

Racism and Racial Discrimination in the U.S.

Federal Disinvestment in Opportunity for Marginalized Communities¹

The Center for Social Inclusion (CSI) is a national public policy intermediary, serving as a bridge between policy research and grassroots activism to create more effective strategies for equity and opportunity by dismantling structural racism. Structural racism is the result of how our policies, institutions and systems interact to produce racial disparities, and clearly constitutes discrimination as defined and set forth under the International Convention on the Elimination of All Forms of Racial Discrimination (“CERD”) in Articles 1 and 2. Intentional discrimination is also a persistent problem in the U.S., and it can and frequently does perpetuate and amplify structural inequities.

Based on its work in the Gulf Coast and New York, CSI submits the following data that represent the persistence of racism and racial discrimination due to actions and inactions by the U.S. government in violation of its treaty obligations under CERD.

Article 1, § 1: “ ‘[R]acial discrimination’ shall mean any ... exclusion ... based on race, colour, descent, or national or ethnic origin which has the purpose or effect of preventing the enjoyment or exercise, on an equal footing, of human rights and fundamental freedoms in the political, economic, social, cultural or any other field of public life.”²

U.S. Policies Produce Race-Based Exclusion from Fundamental Freedoms in Public Life

In all of the public spheres listed in Article 1, U.S. policies create conditions that disproportionately exclude marginalized communities and groups from enjoying fundamental freedoms and opportunities, such as good jobs and good schools. Some policies may be facially race-neutral but perpetuate the historic racial exclusion that is embedded in our institutions. Present-day federal transportation, housing, education and fiscal policies perpetuate the racial exclusion that was built into federal policies from the 1930s through 50s – policies that created middle-class White suburbs and poor, non-White inner-city neighborhoods. While the incomes and racial identities of cities and suburbs have been changing, people of color continue to be deeply isolated from opportunities.

Poor people of color are much more likely than poor Whites to live in concentrated poverty neighborhoods that lack opportunities, like good jobs, good schools, and quality services. Concentrated poverty neighborhoods are neighborhoods where at least 20% (rural) or 40% (urban) of the population lives at or below the federal poverty level.³

¹ We use ‘marginalized communities’ to refer to groups marginalized from rights and freedoms on the basis of race. We use it interchangeably with the term ‘people/communities of color,’ more common in U.S. discourse.

² International Convention on the Elimination of All Forms of Racial Discrimination art. 1, § (1), Dec. 21, 1965, 660 U.N.T.S. 195 [hereinafter CERD].

³ U.S. Census Bureau.

- More than two-thirds of people living in concentrated urban poverty are Black or Latino, even though they are one-fourth of the US population.⁴ In rural America, half of poor rural Blacks and Native Americans live in concentrated poverty and 27% of all poor rural Latinos live in areas of high poverty.⁵
- Gulf Coast states have high rates of concentrated poverty compared to the rest of the country (26% in Alabama, 41% in Louisiana, and 41% in Mississippi).⁶
- More than 1 out of every 10 neighborhoods in New York City is a concentrated poverty neighborhood (248 total, or 11.2% of all neighborhoods) and these neighborhoods are predominately people of color (87.5% of these neighborhoods are over 80% non-White). Of the 923,113 people living in concentrated poverty in New York, 37.1% are Black and 49.7% Latino, compared to 8.4% White.⁷ (See Appendix A for a map of concentrated poverty in neighborhoods of color in New York City).
 - Very poor neighborhoods of color have far less to no jobs in their neighborhoods compared to other areas of the City. (See Appendix B for a map showing the relationship between concentrated poverty, neighborhoods of color, and location of jobs).

Article 5(e)(i): States Parties “undertake to prohibit and to eliminate racial discrimination in all its forms and to guarantee the right of everyone, without distinction as to race, colour, or national or ethnic origin, to equality before the law, notably in the enjoyment of” the “rights to work, to free choice of employment, to just and favourable conditions of work, to protection against unemployment, to equal pay for equal work” and “to just and favorable remuneration.”⁸

Federal Transportation Policies Isolate Marginalized Communities from Jobs

Federal transportation dollars favor highways over public transit, making good jobs harder to access for poor people of color, many of whom do not have access to a car. Because many poor people of color live in concentrated poverty neighborhoods that lack good jobs, without a car and without adequate public transit, they cannot get to the good jobs and are at a higher risk of being jobless.

Highway spending outpaced public transit spending by a 5 to 1 ratio over the past six decades.⁹ Under the Transportation Equity Act for the 21st Century (TEA-21), public transit gets one-fifth

⁴ U.S. Census Bureau (2000).

