Economic Recovery for Everyone: Racial Equity and Prosperity

by The Center for Social Inclusion

States are poised to receive significant federal funding to stimulate the economy and put people back to work. Much of it targets “shovel ready” projects. Government has to be smart about how it uses our money. The stimulus package alone will not be enough to put everyone who needs a job back to work. And it will not support all the services our communities need. But if it is allocated wisely and fairly, it can be a powerful boost to the economy and improve the lives of many.

To do that, states must ensure that those in the most need benefit from the stimulus. While we have made much progress on race and gender equality in this country, we have not yet achieved full fairness, and these inequities limit prosperity for all of us. Targeting stimulus funds to communities in need is not only the fair thing to do, it is the effective thing to do. Considerable research, by Univ. of So. Calif. Professor Manuel Pastor and others, shows that investing in equity builds the regional economy and helps everyone.

A Racial Equity Lesson

The nation’s financial crisis was jump-started by the mortgage crisis. There is an important lesson to be learned from looking at the origins of the crisis in the light of racial exclusion from fair lending opportunities.

• National research has shown that up to 35% of those with subprime loans could have qualified for normal, prime mortgages.
• Blacks and Latinos are much more likely to have subprime mortgages than their White counterparts even when they have the same income. In fact, at higher income levels, there is a larger subprime-prime gap between Blacks and Whites.
• Because of usurious loans, Black and Latino communities are much more unstable in the current crisis than White communities, facing higher foreclosure rates as well as the ripple effects of this crisis—higher unemployment rates, lower wages, fewer assets and greater healthcare-related stresses.

If we had paid attention to the most distressed communities, we would have identified some problems that needed correcting for all mortgage seekers and possibly averted the financial crisis we now face. The good news is we can learn from this mistake.

With the economic stimulus package, we have the opportunity to adopt policies of inclusion and prosperity for all. Five key principles can help achieve that goal:

1. Stimulus investments should ensure that those most in distress benefit meaningfully.

A primary strategy of the stimulus is to put people to work. Communities with high rates of poverty and unem...
Discretionary funds in the stimulus package would be well-spent in ensuring excluded communities get the services they need.

- One particularly important lesson from New York City’s budget cuts of the mid-1970s has been the cost, both human and fiscal, to the city in the form of tuberculosis, HIV infections and homicides in communities of color. Drug treatment, health services and law enforcement all suffered from budget cuts, with a price tag of $10 billion in immediate savings and $50 billion in ultimate costs.

Low-income people cannot compete for jobs when transit is inadequate or too costly. It is critical that states use stimulus money to ensure that public transit remains affordable.

- The nation’s poorest families spend nearly 40% of their take-home pay on transportation. Between 1992 and 2000, households that earned less than $20,000 saw their transportation expenses increase by 36.5% or more, while for households with incomes of $70,000 and higher, transportation costs rose only 16.8%.

- A survey by the American Public Transportation Association of 115 of the association’s members found that 60% of the systems are considering fare increases, while 35% are experiencing service cuts. For the past five years, Cleveland, for example, has experienced an increase in ridership, while simultaneously suffering a 63% decrease in state funding, resulting in fare hikes.

2. Stimulus investments should support infrastructure projects that benefit distressed communities, not solidify inequities.

The term “shovel ready” conjures up images of highways and bridges, but investment in public transit options that help connect communities with high rates of unemployment to job centers will create more jobs and longer-term benefits to the economy than road repair alone. Public transit investments should go beyond urban centers to benefit rural poor communities and help urban communities reach suburban job centers.

- A 2000 study by scholar Michael Stoll of the Univ. of California, Los Angeles found that no other group in the United States was more physically isolated from jobs than African Americans. Stoll’s research revealed that more than 50% of Blacks would have to relocate to achieve an even distribution of Blacks relative to jobs; comparable figures for Whites are at least 20 percentage points lower.

A study by the Brookings Institution shows that, nationally, over half of all Blacks live more than five miles from job centers, as do more than 40% of all Latinos and Asians, compared to a third of Whites. Blacks and Latinos are six times more likely to rely on public transit than Whites.

3. Stimulus investments should address access to credit in communities pulverized by the collapse of the mortgage market and the job market.

Investing in communities of color as “regional business partners” is a key to spurring the innovation necessary to diversify the economy and compete globally. And we know it works.

- In the midst of near-economic meltdowns in the 80s and 90s, Los Angeles and Houston revived their economies, thanks in large part to investment in immigrant- and minority-owned businesses. New minority-run banks pumped new life into these economies.

- Dependent even more on energy than New York is on Wall Street, Houston’s economy disintegrated when energy prices plummeted. Houston re-invented itself by investing in the city’s entrepreneurial culture and substantial immigrant community.

- Los Angeles took a similar approach, investing in the growth of immigrant-run businesses that moved in when older firms moved out. By nurturing the entrepreneurial talent of their communities of color, both cities have seen much less severe job losses even in a bad economy and despite state budget crises.

Discretionary stimulus spending should also recognize that community-based organizations are employers, lenders, trainers, connectors and community-stabilizers. Stimulus money would be well-spent if it included provision for community-based organizations to provide immediate financial relief in high-poverty communities.

The nonprofit sector in America employs a steadily increasing segment of the country’s working population.
Why Advocates for Economic and Racial Justice Need The Employee Free Choice Act

by Peter Dreier and Gary Flowers

A strong labor movement is key to building a progressive America that promotes economic and racial equality. It was the American labor movement that provided the basis for what many citizens now take for granted. For example, the 40-hour work week, non-working weekends, 8-hour work days, occupational safety and health standards, and the prohibition of child labor all are the result of the American labor movement.

Today, the Employee Free Choice Act of 2009 (EFCA) represents what should be the right of all workers—the right to organize, free of management interference.

Throughout this nation’s history, labor unions have represented the strongest voice for democratic reform in three key arenas of American life—the workplace, the economy, and politics.

A Better Workplace

Unions raise workers’ wages and benefits: According to the Economic Policy Institute’s State of Working America, union workers earn 14.7% more in wages than non-union workers in the same occupations and with the same level of experience and education. The “union premium” is even higher when total compensation is included, since unionized workers are more likely than their non-union counterparts to get health insurance and pension benefits.

Unions not only raise wages, they also reduce workplace inequalities based on race. The union wage premium is especially high for Blacks (20.3%) and Hispanics (21.9%). In other words, unions help to close the racial wage gaps based on employer discrimination. Unions made it tougher for employers to use racism to divide workers. Unions also reduce overall wage inequalities because they raise wages more at the bottom and middle than at the top.

During the first half of the 20th Century, many unions—particularly the older “craft” unions—were often hostile to Blacks and Latinos. Many White workers sought to protect their hard-won gains and viewed Blacks and Latinos more as a threat rather than as fellow workers. Employers often hired Blacks, and sometimes Latinos, as strikebreakers in order to exacerbate racial tensions. Some unions thus contributed to racial segregation in American workplaces, with Blacks and Latinos relegated to the lowest-paying, dirtiest and most dangerous jobs.

Union strength reached its peak (at 35% of the workforce) in the United States in the mid-1950s. Unions enabled American workers, especially blue-collar workers, to share in the post-war prosperity and to join the middle class. Union pay scales boosted the wages of non-union workers as well.

But it was not until the Civil Rights Movement of the 1960s that Black Americans began to gain a fairer slice of these post-war economic gains. With organized labor finally becoming an ally, the civil rights crusade helped many Black Americans move into the economic mainstream. They gained access to good-paying jobs—in factories, government and the professions—that had previously been off limits. And, as noted above, in unionized firms, the wage gap between Black and White workers narrowed significantly.

Today, Blacks, Latinos and women—including immigrants—are at the forefront of the labor movement’s efforts to expand its power. Blacks are more likely to be union members (18.2%) than any other group, while the proportion of Latinos in unions has been growing significantly, even as overall union membership has declined in the past decade.

A Stronger Economy

Contrary to business propaganda, unions are good for the economy. A December 2007 study by the Economic Roundtable found that union workers in Los Angeles County earn 27% more than non-union workers in the same job. The increased wages for the County’s 800,000 union workers adds $7.2 billion a year in pay. As these

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of the nation's economic woes.
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the U.S. But in many ways—crime
rates, poverty, homelessness, infant
mortality and others—Canada is much
more livable. In Differences That
Matter: Social Policy and the Working
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(Apologies/ Reparations)
We received a request for a pdf of the entire set of columns we’ve printed over the years listing instances of apologies/repara-
tions, so that it can be sent to others. We’ve just prepared it, and it’s available at www.prrac.org/projects/reparations.php for any readers who want to pass it on or list it in their own publications.

Canada’s much stronger labor, health, social welfare and public investment policies protected Canadian workers from the hardships that burden America’s low-wage workers. Workers in Vancouver had better access to health care, public transit, housing and educational opportunities for their children than did their counterparts in Seattle.

In fact, the U.S. has the most in-
equality and poverty of any industri-
alized country. And it’s no coincidence that, among all major affluent nations, where union density is three to five times greater, the U.S. has, by far, the fewest workers covered by a union con-
tact.

