FCAB Initiative
Center for Social Development
Brown School at Washington University
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History of Financial Capability and Asset Building in America: Asset Stripping, Borders, and Autonomy [1]

PowerPoint Notes

Slide 1 – History of Financial Capability and Asset Building in America

Slide 2 – Module overview

- A historical perspective is important because patterns of asset ownership and financial capability are shaped by events and institutions over time.
- This module discusses the importance of recognizing the history of economic oppression and exploitation that form the foundation of current economic inequality.
- Despite significant advances, people of color and women continue to face social, political, and economic barriers to FCAB.
- Though many groups have faced historical barriers, this module focuses on Native Americans, African Americans, Latinx Americans, and women in U.S. history.

Slide 3 – First Nations in America: Conquest and Asset Stripping

Slide 4 – "Indian removal:" Appropriation of land and natural resources

- European colonists quickly dominated North America. They justified appropriating Indian lands under the philosophy of Manifest Destiny, and its legal tool, the Doctrine of Discovery, in which Europeans claimed lands and other natural resources by force or treaty (Pedraza & Rumbaut, 1996).
- Large numbers of American Indians were killed in battles and other massacres in a period called the "Native American Genocide" (Lindsay, 2012). American Indians also starved from the loss of fertile lands, and died from diseases introduced by European American settlers and their livestock.

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[1] Notes adapted from *Financial Capability and Asset Building in Vulnerable Households: Theory and Practice* *Chapter 3*, by Margaret S. Sherraden, Julie Birkenmaier, and J. Michael Collins, and co-authored with Terra Neilson, Oxford University Press, 2018.

- A particularly important law, The *Indian Removal Act of 1830*, led to:
  - Tribal lands being exchanged for less desirable land west of the Mississippi River, usually farther west than European Americans had settled, and forced relocations.
  - The Trail of Tears (1838–1839) is one example of a 1,200-mile forced relocation resulting in the death of thousands due to exposure, disease, and starvation (Lui et al., 2006).
- 17 million of 90 million acres of land were removed (as a result of the 1887 Dawes Act) from tribes and given to white settlers, largely uncompensated (Franken, 2012).
- Many tribes were forced off their land and into reservations with a form of self-governance under U.S. government "supervision" (Lui et al., 2006).
- By the mid-1900s, tribes were resettled on reservations and, though compensation was promised, it was frequently inadequate or never realized (Pedraza & Rumbaut, 1996).

Slide 5 – The Dawes Act: "Fractionated" lands and loss of assets

- Though property rights differed by tribe, land ownership was often communal. With European settlement, this soon changed.
- *The Dawes Act* (*General Allotment Act of 1887*) forced conversion of communal lands into individual- or family-held allotments on reservations:
  - Individuals were allotted between 40 and 160 acres.
  - Any land not allocated was deemed "surplus" and given to white homesteaders, further contributing to westward expansion (Sawers, 2010).
- Those who received property ownership under *the Dawes Act* left property to their heirs. These "fractionated allotments" (as they are known today) are owned by hundreds or even thousands in subsequent generations (Tribal Law and Policy Institute, n.d.).
  - Fractionated allotments can only be developed with approval of 51% of the owners, which has left much land vacant.
- By 2010, across 12 major reservations, more than 1.4 million individuals owned less than 2% or more of a parcel (Russ & Stratmann, 2013).
- Hundreds of thousands of Individual Indian Money (IIM) accounts were created to receive revenue from these lands.
  - IIMs are established and managed by the U.S. Department of the Interior's Office of the Special Trustee for American Indians.
  - IIMs are a wealth-building opportunity, though many people rely on their IIMs as a source of supplemental income.
- However, inappropriate accounting and crediting by the U.S. government has deprived many heirs from receiving revenues they are owed. This was the subject of a recently settled lawsuit, *Cobell v. Salazar* (discussed in Slide 7) (Indiantrust.com, 2013; National Congress of American Indians, 2010; O'Brien, 1989).
- Not only were heirs deprived of their rightful returns on the land, but fractionated allotments also make it challenging for reservations to develop land use policies. Instead of building assets, they have been barriers to asset building.

