americans.

These government programs made possible the new segregated white suburbs that sprang up around the country after World War II. Government subsidies for municipal services helped develop and enhance these suburbs further, in turn fueling commercial investments. New freeways tied the suburbs to central business districts, but they often cut through and destroyed the vitality of non-white neighborhoods in the central city.

Today, Black and Latino mortgage applicants are still 60% more likely than whites to be turned down for a loan, even after controlling for employment, financial, and neighborhood factors. According to the Census, whites are more likely to be segregated than any other group. As recently as 1993, 86% of suburban whites still lived in neighborhoods with a black population of less than 1%.

Reaping the Rewards of Racial Preference

One result of the generations of preferential treatment for whites is that a typical white family today has on average eight times the assets, or net worth, of a typical African American family, according to New York University economist Edward Wolff. Even when families of the same income are compared, white

families have more than twice the wealth of Black families. Much of that wealth difference can be attributed to the value of one's home, and how much one inherited from parents.

But a family's net worth is not simply the finish line, it's also the starting point for the next generation. Those with wealth pass their assets on to their children - by financing a college education, lending a hand during hard times, or assisting with the down payment for a home. Some economists estimate that up to 80 percent of lifetime wealth accumulation depends on these intergenerational transfers. White advantage is passed down, from parent to child to grand-child. As a result, the racial wealth gap - and the head start enjoyed by whites - appears to have grown since the civil rights days.

In 1865, just after Emancipation, it is not surprising that African Americans owned only 0.5 percent of the total worth of the United States. But by 1990, a full 135 years after the abolition of slavery, Black Americans still possessed only a meager 1 percent of national wealth. As legal scholar John A. Powell says in the documentary series *Race – The Power of an Illusion*, “The slick thing about whiteness is that whites are getting the spoils of a racist system even if they are not personally racist.”

But rather than recognize how “racial preferences” have tilted the playing field and given us a head start in life, many whites continue to believe that race does not affect our lives. Instead, we chastise others for not achieving what we have; we even invert the situation and accuse non-whites of using “the race card” to advance themselves.

Or we suggest that differential outcomes may simply result from differences in “natural” ability or motivation. However, sociologist Dalton Conley's research shows that when we compare the performance of families across racial lines who make not just the same income, but also hold similar net worth, a very interesting thing happens: many of the racial disparities in education, graduation rates, welfare usage and other outcomes disappear. The “performance gap” between whites and nonwhites is a product not of nature, but unequal circumstances.

“Colorblind” policies that treat everyone the same, no exceptions for minorities, are often counter-posed against affirmative action. But colorblindness today merely bolsters the unfair advantages that color-coded practices have enabled white Americans to long accumulate.

Isn't it a little late in the game to suddenly decide that race shouldn't matter?

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Larry Adelman is executive producer of *RACE – The Power of an Illusion*, a three part documentary series scrutinizing the very idea of race and available from California Newsreel at www.newsreel.org. Visit the companion Web site at www.pbs.org/Race.

1935 Social Security Created

When Congress created social security in 1935, it provided a safety net for millions of workers, guaranteeing them an income after retirement. However, the act's provisions excluded agricultural workers and domestic servants, who were predominantly African American, Mexican and Asian. As low-income workers, minorities had the least opportunity to save, were least likely to have pensions, and were most vulnerable to economic recession, yet they were systematically excluded from the protection and benefits granted to most Americans.

1935 Wagner Act

Like Social Security, the Wagner Act helped establish an important new right – to unionize. The act's original version prohibited racial discrimination, but the American Federation of Labor fought against it and the final version permitted unions to exclude nonwhites. As a result, nonwhites were not only locked out of higher-paying jobs, they were also denied union protection and benefits: medical care, full employment, and job security. Moreover, they were legally barred from challenging their exclusion. Although the laws changed in the late 1950s, many craft unions remained all white well into the 1970s.

1930s-40s Spurred Growth

Beginning in the 1930s and 1940s, the federal government created programs that subsidized low-cost loans, opening up home ownership to millions of average Americans for the first time. At the same time, government underwriters introduced a national appraisal system, tying property value and loan eligibility to race. Consequently, all-white communities received the highest ratings and benefited from low-cost, government-backed loans, while minority and mixed neighborhoods received the lowest ratings and were denied these loans. Of the \$120 billion worth of new housing subsidized by the government between 1934 and 1962, less than 2 percent went to nonwhite families. Nonwhites were locked out of home ownership just as most white Americans were finally getting in.

