The Case Against Slave Reparations

By Peter Flaherty and John Carlisle
About NLPC

Founded in 1991, NLPC promotes ethics in public life through research, education and legal action. Through the Corporate Integrity Project, NLPC promotes integrity in corporate governance, including honesty and fair play in relationships with shareholders, employees, business partners and customers.

Pro-reparations activists have targeted corporate America. This monograph gives corporate executives, directors and shareholders the information necessary for an effective and credible response. It is also a useful guide for government officials, teachers, students and members of the public.

This monograph was published in October 2004, and may be downloaded as a pdf file free of charge from www.nlpc.org. Updates will be made on a regular basis to the pdf version.

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INTRODUCTION

Imagine that, years in the future, thousands of special “slavery reparations courts” are set up throughout America, charged with the task of trying to sort out who gets compensation for the wrongs of slavery, and who pays. People are demanding government money based on some claim to African American ancestry, even light-skinned people with a trace of African American blood. Others are there to challenge having to pay for the reparations, such as recent immigrants, Latinos, Asian Americans and Caucasian Americans whose ancestors arrived in America long after slavery ended.

Sound far-fetched? It is not. The issue of slave reparations has gone from being on the fringes of American politics to the front and center today. Political momentum for it is strong within the black community, and many whites embrace the issue as well. A growing number of local, state and national politicians support creating a massive government program that would pay billions of taxpayer dollars to slave descendants. In addition, the reparations coalition is orchestrating aggressive media and litigation campaigns to force corporations that allegedly profited from slavery to make huge payouts.

One has to ask why this is happening now, more than 140 years after slavery ended. A critical dynamic fueling the slave reparations movement is a phenomenon common to advocacy groups: once they reach their goal, their original reason for being is no more, but they do not want to disband so they seek another issue. This is the dilemma confronting the civil rights movement. In the 1960s, civil rights activists achieved the worthy goal of ending state-sponsored discrimination. Then they moved on to more dubious things such as racial quotas. Having succeeded, they are now embracing the cause of slave reparations.

It goes hand-in-hand with the current political and legal climate in America. People increasingly see themselves as victims of some alleged wrong, and politicians and juries are taking their side. In the wake of the litigation explosion in America, moreover, trial lawyers keep pushing the envelope as to how much they can get away with, and they are succeeding.

However surreal or absurd the issue of slave reparations sounds, it is vital that Americans start taking the issue seriously. Though the issue of slave reparations seems frivolous, the political movement coalescing behind it is not.
AN OVERVIEW OF THE SLAVE REPARATIONS MOVEMENT

Once an issue pushed only by radicals, compensating blacks for the slavery and discrimination of centuries past is now championed by the civil rights establishment. Such groups include the National Association for the Advancement of Colored People (NAACP), the Southern Christian Leadership Conference and the National Urban League. Congressmen regularly raise the issue, most notably Rep. John Conyers (D-MI). Since 1989, Conyers has been pushing a bill asking Congress to establish a commission to study reparations proposals for African Americans. To date, Congress has not acted on it. But the Democratic Party, while not explicitly endorsing reparations, appears to be gradually accepting the idea. During the 2000 presidential race, the Democratic Party’s Platform Statement officially adopted a plank supporting the establishment of a federal commission to examine the history of slavery and “to make appropriate recommendations on behalf of the American people.” In addition, a growing number of books, lectures, websites, rallies and grassroots groups press the reparations issue.

Demands for reparations reach into the trillions of dollars. Some advocates favor direct cash payments by the U.S. government to blacks, while others favor support for organizations and other initiatives aimed at assisting blacks. Activist lawyer Dr. Robert Brock, for example, wants the government to pay $500,000 to every slave descendant. Given that the large majority of the 35 million African Americans have a slave ancestor, that would amount to more than $15 trillion and require a surtax of roughly $50,000 on each non-African American man, woman and child in this country (the median family income is not even that high). One estimate, cited in a Harper’s magazine article, puts the reparations total at $97 trillion, based on 222,505,049 hours of forced labor between 1619 and 1865, “compounded at 6% interest through 1993.”

Members of Congress are throwing in their support for Rep. Conyers’ reparations bill—“The Commission to Study Reparation Proposals for African Americans Act” (H.R. 40). It would “establish a commission to examine the institution of slavery, subsequently de jure and de facto racial and economic discrimination against African-Americans, and the impact of these forces on living African-Americans, to make recommendations to the Congress on appropriate remedies, and for other purposes.” (Conyers chose the bill number “40” to reflect the “40 acres and a mule” the U.S. government allegedly promised freed slaves). Conyers first introduced the bill in 1989. Although Congress has never acted on it, he vows to keep re-introducing it until it’s passed into law. Conyers argues that “just as we’ve discussed the Holocaust and Japanese internment camps, and to some extent the devastation that the colonists inflicted upon the Indians, we must talk about slavery and its continued effects.” If Democrats regain control of the House of Representatives, Conyers, who would likely become the chairman of the House Judiciary Committee, has pledged to immediately take up the reparations issue. At last count, 22 congressmen have co-sponsored the bill. Influential liberal interest groups are also lending support to a reparations commission. In February 2006, the House of Delegates of the American Bar Association formally urged Congress to establish a commission to study the effects of slavery and make recommendations to address those effects.

Polls show the issue enjoys widespread support within the black population and even some support within the non-black population. According to a CNN/USA Today/Gallup poll conducted in February 2002, 55 percent of African American respondents said the government should make cash payments to slave descendants, while nine out of 10 white respondents said the government should not do so. The same poll indicated that 68 percent of African Americans would like corporations that made profits from slavery to apologize to African Americans, and 32 percent of whites support this proposal. Three-quarters of African American respondents said the companies should set up scholarship funds for descendants of slaves; 35 percent of white respondents favored this.

The issue is gaining ground among the white far left or those who call themselves “progressives.” Comparing the situation with
that of the early 1990s, one such commentator observed, “Nearly a decade later, I detect a significant change in the willingness of white progressives to embrace and advocate for reparations.” 7

Another sign that the issue is gaining momentum was a pro-reparations rally held on the Mall in Washington, D.C. in August 2002, the first such mass gathering in support of reparations. Several thousand people were in attendance, and it enjoyed wide media coverage. The theme was, “They Owe Us.” The rally was organized by the Millions for Reparations coalition. The group got the idea after attending the UN conference against racism in Durban, South Africa in September 2001 where it successfully lobbied delegates to support a statement condemning modern slavery as a “crime against humanity.”

Louis Farrakhan, leader of the Nation of Islam, organized a “Millions More Movement” march in Washington, DC on October 15, 2005 that drew thousands of people. The event’s official statement of purpose demanded “full and complete reparations for the descendants of slaves.” 8

Pro-reparations grassroots groups in the black community have been sprouting up all over the country. The umbrella group National Coalition of Blacks for Reparations in America (N’COBRA) has dozens of local chapters. It has drawn up a blueprint for federal “down payments” on reparations, which it is trying to move through the courts and Congress. Many within N’COBRA even want an independent black state within the United States. 9

Russell Simmons, a hip-hop mogul, launched a radio and print ad campaign that featured the slogan, “Reparations. It’s about time,” while promoting his tennis shoes. 10 Others are cashing in on the movement as well. One group has hawked “reparations action kits” on the Internet at $30 a piece.

Politicians Get on the Reparations Bandwagon

During the 2000 presidential election campaign, Al Gore expressed his support for the notion of reparations. At a primary debate in Harlem early in 2000, both Gore and Bill Bradley refused to condemn reparations when the topic was brought up. And during a rally in Tulsa, OK Gore reportedly said reparations were “a definite possibility.” 11 As noted earlier, the 2000 Democratic Party Platform Statement endorsed the principle of reparations.

Green Party presidential candidate Ralph Nader’s 2000 platform explicitly endorsed reparations. The platform states that “people of color have legitimate claims in this country to reparations in the form of monetary compensation for these centuries of discrimination.” 12 Although Nader did not run as the Green Party candidate in 2004, the Green Party Platform still includes the language supporting reparations. 13

In April 2002, then-California Governor Gray Davis indicated his support for slave reparations, declaring, “Clearly, we want to right any wrongs and do justice to people
who were taken advantage of, if that is the case. I believe that will be the case.” He also signed a law forcing insurance companies to disclose information about any ties to slavery they had a century and a half ago.  

The governor of Michigan, Jennifer Granholm, also supports reparations. She declared before the NAACP that “I support reparations as well, and supported John Conyers’ bill.”

However, the 2004 Democratic presidential candidate John Kerry did not support reparations. In an April 2004 speech to students at historically black Howard University, Kerry said, “I personally do not believe that America is going to advance if we go backwards and look to reparations in the way some people are defining them.” Kerry emphasized that while he understands the “scars” blacks still feel from slavery and segregation, reparations legislation would only divide the nation and “not heal the wounds.”

Nevertheless, many influential Democrats aggressively advocate the issue. One of the more notable speakers at the 2004 Democratic Presidential Nominating Convention was the Rev. Al Sharpton, veteran political agitator and a one-time presidential candidate. Responding to a speech President Bush had just given asking African Americans to leave the Democratic Party, Sharpton said, “It is true that Mr. Lincoln signed the Emancipation Proclamation, after which there was a commitment to give 40 acres and a mule...We went all the way to Herbert Hoover and we never got the 40 acres. We didn’t get the mule. So we decided we’d ride this donkey as far as it would take us.”

State and Municipal Governments Advance Reparations Agenda

In May 2002, the California insurance department announced that Aetna, AIG, New York Life, Royal & Sun Alliance, and other companies provided records indicating they or their predecessors may have issued policies to slaveholders. The report was issued under the previously-noted state law backed by Gov. Davis requiring such disclosures; it is expected to make slave reparations lawsuits easier. At the time of the announcement, Jesse Jackson said he planned to urge other states to enact similar legislation requiring companies to disclose any links to slavery. “Much more research must be done to understand the full breadth of the insurance industry’s involvement,” said Jackson.

City councils in Los Angeles, Detroit, Cleveland, Chicago, Dallas and Atlanta have endorsed Conyers’ H.R. 40. In August 2002, the Houston city council voted on a measure to support the Conyers bill, but it failed by one vote. Things got ugly in that fight. Activists harassed and vilified those who voted against the measure, such as council member Michael Berry (R), who was running for Houston mayor. They made threats against him and his family—some reportedly armed with clubs. They even targeted the councilman’s mother, who does not live in the city. According to Berry, they made threatening, harassing and highly insulting phone calls to her. “She was frightened by the calls and the heinous threats they carried,” he said.

In October 2002—two years after it voted to endorse H.R. 40—the Chicago city council, in a 44-0 vote, approved an ordinance requiring city contractors to inspect their records on whether they or their predecessor companies profited from slavery, and turn over all paperwork to the city if such evidence is found. If slavery connections are established, the company in question can continue to do business with the city, “but the city wants the information as a preliminary form of discovery in an upcoming lawsuit,” according to a news report.

Said Mayor Richard M. Daley, “It will help demonstrate how much of the nation’s wealth was created by the sweat and blood of slavery.” Daley supports a national dialogue on reparations. Alderman Dorothy Tillman said other cities are interested in enacting similar laws. “It’s spreading already, very quickly,” she said.

Tillman was right. In May 2003, the Los Angeles City Council approved legislation that requires businesses seeking city contracts to disclose any profits made from slavery. In June 2004, Detroit passed a similar measure. Supporters maintain that the disclosure law doesn’t bar companies with ties to slavery from receiving municipal contracts. But, like the Chicago law, the Detroit ordinance builds the case for reparations by identifying...
Prominent Advocates of Slave Reparations

Charles Ogletree is a professor of law at Harvard University and co-chairman of the Reparations Coordinating Committee (RCC). The RCC was established to obtain reparations through litigation, and is currently suing the U.S. government. Ogletree, who writes extensively on the issue, is one of the key figures in helping to galvanize the modern movement for reparations.

Randall Robinson is co-chairman of the RCC and former president of TransAfrica Forum, which lobbies on U.S. foreign policy issues affecting Africa and the Caribbean. He authored the 2000 bestseller The Debt: What America Owes to Blacks, which helped to further galvanize the movement. Robinson often casts Fidel Castro in a favorable light, and is a sharp critic of capitalism and the United States. In The Debt, Robinson writes, “I will say what few of us will say aloud. . . . Many blacks—most, perhaps, though I can’t be sure—don’t like America.”

Dorothy Tillman is a Chicago city councilman and a leading reparations activist. Tillman was a field staff organizer for Dr. Martin Luther King’s Southern Christian Leadership Conference. Elected to serve as an alderman for Chicago’s Third Ward in 1985, she has earned a reputation as a major political figure in city politics. She frequently gets involved in issues such as inner-city education, housing and homelessness. Tillman sponsored Chicago’s slave disclosure law in 2003 which has served as a model for other municipal disclosure ordinances.

Cornel West is a professor of Religion and African American Studies at Princeton University, and a RCC member. His book Prophesy Deliverance! An Afro-American Revolutionary Christianity (1982) attempted to fuse Christianity and Marxism. Other books include Beyond Eurocentrism and Multiculturalism (1993) and Race Matters (1993). To his credit, West has publicly disagreed with Louis Farrakhan’s anti-Semitism.

Rev. Al Sharpton is a black activist and a former Democratic presidential candidate. He burst onto the national scene in 1987 with the Tawana Brawley hoax, in which a black teenager falsely claimed she had been raped by a gang of whites. In 1991, after a Hasidic Jewish driver in Brooklyn accidentally killed a seven-year-old black, Sharpton participated in anti-Semitic riots, and at the funeral denounced “diamond merchants” in a veiled reference to Jews. In 1995, after a dispute between a Jewish store owner and black tenant, Sharpton’s National Action Network staged protests filled with anti-Semitism and violent language. A protester shot four store employees and set the store on fire, killing three more.

Minister Louis Farrakhan is the leader of the Nation of Islam and was the keynote speaker at the August 2002 “Millions for Reparations Rally” in Washington, D.C. Farrakhan has a long history of anti-Semitism. His organization published The Secret Relationship Between Blacks and Jews, which falsely claims that Jews were instrumental in the slave trade. Interestingly, Farrakhan is demanding land grants for blacks rather than money transfers. He said, “We cannot accept a cash payment because a fool and his money will soon part.” He wants the U.S. government to transfer “millions” of acres of land to African Americans.

Rev. Jesse Jackson is a black activist and president and founder of the Rainbow/PUSH Coalition. In recent years, he has become adept at accusing corporations and other entities of racism, prompting them to grant money and concessions to Jackson’s organization and associates. It is a practice that lends itself well to the slave reparations issue. Jackson’s methods are reflected in the large revenues of his Citizenship Education Fund (CEF). (In 2001, the National Legal and Policy Center filed a formal complaint that the CEF operates outside of its tax-exempt status.) Interestingly, Jackson advocates giving slave reparations payments not to slave descendants directly, but to nonprofit organizations (e.g., Rainbow/PUSH) that focus on the black community.