⁵ Calvin L. Beale, “Anatomy of Nonmetro High Poverty Areas: Common in Plight, Distinctive in Nature,” *AmberWaves*, February 2004, www.eers.usda.gov/amberwaves/february04/features/anatomy.htm

⁶ Areas With Concentrated Poverty: 1999_Census 2000 Special Reports, Issued July 2005
<http://www.census.gov/prod/2005pubs/censr-16.pdf>

⁷ U.S. Census Bureau (2000).

⁸ CERD art. 5 (e)(i).

⁹ John a. powell, “Structural Racism and Spatial Jim Crow,” in *The Black Metropolis in the Twenty-First Century*, ed. Robert D. Bullard, 41-66 (Lanham, MD: Rowman & Littlefield Publishers, Inc. , 2007).

the federal dollars granted to highway construction.¹⁰ When federal highway funds were available on a flexible basis for states and localities to transfer to public transit projects, only \$4.2 billion of the \$33.8 billion available (12.5%) was actually transferred.¹¹ Consider the Gulf Coast even before the 2005 hurricane season:

- In New Orleans, Louisiana, 18% of Blacks and 11% of Latinos used public transit to get to work, while only 4% of Whites did. Thirty-two percent of Black and 17% of Latino households did not have access to a car, compared to only 15% of White households.¹² According to Mayor Ray Nagin’s Bring New Orleans Back Commission, the Regional Transit Authority (RTA) operated with a \$47 million FEMA grant that expired on March 18, 2006; the annual operating budget before Hurricane Katrina was \$110 million.¹³ Displaced residents living in the FEMA trailer community of Renaissance Village in Baker, LA could not take jobs that required them to work on weekends and even had to resign or turn down jobs in the New Orleans area because there was no accessible public transportation after the storm.
- In Biloxi-Gulfport, Mississippi, twice as many Blacks and five times as many Latinos as Whites rode public transit,¹⁴ Thirteen percent (13.5%) of Black, 8.7% of Asian, and 10.9% of Latino households did not have access to a vehicle, compared with 4.4% of White households.
- In Mobile, Alabama, 2.1% of Blacks, 1.1% of Latinos, and 0.2% of Whites rode public transit; 17.6% Black and 10.8% Latino households had no access to a car, compared to 4.3% of White households. Job sites in the state closed at alarming rates as entire industries were shuttered after the 2005 hurricane season. Building codes for repairing houses, low rates of homeowners insurance, or lack of insurance, have forced people to move inland from the Gulf Coast. It is often more expensive to live inland and people have no money or credit to buy or repair their cars, further isolating them from job opportunities.

A woman who lives in Demopolis, AL (very close to the Mississippi border) lost her Mississippi job because her car broke down and she could not afford to fix it, and she could not borrow a family members’ car because her sister was having a difficult pregnancy and needed it to access the hospital at a moment’s notice.

¹⁰ Sierra Club, “Public Transit vs. Highways: What Cities are Spending to Improve our Health,” Sierra Club, 2001, <http://www.sierraclub.org/sprawl/report01/transitvshighways.asp>

¹¹ See Robert Puentes, *Flexible Funding for Transit: Who Uses It?* Brookings Institution report: Survey Series of the Brookings Institution Center on Metropolitan Policy, at 1, 2 (available at <<http://www.brook.edu/urban/flexfundingexsum.htm>>) (May 2000).

¹² U.S. Census (2005)

¹³ Bring New Orleans Back Coalition, Infrastructure Committee, “Public Transit,” <http://www.bringneworleansback.org/Portals/BringNewOrleansBack/Resources/Public%20Transit.pdf>

¹⁴ Specifically, 0.8 % of Blacks, 2.0% of Latinos and 0.4% of Whites rode public transit. U.S. Census (2005).

Article 5(e)(v): States Parties “undertake to prohibit and to eliminate racial discrimination in all its forms and to guarantee the right of everyone, without distinction as to race, colour, or national or ethnic origin, to equality before the law, notably in the enjoyment of” the “right to education and training.”¹⁵

Marginalized Communities Do Not Have Equal Educational Opportunities

Across the U.S., public education is struggling, due to the way schools are organized and funded. Because public schools are heavily funded through local property taxes, educational resources are tied to the economic status of the community; poor neighborhoods often do not have sufficient resources to meet even basic educational needs. Poor people of color are much more likely to live in places where poverty is concentrated, and hence to have the most under-resourced public schools. The lack of a strong federal role in education financing thus perpetuates race-based inequities in education. The U.S. is the only industrialized country that does not centralize public education on a national scale.¹⁶ On average, only 5 to 10% of funding for public K-12 schools comes from the U.S. federal government.¹⁷ People of color face lower test scores, higher high school dropout rates, lower college admission rates, and are less prepared for college.