A Healthier Democracy

Despite its paltry size compared to its counterparts in other countries, the American labor movement remains the nation’s most potent political force for progressive change. Unions play an important part in electing liberal and progressive candidates to office at the local, state and federal levels. Once in office, pro-labor politicians are typically the strongest advocates of tough environmental laws, funding for public schools and higher education, civil rights, women’s rights, gay rights, universal health insurance, affordable housing and protection of Social Security.

Consider the labor movement’s role in 2008. Three weeks before the November election, The New York Times Magazine ran a cover story that asked, “Will Gun-Toting, Churchgoing White Guys Pull the Lever for Obama?” When the polls closed, the question was answered: Nationwide, a significant majority of White men, White women, working-class Whites, White gun owners, and White weekly churchgoers supported McCain.

But a significant number of Whites in each category broke ranks and voted for Obama—enough to help him win key battleground states and the presidency. Exit polls conducted by Guy Molyneux, a survey expert with Peter D. Hart Research, explain why.

Molyneux surveyed 1,487 members of AFL-CIO unions—about half in battleground states—and compared the results with all voters. What he discovered is nothing short of astounding. Fifty-seven percent of White men favored McCain, but 57% of White male union members favored Obama. White gun owners cast 68% of their votes for McCain, but 54% of White gun owners who are also union members preferred Obama. Among White weekly churchgoers, McCain scored a landslide, receiving 70% of their votes, but Obama had a slight edge (49% to 48%) among White weekly churchgoers who were union members. Similarly, 58% of White non-college graduates voted for McCain, but 60% of White union members who didn’t graduate from college tilted to Obama. Overall, 53% of White women cast ballots for McCain, but Molyneux found that a whopping 72% of White women union members favored Obama.

These numbers show the tremendous power of grassroots organizing. Nationwide, according to Molyneux, 67% of union members of all races—and 69% in swing states—supported Obama.

They voted for him because of the unions’ effectiveness at educating and mobilizing members. They spent millions of dollars and built an army of volunteers who went door to door, reaching out to other members about key economic issues. Members in “safe” Democratic states staffed phone banks and made tens of thousands of calls to unionists in key swing states.

Unions made a special effort to talk with White members who may have been reluctant to vote for a Black man for president. AFL-CIO Secretary Treasurer Richard Trumka gave the same impassioned speech to union members in key states, appealing to their class solidarity, decency and sense of history: “There are a thousand good

(EFCA: Continued from page 3)
reasons to for vote for Barack Obama. And there’s not a single good reason for any worker—especially a union worker—to vote against Barack Obama. And there’s only one bad reason not to vote for Barack Obama—and that’s because he’s not white.”

Labor activists carried Trumka’s message to union voters. On Election Day, union members, including White males, as noted above, were more likely than non-union counterparts to vote for Obama as well as for Democrats running for Congress and to volunteer for their campaigns.

**Labor and Civil Rights Movements**

Rev. Dr. Martin Luther King, Jr. understood the importance of the labor movement to a more progressive America. He began his activism in Montgomery, Alabama, as a crusader against the nation’s racial caste system, but the struggle for civil rights radicalized him into a fighter for broader economic and social justice. He recognized the limits of breaking down legal segregation. What good was winning the right to eat at a dime-store lunch counter if you couldn’t afford a hamburger and a Coke?

During the 1960s, Rev. King became increasingly committed to building bridges between the civil rights and labor movements. Invited to address the AFL-CIO’s annual convention in 1961, Rev. King observed that “the labor movement did not diminish the strength of the nation but enlarged it. By raising the living standards of millions, labor miraculously created a market for industry and lifted the whole nation to undreamed of levels of production. Those who today attack labor forget these simple truths, but history remembers them.”

Rev. King also noted: “This unity of purpose is not an historical coincidence. Negroes are almost entirely a working people. There are pitifully few Negro millionaires and few Negro employers. Our needs are identical with labor’s needs, decent wages, fair working conditions, livable houses, old age security, health and welfare measures, conditions in which families can grow, have education for their children and respect in the community. That is why Negroes support labor’s demands and fight laws which curb labor. That is why the labor-hater and labor-baiter is virtually always a twin-headed creature spewing anti-Negro epithets from one mouth and anti-labor propaganda from the other mouth.”

Rev. King worked hard to build the civil rights-labor alliance. Several major unions, especially the United Auto Workers and the International Ladies Garment Workers, donated money to civil rights groups, supported the sit-ins and Freedom Rides, and helped organize the 1963 March on Washington, where King delivered his “I Have a Dream” speech.

Most Americans today know that Rev. King was killed in 1968 in Memphis, Tennessee, but fewer know why he was there. He went to Memphis to support African-American garbage workers, who were on strike to protest unsafe conditions, abusive White supervisors and low wages—and to gain recognition for their union.

Were Rev. King alive today, surely he could have been in Chicago and in Tar Heel, North Carolina last December in solidarity with workers fighting for their rights.

In Chicago, 240 members of the United Electrical, Radio and Machine Workers of America (UE)—80% of them Hispanic, most of the others African-American—illegally occupied the manufacturing plant of Republic Windows and Doors for six days after their employer abruptly told them that it was shutting down the factory. Their bold action worked. They got what they demanded—60 days of severance pay, earned vacation pay, and two months of health insurance coverage. That same month, in Tar Heel, after a brutal 15-year organizing battle, workers at the world’s largest hog-killing plant voted to unionize. These 5,000 workers at the Smithfield Packing slaughterhouse—60% of them African-American—had rejected union membership in 1994 and 1997, after being

**Mandate for Change**

*Mandate for Change: Policies and Leadership for 2009 and Beyond,* edited by Chester Hartman, has just been issued by Lexington Books. It offers a detailed progressive blueprint/agenda for the Obama Administration. Its 47 short, formatted chapters (each leading with a set of concrete policy proposals, followed by a supportive essay, ending with a Resource list of organizations, websites, readings) cover every important domestic and international topic, each written for the book by a key activist. PRRAC Board member Sheila Crowley wrote the Housing chapter; former PRRAC Board member Alan Houseran wrote the Family Policy chapter, former PRRAC Board member Angela Glover Blackwell co-wrote the poverty chapter, and other chapters are written by those whose names often appear in Poverty & Race. Chapters deal with PRRAC’s key issues—race, education, health, homelessness, immigration, the criminal justice system, workers’ rights, employment, the judicial system, transportation, etc.). And a closing chapter is a forum by key community organizing experts—Rinku Sen of the Applied Research Center/ColorLines, Eric Mann of Los Angeles’ Labor Community Strategy Center, and social policy analyst Frances Fox Piven—on the need for movement-building as a sine qua non for getting progressive policies accepted and implemented.

Further information on the book at www.mandate4change.org.
subjected to the company’s illegal harassment and intimidation in a state known for its anti-union climate. The workers’ vote in favor of the United Food and Commercial Workers (UFCW) was one of the largest private-sector union victories in many years and the biggest in the UFCW’s history.

Rights At Work

Some people might ask: If unions are good for workers and good for the economy, why are so few employees union members?

Business leaders argue that employees are simply anti-union. Anti-union attitudes, they claim, account for the decline in membership. In fact, a December 2006 Peter Hart Research Associates poll found that 58% of non-managerial workers would join a union if they could. But they won’t vote for a union, much less participate openly in a union organizing drive, if they fear losing their jobs for doing so.

And there’s the rub. Americans have far fewer rights at work than employees in other democratic societies. Current federal laws are an impediment to union organizing rather than a protector of workers’ rights. The rules are stacked against workers, making it extremely difficult for even the most talented organizers to win union elections. Under current National Labor Relations Board (NLRB) regulations, any employer with a clever attorney can stall union elections, giving management time to scare the living daylights out of potential recruits.

According to Cornell University’s Kate Bronfenbrenner, one-quarter of all employers illegally fire at least one employee during union organizing campaigns. In 2007, over 29,000 workers were illegally disciplined or fired for union activity. Some workers get reinstated, but years later and only after exhaustive court battles. Penalties for these violations are so minimal that most employers treat them as a minor cost of doing business. Employees who initially signed union cards are often long gone or too afraid to vote by the time the NLRB conducts an election.

Big business spends hundreds of millions a year to hire anti-union consultants in order to intimidate workers from participating in or showing support for union campaigns. Employers can require workers to attend meetings on work time, during which company managers give anti-union speeches, show anti-union films and distribute anti-union literature. Unions have no equivalent rights of access to employees. To reach them, organizers must leaflet outside factory gates (an activity unions have not found cost-effective), visit workers’ homes or hold secret meetings. This is hardly workplace democracy.

In fact, unions added 428,000 members in 2008, lifting the proportion of unionized workers to 12.4%, a 0.3% increase from 2007, according to a January 2009 report by the Labor Department’s Bureau of Labor Statistics. This was the largest increase in union density since 1983, the earliest year for which comparable data are available. Except for last year’s increase and a smaller rise in 2007, union membership has fallen or held steady in every year since 1983.

Two-thirds of that increase was among public-sector workers. As the workers at the Smithfield packinghouse learned, workers in the private sector are still fighting an uphill battle because of one-sided labor laws.

