DISTANCING RACISINI BEYOND COVID-19

From Racial Exclusion to Radical Inclusion



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INTRODUCTION

"Unprecedented." "Trying times." "Crisis." Throughout the COVID-19 pandemic, headlines lean on these (inadequate) words to help make sense of the tremendous health and economic consequences of this global contagion, which has already resulted in over 270,000 deaths and left over 11 million people without work in the US alone. Though headlines report the many disparate racial and ethnic health and economic impacts of coronavirus as "illuminating" systemic inequities, the truth is that none of these are new or even caused by the coronavirus.

Though the results of the 2020 election provided a moment of brief relief from the shared anxiety spread by a pandemic and economic collapse, history has repeatedly reminded us that a Democrat in the White House is not enough to guarantee an end to oppression. Building back better with a new federal administration does not negate the crucial work of acknowledging and undoing racism's capture of our economy and society.

The real pandemic is and has always been systemic racism, which no plan to combat COVID-19—however <u>comprehensive</u>—can cure. Because of systems that have continued to exploit people of color,¹ all economic downturns have always

harmed these communities the most. These disparities should come as no surprise. As a result of failed economic policy decisions, race and ethnicity inequities have permeated our society for generations. The consequences are devastating: wealth gaps that have <u>failed to close or even narrow</u> since the 1960s,

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¹ In this brief, the phrases "people of color" and "communities of color" are used to describe Black, Latinx, Indigenous, Asian, and Pacific Islander people. We recognize the unique experiences of all people of all races, ethnicities, and identities, and we will use explicit terms when referring to distinct groups.



<u>disproportionately high uninsurance rates</u> and <u>disproportionately high rates of housing cost burdens and housing instability</u> for people of color, and more.

The historic pandemic of racism in our economy is making us sick, makes our economy vulnerable to recessions, and weakens our democracy. A vaccine will not provide relief from systemic racism. A return to a "normal" economy will not provide relief either. The unemployment rate during "normal" times too often translates to unemployment rates in the double digits for people of color—in particular <u>Black</u>, <u>Latinx</u>, and <u>Indigenous</u> people. Normal is what got us here.

The path to recovery requires a clear policy agenda and bold political action that are reflective of the role of racism in our economic systems—how we deliver health care, how we compensate people for work, what work we even consider worth compensating, and how we provide for everyone's most fundamental needs. We distance racism by adequately and explicitly combating cycles of oppression at *all* economic and political levels. The first step along this path is

acknowledging a simple truth: Racism is profitable, and the predominantly white elite has used it for centuries to steal from, exclude, and exploit people of color to grow their wealth. This has created the economic conditions necessary for the COVID-19 pandemic to ravage communities of color.

We distance racism by adequately and explicitly combating cycles of oppression at all economic and political levels.

This paper will explore three themes:

- How systemic racism and racially exclusionary economic decisions have facilitated our current disparities;
- How rapid response efforts must lead to a longer-term reimagining of our systems; and
- How to build power to demand what we need.



As a national movement-support organization aiming to totally transform our economy—who controls it, how it works, and most importantly, for whom—Liberation in a Generation offers recommendations on crafting a national path toward the economic liberation of all people of color.

Distancing Racism: A Definition

Social distancing has been essential in combating the spread of the coronavirus. Unfortunately, because of the way our economy is structured, too many workers of color have had to decide between protecting themselves and their families or risking their well-being to earn a paycheck and keep a roof over their heads. Let's not forget that teleworking is out of reach for the <u>vast majority</u> of working people: Less than one-in-five Black workers and roughly one-in-six Hispanic workers are able to work from home. Additionally, "essential" jobs are <u>disproportionately worked by Black people</u>, thus endangering them more. "We have people who are working, who are deemed 'essential,' but are not necessarily being cared for in those essential jobs," <u>noted</u> Erica Smiley, the executive director of Jobs With Justice. Worse yet, many of these workers have to work <u>without the needed protective equipment</u> to stay safe.