- In New York City, among African American and Latino students who entered high school in 1998, only about 1 out of 10 (10%) graduated in four years with a New York Regents diploma, which is essential for most four-year colleges.¹⁸
- The percentage of Black students in New York City’s elite high schools (Bronx Science, Brooklyn Technical High, and Stuyvesant) dropped between 1994 and 2005.¹⁹ At Bronx Science, Black student enrollment in 2005 was 4.8% down from 11.8%; at Brooklyn Technical High, it was 15% down from 37.3%; and at Stuyvesant, the most selective of the schools, only 2.2% of enrolled students were Black down from 4.4%, according to the city Department of Education.
 - Research suggests that the New York City middle-grade schools that serve predominately Black and Latino students do not have the resources to provide adequate instruction to compete for admission to these elite schools, which is based solely on the specialized schools exam.²⁰

¹⁵ CERD art. 5 (e)(v).

¹⁶ “Federal Role in Education,” United States Department of Education, <http://www.ed.gov/about/overview/fed/role.html?src=ln>

¹⁷ Thomas M. Shapiro, *The Hidden Cost of Being African American: How Wealth Perpetuates Inequality* (New York: Oxford University Press, 2004), 200.

¹⁸ NYC Coalition for Educational Justice, “Did You Know?,” <http://www.nyccej.org/facts.html>

¹⁹ Kiernan, Christine “Bringing Diversity to New York Elite High Schools” *Gotham Gazette*. August 2007 <http://www.gothamgazette.com/article/education/20070813/6/2257>

²⁰ New York City Department of Education (2004).

- In many metropolitan regions, public schools have been closing in poor neighborhoods of color, because of lack of funding. New Orleans is an acute case: an already overstressed school system was further weakened when the levees broke. As of April 30th, 2008, 80 public schools were open in New Orleans and 58 schools remained closed.²¹

Article 5(e)(iv): States Parties “undertake to prohibit and to eliminate racial discrimination in all its forms and to guarantee the right of everyone, without distinction as to race, colour, or national or ethnic origin, to equality before the law, notably in the enjoyment of ... the right to public health, medical care, social security and social services.”²²

Marginalized Communities are More Vulnerable to Disasters

Poor people of color are more vulnerable to disasters than even poor Whites, because they are more likely to live in concentrated poverty neighborhoods and rely much more on public transportation. Because they are less likely to have insurance and access to credit, poor people of color also have a harder time rebuilding their lives after a disaster.

- In New Orleans, a history of racial exclusion led to the isolation of poor Blacks in the flood-prone Lower 9th Ward of New Orleans. Historically, the Lower 9th was undesirable land – a swamp – where poor freed Blacks and immigrant laborers from Ireland, Germany and Italy, unable to afford housing in other, higher, areas of the city, were forced to endure rampant flooding and disease.²³ Over time, suburbanization policies and racial preferences helped Europeans to move, while redlining and other forms of racial segregation kept African Americans stuck in the Lower 9th Ward. Prior to the broken levees, the Lower 9th Ward was almost exclusively Black and 36% of its residents were poor.²⁴

Systematic disinvestment in federal disaster management poses risks to many Americans, especially as climate change increases the risk of hurricanes along the Gulf and Atlantic coasts, and tornadoes and other severe weather inland. But given that many poor people of color are trapped in concentrated poverty neighborhoods, they are at greater risk of damage, injury, and death and less able to rebuild their lives after a disaster. These areas tend to be more geographically vulnerable, and residents often have less access to cars and other means of escape. The U.S. Federal Emergency Management Agency (FEMA) has been and continues to be under-resourced to meet the needs of its citizens in times of disaster, often with devastating consequences for marginalized communities.

- Two years prior to Katrina, in 2003, FEMA became part of the Department of Homeland Security (DHS). The Government Accountability Office documented a decline in funding

²¹ Greater New Orleans Community Data Center, <http://www.gnocdc.org/>

²² CERD, art. 5 (e)(iv).

²³ Greater New Orleans Community Data Center, “Lower Ninth Ward Neighborhood Snapshot,” Greater New Orleans Community Data Center, <http://www.gnocdc.org/orleans/8/22/snapshot.html>.