Unions cannot—and should not—fight this battle alone.

The Employee Free Choice Act

That’s why the Employee Free Choice Act is the most crucial battle for workers’ rights since the original National Labor Relations Act was passed in 1935. “It is the most important issue that we have,” AFL-CIO President John Sweeney told the Wall Street Journal after the November election.

The Act would allow workers to skip the lengthy, corporate-dominated NLRB process. If a majority of employees in a workplace sign a union card (a system called “card check”), the company would be obligated to bargain with employees through the union. It would also increase penalties for companies that violate worker rights and provide for mediation and arbitration for disputes over a first contract—a key provision, because employers often drag out negotiations in order to wear down a new union.

EFCA would make union organizing campaigns easier and reverse labor’s four-decade membership decline. The U.S. would match other democracies in the protection of workers’ rights. Canada has “card check” systems in half its provinces, and union membership is more than double that in the U.S.

If union membership is growing under America’s one-sided existing labor laws, imagine how much more successful union organizing would be if the laws were more even-handed.

America’s business community is gearing up to defeat the Employee Free Choice Act. This is likely to be the biggest battle over workers’ rights since the Depression. A Democratic majority in Congress and a progressive Democrat in the White House don’t guarantee EFCA’s victory. The U.S. Chamber of Commerce and its business allies have pledged to spend whatever it takes—in advertising, campaign contributions and other means—to get enough moderate Democrats in Congress to oppose EFCA and ensure its defeat. The labor movement is raising its own war chest to mobilize union members and their allies to lobby Congress on behalf of EFCA.

Business may differ on issues like global warming and healthcare reform, but opposition to the EFCA “is one the business community is united on,” Dan Yager, spokesman for HR Policy Association, a corporate lobbying group, told the Wall Street Journal. “Now that it looks like it has a serious
possibility of being enacted, we think it will galvanize the community even more.”

Bernard Marcus, co-founder of Home Depot, told Business Week that EFCA is a “planned hostile takeover of [companies’] human resources.” And Steven Law, the U.S. Chamber of Commerce’s General Counsel, correctly observed to Business Week that EFCA would “alter a relative balance in labor-management relations which has existed for the last 50 years.”

Business is on the warpath. The Chamber and other business lobbyists spent $50 million last year on advertising against the Free Choice Act and millions more trying to get anti-EFCA candidates elected to office. Now that the election is over, business will wage the most expensive corporate propaganda campaign in American history. They formed a front group, the Coalition for a Democratic Workplace, and pledged to spend at least $200 million for TV and radio ads and direct-mail and lobbying efforts, particularly in states with fence-sitting Senators, to defeat the proposal. Their key goal is to keep EFCA advocates from getting a filibuster-proof 60 votes in the Senate.

Unions cannot—and should not—fight this battle alone. Unions recognize that coalitions with community, religious and environmental groups are essential to building a broader movement for social justice. A wide spectrum of issue groups support EFCA, including the National Baptist Convention, Sierra Club, Human Rights Watch, NAACP, National Consumers League, National Women’s Political Caucus, Presbyterian Church USA, United Methodist Church, U.S. Student Association and Stonewall (gay and lesbian) Democrats. But for the bill to pass, these and other groups need to use all their political muscle to energize their supporters on behalf of labor law reform.

Obama pledged to support EFCA during his campaign, and union leaders consider his appointment of pro-union Congresswoman Hilda Solis to be his Secretary of Labor a positive signal. And at the end of January, at a White House meeting to announce a task force on strengthening the middle class, surrounded by major union leaders, Obama said he believed that “we have to reverse many of the policies toward organized labor that we’ve seen these last eight years, policies with which I’ve sharply disagreed. I do not view the labor movement as part of the problem. To me, it’s part of the solution.” And at that meeting, Vice-President Joe Biden told the assembled union leaders: “Welcome back to the White House.”

But Obama is understandably reluctant to push EFCA to near the top of his legislative agenda, and trigger the unified opposition of the country’s business lobby, until he has gotten Congress to adopt an economic recovery plan and until key indicators—unemployment, foreclosures, credit, consumer confidence and others—suggest that the economy is steadily improving.

Without grassroots lobbying and protest—in the halls of Congress, in the streets and in cyberspace—it will be difficult for Obama to carry out a progressive agenda. It will require vigils and rallies around the country, and perhaps civil disobedience like the Republican’s sit-in, to win a new New Deal policy agenda—not only an infrastructure plan to stimulate the economy, like the one adopted in February, but also a “green jobs” investment program, a universal health insurance proposal, a strategy to help Americans afford housing, and a significant federal investment in public schools and college financial aid.

It’s do-or-die time for the American labor movement. If labor stumbles toward irrelevance, our overall society will become nastier, more unequal and more individualistic than it already is.

America is now closer than it has been in decades to having labor laws that truly protect workers’ freedom to make their own choices about union representation, without management interference. If Congress passes the Employee Free Choice Act, it would not only increase union membership but also lead to a rebirth of progressive politics. Americans who care about building a healthier, more liveable society—one in which prosperity is widely shared—should view the battle over the Employee Free Choice Act as a fight for their own future as well.
Memphis Since King: Race and Labor in the City

by Michael Honey and David Ciscel

In 1968, African Americans in Memphis had good reason to hope for a future of racial equality. The Civil Rights Act of 1964 promised equal treatment in public accommodations and employment, while the 1965 Voting Rights Act promised equal access to the ballot. Dr. Martin Luther King, Jr. called these legislative victories “phase one” of the freedom struggle. Speaking to 1,300 striking black sanitation strikers and about 10,000 of their supporters in Memphis on March 18, King called for phase two, a “struggle for genuine equality, which means economic equality.” Traveling the country to organize his Poor People’s Campaign, King sought redistribution of wealth and power and a shift from military spending to economic development. In Memphis, King added unionization and work rights to his demands.

King lost his life to an assassin in Memphis 41 years ago on April 4. The election of Barack Obama as President seems to at least partially confirm phase one’s success. But what has become of phase two? Looking closely at the Memphis economy, we see why a vast racial divide continues in an America that has barely begun to address phase two of the freedom struggle.

What Became of King’s Dream of Union Rights?

Memphis sanitation workers won union rights and some control over their work as the result of the hard struggle of 1968. The American Federation of State, County, and Municipal Employees (AFSCME) for a time became the largest union local in Memphis and the State of Tennessee. (See Poverty and Race, March/April 2007). The success of the lowly sanitation workers broke down barriers to public employee unions and led police officers, teachers and other municipal workers to unionize and improve their wages and conditions dramatically.

But despite union advances in the public sector, the economy of 1968 still devasted most black workers. Better-paid industrial occupations employed very few black men and largely excluded black women. Memphis had only a few black white-collar professionals—doctors, accountants and lawyers. Licensed black plumbers, pipe fitters, heating and air conditioning workers or electricians, salespeople, secretaries and clerical workers remained scarce, frozen out by white employers and craft unionists.

Most African Americans still worked in personal service, as laborers, or as the perpetual assistant, doing the hard labor for the white craftsman as they had done for generations. Opportunities for African Americans remained circumscribed at almost every turn. In the 1970s, economic downturns and federal cutbacks to urban budgets held wages in check. In the tidal wave of 1980s deregulation, taxes shifted from the wealthy to the working class, while factory closings and massive assaults on union rights undercut the wages and job control of workers everywhere.

In Memphis, intense employer and government opposition in a “right to work” state (state law actively discouraging full union membership for workers in a plant or shop) stopped public employee unionism from expanding into the rapidly and massively growing hospital and health care sector. At the same time, large industrial production—in the form of International Harvester farm implements, Firestone tires, RCA televisions—shut down in Memphis. Multinational corporations like RCA moved work to cheaper labor markets in Asia and Latin America, devastating working-class incomes.

Workers couldn’t win in this economic and political climate. In 1980, the Memphis Furniture Company, employing hundreds of black women, waged a campaign to break their union. The women went on strike, gained support from Coretta Scott King and civil rights activists and defeated the company’s union-busting. Memphis Furniture simply shut its doors, eliminating their jobs.

Due to the economic downturn for unskilled and factory workers in the 1980s, black men disproportionately lost jobs. Black women remained the only breadwinner for many black families. Gone with unionized factories was the dream for non-college-educated workers of a good job that can provide a decent life based on honest labor. From 1969 to 2008, manufacturing jobs fell from 22.9% to 8.5% of all Memphis regional emp-

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employment, while jobs as a whole rose from 236,000 to 639,400. As manufacturing declined, so did unions. Those manufacturers that remained paid less: In 2007, the Memphis manufacturing sector averaged a mere $30,400 for full-time work—less than the per capita income in the region and barely enough for a living wage for a family of three.

The loss of unionized jobs has produced people without health care benefits, families that can no longer afford to send children to college or even keep them in high school. Many families plunged into utter destitution and couldn’t even keep a roof over their heads. The shifting economic terrain hit the black working poor the hardest and black communities the worst. As Census data show, the historically disadvantaged remained mired in poverty.

