

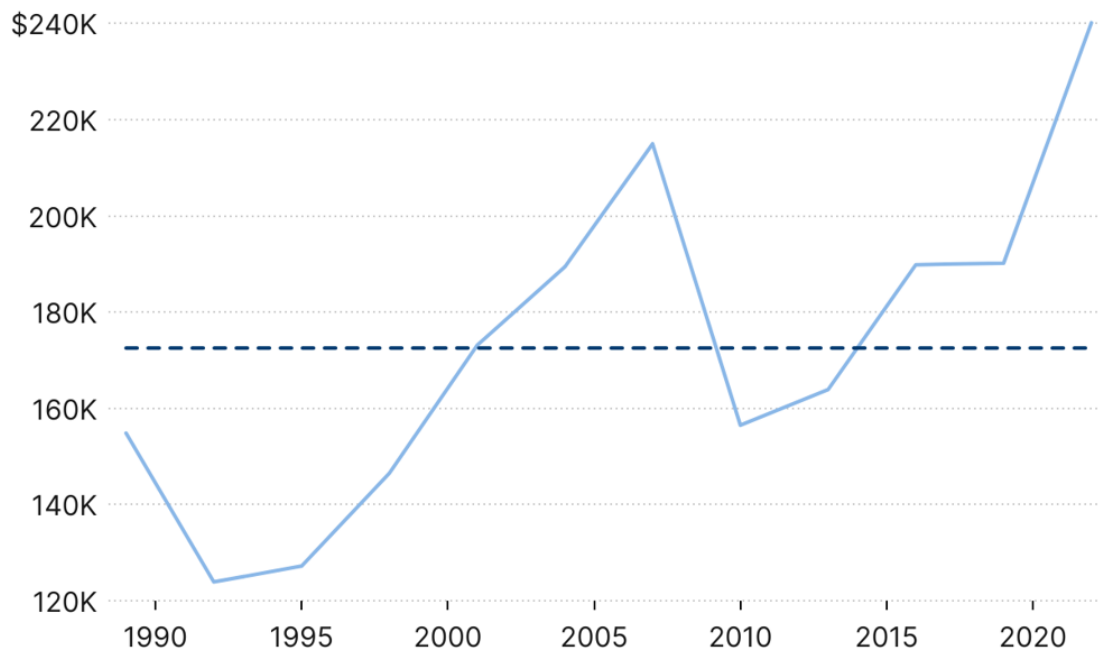
Petition for Comprehensive Redress for Freedmen Descendants

To the United States Government (Congress, Executive Agencies, and Judiciary):

We, the descendants of Americans enslaved in the United States (“Freedmen”), submit this petition for redress of longstanding grievances. In the spirit of the Constitution’s promises of justice and equality, and pursuant to its provisions (including Congress power under the 13th and 14th Amendments to remedy the badges and incidents of slavery^{[1][2]}), we call for a comprehensive reparative plan. This plan is **race-neutral** – defined by specific lineage and historical harm rather than broad racial categories – and is designed to address the enduring economic, educational, and social disparities attributable to chattel slavery and its aftermath. Below, we outline seven remedial measures, grouped by category, along with their constitutional and policy justifications. Together these remedies form a cohesive strategy to fulfill the nation’s obligation of redress while strengthening the prosperity and unity of all Americans.

The Black-white wealth gap has remained stubbornly persistent

— Black-white wealth gap — Average median wealth gap



Source: Brookings Analysis of Federal Reserve's Survey of Consumer Finances, 1989-2022

B | Brookings Metro

Figure: The wealth gap between White and Black households (descendants of enslaved Americans) has remained persistently large. As of 2022, the median White household held

roughly \$240,000 more wealth than the median Black household[3][4]. Such disparities, rooted in historical injustice, underscore the need for bold reparative policies.

Housing & Wealth Building: Interest-Free Home Loans

Grievance: For generations since Emancipation, Freedmen families have faced barriers to homeownership – a cornerstone of wealth in America – due to discrimination, lack of access to credit, and limited intergenerational wealth. The result is a stark homeownership gap and a corresponding gap in household wealth[5]. In 2023, only about **44.7%** of Black Americans (who overwhelmingly descend from U.S. slavery) owned homes, compared to **72.4%** of White Americans[6]. This gap, wider than it was a decade ago (28 percentage points)[7], has persisted despite recent gains. Black American applicants continue to face high denial rates for mortgages (around **21%** denied, versus **11%** for whites)[8], often due to lower down payments or credit hurdles stemming from historic disinvestment.

Remedy: We propose an **Interest-Free Home Loan Program** exclusively for eligible Freedmen descendants. This federal program (operating through HUD or a similar agency) would offer 0% interest mortgage loans with no down payment requirement. Every payment would go directly to equity principal, rapidly building ownership stake. By removing interest and upfront barriers, the program enables families to purchase homes who otherwise could not and accelerates equity accumulation for those who do buy.

Constitutional & Policy Justification: Congress can legislate this program under its 13th Amendment authority to eliminate the badges of slavery – in this case, the vestiges of racially discriminatory housing policies like redlining that have curtailed Black American homeownership[5]. The Supreme Court has upheld Congress’ power to outlaw private housing discrimination as a means to remedy slavery’s legacy[2]. An interest-free loan program for Freedmen is a similarly appropriate, narrowly tailored remedy addressing the economic handicaps imposed by decades of exclusion from mortgage markets. It does not classify by race per se, but by specific ancestry, making it a permissible **lineage-based remedy** aimed at a unique historic harm.