²⁴ U.S. Census (2000).

for all-hazards programs within DHS, and predicted a further decrease of more than \$200 million from 2005 to 2006.²⁵

- Prior to the creation of the DHS, FEMA’s preparedness and recovery programs addressed all disasters. In 2005, however, the Government Accountability Office reported that nearly three out of every four FEMA grant dollars went to programs solely concerned with terrorism-related disasters.⁹ This funding limitation to only one kind of disaster hindered FEMA’s ability to handle all types of major events. Five days after New Orleans’ levees broke and flooded the City; tens of thousands were still waiting to be evacuated.²⁶

Like many others, Mary Battle, a French language teacher from Slidell, Louisiana, faced multiple trials in trying to get relief. She did not receive her first FEMA emergency money until January 2006 (five months after Hurricane Katrina devastated her home). Mary also did not get a FEMA trailer until the end of February 2006, six months after Katrina. Mary applied for a Small Business Administration loan and for a FEMA grant to get her life back on track. Both applications were denied.

Article 5(e)(iii): States Parties must “undertake to prohibit and eliminate racial discrimination in all its forms and to guarantee the right of everyone, without distinction as to race, colour, or national or ethnic origin, to equality before the law, notably in the enjoyment of” the “right to housing.”²⁷

U.S. Policies Deny Marginalized Communities an Equal Right to Housing

- Under-funding and proposed funding cuts to the Department of Housing and Urban Development (HUD) have and will continue to jeopardize the supply of affordable housing for low-income families. The President’s current budget for the Department of Housing and Urban Development contains major funding shortfalls (\$6.5 billion in assistance for low-income families). This amount is needed, in addition to the President’s budget, just to maintain current levels of service in HUD programs and to prevent losses in housing assistance.²⁸ This is particularly troubling given the affordable housing needs across all racial groups and especially among people of color. Nationally, in 2000, 41% of Blacks and

²⁵ The Opportunity Agenda, Fact Sheet, “Investing in FEMA: A Role for Government in Protecting Opportunity” (citing U.S. Government Accountability Office, “Homeland Security: DHS’ Efforts to Enhance First Responders’ All-Hazards Capabilities Continue to Evolve,” Report to the Chairman and Ranking Democratic Member, Subcommittee on Economic Development, Public Buildings and Emergency Management, Committee on Transportation and Infrastructure, House of Representatives, July 2005).

²⁶ “House-to-house rescues under way in New Orleans,” CNN, September 5, 2005, <http://www.cnn.com/2005/US/09/04/katrina.impact/index.html>

²⁷ CERD, art. 5 (e)(iii).

²⁸ Barbara Sard, Douglas Rice, and Will Fisher, Center on Budget and Policy Priorities, “HUD Budget Contains Major Funding Shortfalls: Congress Needs to Add \$6.5 Billion to Administration’s Request to Avoid Cuts in Assistance for Low-Income Families (March 5, 2008).

41% of Latinos compared to 36% of Whites were rent-stressed, paying more than they could afford, more than 30% of their income, for rent. Twenty-one percent (21%) of Blacks and 19% of Latinos compared to 16% of Whites pay more than half (50%) of their income on rent.²⁹

- In Mississippi, Governor Haley Barbour diverted \$600 million from federal monies earmarked for housing. This came after HUD granted Mississippi a waiver of rules that require funds to benefit low and moderate-income residents, even though more than 13,000 Mississippi families, 35,129 people, remained in FEMA housing, most of them ineligible for the CDBG-funded grants.³⁰ In 2000, 39% of Blacks and 30% of Asians compared to 29% of Whites were rent-stressed. 21% of Blacks compared to 14% of Whites pay more than half (50%) of their income on rent.³¹

Article 2, § 2: States Parties shall take “*special and concrete measures to ensure the adequate development and protection of certain racial groups or individuals belonging to them, for the purpose of guaranteeing them the full and equal enjoyment of human rights and fundamental freedoms.*”³²

The U.S. Government has failed to take special and concrete measures to protect communities of color from abuses in the private lending market. Homebuyers in Black and Latino neighborhoods in New York City are more likely to get mortgages from subprime lenders. In 2006, 58.5 % of home loans to non-Hispanic Black borrowers were high-cost, compared to 15.9% for non-Hispanic Whites. For Latinos, high cost loans were 45.5% of home loans to Latino borrowers.³³ The subprime mortgage market is one of very few financial markets not regulated by the federal government.³⁴ Given its disproportionate impact on marginalized groups, to ensure “adequate protection,” the government has an obligation under CERD to regulate the subprime market and to take measures to increase access to credit for people of color.