**Black Workers and The New Economy**

According to the conventional economic wisdom, lost industrial jobs would be replaced by other kinds of jobs that would elevate the black working class. For professional, highly-educated people in Memphis, some dramatic improvements did occur, creating and expanding the black middle class. But, as King feared, much of the black working class got left behind. The service economy of Memphis that has developed in the last 20 years created jobs with few training requirements and also with few ladders to better employment, and with almost no job control by workers.

Into the place of manufacturing stepped new service industries of logistics (transportation, warehousing and wholesale trade) and medical services. Globalization of industry requires lengthy and complicated supply chains. Unions represent less than a quarter of transportation and warehouse workers in general, and the percentage is clearly less in the Memphis area, where only the airline pilots are consistently unionized. Yet Memphis became a key player in the global supply chain, a place where workers stored products, repackaged products from big boxes into little boxes, and shipped products produced everywhere in the world to be sold through new megamarketing outlets like Target and Walmart. In this economy, the work was hard, the pay was low, jobs were non-union and work was scheduled totally by the employer. The opposite of the skilled employment and expansion of education predicted by conventional economists occurred.

The service economy did deliver thousands of new jobs. Service jobs grew five-fold from 1966 to 2008, populating the landscape with new employment in logistics, medical services, gaming, hotels and restaurants. But the employment of guards, clerks, orderlies, servers and other temporary workers delivered few promotional opportunities and less income stabil-

**Job rights have vanished into the structures of the global economy.**

ity than manufacturing had in the past. Workers learned the jobs almost exclusively on-the-job, and their low wages afforded little access to enhance their education and skills. Service jobs were defined and structured to be even more interchangeable than the old factory assembly jobs, and the workers were just as expendable.

Most importantly, work became temporary. The new jobs only existed when a new rail/truck shipment arrived for storage, for repacking or for shipment. For warehouse workers, for many transportation workers, for the multitude of guards and security personnel, for the “customer associates” in retail trade, and for the army of new personnel, training and education were beside the point. Employer restructuring of working conditions meant the beginning of the end for the 9-5, Monday through Friday, 40-hour week. Mandatory overtime was followed by mandatory short time. The new job structure expected and even encouraged worker turnover.

The African-American worker who had once anticipated joining the unionized manufacturing workforce stepped into this new world. While some beat their way through the regional community college and university systems into new high-tech jobs, most workers found themselves resigned to jobs devoid of collective action, their future limited by occupational segregation now enforced through educational credentials (or the lack thereof), their job rights transferred almost entirely to the employer.

A hopeful development occurred as African Americans increasingly gained sales jobs in trade, clerical jobs in offices, technical jobs in medical services, and driving and supervisory jobs in logistics, from which they had been previously excluded. But the opening of these segments of the labor market to blacks did not bring affluence. In-

**New on PRRAC’s website**

A report by PRRAC and the Charles Hamilton Houston Institute for Race & Justice of the Harvard Law School:

**Bringing Children Together: Magnet Schools and Public Housing Redevelopment**

“Research and on the ground experience in our urban areas demonstrates that it is time to more deliberately link school and housing policy in efforts to reduce concentrated poverty, promote school diversity and revitalize communities that have historically been disenfranchised. The history of housing discrimination, and of increasing poverty and segregation in our public schools today, makes this all the more urgent. One sensible route toward such collaboration is combining magnet school efforts and the HOPE VI program to deconcentrate poverty in neighborhoods and schools.”

(Please turn to page 10)
stead, increased managerial control and the decline of unions held down wages and made these jobs far less satisfying than black workers had expected.

FedEx and Corporate Medicine: the New Job Segregation

In Memphis, the overnight package company Federal Express is part of the logistics sector, that combination of transportation, warehousing and computer scheduling that defines the way we move products across the globe to retailers and finally consumers. FedEx is at the top of the logistics pyramid—moving high-value goods, organizing supply systems and providing the link among far-flung producers, warehouses and retailers. But beneath FedEx is a vast array of jobs with every component of this system, maybe as many as a 100,000 in the Memphis regional economy.

FedEx helped re-invent the way we work. The result is the flexible, incessant job. Those in the modern supply chain—warehouses, airports hubs, trucks and airplanes—work when they are needed for as long as they are needed. Sanitation workers would clearly recognize this never-ending work week, one of the causes of their 1968 strike. The new distribution economy includes whites, blacks and Latinos, and especially women, but what it does not provide is equality or prosperity for the worker.

Today’s world is supposedly based on merit—but the façade of educational advancement often hides a rigid structure of occupational segregation that traps minorities in low-rung jobs while allowing those in the middle and upper classes to easily pass on the best jobs to their next generation.

Nowhere is this job model more clearly delineated than in medical services, the other dynamic economic sector in the Mid-South. Three large hospital corporations, plus a public hospital, dominate, and, except for small portions of the public hospital, the entire system is non-union. Jobs in the medical services sector are large in number, and the numbers only grow. Many of the workplaces are 24/7 operations. Work is very hierarchical, with authority concentrated at the top both professionally (physicians) and organizationally (managers).

But there are thousands of entry-level jobs. Cleaners, orderlies, and licensed vocational and practical nurses come from the vast supply of African Americans and an increasingly large Latino working class in the region. These jobs mostly pay poorly, with few benefits. But while these workers work next to and with nurses, therapists, physician’s assistants and physicians, they are rarely promoted or trained on the job for these higher-paying crafts. Managerial power to define occupations, to limit learning by doing, and to set the conditions of daily work organization dominates the workplace.

These two industries—logistics and medical services—define the conditions of work in Memphis for both black and white workers. Logistics requires fluidity and flexibility, with little emphasis on training, and with work following the material needs of the supply chain. Medical services are hierarchical and rigid, using the educational system to organize its segregated occupational structure. But both industries have built employment conditions that emphasize: (1) 24/7 on-demand work from workers; (2) job control that is completely externalized from the worker; and (3) use of contract/temporary labor as a component of the labor market discipline.

The worker in Memphis has thus moved through the entire cycle. Black workers moved out of personal service, agricultural day labor and general laborer status, but the result proved the opposite of King’s dream.

Labor, Race and Poverty Today

One of the most celebrated aspects of the civil rights legacy is the advance of black elected officials. Memphis optimists today point to a city with powerful black political elites, who, from the mayor on down, control local and regional government. Those with higher education have made their way into university teaching, and a suburban black professional class serves a vibrant and growing medical sector. It is a city of several large corporate headquarters, and the city derives its dynamism from the headquarters and operating centers of FedEx. A strong tourist industry celebrates the National Civil Rights Museum and the legacy of King and black political power.

Yet Memphis remains a city with high poverty and inner-city crime rates, a weak educational system, and a population still separated by race and class. As many whites and some blacks move out of the city to escape its taxes and weakened school system, generations of slavery, job segregation, poor education, job and union loss, and government neglect have produced a sub-proletariat of permanently poor people. King’s promise of a future of freedom and equality remains a promise unfulfilled.

Workers and unions in America today are often hanging on by a thread, and Memphis is no different. Even the unionized sanitation workers have barely kept up with the increasing cost of living, and incomes for many of them hover only slightly above the poverty line. For others who never unionized, it is even worse. Census records show that a little more than 12% of the population (144,927 people) lived in poverty in Memphis and Shelby County in 1969. By 2004, that had fallen by only 1 percentage point, but, based on overall population growth, 171,289 people lived in poverty. In the Mid-South region as a whole, which takes in many rural areas, nearly 30% of African Americans
today live in poverty. In 2005, African-American workers had median earnings of $20,833 per year—about $10.00 per hour. In working-class jobs, men do worse than women. Full-time black male workers earn a little over 64% of what white males earn, while full-time black female workers earn almost 83% of what white female workers earn. Blacks and whites and Latinos tend to work in different occupations and different industries and neighborhoods. More than four decades since King, the general trend toward less equality, toward fewer manufacturing jobs, and toward more expensive education has frustrated black workers. Today, Memphis is the home of the flexible, service-based job that often traces its employer of record to a staffing agency, a job that sometimes requires 20 hours a week and sometimes demands 60 hours, a job that comes and goes, and a job that often is most compatible with the powerlessness of the undocumented worker.

The story of African Americans in Memphis illustrates the need to return to King’s call for economic equality. One simple answer to today’s work problems is job control. Until workers can once again “own” their jobs, the path to equality will remain grown over with the briars of corporate power. A contingent job not only robs the employee of compensation but of the right to be part of the production process. A job without advancement potential reduces on-the-job innovation, productivity and pride. But these sorts of jobs are just exactly what we have created in the last 41 years. Not coincidentally, many African Americans and a growing host of Latino immigrants, both groups historically disadvantaged by generations of exploitation and discrimination, remain at the bottom of the economy.

The Needed Path to Economic Equality

To set us on the path to economic equality, instead of policies that enhance inequality, we need policies that return control back to the workers. Three basic changes would allow working men and women to hold the sign “I Am A Man,” used in the sanitation strike of 1968, and have it signify the reality of their daily working life.