Slide 6 – Appropriation of cultural assets in pursuit of self-determination

- The federal government systematically reinforced cultural assimilation of Native peoples:

    - Created government-run day and boarding schools to forcibly assimilate Native youth into Anglo-American culture, including language, dress, and customs (Churchill, 2004).
    - Emphasized private property ownership and material wealth versus American Indian tradition of communal assets.
- Only in recent history has native peoples been given rights of self-determination. Here are a few examples:
    - *The Indian Self-Determination and Education Assistance Act of 1975* and the amended *Tribal Self-Governance Act of 1994*, recognized tribal rights to consult and consent on policies, rules, and regulations (U.S. Department of the Interior, Indian Affairs, n.d.).
    - *The Indian Child Welfare Act of 1978* ended policies that allowed the U.S. government to remove Native children from their tribe and communities (O'Brien, 1989).
    - Tribal colleges and universities were established under the minority-serving institution category of *the Higher Education Act of 1965* and are controlled and operated by American Indian tribes. These schools foster Indian culture, language, and tradition, and offer relatively affordable higher education for American Indian students (Dewees & Foxworth, 2013). As of a 1994 authorization by Congress, they are now considered land-grant colleges.

Slide 7 – Policy Spotlight: Indian trust land revenues in *Cobell v. Salazar*

- In 2009, Elouise Cobell sued the federal government for inaccurate accounting of Individual Indian Money (IIM) derived from the leasing of Native lands (Campbell, 2012; Warren, 2010).
- After 15 years of litigation, the court declared that an accurate accounting was impossible because the government had lost or destroyed records.
- Cobell agreed to a settlement of $3.4 billion, far less than the total owed Native Americans.
    - Claims Settlement Act of 2010 gave the largest portion ($1.9 billion) to the Trust Land Consolidation Fund, providing for tribes to purchase fractionated land.
    - $1.5 billion went to the Accounting/Trust Administration to be distributed to individuals and the Cobell Scholarship Fund (Warren, 2010).
- Elouise Cobell was posthumously awarded the Presidential Medal of Freedom in 2016 by President Barack Obama (Obama White House Archives, 2016).
- Watch a video of Elouise Cobell.

Slide 8 – Tribal enrollment and access to benefits

- Eligibility for tribal benefits is complex, but it includes membership in one of the 574 American Indian/Alaskan Native federally recognized tribes or communities. A federally recognized tribe or community must:
    - Have been Native American entity prior to 1900.
    - Have existed as a distinct community from historical times.
    - Have political influence over its members.
    - Have membership criteria.
    - Consist of members who descend from a historical Indian tribe (85 F.R. 5462; U.S. Department of the Interior, Bureau of Indian Affairs, 2020).

- Tribal benefits:
    - All AI/AN tribal members are eligible to receive federally funded, state-administered services such as the Temporary Assistance for Needy Families

    - (TANF), Supplemental Security Income (SSI), the Food Stamp Program and the Low Income Heating and Energy Assistance Program (LIHEAP) (U.S. Department of the Interior, Office of Public Affairs-Indian Affairs, 2015).
    - Through the Department of Health and Human Services, they have treaty rights to federal health care services in addition to access to all public, private, and state health programs (Indian Health Service, 2015).
    - Tribes often offer their own set of financial benefits, per capita benefits, or dividends for tribally owned assets, such as the leasing of land (U.S. Department of the Interior, Office of Public Affairs-Indian Affairs, 2015).
- Tribal members living off reservations or outside of a targeted service area may face challenges obtaining services, particularly for health services (Cunningham, 1993).
- Landless tribes, such as the Shawnee, face greater challenges because of lack of land for economic development. A January 19, 2018 decision letter authorizing land for gaming describes these challenges. This makes survival and asset-building more difficult (U.S. Department of the Interior, Bureau of Indian Affairs, 2018).