Impact: This measure would substantially increase homeownership among Freedmen descendants, directly tackling one of the largest drivers of the racial wealth gap. Home equity is the principal source of wealth for most American families[9]. By ensuring that mortgage payments build *only* equity (not interest for banks), families can gain wealth much faster and with greater security. Over time, rising homeownership will mean more stable, prosperous Freedmen communities. Higher ownership rates also correlate with greater community stability (lower rental instability and displacement) and allow families to **pass down assets to future generations**, beginning to break the cycle of wealth disparity. Research shows that the **median wealth of Black American households is only about one-tenth that of White households** (\$≈\$24,000 vs. \$250,000 as of 2021)[10][9]. Increasing Black American homeownership (and by extension, Freedmen homeownership) is critical to closing this gap[11]. Indeed, recent analysis confirms that **net housing equity** has been the largest driver of increased wealth for Black American families in recent years, although the homeownership rate itself remains far too

low[11]. By eliminating interest and down-payment barriers, this program directly addresses that shortfall. Ultimately, interest-free home loans would empower Freedmen families to build generational wealth through property ownership, fostering economic equality.

Taxation & Economic Relief: Century-Long Tax Exemption

Grievance: From Reconstruction through Jim Crow and into the present, Black Americans – and particularly Freedmen communities – have been burdened by taxes while often being denied equal rights, services and opportunities. This amounts to **taxation without equivalent representation or benefit**, a fundamental injustice. Historically, Southern states after the Civil War shifted tax burdens onto freed slaves and their descendants (for example, through poll taxes and discriminatory property taxes) even as those citizens were disenfranchised and segregated[12]. During the 20th century, Black Americans communities paid local taxes that funded white-only schools and services while their own schools were left inferior[12]. Even today, tax policies continue to disadvantage Black Americans: studies find that **Black American families pay higher effective property taxes than white families on homes of equal value** (due to assessment bias)[13], and Black American workers contribute taxes to government programs from which they have historically received unequal returns. This longstanding fiscal inequity has drained wealth from Freedmen communities, exacerbating the racial wealth gap.

Remedy: As a form of restorative justice, we propose a **100-Year Tax Exemption** for qualified Freedmen descendants. This would be a federally mandated tax relief (achieved through legislation or constitutional amendment if necessary) exempting eligible individuals from federal income taxes, and incentivizing states and localities to waive state income and property taxes for the same period. In essence, for the next century – a length of time symbolizing multiple generations – descendants of enslaved Americans would not be taxed on income, property, or investments. During this period, the community can rebuild wealth that was systematically stripped away over the past centuries.

Constitutional & Policy Justification: Congress unquestionably holds power over federal taxation and can create exemptions or credits for specific groups (as it already does for various purposes). A lineage-based tax exemption serving a compelling interest – remedying the unique harms of slavery and Jim Crow – would withstand legal scrutiny as a **“narrowly tailored”** remedial measure. The 14th Amendment’s Equal Protection Clause, while generally barring race-based tax distinctions, permits benign classifications that are **carefully designed to remedy past discrimination**. Here the classification is not “Black” broadly, but *Freedmen lineage*, a politically and historically defined class akin to how Native American tribes (also a political/ancestral classification) receive certain tax benefits. Furthermore, under Section 5 of the 14th Amendment, Congress could justify this exemption as appropriate enforcement legislation addressing the economic legacy of state-sponsored racial subjugation. Finally, it acknowledges the principle of **equity over equality**: treating unlike groups differently to achieve fairness. After centuries in which Freedmen and their descendants literally **financed the nation’s growth while being denied its prosperity** (from slaves being taxed as property to Black sharecroppers funding white schools[14][12]), a temporary reprieve from taxation for this group is a proportional remedy.

Impact: The economic relief from a tax-exempt status would be immediate and profound. Families could **keep 100% of their earnings and wealth gains**, allowing them to save, invest, purchase homes, start businesses and fund education at much higher rates. Over a hundred years (roughly four generations), this policy would help reverse the compounding effects of lost wealth. By **removing the drag of taxes**, more income stays in Freedmen communities, spurring local economic growth. It also directly facilitates **wealth retention and intergenerational transfer**: assets can be passed down without estate or inheritance taxes depleting them (we assume the exemption would cover those as well). This measure effectively acts as a massive “boost” to help close the wealth gap. Notably, it also serves a **symbolic justice** function – acknowledging that for much of U.S. history, Freedmen descendants paid taxes to governments that denied them basic rights and protections. Exempting this generation and the next few from taxation is a tangible acknowledgment of that wrong. In practical terms, a tax exemption would significantly raise net incomes; for instance, if Black American households currently hold only ~4.7% of U.S. wealth despite being ~13.6% of households[15][9], allowing them to accumulate untaxed wealth could dramatically increase their share over time. Policymakers can structure this such that **no existing taxpayer is “burdened”** by it – e.g. by funding any revenue gap through sources like specific fees or broader base – thus preempting political resistance that frames it as a new cost to others. Overall, this remedy directly addresses economic disparities, helps build **generational wealth** and stands as a corrective to the historical injustice of taxed-but-discriminated existence.

Identity & Data: Unique Identifier in Federal Records

Grievance: A significant obstacle to effective policy for Freedmen descendants has been the **lack of distinct recognition in data collection and program design**. Currently, federal agencies and surveys (including the Census and OMB standards) classify people broadly as “Black or African American,” without distinguishing those who are descendants of U.S. chattel slavery from those who are melanated immigrants or their descendants[16][17]. This conflation dilutes analyses of specific harms linked to slavery and makes it difficult to **track outcomes for the population targeted by reparative policies**. For example, economic and educational statistics for Black Americans (American Freedmen) aggregate the experiences of descendants of enslaved people with those of recent immigrants from Africa or the Caribbean, who did not inherit the same historical disadvantages. This obscures disparities unique to Freedmen communities and could allow resources intended for reparations to be claimed by others. As the U.S. becomes more diverse, with rising immigration, the need to **disaggregate data** is increasingly urgent[18][17]. Without a unique classification, any reparations program risks misidentification or even legal challenges for being a crude racial set-aside.