First, the restoration and encouragement of unionization by governmental authorities is a basic necessity. The Employee Free Choice Act [see article, p. 3] and other labor reforms would allow workers faced by powerful corporate employers to deliver a better future for themselves. In the modern 24/7 logistics and retail economies, unions would balance the needs of the lives of workers against the constant downward pressure on wages and benefits.

FedEx helped re-invent the way we work. The result is the flexible, incessant job.

Second, at the regional level, occupational entrance rules need to shift away from educational credentials and state licenses back towards learning-by-doing and direct worker control of occupational standards.

Third, and related, control of the job by workers or their representatives would reduce the alienation from today’s here-today, gone-tomorrow work environment. The union shop of yesterday proved workers to be a real countervailing power to the corporate desire for profits and control over the work process. Something like that needs to happen again.

Memphis today has the same or greater potential than in 1968. The economy, from a finance point of view, is fairly vibrant. African Americans have entered numerous occupations from which they were excluded in 1968. Education has improved at the primary and secondary levels while African-American admission and matriculation at the college level has soared. But while the façade of social equality is apparent everywhere, Memphis has also remained a highly segregated and unequal society—largely mirroring the American society around it.

The problem is straightforward. There is less ability to struggle for economic equality in today’s economy than in the economy of Martin Luther King’s era. While social equality has risen between races and genders, job rights have vanished into the structures of the global economy. Without control of the job in the clinic, at the warehouse or on the showroom floor, modern workers may find that they work with men and women of other ethnic backgrounds, but none of them earn a living wage. If you don’t quite believe this picture of the modern workplace, come to Memphis.
Two immediate ways in which community-based organizations can stem the free-fall of communities in trouble are: 1) a stipend program to put people in underserved communities to work on community problems; and 2) loan funds and other financing support services to help disadvantaged entrepreneurs get access to credit and other assistance for business success.

4. Stimulus investments should recognize differences in labor segmentation by race and gender to ensure an equitable distribution of the stimulus’ benefits.

According to research by Professor Darrick Hamilton of the New School for Social Research and others, people of color, particularly Black men, tend to be “crowded” into low-prestige jobs and paid lower wages than White male counterparts.

In the construction industry, which will benefit heavily from investment in “shovel ready” projects, men of color and women of all races are significantly under-represented.

- A study of 25 metropolitan areas that measured the difference between the proportion of Blacks in the workforce and in the construction trades found a gap as high as 18% in Atlanta.
- Overall, if Blacks were employed in construction proportionate to their representation in the overall workforce, 137,044 more Blacks would have had construction jobs.
- Latinos, on the other hand, are generally over-represented, but their jobs typically are less skilled, less unionized, pay less and are more dangerous.

“Shovel ready” projects funded by the stimulus package can benefit unemployed people of color and women if specific incentives and enforcement tools are enacted to ensure fair access to these opportunities. All stimulus projects should require local resident hiring goals and create a link to community-based groups as the first line contact for construction jobs. Local hiring requirements are a proven approach to bring jobs to under-represented constituencies in construction trades. These requirements can be applied to permanent jobs as well.

- Oakland’s $1.2 billion ports modernization program requires local hiring for all construction work through an agreement reached in 2000 between the Port of Oakland, the general contractor and unions of the Building Trades Council.
- In Los Angeles, a 2004 Community Benefit Agreement requires local hiring as part of the Los Angeles Airport (LAX) modernization. The agreement covers a very wide range of jobs, including retail and food service employees, airline employees, service contractors and baggage handlers.

A study by the Partnership for Working Families indicates that the most effective hiring agreements for construction jobs require placement of apprentices who are residents of low-income neighborhoods. It is also important to establish pre-apprenticeship programs and create connections with community-based organizations that can recruit job-seekers. Some unions and contractors recognize the value of hiring local residents, but governments should enact incentives, including rewards and penalties, to convince others to do the same.

5. Data collection on the race, ethnicity and gender of those served by stimulus money is critical to evaluating the success of the stimulus package and to inform government officials, advocates and the public about what works and what does not.

For further information on the economic stimulus initiative see:

- Brookings Institution Metropolitan Policy Program, “Delivering Metropolitan Stimulus,” available from metro@brookings.edu

For housing impacts, see the National Low Income Housing Coalition article: http://www.nlihc.org/detail/article.cfm?article_id=5817
The recent and ongoing investments in the nation’s economic recovery have the potential to not only revitalize our economy, but also the American promise of opportunity itself. American opportunity is the idea that everyone should have a fair chance to achieve his or her full potential, and that ensuring this fair chance requires not only certain basic conditions, but also the fulfillment of specific core values: equal treatment, economic security and mobility, a voice in decisions that affect us, a chance to start over after misfortune or missteps, and a sense of shared responsibility for each other as members of a common society. Fulfilling those values is not merely a good policy, but part of our fundamental human rights.

An important chance to promote opportunity arises each time a governmental body supports or controls a major public or private project. Taxpayers support, and governments initiate and regulate, a wide range of projects, from highways and mass transit lines, to schools and hospitals, to land use and economic development, to law enforcement and environmental protection. These projects, in turn, can improve or restrict access to quality jobs, housing, education, business opportunities and good health, among other opportunities. And, depending on their design and administration, they can serve all Americans fairly and effectively, or they can create and perpetuate unfairness and inequality based on race, gender or other aspects of who we are.

Despite the progress we have made as a nation, research shows that people of color, women, immigrants and low-income people continue to face unequal barriers to opportunity in a range of situations, including education, employment, health care, housing, economic development, asset-building, business opportunities, environmental protection and in the criminal justice system. In authorizing, funding and regulating projects, federal, state and local governments have a responsibility to keep the doors of opportunity equally open to everyone. And history shows that when they fulfill that role, we move forward together as a society.

The need for promoting opportunity is stronger than ever, given current efforts to revitalize the economy through the American Recovery and Reinvestment Act of 2009 and other recovery proposals under consideration.

**Government-funded projects can create and perpetuate unfairness and inequality.**

by the President and Congress. These proposed plans involve unprecedented federal spending linking multiple sectors, and create an opportunity for extraordinary and lasting investment in communities throughout America that need assistance in moving forward toward a strong economic future. This memo introduces a new and promising policy strategy designed to ensure that publicly supported and regulated projects provide equal and expanding opportunity to all the communities they serve: The Opportunity Impact Statement.

**The Idea**

The Opportunity Impact Statement (OIS) is a road map that public bodies, affected communities and the private sector can use to ensure that programs and projects offer equal and expanded opportunity for everyone in a community or region.

On both the federal and state level, impact statements are a well-established practice, intended to ensure that policymakers have full awareness of the impact of proposed rules before taking major action. Fiscal impact statements from the non-partisan Congressional Budget Office outline the costs and benefits of congressional legislation, and many states have adopted similar financial analyses for legislative action. Iowa, Connecticut and Minnesota have established impact statements that review proposed changes in criminal justice policy to determine whether such action will exacerbate or reduce racial disparities in sentencing and incarceration. Perhaps the most well-known impact statement is the federal Environmental Impact Statement (EIS) found in the National Environmental Policy Act (NEPA) that federal agencies must prepare when a major construction or other project is likely to have a significant effect on the environment. An EIS is prepared based on available data and investigation. It compares the proposed project to other alternative approaches, and invites public scrutiny and public comment. Ultimately, it aims to facilitate informed, sophisticated and democratic decision-making that pursues sustainable development in service to the public interest.

The Opportunity Impact Statement seeks to pursue similar goals in the context of opportunity. Just as the EIS is designed to “force federal agencies to carefully consider significant environmental impacts arising from projects under agency jurisdiction, and to create a formal procedure in which members of the public are afforded an opportunity for meaningful participation in the agency’s consideration of the proposed action,” the Opportunity Impact Statement will bring both the voice of affected communities and balanced analysis to the table in the
context of opportunity.

Using empirical data as well as community input and investigation, the OIS will assess the extent to which a project will expand or contract opportunity for all—e.g., Would jobs be created or lost? Would affordable housing be created or destroyed?—as well as the extent to which it will equitably serve residents and communities of different races, incomes and other diverse characteristics—e.g., Would displacement or environmental hazards be equitably shared by affected communities?

These factors would be considered in the context of communities’ differing assets, needs and characteristics. For example, will a construction project offer job-training opportunities to both women and men from communities with high unemployment rates, or will it bypass those communities? Will a new highway or light rail system connect distressed minority neighborhoods to quality jobs, hospitals and green markets, or will it further isolate those communities? Experience shows that simply asking these types of questions and requiring a thorough and public response will have a positive effect on the development of publicly subsidized or authorized projects.

The Opportunity Impact Statement would include four major elements:

1. Coverage of Projects Involving Public Funds or Governmental Engagement.

   The mechanism applies to projects intertwined with taxpayer or government resources. It does not apply to wholly private activities.

