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Perspective | Black businesses are fighting for their lives. We can't afford to lose them.

Michelle Singletary

9-11 minutes

Dear Reader,

I'd like to share with you why Black businesses matter. In particular, I want to tell you about James Brodie.

Brodie, as all his customers called him, was my brothers' barber when they were growing up. He gave them their first haircuts. He was like so many Black entrepreneurs who strive for self-sufficiency, inspiring others to build wealth through business ownership. They are the unsung neighborhood heroes who sell real estate or insurance, own [beauty salons](#) or [barbershops](#) and run funeral homes, corner convenience stores, medical practices, [banks](#), [bookstores](#) and restaurants.

Among them are success stories, but many Black businesses have struggled against [discriminatory obstacles](#).

On strict instructions from my grandmother, Big Mama, Brodie could only give my identical twin brothers a buzz cut, even into young adulthood. No shaped Afros. No fades. No high-tops. No designs etched into their hair.



Sincerely, Michelle In a 10-part series, Michelle Singletary gets personal about common misconceptions involving race and inequality.

Big Mama shunned styles, whether in a haircut or clothing, that could be considered “too Black.” She wasn't rejecting our culture; she feared my brothers would fall prey to racial profiling or be denied a job simply for the decision to wear their hair a certain way.

Because Brodie never could tell my brothers apart, he would just call each one “Twin.”

Mitchell, the younger twin by two minutes, had epilepsy, and his frequent seizures made it difficult for him to work. When Mitchell was between jobs, Brodie would cut his hair on credit. “Pay me when you can,” Brodie would tell him.

Once, Mitchell was hospitalized after being hit by a truck while riding his bike. Brodie went to the hospital to cut his hair for free. My grandmother hadn't asked him to do it. He just knew she would want my brother, lying in a coma, to still look presentable.

Like so many Black businesses, Brodie's barbershop doubled as a community center. Parents would drop off their sons and come back hours later after they had run their Saturday-morning errands. Unlike in the White-owned stores, you could stand around in Brodie's shop and chat or talk “smack.” You weren't targeted as a potential thief just because of the color of your skin.

Tragically, Brodie was killed during an attempted robbery at his shop over the 1992 Thanksgiving holiday weekend. He was 58. His son, Troy, who started a jewelry business in the back of the barbershop, says he was comforted by the number of Black customers who shared stories of all the

things his father had done for them. Upon learning that one young man couldn't afford a tux for his senior prom, Brodie paid for the rental and cut his hair for free for the event.

When Brodie died, "many of the guys wanted to get their hair cut for the funeral but didn't," his son recalled. They felt it was wrong, even disrespectful to Brodie.

To be a Black business owner in America means enduring relentless racist roadblocks.

When I asked my brother Michael, the older twin, what Brodie meant to him, he told me that a lot of Black boys and men who didn't have fathers looked to Brodie as a father figure.

This gentle, 5-foot-8, brown-skinned man — whose clippers were almost like an extension of his right hand — inspired Michael to start his own security company. For a while, the company provided extra income for Michael's family in addition to his full-time job as a plant manager in a correctional facility. Michael is now vice president of security for the Maryland Jockey Club.

"Seeing Brody as a Black businessman went against the stigma," Michael said. "You know, people always saying that most Black men are not able to hold on to a job or business. It gives us pride to be able to walk into a Black business and be able to take our savings and our money that we make and spend it in an African American establishment."

But to be a Black business owner in America means enduring relentless racist roadblocks.

Let's talk about "Black Codes," restrictive laws in the South that specifically targeted Blacks following the abolition of slavery. If Whites couldn't enslave people, then they wanted rules that would limit Blacks' legal rights. Blacks wanted to work for themselves. Whites still wanted cheap labor.

The 13th Amendment in 1865 abolished slavery and involuntary servitude — "except as a punishment for crime whereof the party shall have been duly convicted."

So vagrancy laws were passed that criminalized joblessness, even though Whites were often the ones keeping Blacks — mostly Black men — from gainful employment. Once Blacks were imprisoned for vagrancy or other trumped-up charges, they were hired out to White plantation owners or businesses in a system called [convict leasing](#). The living and working conditions were deplorable. The puny wages paid for their labor went to state governments. This was the beginning of the mass incarceration of Black men, which, like slavery, has contributed to the emotional and economic instability of Black families for generations.

Black Codes blocked many African Americans from running businesses and kept them from skilled trades in which they could be their own bosses.

There's an expression often repeated in the Black community: When White people catch a cold, Black people get pneumonia. This colloquialism equally applies to Black businesses struggling to survive the covid-19 recession.

Under political pressure, in the late 19th century, Black Codes gave way to equally oppressive [Jim Crow laws](#) and other discriminatory legislation that further stunted the growth of Black businesses.

During the early 20th century, Black communities that did manage to prosper — teeming with Black-owned businesses — became the target of White mobs.

"Political intimidation, economic exclusion, and the erasure of communities where Blacks had attained some measure of affluence were the customary aims of a wave of massacres conducted by Whites," William Darity and Kirsten Mullen write in "From Here to Equality: Reparations for Black Americans in The Twenty-First Century." One example: "The horrific 1921 [massacre in Tulsa, Oklahoma](#), razed the prosperous Black Greenwood community, a so-called 'Black Wall Street,'" the authors write.

These riots robbed Black communities of entrepreneurial enterprises and the jobs that helped stabilize neighborhoods. You might argue that these racially motivated attacks happened too long ago to matter now. However, burned-down, Black-owned businesses have since been replaced with White-owned predatory operations, such as payday-loan stores that trap Black borrowers in cycles of debt.

How has your race or identity shaped your financial decision-making? [Share your thoughts with us.](#)

Racist lending practices have also reduced access to capital for Black businesses.

A significant percentage of minority-owned companies never apply for financing, because they don't believe they would be approved, according to a [2019 survey of small businesses](#) by the Federal Reserve Bank of Atlanta. The Fed report also said that, on average, Black business owners were approved for smaller loans than comparable White business owners.

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This colloquialism equally applies to Black businesses [struggling to survive](#) the coronavirus recession — after already being [at a disadvantage](#) because of decades of discrimination in lending and other business practices.

Because of the pandemic, the number of businesses in the United States plummeted by 22 percent from February to April, according to a [working paper](#) written by Robert Fairlie, an economics professor at the University of California at Santa Cruz, and circulated by the National Bureau of Economic Research. The drop was the largest on record. Black businesses were hit especially hard, with a 41 percent drop to 640,000 from 1.1 million.

In two separate tests, the nonprofit National Community Reinvestment Coalition found that Black people seeking small-business loans under [coronavirus](#) relief programs were treated less favorably than Whites — even when they had stronger financial profiles.

“Lenders not only discouraged the Black testers from applying for a loan, but simultaneously encouraged similarly situated White testers to apply for one or more loan products,” the first [NCRC report said](#), noting that this discrimination violates the Equal Credit Opportunity Act.

The pandemic has Black businesses fighting for their lives. We can't afford to lose them.

Our neighborhoods need business owners like Brodie, who feel a sense of purpose — not merely to make money but to uplift the community. They become stalwarts of the community who carry on despite the obstacles. They make a difference that goes well beyond their bottom lines.

Sincerely,

Michelle

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