



RESTORATIVE ACTIONS

Surrendering wealth for mutual well being



Working Group

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Along the way we have received guidance from a limited set of others, including **Professor William Darity** at the Sanford School of Public Policy at Duke and representatives from the **New Covenant Trust Company** and the **Presbyterian Foundation**.



Theology. Justice. Economics.

Restorative Action is born from the intersection of theology, justice, and economics. It allows US Americans who benefit from institutional racism, to provide credible witness to material injustices by surrendering ill-gotten gains for the advancement and prosperity of African American & Indigenous communities.

As Christians we are called to restore wealth to African American and Indigenous peoples from whom it has been taken and denied.



Theology. Justice. Economics.

Restorative Actions provides a mechanism for mid-councils, congregations, individuals and interested organizations to **examine** their assets, **determine** what portion of their wealth can be attributed to white supremacy, and **surrender** that amount to two private charitable trusts to increase opportunities for Indigenous and Afro- American individuals and communities in the United States to flourish.

Restorative Action is an opportunity to respond to God's abundant grace by surrendering these ill-gotten gains. **It seeks to answer the question, "what can we do?"** by providing one avenue to work toward decolonizing wealth, creating parity and eventually putting pressure on the United States to take action regarding reparations.



What is it based on?

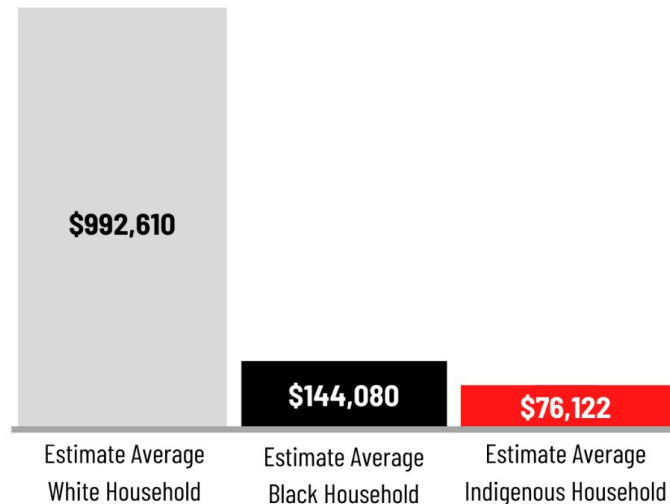
Guidelines for the surrender of wealth or income are based on the portion of wealth that can be attributed to systemic racism in the U.S.¹ which equates 16% of net worth across white households.



An urgent matter

Current Average Household Net Worth, as of 2019
(in 2020 Dollars)

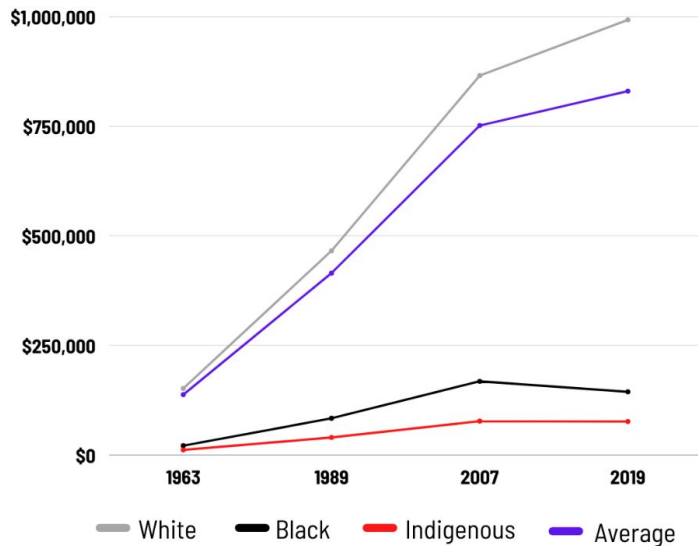
Wide and growing disparity persists across racial populations. As of 2019, on average, **white households hold \$845,830 and \$916,489 more than Black & Indigenous households** respectively.





America's Racial Wealth Gap

Average Household Net Worth Over Time
(in 2020 Dollars)



Over the last half of a century, the average wealth held by individual white households has grown exponentially, while the average wealth of Black and Indigenous households have experienced much more modest growth followed by modest decline in the last 15 years.