Slide 9 – Case example: George is a member of the Blackfeet Nation

- George is a member of the Blackfeet Nation (the Nitsitapii, or "real people") and lives on the Blackfeet reservation in Montana:
    - His family has lived on the reservation for generations.
    - The *Fort Laramie Treaty of 1851* established reservations for many tribes, including the Blackfeet Nation, though they did not have representatives at the negotiations (Lee, 2013).
- Twenty years later, President Grant gave a large part of the Blackfeet Reservation to European settlers. Later, much of the Blackfeet Reservation was appropriated for Glacier National Park (Montana Office of Public Instruction, 2010).
- This story differs markedly from the common narrative about how the west was "won."
- George owns .0015% of the property that his ancestors planted during summer months:
    - The family is not leasing the land, but even if they did, they would receive a negligible amount ($0.18 per year to George).
    - George's 3 children will receive an even smaller percentage of the land.

Slide 10 – Native Americans: A summary

- Historically, federal and state policies have explicitly oppressed Native people, including widespread loss of life, land, and culture, and deprivation of legal rights, including rightful access to assets.
- These policies have resulted in significant barriers to family financial development and economic opportunity.
- Victories like control over natural resources and *Cobell v. Salazar* are important incremental steps. However, explicit recognition of genocide, domination, and asset stripping is essential.
- Future directions may include greater Native oversight of resources, economic development resources, and reparations for lost land and economic opportunities.

Slide 11 – African Americans: Humanity, Asset Stripping, and the Struggle for Human Rights

Slide 12 – Slavery: Economic engine of the United States

- Slavery is the institution of humans as property and fundamental denial of ownership, even of one's own person.
- Slave owners exploited inexpensive labor to build the new nation (Baptist, 2014, p. xxi).
- Slavery began in 1604 when Virginia courts declared everyone of African descent as property (Lui et al., 2006).
- The Slave Codes, created in the 17th and 18th centuries, defined work and the status of enslaved people, specifying that any offspring of enslaved women were personal property regardless of paternity.
- The 13th Amendment (1865) outlawed slavery and liberated nearly 4 million individuals from slavery (12.7% of the population) (Finkelman, 2012).

Slide 13 – Reconstruction and rights to ownership

- Following the Civil War, the Reconstruction Era (1865–1877) brought federal laws that consolidated northern gains and began to bring the South into a free labor economy.
- The Freedmen's Bureau (Bureau of Refugees, Freedmen, and Abandoned Lands) provided food, housing, and medical aid; schooling; and legal assistance to tens of thousands of former enslaved people and impoverished whites in the South.
  - Abandoned Confederate land was made available to freed African Americans (Conley, 2002; Oubre, 1978).
- The Freedman's Bank, established in 1864 (Osthaus, 1976), failed a decade later because predominately white leadership made no-interest loans to white companies (Osthaus, 1976; Sherraden, 1991).
  - Thousands of formerly enslaved people lost their small savings with no repayment.
  - Many lost faith in savings banks (Washington, 1909).
- *The Civil Rights Act of 1866* provided all men (not women) the right to own property and sign contracts.
- The 14th Amendment (1868) declared all individuals born in the U.S. (except Native Americans) to be citizens.

Slide 14 – Policy Spotlight: *The Homestead Act* built wealth, but mostly in white households

- *The Homestead Act* (1862) offered families from all socioeconomic groups a unique asset building opportunity.
  - Under *the Homestead Act*, any U.S. citizen, at least 21 years old, who is the head of a family could receive land (up to 160 acres) if they (a) had not taken up arms against the United States, (b) paid a small fee, and (c) remained on property for 5 years (Library of Congress. 37th Congress, second session, 1862).
  - Today, approximately one-fourth of the U.S. population has family ties to homestead lands (Shanks, 2005).
- Formerly enslaved people faced barriers to acquiring Homestead lands:
  - They struggled financially to remain on land for 5 years because they could not afford necessary supplies.
  - Homesteading lands were far away, and in areas with much racism (Shanks, 2005).

- Four years later, *the Southern Homestead Act (1866)* extended homesteading to southern lands providing more opportunity to African Americans. Though lands cost money, and often were of poor quality, a thousand Black families acquired land before the Act was repealed in 1876 (Oubre, 1978).
- *The Homestead Act* (and to a lesser extent, *the Southern Homestead Act*) provided a foundation for wealth building for millions of mostly-white families. *The Homestead Acts* demonstrate how policies differentially provide wealth building opportunities.