This is all compounded by the fact that while Black people are being dispro-

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— Erica Smiley

Executive Director, Jobs With Justice

portionately exposed to this deadly virus because they are forced to work, they also have higher levels of pre-existing conditions—a result of state-sanctioned violence, exploitation, and a rigged economy.



Ultimately, essential workers are propping up the economy, and yet their <u>wages</u> are not reflecting their vital contribution to keeping the economy afloat. This points to a clear truth: Social distancing isn't an option for everyone, and it isn't going to cure us of systemic racism.

By "distancing racism," we mean an exploration of the inextricable ties among racism, the economy, and the COVID-19 pandemic and recession—and putting space between the cycles of oppression. "Distancing racism" is a call to pursue the economic liberation that we have long needed to achieve. Ultimately, to dismantle racism, we have to expose it: its roots in white supremacy, how it replicates and evolves, the bedrock it provides for our broken-by-design economy. Social distancing won't save us from racism. And though COVID-19 relief, both

medical and fiscal, may relieve some of the effects of the coronavirus and the resulting economic downturn, it won't mitigate racism itself and the ways that it exacerbates crises.

"Distancing racism" is a call to pursue the economic liberation that we have long needed to achieve.

With an understanding of the contours of racial exclusion, we must do the work of building a new reality: a racially inclusive economic system that challenges the status quo and goes beyond it. Doing so is the only way to ensure that inevitable economic downturns in the future, and other phenomenons—including even another pandemic—don't mirror what we're seeing today: economic devastation for people of color while billionaires' wealth soars and a crumbling economy. By distancing racism beyond COVID-19, we can move from racial exclusion to radical inclusion.



POLICIES AND PRACTICES OF RACIAL ECONOMIC EXCLUSION CREATE PRE-EXISTING CONDITIONS FOR PEOPLE OF COLOR

Today, people of color are facing coronavirus infection rates over <u>2.5 times higher</u> than white people. Black people are the most likely to die from the virus, with a death rate <u>twice that</u> of their white non-Hispanic counterparts. A recent report from the Centers for Disease Control and Prevention (CDC) finds that <u>more than</u> <u>75 percent</u> of children dying from COVID-19 are Black, Hispanic, or Indigenous.²

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— Danyelle Solomon

Former VP of Race & Ethnicity Policy, Center for American Progress

These statistics are predictable because of multiple realities facing people of color. First, dealing with racism produces chronic stress. Second, structural racism means that people of color are excluded from financial, political, and social resources to mitigate that stress. racist Third, economic structures create existing conditions. Many

communities of color have restricted access to grocery stores and fresh produce because massive corporations have tailored supermarkets and food access to the needs of white, suburban families, at the expense of people of color, and don't see food access for people of color as profitable. Furthermore,

² A November 2020 <u>report</u> found that Black children in New York City were three times more likely to develop serious symptoms than their white counterparts.



communities of color are more likely to live near toxic waste sites; the failure to adequately regulate these corporations' practices is not only destructive for the environment but also for the people of color who live near it.

These dynamics, which have made the negative effects of the COVID-19 crisis especially acute and ultimately more fatal for people of color, have been present for decades. Danyelle Solomon, former vice president of race and ethnicity policy at the Center for American Progress (CAP), has highlighted that 28 percent of people of color have an underlying health condition that makes them more susceptible to the effects of COVID-19. "Black people and people of color have long been faced with persistent segregation, and they have been living in communities that have [either not been] invested in or [been] disinvested in [...] When you live in communities that lack green space, clean water, clean air, [when] you live in food deserts, you are more likely to have underlying health conditions that put you at risk."

Historically, strong public health systems have resulted in better living conditions, safer working conditions, and cleaner water and sanitation. However, as health economist Atheen Venktaramani has shared, "since the 1980s, there's been a devolution of public health responsibilities to local and state agencies." This acts in direct harm to people of color who are the most likely to face conditions that create negative social determinants of health. Moreover, our public budgets are

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– Dr. Atheen VenktaramaniHealth economist

disproportionately going to health care agencies like hospitals that also have few tools to address these root causes.

