

July 15, 2006

Memorandum For: Prof. Ron Walters, Ph.D.  
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From: Brooks B. Robinson, Ph.D.  
BlackEconomics.org

Subject: Comments on Position Papers Prepared for the Coalition  
of Black Trade Unionists Conference in Gary, Indiana

Thanks for the opportunity to provide comments on the position papers that you forwarded to me on July 12, 2006. I was impressed by the broad range of issues, concerns, ideas, and insights that were expressed in the papers. They are reflective of needs throughout the African-American community across the country. After reviewing the papers, I was left with certain questions and impressions that elicited certain responses, which I would like to express briefly before providing specific comments on the papers.

Note: Please provide full attribution if these comments are cited.

#### Questions, Impressions, and Responses

First, at bottom, the papers present nothing new, which is not to say that there is no strong need for the papers to have been written. It is important to think before acting. The following questions come immediately to mind: "Besides placing information on paper, what is the ultimate purpose of the papers? What are they intended to accomplish?" Quite frankly, if the papers are intended to serve as tools for developing a strategic action plan, it would have been better to structure them in a clear, three step framework: (1) Problem; (2) objectives and goals that will be achieved when the problem is resolved; and (3) proposed solution(s) to the problem.

Which leads to a second set of questions: "How will the ideas that are expressed in the papers be operationalized, implemented, monitored, adjusted, and evaluated once they are completed?" "What will be the financial source for executing the plan of action that is to, presumably, be derived from these papers?"

Given answers to these questions, I might be able to be more helpful in providing an improved set of comments. Nevertheless, and even without this very relevant information, I provide *a priori* comments below.

## Comments on Papers

The following comments on each of the seven papers reflect my opinions about how problems in the African-American community must be addressed, given the papers as context. Generally, I am of the opinion that the papers do not express a strong enough action orientation; there are too many “shoulds” and not enough “wills” and “musts.” Also, there are too many expressions of expectations of support/help from outside of the African-American community. Given the history of African-Americans in the U.S. political and economic processes, the papers express surprising naiveté about how the political and economic system really works in the U.S. Finally, and most importantly, the papers continue to reflect a schizophrenic desire on the part of African-Americans to be “integrated” with the broader community on the one-hand, and to be “segregated” and have an African-American community on the other. By definition, the two are mutually exclusive; and there are dear costs to be paid no matter which view is adopted. However, no one, including African-Americans, can have it both ways.

### Comments: “Challenges We Face for Economic Advancement”

- Economists argue that although the debt ceiling may be high, it may not be as high, in a relative sense, as it was during earlier administrations. The standard metric is the debt-to-GDP ratio.
- On the issue of the U.S. becoming top heavy with respect to wealth, a response to consider is, “if you don’t like it, then leave.” *{The South African Minister of Crime, I believe, recently made a similar statement about whites who argued that the crime rate was too high in the country.}*
- On “give-backs,” it is necessary to comprehend that the labor unions won their power by performing certain acts; business learned from the labor unions and performed those same acts better. To regain power, workers will have to up the ante again. The bottom line is that the economy and the political arena represent a set of markets.
- On education and healthcare, it is important to place the onus where it really resides—individual responsibility.
- Although I agree that pursuit of mathematics and science education is important, I believe that, too often we overlook great opportunities in skilled jobs. In other words, I do not take sides on the DuBois-Washington debate; to build a complete and functioning community it is essential that there be intellectuals and workers.
- On the subject of building African-American businesses, still today, African-Americans patronize white businesses more than they should. The reason for this outcome is lack of trust—a product of a 400-year effort to perpetuate division within the African-American community. Instead of leaping to the establishment of businesses, it appears that a wise first step would be to develop self-love and trust in the African-American community. This can be operationalized by implementing a systematic program of psychological

analysis in our communities. At a minimum, the work of Dr. Na'im Akbar of Florida State University, who has written powerfully on psychological healing for the African-American mind, must be required reading (please visit the following Web site to obtain more information on Dr. Akbar's work, [http://www.africawithin.com/akbar/naim\\_akbar.htm](http://www.africawithin.com/akbar/naim_akbar.htm)). In addition, although wealth is very important, I do not support the pursuit of wealth alone at all cost.

- On the role of government and discrimination, African-Americans need to realize that they cannot drive very far in their cars before seeing police officers. On the other hand, Equal Employment Opportunity officers are few and far between. Clearly, there must be an expectation that, with out enforcement, discrimination will continue to abound.
- On employment, when African-Americans heal their schizophrenic view on integration-desegregation, then they will either jump whole heartedly into the game of educational excellence and employment in white businesses where they have no control, or they will turn inward, develop the love, respect, and trust that are required to ensure that markets work, and then create jobs in their own businesses in their own communities, which they can control.