Slide 15 – Reconstruction gains reversed in the Jim Grow Era: White privilege at the expense of formerly enslaved people

- Despite the abolition of slavery and the 14th amendment, "Black Laws," also known as "Black Codes," persisted, which severely limited the political, civil, and economic rights of freed African Americans:
  - African American business owners were fined, jailed, and forced into labor (Marable, 1983).
  - States enacted laws enforcing segregation, restricting voting rights, limiting access to schooling, and prohibiting gathering in groups.
- Vagrancy prohibitions allowed people to be arrested for minor infractions and committed to involuntary labor. They were commonly used against African Americans (Jaynes, 2005).
- Slavery was quickly replaced by sharecropping, an agricultural system in which tenant farmers worked the land and paid owners a share of the crops:
  - By 1890, nearly all Black farmers (90%) were sharecroppers (Lui et al., 2006).
  - Sharecropping left tenant farmers perpetually in debt (Ochiltree, 2004).
- The Ku Klux Klan (1865–) and similar hate groups arose, committing acts of terrorism against African Americans, such as lynching, to intimidate and maintain white privilege (Alexander, 2012).

Slide 16 – Building financial capability through the land grant system

- The establishment of *land grant colleges* (established and provided special benefits, such as free land, under *the Morrill Acts*) began to provide pathways to higher education, workforce training, financial education, democratic engagement, and personal development (Harper, Patton, & Wooden, 2009).
- *The Morrill Act (1862)* established the land grant system, aiming for rural development, but it catered to white students (Washington State University Extension, 2009).
- *The Second Morrill Act (1890)*, however, created separate colleges for minority students to build technical skills and self-reliance:
  - Tuskegee Institute in Alabama, for example, trained more teachers than all other higher education institutions in Alabama (Norrell, 2009). It also provides financial skill building through instruction on saving and spending (Lasch-Quinn, 1993, pp. 76–77).
- Historically Black Colleges and Universities (HBCUs)—many founded under *the Second Morrill Act*—have provided an important avenue for higher education.
  - However, they have been historically underfunded compared to white land grant universities (Hamilton et al., 2015)
- HBCUs have led in FCAB curriculum innovation and are key contributors to closing the racial wealth gap (Looney, 2011; Rochelle et al., 2017; Williams Shanks, Boddie, & Wynn, 2015).

Slide 17 – Case example: Yolanda's parents dream of owning a home

- Yolanda Walker is a descendent of enslaved people. After emancipation, her family continued farming and were able to purchase land initially rented through the Freedmen's Bureau.
- Yolanda's grandparents continued to work the family farm located near Jackson, MS.
- Yolanda's mother, Jonetta, eventually moved from the farm to Chicago for work, and subsequently got married.
- Jonetta and her husband wanted to buy a house in a nice neighborhood, but despite having enough savings for a down payment and two streams of income, they were turned down for a loan.
- The house they wanted to buy had a restrictive covenant, meaning it could only be sold to a white, Christian family (Dreier, Mollenkopf, & Swanstrom, 2013).
- They found another house in a predominately African American neighborhood but lenders would not finance houses in that neighborhood (Coates, 2014).
- A few years later, Yolanda's mother, Jonetta, died. The farm in Jackson, MS was sold and funds were distributed to family members. Yolanda used the funds to purchase a small home back in Jackson, MS near family.

Slide 18 – The 20th Century: A story of asset building, but not for all

- In the 20th Century, especially during the New Deal, new policies supported income and asset building. Policies were passed that provided financial assistance to families (Aid to Families with Dependent Children [AFDC]), workers (Worker's Compensation), and older adults (Social Security).
- Though some African Americans benefited (along with other racial and ethnic minorities and women), they did not benefit nearly as much as white males:
    - Some New Deal policies, such as Social Security, did not cover everyone. Domestic and farm labor, which included many African Americans, were exempt categories (Stoesz, 2016).
    - New Deal housing policies discriminated against African Americans, leading to housing segregation and reinforcing barriers to homeownership (Jackson, 1980; Rothstein, 2014).
    - Restrictive covenants (agreements that restricted the sale or occupation of a home to whites only) were increasingly common after the Civil Rights era, restricting Blacks and other people of color from buying certain homes.
    - Redlining—another unethical and now illegal practice—was used by lenders to charge higher rates for lending and insuring property in certain geographical areas, further restricting ownership opportunities to people of color (Massey & Denton, 1993; Rothstein, 2014).
    - The G.I. Bill (*Servicemen's Readjustment Act of 1944*) provided low-cost loans for homes and businesses and grants for higher education. African Americans were often disadvantaged by lack of eligible housing, and those returning to the South were barred from segregated white colleges and universities which received much better resources than those for students of color (Coates, 2014; Katznelson, 2005).
    - *The Community Reinvestment Act (1977)* was a positive response to discrimination, compelling financial institutions to meet the credit needs in all market segments, including low- and moderate-income communities (Board of Governors of the Federal Reserve System, 2014).

