



# **COVID-19 and the Crisis of Racial Capitalism**

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The escalating COVID-19 pandemic impacts all of us, but for Black and brown people in particular, the combined health and economic devastation is truly terrifying. Communities of color have higher rates of asthma, less access to health care centers, are more likely to live in food deserts, and are among the most vulnerable in the face of this virus. The workers most on edge in our economy—and most likely to lose their jobs—are predominantly Black and brown. Most Americans lack even \$400 of savings to call upon in times of crisis, and that lack of wealth is even more pronounced for Black and brown communities.

Crises reveal deeper realities of power and inequity that have always been present but are often papered over in ordinary times. The conflagration of economic crisis and ailing communities may have been sparked by the novel coronavirus, but the kindling for this fire has been laid by conservatives and liberals alike with the policy choices of the past 40 years. **This is not just a pandemic crisis; it is a crisis rooted in our very system of racial capitalism and in the oligarchic inequities of American politics.**

This crisis will not be resolved soon. But Black and brown families in particular cannot survive a middling, incremental policy response. We need radical, unprecedentedly bold, race-forward ideas to bring immediate aid to communities on the brink of death and collapse. In the coming weeks, we need to bring that relief by addressing 5 core problems at the root of the current crisis.

**First, we need immediate and transformative relief for workers—focusing in particular on Black and brown workers.** These frontline “essential workers” who are still on the job in the face of a life-threatening, highly contagious virus—the delivery workers, restaurant workers, janitors, nurses, health care workers, and so many others—are keeping us all alive. Yet these are the very workers who have for decades been cut out of the social contract, exempted from labor protections, and pushed into increasingly precarious, gig-ified working conditions without benefits, let alone living wages. We need to provide these workers with immediate support and relief in the form of wage supplements and cash, paid sick leave, and access to health care. But we must also recognize in an even deeper way the incredible risks, sacrifices, and contributions these workers make. After World War II, the G.I. Bill provided veterans support for homeownership, access to higher education, business loans, and more, offering a universal program that affirmatively sought to include Black and brown veterans. We need a similar level of mobilization, this time centering on the predominantly Black, brown, immigrant, and women workers who make up these “essential” sectors: these workers should have immediate access to citizenship, debt forgiveness, and to the kinds of cash and credit supports that the current stimulus bills afford to big businesses.

**Second, we need to liberate our communities from an economy based on the extraction of wealth from workers, and in particular from Black and brown communities.** The economic collapse has made clear just how many of our families and communities are struggling to make ends meet, not just because of low wages but because of the crushing burdens of debt, unaffordable rents, housing precarity, pollution and climate crisis, and costly utilities that arbitrarily cut off access to water and heat even as these services generate huge returns for financiers, investors, and landlords. We need to provide immediate relief from these burdens on families by canceling debt, rent, and utility bills. Doing so will move us to an economy in which all of our communities are free to thrive and flourish.

**Third, we need a dramatic reinvestment in public goods, especially our infrastructure of care. This pandemic has proven devastating precisely because of the systematic dismantling and defunding of public goods and state capacities.** In the name of big business, out of a racialized hostility to truly inclusive public provision, we have for years deregulated and privatized the infrastructures that are most needed to protect the health, safety, and flourishing of our communities. We have fewer hospital beds today than we did decades ago—and our health care capacity is already overloaded, forcing doctors to make impossible decisions about who gets care, who lives and who dies. The Trump administration defunded pandemic preparedness structures even as it enacted a massive tax cut in 2017 that failed to live up to its nominal purpose of spurring widespread economic growth. We have a society where we have systematically disinvested in those public goods and essential services that are necessary for our communities to thrive—all in service to the fusion of racism and big business interests.

After decades of privatization, financialization, and deregulation, we find ourselves wholly unprepared for a crisis of this magnitude. In response, we need to ramp up our investment in truly universal access to the basic goods necessary for human and community well-being—and ensure that these goods are universally accessible by affirmatively enforcing access for Black and brown communities in particular.

**Fourth, we need to restructure our markets to ensure greater resiliency and accountability to the needs of people, not profiteers.** We lack adequate production of critical health care equipment and treatments because of an increasingly concentrated and unstable marketplace, where supply chains are stretched to the breaking point to maximize profits at the expense of resiliency. Recent journalistic accounts have highlighted how our lack of ventilators and affordable medical equipment can be traced in large part to a medical production supply chain in which innovative new firms are gobbled up by big industry players, who squash production of new technologies or ramp up prices to extract greater returns. The economic collapse underway is likely to further obliterate small and medium businesses, leaving us even more in the grips of a few mega-corporations and monopolies, like Amazon, Wal-Mart or big franchise firms like restaurant chains. Without affirmative supports for innovation, protections against industry consolidation, and tough regulations to ensure big businesses do not discriminate or price-gouge, our economy will emerge from this crisis even more unequal.

