



THE BROOKINGS INSTITUTION

THE CURRENT

“Closing the racial gap in economic and social power”

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Host: David Wessel, Senior Fellow, Director, Hutchins Center on Fiscal and Monetary Policy, Economic Studies, Brookings

Guest: Andrew Perry, Senior Fellow, Director, Center for Community Uplift, Brookings Metro

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DEWS: Hi, I'm Fred Dews, and you're listening to *The Current*, part of the Brookings Podcast Network, found online at Brookings dot edu slash podcasts. Coming soon are season six of *Brookings Podcast on Economic Activity* and the launch of our new show *Metro Blueprint*.

Historically, Black Americans' quest for power has been seen as an attempt to gain equal protection under the law, but power in America requires more than basic democratic freedoms. It's linked with economic influence and ownership of one's own self, home, business, and creations. In his new book, *Black Power Scorecard: Measuring the Racial Gap and What We Can Do to Close It*, published by McMillan, Brookings Senior Fellow Andre Perry quantifies how much power Black Americans really have and calculates how that translates into the longevity of Black communities.

On this episode of *The Current*, which is being taped in front of a live audience, Perry, who also directs the Center for Community Uplift at Brookings, is interviewed by senior fellow David Wessel, who directs the Hutchins Center on Fiscal and Monetary Policy. You can learn more about the book and Andre's research on our website, Brookings dot edu. And now over to Andre and David.

WESSEL: Thank you, Fred. And Andre, it's a pleasure to do this, and congratulations on publishing the book. I know I always like to say that writing a book is a little bit like childbirth. It's very painful when you do it, but afterwards you're really glad that you did it. And authors must have the same amnesia that mothers have because otherwise no one would have two kids or write a second book.

PERRY: That's exactly right.

WESSEL: So Andre, tell us, why did you write this book? What was going through your mind, what was the inspiration or the key event that said you had to do this?

[1:51]

PERRY: If there was an event, it was 2020, the summer of unrest, spurred by the killing of George Floyd. And in particular, the phrase "Black Lives Matter," which was questioned during that period, as you remember. Should it be All Lives Matter? Should it be Black Lives matter, too?

But for me, I saw a research question. In particular, when it comes to power, what the death of George Floyd represented, we saw that power has to be sort of the antithesis of death. And so for me, I saw a research question, and that question was what are the most important factors on life expectancy?

And so, in that point, so much of the the policy proposals were focused on what harms Black people as opposed to what helps us thrive. So in 2022, my colleague Jonathan Rothwell and I put together what we called the Black Progress Index, where we literally measured the most important factors on life expectancy. We ran dozens of databases through a machine learning algorithm, lasso regression, which allows us to see the most important predictors on life expectancy.

And some of them won't surprise anyone. Income, education, home ownership, business ownership. Some of them will surprise. The distance of your Facebook friends was one that emerged. And there's a lot of evidence that social networks matter. But again, this is about correlation. So the distance of Facebook friends probably correlates with people who are highly mobile, they have jobs, they're highly educated. And then there was a lot of negative predictors. Gun fatalities, the share of gun fatalities, the share children not living with their families.

So we looked at all those factors and then we tried to, no we did identify the places where Black people are living the longest. There are lots of places, dozens of places where people live well into their 80s and they outperform what we predict their life expectancy to be.

[4:22]

Now, we compared Black people to Black people in different places because when you compare Black people to white people in the aggregate, you mask what can happen at the local level. And so after we found some places, I wanted to figure out why these places are outperforming or in places where life expectancy was lower, we could also see strength in those places. So I said, hey, let's go to those places too.

But the ultimate goal for me is to give policymakers and activists sort of a set of priorities, policy priorities. What folks won't see is how many Grammys Beyonce will win, or Juneteenth holidays, and other sort of symbolic things that people fight over when it comes to discussions of power. So for me, we have to be very disciplined. Home ownership, property ownership, income, safety, strong families. And the

reason why we're sitting at this kitchen table because there were a lot of conversations about having kitchen table conversations during the election that the language that particularly progressives used was just too lofty and acronyms didn't necessarily capture what's going on.

And so we're taking this book on the road and having kitchen table conversations around the most important factors that impact people's lives.

WESSEL: I want to pick up on that, but I don't want to get beyond the title. So, how do you define Black power? I mean, I'm a 70-year-old guy. I grew up in the '60s and '70s when Black power was Stokely Carmichael and Bobby Seale and Erica Huggins and Eldridge Cleaver. But that's not really what you're talking about here. So why did you pick that title and how do you define Black power in 2025?