Deadria Farmer-Paellmann, a lawyer-activist, gained notoriety in 2002 after filing suit in a New York federal court demanding reparations payments from corporations such as Aetna Insurance, FleetBoston Financial, and CSX railroad. She alleges that these companies or their “predecessors in interest” profited from slavery. Interestingly, Jackson advocates giving slave reparations payments not to slave descendants directly, but to nonprofit organizations (e.g., Rainbow/PUSH) that focus on the black community.

Edward Fagan is the attorney of Richard Barber and Deadria Farmer-Paellmann, who were plaintiffs in two separate lawsuits against several U.S. companies for their alleged role in slavery. Prior to becoming involved in slave reparations, Fagan was a lawyer-activist, gained notoriety in 2002 after filing suit in a New York federal court demanding reparations payments from corporations such as Aetna Insurance, FleetBoston Financial, and CSX railroad. She alleges that these companies or their “predecessors in interest” profited from slavery. Interestingly, Jackson advocates giving slave reparations payments not to slave descendants directly, but to nonprofit organizations (e.g., Rainbow/PUSH) that focus on the black community.

Edward Fagan is the attorney of Richard Barber and Deadria Farmer-Paellmann, who were plaintiffs in two separate lawsuits against several U.S. companies for their alleged role in slavery. Prior to becoming involved in slave reparations, Fagan was prominent in the Holocaust-related lawsuits against European companies. Fagan, who is white, has vowed to file additional slave-reparations lawsuits throughout the country.
the “guilty” companies—and how much they could pay out in a possible shakedown. Detroit City Councilwoman Barbara Rose-Collins, a former Democratic congresswoman, says, “The purpose of this ordinance is to set the groundwork for [slavery] reparations. First, you have to get the information and show the companies that benefited from the slave trade.”

The Philadelphia City Council unanimously passed a disclosure law in March 2005. Modeled on the Chicago ordinance, Philadelphia’s measure requires companies doing business with the city to search their records and disclose if they profited from slavery. Companies that fail to provide information could have their contracts nullified. On December 20, 2005, Milwaukee followed suit and enacted a disclosure law.

Clearly, there is growing momentum to force businesses to reveal past ties to slavery. But attempts to pass disclosure laws have also met with defeat. In 2005, the New York City Council held hearings on a disclosure bill proposed by Councilman Charles Barron but did not bring it up for a vote. Mayor Michael Bloomberg criticized the measure, pointing out that “You’re talking about people who are simply running and working at these companies who weren’t even born in those days.” One Councilman said the bill should also look at the injustices inflicted on Irish-Americans and Italian-Americans. Councilman Peter Vallone correctly observed that the disclosure proposal “sounds like an attempt to help trial lawyers get evidence to start lawsuits.”

The North Carolina legislature considered a state-wide disclosure law in 2005. Sponsored by Rep. Larry Womble and Rep. Earl Jones, the proposal would have required companies to “disclose any and all records of participation in or profits derived from slavery.” Like the municipal ordinances in Chicago and Philadelphia, the bill would not prohibit companies that trafficked in slavery from getting contracts. The House State Government Committee approved the measure in the spring. However, it was sent to the Rules Committee which did not report it out.

Shakedown Via the Courts

Slave reparations advocates are resorting to the courts to push the issue. High-profile lawyers have filed class-action lawsuits against corporations that they allege profited directly or indirectly from slavery. According to Brooklyn Law School Professor Anthony J. Sebok, corporations are easier targets because of easily accessible records, huge cash reserves, the fact that they are prone to public pressure, and because they fall under successor corporation laws. These laws facilitate lawsuits against companies that have been sold or merged many times.

In March 2002, the first lawsuit was filed in a U.S. District Court in New York “seeking unspecified reparations for the 35 million descendants of African slaves against the Aetna Insurance Company, FleetBoston Financial Corporation, and railroad giant CSX Corp.” The suit puts the value of slave labor at $1.4 trillion—almost as much as the federal government collects in individual and corporate income taxes each year. One of the plaintiffs was Deadria Farmer-Paellmann, an activist attorney who is credited with helping to initiate the current reparations movement. In 2000, Farmer-Paellmann, then a student at the New England School of Law, discovered that Aetna, Inc., based in Hartford, CT, had a history of insuring the lives of slaves. The company issued an apology but the episode marked the beginning of the reparations crusade against alleged corporate slave profiteers.

But holding contemporary corporations accountable for business transactions that occurred a century and a half ago is absurd. To begin, few companies even have records from that historical period because they are not legally required to do so. Furthermore, the main responsibility of corporations is to current employees and investors. William Carney, a law professor at Emory University in Atlanta, says, “If I’m a stockholder and the company decides to give away some of my money [for reparations], I may not be very pleased.”

In addition, many of the corporations being sued have at best a tenuous connection to the 19th century firms involved in slave-related business. For instance, CSX was formed in 1980 and represented the end product of numerous railroad mergers and acquisitions going back decades. FleetBoston Financial Corporation can be traced to hundreds of
predecessor banks, only one of which the plaintiffs can single out for its links to slavery. Providence Bank, which no longer exists, allegedly profited from a loan it made to a Providence, RI slave trader.28

The reparations suits are without merit for other reasons. As tragic as slavery was, it was legal in the South between 1789 and 1865. The Constitution prohibits ex post facto laws, which are laws that criminalize conduct that was legal when originally performed.

But the reparations movement is not interested in legal probity. After Farmer-Paellmann filed her suit, reparations suits against corporations proliferated. Richard E. Barber, a former deputy executive director of the NAACP, filed a lawsuit in Newark, NJ targeting New York Life Insurance Co., the Wall Street investment firm Brown Brothers Harriman & Co., and the railway company Norfolk Southern.

“This is just another step in a series of upcoming political and legal moves that will address the issue of reparations for American slave descendants,” said Edward Fagan, Barber’s attorney. Fagan was involved in the Holocaust-related lawsuits against German companies and Swiss banks. He vowed to file similar slave reparations lawsuits all over the country.

Eventually, the six reparations lawsuits filed were consolidated into one federal suit seeking an unspecified amount of money from 19 corporations representing some of the nation’s largest banking, insurance, tobacco and railroad firms. These included JP Morgan Chase & Co., Brown & Williamson Tobacco Corp., RJ Reynolds Tobacco, Union Pacific and Lehman Brothers. Reparations lawyers argued that the corporations’ ancestors profited by insuring slave ships, using slaves, or financing businesses built with slave labor. Lawyers plan to use any compensation awarded to establish a fund for health care, housing and education that would benefit African Americans.

But reparations activists lost this round. On January 26, 2004, Illinois U.S. District Judge Charles Norgle dismissed the suit on the grounds that it was not the courts role to render judgment on such claims. In his official legal opinion, Norgle wrote that “the president and Congress have the constitutional authority to determine the nature and scope of relief . . . not the courts.” But Norgle dismissed the reparations suit “without prejudice” which means that activists can file new suits.29

On March 29, Farmer-Paellmann filed a class action suit against many of the same companies under the legal theory of unjust enrichment.30 The amended complaint alleged violations of consumer protection and corporate fraud. The suit charges that corporations had business relationships, including through mortgage loans, connected to slavery but lied about those ties. Andrew McGaan, lead defense counsel who represented Brown and Williamson Tobacco, said the amended lawsuit brought “essentially no change at all in the allegations.”

The lawyers representing Farmer-Paellmann are Carl Mayer and Bruce Afran. Mayer is a former Hofstra Law School professor and former special counsel to New York State Attorney General Eliot Spitzer. He played a major role in the United States Supreme Court victory for consumers in the case, Nike v. Kasky, in which Nike was sued for making fraudulent statements to consumers about its role in inhumane labor practices in its overseas factories. Afran, a professor at Rutgers University Law School, has won numerous civil rights cases in state and federal courts.31

In a major legal setback for the reparations cause, on July 6, 2005 Judge Norgle tossed out the reparations lawsuit. In a 104-page opinion, Norgle said the plaintiffs did not prove that they were personally injured by slavery, noting that a genealogical tie to slaves is not enough to prove injury. Norgle again ruled that any decision about reparations has to be made by the president or Congress, not the courts. “Congress has considered and rejected Representative Conyers’ calls for the establishment of a commission to study the effects of slavery,” wrote Norgle. “This district court will therefore not substitute its judgment for that of Congress on the matter of slave reparations.”

Norgle also pointed to the negative consequences of paying reparations, arguing that “present-day Americans are not morally or legally liable for historical injustices, that the debt to African Americans has already been paid, and that reparations talk is divisive, immersing African Americans in a culture of victimhood.”
Not surprisingly, reparations activists bitterly denounced the decision. Conrad Worrill, chairman of the National Black United Front, attacked the ruling as a product of “conservative, right-wing, judicial, political decision-making.” He called Norgle a “liar” whose “eyes are the eyes of a racist.”

Worrill vowed that the reparations movement will gain momentum by pushing Congress to pass a bill to study reparations and a national disclosure bill based on Chicago’s disclosure law.

The activists are currently appealing Norgle’s decision to the U.S. Seventh Circuit Court of Appeals.

Lawsuits are just one part of a broader strategy to agitate for reparations compensation. After the unfavorable January ruling, Farmer-Paellmann said that advocates will start using other tactics to pressure companies: “The next stages will include boycotts and ads in university (newspapers) and major press.”

This is bad news for corporations, whose leaders believe they can ignore the issue. An unidentified lawyer for one of the targeted corporations says business believes the reparations issue will fade away because it doesn’t resonate with the public.

Banks Cave-In to Reparations Activists

Reparations activists are targeting the banking sector in particular for shakedown campaigns and scoring notable successes. Since January 2005, four of the nation’s leading banks—JPMorgan Chase & Co., Wachovia, Bank of America and Lehman Brothers—have come under withering criticism after disclosing that they or their predecessor firms had some sort of financial dealings with slavery.

The banks had to disclose such transactions pursuant to the disclosure laws in Chicago and Philadelphia. Each company has significant financial interests in those cities and to keep doing business, they have to comply with the law.

Although it is legally and morally ridiculous to hold a company responsible for 150-year-old commercial transactions, banks make themselves targets by apologizing for alleged involvement in slavery and attempting to appease activists with multi-million dollar donations.

JPMorgan Chase & Co.

JPMorgan Chase was the first to capitulate to the activists. In January 2005, the bank announced that after conducting a year-long review of its 19th century business records, it discovered that two predecessor banks in Louisiana owned slaves who were used as collateral for loans to Louisiana plantation owners.

Between 1831 and 1865, Canal Bank and Citizens Bank accepted 13,000 slaves as collateral on loans and repossessed 1,250 enslaved individuals after plantation owners defaulted on loans. The banks merged in 1924 to form Canal Commercial Trust & Savings Bank which failed in 1933 during the Great Depression. Its deposits were placed in The National Bank of Commerce of New Orleans, which later became the First National Bank of Commerce. Bank One acquired First National Bank of Commerce in 1998.

JPMorgan Chase is now vilified by reparations activists because it acquired Bank One in 2004 which supposedly inherited the “tainted” banks in question which for all practical purposes ceased to exist decades ago.

Rather than stand up to the reparations activists, JPMorgan Chase apologized for its “ties” to slavery. Bill Daley, Midwest Chairman of JPMorgan Chase and the brother of Chicago Mayor Richard Daley, said, “If you see those documents, you can’t help but be moved to a period that none of us were proud of and a war was fought over.”

JPMorgan Chase created a $5 million college scholarship fund for African American students in Louisiana. Company executives apparently thought that the apology for contributing to “a brutal and unjust institution” and a multi-million dollar payoff would buy peace with the reparations lobby.

It didn’t work. Reparations advocates immediately denounced the donation as a “joke.” Lionel Jean Baptiste, a lawyer representing plaintiffs in the reparations suit, said, “To give back $5 million does not begin to make up for the tremendous wealth that JPMorgan Chase extracted from enslaved Africans.” Conrad Worrill said, “To
admit they owned 13,000 slaves and say they're only going to come up with $5 million... That's like no money.” Calling the scholarship fund an “insult,” Viola Plummer, national co-chair of Millions for Reparations, said a serious donation would allow every child in Louisiana to attend school for free from pre-school to Ph.D. Plummer vowed to continue going after JPMorgan Chase and other companies that allegedly profited from slavery. Activists immediately organized a protest outside the JPMorgan Chase branch in New Orleans.

Bank of America

The cowardly response of JPMorgan Chase apparently prompted Chicago’s pro-reparations politicians to extend their campaign to other companies that had contracts with the city.

On February 9, 2005, just days after the JPMorgan Chase shakedown, Chicago Alderman Dorothy Tillman accused Bank of America of “lying” on a sworn affidavit that it did not have any past ties to slavery. Tillman, sponsor of the disclosure ordinance and the city’s leading reparations agitator, had accused JPMorgan Chase the year before of lying when it said its first investigation revealed no ties to slavery. However, some companies were involved in slave-related transactions.

In 1840, John Forsyth, Secretary of State of the United States, proposed to pledge his slaves as collateral to obtain a loan from the Bank of Metropolis in Washington, D.C. In the end, the slaves were not used as collateral.

In 1863, two predecessor banks—Boatmen’s Bank and Southern Bank in St. Louis—took a lien against the property of a Charles McLaran for a past due debt. McLaran’s slaves were listed among his property. But McLaran paid the debt and the banks never owned any of the slaves.

Incredibly, Bank of America still felt compelled to apologize for these activities. “The institution of slavery left an indelible and shameful mark on our nation’s history, and we regret any actions our predecessors may have taken that supported or tolerated the institution of slavery,” said Kenneth D. Thompson, the bank’s chief executive officer.

In an effort to appease reparations advocates—and ignore the best interests of its shareholders—the bank pledged to donate $5 million to institutions and programs involved in preserving African American history.

Activists were not mollified by Bank of America’s display of contrition. Alderman Ed Smith called the donation “miniscule” and “a poor showing for an institution of this magnitude.” Tillman criticized the report as “disingenuous” and insisted she had evidence that Providence Bank was involved in the manufacture of leg irons for slaves.

Wachovia

In June 2005, Wachovia Corporation, the nation’s fourth-largest bank, disclosed it had ties to the slave trade through two predecessor banks. The findings were contained in a 111-page report that examined 400 institutions dating back to 1781 and eventually became part of Wachovia.
The report found that the Georgia Railroad and Banking Company, established in 1833, built a railroad using slave labor, and owned at least 162 slaves. The company later became part of First Union in 1986. In 2001, First Union purchased Wachovia and took its name.

The Bank of Charleston, founded in 1834, accepted 529 slaves as collateral on mortgages or loans and took possession of those slaves when customers defaulted. Wachovia is connected to the bank through a 1991 merger with South Carolina National Corporation.

Wachovia chairman and chief executive officer G. Kennedy Thompson earned the dubious distinction for being the most obsequious of the corporate apologists. “I apologize to all Americans, and especially to African Americans and people of African descent,” said Thompson. “We know that we cannot change the past, and we can’t make up for the wrongs of slavery, but we can learn from our past and begin a stronger dialogue about slavery and the experience of African Americans in our country.”