Remedy: We urge the Office of Management and Budget (OMB) and U.S. Census Bureau to **create a distinct classification for American Freedmen** (for example, “American Freedman/Black American”) in federal demographic data. This would involve updating OMB Directive No. 15 (which governs race/ethnicity standards) to include a category or sub-category that respondents can mark to indicate they are lineage descendants of persons enslaved in the U.S. Such an identifier can be implemented alongside the current race question (e.g., a checkbox for “Descendant of American Slavery” when “Black/African American” is selected).

This change could be done administratively (OMB has the authority to revise standards^[19]) and through legislation codifying the category for consistency. The goal is **not** to create a new “race,” but an ethnic lineage designation similar to how “Mexican American” or “Puerto Rican” might be classified under broader groups. This identifier would be used in all federal surveys, program applications and records where racial data is collected, enabling precise tracking of outcomes for the intended beneficiary class of reparative efforts.

Constitutional & Policy Justification: Establishing this identifier aligns with the government’s compelling interest in **measuring and addressing specific racial injustices**. It is a race-neutral solution in that it separates a group based on lineage and specific historic experience, not skin color per se. In fact, failing to differentiate this group perpetuates inequity by not specifying the group who was harmed and allowing for classifications like “minority” and “person of color” to further the lack of specificity. While the OMB’s recent 2024 update did not yet adopt this (calling for further study despite majority public support)^[16] the legal case is strong. Collecting accurate data is a fundamental governmental function, and it is well within Congress’ power (Article I’s Census Clause and its spending power for statistical agencies) to mandate data collection to inform policy. Moreover, in the context of a reparations program, having a formal definition of the eligible class (which this identifier operationalizes) is crucial for equal protection compliance – it demonstrates a *non-arbitrary* and *non-racial* classification (based on ancestry and specific harm) for program eligibility. Courts have noted that remedies for identifiable classes of victims of discrimination are permissible. Here, the identifier simply makes the class identifiable.

Impact: **Data accuracy** will greatly improve. Policymakers and researchers would, for the first time, be able to clearly quantify disparities specifically affecting Freedmen communities – in wealth, income, health, education, etc. This leads to **targeted policy solutions**: resources and programs (including the other remedies in this plan) can be precisely directed and their outcomes measured. It also prevents the “dilution” of reparative resources. For example, if scholarships or business grants are intended for Freedmen descendants, a clear identifier helps ensure they are awarded to the correct individuals, not to individuals from immigrant backgrounds who have not experienced multi-generational deprivation of rights. Culturally, this recognition **strengthens the collective identity** of American Freedmen. Just as Native American nations have distinct recognition, Freedmen would have official acknowledgment of their unique heritage and justice claim. This can foster unity and pride within the community – a recognition that their ancestors’ struggles are seen and recorded. It also aids in **gaining public support**: clarity that reparations are for a distinct group with a specific claim (not a blanket policy for all African Americans) can build broader understanding. Ultimately, the identifier is a low-cost, bureaucratic change but an essential foundation for the success of all other reparative measures. It embodies the mantra “what gets measured, gets fixed.” By measuring Freedmen outcomes distinctly, the nation can track progress in closing gaps – and ensure that **equity guardrails** are in place so that programs benefit the intended lineage exclusively, preventing misuse or diversion of benefits.

Education & Workforce Development: Guaranteed Free Education

Grievance: Education has historically been a field of deep racial inequity, with Black Americans denied quality schooling under slavery and segregated (often inferior) schools for a century after. The legacy persists: schools serving predominantly Black (often Freedmen-lineage) communities tend to have fewer resources, less funding and lower outcomes. As adults, Freedmen descendants remain **underrepresented in many high-paying professions** due to barriers in accessing higher education and professional training. For instance, although Black Americans are about 13–14% of the U.S. population, they make up only **5.0% of physicians**^[22] and roughly **5% of attorneys**^[23]. In mental health fields, the underrepresentation is stark: only **2% of psychiatrists and 4% of psychologists** are Black^[24], which impacts culturally competent care in Black American communities. These disparities are not due to lack of talent or interest, but to systemic obstacles – from underfunded K-12 schools and biased guidance counseling to the high cost of college and graduate education (which many Black American families, with far less generational wealth, cannot easily afford^[25]). The result is a cycle where Black American students attain fewer advanced degrees, certain professions lack Black American representation, and Black American communities lack sufficient services from professionals who understand their experience.

Remedy: We propose a comprehensive **Free Education program for Freedmen descendants**, spanning from early childhood through professional degrees. Key components include:

- **K-12 Educational Enrichment:** Federal funding to support community-driven “Freedom Schools” and homeschooling co-ops in Freedmen communities, as well as scholarships for Freedmen students to attend high-quality primary and secondary schools (public or private). This ensures children get a strong start, with culturally responsive curricula and adequate resources. Localized “pods” or co-ops led by community members (as emerged during the pandemic) will be supported to enhance learning in underserved areas.
- **Tuition-Free Public College:** All eligible Freedmen students should be able to attend public colleges, universities, or trade schools **at no cost** (with federal grants covering what existing financial aid does not). This mirrors the GI Bill concept, treating this as an earned benefit for a specific group. For private institutions, equivalent grants or vouchers can be provided up to the cost of public tuition.
- **Free Professional and Graduate Education:** To specifically address underrepresentation in critical fields, any Freedman descendant admitted to a U.S. medical school, law school, or accredited graduate program in fields like healthcare, law, education, engineering, or mental health will have their tuition and fees fully covered by a federal reparations education fund. In return, graduates of these programs will be encouraged (or even required for a period) to serve in underserved communities, creating a pipeline of Black American doctors, lawyers, therapists, professors, and entrepreneurs giving back.