Furthermore, the US health care system is extremely fragmented, costly, and inaccessible, often for those who need it the most. "There are a



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— Valerie Wilson

Director of the Program on Race, Ethnicity, and the Economy (PREE), EPI number of ways in which I think [...] structurally racist ideology is perpetuated in the health care system," said Venkataramani. **Employers** have had the option to provide privatized health for their employees as a tax-exempt benefit since the early 1940s, which has resulted in extreme racial inequities in access, quality, and affordability care. and these inequities only continue

to grow. Requiring employment as a condition of accessing health care shuts out many workers of color who are <u>less likely</u> to be working in jobs that offer employer-sponsored health care. In 2018, 66 percent of white people, <u>46 percent</u> of Black people, <u>41 percent</u> of Latinx people, and <u>36 percent</u> of American Indian/Alaska Natives were covered by employer-sponsored health insurance. While the Affordable Care Act (ACA) has <u>improved rates of health care insurance</u>, the absence of a nationalized health care system has created significant gaps in coverage, especially during periods of high unemployment. The Economic Policy Institute (EPI) <u>estimates</u> that since February of 2020, 6.2 million workers have lost employer-sponsored insurance; this means that approximately 12 million people have lost access to coverage, as of EPI's August 2020 analysis.

Many workers are locked into their current job because they need health insurance, but some types of employment come at an especially high risk during this pandemic and don't even provide employer-sponsored health insurance. Black workers make up about one in nine workers overall but comprise about one in six of all frontline-industry workers. This is not a coincidence. Even the abolition of slavery, dismantling of explicit Jim Crow laws, and dozens of civil



rights laws and rulings have not been able to overcome the racial- and gender-based segregation of labor markets that were a hallmark of this nation's earliest economy. Even though these racist systems have technically "ended," the legacies of these atrocities have morphed into new, destructive, present-day forms.

Today, <u>Black workers</u> are more likely to be working "essential" jobs in health care, child care, public transportation, and grocery stores, among many other occupations, forcing them to have greater exposure to COVID-19. Valerie Wilson, of the Economic Policy Institute, has stated that "what we know about essential jobs, then and now, is that they tend to be jobs that those with more wealth and

power don't want to do themselves. Because the people who do them are [predominantly] people of color and women and immigrants, the value we pay to those jobs tends to be lower—essentially normalizing racial inequality."

Racialized disparities in both health care and the economy are products of systemic racism. They are also a The only way to uproot systemic racism... is for massive investments and government intervention that promote a stronger, more resilient economy and power-building opportunities for people of color.

result of the white and wealthy, who strip power and power-building mechanisms at all levels from people of color. The only way to uproot systemic racism—and "distance" ourselves from it—is for massive investments and government intervention that promote a stronger, more resilient economy and power-building opportunities for people of color. However, investments and intervention are not enough—they must center the needs and experiences of the most marginalized; otherwise, recovery efforts will reinforce rather than dismantle systemic racism.



THE MOMENT DEMANDS REIMAGINING OUR ECONOMY, NOT JUST PROVIDING "RECOVERY"

In the absence of a coordinated, federal effort to support the health and well-being of people of color, communities have come together to provide mutual aid for each other. These coordinated and uplifting rapid-response efforts have been critical for providing food, shelter, and care for those who most need it. While heartening, these efforts do not supplant our need to take bold action to reverse the racial exclusion we've outlined above. In the face of record levels of unemployment, mass evictions, and tragic loss of human life, we must imagine an economy that does not return to "normal"—because normal is what got us here. And going back to normal, when our economy and society were serving and preserving white supremacy, means that the next crisis is likely to be even worse. We must imagine an economy where all people of color can thrive.

This moment provides a gateway for guaranteed income. Our rapid responses to stem the spread of coronavirus have provided glimmers of what this might look like. Several national "stimulus" packages have included direct cash to

low- and moderate-income people. Advocates are <u>calling</u> for regular, sustained support until we are through the crisis.