[6:24]

PERRY: Well, I picked the title, *Black Power Scorecard*, because one, I want to measure the most important factors on life expectancy. And I define power, basically the ability to live out one's full life. When you have enough of the stuff that will enable you to live life, it means that you generally have the education you need, the housing you need, the income you need. I'm avoiding sort of language of closing the racial wealth gap that a lot of people will point to because wealth is the most important economic indicator that predicts for a lot of things. But we're not going to close wealth gaps anytime soon, but we can expect to live a long life and have the assets that are necessary to do so.

WESSEL: Yeah, I thought that was one of the most interesting constructs of the book. You're absolutely right that I'm used to seeing people comparing Blacks and whites and how can we, why has the racial wealth gap not narrowed and stuff like that. And you're basically saying, look, there are some places where Black people do well and there's some places where Black people don't do well. What's the difference?

PERRY: That's exactly right.

WESSEL: So when you, are there things that you think are commonly held misconceptions that you're trying to shatter with this?

[7:47]

PERRY: Yeah, you know, one reviewer got upset in that I talk about marriage. And I critique marriage as well in my prior work because oftentimes many people have used marriage as a solvent for poverty. But what the data make clear in terms of outcomes is that healthy communities produce healthy relationships. When you control for wealth, education, all these other factors, guess what? Marriage rates go up. And if you only use marriage as a solvent, you just get into this Black women aren't bringing something to the table, Black men are problematic. You avoid the policy conversations.

I cite Adam Looney's work in the criminal justice system and its impact because we are literally robbing people of life in that system, robbing communities of income in that system. And so it's not a solution.

We can talk about marriage. We can talk about violent crime. I can't go to a community, a Black community, where there's not conversation about violent crime. But there's such a disconnect from political elites, in a sense of they want to almost avoid these conversations. For me, you shouldn't avoid them because you'll give other people the opportunity, but you should use the data to inform the conversation.

WESSEL: I think one of your points is let's be careful about what causes what.

PERRY: That's right.

WESSEL: Right? And so your point on marriage is there's a school of thought that if only there were more Black married couples, we'd all live happily ever after.

PERRY: That's right.

WESSEL: And you're making the point, well, if there's something to be said for marriage in the family but you have to wonder what are the causes and what are effects here.

PERRY: That's exactly right.

WESSEL: So, we're in a time when diversity, equity, and inclusion is under attack. There seems to be a strong political push from the Trump administration that it's unfair and wrong. There's some progressives you mentioned to me, Ezra Klein's "Abundance" book, that say that it got so bureaucratic that it was more of a problem than a solution. So I'm sort of curious, how do you think about DEI? Is it dead? Does it matter? How does that fit into your story?

[10:28]

PERRY: In the first in the introduction, the last paragraph, I'm very clear, DEI and affirmative action are not the goals, certainly not the goals of a Black power movement. They were expedient towards a goal. They were intermediary steps towards a goal, but they are not the goal.

Now, what I have a problem with, and this is where I learned this in New Orleans where I was highly involved in the charter school movement, where the left and the right come together on some things. There is such a willingness to get rid of the bureaucracy around anti-discrimination on both sides. And let me be clear. I want to do away with set-asides too. I want to do away with special programs too.

But the reality is there's discrimination. There is a tendency to hoard assets and resources towards one group away from another. And until you have fixes for that, I'm not trying to hear how you can reach some level of abundance or educational growth by just eliminating these guardrails.

And so for me, I'm very clear. These are not the end goals. I want Black people to have access to capital markets just like everyone else. I want folks to have access to

great educational institutions like everyone else. But there is a history, a longstanding history, and policy that have prohibited Black people in particular to access those things. So that's why we have these bureaucracies.

WESSEL: So do you think that, to the extent that the government is pulling back on DEI, a lot of companies are, even some colleges.

PERRY: Yeah.

WESSEL: Do you think that we'll look back on that as a big negative in the ability to get Black people better lives? Do you think it will matter?

[12:36]

PERRY: Now, I think it will matter, but this is one thing I learned about doing the research in the book, particularly around entrepreneurs. They find a way to work through these things. They find a way to navigate this terrain. I mean, certainly we're seeing damage that's being done in many different areas that we're going to have to have different approaches in policy, no question. But many of the programs that we had were consolation prizes for the ultimate goal.

So for me, I use this as a moment to say, hey, let's rebuild. Let's create the policies that we need. Part of what I try to do in "Black Power Scorecard" by giving examples is to say here are people and or practices that can be resourced, scaled, codified, and built up just like many of the policies that have burdened Black people—redlining. It started at the local level. It was eventually codified and resourced by the federal government, but it started at the local level.