Constitutional & Policy Justification: Education has long been recognized as a public good and a right closely tied to equal protection (Brown v. Board of Education underscored that state-provided education must be equal). Congress can attach conditions to federal education funding to achieve this program, or create a new scholarship authority under its Spending Power. The classification – again, lineage-based – serves the compelling interest of remedying the specific educational deprivations caused by slavery and segregation. Courts have upheld programs that aim to increase opportunities for historically excluded groups in higher education, especially if not solely defined by race but by educational disadvantage or similar criteria. Here, Freedmen status correlates with generations of educational disadvantages. Additionally, the 13th Amendment enforcement power could be invoked: lack of education was a tool of the slavery system (teaching enslaved people was often illegal) – thus facilitating education now can be seen as dismantling a lingering badge of slavery. There is precedent for federally funded educational benefits to specific classes of citizens (Native American education programs, GI Bill for Veterans, etc.), and this proposal fits squarely in that tradition of targeted relief.

Impact: Universal free education for Freedmen descendants would be transformative. At the K-12 level, it would ensure that children in long-neglected Black American neighborhoods finally receive quality schooling – smaller class sizes, better-paid teachers, enriched curricula that include the true history of their ancestors, and modern facilities. Community-based educational pods can also culturally empower students and involve parents deeply, proven factors in boosting achievement. In higher education, removing cost barriers would drastically increase the number of Black American youth attending and *graduating* college. Black American college enrollment and completion rates, which currently lag behind those of whites in part due to financial constraints, would rise. This builds human capital in the community – yielding more Black American engineers, scientists, educators, etc., who can then mentor and hire the next generation. The professional school scholarships specifically address fields like medicine, law and psychology, where representation is lowest. If cost is no longer a barrier, we could see a surge of Black American doctors and mental health professionals. This is critical not just for economic empowerment but for community well-being: Black American patients often have worse health outcomes partly due to lack of providers who share their cultural background; more Black American doctors and therapists will improve **health access and trust** in those communities. Likewise, more Black American lawyers and judges can strengthen the justice system's fairness. By requiring or encouraging graduates to serve in Black American communities (through loan forgiveness or as a condition of the scholarship), the program ensures a **brain gain** (rather than brain drain) in those neighborhoods – clinics opening in underserved areas, legal aid for those who need it, schools staffed by talented Black American educators, and new businesses and NGOs led by skilled Freedmen graduates. In the long run, education is the gift that keeps on giving: it boosts lifetime earnings, reduces unemployment, lowers crime, and increases civic engagement. A fully educated generation of Freedmen descendants will be equipped to start and grow businesses, innovate in arts and sciences, and compete on equal footing in all arenas. This **closes opportunity gaps** that have persisted since slavery, enabling true equality of opportunity. Moreover, it cultivates a sense of dignity and empowerment – an educated community confident in its abilities and identity, spurring a

cultural renaissance. The return on investment for society at large is immense: as underrepresented talent is developed, the economy benefits from increased productivity and entrepreneurship. In short, free education for Freedmen is both a moral imperative and a smart economic investment in America's future.

Public Safety & Justice: Enhanced Anti-Hate Crime Protections

Grievance: Descendants of enslaved Americans have not only endured economic and educational disparities, but also disproportionate **violent targeting and racial terror**. From the era of lynchings and Jim Crow pogroms through to present-day hate crimes, anti-Black American violence has been a persistent reality. The federal government has often failed to protect Black American communities from such violence or to hold perpetrators fully accountable. While existing hate crime laws (such as 18 U.S.C. §249, the Matthew Shepard and James Byrd Jr. Hate Crimes Act) do cover racially motivated violence, enforcement gaps remain, and Black Americans continue to be the most targeted group for hate crimes. In **2023, more than half (51.3%) of all racially motivated hate crime incidents were anti-Black** – over three times higher than incidents targeting any other racial/ethnic group[26]. This is a stark overrepresentation given Black Americans are roughly 14% of the population. FBI data in recent years consistently show anti-Black hate crimes as the number one category by bias motivation[26]. These crimes range from vandalism of Black churches to assaults and murders. Beyond official hate crimes, ongoing issues like excessive use of force by police in Black American communities and bias in the justice system erode Freedmen citizens' sense of security and trust in legal institutions. Simply put, Freedmen descendants still lack equal protection of the laws in practice, and the fear of racially motivated harm remains a burden not borne by others.

Remedy: We call for a dedicated **"Black American Anti-Hate Crime Bill"** – a suite of strengthened legal protections and enforcement mandates to ensure safety and justice for Freedmen communities. Key provisions might include:

- **Federal Designation of "Protected Status":** Declare descendants of U.S. slavery a protected class for the purpose of hate crimes, explicitly recognizing the unique historical and ongoing targeting they face. While hate crime laws already list race, a congressional finding emphasizing harms to this specific lineage could guide courts and law enforcement to treat these crimes with utmost priority.
- **Harsher Penalties & Sentencing Enhancements:** Increase penalties for offenses motivated by anti-Freedmen/anti-Black bias. For example, mandatory sentencing enhancements for violent felonies proven to be hate crimes, and no statute of limitations on prosecuting such crimes.
- **Improved Reporting and Response:** Require law enforcement agencies to undergo training on recognizing and reporting anti-Black American hate crimes (many incidents are currently under-reported). Establish a national hotline and task force specifically for

threats and crimes against Freedmen-descendant institutions (such as Black American churches, HBCUs and community centers) to ensure quick federal response.