This moment provides a gateway to recognize housing as a human right. After the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act moratorium on evictions

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expired in July 2020, the CDC picked up the mantle to protect an <u>estimated 30-40 million people</u> by issuing its own moratorium to protect public health.



This, alongside national uprisings, could be the gateway to police and prison abolition. States across the country are releasing incarcerated people, limiting the number of people being detained, and waiving health care copays for incarcerated people. (Incarcerated people are paid pennies per hour of work but pay \$2-\$5 in copays for doctors visits, medications, and testing.) Though promising, these prison "reforms" aren't enough. As demanded by a decadeslong movement to defund and abolish the police, we need material change. True liberation for Black and brown people cannot come without divestment from the current policing institutions in our country—institutions that are deeply entrenched in and perpetuate racism, violence, and brutality.

Fortunately, we are not at a loss for bold policy solutions that both aid in recovery for the current crisis and set a new, more equitable trajectory for the economy moving forward that works for all of us—and is stronger for it. An economic bill of rights for the 21st century, popularized by prominent economists Darrick Hamilton, William "Sandy" Darity Jr., and Mark Paul, outlines a set of guarantees and also champions wealth redistribution that would begin to account for past and present theft, exploitation, and exclusion. Furthermore, corporate concentrations of wealth are corrosive; redistribution is not only morally right but vital for building

a stronger economy. An economic bill of rights additionally provides not just economic resiliency and a possible avenue for restitution, but it also serves as an avenue for supporting the political power of people of color. Below, we explore a set of guarantees we believe will move our nation toward economic liberation for people of color.

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Guaranteed Health Care

Guaranteed, universal health care would ensure that every single person in the US has access to health care coverage and affordability. Furthermore, a centralized, single-payer health care system would also be able to address the



rural health care crisis. Universal health care would also create jobs, increase wages and salaries, and increase job quality. Lastly, public sector workers are more likely to be unionized, providing more access and power for workers to advocate for their safety as well as their patients' safety.

Guaranteed Employment

A <u>federal jobs guarantee</u> would ensure that anyone who wants a job would be able to have one—and one that pays a living wage. A federal jobs guarantee would help address sexist and racist wage disparities, in addition to creating employment opportunities in much-needed sectors, such as infrastructure, care work, and climate change.

Guaranteed Income

Basic income proposals would provide an income floor by guaranteeing monthly payments, ranging from \$500 to \$2,000 for individuals (more for those with children) making below a designated income threshold. Guaranteed income would not just create economic security for individuals and families, but it would also create economic growth. Truly inclusive proposals do not have work requirements or citizenship requirements and do not necessarily replace our current public benefits system.

Guaranteed Housing

The proposal for a Homes Guarantee includes building 12 million units of social housing, which would mean that fewer people would find themselves paying more than 50 percent of their income on rent. The plan also invests in existing public housing. These major investments, along with tenant protections, would start the process of decommodifying housing, which massive corporations and Wall Street have increasingly used as a tool to exploit low-income families and families of color.

Guaranteed Family Care

Guaranteed family care reverses centuries of undervaluing care work in our economy—and exploiting women of color who provide it—by creating a national insurance fund for universal paid family and medical leave, early childcare and



education, and long-term services for the elderly and people with disabilities. Care work is a critical economic infrastructure, and its presence builds a stronger economy. When women are losing an estimated \$8.8 billion in potential wages and being pushed out of the economy because of issues with finding child care, the whole economy suffers.

Guaranteed, Debt-Free College Education

Proposals to cover the full cost of attending college (not just tuition) help to ensure that young people, especially students and graduates of color, can establish an ownership stake in the economy. Furthermore, student debt is a <u>drag</u> on the economy and also exacerbates the racial wealth gap.

Guaranteed Wealth

A guaranteed wealth proposal ensures that young people of color enter into adulthood in a much-better financial position than their parents. Proposals for baby bonds would establish an endowment in the US Treasury for every baby born in the US, to be used after the age of 18 for an asset, such as education, a home, or a business. Low-wealth or low-income families would receive a larger endowment.