So just as we can start these bad policies at the local levels, we can create inclusive policies at the local level. So that's part of what the book does. It says here are people actually doing something to change the outcomes of Black people and communities.

WESSEL: Let's talk about that in specifics. So you make a very strong point in the book that having another Black billionaire is not what you're talking about.

PERRY: Right. Right.

WESSEL: There's some great Jay-Z line you had, right?

[14:16]

PERRY: Yeah. You know. What's better than one billionaire? Two, especially if they're the same hue as you. And it's so slick. It's such a slick and seductive line. And, but it really does represent what Nixon uplifted in the '70s was the idea of free markets would unleash racial equality, that Black capitalism, the Black capitalist was the thing. In many ways, Jay-Z represents that. But right now, so many Black people really do believe the person with the most toys wins.

WESSEL: Yeah, so, one of the things I like about the book is, especially for a Ph.D., the journalistic touch, the examples you give, and I thought it would be useful to talk

about one of them. And you talk about Lanier Richardson, who's a real estate developer. Tell the story of Lanier.

[15;16]

PERRY: You know, Lanier is an interesting guy. Developer. He used to do small-scale development projects. He eventually—

WESSEL: —started in Chicago, right?

PERRY: Started in Chicago. Chicago Trend is now his firm. But he started with small-scale projects. Eventually landed in a firm that specialized in commercial real estate. And during the pandemic, like a lot of people, like me, he was moved to act. And one of the projects he's working on is to allow local community members to actually have a share in the developments he produces. So he literally acquires these moribund shopping malls—

WESSEL: —like Edmondson Village in Baltimore.

PERRY: Edmondson Village in Baltimore, which, by the way, when you're talking about West Baltimore, is is you know, the narrative is nothing's going on there, it has poor outcomes, and it does have poor outcomes. But he purchased Edmondson Village shopping mall. But this is the thing, he literally door-to-door asking community members if they want it to co-own this property. The SEC a few years back allowed for crowdfunding to for local residents. They essentially created a new accredited investor class where as for as low as a thousand dollars a resident can actually have a stake in the property.

And and and what's interesting about Baltimore, talk about redlining, redlining started in Baltimore. And there was still a racial covenant on the property when he would searched for the deed. But he has now hundreds of investors, local investors.

Now, what's clear about this that these local investors aren't going to make a lot of money off of this.

WESSEL: And he's not going to be able to finance his project with...

PERRY: That's right. So he still gets government sources, the bank sources and others. The residents represent a really small share of the overall capital stack. But for the descendants of the enslaved to now own property is a big thing.

[17:45]

You know, so my colleague Tracy Loh, Lanier, myself, Jonathan Rothwell, we also found that many commercial real estate, many cities are devalued. And for me, the way to actually excite the market is to get people to own these properties, to develop the properties. And so what Lanier is doing, Yes, folks aren't gonna make millions of dollars off of this. But man, now you will see them have a reason to value the places they live in. And that respect will come from other investors.

So for me, it's really part and parcel of what I'm looking for in different cities. Are there mechanisms that we can embrace, that we can codify, that we can resource?

Whether you're talking about housing, whether you talk about education, are there cooperatives we can use, are there ways to enable Black residents to become owners, to become investors. And also so people can see the value in them, because most people know me from my research on housing devaluation, where clearly, homes are devalued, but that's really a misnomer. It's the people who live in the communities that are devalued.

WESSEL: So talk a little bit about home ownership. One strong theme of the book is if you could change anything, you would increase the share of Black people in America who owned homes.

PERRY: Oh, absolutely.

WESSEL: And why is that and what is that all about?

PERRY: Home ownership, I mean, I can wax poetic about home ownership.

WESSEL: Well, this is a a podcast, wax poetic.

[19:35]

PERRY: Well, you know, it does represent the American Dream. People want to own a home. And again, for the descendants of the enslaved is vitally important. But home ownership is connected to so many other systems. If you're talking about property taxes, and municipal services, and voting, and so many other systems, it's just a very important lever.

Unfortunately, the lack of intergenerational wealth transfer among Black people prohibits many from actually having the down payment. How discrimination shows up is a lack of down payment. And so, what I do in the home ownership chapter is I do spotlight special purpose credit programs. These are programs that allow for banks to change the underwriting so that you can actually get a mortgage for not putting a down payment.

Now, again, this is not 2007, 2008. This is essentially identifying the invisible prime borrowers that were out there, people doing everything right. But they just can't save up enough. But by the way, they are paying rents that are equal or exceed a mortgage.