- **Grade your Neighborhood Exercise. Mapping Inequality: Redlining in New Deal America.** Interactive resource that shows the reports and grades given to certain neighborhoods. You can zoom in on your own neighborhood. https://dsl.richmond.edu/panorama/redlining/#loc=4/41.223/-97.9

Discussion: What does your neighborhood look like? How does it compare to others? What policies and practices could improve neighborhoods with low grades?

Slide 19 – African Americans: A summary

- Beginning with slavery, and with the advent of other racist policies that followed emancipation, African Americans were prevented from building economic security.
- Despite policy reform intended to expand opportunity, African Americans continue to encounter discrimination in housing, jobs, and education, and confront a criminal justice system that severely limits their ability to achieve financial well-being (Desilver, 2013; Drake, 2013).

Slide 20 – Latinx Americans: The Creation of Borders and the Struggle for Ownership

Slide 21 – Historical origins of Latinx Americans: Conquest and immigration

- Hispanics are the nation's largest minority group, and represent 16.4% of the U.S. population (Motel & Patten, 2012). This section covers the four largest groups of Hispanic-descent living in the United States. They include Mexican Americans, Puerto Ricans, Cuban Americans, and Central Americans.
- The history of their arrival and reception in the United States, including their immigration status and widespread discrimination, has contributed to the financial well-being of each group today.
- *Immigrant* is a broad term referring to people who move, for a variety of reasons, from one country to another. A smaller subset these are *refugees* or *asylees* who have fled their country of origin for fear of persecution for reasons of race, religion, nationality, membership of a particular social group or political opinion, or other calamity.

Slide 22 – People of Mexican descent: Immigrants

- People of Mexican descent compose 64% of the Hispanic population in the United States (Motel & Patten 2012) and include two main groups:
  - The first group comprises those who lived in the large area of northern Mexico that was annexed in 1848 following the Mexican-American war. The United States took over half of Mexico's land mass in the 5-year period between 1848 and 1853 (Perea, 2003).
  - The second group—and the largest—comprises *economic immigrants* who were recruited by businesses looking for low cost labor or came on their own in search of economic opportunity.
- During the Gold Rush (1848 and 1851), the U.S. Congress allowed many white settlers to take gold-rich lands belonging to Mexico-born miners (Griswold del Castillo, 1990)
- Between 1854 and 1930, indigenous Mexican Americans lost about 5.5 million acres of land without compensation (Rendón, 1971)

- Mexicans were allowed to work in the United States as temporary guest workers (*the Bracero Program* between 1942 and 1964). However, labor protections were substandard, and "braceros" (manual laborers) as they were called, were sometimes used as strike breakers (Acuña, 2011; Calavita, 1992).
- Ever since the United States began selecting immigrants based on country of origin (1924), large numbers of Mexicans have lacked legal immigration documents, placing them in a particularly vulnerable social, political, and economic position.
- Between 1929 and 1933, an estimated 500,000 to 2 million Mexican-Americans were deported, including many U.S. citizens (Hipsman & Meissner, 2013). Deportees lost household savings, possessions, property, and important papers (Geisler, 2011, p. 243).
- From 2017 American Community Survey data, the Pew Research Center estimates 10.5 million undocumented persons are living in the United States (Passel, 2019, July).
- When the government opened the borders and invited labor in, the flow continued. Deported people may return to the United States (without documents) because their families and jobs are in the country. Efforts to provide pathways to citizenship and to address undocumented immigration have been inadequate and policies have been deterred. Undocumented status increases financial vulnerability because the people have few legal protections for their assets.