²⁹ U.S. Census Bureau (2000).

³⁰ Mike Stucky, “Feds OK Mississippi’s Katrina grant diversion,” MSNBC, January 25, 2008, <http://www.msnbc.msn.com/id/22805282/page/3/>

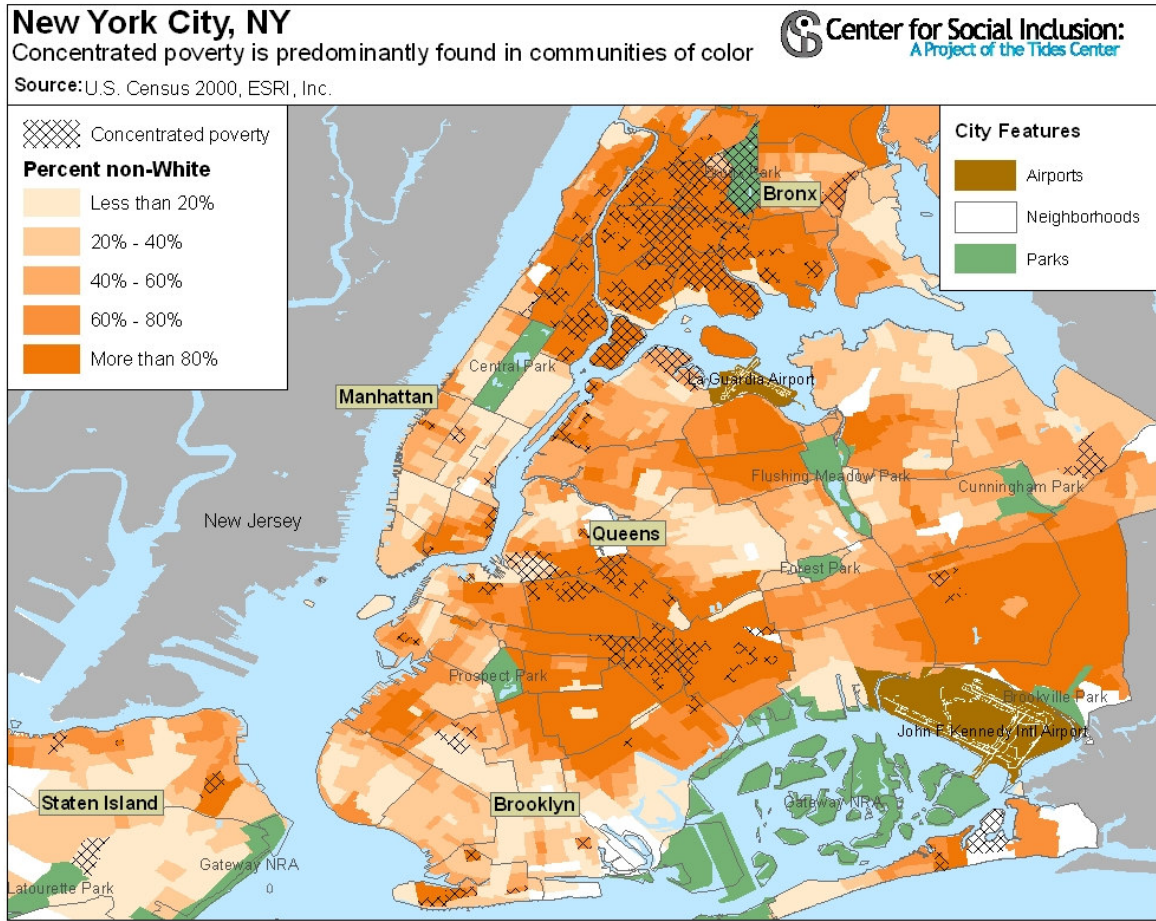
³¹ U.S. Census Bureau (2000).

³² CERD art. 2 § 2.

³³ The Furman Center for Real Estate and Urban Policy, State of New York City’s Housing and Neighborhoods 2007 (citing 2006 data disclosed pursuant to the federal Home Mortgage Disclosure Act).

³⁴ Nicholas Bagley, “Crashing the Subprime Party: How the Feds Stopped the States from Averting the Lending Mess,” *Slate*, <http://www.slate.com/id/2182709/>

APPENDIX A Concentrated Poverty in Neighborhoods of Color



APPENDIX B

Concentrated Poverty in Neighborhoods of Color and Isolation from Jobs