#### Comments: "Economics and the Crises of Education"

- HBCU's are in their current predicament, in part, because alumni do not support their almaters sufficiently. That is not to say that HBCU's do not have a very significant role to play in African-American education. (See Robinson and Albert (2005), "HBCU's Institutional Advantage: Returns to Education," at <http://www.blackeconomics.org/page4.html>.)
- This paper excludes consideration of a fundamental component of a truly successful educational process: Namely, the home and community environment. The work of Nobel Prize Laureate Prof. James Heckman at the University of Chicago shows how important nurture is to cognitive and noncognitive development. (See an interesting 2005 interview with Prof. Heckman at, <http://minneapolisfed.org/pubs/region/05-06/heckman.cfm#ecd> .) African-Americans must take note.
- There were two additional African-American FRB members: Rice and Brimmer.
- Economists generally favor markets because they provide opportunities for "Pareto improving" outcomes. In my view, participation in markets should not be restricted. Therefore, African-Americans must not pursue policies that limit trade and movement of the factors of production. In fact, African-Americans need to become more aware of opportunities outside of the U.S. In other words, it is probably inappropriate for African-Americans to only pursue jobs that cannot be exported. Such actions may lead to increases in already high rates of unemployment.

- On schools, African-Americans should seek administrative and financial control of schools in their communities. An interesting experiment may unfold shortly in Omaha, Nebraska, where three separate school districts may be established under the control of three different ethnic groups: African-Americans, whites, and Hispanics. I believe that if this configuration evolves, African-American students will experience improvements in educational performance that would otherwise not occur, assuming that administrators exploit opportunities successfully.
- African-Americans should not pursue a “guaranteed employment” policy. The type of economic system that is implied by such a policy is likely to be welfare reducing. While developing their own communities independently, the policy that African-Americans should pursue is a policy of unbiased perceptions of individuals.
- If African-Americans turned inward and developed their own communities with appropriate businesses, there would be no need to be concerned about Globalization.
- On the very strong opening portion of the concluding statement in this paper, the African-American community should not demand of the U.S. Government any more than it is willing to demand of itself. Have we eliminated, or even want to eliminate, inequality in our own community?

**Comments: “Forum on the Struggle for Social Justice”**

- To be successful and to achieve excellent outcomes, African-Americans must learn to look to no one but themselves to address their needs.
- More important than political empowerment is self-empowerment and self-commitment to develop our communities.
- The statement concerning highly educated African Americans who are unemployed signals the truth about markets. The only way to guarantee employment is to employ yourself and to be engaged in the production, delivery, or sale of goods and/or services that are in high demand.
- I strongly agree with item “3” on page 4 of this report.

**Comments: “Religious Leadership and Community Development”**

- The paper excludes one fundamental point: “Churches are businesses”; viz. the wealthy and powerful Catholic Church. Once one recognizes that churches are businesses, one must then alter one’s expectations about what churches can do, and under which conditions.
- African-Americans have over-invested in churches. (See an Essay by Robinson (2003), “Merging Churches to Find Strength,” <http://www.blackeconomics.org/page4.html>.)
- The African-American family and church are two critical institutions that can assist in a very significant way to the development of the African-American

community. However, serious thought needs to be given to what is the best role for the church to play in that development.

- I believe that the African-American church needs to be reinvigorated and infused with new energy and new purpose: A merging of the Islamic and Christian Faiths may create the correct chemistry that produces change.

Comments: "Community Based Partnership in Economic Development"

- A question that surfaced while reviewing this paper is: "Where has African-Americans leadership been, and why was there such a lack of vision?" Lack of leadership and lack of vision precipitated the decline of inner-city African Americans communities." One answer to the question is that African-Americans raced to integrate; they were told that was what they should do, and that there would be great benefit from doing so. What do African-Americans think now about integration? Can we heal our integration-segregation schizophrenia?
- As new plans for development are considered, these plans should be developed from a futuristic perspective: i.e., the planning models must be concerned primarily with what outcomes are desired in 20-to-40 year or beyond; what are conditions likely to be at that time; and what do we do today to produce those future outcomes?
- Although it has been a popular tool of mainly economic development specialist in developing countries around the world, consider "Micro-Credit Banking" as an alternative method of development in very economically weak African-American Communities. Micro-credit banking not only eliminates the need for traditional banks, which quite often prefer not to locate in African-American communities, but it also helps to build a completely bottom-up surge in entrepreneurial thinking on the part of African-American females. Such thinking about business will ultimately be infused into the minds of children and the wider community.

Comments: "Jobs and Job Creation Strategies Forum"

- The recommendations section of this paper prompted the following question: "Why have these proposed outcomes not been realized to date?" The answer to this question is, in part, linked to lack of African-American self-love and lack of trust. It is also linked to the absence of financial institutions in the community that are controlled by, and that serve the best interest of the African-American community.

Comments: "Forum on the Next Generation"

- African-American support of Affirmative Action has been, and is, a slippery slope. In my view, African-Americans should not expend scarce

- energy pursuing policies that other groups ultimately exploit more adeptly and garner most of the benefits.
- The statement on page 4 that “One way to prevent marginality and incarceration is to remain necessary” is troubling and reflects a subservient mentality that must be eliminated from the minds of African-American youth. To whom should African-American youth “remain necessary?” Hopefully, to their families, to their communities, and to their businesses? These institutions do not marginalize or incarcerate them. African-American youth need to “remain necessary” for no other group.
  - On the importance of the image of African-American youth, see Robinson (2005), “Black Unemployment and Infotainment: Indirect Utility Effects that Produce Consumption Externalities,” at <http://www.blackeconomics.org/page3.html>.
  - More than any other group within the African-American community, youth should begin to consider how to integrate the African-American prison population into the community development process. Prisoners remain part of our community, they constitute a sizeable resource, and they must be prepared for successful re-integration into our communities.

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