- **Civil Cause of Action:** Allow victims of racially motivated violence (or their families) to sue perpetrators in federal court for damages, including provisions to hold accountable any complicit groups or online platforms that facilitated the hate crime.
- **Law Enforcement Accountability:** Tie federal funding for police departments to metrics on reducing racial bias and violence. Encourage the Justice Department to use pattern-and-practice investigations and consent decrees in departments with repeated civil rights violations against Black American citizens. Essentially, ensure that public safety officers are protecting Freedmen communities, not persecuting them.

Constitutional & Policy Justification: Protecting citizens from violence is a core function of government. The 14th Amendment obliges states to provide *equal protection of the laws*, and historically, failure to prevent or punish violence against Black American citizens (e.g. KKK terrorism) was a key reason behind the Enforcement Acts in the 1870s. Congress can rely on its 14th Amendment enforcement power here: racially motivated violence is exactly the kind of **badge and incident of slavery** that the amendment aimed to eliminate (the Black Codes and post-war racial terror were intended to keep freed slaves “in their place” through fear). In fact, Congress explicitly invoked the 13th Amendment in part when it passed the Hate Crimes Prevention Act in 2009 for racially motivated crimes^[2]. Strengthening hate crime laws for the protection of Freedmen descendants is thus on solid constitutional footing – it enforces equal protection and the freedom from racial terror that are fundamental rights. Moreover, by crafting the bill to focus on a specific historical and ongoing harm, Congress makes clear the compelling interest at stake. Courts have upheld stiff hate crime penalties, recognizing that hate-fueled violence has broad detrimental effects on society and targeted communities. This proposal is an enhancement, not an entirely new concept, thus likely to withstand scrutiny as an appropriate means to achieve the constitutional goal of public safety and equal dignity.

Impact: The **protection and peace of mind** provided by this measure are invaluable. Stronger hate crime enforcement will serve as a **deterrent** – potential perpetrators will know that targeting Black American people or neighborhoods out of bigotry will bring swift and severe consequences. This, in turn, can reduce the incidence of such crimes. For the community, seeing justice done consistently will build trust in the system. Right now, many Black Americans feel that the justice system does not adequately value their victimization – cases go unsolved or under-prosecuted. A vigorous approach would start to change that perception. Culturally, it sends the message that the federal government *finally* is serious about ending racial violence, in line with how it protects other vulnerable groups. Over time, this can foster a greater sense of **safety and belonging** among Freedmen descendants. People can live, work and gather without the same level of fear for their safety. Parents can feel more secure about their children’s well-being. Additionally, improved trust in law enforcement can encourage more cooperation to combat crime, benefiting public safety for everyone. The **accountability** component (policing reforms) can also reduce instances of police brutality or misconduct against Black American citizens, further building confidence that Freedmen communities are

equally protected. This in itself has ripple effects – reducing trauma, improving mental health and enabling communities to focus energy on growth rather than constant vigilance. In summary, by legally and visibly safeguarding Black Americans from hate and harm, this bill would help fulfill the Constitution’s guarantee that all citizens can enjoy the blessings of liberty and the protection of the law without fear or favor. It is a necessary step toward true equality in the realm of personal security and justice.

Business & Economic Development: Interest-Free Business Loans and Contracts

Grievance: Another facet of the racial wealth gap is the **barrier to entrepreneurship and business ownership** that Freedmen descendants have historically faced. During segregation, Black American entrepreneurs were often excluded from mainstream credit markets and government business programs. Even today, Black American business owners struggle disproportionately to access capital. They tend to have less collateral (due to lower homeownership and wealth) and face bias in lending. According to recent data, while about 14.4% of the U.S. population is Black American, only **3.3% of employer businesses** (companies with at least one employee) are Black American-owned[27] – a massive underrepresentation. This is not for lack of initiative; rather, **systemic underinvestment** stymies Black American entrepreneurs at multiple stages[27][25]. The hurdles begin with starting capital: the **median Black American household wealth (≈\$45k in 2022) is so much lower than median White wealth (≈\$285k)[28][4]** that Black American entrepreneurs often cannot self-finance or secure sizable loans. Wealth disparities also mean fewer Black American families can provide intergenerational help for startups[25]. Lower homeownership rates play a role – home equity is a common source of business startup funds, yet only ~44% of Black Americans own homes (vs 65% of Americans overall)[29]. Those who do own homes often have homes with lower appraised values (due to historic redlining and devaluation in Black American neighborhoods[30]), limiting collateral for loans. Moreover, Black American entrepreneurs report lower approval rates and smaller loan amounts when they do apply for business credit, and many are discouraged from even applying because they anticipate rejection[31][32]. In addition, Black American-owned businesses have historically had less access to government contracts and venture capital funding. All these factors result in fewer and smaller Black American businesses, leading to fewer jobs created in Black American communities and a huge loss of potential wealth creation.

Remedy: To level the playing field, we propose a federal **Interest-Free Business Loan and Grant Program** for Freedmen-descended entrepreneurs. This initiative would provide:

- **Zero-Interest Loans:** Qualifying new and existing businesses owned by eligible Freedmen would have access to 0% interest loans for startup costs, expansion, or operating expenses. The loans could be administered by the Small Business Administration (SBA) or a dedicated Freedmen Business Fund, with flexible underwriting that accounts for the realities of lower collateral. The absence of interest dramatically lowers the cost of borrowing, making repayment feasible even for thin-margin businesses and allowing profits to be reinvested rather than paid out as interest.