Slide 23 – People of Puerto Rican descent: U.S. citizens

- Puerto Ricans are the second largest Hispanic population in the United States, equal to about 10% of the U.S. Hispanic population (Noe-Bustamente, Flores, & Shah, 2019).
- People of Puerto Rican descent are *U.S. citizens*. However, the benefits of citizenship, especially political rights and economic development, have not reached the Puerto Rican people (Pedraza & Rumbaut, 1996).
- Citizenship enables travel between Puerto Rico and the U.S. mainland. Migration to the mainland began in earnest in the 1930s, when mainland industries recruited labor from the island (Pedraza & Rumbaut, 1996). Today, there are more people of Puerto Rican descent on the U.S. mainland (about 5 million), than on the island (3.2 million) (Cohn, Patten, & Lopez, 2014; Flores & Krogstad, 2019).
- Economic development on the island has long been in the hands of U.S. mainlanders (Lui et al., 2006). The island also has been battered by natural disasters, including the devastating Hurricane Maria in 2017, and yet receives inadequate financial support from the federal government (Calmes, 2016; The Economist, 2017)
- On the U.S. mainland, Puerto Ricans are subject to discrimination. People of Puerto Rican descent have the highest poverty and unemployment rates of Latinx groups.
- Puerto Ricans are encouraged to participate in the Census because the number helps to determine how much federal funding flows into the community. Recent and ongoing devastation from hurricanes have resulted in loss of property and relocation of an estimated 90,000 residents to the mainland which threatens the country's level of future federal allocations of funding (Schachter & Bruce, 2019).

Slide 24 – Cubans and Central Americans: Refugees and asylees

- People of Cuban descent, unlike people from Mexico, arrived in the United States as *political refugees*. As refugees fleeing communism, they received better treatment than immigrants and received more financial assistance and a path to citizenship. Affluence and education (especially in the first two waves of immigration) also facilitated their success in the United States (Pedraza & Rumbaut, 1996).

- Cubans make up approximately 4% of the Hispanic population in the United States. (Motel & Patten, 2012).
- People of Central American descent are fleeing political and economic violence and natural disasters (O'Connor, Batalova, & Bolter, 2019), but must enter the United States as asylees, not refugees. This means they must enter the United States (unauthorized) and file for asylum. The criteria for asylum is similar to that of refugees: "a 'credible fear' of persecution in their home countries on account of their race, religion, nationality, political opinions, or membership in a 'particular social group'" (Narea, 2019).
    - The pathway to entry has become increasingly difficult under recent anti-immigration policies (Narea, 2019).
    - 76,000 unaccompanied children fleeing violence in El Salvador, Honduras, and Guatemala were apprehended between Oct. 1, 2013 and Aug. 31, 2015, and most remained unauthorized months later (Pierce, 2015)
    - The Central American immigrant population is the fastest growing Hispanic population in the U.S., having increased tenfold between 1980 and 2017. As of 2017, they represent 8% of the 44.5 million immigrants in the United States (O'Connor, Batalova, & Bolter, 2019).

Slide 25 – Case Example: U.S. labor shortages encourage migration to California for Hector Contreras Espinosa's family

- Hector Contreras Espinosa's family emigrated from the Central Highlands, a highly impoverished region of Mexico.
- Hector's great-grandfather, Don Carlos, migrated to the United States in search of work in the mid-1920s because a flyer reached his village from employers seeking farm laborers in California.
- All three sons of the family travelled back and forth between Mexico and California until jobs became harder to find during the Great Depression.
- In 1942, the brothers returned under *the Bracero program*.
- After WWII, two of the brothers were deported during "Operation Wetback."
    - The family tried to secure the brothers' assets after the deportation, but thieves who followed border patrol agents had already stolen their valuables.
- The men returned but increased border security made the trip across the border increasingly more expensive and dangerous.
- Don Carlos and his wife retired in Mexico but his family remained in California as documented immigrants.
- Today, this would not be possible because there is no viable pathway to citizenship for unauthorized immigrants.