2. Data Collection and Analysis.

   The Opportunity Impact Statement will collect and analyze data regarding the characteristics of affected communities (e.g., employment rates and health status, socioeconomic and racial make-up, etc.), as well as the assets and opportunities currently available to those communities (e.g., access to hospitals, schools, banking, jobs, etc.), both independently and in comparison to surrounding communities. In some cases, historical patterns (e.g., patterns of hospital closings, housing segregation) will also be relevant. An important part of the analysis will be the consideration of alternative approaches to achieving the goals of the project that may be more effective in ensuring equal access to greater opportunity, as well as changes that could mitigate or remove negative implications. Also important will be consideration of the proposed project’s compliance with equal opportunity laws and other applicable legal standards.

3. Public Comment and Participation.

   Members of the public—especially communities that would be positively or negatively affected by the proposed project—will participate in the decision-making process in two ways. In the initial fact-finding stage, input from civil society will help guide information-gathering regarding relevant impacts, potential alternatives and sources of additional information. Once a preliminary assessment has been created, the public will have the opportunity to comment on the conclusions, express concerns or support, and complement factual information with practical human experiences and interaction.

4. Transparency and Accountability.

   The OIS process will result in a public, written report, as well as a record of the goals, data, analysis and public comments that led to the report’s conclusions. The report will guide governmental and community decision-making regarding the proposed project while providing guidelines for the future development and regulation of projects that are ultimately approved.

Legal Underpinnings

A network of federal laws provides the underpinning for the Opportunity Impact Statement. Title VI of the Civil Rights Act of 1964 and the federal regulations that implement it prohibit policies that have a discriminatory intent or effect based on race or language ability in federally funded programs. Section 504 of the Rehabilitation Act prohibits discrimination in those programs based on disability. And Title IX of the Education Act prohibits gender discrimination in federally funded educations programs. Each of these laws requires the analysis of data similar to that covered by the OIS.

Moreover, laws in particular areas like health, housing and the environment require information collection and analysis. The Environmental Impact Statement requirement in federal law covers impact on the human environment in ways that may overlap with the Opportunity Impact Statement. Medicaid law and other health care laws prohibit discrimination against low-income people and communities under certain circumstances.

In addition to these federal laws, international human rights laws support the use of the Opportunity Impact Statement. These include the Covenant on Civil and Political Rights, the Convention on the Elimination of Racial Discrimination, the Convention on the Rights of the Child, and the Convention on the Elimination of Discrimination Against Women (CEDAW). In a recent effort, the City of San Francisco adopted CEDAW as part of its municipal law, resulting in a gender audit that was similar in key aspects to the Opportunity Impact Statement.

The U.S. Supreme Court has increasingly relied on these standards in its interpretation of domestic legal obligations.

Adoption and Implementation

Existing law supports the use of an OIS process in many instances. The
The process envisions that an agency will balance both the need for efficiency in review of necessary government-funded projects with evidence-based evaluation and transparency. The process envisions that an agency will have approval authority over projects within its mandate, and will use the Opportunity Impact Statement to guide and strengthen its evaluation and consideration of impact data.

The OIS will take place in four stages:

1. **Opportunity Assessment**

   The Opportunity Assessment is an initial agency evaluation of the impact a project may have on affected communities’ opportunity. This assessment will be submitted by those proposing the project under review, and will serve as either a gateway to a complete and full Opportunity Impact Statement or, with a Finding of Equal and Expanded Opportunity, permit the proposed plan to move forward without changes.

2. **Draft OIS**

   The Draft OIS should encourage both solid analysis and clear presentation of the alternatives, allowing the agency, the applicant and members of the affected communities to understand the opportunity implications of the proposed project.

3. **Public Comment**

   The process provides for an open and substantive Public Comment Period, including proactive outreach to stakeholders.

4. **Final OIS**

   The Final OIS will assess, consider and respond to all comments. In many cases, the Opportunity Assessment or OIS will reveal no cause for denial or modification, and the project will go forward. Data and public comments developed in the process, however, may be part of subsequent monitoring or complaint resolution.

**Conclusion**

The Opportunity Impact Statement carries the potential to expand opportunity greatly in communities around the country while encouraging public accountability and civic engagement. Moreover, it is a flexible tool that can be applied to any number of projects, big or small. We believe that providing the Opportunity Impact Statement is an important step in realizing our society’s promise as a land of opportunity.

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**The Nation’s Obscene Wealth Disparities**

“For the better part of three decades, a disproportionate share of the Nation’s wealth has been accumulated by the very wealthy. Technological advances and growing global competition, while transforming whole industries—and birthing new ones—has accentuated the trend toward rising inequality. Yet, instead of using the tax code to lessen these increasing wage disparities, changes in the tax code over the past eight years exacerbated them.

According to the Internal Revenue Service, the Nation’s top 400 taxpayers nearly quadrupled their combined net worth of the top 1 percent of total wealth, and the combined net worth of the top 1 percent of households held 70 percent of total wealth, and the bottom 90 percent. In fact, the top 1 percent took home more than 22 percent of total national income, up from 10 percent in 1980…. And these disparities are felt far beyond one’s bank statement, as several studies have found a direct correlation between health outcomes and personal income.” — From “A New Era of Responsibility” (the President’s 2010 budget, p.9)
The Importance of Targeted Universalism

by John Powell, Stephen Menendian, and Jason Reece

The impulse to craft universal rather than targeted public policies is natural for a democratically elected leader, accountable to a broad electorate. The conventional wisdom suggests that particular or targeted policies will not garner the same level of support as universal policies. Targeted policies and programs (poorhouses in the 19th Century, mothers’ pensions in 1910, the War on Poverty in the 1960s) are likely to be viewed through the prism of zero-sum politics. At a time of perceived scarcity and contracting government budgets, targeted policies may be viewed as favoring some constituent group rather than the public good. If the target group is historically disfavored or considered “undeserving,” targeted policies risk being labeled “preferences” for “special interests.” In order to avoid alienating voters, policies are often packaged for broad appeal.

As the default alternative to targeted policies, universal policies suffer from a conceptual defect. Universal policies assume a universal norm. Universal programs begin with some conception of what is universal. This conception, in fact, reflects a particular. The Social Security Act, often described as the quintessential universal policy, was universal only insofar as the universal was a white, male, able-bodied worker. In its early years, the elderly were excluded since they had not been in the workforce or in it long enough to qualify. The definition of work excluded women. Under the cultural norms of the era, men were the primary wage-earner, and women typically worked in the home. As a consequence of discriminatory patterns, they were often kept out most areas of the labor force. Unpaid household labor and child-rearing responsibilities are not counted toward Social Security benefits. Even today, women who take time off to raise children or select careers with more flexible working hours will earn less, on average, than their male counterparts and will therefore have lower Social Security benefits upon retirement. And because of exclusions of agricultural and domestic workers, since rescinded, exclusions built in to appease Southern resistance to the Act, 65% of African Americans were denied its protections.

As troubling as is the conceptual problem of defining what exactly is meant by “universal,” broadly conceived universal programs are very likely to exacerbate inequality rather than reduce it. Defined as one of this country’s greatest accomplishments, the Interstate Highway Act of 1956 used federal dollars to subsidize the creation of the suburbs. This was the largest public works project in American history at the time. It gave impetus to waves of migrating middle- and upper-class families to abandon the central cities for the suburbs. At the same time, many downtown regions were surrounded or demolished by massive highway construction, and the revenue generated by these projects did not return to the communities that were losing their churches, schools and homes. The ensuing arrangement of racially isolated urban dwellers and equally racially isolated suburban residents, hastened by the white flight that followed Brown v. Board of Education’s integration mandate, is a pattern we live with today. Simply put, ostensibly universal programs have no less potential to exacerbate inequality than ameliorate it. Treating people who are situated differently as if they were the same can result in much greater inequities.

False Choices

Universal and targeted approaches are false choices. There is a third possibility. An alternative to either a straight universal program or a solely particularistic program is to pursue what we call “targeted universalism.” This is an approach that supports the needs of the particular while reminding us that we are all part of the same social fabric. Targeted universalism rejects a blanket universal which is likely to be indifferent to the reality that different groups are situated differently relative to the institutions and resources of society. It also rejects the claim of formal equality that would treat all people the same as a way of denying difference.

Targeting within universalism means identifying a problem, particularly one suffered by marginalized people, proposing a solution, and then broadening its scope to cover as many people as possible. It sees marginalized populations in American society as the canary in the coal mine, to borrow a metaphor developed by Lani Guinier and Gerald Torres. It recognizes that problems faced by particular segments of American society are problems that could spill over into the lives of everyone, just as the Lower Ninth Ward was not the only part of New Orleans to suffer in the wake of Katrina. Likewise, the subprime credit crisis did not end in poor, urban communities, but has spread far beyond and has been felt throughout the global economy.

Targeting within universalism means being proactive and goal-oriented about achievable outcomes. As an initial step, an Opportunity Impact Statement (see accompanying article,
p. 13) could be employed to gauge how a universal policy would impact particular groups. But an impact assessment alone, although a move in the right direction, is not enough. At times, the impact will not be predictable. In a complex real-world setting, policies have unintended consequences and resistance that thwart policy intentions. It is critical that targeted universal policies set clear goals and use mechanisms to closely monitor and correct for negative feedback loops and other resistance to achieve those goals.