- **Forgivable Loans / Grants:** For certain key sectors or community-serving businesses (e.g. grocery stores in food deserts, tech startups, manufacturing enterprises that employ significant numbers of Freedmen), loans could be partially or wholly forgivable if the business meets benchmarks (such as job creation, longevity, or community impact). This effectively becomes grant capital to incentivize entrepreneurship in areas that need it most.
- **Set-Asides in Government Contracts:** A parallel policy would establish a procurement goal that a significant percentage of federal (and incentivized state/local) government contracts be awarded to businesses owned by Freedmen descendants. This extends existing minority contracting programs by focusing on the lineage group most disadvantaged by past federal contracting discrimination. It could be implemented via an update to procurement regulations, creating a new category similar to HUBZone or 8(a) but lineage-based.

Constitutional & Policy Justification: The federal government has broad authority to regulate commerce and to support small businesses (SBA's existence is testament to that). It also may take affirmative steps to remedy the present effects of past discrimination. Here, Congress can justify this program as both economic stimulus and reparative action. By limiting it to a specific harmed class (Freedmen descendants), it sidesteps issues that might arise if it were framed as a race quota. The Supreme Court has viewed favorably certain contracting preferences for minority-owned businesses when there is evidence of past discrimination in that industry or context. In the case of Freedmen, the evidence is the entirety of American economic history – from slavery (when Black American labor created wealth but could own no businesses) to Jim Crow (when Black American businesses were confined or destroyed in events like Tulsa's massacre) to present discrimination in lending[33][25]. Under the 5th and 14th Amendments, the government can enact lineage-conscious remedies if narrowly tailored; here it would be tailored to those who can show ancestry linkage to documented injustices. The interest-free loans are race-neutral in appearance as they're available to a defined beneficiary class; even if considered race-based, the compelling interest in fostering economic equity for a group long denied it is clear, and the means (loans, not outright cash, except where forgiven under conditions) are modest and targeted to business growth. As for contract set-asides, Congress has latitude in procurement to advance social goals, and courts have upheld such programs when remedying past exclusion (e.g., **City of Richmond v. Croson** allows it with strong basis in evidence – which here could be provided by disparity studies showing Black American firms' underutilization). This program would be an appropriate Section 2 enforcement of the 13th Amendment as well, as economic subjugation is a badge of slavery. By facilitating self-employment and enterprise, it helps to “remove the vestiges” of slave-era constraints on Black American economic agency.

Impact: The growth in **Black American-owned businesses** resulting from these measures would have wide-ranging benefits. With easy access to capital, many aspiring entrepreneurs who today might give up or never start will be able to launch businesses – from tech startups to construction companies to retail stores in their neighborhoods. Existing small businesses can expand, hire more employees and weather downturns with the cushion of interest-free

financing. As a result, **job creation** within Black American communities will rise, since Black American-owned firms are more likely to hire Black American workers^[34] (currently, Black American businesses already employ over 1.3 million people^[35]; this could multiply). This addresses unemployment and underemployment which have plagued Freedmen communities. More businesses also mean **better services and amenities** in Black American neighborhoods (e.g., more restaurants, healthcare clinics, professional services, etc.), improving quality of life and reducing the need to go outside the community for essentials. Economically, entrepreneurship is a key path to wealth: business equity is a significant component of wealth for those who have it, and increasing Black American business ownership will raise average wealth and provide vehicles for intergenerational wealth transfer (passing down a family business). In fact, one study noted that **owners of employer firms have substantially higher net worth and well-being than non-business owners**, and expanding employer businesses among Black Americans is a path to closing wealth gaps^[36]. By leveling access to government contracts – a multibillion-dollar opportunity historically skewed away from Black American firms – this plan ensures Black American entrepreneurs can significantly benefit from public spending, further boosting their growth. The **multiplier effect** of thriving Black American businesses can't be overstated: they become anchors in their communities, inspire youth (who see successful Black American CEOs and innovators), and contribute tax revenue locally (though the owners themselves may be tax-exempt under the earlier provision, their businesses and employees add to the economy). Removing the burden of interest also means these businesses are more likely to succeed long-term (since excessive debt is a common cause of failure). Over a generation, one could envision a robust network of Black American-owned enterprises across industries, reducing the racial disparity in business ownership from the paltry 3.3% today to something much closer to parity with population share. This fosters **economic inclusion** at the highest level – allowing Freedmen descendants not just to participate in the economy as workers, but as owners, producers and decision-makers. The confidence and empowerment that come from this cannot be quantified. It harkens back to the missed promise of “40 acres and a mule” (the idea of giving freed slaves land to farm and build upon). While that promise was revoked, this proposal in modern form gives the descendants the **tools to till their own soil in the economic landscape**, without the hindrance of systemic barriers. It's a chance to build a legacy of Black American entrepreneurship and innovation that benefits the whole nation's prosperity.

Direct Compensation: Cash Payments and Funding Streams

Grievance: No reparations program would be complete without **direct compensation for the wealth and income stolen through slavery and subsequent discrimination**. Enslaved people were denied wages for centuries of labor; their descendants were locked out of many wealth-building opportunities (from homestead lands and New Deal programs to GI Bill benefits and beyond). This has produced the enormous wealth gap we have quantified. While the policies above address structural barriers and future gains, there is also a backward-looking component: acknowledging and partially compensating for the **economic value extracted** from enslaved ancestors and the harms that echo to the present day. Many Freedmen descendants today still live in poverty or with very low wealth, a direct result of ancestral exploitation and intentional

policies that followed (like redlining, convict leasing, etc.). As of 2022, the official poverty rate for Black Americans was **17.1% – nearly 1 in 6 – compared to 11.5% nationally**[\[37\]](#)[\[38\]](#). This improved with recent safety net expansions (it was over 20% a few years prior), but Black American poverty remains roughly double that of whites and is rising again with the lapse of pandemic aid[\[39\]](#). Simply put, many Freedmen families lack financial security right now and need immediate relief in addition to long-term opportunities.