At the time, Wachovia did not offer a monetary donation but promised to partner with community organizations in “furthering awareness and education of African American history.”

As usual, Wachovia’s efforts to make amends for its past elicited only more criticism from the Chicago reparations lobby. Tillman again accused Wachovia of lying about its involvement with slavery earlier in the year when it stated in a sworn affidavit that it could not find any ties to slavery in its records.

Like the other banks, it logically didn’t occur to Wachovia that mergers with companies that had absorbed the remnants of antebellum banks could be construed as a link to slavery. As previously noted, corporations are not legally required to keep records of inherited companies that disappeared as separate entities so long ago.

Reparations activists are not interested in such rational thought, especially when the corporations repeatedly refuse to defend their rights. To punish Wachovia for its alleged lies, the chairman of the City Council’s black caucus, Alderman Ed Smith, asked the City Council to void a housing financing deal with Wachovia.

A company subsidiary, Wachovia Affordable Housing Community Development Corporation, is part of a group that borrowed $9.4 million from the city’s Department of Housing to build 162 affordable housing units in Chicago’s South Side.

“We are not playing here,” said Smith. “If you lie, you’re out.”

It is ironic though that the black caucus would choose to bar Wachovia from building affordable housing in a part of the city with a large population of low-income minorities. Indeed, the specific neighborhoods where the housing is to be constructed is suffering from class tensions between middle-income and low-income
African Americans who have been moved out of public housing and fear displacement by rising property values. African American politicians frequently criticize businesses for not investing enough money in community development projects in minority neighborhoods.

However, Wachovia did not lose its housing deal. On June 27, the company announced that it would lend $1 billion over the next five years to “auto dealers of color” through a partnership with the National Association of Minority Automobile Dealers (NAMAD).

Wachovia spokesman Ferris Morrison denied that the initiative is related to the slavery apology.

Nevertheless, suspicions remain that the bank’s outreach to minority auto dealers is related to efforts to placate reparations critics. Wachovia and NAMAD were brought together by Al Pina who is head of the Florida Minority Community Reinvestment Coalition. According to DiversityInc, its mission is to ensure that companies doing business in Florida “invest in lower-income communities and businesses run by people of color.”

**Lehman Brothers**

In 2003, Lehman Brothers became the first company to admit past ties to slavery in response to the Chicago disclosure ordinance. It would also become the company to pay the stiffest price.

Lehman Brothers stated in its 2003 affidavit that the three Lehman brothers who founded the firm’s predecessor in Montgomery, Alabama in 1850 bought a slave named Martha in 1854. The company said its records suggest the brothers Mayer, Henry and Emanuel Lehman “may have personally owned other slaves.” However, the company insisted, “There is no evidence that these slaves were purchased or used by any predecessor entity of Lehman Brothers.” As for Martha, there is no evidence as to what role, if any, she played in what was then a modest dry goods store.

There was no further discussion of Lehman Brothers alleged ties to slavery.

Then in June 2005, controversy erupted when the City Council voted on a $1.5 billion bond deal for the expansion of O’Hare International Airport. Lehman Brothers was one of the eight bond underwriters. Tillman accused the bank of lying about the extent to which it profited from slavery in its 2003 affidavit. Insisting the company “was founded on the backs of slaves,” Tillman demanded that the City Council remove Lehman Brothers from the bond issue.

The bond measure appeared headed for defeat as indignant city councilmen attacked Lehman Brothers for its supposed disregard of the municipal disclosure law. “I don’t know who prepared this, or who allowed Lehman Brothers to get away with this kind of nonsensical response to a serious issue,” said Alderman Toni Preckwinkle, “but it is disappointing both that we weren’t more vigilant and Lehman Brothers chose to disrespect us in the way that they did.”

Mayoral staffers and Aviation Department officials moved to placate the unhappy aldermen. Finance Committee Chairman Edward Burke secured passage of the bond measure by securing an unprecedented agreement from Lehman Brothers that it had to appear before his committee and tell the truth about its involvement in slavery.

After the vote, Rosemarie Andolino, executive director of the O’Hare Modernization Program, ominously warned that the slavery issue needs to be resolved or “we will remove (Lehman Brothers) from the project and move forward with another organization.” The bonds were scheduled to be sold in the fall.

As with Bank of America, Lehman Brothers initially appeared willing to stand by its original affidavit that the slave-related activities of its founders 150 years ago were irrelevant. "Lehman Brothers has conducted a thorough search of its own records and the historical records of its
founders and found no evidence that the firm profited from slave labor,” the company said in a statement.

Unfortunately, Lehman Brothers changed strategies to curry favor with the reparations faction—and met disaster. On September 12, the company disclosed that its founding partners owned several slaves and that, “in all likelihood,” it “profited significantly” from slavery.

The basis for this “significant profit” is that between 1852 and 1864, the partners typically owned 2–5 slaves per year. Of course, it wasn’t until after the Civil War when Lehman Brothers relocated to New York City that it began its rise to greatness by financing railroad construction.

Company representatives issued the usual litany of apologies and regrets. “This is a sad part of our heritage . . . We’re deeply apologetic . . . It was a terrible thing,” said Joe Polizzotto, general counsel of Lehman Brothers.

The City Council promptly reciprocated on September 30, 2005 by removing Lehman Brothers as co-underwriter of the O’Hare bond issue and fined it $500,000 for failure to fully disclose slave ties in its affidavit. This marked the first time that a company suffered financially for failing to comply with a slave disclosure ordinance.

Tillman said the tough actions against Lehman Brothers sends a signal to other companies doing business in Chicago that they had better comply with the disclosure law. Said Tillman, “If you tell the truth, there is no penalty. If you lie, there is.”

Business would do well to draw another lesson from the harassment of Lehman Brothers and the other banks. A company that does not assert its legal rights and uphold the best interests of its shareholders against the morally indefensible claims of reparations activists will, in the end, only lose money, undermine its integrity, and make it a more tempting target for further shakedowns.

Activists Launch Boycott Campaign Against Banks

In December 2005, reparations activists launched a boycott campaign against three of the major banks with alleged ties to slavery. Organized by the Restitution Study Group, a nonprofit organization led by Deadria Farmer-Paellmann, the “One Student” campaign asks college students not to accept student loans from Wachovia, Bank of America, and JPMorgan Chase.

Farmer-Paellmann demands that the banks must create a trust fund for more scholarships and other funds for African American students as a condition to end the boycott. She did not give a dollar figure. Given the widespread criticism of the $5 million contributions made by Bank of America and JPMorgan Chase during the Chicago disclosure law controversies, the corporate payoff would have to be considerably larger.

On the other hand, Farmer-Paellmann may have targeted Wachovia because it agreed to lend so much money to minority auto dealers in a possible effort to seek reparations payments. Disappointed that the bank offered no payoff, the Reparations Study Group may very well have seen the financial advantage in going after a corporation that responds to pressure campaigns with billion-dollar promises.

Shakedown Targets Multiply

Energy companies are possible targets for reparations suits and pressure campaigns because they reportedly used slaves to lay oil lines beneath cities, as well as mining companies that relied on slaves to dig for coal and salt. Even newspapers are potential targets. The Hartford Courant, Baltimore Sun and the forerunner of the New Orleans Times-Picayune allegedly profited from slavery by printing runaway slave notices during the 1800s. (Most other major newspapers did not yet exist.) Fortunately, these newspapers’ pockets are not deep enough to warrant getting sued—at least for now.

But reparations advocates have their eye on many other targets as well. For instance, the Reparations Coordinating Committee announced that it will sue universities, including some of the nation’s most prestigious, that it believes profited from slavery. The Committee specifically cited Harvard, Yale, Princeton, Brown and the University of Virginia. They claim these schools were built on the backs of slave labor because their early benefactors included slave owners.

This academic pressure campaign is already yielding dividends for the reparations movement. In March 2004, Brown University announced the creation of a
reparations committee that would probe the university’s historical ties to slavery and consider whether reparations should be made to slave descendants. Some of Brown University’s early benefactors included slave owners and traders, most notably members of the Brown family of Providence. Brown President Ruth Simmons (the first African American president of an Ivy League College) said the university benefited in other ways from slavery, citing the fact that the university’s first building was built by slaves. The investigating panel, the University Steering Committee on Slavery and Justice, will issue a report in 2006 on what steps the university should take to address its past involvement with slavery.43

Many universities are emulating Brown and starting similar projects to investigate past ties to slavery. Catherine Manegold, professor of journalism at Emory University, founded the school’s Transforming Community Project (TCP). “It is a question of how to re-initiate responsible conversation on the topic,” says Manegold, “and the beauty of Brown’s example was the language of needing fact-based dialogue . . . around such an emotional subject.” The TCP will include development of new curricula and a review of “hiring practices (and) avenues for complaint.”44

In 2004, the University of Alabama (UA) weighed in on the issue after UA law professor Al Brophy called on the school to apologize for its role in slavery. He discovered that two slaves were buried on campus and that both faculty members and students owned slaves. After a contentious debate, UA issued a formal apology and held a memorial service for the slaves. In addition, Brophy says the university should pay reparations.45

The University of North Carolina is researching its archives to uncover connections to slavery. “This university was built by slaves and free blacks,” said Chancellor James Moeser. “We need to be candid about that, acknowledge their contributions.” Other institutions examining slave connections include the University of Mississippi, University of South Carolina and University of Virginia. Harvard law professor Charles Olgetree, co-chairman of the Reparations Coordinating Committee, says all schools involved in slavery must pay reparations.46

FALSE PRECEDENTS

A commonly heard rationale for slave reparations is that other groups were paid compensation for suffering they endured, and that therefore African Americans deserve compensation as well. Reparations advocates often cite as precedents the payments to Jews who survived the Holocaust, and to Japanese Americans placed in U.S.-run internment camps during World War II.

The experience of these groups has certainly helped provide the slave reparations movement with much of its rationale. It follows a common tradition in American politics: one group gets a government benefit, prompting another group to demand a similar benefit. It is the classic

Should the Democratic Party Owe Reparations?

Slave reparations advocates condemn and/or sue corporations, universities, newspapers and other entities for alleged ties to slavery, but they are silent on the extraordinary role that the Democratic Party played in the institution of slavery, and in the Jim Crow laws of the post-Civil War era. In fact, it makes more sense to sue the Democratic Party than corporations. While some companies may have profited from slavery, the Democratic Party fought to keep it legal.

As pointed out in the “Overview,” the 2000 Democratic Party Platform Statement included a plank supporting the establishment of a federal commission to examine the history of slavery and to make “appropriate recommendations.” Many House Democrats have lined up behind Rep. John Conyers’ reparations bill, and several prominent Democratic politicians support slave reparations. Logically (if there is any logic to slave reparations), they should begin in their own back yard and demand that the Democratic Party itself make reparations.

To be sure, this is not to imply hypocrisy or to make a partisan statement. Democrats are right to separate themselves from their party’s racist, pro-slavery past to the maximum extent possible, just as Republicans are right to erase any vestige of racism. This is simply to point out the inconsistency in reparations advocates’ demands.

The Party of Slavery

The Democratic Party has been in existence since the early 1800s,
becoming a formal political party in the 1830s during the presidency of Andrew Jackson, a southern slave owner. It was the bona-fide party of slavery; anyone who was pro-slavery was a Democrat. In the decades leading up to the outbreak of the Civil War in 1861, congressional Democrats constantly blocked legislation that would have restricted slavery and made every effort to legalize it in new states and territories. It was the Democrats’ ardent support for slavery that gave birth to the anti-slavery Republican Party in 1854.

Republican Abraham Lincoln’s political nemesis and famous debating partner was Stephen A. Douglas, a Democratic senator from Illinois. Douglas was the pro-slavery demagogue extraordinaire, whipping up people’s fears that freeing the slaves would wreak havoc on white society. Douglas represented the northern Democrats, who wanted to leave it up to the residents of new U.S. territories to decide whether to allow slavery (“popular sovereignty”). Southern Democrats wanted to mandate slavery in every new state and territory regardless of whether the residents wanted it.

The 1860 Democratic platform strongly supported the U.S. Supreme Court’s Dred Scott decision, which basically stipulated that slavery could not be prohibited or restricted within the United States, and that slaves were the property of the owner in all states, free or slave.

In the 1864 presidential election, Lincoln ran against Democrat George B. McClellan, who promised, if elected, to immediately sign an armistice with the Confederacy to end the war. McClellan and his fellow “peace Democrats” (also known as “Copperheads”) claimed that they did not want the proposed armistice to result in a break-up of the Union. But privately, they understood that anything less than total victory over the South would result in Southern independence and the continuation of slavery.

After the war, the goal of Reconstruction and the “Radical Republicans” was full civil and political equality for blacks by granting them the right to vote, serve on juries, hold office, and receive equal protection of the laws. But the Democratic Party successfully thwarted the Reconstruction civil rights program. The party’s stated platform in nearly every southern state included the goal of establishing “black codes” to limit black suffrage.

The PBS four-part series, “The Rise and Fall of Jim Crow,” summarized the Democratic Party’s complicity in denying freed blacks their civil rights:

“Most whites rallied around the Democratic Party as the party of white supremacy. Between 1868 and 1871, terrorist organizations, especially the Ku Klux Klan, murdered blacks and whites who tried to exercise their right to vote or receive an education. The Klan, working with Democrats in several states, used fraud and violence to help whites regain control of their state governments...By the time the last federal troops had been withdrawn in 1877, Reconstruction was all but over and the Democratic Party controlled the destiny of the South.”

The Democratic Party firmly established the Jim Crow era that would endure for nearly 100 years. Between 1933 and 1964, Congress voted on 26 major civil rights bills. In over 80 percent of those votes, a majority of Democrats opposed civil rights legislation. By contrast, a majority of Republicans favored the civil rights legislation in over 96 percent of the votes.

Comparing Culpabilities

Of course, this is not to say that a slave reparations lawsuit against the Democratic Party is a good idea. Slave reparations against any entity are a terrible idea for reasons outlined throughout this report. But if activists are going to defy common sense and demand reparations, then the ripest target is the Democratic Party.

For decades the Democratic Party voted, campaigned, lobbied, barnstormed, editorialized, pontificated, and fought vigorously to preserve and expand slavery in the United States. And for many decades after abolition, the party led the fight to deny civil rights to African Americans. From a legal standpoint, filing a lawsuit against the Democratic Party would also be easier than suing corporations whose links to slavery can only be tenuously established through complicated acquisitions of defunct 19th century-era companies. The Democratic National Committee after all was established in 1848.

It is laudable that the Democratic Party of today has repudiated its segregationist past. But slave reparations advocates do not care about an entity’s contemporary guilt or innocence; they focus on the past. By the logic of reparations advocates, the Democratic Party has much to answer for.
Slave Reparations Timeline

1989
Rep. John Conyers (D-MI) introduces a bill calling for the examination of slavery and for “appropriate remedies.” The bill has been reintroduced every year, but has been voted down.