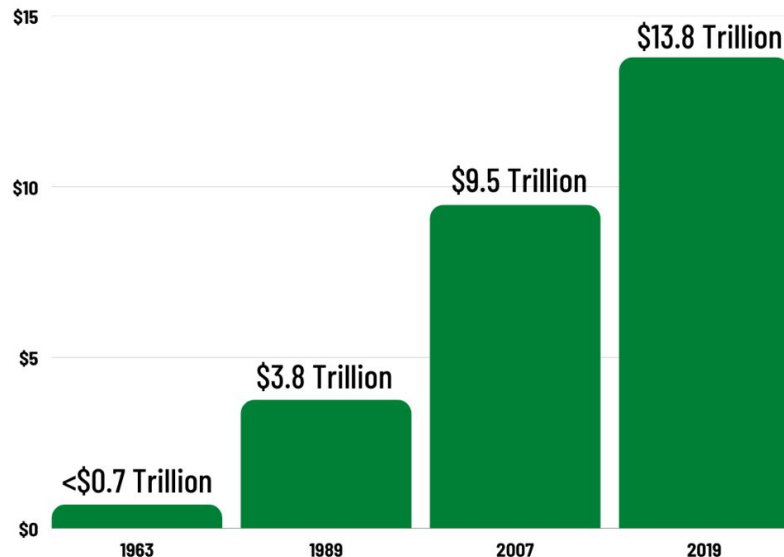


Aggregated White Household Wealth Exceeding Parity (trillions)

Across the nearly 85 million white households in

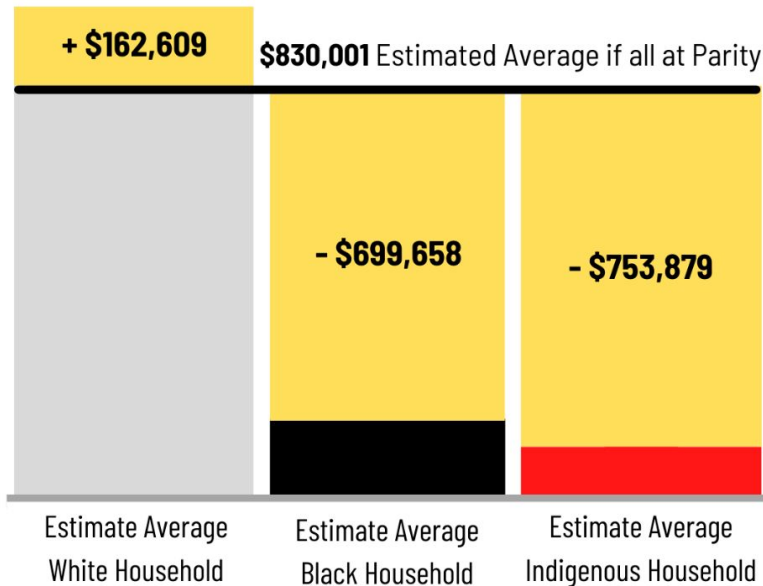
America, the aggregated wealth accumulated above parity has grown to just under **\$14 trillion**.

This **racial wealth gap has over tripled in the last 30 years** and is expected to grow exponentially in the future.





Average Household Net Worth Above or Below Parity, as of 2019 (in 2020 Dollars)



If parity (equal distribution) existed, Black, white, and Indigenous households would each have, **on average, \$830,001 of accumulated wealth** in 2019.

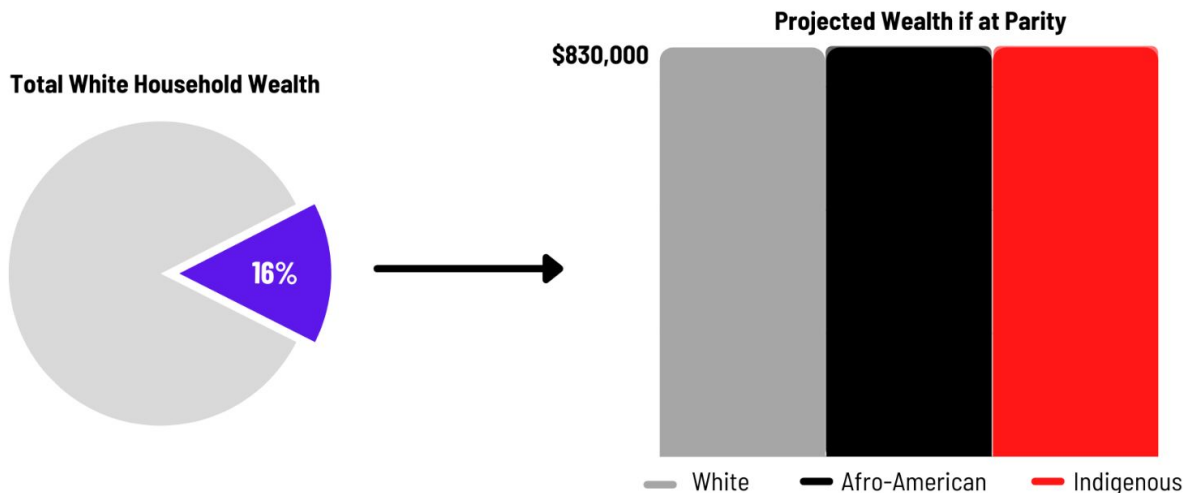
White households hold, on average, \$162,609 more than parity and **Black & Indigenous households hold, on average, \$699,658 & \$753,879 less.**

Today, **16%** of average white household wealth exceeds parity levels.



