

Month 2: Land, Wealth, and Dispossession – Who Got to Own and Build?

The story of American land ownership is often told as a narrative of opportunity and self-reliance. In reality, access to land in the United States has always been deeply racialized, exclusionary, and unjust. From the Homestead Act of 1862, which handed millions of acres to White settlers while locking out Black Americans through discriminatory barriers, to the forced removal of Native nations under broken treaties and unfair policies like the Dawes Act, land was weaponized as a tool of dispossession. This history extends to Mexican Americans who lost territory after the Treaty of Guadalupe Hidalgo, and Asian American farmers who lost their land due to discriminatory laws and wartime internment. The impact of these policies was not temporary, they created deep economic, educational, and social inequities that continue to define today's wealth gap.

Landownership paved the road to intergenerational wealth for some, while others were systematically denied that foundation. This paper examines who got to own and build in America, how land was used to create opportunity for some and erase it for others, and what policy solutions are necessary to confront this legacy and build a fair future for all.

The Homestead Act – A Nation-Building Policy for Some

The Homestead Act of 1862 has long been praised as a democratic approach in American history, offering 160 acres of federal land to citizens willing to "improve" and cultivate it. But in practice, it created racial exclusivity. Between 1863 and 1934, over 270 million acres, nearly 10% of U.S. land was distributed, 10% mostly to White settlers.

Black Americans became legally eligible for land under the Southern Homestead Act of 1866, which opened 46 million acres in the Southern states of Alabama, Arkansas, Florida, Louisiana, and Mississippi. Unfortunately, they were offered poor quality land, faced discriminatory rules, and White violence. In Alabama alone, fewer than 5,000 Black applicants secured land from 28,000 filings between 1869 and 1900. Meanwhile, European immigrants were actively recruited, supported, and coached through the application process, benefits denied to Black Americans. As a result, White applicants were able to accumulate wealth and political influence.

Therefore, rather than being a democratic opportunity for all, the Homestead Act was a legal tool for racialized expansion and wealth consolidation. It built the foundation of the American middle class for some while deepening the inequality faced by Black Americans. That legacy lives on today. Land access and affordable housing remain racially unequal. Black Americans make up nearly 13% of the U.S. population but own less than two percent of rural land. Additionally, the

Black homeownership rate is now lower than in the 1960s and 1970s. The affordable housing crisis compounds the issue, with over 74% of extremely low-income Black renters paying more than half their income on rent, and only 35 affordable and available rental homes exist for every 100 extremely low-income renter households nationwide. These numbers are not accidental, as many of the same patterns persist today through exclusionary zoning, credit discrimination, and gentrification. Under the first Trump administration, efforts aimed at correcting these issues faced setbacks as policies leaned towards deregulation and resource extraction instead.

Land dispossession of Native Americans through treaties and forced removals.

The vast land giveaways of the 19th century were only possible due to centuries of displacement and violence toward Indigenous peoples. From the Indian Removal Act of 1830 to the Dawes Act of 1887, federal policies systematically stripped Native nations of their land. Between 1887 and 1934, the Dawes Act led to the loss of over 90 million acres, transferring nearly two-thirds to White ownership. The Meriam Report of 1928 documented severe poverty, malnutrition, and lack of educational opportunity on reservations, all traced back to land loss and federal neglect.

Treaties with native Nations were often coercive or outright violated, rendering these nations property-less. Today, many reservations struggle economically, lacking basic infrastructure and limited access to capital. Further, cultural traditions have suffered as sacred sites and communal lands were divided, sold, or desecrated.

Now, those same patterns are reemerging under Trump's second term. He has floated the idea of selling off federal lands to offset tax cuts and pledged to revive the Keystone XL pipeline. These initiatives would use and cut directly through sacred Native territory. If history is any indication, the permitting and compliance process will again be manipulated to fast-track approvals, with minimal tribal consultation, violating the government's own legal obligation to consult under the National Historic Preservation Act and other statutes.

The economic impact of land loss on Black, Mexican, and Asian farmers

By 1920, Black farmers owned nearly 15 million acres of farmland, largely acquired through self-determination, cooperative buying clubs, and initiatives following the end of the Civil War. Yet by 1992, that number had shrunk to just 2.3 million acres, an 84% decline. Much of this loss was due to the USDA routinely denying Black farmers access to credit, disaster relief, and subsidies, creating a cycle of financial struggle and foreclosures. The 1999 class action lawsuit, *Pigford v. Glickman*, exposed this discrimination: over 13,000 Black farmers filed claims, resulting in over \$1 billion in settlements. Unfortunately, for many, justice came too late, as they had already lost their land. As of 2024, Black farmers account for less than two percent of all US farmers, which is predicted to decrease further due to current tariff policies and trade wars. New cuts to USDA and the rollback of debt relief programs have further weakened protections, exacerbating disparities in land retention and access to federal support.