2000
Publication of The Debt: What America Owes to Blacks by Randall Robinson.

December 2000
The Reparations Coordinating Committee is formed (originally called the Reparations Assessment Group) to attempt to obtain reparations through litigation. The organization consists of prominent lawyers, academics and authors. It is currently involved in a reparations lawsuit against the U.S. government.

2001
Center for the Study of Popular Culture president David Horowitz submits ads to student newspapers around the country on “10 Reasons Why Reparations for Slavery is a Bad Idea—and Racist, Too.” Of the 71 newspapers to which the ad was submitted, 28 printed it.

August–September 2001
At the “U.N. World Conference Against Racism, Racial Discrimination, Xenophobia, and Related Intolerance” in Durban, South Africa, African nations demand that Europe and America apologize and compensate for the slave trade of centuries past.

2002
The IRS warns against filing false tax claims tied to reparations. A bogus “Slave Reparations Act” or “black inheritance tax refund,” pushed by scam artists, prompted some taxpayers to claim such a refund. In March 2002, responding to a surge in frivolous claims for the non-existent slave reparations tax credit, the U.S. Department of Justice filed civil suits in Mississippi and Virginia to prohibit tax professionals from preparing returns that claim refunds based on this fictitious tax credit. Prior to that, the IRS disclosed it had paid out as much as $30 million to persons (including at least four current or former IRS employees) who had claimed such a credit in 2000 and part of 2001. One woman reportedly received a $500,000 payment.

March, 2002
Lawyer-activist Deadria Farmer-Paellmann files a class action suit in New York against corporations that are accused of benefiting from slavery. They include Aetna, Inc., Fleet BostonFinancial Corp., and CSX Corp.

May 2002
A second lawsuit is filed in federal court in Newark, N.J. against New York Life Insurance Co., Wall Street investment firm Brown Brothers Harriman & Co. and Norfolk Southern Corp. The plaintiff is Richard E. Barber Sr., a former deputy executive director of the NAACP.

May 2002
The California Insurance Commission releases names of 675 slaves and 350 of their owners in accordance with a new state law requiring insurance companies conducting business in the state to research their records and the records of their parent companies to ascertain any involvement with slavery. Additionally, Jesse Jackson asks insurance commissioners in the states where his Rainbow/PUSH Coalition has offices to follow California’s lead.

August 2002
Mass rally held on the Mall in Washington, D.C. in support of reparations.

October 2002
Chicago city government unanimously passes the “Slavery Era Disclosure Ordinance,” a new law requiring corporations doing business with the city to turn over paperwork linking them or their predecessor companies to the slave trade.

May 2003
The Los Angeles City Council approves legislation that requires businesses seeking city contracts to disclose any profits made from slavery.

January 2004
U.S. District Court Judge Charles Norgle dismisses class action lawsuit seeking slave reparations from Aetna and 18 other companies that allegedly profited from slavery. But the suit is dismissed “without prejudice” which allows activists to file new suits.

March 2004
A class action suit is filed in the U.S. District Court against many of the same companies under the legal theory of unjust enrichment.

June 2004
Detroit passes an ordinance requiring companies doing...
But slave reparations advocates are wrong to make this argument. In the cases of Holocaust and Japanese internment reparations, the payments went to the actual victims of the wrongdoings or to the victims’ immediate families, not to the descendants of victims. Slave reparations advocates, of course, never point this out when making their case. They are seriously distorting the “it’s only fair” argument, since they were never actually enslaved. To get around this inconvenient fact, they argue they are suffering from the effects of slavery, but as is made clear in the chapter titled, “Slavery Did Not Cause Poverty Among Today’s Blacks,” this too is a highly dubious claim.

Money to the Actual Victims

Holocaust reparations are the most commonly cited “precedent” among reparations advocates. West Germany’s payments to Israel following World War II are frequently mentioned, as well as the more recent lawsuits by Holocaust survivors to extract payments from German companies that profited from slave labor during the Nazi era.

In 1952, West Germany began payments to Israel to help defray expenses relating to the resettlement of Holocaust survivors, and to pay selected survivors directly. West Germany’s payments to Israel were voluntary, and the money went to actual victims of the Holocaust. Initially, Israel was even hesitant to accept the reparations. During the Israeli Knesset debate over whether to accept the payments...
from Germany, Menachem Begin (who was later Israel’s prime minister from 1977–1983) considered such payments blood money.47

In the 1990s, U.S. and German negotiators agreed to establish a $5.2 billion fund to compensate people forced to work in Germany during World War II. There were an estimated 12 million people enslaved in concentration camps or forced to work elsewhere—many of them non-Jews. Between 1.5 million to 2.3 million were still alive and eligible for compensation.

There also have been lawsuits against insurance companies for allegedly failing to pay Nazi-era policies, and against Swiss banks to recover assets that were deposited there during the Nazi era. (However, according to the Times of London, most of the dormant Swiss bank accounts belonged to wealthy non-Jewish people who had forgotten about the money.)48

Slave reparations advocates also frequently cite the example of compensation paid to Japanese Americans. During World War II, about 120,000 Japanese immigrants or people of Japanese ancestry were placed in 10 internment camps, losing their freedom and, in many cases, their property. Many of them had to sell their property at far below market prices. Three years after the war, the U.S. government began to pay out $38 million in compensation to former internees. In 1988, President Reagan and Congress appropriated an additional $1.25 billion for reparations of $20,000 to each former internee.

In both the Holocaust and the Japanese internment payments, therefore, the recipients were the actual victims, or in some cases, the victims’ immediate family members. The payments did not go to distant descendents.

Demeaning the Memory of Victims

Recent Holocaust reparations, particularly those associated with the 1990s lawsuits against European insurance companies, have caused considerable controversy. Several Jewish American scholars and journalists criticized the payments, saying they started as a legitimate
effort to recover money in long-dormant Swiss bank accounts, but turned into a shameless money grab by lawyers who started going after European insurance companies. Some say it only degrades the memory of millions who died in the Holocaust, and that the main focus of activity is the claims, rather than the horror of the death of 6 million Jews. Norman Finkelstein, professor of history at Hunter College and author of *The Holocaust Industry: Reflections of the Exploitation of Jewish Suffering*, commented: “They [the lawyers] have hijacked the Holocaust and appointed themselves saviors of the victims—all in the name of money.”

In 1998, Abraham Foxman, national director of the Anti-Defamation League, came out strongly against Holocaust reparations, declaring that when “claims become the main focus of activity regarding the Holocaust, rather than the unique horror of 6 million Jews, including 1.5 million children, being murdered simply because they were Jewish, then something has gone wrong.” He went on to say that the Holocaust reparations movement could send the message that accounting for the material losses is what is important, rather than mourning the victims. As Massachusetts Institute of Technology political science professor Melissa Nobles said, “Money can profoundly obscure the nature of a tragedy.”

Of course, the same can be said about the slave reparations movement. Associating huge amounts of money today with the suffering of people in the 17th, 18th and 19th centuries is demeaning to those who suffered. Money, moreover, can be corrupting. As pointed out earlier, current reparations agitation already has degenerated into a cynical game of legalized extortion with multimillion-dollar lawsuits against corporations, universities and other entities whose alleged ties to slavery are tenuous to nonexistent (see “Shakedown via the Courts”).

Regarding the argument that the obsession with money demeans the suffering of the victims, Holocaust reparations advocates counter by saying that the victims deserve compensation. But this cannot be applied to the slave reparations movement, since the victims are no longer around to accept the compensation.

**Forcing Innocents to Pay**

Another serious flaw with the Holocaust reparations lawsuits is that they create a situation where innocents are being forced to pay. It is the employees, shareholders and customers of the accused companies who are footing the bill. Yet, they are totally innocent because their generation is too young to have had anything to do with the Nazis. Had such settlements taken place shortly after World War II, when the generations responsible for the Nazi’s rise to power were still very much alive, then such lawsuits would have been more justified.

Similar criticisms can be applied to the slave reparations movement. Not only can it be construed as a shameless money grab, but innocents would have to pay.

**The Native American Case: No Reparations Involved**

Reparations advocates also claim that, in recent decades, several Native American nations received reparations in the form of money and land for actions that occurred a century or more ago. For instance, in 1986 the Ottawas of Michigan received $32 million based on an 1836 treaty.

The reality, however, is that these were not “reparations” but rather settlements involving land disputes between Native American tribes and the U.S. government, under legally binding treaties. According to the Bureau of Indian Affairs, in the 1800s the U.S. government sometimes acquired land, mineral rights and other property from Indian tribes without adequate compensation. Many treaties, for example, contained provisions for the cessation of Indian lands to the U.S. government, yet the Indians did not get paid for ceding those lands.

At the time of the breach of contract, Indians could never challenge those actions in court because they were not made citizens of the United States until 1924. It was not until the second half of the 20th century, after the G.I. bill sent Indians to college, that they finally started to exert their rights and take action on the outstanding claims. Many of the settlements occurred during the 1980s.

This issue, therefore, in no way involved “reparations” to Native Americans to compensate them
for suffering. Their situation was a clear-cut legal issue, involving legally binding contracts—usually pertaining to disputes over land—whose terms were not abided by. None of this applies to African Americans' situation.

Moreover, since 1888 the Department of the Interior has leased properties on Indian-owned lands, and processed revenues from activities on those lands such as farming, drilling and other uses. Indian tribes are supposed to get royalties from these activities, but have been denied many royalties because of financial mismanagement within the Interior department. Tribes say they are owed up to $40 billion.

Indians are not seeking huge settlements to right the wrongs of the past. Said John Echohawk, executive director of the Native American Rights Fund, “We don’t want reparations ... we want our land and our water back.”

**A PANDORA’S BOX**

The slave reparations movement is unprecedented in that people are seeking remuneration for the hardships endured by their distant ancestors. Until now, reparations movements always sought compensation for the generations that actually experienced the hardships. To most observers, it defies logic to demand payment for work performed by long-dead generations. But as indicated earlier, this demand must be taken seriously. A notion may be absurd, but if millions of people support it—and stand to profit from it—political momentum for it builds.

A particularly disturbing ramification of compensating descendants of African slaves is the dangerous precedent it would set. It would open up a “Pandora’s Box” of other groups seeking reparations for the injustices suffered by their ancestors. Blacks in America, of course, suffered incredible hardships in centuries past. But so did other races. The truth is that, prior to the 20th century, life was exceedingly harsh for the large majority of people. Many of those in positions of power were cruel and unfair—not only to blacks but to people of many races, nationalities and religious creeds. Enlightened ideas of tolerance, fairness, and human rights, which most of us enjoy today, had not yet become widespread throughout the civilized world. Actions that are illegal today—such as slavery, indentured servitude, institutionalized discrimination, and inhumane working conditions—were legal back then.

**Reparations for the Irish?**

Irish immigrants endured severe ethnic discrimination, economic exploitation and deplorable living conditions in their long struggle for prosperity and integration into American society. Ever since the first Irish immigrants came to American shores 300 years ago, they faced enormous resistance to securing social acceptance and civil rights. For example, around 1700 South Carolina instituted a law excluding Irish immigrants. About 15 years later, Maryland passed a similar law, which was ironic in that the colony had been established in part as a haven for Catholics. During later centuries, Irish immigrants were burdened with employment and housing discrimination. Employers and landlords, for example, often posted signs telling Irish immigrants to keep out. A common sign was, “Irish and dogs need not apply.”

Many anti-Irish riots occurred in the 1800s in major American cities, in which churches and homes were burned, and Irish immigrants murdered. There was even a major anti-Irish political party, the “Know-Nothing” Party, formed in the 1840s.

In the transatlantic ship crossing, many Irish had to travel in steerage, which was even lower than third class. Living conditions in steerage were inhuman with food often infested with maggots—when food was available at all—and scarce fresh water. Many people died of starvation.

Prior to the Civil War in the South, writer and landscape architect Frederick Law Olmsted observed that Irish immigrants, rather than black slaves, were employed for the most hazardous jobs. For example, while watching black slaves throwing bales into a cargo’s ship’s hold with Irishmen on the receiving end, Olmsted was told that blacks “are worth too much to be risking here; if the Paddies are knocked overboard ... nobody loses anything.”

The Chinese were another group that faced institutionalized
discrimination. When they immigrated to America in the mid-1800s, they faced tremendous anti-Chinese sentiment and discrimination. Laws were passed to restrict them from employment, property ownership, and even from marrying outside their own ethnic group. They also could not live where they wanted, and were confined to certain areas—which are now known as Chinatowns. The Chinese Exclusion Act of 1882 restricted them from immigrating to America. Their basic rights were not fully restored until the 1960s.56

The histories of numerous other ethnic groups are filled with similar stories. Such groups include Hispanic Americans, Italian Americans, Polish Americans, German Americans, Russian Americans, Portuguese Americans, Scottish Americans, Armenian Americans, Greek Americans, Filipino Americans, and many more.

If slave reparations were ever enacted, it would not at all be far-fetched to expect other ethnic groups to demand similar types of reparations for past bouts of discrimination. Indeed, claims for Chinese American reparations may not be far behind. Under California’s state law requiring insurance companies to file disclosures of past links to slavery, the California Insurance Department found evidence that Manhattan Life provided an insurance policy to shippers for 700 Chinese laborers on a voyage from China in 1854.57

Not only would the prospect of slave reparations open a “Pandora’s Box” of other ethnic groups demanding money for historical injustices, but groups would no doubt demand even more reparations. There would be complaints that initial reparations did not go far enough. If, for example, the U.S. government paid out a billion dollars in reparations to African Americans, activists would point out that the total value of slaves’ work, with interest, was much higher than that—in the hundreds of billions or trillions of dollars. The potential for “reparations inflation” is infinite.

Moreover, if reparations were paid, activists would see that poverty still exists among blacks, and that real or imagined incidents of racial discrimination continue to occur. Blacks would perceive that nothing much had changed; and as discussed in the sidebar, “Reparations Would Exacerbate Race Relations,” reparations-induced resentment toward blacks by non-blacks, in fact, would increase. Blacks would claim that the solution is even more reparations. And the vicious cycle would continue.

Suing Today for Yesterday’s Working Conditions: Will Labor Unions Join the Reparations Bandwagon?

Based on slave reparation advocates’ logic, those whose ancestors toiled in factories in the 19th and early 20th centuries—underpaid and in hellish working conditions—should be entitled to compensation. At that time, there were not the same types of employment laws that exist now. Just as blacks are demanding to be compensated for slavery, an
illegal practice today but legal in the 19th century, whites could use the same justification to demand compensation for working conditions that are now illegal but were legal in the early 20th century.

Could this be on the agenda of labor unions if the slave reparations advocates succeed? They could sue for billions, based on this line of reasoning. Slavery, to be sure, was an abomination, but so was child labor, disease-ridden factories, indentured servitude and other legalized forms of labor of that era. Were such practices widespread in the 20th or 21st centuries, after laws had been passed outlawing them, the victims could sue for tremendous damages.

And what about descendants of the original colonists from England? Adopting the mentality of slave reparations advocates, even they could demand reparations. As detailed in the chapter below, “White Slavery,” many of the original inhabitants from Europe came as white slaves. According to historian John Van Der Zee, half of the original American colonists came here not of their own free will, but either as indentured servants (which is slavery, albeit not for life), or as slaves for life.

