



May 27, 2020

To: Minnesota Business Executives and Policy Leaders
Fr: Tawanna A. Black, Founder & CEO, Center for Economic Inclusion
Re: Call to Action to Dismantle Structural Racism & Economic Disparities in Minneapolis-St. Paul

In December 2015, CEOs Richard Davis (US Bank), David Mortenson (Mortenson), Brian Cornell (Target), Ken Powell (General Mills), Doug Baker (Ecolab), Geoff Martha (Medtronic), and Dave Kvamme (Wells Fargo) were deeply troubled by the unemployment and wage disparities between African American and White Twin Cities' residents and by the intensifying racial divide and unrest that fueled protests at the Minneapolis Police Department's 2nd Precinct following the Minneapolis Police officer shooting of Jamar Clark, an unarmed African American man, on November 12.

In response, these leaders reached out to seven African American nonprofit executive directors (I was one) and together, we established the Itasca North Minneapolis Partnership. The Partnership's mission: develop and implement strategies to better leverage private-sector employment and economic development assets against the disparate and deepening racial and economic disparities experienced by African Americans in North Minneapolis.

Five years later, despite the creation of meaningful workforce development partnerships, ideation of procurement strategies and investment funds, and creation of an institution to sustain the work of that partnership – Center for Economic Inclusion (2017) – very little has changed in our region.

In fact, over the 10-year period of recovery since the last recession, **Minneapolis-St. Paul has only closed the racial wage gap between Whites Workers and Workers of Color by \$541** (Source: *Brookings Metro Monitor*).

Why is meaningful change so slow? A key reason: Institutional, structural racism continues, unchecked, to influence and drive the actions of leaders, which marginalizes the state's Black and Brown residents. The ravages of COVID-19 have illuminated the inequities and where change is most needed.

I am writing today to demand a faster pace of change. With our economy in shambles, the opportunity to build an inclusive economy is now. An accelerated pace is dependent on your leadership to advance the strategies the Center is founded on to achieve economic and racial inclusion and a regional economy that works for everyone.

Data drives action. Recent COVID-19 related data, alone, paints an indelible picture of inequity and harm to our most vulnerable communities:

BIPOC (Black, Indigenous, People of Color), who represent 20% of Minnesota's population, have experienced the majority of economic impacts of COVID-19's in the state:

- BIPOC are Overrepresented in Essential Worker Classifications:
 - Essential workers are 42% Black, 36% Hispanic, 32% Native American, 28% Two or More Races, and 27% Asian.
- BIPOC are Overrepresented in MSP's Unemployment Claims for April and May 2020:
 - 14.25% Black; 8.3% Asian; 6.3% Hispanic; 1% Native American; 3.1% two or more races. Approximately 1 in 3 Black workers have filed for unemployment during this time period.
- Black patients are Overrepresented in COVID-19 Diagnosis:
 - 30% of race-identified Minnesota cases of COVID-19 have been Black. Over 40% of workers in congregant spaces who have contracted COVID-19 are Black, despite only 19% of workers in these facilities identifying as Black.

We have a history of partnership. Many of you will recall in 2016, when we helped you craft letters and facilitate discussions with your employees in response to the national election results. Others may recall our assistance in response to the 2017 Charlottesville Unite the Right Rally and the vocal stance many local CEO's took to condemn anti-Semitism and other racist and hatred acts, while issuing a call for unity and inclusion.

We stood united with you then -- *our business partners* -- and sounded the alarm for ongoing discussion and action to build a more inclusion, equitable region. **Today, we are sounding a louder alarm.**

The work of building a racially and economically inclusive region does not begin with an initiative, a tweet, or a statement to our employees. It does not begin with task forces or philanthropy or press conferences. This work takes deep, meaningful daily action in the places where business takes place, and that leaders make clear that inclusion and equity IS business.

Data prove that inclusion and equity is profitable and that its absence is costly. The question becomes: What cost is too much?

- Is it the \$30 billion left on the table by not paying workers of color equitably in our region?
- Is it the social costs to Black, Indigenous, and children of color who experience the weapons of racism and white supremacy in their classrooms before the age of 12 as the power of marginalization, criminalization, and asset control wielded over their heads without the watchful eye of advocates and parents?
- Or, is it the costs to each of us as we are pulled farther and farther apart, where power and racism are used first as subtle tools to control decisions, and then as tools of life and death that guide behaviors in each of our workplaces, neighborhoods, and places of social gathering until we find ourselves living an existence we no longer know?

The cities and states that will thrive economically in the future, and most certainly following this global pandemic, will have comprehensive plans that center inclusive competitiveness ® and racial equity.

Minneapolis-St. Paul has every opportunity to do so, but we must stop leading the same, racially exclusive way, calling it a different thing, hoping for different results.

The Urban Institute Inclusive Recovery in U.S. Cities (2017) studied the economic recovery efforts of 274 cities and identified the best practices of cities and regions that had successfully recovered with a lens for economic inclusion and racial inclusion. Minneapolis and Saint Paul scored abysmally, ranking 256 and 257, respectively, for economic inclusion, and 273 and 272, respectively, for racial inclusion.

We can and must do better.

In March 2020, in response to COVID-19, the Center for Economic Inclusion released an Inclusive Recovery Agenda. The strategies that the most inclusive U.S. cities have adopted are included in our Agenda:

- Adopt a shared vision early. Get buy-in from local stakeholders
- Inspire and sustain bold leadership
- Establish cross-sector partnerships: Residents, media, business leaders
- Build voice and power in BIPOC communities
- Leverage assets and intrinsic advantages – physical spaces and resident potential
- Think and act regionally
- Reframe inclusion as integral to growth
- Adopt inclusive policies and programs in education, housing, and fiscal policy

I urge you to review the Agenda, endorse it, identify actions your corporation can take this summer to align your investments, employment, procurement, and policy agendas, and contact us to take action. While we are mobilizing in partnership with the Linking Leaders Coalition, BIPOC-led organizations, and business, **your leadership and voice is critical.**

Silence is complicity. Your BIPOC employees, customers, and suppliers need and expect to hear and see strong leadership from you. We expect to see your values in action.

The Center was created to foster shared accountability for inclusive growth and to equip private and public sector leaders and institutions with the knowledge, tools, resources, and networks to take meaningful action to dismantle racism and institutionalize inclusive economic practices to grow our region's economy for everyone. As our economy has dramatically shifted due to COVID-19, our mission has become even more critical.

We stand ready to partner with you to meet our region's needs. If you are ready to take the action that is needed, I look forward to hearing from you soon. Thank you.