An Approach to Infrastructure Investment

President Obama’s $787 billion dollar infrastructure stimulus plan will fundamentally reshape our nation, as the Highway Act and other public works projects of the last century did for the baby boomer generation. If the infrastructure rebuilding merely follows the same patterns of resource allocation, it will make things worse, not better. A program to build large-scale broadband networks will not reduce the digital divide unless access is cost-inexpensive so that low-income families can afford the service. In addition, there must be support for these new users to educate them on how to take advantage of this technology. Affluent students and parents from wealthy districts often have access to the Internet and computer technology as a matter of everyday life.

Many of the current proposals for spending the infrastructure funds look to divert much of the funding to existing road proposals across states. This broad and regressive use of the infrastructure stimulus funds may produce jobs in the short term, but it is just a replication of existing models of public investment that have produced inequitable and unsustainable growth. What are truly needed are strategic investments that produce economic development at a broad scale while strategically transforming communities and cities. Road investments spread widely will not reach this goal. Instead of spreading infrastructure funds broadly, we need to use funds to invest in our most investment-deprived communities in our cities. By making these communities more functional, we increase the economic competitiveness of our cities and region, which are the economic growth engines for our economy.

In addition, we must think more strategically about who benefits from investments in new technologies. Instead of investing billions in wind power infrastructure which would be capital-intensive and produce few jobs, would it be better to target funds to energy-efficient home improvements? This labor-intensive investment could train and employ underemployed workers to recondition homes with energy-efficient measures (like insulation and heating/cooling improvements) while subsidizing these home improvements in low-income communities, where the energy efficiency gains will impact our most economically vulnerable households. In essence, this approach would produce universal environmental gains (energy conservation), while targeting many of the benefits to our most vulnerable households (through energy savings and employment opportunities).

Similar critiques could be made of the initial response to the credit and foreclosure crisis. The initial response provided no widespread comprehensive policies which were goal oriented (keeping more people in their homes). The response in Fall of 2008 gave massive financial support to Wall Street but limited relief for vacant property reform and weak support for foreclosure prevention. But, even the $4 billion in vacant property support was problematic. Neighborhood stabilization funds targeted toward cities to address the impact of the foreclosure crisis only address the outcome of foreclosure (vacant properties), and cities have been given little incentive to target funds to holistic approaches (foreclosure prevention, counseling, and negotiating loan workouts with lenders) or to specific neighborhoods (such as the communities of color most impacted by the crisis). The initial housing plans from the Obama administration look more promising, with multiple policy mechanisms to prevent future foreclosures, such as incentives for workouts, providing some flexibility for Judges to modify loan terms in bankruptcy and refinancing offered for those loans affiliated with Fannie Mae and Freddie Mac. Although these new initiatives are untested, these new policies appear promising, but the response cannot end with these initiatives. We still must comprehensively look at the impact of vacant properties properties on neighborhoods must devastated by the crisis and look at the longer term goal of providing sustainable credit and housing to highly impacted communities in the future. These new goals must guide future policy and be responsive to the concentrated racial footprint of bad loans and foreclosures, targeting resources and initiatives to assure sustainable credit and stable housing for the future of these communities.

The manifold crisis of our fundamental institutions, from our system of health care provision to the regulatory apparatus of our banking system, has produced a once-a-century opportunity for institutional change. The opportunities to transform our present institutional and regulatory arrangements are now open. The policies we promulgate will set the course of development for generations to come, just as the post-New Deal and post-WWII arrangements laid the groundwork for generations that followed them. This window of opportunity will remain open for only so long, and the chance for dramatic change will diminish. In this moment, we can work towards building a more equitable future or repeat the mistakes of the past. It is critical that we meet these opportunities with the proper solutions now. If we fail at this, we will be trying to correct our missteps for years to come.
Resources

Most Resources are available directly from the issuing organization, either on their website (if given) or via other contact information listed. Materials published by PRRAC are available through our website: www.prrac.org. Prices include the shipping/handling (s/h) charge when this information is provided to PRRAC. “No price listed” items often are free.

When ordering items from PRRAC: SASE = self-addressed stamped envelope (42¢ unless otherwise indicated). Orders may not be placed by telephone or fax. Please indicate from which issue of P&R you are ordering.

Race/Racism

• “Recommendations and Options to Address Management Deficiencies in the Office of the Assistant Secretary for Civil Rights [U.S. Dept. of Agriculture]” (61 pp., Oct. 2008) is available at www.gao.gov/new.items/d0962.pdf [11280]

• Book of Rhymes: The Poetics of Hip Hop, by Adam Bradley (248 pp., 2009, $16.95), has been published by Basic Civitas, 387 Park Ave. S., NYC, NY 10016, 212/340-8107, mary.ccue@perseusbooks.com [11305]

• FCNL Indian Report is the quarterly publication of the Friends Committee on National Legislation. No price listed. Contact them at 243 Second St. NE, Wash., DC 20002-5795, 800/630-1330, fcnl@fcnl.org, www.fcnl.org [11318]

• “Check the Color Line - Income Report,” by the Applied Research Ctr. and Ctr. for the Study of Social Policy, presents alarming data on racial and ethnic income disparities at both the national and state levels, and proposes policy solutions to promote equality of opportunity. Contact ColorLines, 900 Alice St, #400, Oakland, CA 94607, 510/633-3415, Arc.org [11330]

• DiscussRace.com has, among other features, a free, 20-question anonymous racism test, at www.racismtest.org [11331]

• Trolleys in Black and White: Segregation and Public Transit in Washington from 1920-1962 is a film documenting segregation of passengers and employees in the city’s streetcars and busses. Made by and available from the Amalgamated Transit Union, 5025 Wisconsin Ave. NW, Wash., DC 20016, 202/537-1503. Also available from them is the related 5-pager, “Equal Rights on the Front Platform,” on job discrimination in the city’s trolley system. [11332]

• “YouthBuild at 30” is the organization’s celebratory anniversary event, March 17 in Arlington, VA (right outside DC). Invited speakers include Martin Luther King III and incoming Labor Sec. Hilda Solis. Inf. at 617/741-1285, eblake@youthbuild.org, www.YouthBuild.org [11316]

Poverty/Welfare

• “A Primer on U.S. Welfare Reform,” by Robert Moffitt (2008), is available (no price given) from the Univ. of Wisconsin Inst. for Research on Poverty, 1180 Observatory Dr., Madison, WI 53706; downloadable at www.irp.wisc.edu/publications/focus/pdfs/foc261c.pdf [11311]

• “Rethinking the Safety Net: Gaps and Instability in Help for the Working Poor,” by Scott W. Allard, is available (no price given) from the Univ. of Wisc. Inst. for Research on Poverty, 1180 Observatory Dr., Madison, WI 53706; downloadable at www.irp.wisc.edu/publications/focus/pdfs/foc261d.pdf [11312]

• “A Longitudinal Perspective on Income Inequality in the United States and Europe” by Markus Gangl, is available (no price given) from the Univ. of Wisc. Inst. for Research on Poverty, 1180 Observatory Dr., Madison, WI 53706; downloadable at www.irp.wisc.edu/publications/focus/pdfs/foc261e.pdf [11313]

• Spotlight on Poverty, launched by several major foundations, provides data and research on rural poverty, as well as relevant news and commentary in major media. Go to www.spotlightonpoverty.org/rural_poverty.aspx [11343]

• “Dynamics of Inequality in America from 1968 to Today,” sponsored by the Northwestern Univ. Inst. for Policy Research, will be held April 16-17 at the Inst. Among the presenters: Christopher Jencks, Lawrence Bobo, Mary Pattillo, John Mollenkopf, Robert Sampson, (PRRAC Soc. Sci. Adv. Bd. member) Dolores Acevedo-Garcia and Rebecca Blank. Inf. from 847/491-3395, ipr@northwestern.edu, www.northwestern.edu/ipr [11288]
### Community Organizing

- **Midwest Academy 2009 Trainings** will be held in Chicago (March 23-27, Aug. 10-14, Oct. 19-23), Calif. (Burlingame, just south of SF) (May 11-15) and DC/Balt. (Nov. 16-20). Workshops for Supervisors of Organizers will be held in Chicago (April 22-24, Dec. 2-4) and NY (Sept. 16-18). Inf. from the Academy, 27 E. Monroe, 11th flr., Chicago, IL 60603, 312/427-2304, info@midwestacademy.com, www.midwestacademy.com [11297]

### Criminal Justice

- **“Communities in Crisis: Public Safety in Indian Country”** is a 22-page, 2009 Presidential Transition Brief, prepared by the Natl. Congress of American Indians, available (possibly free) from them. They also have an analysis of the impact of the stimulus bill on Native Americans. Contact NCAI at 1301 Conn. Ave. NW, #200, Wash., DC 20036, www.ncai.org [11333]