**International Repercussions**

If the reparations advocates succeed, there could be international repercussions as well. Latin Americans could start demanding that the governments of Spain and Portugal compensate them for the death and devastation they suffered at the hands of the Conquistadors in the 16th century.

Inspired by the slave reparations controversy brewing in the United States, African nations are already demanding country-to-country reparations. At the hyperbolic-named “U.N. World Conference Against Racism, Racial Discrimination, Xenophobia, and Related Intolerance” that took place in Durban, South Africa in 2001, one of the biggest issues was African nations’ demand that Europe and America apologize and compensate for the slave trade. The provisional agenda called for “effective remedies, recourse, redress, [compensatory]* and other measures at the national, regional and international levels” to combat racism. (The word “compensatory” was in brackets because the delegations could not agree on what exactly it entailed; lengthy footnoted information stated the differing positions of various delegations. African delegates, of course, demanded monetary compensation.)

Of course, even if Western nations took the unlikely step of giving Africa billions of dollars in slave reparations, it would do nothing to resolve the endemic poverty, tyranny and civil war plaguing the continent. Ironically, the African delegates to the U.N. conference were reluctant to discuss the very real problem of modern-day slavery in Africa (see “Present-Day Slavery in Africa”). This is to say nothing of Africans’ own heavy involvement in slave trading during earlier centuries; in most cases, as discussed in “Africa’s Complicity in the Slave Trade,” it was Africans themselves who sold slaves to the Europeans and Americans.

**Nonvictims Punishing the Innocent**

The notion of paying recompense for what one’s distant ancestor did a century and a half ago is nonsensical. Yet that is what advocates of slave reparations are demanding. Equally disturbing, the people who would receive the money are not the victims, but the great-great-great grandchildren of the victims, many of whom are much more prosperous than those who would have to pay.

But the absurdity of reparations goes much beyond that. First, only a tiny minority of Americans today has an ancestor who was a slave owner. Prior to and during the Civil War, the great majority of the population was located in the northern states where slavery was outlawed. In 1860, the population of the free states totaled about 19.5 million; the free population of the slave-owning states was 7.5 million. This means that among Americans today who had ancestors living in the United States during the slavery era, most of those ancestors lived in the non-slave owning northern states. In fact, many of those northerners were abolitionists and detested the institution of slavery.

As for the small number of Americans alive today who had ancestors living in the antebellum
South, chances are those ancestors were not slave owners. Only one out of four southern whites owned slaves. Thus, only a very small percentage of contemporary Americans have direct ancestors who were slave owners. Other Americans perhaps have distant uncles or cousins who were slave owners. If reparations were mandated, this would be a case of paying recompense for an act carried out by a distant cousin of a long-deceased direct ancestor.

**Most Americans Came Here After Slavery Ended**

Even more significant is that the vast majority of Americans' ancestors did not even live in the United States when slavery was legal. They immigrated here after slavery was abolished. Graph 1 illustrates this point. It shows the number of immigrants per decade since 1820, the earliest year for which the U.S. Immigration and Naturalization service has statistics. There were 9.5 million people in the U.S. in 1820. Between 1820 and 1860, when slavery existed, about 5 million people immigrated to the U.S., the large majority going to the non-slave owning states and territories. The graph shows that the great waves of immigration took place after the Civil War ended in 1865, particularly around 1900, as well as the most recent decade. Since 1870, more than 51 million people have immigrated to the United States.

Everyone can agree that the more-than 45 million Americans of Latin American and Asian descent are completely absolved of any complicity with U.S. slavery, since almost all of their ancestors immigrated to the U.S. long after slavery ended, most of them in recent decades. And of the very few people of Latin American or Asian origin who were U.S. citizens during the slavery era, it is safe to say that very few of them were slave owners.
What about Americans of European descent? If “guilt” is determined by one’s ancestors being slave owners, then Americans of Italian, Polish, Slavic, Scandinavian and Greek descents can be sure they are completely innocent; their ancestors immigrated to the U.S. after slavery ended. Even the vast majority of Americans of Western European origin are innocent. Their ancestors mostly came here after the Civil War as well.

Another significant point is that a growing number of black Americans do not have ancestors who were U.S. slaves. As shown on graph 2, more than a half-million Africans immigrated to the United States in recent decades. And many if not most of those immigrants have children, bringing the total number of African Americans whose ancestors were not enslaved to at least a million. Assuming reparations were paid to all blacks, a substantial number of people would be entitled to reparations whose ancestors were not even slaves.

Moreover, there were almost a million immigrants from Haiti and Jamaica in recent decades, almost all of them black. While their ancestors were slaves, they were not enslaved in the U.S. Why should U.S. citizens have to pay reparations to people whose ancestors were enslaved in another country?

But if reparations advocates get their way, that is what would happen. To allegedly combat the injustice of slavery, they would perpetrate an extraordinary injustice by forcing the innocent to pay reparations to those who do even not deserve it.

SLAVERY DID NOT CAUSE POVERTY AMONG TODAY’S BLACKS

As detailed in “Money to the Actual Victims,” slave reparations advocates commonly use reparations paid to Holocaust and Japanese American internment victims as a precedent. However, it is impossible to ignore the crucial difference that those instances involved payments to actual victims or victims’ immediate families, and not to descendants of victims. This leaves reparations advocates in a quandary, since former slaves all passed away long ago. Their solution is to allege that slavery caused the current economic gap between blacks and whites. In The Debt, Randall Robinson writes, “Lamentably, there will always be poverty. But African Americans are overrepresented in that economic class for one reason and one reason only: African slavery and the vicious climate that followed it.”

Robinson goes on to write that this gap “has been resolutely nurtured since in law and public behavior. It has now ossified. It is structural. Its framing beams are disguised only by the counterfeit manners of a hypocritical governing class.”

Post-Traumatic Slavery Disorder?

In a testament to the flimsiness of Robinson’s assertions, he makes no attempt to support them with evidence or theories of how slavery allegedly caused the economic disparities between blacks and whites.
The few prevailing theories include that of Thomas Shapiro, professor of sociology at Northeastern University and co-author of *Black Wealth, White Wealth*. Shapiro attempts to provide an economic explanation for the gap, saying that because blacks could not own property under slavery, they could not accumulate assets to pass on from generation to generation.63

Dr. Anthony Sutton, a Minneapolis-based psychologist and author of *Breaking Chains: Hope for Adult Children of Recovering Slaves*, attempts to provide a psychological/sociological explanation. He says that African Americans have “internalized” the behaviors and attitudes of their enslaved ancestors, creating an inferiority complex. This inferiority complex, he says, prevents many of them from demanding their rights and being more assertive. Sutton also says that slavery is responsible for the contemporary breakdown of the black family—leading to crime, teenage pregnancy, etc.—because under slavery, black men could not act as providers and caretakers of their families.64

Others point out that today’s lack of educational attainment among many blacks can be traced to the practice of punishing slaves for learning how to read, and that widespread promiscuity and out-of-wedlock births can be attributed to male slaves not being allowed to stay with their families.65

Those promoting this thesis have even come up with a name for this alleged phenomenon: PTSD, which stands for “Post-Traumatic Slavery Disorder.” Sekou Mims, Larry Higgenbotham and Omar G. Reid—two social workers and a psychologist, respectively—reportedly are writing a book about PTSD. They allege the trauma of slavery gave rise to crime, drug abuse, family disunion and low educational performance in segments of the black community. They also claim that “black people as a whole are suffering from PTSD.” Even a Harvard University psychiatrist, Alvin F. Poussaint, wrote about a “posttraumatic slavery syndrome.”

Reparations Would Exacerbate Race Relations

Reparations advocates ostensibly think compensation would heal racial wounds. Randall Robinson, for example, says there is no chance that America can solve its racial problems without reparations. Actually, it would exacerbate racial divisions. The notion of forcing innocents to pay people who were never enslaved would likely generate bitterness throughout the country. In addition, the iniquitous transfer of wealth from poorer non-blacks to more affluent blacks would stir widespread outrage.

Walter Williams, a black professor and columnist, observed, “I can’t think of a better fortification for racism than reparations to blacks. . . . To force whites today, who were not in any way responsible for slavery, to make payments to black people—many of whom may be better off than the whites—will create nothing but great resentment” among whites.

Reparations, writes Robert W. Tracinski of the Ayn Rand Institute, implies that by simply belonging to the same race as slave owners, whites still bear a collective responsibility. Each member is blamed for actions of other members who lived long ago. The ultimate result, he warns, will not be racial harmony or a color-blind society, but “racial warfare.” Says Tracinski, “It encourages the view of blacks and whites as a collective of victims pitted against an opposing and hostile collective of oppressors, with no possibility for integration or peaceful coexistence.”

Recent incidents in Alabama and Mississippi provide a foretaste of what would happen if slave reparations became a reality. In 2000, a record $1 billion was paid out to black farmers based on a lawsuit that alleged racial discrimination at the U.S. Department of Agriculture. Fliers were circulated singling out black farmers who received settlement money, condemning the lawsuit as a massive “rip-off” stemming from governmental pandering to minorities. Slave reparations would involve much more money and be on a much wider scale. The ensuing racial animosity would be unimaginably worse.

In addition to exacerbating race relations, slave reparations also would weaken any national effort to eradicate poverty among blacks. Glen Loury, director of the Institute of Race and Social Division at Boston University, says it would be a Pyrrhic victory for African Americans. “It will undermine the claim for further help down the road, because the rest of America will say, ‘Shut up: You’ve been paid.’”
Mims, who is black, describes a psychotic breakdown experienced by his 16-year old son, in which the teenager suffered delusions that white police were following him, and that other whites were staring at him menacingly. Reid, the psychologist, said black and Latino males were showing up “in droves” with similar symptoms.

However, Reid’s mention of the Latino males undermines the thesis of “post traumatic slavery disorder,” since most Latinos’ ancestors were not enslaved in recent centuries. Moreover, the PTSD thesis opens the door wide open for ridicule. The Wall Street Journal’s “Best of the Web Today” had a field day with this, soliciting its readers for similar maladies. They included “post traumatic potato disorder” by a reader of Irish descent, post-traumatic communism disorder by a descendant of Russians who suffered from Stalin’s purge, and post-traumatic Santa Anna disorder by a Mexican descendent of someone who suffered under the rule of the 19th century dictator.

Modern Problems Have Nothing to Do With Slavery

Today, the black illegitimacy rate is almost 70 percent, and less than 40 percent of black children live in two-parent families. The socioeconomic consequences are devastating. Walter Williams, a black economist at George Mason University, asks how much of this can be explained by discrimination and/or the legacy of slavery. The evidence, he concludes, is weak. In the early 1900s, when slavery was a much more recent phenomenon and discrimination was much more prevalent, black illegitimacy was a tiny fraction of today’s high rate. He writes that roughly 75 percent of black children lived in two-parent households, and in New York City the figure was 85 percent. This suggests that the breakdown of the family has nothing to do with discrimination and slavery.

Williams also notes that black communities were far safer in earlier decades, such as in the 1920s, ‘30s and ‘40s, when there was much greater poverty and discrimination and fewer opportunities.

Perhaps the strongest evidence that today’s problems among African Americans are not due to slavery comes from an exhaustive study titled “Slavery and the Intergenerational Transmission of Human Capital” by Bruce Sacerdote of the Dartmouth College economics department.

Sacerdote finds that the economic disparities between the descendants of former slaves and the descendants of free blacks (pre-1865) largely disappeared within just two generations following emancipation. Thus, the injustices visited upon one generation seem to have little if any harmful effect on that generation’s grandparents and grandchildren. “The rich existing literature on social mobility and income mobility would suggest that such convergence (i.e. recovery from slavery) may take place rather rapidly,” writes Sacerdote.

Sacerdote studied the matter by comparing outcomes for former slaves and their children and grandchildren, to outcomes for free blacks and their children and grandchildren. The study takes into account literacy, schooling status, occupation and socioeconomic status.

Sacerdote used census data from 1880 and 1920, grouping people into three generations to examine outcomes for those born before 1865 and their children and grandchildren. He found that in 1880 there was a huge literacy gap between former slaves and free-born blacks, but that the gap narrowed considerably over the next two generations.

In a similar vein, children of former slaves were less likely to be enrolled in school than children of free blacks in 1880, but by 1920 the gap largely disappeared among grandchildren of blacks born into slavery and the grandchildren of free-born blacks. Grandchildren of slaves were 6 percent less likely to be enrolled in school than grandchildren of free blacks, but this effect goes away completely after controlling for region.

Regarding income, former slaves—not surprisingly—worked in occupations with lower median income than those of blacks born free. But between 1880 and 1920, the income gap had substantially narrowed.

The literacy gap between blacks and whites also substantially narrowed from the first generation of children born after the Civil War to the next generation. By 1920, the effect of slavery status on literacy disappears completely.

Sacerdote writes, “The large black-white wage gaps observed in the twentieth century could be a separate phenomenon from the
direct effects of slavery on slaves and their descendants.” He added, “What the study shows is how little slavery actually has to do with today’s problems. It seems rather unlikely that slavery itself caused a lot of the racism problems present in the U.S. today.”

The claim that slavery causes negative long-term effects is also disproved by the experience of many ethnic groups in America. As detailed in “A Pandora’s Box,” the Chinese and other Asian ethnic groups were subject to highly adverse conditions when they immigrated to America. Among their many hardships, wages and working conditions were terrible. If the slavery-causes-long-term-poverty thesis was correct, then it would be reasonable to conclude that those past hardships should have led to endemic Asian poverty as well. Yet today’s Asian Americans, in general, are economically successful—even more so than whites.

**AMERICAN WEALTH IS NOT BASED ON SLAVERY**

It is often claimed by reparations advocates that the prosperity of the United States is largely derived from the free labor coerced from enslaved blacks between 1619 and 1865, and that non-blacks must now compensate blacks. For example, Conrad W. Worrill, national chairman of the National Black United Front, says present generations should be held responsible for the wrongdoings of their ancestors because “certain sections of the present generation have gained economically, politically and socially as a result of the unjust enrichment enjoyed by their ancestors at the expense of African people.”

Chicago Alderman Dorothy Tillman says the United States became rich because of slavery, and that corporate America must pay something in return. “It was because of the free labor of blacks. It was because of all of the suffering we took and we did that made America so powerful.” Chicago Mayor Richard M. Daley said his city’s ordinance requiring companies to disclose ties to slavery “will help demonstrate how much of the nation’s wealth was created by the sweat and blood of slavery.”

However, the evidence is overwhelming that America is wealthy despite slavery, not because of it. If anything, slavery impeded the economic development of the United States.

**Southern Underdevelopment**

Well into the 20th century, the South was economically less advanced than the rest of the nation. The reason for this can be traced to the pre-Civil War era, when slavery was the dominant system. The South’s dependence on agriculture and on a forced-labor system severely hindered its economic development compared with the North.