So for me, I think it's the one area that we can actually do something about. '07, '08, we sort of went overboard with it, but we can actually be targeted in this approach. We can actually create wealth in areas that need it.

WESSEL: It seems to me, tell me if I read you wrong, you actually went so far as to suggest that home ownership is a route to longevity.

PERRY: Oh, absolutely, I mean—

WESSEL: So, how does it, buying a house make me live longer?

[21:27]

PERRY: Well, the causal pathway is, one, shelter and stability are strong predictors of a lot of other things. When you have stable housing; you have predictable employment; you know where to send your kids to school; you have shelter; you have a place. I mean, one of my personal stories, many people know I was informally adopted, this woman took in kids. But that home was owned through her son's GI Bill. And so when you have an asset like a home, you can leverage that asset to actually add years to people's life.

So people say it all starts at home. It should ... they should be saying it all start with owning a home. Because when you own a home you have much better outcomes.

WESSEL: So if you had to describe a couple of places in the U.S. where Black people do particularly well relative to the average and where the opposite is true, what places would you pick at each end of the spectrum?

[22:39]

PERRY: Well, you know, Maryland is a very interesting place. If you're in Montgomery County and you're Black, you can expect to live 83 years old. If you are in Baltimore, you can expect to live to 68. And no surprises here, home ownership is higher, education is better, I mean, there's just a lot of things you see in Montgomery County, Prince George's County to a certain extent. And so, for me, it's about saying, hey, this didn't happen by accident. It happened through policy.

And let's be clear, right now we are in a period where much of the Black middle class could be evaporated because of what's happening in D.C. So many Black people work as civil servants in the federal government. In addition, there's all these contractors. I live in Prince George's County, where there's a high percentage of contractors there. And how that ultimately trickles down, if you lose those jobs, not only will it affect those communities and families, you lose vital revenue to municipal and state budgets that serve the lower class residents. So, it can be absolutely devastating.

But what D.C., and state governments, and municipal governments show me that you can leverage policy to uplift people. And it's no coincidence, many places that have sort of federal institutions, and if you live proximate to it, and you have jobs there, guess what? You do better. And so for me, it's again, these things don't happen by accident. How do you leverage these assets to uplift communities? And that's what what we should be focused on.

WESSEL: So if you were advising the mayor of a city in the South, which shows up not doing well on your Black Progress Index, what would be a couple of policies that you would recommend that she pursue?

[25:00]

PERRY: I'm, again, I'll go back to housing. I think that's an area, particularly in the South. There's actually more inventory in the South. I'm mixed on unionization because in the history of Black America, there are both good unions and bad unions,

and that's still the case. But, until people organize for wages—that we'll say livable wage, there are other ways to calculate that—but until people have a livable way that they can purchase a home, you know, folks in the South are going to struggle.

In addition, another predictor, negative predictor, is air quality. When folks don't have air quality environments, no surprise here, they die younger. And so we need strong environmental protections in many of these places.

And another thing I would do is invest in Black businesses. You know, one of the studies that we did, Jonathan Rothwell and I did, a few years back, we ... just like our housing devaluation work, in this case we scraped all the Yelp data from businesses all across the country. And what we found is that Black, brown, and Asian-owned firms actually score higher on Yelp than their white counterparts, but they get less revenue in Black neighborhoods.

And what was fascinating for me when we did that study, immediately a phrase that was said when I was growing up in Pittsburgh all the time came to mind. It was, "our ice is just as cold." Our ice is just as cold, meaning we should be investing in the businesses that are devalued. And so we are constantly cutting our nose to spite our face when it comes to investing or not investing in Black people, Black communities, Black businesses, Black property.

And so those are clear ways, pathways. Nothing grows without investment, nothing. And so if we want to see growth in the areas where we see low life expectancy, it will require investment.

WESSEL: So talk to me a little bit about education. I'm familiar with a lot of economics tells us that people who graduate from high school or go to college tend to do better, they have higher wages, and I think their longevity tends to be longer, or at least it's correlated. But you make an interesting argument in the book that this is a two-way street here. That education to wealth is one pathway, but the people who get education often start with wealth. It's a chicken and an egg thing. Talk a little bit about how that came to that realization.