Remedy: We propose **Direct Cash Payments** to eligible Freedmen descendants as reparations for past injustices and a means of closing immediate wealth gaps. This could be structured in various ways (to be determined by further study or a Reparations Commission), but one illustrative model is: an initial lump sum payment to each eligible individual, followed by smaller annual payments for a period of years (or even life). The **initial payment** could help families pay off debts, purchase homes or property, invest in education or business, or otherwise jump-start their economic well-being. The **recurring payments** act as a form of basic income floor, ensuring stability and the ability to plan for the future without the constant fear of destitution. The scale of payments should be meaningful – studies and task forces have recommended figures ranging widely (some economists suggest **trillions** in aggregate are owed to Black Americans). For example, California’s state task force recommended calculations that could amount to hundreds of thousands per person to account for harms like housing discrimination[\[40\]](#)[\[41\]](#). At the federal level, an oft-cited goal is to eliminate the wealth gap: given the average disparities, this might require on the order of \$10–20 trillion nationally[\[42\]](#). The exact number can be refined, but the commitment should be substantial enough to be transformative. Importantly, **funding sources** have been envisioned that do not overly burden the general taxpayer. This includes proposals for new revenue streams such as: a modest **financial transaction tax** on Wall Street trades (given the immense volume of trades, even a tiny tax can raise hundreds of billions[\[43\]](#)[\[44\]](#)), an **immigration fee or tax** (recognizing that much U.S. wealth was generated by slavery, some suggest that a share of the benefits new immigrants seek should go to reparations funds[\[45\]](#)[\[46\]](#)), and a **tax on overseas remittances** (the U.S. sees tens of billions of dollars sent abroad each year[\[47\]](#)[\[48\]](#); a small levy on this could recirculate some wealth back to reparative purposes). Additionally, higher taxes on the wealthiest individuals or estates, or public land/mineral royalties, have been floated. The key is that there are viable ways to fund direct payments **without directly taking from the average working American**, preempting the argument that “my taxes shouldn’t pay for this.” Indeed, one can design the funding so that it *primarily* taps into the very financial system and historical capital that slavery made possible (e.g., Wall Street grew on traded commodities produced by slaves[\[49\]](#)[\[50\]](#), so a financial tax has poetic justice).

Constitutional & Policy Justification: Direct payments have precedent in law (the government has given out stimulus checks, restitution to interned Japanese Americans in the 1980s, settlements to Native American tribes, etc.). Congress’ power to spend for the general welfare is broad, and certainly remedying the enduring harm of slavery qualifies as serving the general welfare by promoting social and economic stability. The challenge is often political, but legally, as long as the class of recipients is defined in a rational, non-arbitrary way (here, descendants of those who suffered a grievous injustice, as verified by genealogy), it stands on firm ground. Because this would be a federal program, it bypasses state restrictions and could be structured

as a trust fund or entitlement. Courts might review it under equal protection if seen as a racial classification, but again, by framing it as a compensation to a specific injured class, the program serves a compelling interest and is perhaps the *most direct* way to make that class whole. The 13th Amendment enforcement clause is a strong basis: freeing the slaves wasn't enough if no repair was made; Congress can conclude that monetary restitution is part of "enforcing" the freedom and eliminating the badges of slavery (poverty and dependency being such badges). Additionally, Section 5 of the 14th Amendment (equal protection enforcement) could justify alleviating the economic stratification created by state-sanctioned racial subjugation. If structured carefully (perhaps even race-neutral on its face by using lineage), direct payments should survive legal challenge as a legitimate legislative act of atonement and correction.

Impact: The immediate impact is **poverty alleviation and financial stability**. Large cash infusions would allow many Black American families to escape the vicious cycle of debt and hardship. Imagine families using reparations payments to *pay off high-interest student loans, medical bills, or credit card debt* – this would free up income for savings and investment. Others might finally afford a down payment on a home (even with interest-free loans, one still needs capital for renovations, etc.), or to start a business (complementing the interest-free loans, this could provide initial equity). Some might pursue education or take care of much-needed health expenses. The **psychological impact** is also significant: a direct acknowledgement of harm in the form of a check can validate peoples' experiences and reduce the daily stress of making ends meet. Over time, if managed wisely, these payments would help close the wealth gap: more Black American families could own assets, invest in stocks or retirement accounts, and have emergency funds. An important design aspect would be financial counseling and protection against predatory practices, to ensure the money is not quickly drained away; but we trust recipients to decide their needs best. On a macro scale, injecting reparations payments into the economy can have a stimulus effect – increasing consumption and investment in communities that have long been depressed, which in turn can create jobs and raise tax revenues (ironic as it is, given the tax exemption). The funding mechanisms suggested (immigration taxes, Wall Street taxes, etc.) also have broader policy benefits: a tiny financial transaction tax could dampen harmful high-frequency trading and raise stability in markets^[43], while a remittance tax might encourage investment at home or be structured to not overburden low-wage workers by targeting large transfers.

Ultimately, direct payments embody the idea of *immediate relief and justice*: rather than waiting decades for the other programs to fully bear fruit, people suffering now get help now. The **long-term security** provided by an annuity-like reparations payout would mean many could plan for their futures – send their kids to college, retire without fear, relocate to safer neighborhoods, etc. When combined with the other initiatives (education, housing, business), direct payments ensure that recipients can actually take advantage of those opportunities (for example, free college is great, but one still needs living expenses; a reparations stipend could cover that). Direct cash is also a form of empowerment: it trusts the people to know how best to use it. In summation, this measure, funded creatively and managed responsibly, would **directly reduce racial economic inequality** by raising the floor for Freedmen descendants and giving them capital in hand – something untold generations were denied. It turns a moral debt into a tangible asset for those to whom it is owed.

