

'Wealth Gap' Threatening African Americans: Exec

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There is a wealth-gap crisis in the United States that is threatening African-American families, Robert Johnson, chairman and founder of the **RLJ Companies**, told CNBC Monday.

Johnson cited several numbers and studies to prove his point, including a study by **United for a Fair Economy** that found for every dollar a white person earned in the US in 2001, a black person earned just 57 cents, up only two cents from 1968.

“We’re not moving forward at all,” said Johnson. “If you follow those statistics it would take African Americans 581 years to reach parity on that dollar.”

Johnson is now calling for policies that focus on getting more wealth into the hands of African Americans.

“Affirmative action is not going to close the wealth gap,” he added. “We need to have what I call race recognition policies—policies that recognize capital formation was denied to African Americans during years of institutionalized racial discrimination and economic discrimination.”

Among the policies Johnson is recommending is a measure that would allow African-American families earning less than \$250,000 to defer all federal income taxes, without interest, provided tax savings are placed into a 401(k)-type savings account.

He also proposed encouraging majority-owned businesses to invest in black-owned companies by significantly reducing or deferring the taxes on the economic gain from those investments

Prior to the RLJ Companies, Robert Johnson founded **Black Entertainment Television** (BET), which became the first African-American-owned company publicly traded on the New York Stock Exchange. In 2001, Johnson sold BET to **Viacom** for approximately \$3 billion and remained CEO through 2006.

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