Economic Justice Is Racial Justice

Surrendering their proportionate share of the wealth gap, 16% of individual wealth that is held, contributes to economic justice. Restorative action is a racial equity initiative that allows U.S. Americans who benefit from institutional racism, to provide credible witness for justice by surrendering ill-gotten gains (wealth above parity) toward the establishment of just relationships with Afro-American & Indigenous communities.





How does it work?

Individuals, congregations, mid-councils, and others can witness against injustice by **surrendering** wealth or income proportionate with the advantages that privileges have afforded them to one or more private trusts.

- **Restorative Fund Indigenous Individuals & Communities**, whose stated purpose will be to advance the education, welfare, and opportunities for leadership and prosperity of American Indian, Alaska Native and Native Hawaiian individuals and communities.
- **Restorative Fund African American Individuals & Communities**, whose stated purpose will be to resume the work left undone at Emancipation to advance the education, welfare, and opportunities for leadership and prosperity for the heirs of the African Americans whose ability to accumulate generational wealth was restricted through the denial of equal protection under the law.

Each trust will have trustees who are **representative of the communities the trusts are intended to benefit**. These trustees will make all decisions about distributions.



Who is already participating?

We have purposefully kept the audience for potential financial contributors very small because while the program has been in its development stages. At this juncture we have the commitments totaling more than \$800,000.

The Synod of Lakes and Prairies

At the recommendation of its Steering Committee, the Synod Assembly voted 27 to 1 in October 2020 to commit 15% of its undesignated net assets, totaling more than \$350,000.

Oak Grove Presbyterian Church, Bloomington MN

At the recommendation of its Racial Justice Committee, Oak Grove's Session voted unanimously in February 2021 to commit 15% of its undesignated net assets, totaling \$267,000.

Individual Commitments

Individuals have committed 15% of retirement assets by naming the trusts as beneficiary on IRAs. These funds will transfer tax-free upon the individuals reaching age 70½.

Additionally, there are active conversations within a limited circle of presbyteries, churches, and other individuals with whom we have shared this faithful opportunity.



Curriculum

One of the pieces of feedback we heard early on was that while pastors were interested in talking to their congregations about the ways in which racism continues to preclude economic justice, many pastors felt that they lacked the resources and ability to do so.

In response, we're in the process of finalizing an adult formation curriculum that focuses on the economic debt owed to Afro-American citizens--specifically, to descendants of Africans who were first, forced by Christians to build wealth for white families in the United States; emancipated without compensation; denied equal protection before the law; and then subjected to a wide range of debilitating legal and extralegal discriminations on the basis of their ancestry.

As a way forward, the curriculum introduces projects that contribute to the realization of economic justice for Afro-American and it also discusses why the church bears both an institutional and theological responsibility to lead the way by demonstrating that reparation is both necessary and possible.



A Time to Repair

going beyond repentance

A curriculum for individuals seeking to discern the theological questions around Reparations

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Intro: <https://www.youtube.com/watch?v=oxaLciHZeev>



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Recent Accomplishments

- Soft launch at Next Church (2021)
- Launched website with catechism, newsletter sign-up, online donation mechanism, plus more <https://restorativeactions.org/>
- Invested funds received to date with Diversity Equity & Inclusion Fund at New Covenant Trust Company
- Ongoing conversations with the Rev. Dr. J. Herbert Nelson (Office of the General Assembly) & the Rev. Dr. Diane Moffett (Presbyterian Mission Agency), as well as many other PC(USA) mission areas / offices
- Ongoing advisory meetings for trust development parameters
- Expanded the working team
- Meetings with mid councils, and congregations that are interested in surrendering funds.



What's Next?

- ❑ Finalizing Fund Structure & Distribution Mechanisms and file with appropriate legal entities
- ❑ Sharing widely among our PC(USA) networks and ecumenical partners
- ❑ Finalizing the Afro American curriculum and starting work on the Indigenous curriculum
- ❑ Naming Trustees
- ❑ Receiving applications for funds
- ❑ Working toward making the first distributions in the first quarter of 2022



Questions?



Definitions

average - or mean, which is calculated by dividing the sum of values by the number of values

median - a value lying at the midpoint of a frequency of values

parity - the state or condition of being equal

There is a similar relationship and relative gap in household wealth whether it is calculated in average or median.

Sources

HH-2 Census reports - <https://www.census.gov/data/tables/time-series/demo/families/households.html>

World Population Review - <https://worldpopulationreview.com/state-rankings/native-american-population>

Survey of Consumer Finances (SCF) - <https://www.federalreserve.gov/econres/scf/dataviz/scf/table/>

National Indian Council on Aging - <https://www.nicoa.org/>

Mariko Chang Pyle, *Lifting as We Climb: Women of Color, Wealth, and America's Future*; Insight Center for Community Economic Development, Spring 2010

Urban Institute - <https://www.urban.org/urban-wire/racial-wealth-gap-was-wide-1963-and-it-remains-large-today>

Official Data - <https://www.officialdata.org/us/stocks/s-p-500/1960>