In the mid-1800s, the Industrial Revolution was radically transforming the northern United States and Europe. But the Industrial Revolution bypassed the American South. In 1850, the South produced only 10 to 11 percent of the nation’s industrial output. The South produced less than New Hampshire and only about one-third as much as Massachusetts. In fact, the tiny state of Rhode Island produced about as much as the entire southern United States. In 1860, output per person...
Historians Fred Bateman and Thomas Weiss write that contemporary 19th-century commentators and subsequent historians criticized the southern manufacturing economy not only for its small size, but also for its lack of diversity and its domination by “traditional” processing industries such as tobacco. Many northerners blamed slavery, observing that the institution had sapped the South of entrepreneurial vigor and enterprise. The results were unprofitable plantations, slow-growing cities and fewer of them, and widespread poverty among whites as well as blacks. Commenting on a visit to Virginia, New York politician William Seward observed “an exhausted soil, old and decaying towns, wretchedly neglected roads, and, in every respect, an absence of enterprise and improvement.” By contrast, the North was known for its well-kept family farms, widespread application of technological advances, and fast-growing cities.

By being so integrally tied to agriculture, slavery created an economic incentive to shift resources away from industry and into agriculture. Moreover, industrialization would have disrupted the status quo, substantially impacting the economic and political power of the holders of agricultural wealth. Fear of this disruption probably played a role in the efforts of influential southerners to raise the costs of starting enterprises and reduce opportunities for industrial change.

But southern hostility to industrialization wasn’t just rooted in economics; it was cultural as well. Historian Eugene Genovese argues that southern planters had an aristocratic spirit and were given to a life of luxury and ease. Liberated from the necessity of daily labor, Tocqueville observed that southerners, as “enterprising and energetic” as northerners, applied all their energies to field sports, military exercises, life-and-death single combat and other activities involving “violent bodily exertion.” Said Tocqueville, “[S]lavery prevents the whites not only from becoming opulent, but even from desiring to become so.” The South’s fundamentally anti-capitalist values put it sharply at odds with the values of the emerging commercial society in the North.

**Slavery Absorbed Capital, Discouraged Consumption**

Slavery absorbed southern savings, preventing the accumulation of non-human capital and holding back the growth of manufacturing. More specifically, historians contend that capital was “frozen” in the form of slave labor, making it unavailable for other forms of investment. Half of the South’s assessed worth was tied up in slaves and close to half in land itself. Although the South earned as much as $60 million a year in the 1850s from cotton, tobacco and rice exports, almost all investment went back into slaves and land, leaving little for manufacturing.

A poor transportation network also hindered southern modernization. There was a distinct lack of main lines connecting cities to markets in the West, and the manufacturing base was very small compared with that of the North. In *A House Dividing: Economic Development in Pennsylvania and Virginia Before the Civil War*, historian John Majewski writes that the central problem was Virginia’s slave economy. The slave system discouraged the growth of an investor class that could provide funds for transportation projects, or the growth of a consumer class to provide passengers for such projects.

This was far different from the situation in the North. For example, in Pennsylvania in the 1830s and afterward, financiers from Philadelphia funded enormous railway projects that extended far into the Midwest. This gave entrepreneurs access to new markets, leading to self-reinforcing growth.

Bateman and Weiss observe that the industrial output of the West (the modern-day Midwest) was growing rapidly, which indicated that industrialization was progressing from East to West (where slavery did not exist) rather than from North to South. The Northeast and West were “uniting economically into a system markedly unlike that of the South—an inwardly directed manufacturing economy inimical to the economic interests of the export-oriented, slave-based, agrarian system.”

Because of the slave economy and paucity of urban centers, the market...
for consumer goods in the southern states was very small. Beginning in the early 19th century, cities such as Richmond and Lynchburg, VA., stagnated while Philadelphia boomed. Factors hindering the growth of Virginia’s cities include the tobacco economy. Tobacco required relatively simple processing mechanisms, which in turn impeded technological development or the growth of cities and factories. Another barrier to growth was sparsely settled hinterlands, providing little or no market for manufactured products. By contrast, the relatively densely populated countryside of the North provided a large consumer market.83

Without thriving urban centers, Virginia and the South could not achieve the concentration of capital needed to build an interregional railroad network like that in the North. “A slave society, no matter how much wealth it produced, could not compete against a northern economy that harnessed the power of ordinary households left free to invent, to improve, to invest, and to consume,” writes Majewski.84

Compounding the problem was the primacy of plantations. Slavery was based largely on self-sufficient plantations. But because of this self-sufficiency, relatively little interregional trade was required. Majewski describes a self-reinforcing cycle: a lack of markets discouraged manufacturing and urbanization, which led to more demand for slaves and plantations, which further stifled market development.85

Majewski concludes, “The fragmented transportation network impeded industrialization. For all the hopes of rejuvenating their economy, Virginians never quite understood that the chains of slavery also shackled the invisible hand of the market. Left without a true commercial center, Virginia’s economy would remain fettered to staple agriculture.”

More Slaves = Less Wealth: Shouldn’t Latin America Be Richer?

If a country’s wealth is based on slave labor, then Latin America should be much wealthier than North America. Brazil and the Caribbean each had far more slaves than North America. (See graph 3.) Cuba and Haiti were two of the largest slave colonies. But Latin America has always lagged far behind North America in economic development. This has to do in large part with the contrasting historical experience of the two regions.

European colonization in the Americas took different forms. In the Latin American colonies, such as Brazil, Mexico and the Caribbean, European powers set up “extractive states,” in which the primary goal was to extract natural resources from the colony—such as gold, cash crops and other resources—and transfer them to the colonizing country.87

These extractive states provided few protections for private property, while maximizing the potential for government expropriation. They were mostly colonized by individuals simply interested in subjugating the indigenous population and then extracting as many resources as possible with slave labor imported from Africa. The Spanish Conquistadors and Portuguese typified this arrangement, as did British and French colonizers.

In contrast, North America was colonized by a different form of European immigration—chiefly characterized by families intent on building economically self-sufficient farms and farming communities. Arriving in large numbers, these predominantly British settlers replicated European institutions, with a strong emphasis on private property, checks against government power, rule of law, and representative democratic bodies. In addition to the United States, other examples of this arrangement include Canada, Australia and New Zealand.

The slavery experience and economic histories of North and South America clearly shows the weakness in the argument that the U.S.’s high standard of living is ultimately derived from slavery. In places where slavery was the foundation of the labor force, such as Mexico and the Caribbean, economic stagnation has been the rule. In places where slavery was limited or non-existent, prosperity has been the rule.

Wealth Not Derived From Slave-Produced Imports

Some reparations advocates claim that the West grew wealthy due to the cheap imports of slave-produced goods. This, too, is baseless. As described above, wealth is derived from free enterprise, technological
innovation and the rule of law. The cost of imported goods is of marginal importance to the overall wealth of a society.

Major slave-produced products imported by the Europeans included cotton and rice. While slave labor probably enabled Europeans to obtain these goods cheaper than they could have otherwise, it was a minor factor in their prosperity. Had slave labor not been available to grow cotton or rice, those products no doubt would have been grown by wage labor.

Indeed, it is instructive that when the U.S. Civil War broke out in 1861, southerners believed that the British textile industry's dependence on imported cotton would eventually lead Great Britain to aid the Confederacy. More than three-fourths of the cotton used in the textile industries of Britain as well as France came from the American South. But while experiencing some economic dislocation, Britain continued to prosper as southern cotton imports dramatically declined. After the Civil War ended in 1865, the global textile industry flourished by relying on affordable cotton grown by wage-labor in many regions of the world.

Some slave reparations advocates also contend that the slave trade generated enormous profits and that these powered the Industrial Revolution. But research by European economic historians has shown that slave trade profits were relatively modest by European standards. In addition, as pointed out by historian Herbert S. Klein, no current scholars have ever shown that the profits from the slave trade were directly invested in the earliest industrial enterprises of Great Britain.

AFRICA'S COMPLICITY IN THE SLAVE TRADE

Slave reparations advocates promote the myth that only Americans or Europeans were responsible for slavery, and ignore or downplay Africans' role. Randall Robinson, for example, suggests that African slavery was less brutal than European/American slavery, and that some of those who were enslaved deserved their fate. Robinson writes, “While King Affonso [of Kongo] was no stranger to slavery, which was practiced throughout most of the known world, he had understood slavery as a condition befalling prisoners of war, criminals, and debtors, out of which slaves could earn, or even marry, their way. This was nothing like seeing this wholly new and brutal commercial practice of slavery where tens of thousands of his subjects were dragged off in chains.”

Dorothy Benton-Lewis, head of N’COBRA, echoes this claim. She writes, “It is American slavery that put a color on slavery. And American slavery is not like the slavery of Africa or ancient times. This was dehumanizing, brutal and barbaric slavery that subjugated people and turned them into a profit.”

The reality, however, is that slavery was just as brutal in Africa as it was in America. According to historian Paul Lovejoy, enslaved people in Africa suffered forced marches, inadequate food, sexual abuse and death. Slave reparations advocates also would have people believe that whites obtained slaves through abductions and kidnappings in Africa. This is a myth perpetuated in part by the mini-series Roots, in which the main character, Kunte Kinte, becomes a slave after being captured by white slave raiders. But in the vast majority of cases, this was not how the process worked. Normally, white slave traders simply bought existing slaves from local African dealers.

Europeans could not force any African region to enter the trade against its wishes. Africans themselves were tremendously complicit in selling their fellow Africans into slavery. It is important to remember that during the most active era of the slave trade, 1500 to 1807, Europeans were largely confined to tiny coastal outposts with no influence in the huge continental interior. And venturing into the interior was a deadly proposition for whites, since they did not enjoy immunity from tropical diseases that Africans enjoyed. But there was little need for Europeans to attempt to capture Africans. Slavery had been in existence for centuries within Africa before the arrival of the first European slave traders, the Portuguese, in the mid-15th century. The Portuguese easily established commercial relations with these thriving slave markets, overseen by a well-established slave merchant class. Experienced in shipping slaves within Africa and to the Middle East, the African traders easily adapted their highly-specialized infrastructure to selling slaves to Europeans.
According to Klein, those who captured slaves in the interior typically were not the same people who brought them to the coast. Slaves were passed from trader to trader in multiple markets. They were often sold into local slavery along the way, and eventually resold to the Atlantic slave traders.95 Initially, slaves came from coastal areas, but after 1700 most originated in the interior.96

Almost all African states recognized domestic slavery. Enslavement was an accepted institution, and slave traders were respected by local communities, as long as their own people were not affected. The African ruling class was not only immune to the danger of becoming enslaved by Europeans, but actively collaborated with them in furthering the trade. For example, in the early 1700s, the Kingdom of Dahomey (in present-day Benin) became a large player in the slave trade, capturing and enslaving 10,000 people from a neighboring kingdom. In 1726, the King of Dahomey urged Europeans to set up plantations on his territory, and he would supply the slaves. Around 1750, the king is said to have made £250,000 a year selling people into slavery.97

There were numerous methods of enslaving people. Most slaves had been captured by Africans during the course of local tribal warfare as well as large-scale warfare. Slaves were also obtained by requiring conquered areas to pay taxes in the form of slaves, by raiding peasant communities, and by enslaving criminals and debtors.98 Due to the lack of a formal justice system, sentencing for crimes took the form of either physical punishment or enslavement. But African rulers frequently abused their legal authority to classify innocent people as “criminals” just to have them enslaved.99 There was also random kidnapping of individuals.100

Some regions of coastal Africa participated in the Atlantic slave trade on a sporadic basis, depending on the extent of warfare in those regions. Local Islamic wars in Senegambia (modern-day Senegal and Gambia), for example, resulted in a tremendous number of slaves for export from the 1720s through 1740s. The numbers of slaves dropped off when the wars came to an end.101

“*My People Had Sold Me*”

An estimated 18 million slaves were shipped from Africa between 1500 and 1900. Roughly 7 million of those were shipped across the Sahara to Middle Eastern markets, or to markets across the Indian Ocean.102 At the height of the slave trade during the 1700s, there were almost as many slaves within Africa as there were in the Americas. Scholars estimate that by around 1800, roughly one-tenth of the resident population in Africa were slaves. According to Stein, this translates into about 2.2 to 2.5 million slaves, compared with about 2.9 million in the Americas (most of the latter being in the Caribbean or South America).103 In the 1800s, the Atlantic slave trade declined, but the slave trade within Africa continued. Indeed, slave prices declined and African slavery actually increased. By 1850, there were more slaves in Africa than in the Americas—the former had on the order of 10 million. In Africa, slaves were used to produce such goods as palm oil and rubber for export, and were heavily used in local agricultural production. It was not until the end of the 1800s that slavery in Africa declined substantially.104

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Zora Neale Hurston, a black novelist, lamented that, “The white people held my people in slavery here in America. They bought us, it is true, and exploited us. But the inescapable fact that stuck in my craw was [that] my people had sold me. . . . My own people had exterminated whole nations and tore families apart for profit before the strangers got their chance at a cut. It was a sobering thought. It impressed upon me the universal nature of greed and glory.”

Europe and America Abolish Slavery—to Africa’s Dismay

It is ironic that African countries and slave reparations activists are demanding that Europe and the United States pay reparations to Africa given that Africans were among the worst perpetrators of slavery.

For centuries, of course, the Europeans perpetuated the institution of slavery. From the 15th to the 18th centuries, the Portuguese, English, Dutch and French competed and warred with one another in part to monopolize the Atlantic slave trade.

But one inescapable fact cannot be denied. Europe was unique among the world’s civilizations in that it was the first to wage a determined philosophical attack on the gross injustice of an institution that, since the dawn of civilization, had been taken for granted as just. Concomitant with the growth of the slave trade, an impressive number of intellectuals and statesmen, inspired by Enlightenment ideas of the innate freedom and dignity of Man, worked to end the practice (See “Struggle to Abolish Slavery”). It was through these efforts that the trans-Atlantic slave trade was finally abolished in 1807. It is perhaps one of the great ironies of history then that the Europeans, who help globalize the African slave trade, were also the ones who abolished slavery globally. And without the enlightened ideas of the Europeans, Africa would have continued the unhindered practice of slavery.