Slide 26 – Policy Spotlight: Implications for immigrants

- In addition to financial challenges wrought by policies toward these specific groups, other policies affect the economic well-being of immigrant groups:
    - *The Personal Responsibility and Work Opportunity Reconciliation Act (1996)* denied most legal and illegal immigrants access to federal public benefits.
    - *The REAL ID Act (2005)* made it more difficult for unauthorized immigrants to obtain drivers licenses, fueling the fake ID industry and making driving more

dangerous because immigrants avoided driving tests and insurance (Garlick, 2006).
  - *The Deferred Action for Childhood Arrivals (DACA)* Executive Order allowed undocumented individuals who were brought to the United States as children to receive a renewable 2-year period of deferred deportation for time to obtain a work permit. The program was terminated by President Trump in 2017 but court injunctions have kept the program for individuals who have ever held DACA status (Migration Policy Institute, 2019).
- **Exercise.** Interactive map of DACA applicants by state. https://www.migrationpolicy.org/programs/data-hub/deferred-action-childhood-arrivals-daca-profiles

Slide 27 – Latinx Americans: A summary

- Overall, the door to immigrants coming to the United States has swung open and shut—for political and/or economic reasons.
- Changing policies have—in some eras—facilitated entry and settlement for some immigrants and refugees, and in other eras hindered their entry and settlement. But because of family ties, once flows of immigrants have started, they are difficult to stop.
- It is much easier for immigrants and refugees who have legal status to build financial capability and assets compared to the millions of immigrants who lack legal status.
- Furthermore, during periods of high xenophobia, Latinx families tend to experience discrimination that contributes directly to their financial vulnerability.
- The reality is that millions of families straddle U.S. international borders, placing them at financial risk, especially in an anti-immigration era. Changes in immigration and refugee policy, such as pathways to citizenship and access to safe financial services, can facilitate their building financial capability and assets.

Slide 28 – Women and Financial Capability: Limits on Asset Ownership, Financial Decision-Making, and Autonomy

Slide 29 – Gender and property rights

- Until the middle 1800s, family assets were owned and controlled by men. Called *coverture*, this common-law concept gave all legal authority, including property ownership, to a married woman's husband.
- Single and widowed women did not have the same restrictions, but low wages limited their ability to accumulate wealth (Chused, 1983; Goldin, 2006).
- *The Homestead Act* allowed heads of household to apply for land, but women were not considered heads of household if they were married. When there was no male in the family, women were often declared incompetent to own land (Amott & Matthaei, 1991)
- African Americans (women and men) were considered property and could not own property.

Slide 30 – Property rights extended to married women

- In the 19th century, *The Married Women's Property Acts (1840–1850)* signaled greater economic independence for women (Deere & Doss, 2006), weakening the effects of coverture:

    - States began to pass laws that gave legal authority for married women to hold real and personal property separate from their husbands, sign legal contracts, and execute wills.
    - Women were less likely to receive assets from inheritance, but if they did, they could control them (Pearce, 1978).
    - Women in wealthier families began to directly inherit wealth.
    - But women from low-income families and formerly enslaved women did not benefit (Women, Enterprise, and Society, 2010).
- Thus, women were able to build wealth primarily through marriage and inheritance (Harbury & Hitchens, 1977), though this mostly benefited wealthy women.
- By the mid-20th century, women held approximately 40% of total wealth (Harbury & Hitchens, 1977).

Slide 31 – Case example: Jewell's Irish ancestors and the "Mill Girls" of the early 19th century

- Jewell, a single mother of a young child, used a class project at the community college to research her ancestors. Though she spent much of her childhood in foster care, Jewell learned from her grandmother that her family emigrated from Ireland.
- One of her relatives, Mona, worked in the textile industry, which sought young, single, Irish Catholic girls, known as "Mill Girls."
- Subject to widespread discrimination, the Mill Girls began organizing and protesting working conditions and long work days in the mid-19th century. Eventually they succeeded in obtaining a 10-hour workday (Lowell National Historical Park, n.d.).
- When Mona left the mill to marry, she was able to keep a small savings of her own:
    - Previously, this would not have been possible. Many Mill Girls gave up economic independence when they married.
    - This changed in 1839 with *the Women's Property Acts*.
- By 1900, all states allowed married women to enter into contracts, receive and retain an inheritance, and otherwise act independently from their husbands (Shammas, 1994).

