

# THE WALL STREET JOURNAL

## REVIEW & OUTLOOK

### Mad in Motown

**M**otor City Mayor Kwame Kilpatrick is right to be distancing himself from a City Council proposal to create a racially exclusive business district in Detroit to help black entrepreneurs. Not only would the plan, dubbed African Town, heighten racial tensions unnecessarily. It could also exacerbate the very problem it aims to solve.

The insidious premise of this economic development plan, which was approved last week in a 7-to-2 vote overriding Mr. Kilpatrick's earlier veto, is that immigrants from Latin America, Asia and the Middle East are "stealing" jobs and resources from native blacks. But for the presence of these foreigners, goes the thinking, black businesses in these urban communities would be thriving. Hooey.

Scapegoating the immigrant merchant who came here barely speaking the language and succeeded where others have stagnated is an old story. What's new here is the effort by city officials to sanction such backward, zero-sum thinking. Race-based legal restrictions on a community's most economically productive

members helps no one. More economic isolation is the last thing current and future black businessowners need.

On Tuesday, a group of Hispanic community leaders protested the plan for African Town and asked the City Council to apologize. "We provide a lot

of tax base to the city," Joseph Reyes, treasurer of the Hispanic Business Alliance told the Detroit News.

If Council Members want to spur more economic activity, they might stop blaming foreigners and try lowering taxes and licensing fees. In 2000, Detroit residents had the 10th highest tax burden among U.S. cities. Property tax rates are twice as high as the national average. "If you tried to design a policy to drive jobs and capital out of Detroit," said Joseph Lehman of Michigan's Mackinac Center for Public Policy, "African Town would be it."

Mayor Kilpatrick can take some comfort in knowing that the Council's plan is probably unconstitutional. But there is a proactive way for him to help move the black underclass toward economic parity: Drop the city's opposition to charter schools.

*Segregation  
won't help Detroit.*