Indeed, when the Europeans attempted to abolish slavery, some of the stiffest resistance came from African tribes. For example, after Britain decreed slave trading illegal in 1807, the king of Bonny (in what is now the Nigerian delta) vigorously resisted the decree, declaring “We think this trade must go on. That is the verdict of our oracle and the priests. They say that your country, however great, can never stop a trade ordained by God himself.” When the British destroyed the slave ports on the west coast of Africa, blacks rioted against the British. In the 1840s, King Gezo of Dahomey said that he would do anything the British wanted him to do apart from giving up the slave trade. “The slave trade is the ruling principle of my people. It is the source and the glory of their wealth . . . the mother lulls the child to sleep with notes of triumph over an enemy reduced to slavery . . .”
Slavery in Africa continues to this day. Child slave trafficking routes transport children throughout the continent and to the Middle East. Slavery is particularly rampant in Mauritania and Sudan. In Mauritania, hundreds of thousands of people are born into slavery. In 1999, one Mauritanian who escaped to the United States told how people are “bought and sold like property and bred like farm animals.” He noted that he is still his master’s property because he lacks papers to show his freedom.109

But the worst abuser by far is Sudan. The Arab-dominated National Islamic Front government systematically promotes chattel slavery as part of its policy to subjugate the black, predominantly Christian population in the southern part of the country. Estimates of the number of slaves range as high as 200,000.110

Slavery has existed in Sudan since the Arabs first established control of the region in the 10th century. While the British ended most slave raiding after colonizing Sudan in 1898, the practice didn’t totally stop. The situation gradually deteriorated after the country became independent in 1956. Successive Arab and Muslim-dominated governments in Khartoum have used various policies to forcibly convert black Christians to Islam. In 1983, a radical Islamic movement...
pressured the government to impose Sharia, a harsh out-dated Islamic law, on the whole country which led to the reintroduction of slave raids on black villages. After a military coup by the radical Islamicists in 1989, slave raiding dramatically increased. Army units and militias conduct devastating raids, killing the men and seizing women and children who undergo “forced labor without pay, severe beatings, acute hunger, forced religious and cultural conversion, rape, and ritual female genital mutilation.” The government’s use of slavery, forced famine, aerial bombardment of defenseless villages, and the incarceration of thousands in concentration camps has caused the death of more than 2 million people. Another 5 million have been displaced as refugees.

The conditions Sudanese slaves endure are extremely harsh. One woman who escaped captivity related her personal experience:

“I was visiting my younger sister’s home near Warawar when I was captured...Six soldiers grabbed me. I struggled with them to get away. But they beat me with a big stick. I had to submit. They tied my hand together with a rope and led me away to the bush. They raped me in the bush, one after another, all six of them... We walked for four days. Then we reached a place where the soldiers divided us and the cows and goats amongst themselves.”

The woman was given to a man who repeatedly raped her, eventually bearing his child (She escaped with the child as well.) The wife frequently beat her and forced her to sleep outside in the courtyard. After regaining her freedom, she learned that her sister had been murdered while in captivity.

Humanitarian groups in the U.S. and overseas work to free Sudanese slaves. The Swiss-based Christian Solidarity International established a Slave Redemption Program that has helped free more than 70,000 slaves since 1995. The Boston-based American Anti-Slavery Group also buys slaves their freedom. The anti-slavery organizations work through local Arabs who go undercover to buy slaves from their Arab masters. In June 2002, for instance, Christian Solidarity International spent more than $33,000 to buy 1,116 people their freedom.

Given Africa’s enormous involvement in the slave trade now and in the past, African nations are in no position to issue demands for an apology and money from the Europeans and Americans who ended the institution. And curiously, some of the most forceful advocates of slave reparations in the U.S. barely mention or ignore this glaring example of ongoing African slavery. When President Bill Clinton and Jesse Jackson repeatedly toured Africa together in the 1990s, neither mentioned slavery in Sudan.

WHITE SLAVERY

It may come as a surprise to many that during the pre-Civil War period in America, blacks were not the only people enslaved or threatened with enslavement. Whites were enslaved, too. And this does not simply refer to voluntary indentured servitude. From the 1600s until the Civil War, whites were frequently kidnapped or captured in Europe, and sold into slavery in the Americas.

Indentured Servants

According to historian John Van Der Zee, from 1609 until well after the founding of the United States, half of all the immigrants who came to America arrived under some form of involuntary labor. The main difference from blacks’ circumstance was that most white slaves were in this situation for a limited period of time, typically five to eight years, and subsequently set free. But this in no way diminishes the significance of white slavery. Forced, unpaid labor is slavery pure and simple, whether it lasts a lifetime or for many years. Moreover, many of those white slaves—as many as a quarter of them—died before they could be set free, so they were in fact enslaved for life.

And white slavery often extended beyond eight years in cases where runaway slaves were later caught. Typically, the punishment was an extra month of slavery for every hour the white runaway was absent.

Describing white indentured servants, Van Der Zee writes:

“Except for the important distinctions that their existence as individuals was acknowledged by law, and that after their term of servitude they were to be granted the full rights of freemen and women, the status of these people was essentially the same as that of slaves. They, the work they did, and the clothes on their backs belonged entirely to their masters. They could be hired out, sold, or auctioned, even if this meant separating them from their families. They could be beaten, whipped,
or branded. If they ran away they could be punished by an extension, often a multiplication, of their term of servitude; in some colonies, runaways were hanged, a process too wasteful to apply to slaves, who retained, after all, the value of capital.\textsuperscript{116}

Indeed, it is indicative of the servile status of indentured servants that between 1619 and the 1680s, African slaves in the Virginia colony were also classified as indentured servants, similar in legal position to the white servants.\textsuperscript{117}

Many Europeans were deceived into indentured servitude by false promises of prosperity in America, when in fact they were signing themselves into a life of extreme hardship. Still others were abducted outright and shipped to the colonies, particularly beggars, paupers, orphans, vagabonds, criminals (many of them guilty of only minor offenses), and others who were thought to be a burden to England. In fact, the term kidnapping or “kid-nabbing” originated from this method of peopling the Americas.\textsuperscript{118}

In London, people were kidnapped or “spirited”—captured while drunk—and sold into slavery.\textsuperscript{119}

Another type of white slaves was prisoners of war and subjugated peoples. Oliver Cromwell exiled thousands of war prisoners to Barbados and Jamaica in the 17th century, many of whom were women and children from Ireland.\textsuperscript{122} Many if not most of them died, overworked and highly vulnerable to tropical diseases. In Barbados and other tropical areas, to which Europeans were not accustomed, as many as four-fifths of a shipment of servants died within the first year.\textsuperscript{121}

The notorious “middle passage” endured by Africans—the Atlantic crossing of slaves from Africa to the Americas—was indeed terrible, with death and disease ever present. But conditions on board ships transporting Europeans to the Americas were equally terrible. Both voluntary and involuntary emigrants were confined below the decks in crowded, disease-ridden conditions with insufficient food or water.\textsuperscript{122} “There is on board these ships terrible misery, stench, fumes, horror . . . so that many die miserable,” according to a German passenger on one of the ships.\textsuperscript{123}

For the entire two- to three-month voyage, white slaves were typically never permitted to go above deck. They were crammed together in holes and in chains. In fact, deaths on ships coming from Europe equaled or exceeded deaths on ships coming from Africa. According to historian Sharon V. Salinger, during the 1700s the mortality rate for black slaves on these ships was 10 to 20 percent, versus 25 percent for white slaves.\textsuperscript{124}

Once the survivors reached the shores of America, further unimaginable cruelties were inflicted upon them. Those who already had contracts were turned over to their unknown masters, and others were sold on the auction block. “Families were often separated under these circumstances when wives and offspring were auctioned off to the highest bidder.” Others were herded like cattle to the backcountry to be sold at auction.\textsuperscript{125}

Particularly in the Caribbean, white slaves and black slaves worked side by side on the same plantations. And because slave owners paid more for blacks than for whites, “the planters treated the black better than did their ‘Christian’ white servant.”\textsuperscript{126}

Historians Carl and Roberta Bridenbaugh go on to write that “Even the Negroes recognized this and did not hesitate to show their contempt for those men who, they could see, were worse off than themselves...the blacks ate as well as, and sometimes better than, the mass of white servants . . . and many freemen.”\textsuperscript{127}

Prior to the Civil War, there were many white slaves in the South who were not even indentured servants. According to an anti-slavery handbill for the 1856 presidential election, a pro-slavery editorial in the \textit{Richmond Enquirer} read, “Slavery is right, natural, and necessary, and does not depend upon difference of complexion. The laws of the slave states justify the holding of white men in bondage.”\textsuperscript{128}

Typically, whites in the South were enslaved because they had a tiny percentage of black ancestry. One woman on the auction block was one sixty-fourth black; one of her great-great-great-grandparents was black. Many of these white slaves fled to the North, and were pursued by slave catchers.\textsuperscript{129}

Following is an excerpt from an 1839 article in the \textit{Philanthropist} titled “White Slaves”:

“A very large proportion of the slave population in the South are but slightly colored, and many of them are so nearly white as to require the closest scrutiny to detect the fact of their having the first drop of African blood. . . . Color is becoming every day less and less a test by which to determine the fact of human chattelship.”\textsuperscript{130}
The African American historian Shelby Steele points out that the issue of white slavery has been suppressed in America because there probably was a time when whites, ashamed of this fact, wanted to suppress it. “But now it’s probably blacks who want to suppress it,” said Steele. “Those who are grounded in the idea of black victimization may feel that this weakens their argument.”

Weaken their argument it does. To be consistent, any demand for slave reparations for blacks would have to include whites as well. But the notion of reparations for blacks as well as whites is farcical, since none of the slaves is alive anymore. And it would be a grave injustice to pay for reparations by taxing people who had nothing to do with slave ownership, and whose ancestors were slaves themselves.

The Muslim White Slave Trade

Slavery flourished in the Muslim civilization of the Middle East and North Africa for 1,200 years. Not long after establishing Islam as the dominant faith in the 7th century, the Arabs organized an extensive African slave trade based on Africa’s Indian Ocean coast that persisted well into the 19th century.

But Africans weren’t the only targets. For many centuries, Muslims engaged in the widespread enslavement of white European Christians, and later Americans, who they seized through piracy and coastal raiding expeditions. The center of the Muslim slave trade was the Barbary Coast of North Africa, located in modern-day Libya, Tunisia, Algeria and Morocco. Piracy reached its zenith on the Barbary Coast in the early 16th century under the famous Ottoman admiral, Khayr ad-Din, or Barbarossa. He founded the pirate states of Tunis and Algeria. Later joined by Tripoli and Morocco, these Barbary kingdoms formed part of the huge Ottoman Empire that rapidly expanded throughout the Mediterranean region during the course of the 16th century and threatened to consume European civilization. A terrible feature of the Ottoman wars against Spain, Venice, France and other Mediterranean states were the almost annual coastal slave raiding expeditions led by Algerians and other North African cities. In 1544, for instance, the Algerians seized 7,000 people from Italy’s Bay of Naples. A 1554 raid on Italian Calabria yielded 6,000 captives, and in 1566 at least 4,000 men, women and children were captured in Spanish Granada. Many of these white slaves were used to row the galleys of the Ottoman navy, which as will be seen later was often a fate worse than death.

In 1571, a Spanish-led fleet decisively defeated the Ottomans in the Battle of Lepanto, ending further expansion of the empire. Unable to sustain itself without plunder, the inefficient and economically backward Ottoman tyranny gradually disintegrated over the next 300 years.

But the Barbary city-states, which became de facto independent of the Ottoman government in Constantinople, continued to engage in piracy and slave raiding against Europeans in the Mediterranean, Atlantic and even the Baltic regions for another 250 years.

The justification for these raids was both ideological and economic. Muslims believed that it was their duty to wage war—jihad—on the Christians and what better way to do this than prowl the seas terrorizing non-believers. Technically, the Barbary pirates were not pirates. Rather they saw themselves as the subjects of four countries legally at war with other countries and thus could rightfully capture, enslave or ransom enemy seaman as they saw fit. But the Barbary rulers used the “declaration of war” on the flimsiest of pretexts to seize slaves and plunder. To the rulers or Deys of Algiers and Tunis, a refusal to pay “tribute” to maintain peace was regarded as a hostile act justifying “war.” The so-called tribute was, of course, nothing more than extortion, the price the Barbary rulers exacted of Europeans and Americans who sailed in waters they deemed their domain. During the 17th and 18th centuries, the European states often acquiesced to these outrageous demands, cynically calculating that it was cheaper to pay bribes than wage war. Periodically and when not distracted by frequent continental wars, the Europeans sent punitive expeditions to bomb North African ports. But these raids were sporadic and ineffectual.

Piracy became the foundation of the North African sea coast economy and the white slave trade flourished. In fact, the Muslim trade in European slaves rivaled in some respects the Atlantic trade in Africans. In the 1640s, the Atlantic slave trade averaged about 1,000 blacks annually. But the North African slave raiders may have been enslaving almost as many British subjects every year. In 1640 alone, Algiers seized almost...
3,000 British subjects. Tunis captured another 1,500. Between 1672 and 1682, it is estimated that the Algerians took at least 353 British ships, which means they were still seizing as many as 400 new British slaves every year. There are numerous other records indicating the awful extent of these piratical depredations. Tripoli, considered one of the smaller slave states, took 75 Christian ships with 1,085 captives between 1677 and 1685. Tunisian pirate vessels, or corsairs, brought in 28 ships and 1,722 captives between November 1593 and August 1594. Algiers captured 80 French ships and 986 seamen between 1628 and 1634.\(^{135}\)

The corsairs were brazen in their attacks. They didn’t just ambush ships on the open seas but attacked on land as well. Sicily was attacked at least 136 times between 1570 and 1606 by raiders who often penetrated 10 to 20 miles inland to snatch slaves. In 1640, dispatches to London reported that “roguish Turkish pirates” seized 60 men, women and children from the Cornish coast. The next year, Algerian pirates attacked a packet off the Irish coast, capturing 120 passengers and “putting all the men in irons.” Even Scandinavia was not immune to the Barbary slave raids. In 1627, corsairs attacked Iceland and seized 400 people.\(^{136}\)

The white slave population in Algiers, Tunis, Tripoli and Morocco was huge. Robert C. Davis, a Professor of Italian Social History at Ohio State University, writes in his book Christian Slavers, Muslim Masters that between 1580 and 1680 the number of European slaves numbered “around 27,000 in Algiers and its dependencies, 6,000 in Tunis, and perhaps 2,000 in Tripoli.” Thus, the average slave count was 35,000 in any given year in that period. That number fell in the following century, 1680–1780, when the slave population of Algiers, always the largest slave city, averaged 2,000–10,000. The reasons for the decline were both diplomatic and structural. The European powers were more determined to rein in Barbary piracy; but perhaps more importantly, there was a major transformation in naval technology marked by a move away from rowed galleys to sailing vessels, which reduced the demand for galley slaves. On average then, the Barbary slave population in a given year between 1680 and 1780 was about 7,000.\(^{137}\)

But the North Africans still had to seize substantial new captives in both centuries to compensate for a 25 percent attrition rate in the slave population. The main reason was, not surprisingly, a high death rate. About 17 percent of the 25 percent attrition rate was due to death. While Europeans could be ransomed out of slavery, the numbers were quite small, maybe 3–4 percent of the overall attrition rate. Davis notes that the Barbary slaves died “for the same depressing reasons as did slaves in the New World or anywhere else: from abuse, disease, overwork, lack of food, and despair.” One Neapolitan wrote home, “we are mistreated, beaten with sticks, starved and called faithless dogs, [such] that I would willingly die.” The worst fate that could befall a European slave was to be a corsair galley rower—which was usually for the rest of one’s life. Typically, 3–5 slaves were chained by their wrists and ankles to an oar, forced to row weeks at a time with little opportunity for sleep within cramped confines infested with filth, vermin, fleas and bugs. Beatings were frequent. Rowers were fed molded black bread “that the dogs themselves would not eat.” Often, drinking water was so scarce that the poor wretches were reduced to drinking sea water or died of thirst at their benches.\(^{138}\) Other horrors inflicted on slaves included beating the bare feet with sticks, beheading, crucifixion, impalement and roasting alive.\(^{139}\)

Female slaves usually had two destinies, the relatively benign duty of house servant or concubine in the ruler’s harem. The first American woman seized by pirates in 1784 was sent as a gift to the harem of the Turkish sultan in Constantinople.\(^{140}\)

Besides the high losses from overwork and physical abuse, the need for new captives was compounded by the fact that, unlike African slavery, at least 90 percent of the European slave population was male. Rigorously denied access to women, slave or non-slave, the Barbary slave population could not replenish itself.\(^{141}\)

Given the average slave population of 35,000 in the 1580–1680 period, the Barbary pirates had to seize 8,500 new captives each year. That translates into 850,000 captives over 100 years. For the following century, after the slave population had fallen to one-fifth the previous century’s level, the number of captives still would have amounted to 175,000. In the 1530-1570 period, when Algiers was spearheading the Ottoman Empire’s depredations against Europe’s Mediterranean coast, as many as 300,000 Europeans were enslaved. This means that between 1530 and 1780 as many as 1.3 million white Europeans were enslaved by the Muslim pirates of the Barbary
Coast. This number does not match the much larger number of African slaves in the Atlantic trade. Nevertheless, the Muslim white slave trade represents one of the modern era's largest examples of slavery.