Slide 32 – New Deal reforms: Some, but limited, benefits for women

- After the Great Depression, the federal government introduced social policies as part of the New Deal, but women—especially women of color—were underserved compared to white men.
- *The National Industrial Recovery Act (1933)* provided minimum wage protection but did not protect domestic workers who were primarily women:
    - 85% of Black women in the South were domestic workers (DeWitt, 2010).
- *The Social Security Act (1935)* benefitted men but left out many women because they were assumed to be irregularly employed or supported by a male head-of-household (Kessler-Harris, 2001). Minimum wage policies did not apply to domestic workers who were primarily women (DeWitt, 2010).
- Gendered provisions were overturned after WWII when women became primarily financially responsible in many households (Kessler-Harris, 2001).
- *The Aid to Dependent Children program (1935)* provided financial support to some women and children, but discriminated against many women based on race and/or family structure. For example,
    - In Georgia, in 1935, only 1.5% of Black women and families received benefits compared to 14% of white women and families (Lui et al., 2006).

- ADC was designed for widows and did not support single, unwed women (Gordon, 1994, p. 27).
- To receive aid, women had to prove their worthiness, a subjective and often class- and race-based distinction (Gordon, 1994, p. 51).

Slide 33 – Civil rights laws gave greater access to property ownership and asset building for women

- In the second half of the 20th century, laws began to protect women's property rights.
- *The Civil Rights Act (1964)* prohibited discrimination in education and employment.
- *The Fair Housing Act (1968)* prohibited discrimination in buying, selling, or renting houses.
- *The Equal Credit Opportunity Act (1974)* prohibited discrimination by gender for obtaining credit (Chang, 2010).
- With these laws, property ownership began to grow for women, including women of color (Lui et al., 2006).
- The National Organization for Women (NOW), considered the largest organization of women's rights activists, was established in 1966 to enforce *the Civil Rights Act* with respect to equal rights by gender. The First NOW president was Betty Friedan, best known for her 1963 book *The Feminine Mystique,* which challenged the traditional role of women and encouraged education and career (Wolfe, 2015).

Slide 34 – Women's work shifts from home to workplace (and the home)

- Over the course of the 20th century, women began to play a larger role in the labor market but continued to face wage discrimination.
- Married white women were expected to stay home, while married women of color had to work outside the home to survive (Zinn, 1994).
- "Marriage bar" policies adopted by businesses and local school boards restricted married women from work in the 1900s–1950s (Goldin, 1990, p. 160). Single working women were often fired by their firms once they married.
- Though more women entered the workforce, they were still expected to maintain household and family obligations. This is referred to as the "second shift" (Hochschild & Machung, 1990).
- Participation of women in the labor force affected economic growth. The increase in female labor participation from 1950 to 2000 increased living standards (Fry & Stepler, 2017).
- The gender pay gap is historically persistent but getting narrower. As of 2018, women earn 85 cents for every dollar a man earns, and for younger adults aged 25 to 34, the gap is narrower at 89 cents.
- Educational attainment, occupational segregation, length of work experience, lower-paying occupations, and gender discrimination continue to be factors contributing to the financial vulnerability of women and particularly to the gender wage gap (Graf, Brown, & Patten, 2019; Hollis-Sawer & Dykema-Engblade, 2016).

Discussion: What are examples of challenges that women have historically faced that may have been, or still are, a barrier to economic mobility and equality compared to men?

Slide 35 – Women and financial capability: A summary

- Throughout history, women, and especially women of color, have faced legal, social, and labor market barriers that limited income, property ownership, and economic equality with men.
- Effects are still felt today in what is called the “feminization of poverty” (Pearce, 1978).
- To overcome historic gender barriers, one must also consider a variety of other factors, such as age and culture, in developing financial capability, and asset-building programs and policies that contribute to financial well-being for women.

Slide 36 – Summary of what we learned

- An historical lens allows social workers and other human service practitioners to understand long-standing patterns of oppression, violence, and discrimination that continue to affect the financial well-being of racial and ethnic minority groups and women.
- This history continues to limit opportunities today. Current policies bear the mark of the past, despite some improvements.
- Practitioners can work for policy and practice solutions to eliminate historical injustices, compensate for past harms, and provide opportunities for the future.