Similarly, Mexican American landholders in the Southwest lost an estimated 55% of their territory following the Treaty of Guadalupe Hidalgo in 1848. Although the treaty promised the

protection of existing land rights, many found themselves battling legal issues and fraud that unfairly favored White settlers. For example, in New Mexico, 23 of 154 land grants were fully confirmed, and even fewer remained with the original owners. Many Mexican Americans were displaced not through war but through prolonged legal disputes, unfair tax sales, and manipulated inheritance disputes. Under Trump's second term, aggressive border militarization and anti-immigrant policies, including the use of eminent domain for ongoing border wall construction, have led to renewed land dispossession. This is particularly evident in Texas's Rio Grande Valley, where families with deep historical connections to their land may need to engage in legal battles to retain their property.

Asian immigrant farmers, particularly Japanese Americans, also faced targeted restrictions. By 1920, they had acquired over 450,000 acres of farmland in California, despite being ineligible for citizenship. In response, California passed the Alien Land Law of 1913, barring "aliens ineligible for citizenship" from owning or leasing land for more than three years. During WWII, over 110,000 Japanese Americans were forcibly relocated to internment camps. Their properties were either taken or sold, stripping them of wealth they spent decades building. Today, hostility toward Chinese nationals, including broad restrictions on land purchases by foreign citizens, has renewed scrutiny and state-level bans on Asian landownership, fueled by "national security" rhetoric that echoes the xenophobia of past policies.

Land, Education, and the Architecture of Intergenerational Wealth

Land ownership in the United States has always functioned as a gateway to wealth. By design, owning land enabled many White families to build wealth and stability, particularly those who benefited from exclusionary policies and accumulated generational wealth. Those assets typically came in the form of increasing property values, farming income, and access to quality education. Since public schools in the U.S. are funded mainly through local property taxes, the disparities in land ownership have led to unequal educational opportunities as well.

This inequity implies that families who owned were able to send their children to better-funded schools, afford educational materials, and support college education, reinforcing cycles of social mobility. Conversely, Black, Native, Hispanic, and Asian communities systematically excluded from landownership were left with poorly funded schools, fewer extracurricular activities, and lower college attendance rates. These educational gaps are a result of discriminatory land policies that concentrated wealth and resources within White families while denying them to communities of color. According to the Nation's Report Card, states with the lowest percentages of minority landownership consistently rank among the worst in educational performance, underscoring how historic land dispossession continues to shape educational outcomes.

Land functions as collateral, a tool to secure loans, start businesses, and navigate tough economic times. However, families without land or stable property were often denied credit or forced into predatory lending arrangements. Without intergenerational assets, these families face significant challenges in achieving financial independence. This ongoing issue has contributed to a lasting

racial wealth gap that persists across centuries. As of 2022, White households, on average, have [more than six times](#) the wealth of Black households.

Essentially, access to land hasn't just been about who worked the soil, it is about who profited from it. White families were given land to build schools, businesses, homes, and futures. Black families were excluded and left with fewer options and no clear path forward. The consequences of these imbalances continue to shape education and economic mobility in America today.

Policy Recommendations

To address the ongoing inequities caused by land dispossession and unfair policies, the federal government must prioritize investments in Community Land Trusts (CLTs), particularly in displacement-prone areas. These locally controlled and fiscally responsible models ensure long-term affordability by supporting sustainable development. Additionally, this measure directly confronts systemic barriers that persist today, such as predatory lending, credit discrimination, rising housing costs and exclusionary zoning, which have contributed to the growing homeownership gap.

Second, Congress must strengthen the civil rights protections for minority farmers, which would ensure they have access to essential support like loans, technical assistance, and legal help. While the *Pigford* settlements exposed problems in USDA's history, recent rollback of civil rights enforcement has only made things worse. It is crucial that the government strengthen protections for small, new, and vulnerable farmers to ensure fair access to credit, TA, and legal support without expanding bureaucracy, while also encouraging private sector partnerships.

Finally, education funding in the U.S. must not rely on local property taxes and instead adopt a [state and federal funding model](#). While the current Trump administration's focus suggests "school choice" to be an improvement, research has shown historically that this has led to [less investment](#) in public schools and to [greater stratification and separations](#) of students by race and ethnic groups. Every child deserves a chance at a quality education, regardless of their family's ZIP code or home equity. Implementing a [needs-based funding formula](#) would ensure that all children, regardless of their background, receive the tools to build generational wealth, not just inherit its absence.

Conclusion

Land in America has never just been about property, it's been about power, wealth, and opportunity. From the Homestead Act to discriminatory lending and education policies, land was handed to some and stolen from others. Theft of land built the wealth gap we see today. To begin repairing this legacy, the federal government must provide infrastructure investments, enforce protections for minority farmers, and conduct a reassessment of how public education is funded. Real justice starts with confronting the truth of our history and then providing tools to build an equitable ownership ecosystem where everyone can thrive.