The Barbary pirate menace was finally eliminated in the 19th century by the Europeans and to a lesser extent the Americans. Unlike the Europeans, the young American Republic couldn't afford to pay the “tribute” demanded by the Barbary states. Furthermore, Thomas Jefferson firmly believed that war—and not bribery—was the only way to deal with the pirates. Following the end of the Napoleonic Wars in 1815, the British Royal Navy reasserted its power in the Mediterranean and stomped out most piracy. The North African white slave trade was definitively ended in 1830 when the French captured Algiers and liberated the remaining 122 slaves.

Clearly, there are tens of millions of Europeans alive today who could make claims to slave reparations from the North African states that sanctioned the enslavement of their ancestors. Of course, affluent European Union countries demanding compensation from this poor, underdeveloped region is economically and politically ludicrous. But it serves to underscore the folly of Africans and African Americans seeking reparations for injustices from nationalities and ethnicities who have experienced similar tragedies in their past.

**AMERICA HAS PAID FOR SLAVERY**

The charge that America never paid for the sins of slavery dishonors the 360,000 Union soldiers who died in the Civil War (1861–1865) that was fought, in large part, over the question of slavery. The South paid an even heavier price in terms of the destruction inflicted on its territory and the fact that more than one out of four Confederate soldiers were killed or wounded during the war. A total of 258,000 Confederate soldiers died. Combined with the Union death toll, 618,000 Americans lost their lives in the Civil War. That exceeds the 420,000 Americans who lost their lives in World War II, which makes the Civil War the most destructive war in U.S. history.

The result of this terrible suffering and destruction was the liberation of 4 million black slaves. It is true that for many Unionists the immediate reason for going to war was to prevent the breakup of the United States, but a strong underlying reason was slavery.

**The Struggle to Abolish Slavery**

The institution of slavery was by far the most contentious political issue in the United States for the first 70 years of the nation’s existence. Most political disputes were resolved through the normal democratic process, but the question of slavery was ultimately to be settled through war. Anti-slavery sentiment ran strong in the North. Many considered slavery a moral abomination that should not exist within a society based on the principles of individual freedom and equality enshrined in the Declaration of Independence. Many southerners, including some who opposed or who were critical of slavery, maintained that the Constitution protected the right of states to decide the issue for themselves. When they seceded, the southern states argued that they had voluntarily joined the Union, and therefore could voluntarily leave.

There was already political tension between northerners and southerners over the issue when the United States of America was formally established in 1789. Throughout the 1700s, critiques of slavery and calls to abolish the institution had become widespread, supported by the intellectual force of European political thinkers such as Adam Smith and Edmund Burke, and Americans such as Thomas Paine. It was obvious to many that there was a glaring contradiction between the ideas of liberty and human bondage.

The American Revolution, with its ideals of freedom and inalienable rights, generated tremendous anti-slavery sentiment in the United States. Many who had never questioned its legitimacy began to do so. In 1787, this sentiment led the Continental Congress to prohibit slavery in the Northwest Territory (now consisting of the American Midwest).

In addition to Enlightenment ideals, there also was a strong Christian objection to slavery, beginning with the Quaker claim that all men were equal before God. In the late 1700s, the same sentiments were voiced by the Methodists, Presbyterians, Evangelical Anglicans and Unitarians. Slavery was utterly wicked in the eyes of these Christians, a terrible stain on those who promoted it and on governments who permitted it. A key work in this regard was John Wesley's Thoughts on Slavery (1774). Wesley
had spent time in Georgia observing slavery first-hand.\textsuperscript{146}

The reformers thought that the U.S. Constitution’s outlawing of the importation of slaves in 1808 would bring an end to slavery. However, it eventually became apparent that this would not happen, since domestic births obviously created new slaves. Combined with the widespread adoption of labor-intensive cotton cultivation, the southern states became more deeply committed to preserving the institution. The pro-slavery coalition spearheaded opposition to federal anti-slavery action.\textsuperscript{147}

In 1819, there was an unprecedented groundswell of northern public opinion against slavery, when it was proposed that Missouri be admitted to the Union as a slave state. It did get admitted as a slave state, but slavery opponents managed to bar the institution in the vast unsettled part of the Louisiana Territory.\textsuperscript{148}

Following the Missouri Compromise, opposition to slavery intensified such that the debate came to permeate nearly every aspect of political life. As manifested by the growing abolitionist movement, an increasing number of northerners grew to detest the institution of slavery. While many northerners were indifferent to slavery, millions were not. According to historian Robert P. Forbes, a clear majority of Americans opposed slavery in the decades prior to the Civil War.\textsuperscript{149} Northern politicians made every effort to block the spread of it. Meanwhile, southerners’ desire to preserve and expand slavery grew increasingly firm as well, basing their arguments on states’ rights and the sanctity of property.

Anti-slavery sentiment was further inflamed by the publication of Harriet Beecher Stowe’s \textit{Uncle Tom’s Cabin} in 1852. The novel dramatically portrayed the human costs of slavery, bringing the issue to the attention of hundreds of thousands of readers. The Kansas-Nebraska Act (1854) was another testament to the passionate anti-slavery feelings of the North. The Act left the question of slavery to be decided by the settlers of the Kansas and Nebraska territories, a process known as “popular sovereignty.” This enraged slavery opponents, and guerrilla war broke out in Kansas between pro- and anti-slave forces. Northern groups promoted the immigration of anti-slavery advocates into Kansas, armed with rifles known as “Beecher’s Bibles,” to fight pro-slavery “border ruffians.”

The profound anti-slavery sentiment generated by the Kansas-Nebraska Act was a major factor in the founding of the Republican Party in 1854, which endorsed John C. Fremont for president on an explicitly anti-slavery platform. John Brown, sentenced to death for raiding the Harper’s Ferry armory in 1859 in an effort to capture arms and distribute them to slaves for a violent uprising, offered prophetic words. Although considered an extremist in his time, Brown wrote in his final message that he is “now quite certain that the crimes of this guilty land will never be purged away but with blood.”

The election in 1860 of Republican Abraham Lincoln made southerner’s even more fearful of abolition. Lincoln campaigned on a platform of outlawing slavery in new states and the western territories. Arguing that the Founding Fathers considered slavery wrong, he firmly expected it to die a natural death and did not want to see the Union break up because of it.

When he took office, Lincoln sought to avoid war with the South, emphasizing that he did not have the intention or the legal right to end slavery. But while Lincoln wanted to keep the Union intact, he was not going to do so by giving into demands that slavery be allowed to expand beyond the southern Union dead at the Gettysburg battlefield. The charge that America never paid for slavery dishonors the hundreds of thousands of Americans who died in the Civil War.
A Capitol of Freedom

Randall Robinson, founder and president of TransAfrica, published a book in 2000 called The Debt: What America Owes to Blacks. It is a national best-seller, and has been instrumental in building support among African Americans for slave reparations.

In the beginning of the book, Robinson describes a tour he took of the U.S. Capitol, pointing out that it was built with slave labor. He then launches a vicious attack on what the Capital stands for, essentially saying it is based on a lie. “I thought, then, what a fitting metaphor the Capitol Rotunda was for America’s racial sorrows. In the magnificence of its boast, in the tragedy of its truth, in the effrontery of its deceit.”

Slavery was unfortunately a fact of life when the Capitol was built, so it is not surprising that it was built in part with slave labor. So, too, were many other buildings. When slavery was abolished in 1865, what was America to do? Tear down the Capitol just because it was partially constructed with slave labor?

Many of the ancient world’s great architectural monuments in Rome, Athens and elsewhere in Europe were also built with slave labor. Should they be torn down too?

What is truly remarkable—and a testament to how far this nation has progressed—is that the descendents of the slaves who helped build the Capitol can now enjoy such freedom and prosperity. Robinson is evidently blind to the irony that slaves constructed the building within whose rooms statesmen enacted the laws that secured freedom for their descendants.

region. This was unacceptable to the South and war ensued.

In late 1860, southern states began to declare their independence, eventually forming the Confederate States of America on February 4, 1861. Two months later the Confederacy fired upon Fort Sumter, a federal installation in South Carolina, setting off the Civil War.

Lincoln reacted by calling for 75,000 volunteers to suppress the rebellion. His stated reason was to keep the Union intact, but slavery always loomed in the background. The goal of abolishing slavery later became an explicit reason for justifying the war, as manifested by the Emancipation Proclamation, signed by President Lincoln on January 1, 1863. Notes one historian, “Emancipation, then, became a political device for winning the war . . . Although ostensibly absent at the beginning, emancipation had become the leading aim of the war.”

True, there were some in the North who opposed waging war on the South to eradicate slavery. These anti-war northerners, mainly Democrats known as “Copperhead Democrats,” thought the untold suffering and death of American soldiers was not worth it, and believed that the Confederacy should be able to have its independence and keep its slaves. Gen. George B. McClellan, the former commander of the Union armies, was one such person. In 1864, he secured the Democratic Party’s nomination for president. That platform called for an immediate armistice, urging all warring parties to “secure peace without further bloodshed.” An armistice would have resulted in a Union pullback from the South and given the Confederacy its independence. Not surprisingly, southerners overwhelmingly hoped McClellan would win the election, confident that he would negotiate an armistice favorable to their interests.

Abraham Lincoln, of course, won re-election in 1864 and the Union went on to win the war. After it regained control of the South, the Union proceeded with its plan to eradicate slavery. The Union restored to southerners their full rights and liberties as guaranteed under the Constitution, and readmitted the 11 former Confederate states. But the major change imposed on the South was the abolition of slavery. The Union granted no compensation whatsoever to the former slave owners. The Thirteenth Amendment, made possible by Union victory, formally outlawed slavery in the United States in 1865.

After four bloody years of fighting and 618,000 dead, the Union won the Civil War and 4 million black slaves became free. America has paid for slavery.

CONCLUSION

In 1911, Booker T. Washington wrote, “There is a class of colored people who make a business of keeping the troubles, the wrongs, and the hardships of the Negro race before the public . . . Some of these people do not want the Negro to lose his grievances, because they do not want to lose their jobs. There is a certain class of race-problem solvers who don’t want the patient to get well.”

Reparations certainly would not make the patient well. Far from solving racial problems in America,
reparations would exacerbate them. The reparations issue is a smoke screen for those unwilling to tackle the real problems affecting blacks, such as failing schools, crumbling inner cities and family disunity. It is an attempt at easy money—by taxing the innocent, by litigation, or by shakedown. The American people, as well as the various corporations and other institutions targeted by reparations advocates, must not give in to such injustices. If they do, expect the floodgates of more reparations demands to open wide.

Each argument presented throughout this report is a sufficient reason in and of itself not to support slave reparations: innocents would be forced to pay; money would go to non-victims; race relations would be exacerbated; a bad precedent would be set for other groups; reparations would play into greed; the list goes on.

Common sense should rule out the possibility of slave reparations. But unfortunately, in today’s political and legal climate, common sense all too often is ignored. If enough people make enough noise about something, regardless of how absurd their idea, politicians will respond. Randall Robinson, author of The Debt, wants a thousand African Americans per day walking the halls of Congress so that politicians “would never stop seeing our faces, never stop hearing our demands.” As the momentum for slave reparations intensifies among blacks and a growing number of whites, politicians may one day succeed in forcing the American taxpayer to pay reparations. And the trial lawyers may meet with success even sooner.

The reparations movement also grows stronger because of political necessity. Having won the battle against segregation in the 1960s, the civil rights establishment needs a new foe to justify staying in business. The slave reparations cause, unjust and illogical though it may be, fulfills that purpose.

Ultimately, paying slave reparations is immoral. African Americans do not have a monopoly on historical grievance. America is a mosaic of national, ethnic and religious entities that each experienced some form of oppression or hardship in the past. And each year, millions of immigrants with similarly tragic histories from all corners of the globe continue to pour into the nation. These people come to America to seek prosperity, happiness and the “American Dream.” They do not come here to subsidize groups claiming that their historical injustices entitle them to special treatment.

Thomas Jefferson once said: “I am captivated more by the dreams of the future than by the history of the past.” Slave reparations advocates would do well to heed those words. The author of the Declaration of Independence understood, perhaps better than any other Founding Father, that the essence of American Democracy lies in transcending the bitter animosities of the Old World to embrace the boundless opportunities of the New.

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Key Facts from The Case Against Slave Reparations

One estimate puts the total cost of reparations for the African American descendants of slaves at $97 trillion.

The charge that America has never paid for slavery ignores the 618,000 Americans who died in the Civil War.

In America’s colonial era, half of all the white immigrants arrived under some form of involuntary labor.

At the height of the slave trade around 1800, there were nearly as many slaves within Africa, 2.5 million, as the number of slaves in the Americas, 2.9 million.

The vast majority of Americans are descended from immigrants who came to America after slavery was abolished in 1865.

Unlike reparations paid to Holocaust survivors, slavery reparations would not go to the actual victims.

Did You Know?

During the 1700s, the death rate on ships carrying white indentured servants from Europe averaged 25 percent. The mortality rate on the African slave ships averaged 10 to 20 percent.

In the 1700s, the African kingdom of Dahomey became a major player in the slave trade, enslaving 10,000 captives from a rival kingdom and selling most to the Europeans.

When the British destroyed the slave ports on the west coast of Africa in the 19th century, blacks rioted against the British.

Free blacks often owned black slaves. In 1860, about one-third of the 10,600 free blacks in New Orleans were slave owners.

Prior to the Civil War in the South, Irish immigrants rather than black slaves were often employed for the most hazardous jobs, since the lives of Irish immigrants were often considered expendable.