CONCENTRATED POWER IS WHAT HOLDS US BACK FROM THESE SOLUTIONS

These are not new ideas or proposals. President Franklin D. Roosevelt, Martin Luther King Jr., the Black Panthers, and many others, have demanded several of these ideas for decades. And people within our movement today have detailed how we get to these solutions: building power for people of color. "What does it mean for us to build our Black political power to actually contend with existing white political power structures for the betterment of our own communities?" asked Reverend Ben McBride, the former co-director of PICO CA.

People across the progressive movement are unified on the importance of building power for people of color. Smiley has spoken about the importance of building worker power in this moment. Essential workers have leverage to negotiate across sectors (not just with individual employers) to demand

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Reverend Ben McBride
 Former Co-Director, PICO CA

protections for their health and safety. These negotiations can "create a platform for essential workers in any given sector for negotiations over industry standards more broadly." Worker power can also be used to negotiate terms that impact recently unemployed workers in those industries as well, creating more economic security. Workers. with enough power and

platform, can exercise their power beyond unemployment benefits and a robust social safety net; they can also build alliances across the movement, including



with other unemployed workers, to make bigger and bolder demands, ultimately building a more equitable and prosperous economy for everyone. "In the labor force, our power is in our numbers," <u>said</u> Wilson.

The important work of strengthening worker power is the beginning of a long road to dismantling racialized exclusion in our economy. A <u>CAP study</u> found that union membership confers many benefits to people of color and helps close the racial wealth divide.

We must also gather the political power necessary to change our economic rules. Rev. McBride urges us to recognize that our political parties are "rooted in white power structures." Black people have been predisposed to disproportionate

outcomes because of a lack of a clear Black agenda backed with major investment. What's necessary is an agenda that includes education, ending mass

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incarceration, ending displacement caused by gentrification, and a mass redistribution of wealth. Rev. McBride recommends that we pursue political strategies that center this agenda and aggregate our power. Rather than pursue "strategies that integrate our power, [pursue] aggregated strategies [that center] our agenda [and center] our communities to [...] respond to this moment while we build for the future."



CONCLUSION

All forms of racial exclusion exacerbate the effects of this current crisis and will continue to unless we build a new, racially inclusive economic system. As Solomon <u>said</u>, racial and economic justice are "the unfinished business of America." She continues: "If we don't reduce inequality [...] Black people in particular, but people of color more broadly, will never fully realize this American ideal that we have." Today, it is COVID-19 that is plaguing us, but tomorrow it will be something else. We need a new economic system that protects the most vulnerable communities among us and, correspondingly, ensures structures for power building, so that people who are the most marginalized have the power to

implement solutions and build a more resilient economy for themselves and everyone else.

Racial and economic justice are "the unfinished business of America."

As we know, our current economy is

failing all of us, except for a wealthy few. To overcome this, we must face what is real: People of color were facing economic and health crises long before this pandemic started. Part of the reason that we are still facing devastating health care outcomes and economic realities is because those in power are prioritizing profiting from racism, rather than undoing its grasp and solving our crises.

Ending the COVID-19 emergency won't end America's racism and inequality crises. We cannot achieve economic liberation until we expose and undo cycles of oppression and build something better in its place. We must build recovery efforts in ways that provide bold, transformative change that disproportionately, materially benefits communities of color. We achieve this through the guarantees outlined above.

Without intentional policy choices that end racism's reign over the economy, COVID-19 relief won't provide people of color with relief from the racism that dominates over our economic and political lives—and that will continue well past the end of this crisis if explicit, bold action is not taken to change it.



About Liberation in a Generation

Liberation in a Generation is a national movement support organization building the power of people of color to totally transform the economy—who controls it, how it works, and most importantly, for whom. It brings together economists, advocates, community organizers, and other proven and emerging leaders of color across the country to build a Liberation Economy, within one generation.

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