**Finally, we need to transform our systems of electoral and democratic accountability, to better protect our communities by holding government accountable.** The failures to invest in supports that would empower workers, that would protect the health, safety, and well-being of our communities are *political failures*. Even in the midst of this crisis, Congress has had little hesitation catering to the desires of big corporations like McDonalds and Amazon by exempting millions of primarily Black and brown workers from even the most modest extension of paid sick leave. Wealthy politicians and cabinet officials have slow-walked the Trump administration's response to the crisis—and GOP senators have even been caught profiting off of stock market trades using their foreknowledge of the pandemic, even as they lied to the public about the threat. How different would our governmental response be if our Congress and our cabinet looked more like our communities, and were more directly accountable and responsive to the most vulnerable and affected of us? We need to ensure that our communities have a direct voice in our elections, in our legislatures, and even in the day-to-day governance of our economy in order to protect against future life-threatening inequities.

Our communities and our loved ones are dying, their lives and livelihoods at risk, because of these failed policies. **Those policies are themselves the product of outdated ideologies and the unaccountable interest groups that sustain them.** We have a government that has sleep-walked through this crisis, putting millions of lives at risk, because of the influence of right-wing ideologues and business interests. We have policymakers who, even if they might mean well, continue to push for more “modest” measures that are targeted, means-tested, and limited in ways that replicate the exclusionary and inequitable structures of the past, rather than meeting the urgency of the present. The reality is that thousands of Americans will die, and millions of families and communities will be devastated by these ideologies, policies, and special interests as surely as by the virus itself.

From the Great Depression to world wars, we have been capable of wholly remaking our economic and political institutions to mobilize around values of democracy and economic inclusion in moments of deep crisis. But in the past, we have often fallen short of the most inclusive and expansive versions of those ideals. The New Deal saved the country from the Depression—but left women and Black and brown workers out. The response to the 2008 financial crisis eventually stabilized the economy, but left most homeowners, and many Black and brown workers, struggling to regain their footing even as a bailed-out Wall Street bounced back rapidly. We need to meet this urgent moment with bold action. And we need to do so in ways that do not replicate the limitations of the past, but rather make good on our values of love, empathy, equity—and solidarity.

This crisis illustrates just how deeply we depend on one another, and just how poorly our economy and our politics have served the foundational human needs of flourishing, of shared and equitable voice and prosperity. In this uncertain period of isolation and struggle, we are presented with greater clarity on what we need to do to emerge from this crisis: Enact real policies that are transformative for workers, that reinvest in care, and that ensure better economic resiliency and greater accountability when it comes to the needs of people.

At Demos, we believe in a moral vision of a just, inclusive economy and democracy that advances the emancipation of Black and brown communities from these deadly and destructive systems and secures the freedom for all of us to thrive. **To get there, we will need an unprecedented level of mobilization and boldness in this moment.**

**Protect access to the ballot for Black and brown voters.** Demos is more committed than ever to tearing down barriers to the vote—those that are particularly acute now but also the structural barriers that have plagued our democracy for generations. We need expansive vote by mail, more accessible voter registration, and safe in-person voting options for people with unreliable mail service. That also means an end to discriminatory purges and voter ID laws, the provision of ballot materials in multiple languages, early voting in all states, restoring polling places that have been closed in Black and brown communities, and guaranteeing voting rights for those in jails and prisons, the District of Columbia, and territories that want them. We need to ensure that Black and brown communities and working families are not stripped of their political voice in this crisis, but are instead empowered to hold government accountable, and to demand the kinds of relief our communities need.

**Advance race-forward policies and analyses that address the economic response.** Demos is providing race-forward analyses and structural policy solutions to the economic collapse that the country is now experiencing. We are pushing for stabilization and stimulus packages that explicitly address racial inequities and the needs of Black and brown people before big corporations. That means continuously advocating for stimulus packages that would alleviate student debt, and public investments that would create millions of family-sustaining jobs, rebuild our infrastructure, and expand public services that support climate resilience. We are also providing analysis on how current policies are increasing consumer debt burdens, worsening the racial wealth divide, and impacting the finances of Black and brown households in the time of coronavirus.

**Build long-term state power with Black and brown movement leaders.** Demos is drawing lessons from previous economic crises and pushing for bolder ideas around how to build a more democratic and inclusive post-pandemic economy. We are deepening engagement with our Inclusive Democracy Project partners, learning about the impact of COVID-19 on our partner organizations and their communities, and about what they need so that the critical work of winning vital campaigns and advancing democracy reform can continue. Working with partners to develop new tools and approaches to digital organizing, training, and canvassing, for example, will be necessary not only to address the crisis but to continue to build power for Black and brown communities for the long term.

The effects of this pandemic and the economic collapse will be felt for a long time to come. Many of us are afraid—for ourselves, for our loved ones, for our future. But there is power in community, and there is power in action. Together, we can and must meet this moment, so that we may survive—and build a world in which we truly honor the value and dignity of Black and brown lives and the freedom for all of us to thrive.