



CAN Financial Institute

Session 2: September 23, 2018

A laptop screen is shown in the background, displaying a line graph with a blue line and a globe. The text is overlaid on the screen in a large, white, sans-serif font. The text reads:

**Session 2:
Capitalism & Financial
Enslavement in the USA:
A Brief Racialized
History**

Roadmap: What to Expect In the Series

Session 1:

A Call to Financial Stewardship:
Uncovering Assumptions and Principles

Sept
9

Sept
23

Session 2:

Capitalism and Financial Enslavement in the
USA: A Brief Racialized History

Session 3:

What is Credit-Worthiness?: Psychology of Debt vs
Spirit of Generosity

Sept
30

Oct
7

Session 4:

Towards a Common
Purse: Breaking Away
from Financial
Individualism to
Interdependence

Review: Goals of Session II

- Clarify the financial logic of empire
 - Expose the true history of capitalism, its means and ends
 - Identify how the problem is systemic, and understanding this is a part of our journey to freedom
 - Continue defining Christian Financial Stewardship as radical activism
 - Identify places of growth and learning
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1492 - The Implication of Manifest Destiny

- Pre-Columbus, the racialization of “savagery”
 - Manifest Destiny, Christianity as “civility” and justification for genocide
 - 8-15 million Indigenous population to 200,000 by late 19th century
 - 374 treaties signed, 229 of which was specifically for stealing native land
 - General Allotment Act, or Dawes Act 1887
 - Currently Native Peoples have about 2% of land in the US including tribal and reservation land. Current population 3.1 million which is .9% of total
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Capitalism & Slavery

The classic narrative of slavery in the United States is commonly based on the following assumptions:

- One, the institution of slavery was distinct and separate from the development of the United States' economy and slaves themselves had little influence on American progress;
- Two, the abolishment of slavery was inevitable because it conflicted with the basic premises of liberty and freedom on which the United States was founded, and slavery as an economic force was inefficient compared to free-market solutions;
- Three, the most abhorrent aspect of American slavery was its denial of basic rights and liberties to the enslaved.

Capitalism & Slavery

In “The Half Has Never Been Told: Slavery and the Making of American Capitalism,” Cornell University’s Edward Baptist argues that these assumptions about the history of slavery in the United States are not only wrong, but detrimental to modern cultural and political understandings of race in the 21st century United States.

The use of slaves to produce cotton was instrumental to the rise of the United States as an economic force in the 19th century. Cotton was king, and the United States was its largest producer. Cotton bought the United States political and financial power in not just the Southern states, but the entire country. The American economy was built on the backs of slaves; northern textile factories were fueled by slave-produced cotton, and the Industrial Revolution in the U.S. would have sputtered without the output of their forced labor.

Capitalism & Slavery

According to harrowing and visceral collected accounts of former slaves, slavery was brutally and cruelly efficient. Slavery was so effective that there were little or no free market incentives to end it — slaves could be tortured into being more productive in producing cotton than paid laborers ever could be.

In fact, the slave industry was so profitable and reliable that it spawned its own financial markets, with bonds and mortgages being bought and sold by investors, secured and backed by living, breathing human beings. With no financial incentives to end the domestic slave trade, the growth of the industry roared on until the Civil War, which was essential to the ending of the institution and not “unnecessary,” as is sometimes postulated.

Capitalism & Slavery

Finally, the central injustice of slavery was not the denial of basic civil rights such as citizenship, voting and property rights to the slaves, ostensibly corrected through the passage of the 13th, 14th and 15th amendments. Those injustices are just “a matter of course.” The real injustice of slavery was its psychopathic violence and torture, both physical and mental, which it inflicted systemically on its victims.

And this violence — this destruction of families and lives for the economic progress, profit and prosperity of others — has been diminished and minimized by history over the last 150 years.

Yet, without **land**, slavery and capitalism wouldn't have been possible in the USA

- Through genocide and stealing land, the rich and powerful in the USA were able to gain access to this soil, its resources, and then create a “demand” for people to work the land.
- This, in turn, allowed for Africans to be enslaved and brought against their will to the USA to work on the land (primarily cotton, at the time).
- Eventually, the white man gave rise to capitalism, which, since its inception, has lured brown and black immigrants to work in this country under the fall premise of a “better life,” only to dispose of them or make their lives barely livable once their life energy, time, and talents have been exploited.