Overall Impact and Rationale

Taken as a whole, this comprehensive reparations plan would fundamentally transform the social and economic landscape for Freedmen descendants – and in so doing, benefit American society as a whole. The **economic empowerment** from interest-free home and business loans, combined with tax relief and direct payments, would inject wealth into Black communities on an unprecedented scale, finally addressing generations of exclusion. Families would move from survival mode to wealth-building mode. Higher homeownership, thriving businesses and debt-free college graduates mean a larger Black American middle and upper class, and a narrowing (eventual closing) of the racial wealth gap. This is not a zero-sum scenario; as Black Americans prosper, the national GDP grows and tax base ultimately grows (indeed, a 2015 study estimated the U.S. economy might be trillions larger if racial gaps were closed).

Education and opportunity would flourish: we'd see rising rates of Black American doctors, engineers, teachers and entrepreneurs – an outcome that enriches every field with diversity of thought and talent. Underserved Black American neighborhoods would gain professionals and services, addressing long-standing deficits (more clinics, better schools, community nonprofits, tech startups – all led by those who grew up there and are invested in giving back). These programs also emphasize **self-determination**: they provide the resources, but it is the Freedmen community members themselves who will build, lead and innovate new solutions. This, in turn, fosters a sense of pride and cultural renaissance – a break from the narrative of victimhood to one of empowerment and creativity.

Importantly, these remedies are structured to be largely **race-neutral in legal form yet race-conscious in remedial effect**. By focusing on the **specific lineage** of slavery's victims, the plan avoids the over-breadth that has sometimes sunk affirmative action policies. It creates equity guardrails ensuring the benefits go to those who truly deserve them – the **intended lineage** – avoiding dilution. This should assuage concerns that others might exploit the programs or that the remedies aren't precisely targeted.

Of course, **implementation will require care and commitment**. We acknowledge potential challenges: administratively, verifying genealogy for eligibility and setting up new federal programs will be complex. It will require robust outreach, modernized records, and perhaps the creation of a new agency or commission to oversee reparations. Transparency and accountability mechanisms will be key to maintaining public trust – regular audits, community oversight boards and clear metrics of success (such as wealth gap reduction percentages, homeownership rates, etc.).

Politically, there will be resistance. Misconceptions must be addressed through **public education** – emphasizing that this is **restorative justice**, not a handout, and highlighting the moral and economic logic. Many Americans simply do not know the depth of the harm or the degree of current disparities; presenting the data (as we have cited: e.g. Black American households hold only 4.7% of wealth[15], or that anti-Black American hate crimes dominate statistics[26]) can shift perspectives. The narrative should be framed as fulfilling the nation's promise – an investment into a stronger, more unified country where everyone has a fair shot.

Legal challenges (claims of unconstitutionality) can be overcome by the careful design we've discussed and by building a strong factual record of why these measures are necessary. In any judicial review, the historical evidence and current statistics would demonstrate both the **compelling interest** and the **tailoring** of these remedies. In fact, carrying out this plan would help America finally rectify the Constitutional breaches of the past – the failure to protect a whole class of citizens for so long – thus **strengthening the Constitution's legitimacy**.

If implemented, the impact on Freedmen descendants would be monumental: this could virtually erase the racial wealth gap within a couple of generations, something that on current trends would take **centuries** (or never) to achieve otherwise[51]. With wealth comes stability: families could weather emergencies without crisis, children could inherit properties or businesses, thus ending the cycle where each generation has to start from zero. Socially, the investments in education and anti-hate protections mean the next generation grows up safer, healthier and better prepared to contribute to society at their full potential. Freedmen communities could experience a renaissance in culture and civic life – as seen during Reconstruction's brief period of Black American advancement (which was cut short). This time, the progress would be enduring.

In truth, these policies would help not only Black Americans, but the **entire nation**. Racial inequality has long been a drag on America's economy and a scar on its moral credibility. By boldly addressing it, the country can unlock new growth (imagine the innovation from millions of newly empowered minds) and move closer to its ideals of justice. This cohesive reparations plan is a holistic approach – tackling wealth, education, health and justice simultaneously, because they are interlinked. It recognizes that Freedmen descendants deserve **comprehensive redress** – not piecemeal scraps, but a systemic solution matching the scope of the wrong.

Conclusion: In light of the evidence and proposals set forth, we urge Congress to enact, the Executive to implement, and the Judiciary to uphold this hybrid redress program. It can be framed in legislation (an omnibus “American Freedmen Equity and Reparations Act”) and supported by agency rules and court consent decrees as needed. We stand at a pivotal moment where we can choose to finally mend the wound that has festered since 1865. The Constitution was amended to guarantee freedom and equal rights to the formerly enslaved; now, **in 2026, it is time to fulfill the spirit of those amendments by making freedom *real* in the form of economic independence, educational opportunity, physical security and recognized identity for Freedmen descendants**. As Senator Charles Sumner said in advocating for the Freedmen's Bureau in 1865, *“The curse of slavery is still upon them... Call it charity or duty, it is sacred as humanity”*[52]. Acting now is not just charity – it is our duty, sacred as humanity, to heal the damage of slavery and segregation. By granting these remedies, the United States would not only redress grievous injustices but also unleash the full potential of millions of its citizens. This comprehensive plan charts a course toward a more perfect union – one in which the legacy of slavery is truly overcome, and all families can share in the nation's wealth, freedom and promise[9][53].

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