1948 Supreme Court Rules

Restrictive covenants, which barred homeowners from selling or leasing their homes to nonwhites, were common in many neighborhoods across the U.S. Although they were outlawed by this Supreme Court decision, exclusion continued. Private developers could still refuse to sell homes to nonwhites, and real estate agents steered nonwhite prospective homebuyers away from white neighborhoods. Following government guidelines, lenders continued to base property appraisals on race, denying loans to communities with nonwhites or insisting on higher fees and interest rates to cover their "risk". By systematically devaluing nonwhite neighborhoods and homebuyers, federal intervention helped disguise racial discrimination and enabled many to claim that the resulting segregation was "market driven."

1949 National Housing Act

The housing market available to most nonwhites was rental and later, public housing in segregated urban centers. Government-sponsored urban redevelopment programs destroyed more housing than they built. Ninety percent of all housing destroyed by urban renewal was not replaced; two-thirds of those displaced were Black or Latino. As urban renewal projects destroyed taxable properties, the burden for maintaining social services was shifted onto fewer and fewer residents – encouraging white flight and making the poor poorer.

50s-60s Economic Housing Boom

During the 1950s and 1960s, more and more white homeowners moved to the suburbs. Federal and state tax dollars subsidized the construction and development of municipal services for suburbs, in turn fueling commercial investment. Freeways in major cities connected white suburbs to central business districts, but they were often built through core areas of black settlement. Many urban black areas lost their neighborhood shopping districts and successful small businesses as a result. By the 1960s, many businesses began moving jobs from cities to suburbs, further concentrating wealth and needed tax dollars away from urban areas.

1960s Fair Housing Laws Passed

In the 1960s, the government made several efforts to end housing discrimination, most notably Kennedy's 1962 executive order and the 1968 Fair Housing Act. Although these were important, they had little practical impact. Appraisers continued to factor race into their assessments and some practices, such as racial steering and predatory lending, continue to this day. It was not until 1988 that fair housing laws were amended to expand their scope and include important enforcement provisions. In the 1970s, '80s and '90s, housing prices rose dramatically, and white homeowners who benefited from discriminatory federal policies were able to sell their homes at great profit. Meanwhile, minority groups who had been denied federal assistance had homes worth far less or faced an even higher cost of entry into the housing market.

RACE

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TEN THINGS EVERYONE SHOULD KNOW ABOUT RACE

Our eyes tell us that people look different. No one has trouble distinguishing a Czech from a Chinese. But what do those differences mean? Are they biological? Has race always been with us? How does race affect people today? There's less – and more – to race than meets the eye:

1. **Race is a modern idea.** Ancient societies, like the Greeks, did not divide people according to physical distinctions, but according to religion, status, class, even language. The English language didn't even have the word 'race' until it turns up in 1508 in a poem by William Dunbar referring to a line of kings.
2. **Race has no genetic basis.** Not one characteristic, trait or even gene distinguishes all the members of one so-called race from all the members of another so-called race.
3. **Human subspecies don't exist.** Unlike many animals, modern humans simply haven't been around long enough or isolated enough to evolve into separate subspecies or races. Despite surface appearances, we are one of the most similar of all species.
4. **Skin color really is only skin deep.** Most traits are inherited independently from one another. The genes influencing skin color have nothing to do with the genes influencing hair form, eye shape, blood type, musical talent, athletic ability or forms of intelligence. Knowing someone's skin color doesn't necessarily tell you anything else about him or her.
5. **Most variation is within, not between, "races."** Of the small amount of total human variation, 85% exists within any local population, be they Italians, Kurds, Koreans or Cherokees. About 94% can be found within any continent. That means two random Koreans may be as genetically different as a Korean and an Italian.
6. **Slavery predates race.** Throughout much of human history, societies have enslaved others, often as a result of conquest or war, even debt, but not because of physical characteristics or a belief in natural inferiority. Due to a unique set of historical circumstances, ours was the first slave system where all the slaves shared similar physical characteristics.
7. **Race and freedom evolved together.** The U.S. was founded on the radical new principle that "All men are created equal." But our early economy was based largely on slavery. How could this anomaly be rationalized? The new idea of race helped explain why some people could be denied the rights and freedoms that others took for granted.
8. **Race justified social inequalities as natural.** As the race idea evolved, white superiority became "common sense" in America. It justified not only slavery but also the extermination of Indians, exclusion of Asian immigrants, and the taking of Mexican lands by a nation that professed a belief in democracy. Racial practices were institutionalized within American government, laws, and society.
9. **Race isn't biological, but racism is still real.** Race is a powerful social idea that gives people different access to opportunities and resources. Our government and social institutions have created advantages that disproportionately channel wealth, power, and resources to white people. This affects everyone, whether we are aware of it or not.
10. **Colorblindness will not end racism.** Pretending race doesn't exist is not the same as creating equality. Race is more than stereotypes and individual prejudice. To combat racism, we need to identify and remedy social policies and institutional practices that advantage some groups at the expense of others.