### Economic/Community Development

- **“Cost and Performance of Montgomery County Public Schools’ High School Consortia”** (73 pp., Nov. 2008) documents the failure of the county’s high school consortia to erase socioeconomic inequities. Available at www.montgomery countymd.gov/content/council/olo/reports/pdf2009-4.pdf [11283]
- **“Teachers Talk: School Culture, Safety and Human Rights”** (46 pp., Fall 2008), from Teachers Unite: Educators for Social Justice and the Natl. Econ. & Social Rights Initiative, available (possibly free) from NESRI, 90 John St., #308, NYC, NY 10038, 212/253-1710, info@nesri.org, www.nesri.org [11290]
- **“Failing’ or ‘Succeeding’ Schools: How Can We Tell?,”** by Paul E. Barton (29 pp., Sept. 2006), is available (no price listed) from the Amer. Federation of Teachers, 555 New Jersey Ave. NW, Wash., DC 20001, 202/879-4400, www.aft.org [11303]
- **The Early Ed Watch Blog from the New America Foundation, a biweekly, has put out “10 New Ideas for Early Education in the 111th Congress.”** Contact NAF at 1899 L St., NW, #400, Wash., DC 20006, 202/986-2700, satkowski@newamerica.net [11310]
- **“Looming Crisis or Historic Opportunity? Meeting the Challenge of the Regents Graduation Requirements,”** a 2009 report by the Annenberg Inst. for School Reform, analyzes the impact of NY State’s increasing high school graduation standards on students of color, immigrant students and low-income students. Available at www.annenberginstitute.org/Commentary/index.php [11317]
- **Grading Education: Getting Accountability Right,** by Richard Rothstein, Rebecca Jacobson & Tamara Wilder (280 pp., 2008, $19.95), has been co-published by the Econ. Policy Inst. with Teachers College Press. Contact EPI, 800/EPI-4844. epi.org [11323]
- **“The Teaching Penalty: Teacher Pay...**
Losing Ground,” by Sylvia Allegretto, Sean P. Corcoran & Lawrence Mishel (76 pp., 2008, $11.50), is available from the Econ. Policy Inst., 800/EPI-4844, EPI.ORG [11326]


• Enriching Children, Enriching the Nation: Public Investment in High-Quality Prekindergarten, by Robert G. Lynch (135 pp., 2007, $14.95), is available from the Econ. Policy Inst., 800/EPI-4844, EPI.ORG [11328]

• Rethinking High School Graduation Rates and Trends, by Lawrence Mishel & Joydeep Roy (99 pp., 2006, $13.50), is available from the Econ. Policy Inst., 800/EPI-4844, EPI.ORG [11329]

• “AP Report to the Nation” is the 5th annual report on results of the Advance Placement exam, from the College Board. Available at tinyurl.com/cfr6yn [11342]

• K-12 Professional Development Programs: A catalogue of Spring and Summer Harvard Grad. School of Education programs is available (free) from them at 44 Brattle St., 5th flr., Cambridge, MA 02138, www.gse.harvard.edu/ppe [11294]

• “Dignity in Schools Campaign Natl. Conf.” will be held June 5-6 in Chicago. Inf. from them at 11040 Santa Monica Blvd., #450, LA, CA 90025, conference@dignityinschools.org, www.dignityinschools.org/national-conference [11291]

Employment/ Labor/ Jobs Policy

• “A Foot in the Door: Using Alternative Staffing Organizations to Open Up Opportunities for Disadvantaged Workers” is a Jan. 2009 report from Public/Private Ventures, available from them (possibly free) at 2000 Market St., #600, Phila., PA 19103; downloadable at www.ppv.org/pppv/publication.asp?section_id=26&search_id=&epublication_id=266 [11292]

• “Race and Labor in the City: Crises Old and New,” a conference for labor educators and urban activists, co-sponsored by the Labor & Working Class History Assn. and the Fund for Labor Culture and History, will be held May 28-31 at Roosevelt Univ. in Chicago. Details at LAWCHA.org [11285]

Environment

• “Bridge to an Organic Future: Opportunities for Health & the Environment,” the 27th National Pesticide Forum, sponsored by Beyond Pesticides, will be held April 3-4 in Carrboro, NC (adjacent to Chapel Hill). Speakers include Jim Hightower, Baldemar Velasquez and Philip/ Alice Shabecoff. Contact them at 701 E St. SE, Wash., DC 20003, 202/543-5450, info beyonddpesticides.org, www.beyonddpesticides.org [11344]

• “Cities and Climate Change: A Solutions Oriented Conf.” will be held April 30 at the Univ. of Southern Calif. Inf. at 213/740-5570, sustainablecities @college.usc.edu [11308]

Families/ Women/ Children


• “Focus on Violence Against Native Women” is a 2-page undated fact sheet from the National Congress of American Indians, 1301 Conn. Ave. NW, #200, Wash., DC 20036, 202/466-7767, www.ncai.org [11319]

Food/ Nutrition/ Hunger


Health


Housing

• “Decade of Neglect Has Weakened Federal Low-Income Housing Programs” is a Feb. 2009 report from the Center on Budget & Policy Priorities (headed by former PRRAC Bd. member Robert Greenstein). Available at www.cbpp.org/2-24-09hous.htm [11286]

• “NYC Public Housing” is the theme of the excellent 27-page Winter 2009 issue of City Limits Investigates. Contact them at 120 Wall St., flr. 20, NYC, NY 10005, 212/479-3344, investigates@citylimits. org [11298]

• “NYC Housing and Vacancy Survey” is done every 3 yrs. The 2008 Survey is available on the city’s Housing & Preservation Dept. website, www.nyc.gov/hpd [11307]

• “Bringing Children Together: Magnet Schools and Public

• Communities of Opportunity Tax Credit: A proposed bill in the Virginia Legislature (HB2106), a version of which was passed by the Senate as of mid-February, would give landlords in low-poverty neighborhoods who participate in the Sec. 8 voucher program a tax credit equal to 40% of the fair market value of the rent for each qualified housing unit in buildings with no more than 25% of the total dwelling units in the program. For details, see leg1.state.va.us [11321]

• Encouraging Court Decision: A federal district court judge has issued a decision supportive of a claim by the Anti-Discrimination Ctr. and the Relman&Dane lawfirm that Westchester County (a wealthy area outside NYC) has failed in its obligations to affirmatively further fair housing, as required by federal law. Details from Michael Allen, Relman & Dane, 1225 19th St. NW, Wash., DC 20036, 202/728-1888, mallem@relmanlaw.com [11322]

• ForeclosureResponse.org is a new mapping tool that provides foreclosure data at the zipcode level (but the data are from June 2008). The site is maintained by the Ctr. for Housing Policy, KnowledgePlex, LISC and the Urban Inst. [11338]

• PFNC (Por Fin Neustra Casa)—or “Finally, a home of our own”—utilizes surplus shipping containers, resulting from the US’ consistent trade deficit, as the building block of an extensive conversion process to produce housing units for a price of less than $10,000. Contact them at www.pfnc.net/index.htm [11341]

• “The National Low Income Housing Policy Conf.” will be held April 19-22 in DC. Inf. from the Coalition (headed by PRRAC Bd. member Sheila Crowley), 727 15th St. NW, Flr. 6, Wash., DC 20005, 202/662-1530, conference@nlhc.org, www.nlhc.org conferance [11287]

• “Celebrate California Reinvestment and Honor Community Heroes” will be held April 23 in Oakland. Inf. from them at 474 Valencia St., SF, CA 94103, 415/665-1150 x1, crc2009@wongway.net, www.calreinvest.org [11293]

Immigration


Miscellaneous


• “The Economic Policy Inst. 2009 Publications Catalog” (45 pp.) is available from them (free): 1333 H St. NW, #300 E. Tower, Wash., DC 20005, 800/EPI-4844 [11314]


• “Equal Justice Conference,” co-sponsored by the Amer. Bar Assn. and the Natl. Legal Aid & Defender Assn., will be held May 14-16 in Orlando. Inf. from 202/452-0620, www.equaljusticeconference.org [11320]

• “Inequality: New Directions,” co-sponsored by Cornell Univ. and the London School of Economics, will be held Sept. 12-13 in Ithaca. March 15 is the deadline for submission of papers—possibly before this issue of P&R arrives (in which case see what give there is)—sent to Ravi Kanbur, sk145@cornell.edu [11340]

Job Opportunities/Fellowships/Grants

• The Sentencing Project is hiring a State Advocacy Coordinator. Ltr./resume/writing sample to Nia Lazanna at the Project, 514 10th St. NW, #1000, Wash., DC 20004. [11240]

• The Natl. Women’s Law Center (co-directed by former PRRAC Bd. member Nancy Duff Campbell) is hiring a Development Associate. Resume to human resources@nwlc.org or HR Dept., NWLC, 11 Dupont Circ. NW, #800, Wash., DC 20004. [11277]

• The Alston Bannerman Fellowships—to sustain longtime activists of color—is seeking applicants for its 2009 sabbatical awards (4 were given in 2007). March 31 deadline. Inf./application from them at 1627 Lancaster St., Baltimore, MD 21231-3425, 410/327-6220, info@AlstonBannerman.org, www.AlstonBannerman.org [11306]
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<td>Heidi Hartmann</td>
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<td>Margery Austin Turner</td>
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<td>Margaret Weir</td>
<td>Department of Political Science, Univ. of California, Berkeley</td>
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