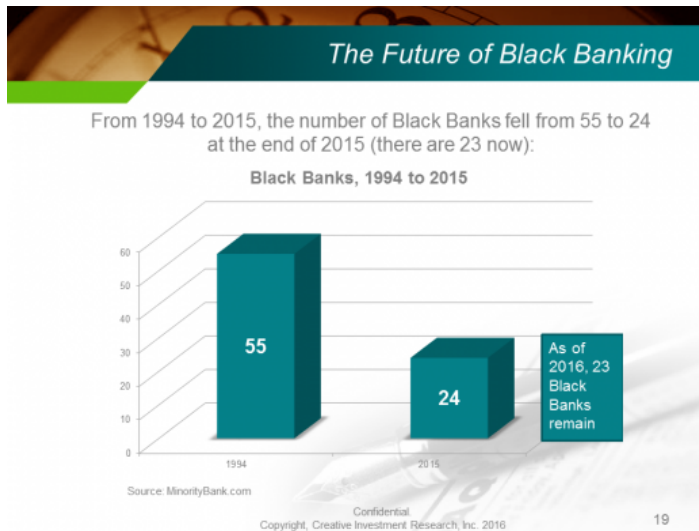




The Current State of Black Banking



Creative Investment has released an analysis of the Black banking sector, drawing on 30 years of research. Recent efforts to increase deposits in Black banks are admirable, but the number of Black banks has fallen from 55 in 1994 to 23 in 2016.

WASHINGTON - Aug. 12, 2016 - [PRLog](#) -- In 1994, there were 55 Black owned banks and thrifts. By 2016, there were just 23. In August 1989, Congress enacted the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 ("FIRREA"). Section 308 of FIRREA established the following goals:

- Preserve the number of minority depository institutions;
- Preserve the minority character in cases of merger or acquisition;
- Provide technical assistance to prevent insolvency of institutions not now insolvent;
- Promote and encourage creation of new minority depository institutions; and

An objective review of recent performance based on 308's standards would lead to the conclusion that regulators have failed to preserve the number of Black-owned depository institutions.

Other efforts may be helpful. Section 342 of the recently enacted Dodd-Frank Wall Street Reform and Consumer Protection Act contains a provision creating an Office of Minority and Women Inclusion (OMWI) at financial regulatory agencies to monitor the diversity efforts of the agencies, the regulated entities and agency contractors.

We will host a webinar on Black Banks. The Webinar will cover:

1. History: Black Banking in the 80's, 90's and 00's.

2. Rationale: Why Black banks?
3. Customers: The Demographics of Black Banking.
4. Market: The Market for Black Banks.
5. Crisis: The Financial Crisis and Black Banks.
6. Opportunities: The OMWI initiative and Black Banks.
7. What to do now: Why campaigns to get minorities and other consumers in the urban areas to bank with minority banks have not worked. What will work.
8. Future: Which Black Banks will survive and why?
9. Next Steps.

The Webinar will be held on Wednesday, August 24, 2016 from 4:00 PM to 6:00 PM (EDT). To attend, please go to the link below. (Copy and paste into your browser.)

<http://blackbanks.eventbrite.com>

###

Creative Investment Research is an investment research and management company. We research and create socially responsible investments and provide investment advisory services. The company was founded in 1989. The firm creates new financial instruments and issues highly accurate economic forecasts:

On November 16, 1995, we launched one of the first investment advisor websites. We designed one of the first mortgage security backed by home mortgage loans to low and moderate income persons and originated by minority-owned institutions. (See: Security Backed Exclusively by Minority Loans, The American Banker. Friday, December 2, 1994. Online at <http://www.minoritybank.com/cirm24.html>)

On December 22, 2003 and February 6, 2006, we warned the S.E.C. and other regulators that statistical models created by the firm using the Fully Adjusted Return® Methodology signaled the probability of system-wide economic and market failure. This was one of the first warnings issued concerning the credit crisis.

Contact

Crystal Ningyuan Liu, Social Investing Advisor
***@duke.edu

--- End ---

Source	Creative Investment Research
City/Town	Washington
State/Province	District of Columbia
Country	United States
Industry	Banking

Tags

[Banking](#), [African-americans](#)

Link

<https://prlog.org/12579507>



Scan this QR Code with your SmartPhone to-

- * Read this news online
- * Contact author
- * Bookmark or share online