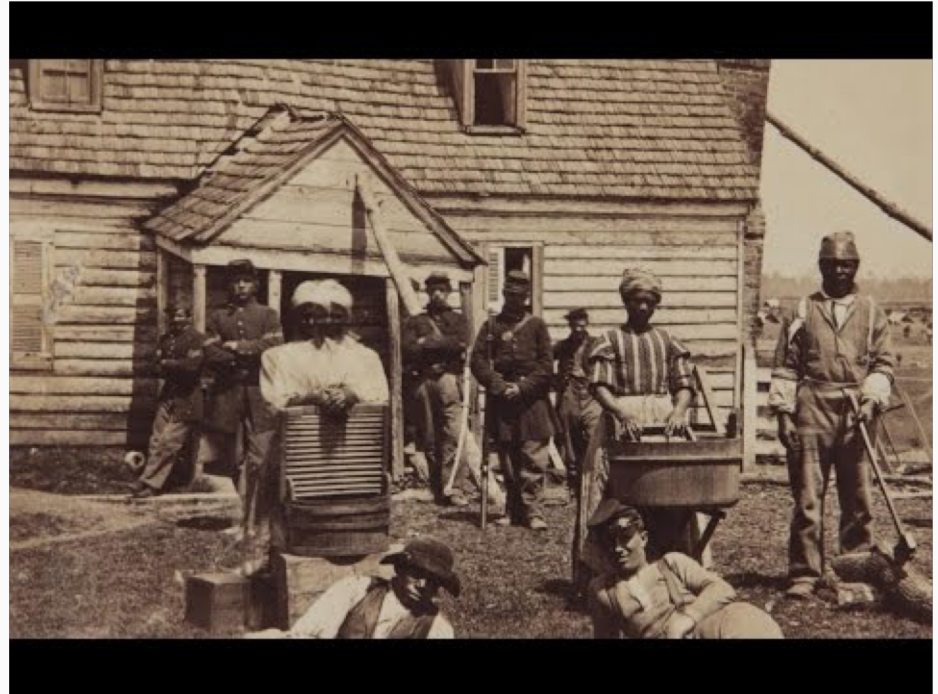
Capitalism & Slavery

“Slavery created the modern world, and the modern world’s divisions are the product of slavery.”



Capitalism & Slavery

“Slavery created the modern world, and the modern world’s divisions are the product of slavery.”



Creation of “Whiteness”

- Immigration strategy - against “Blackness”
 - Melting Pot - Eradication of European cultures into a social construct
 - Purpose: Historical track record of people of color being set up for economic exploitation or exclusion, whichever suited the needs of US capitalism at any point in history
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Anti-Immigration Laws Targeting Asians

1840's

Mid-1800s to Mid-1900s

1853

1914-1922

1941-46 Internment

Reparations?

- Asians first arrive; 1790 Naturalization Law stated only “a free white person” could begin naturalization process that would lead to citizenship
- Creation of “Yellow Race” - “scientific” categorization of race and considered Mongolian race. Anti-Asian practices in federal court decisions, Asian-only taxes, laws restricting ownership of land, restriction on Asian men from
- People vs Hall: Asians cannot testify against a white man
- Takao Ozawa - US Supreme Court denied citizenship because he was “not Caucasian” - remained in effect until after WWII
- 1942 US DOJ massive raids and seizure of property, actively enforced Alien Land Law and confiscated lands declared illegally held by the Japanese, Executive Order 9066 expulsion from homes, Internment of 120,000
- Evacuation Claims Act: 1948 - \$38 million of estimated \$148 million in 1945 dollars vs. \$200 million by white-owned businesses. 1983 \$20,000 granted to survivors

Anti-Immigration Laws Targeting Asians (cont'd)

1940's -50's

Immigration Act of 1965

1965-2000

1991

1996

- Fear of Communism: Chinese Civil War and Communist Party in power. 1950 North Korea invaded South Korea. Implications: anticommunist hysteria created in the US
- Change the basis for US Residency from national origin to having skills or professions needed in the US
- Asian immigration explosion from SE Asian countries
- LA Riots
- Immigrant Reform and Immigrant Responsibility Act - posed sanctions against employers who hire people without papers.

Anti-Immigration Laws Targeting Latinos

1906 Naturalization Act

1965-7 Immigration and Naturalization
Act

1994 Proposition 187

1996 Personal Responsibility and
Work Opportunity Act (Welfare Reform
Act of 1996)

End of 20th Century

- English as a requirement for citizenship; increase of head tax on immigrants; exclusion of immigrants with physical or mental defects, tuberculosis, children unaccompanied by parents, psychopathic persons and “immoral” persons
- Annual limits on immigration to the US from other Western Hemisphere countries
- CA Anti-Immigration referendum to require law enforcement, social services, health care and public personnel to verify immigrant status, report them to state and federal officials, and deny services; resurgence in 2006
- Denied immigrant access to variety of public assistance programs, including legal residents for the first 5 years of residency denied public social and health care services
- Operation Hold the Line (El Paso), Operation Rio Grande (S Texas), Operation Gatekeeper (CA), Operation Safeguard (AZ)

American System - set up to blame ourselves and each other

- Wealth building has historically been exclusively possible for whites
- Immigrants folded into racialized society without awareness history of race in this country, and used to polarize racial tensions further
- Immigrants are also used as economic scapegoats to instill fear
- Communal way of being is punished, and systemically eradicated throughout American history to create radical individualism in all communities
- When we understand that through American History, the system is created to bind all of us to financial enslavement, we can also imagine a way to radically counter this narrative, and create alternative economic systems