[27:47]

PERRY: That again, this comes from the data. Education doesn't predict for wealth; wealth predicts for education. *The Wall Street Journal* not too long ago did a study on the wealth profiles of college graduates. It was paltry compared to their white counterparts, largely because again when you—

WESSEL: —Black versus white—

PERRY: —Black versus white. And, you know, the Fed did a study and I'm... this hit me hard. They showed that when white people graduate, white families graduate, they can expect an intergenerational wealth transfer. When Black people graduate, they have to give money to the family. That happened to me. Soon as I graduated, and I'm so bitter about this you can see, but soon as I graduated, the money that the family gave me, there was an auntie who needed her roof fixed. I had to give that money to auntie.

And so for me, we overstate this this idea of education is the the great panacea. But, and I know this because I was involved in ed reform. We will focus on schools to abdicate our responsibility for dealing with the wealth factors in communities, dealing with housing, dealing with transportation. It's an excuse not to deal with these deeper issues.

Now, in the book I do talk about the need to have more time on task. I mean there's no way around this. Kids are going to have to spend more time around critical areas of math, science, reading, writing. And so but it's not going to occur in the school. It has to occur out of the school. I'm friends and I admire the work of Calvin Mackie in New Orleans who has this organization called STEM NOLA where they do STEM exercises outside of the schoolhouse on weekends. He owns actually a property in New Orleans East and he's doing interesting things with that property.

The point is if you're focused on education, you're not working on ownership, you are not working on wealth building and skill development. All these things can happen at the same time. Then you're really not trying to increase test scores.

So for me, again, education does not predict for wealth. Wealth predicts for education. We need to be talking about getting people quality jobs, home ownership, business ownership, and good schools. They go hand in hand.

WESSEL: So talk to me a little bit about reparations.

PERRY: Yeah.

WESSEL: Where does your thinking lead you on that thorny question?

PERRY: You know, what academics do when they have disagreements, they trade op-eds in *The Washington Post* or *The New York Times*. Sandy Darity...

WESSEL: They only read each other's.

PERRY: Exactly right. Sandy Darity and I, we had an interesting debate around what—Sandy Darity's an economist at Duke— prominent advocate of reparations, and one of the foremost experts on reparations I should say. And he really believes reparations has to be a congressional act that closes the wealth gap. And so when you use those parameters, you're talking about anywhere from a \$3 to \$14 trillion endeavor.

For me, I say that reparations should be given to a class of people who've been discriminate against, however, they've been discriminated. And trust me, it wasn't just the federal government and slavery that that discriminated against Black people. Housing, education, the job market, environmental injustice, lots of claims that can be made for reparations. So what I do in the book is lay out almost a strategy. That in California, for instance, they did pass a lot of reparations bills, but when they got that price tag, people backed off very quickly.

So, and the argument there is between do reparations go to the descendants of the enslaved? So it's just a lineage argument. Versus a damage and discrimination argument. I fall in the damage discrimination argument. I say, hey, we can show real discrimination, real damage, we can calculate it. We can show it, particularly in

housing and environmental justice. I bring up the environmental justice case where] we are relocating families because of of the pollution they lived upon. And oftentimes, we provide an amount based upon, you know, the value of homes or whatever. I say, hey, in many places, we're admitting that there was a wrong that was done. By relocating these folks, you're saying that you're providing some form of reparation. It's just not enough. Just to relocate somebody after many of their family members have died because of these injustices. It's just not enough.

So I do, I think Sandy Darity and I full agree that there should be reparations. I also just believe that in this context in particular, reparation has to go to D.C. It can't come from D.C. So you start at the local level, you get provable cases, you work your way up. But right now there's tension because people want reparations for slavery. It's just a much harder lift.

WESSEL: So we're just about at the end of our time. What's one thing that you wish everybody who reads the book would remember?

[34:14]

PERRY: Man, it's really, I want them to believe that there's strength in Black communities that we should build upon, that there are solutions in Black communities that we should build upon. This is not a book that is combative in a lot of ways. It's basically saying there's assets, there's strengths, let's invest. Here are the places and areas we should invest. So I want people to move away from saying, hey, this is a book that takes it from civic unrest to civic action. And that's what that's what I want to be known for for this book.

WESSEL: I think that what I found most rewarding about the book is, I mean, let's face it, we live in pretty dark times. And it was encouraging to read a book—and because I'm doing this podcast, I had to read it twice; I would never have done otherwise—it's that there's hope in here. You give examples and you give an avenue. We can we can do this. It's not impossible.

PERRY: That's right.

WESSEL: And I think it's a good thing to remember at these times when things seem pretty bleak.

PERRY: Yeah, amen.

WESSEL: All right, folks. So, the book is *Black Power Scorecard, Measuring the Racial Gap and What We Can Do to Close It*. The author, of course, is my colleague, Andre Perry. Thank you very much for listening to our podcast today.